

Company Registration Number:
10821223 (England and Wales)

Woking College
(A Company Limited by Guarantee)

Annual Report and Financial Statements
For the year 1 September 2022 - 31 August 2023

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Woking College

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Woking College

Reference and Administrative Details

Members

Mr M. Ingram
Revd. Dr D. R. Marks
Mrs G. Mather
Mr L. Oates
Mr Z Tehal

Trustees

Mr G Botha (Appointed 10.05.23)
Mrs E Ehoru (Appointed 27.01.23)
Mr B Freeman (Principal and Accounting Officer)
Mr A MacAulay
Mrs A Middleton
Mr H J Miles (Retired 31.08.23)
Mr C Mitchell
Dr M Mulheron (Retired 31.08.23)
Dr R Sellahewa
Mr B Smith
Mr T A Stokes (Chair)
Mr A Williams (Resigned 05.10.23)

Senior Leadership Team

Principal
Deputy Principal
Assistant Principal
Assistant Principal
Director of Finance and Estates
Director of Learning and Teaching

Mr B Freeman
Mr N Razaq
Ms L Cook
Ms H Clarke
Ms F Munday
Mr T Wilks

Clerk to the Trustees

Mrs B Maude

Company Name

Woking College

Company Registration Number

10821223 (England and Wales)

Principal and Registered Office

Rydens Way, Woking GU22 9DL

Auditors

Azets Audit Services
Gladstone House
77-79 High Street
Egham
Surrey
TW20 9HY

Bankers

Lloyds Bank PLC
2 City Place, Beehive Ring Road
Gatwick, RH6 0PA

Solicitors

Eversheds Sutherland
1 Wood St, London EC2V 7WS

Woking College

Trustees Report

The Trustees present their Annual Report together with the Financial Statements and Auditor's Report of the charitable company for the year 1 September 2022 to 31 August 2023. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under Company Law.

Woking College, operates as a Single Academy Trust, and is one of the top-performing Sixth Form Colleges in the country specialising in academic and vocational courses for 16-19-year olds. During the year it had approximately 1,510 students on roll. In addition, the Trust has a number of part-time courses (predominantly English for Speakers of Other Languages) which serve the local community and currently have around 270 students enrolled on a part-time basis.

Structure, Governance and Management

Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Trust. The Trustees of Woking College are also the directors of the charitable company for the purposes of Company Law. The charitable company operates as Woking College.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of negligence, default or breach of duty of which they may be guilty in relation to the Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or not, and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as directors of the Trust.

Method of Recruitment and Appointment or Election of Trustees

Eligibility to act as a trustee of the Trust is within the constitutional framework and clauses 45-80 of the articles of association.

The Trust looks to ensure a mix of skills and selects new Trustees on the basis of background, experience and specialist skills to provide the Trust with the best possible advice and support. An annual skills audit is undertaken to identify any skills gaps in the Board of Trustees and to inform the recruitment of new Trustees to fill identified skills gaps.

The Trust Board are provided with training presentations as part of Trustee meetings on educational, college-organisational or other topical issues according to need.

Woking College

Trustees Report (Continued)

Policies and Procedures Adopted for the Induction and Training of Trustees

The Board of Trustees is responsible for ensuring that appropriate training is provided as required. All new Trustees attend induction training and receive a Trustees' Handbook including all relevant guidance to their role. Trustees are provided with support from the Clerk to the trustees who circulates regular sector briefings and updates and details of relevant external training and networking opportunities to Trustees which also includes both the SFCA and NGA Governance webinar programmes.

An annual governance conference is held each September to update Trustees on latest developments within the Trust and to review past and future practice with College middle-leaders.

Organisational Structure

The Senior Leadership Team (SLT) consists of the Principal, Deputy Principal, two Assistant Principals, Director of Learning and Teaching and Director of Finance and Estates. The SLT is also the Risk Management Group. The College Operations Group consists of the Deputy Principal, two Assistant Principals, Director of Learning and Teaching and four Associate Directors.

The Committee structure of the Board of Trustees consists of a combined Finance and Audit Committee as well as a Succession Planning Working Group. There is a Scheme of Delegation (which is on the College website) which shows which decisions are reserved for the Board of Trustees and those delegated to management.

Arrangements for setting pay and remuneration of key management personnel

At Woking College, the Accounting Officer (Principal) is the only person defined as a senior post holder. Decisions relating to senior post holder appointments and remuneration are made by the Trustees after detailed review of performance and affordability as well as benchmarking data by a working group of Trustees who review the remuneration.

Decisions relating to other members of senior leadership are taken by the Principal having regard to benchmarking data, Sixth Form Colleges Association pay increases and affordability.

Trustees / Members do not receive any remuneration.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
Nil	Nil

As there were no relevant union officials during the relevant period no further disclosure is required.

Woking College

Trustees Report (Continued)

Related Parties and other Connected Charities and Organisations

The College has no formal related parties and is not connected with any other charity or organisation. However, the Trust works closely with local schools and is a member of the S7 Consortium of Sixth Form Colleges, which provides training and other cross-college activities.

The College has links with the local community and local sporting clubs, including Woking Town Football Club, the Old Woking Community Association and Woking Borough Council. The College has joined Surrey Chamber of Commerce and is working with a range of local employers on projects enhancing students' workplace readiness.

Objectives and Activities

Objects and Aims

The Trust's objects, as set out in the Memorandum of Association, are to advance for the public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a curriculum appropriate to the needs of its students. In addition, the Trust is to promote for the benefit of the inhabitants of Woking and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life for local people.

The objective is to provide education for students of all abilities to improve their life chances, allowing them to take the opportunities that are available to them. We aim to enhance our students' future choices through the provision of a learning environment in which they will maximise their examination success. These successes should happen within a culture in which the learning of wider knowledge, skills and values are cherished and supported and attention is paid to individual wellbeing - to the benefit of individual students and the societies in which they will live.

Our mission will be achieved if, following effective advice and guidance, all students are enrolled onto the right courses, for them as individuals and they then benefit from high-quality teaching and assessment. At Woking College stretch and challenge in learning will be embraced, students will be encouraged to be independent learners with a sense of ownership in their work and progress; this will be supported with a steadfast belief in the ongoing personal development for all members of the College community.

Woking College will remain an inclusive, diverse, open access Sixth Form College with a positive sense of community and strong links to the local area, accepting students from across Surrey. We want to further enhance the vibrancy of the College and continue to engender an excitement for learning. We will help students to become critical thinkers able to deal with the challenges of an uncertain world in order to nurture the next generation of leaders, carers and active citizens. Woking College sees the quality of Learning, Teaching and Assessment as essential to its mission; to become recognised in the wider community as a leader in Sixth Form pedagogy.

Consistent with other academies in the United Kingdom, Woking College aims to raise educational outcomes and to increase student numbers to meet demand.

Woking College

Trustees Report (Continued)

Objectives, strategies and activities

In May 2021, the College adopted a strategic plan for the period 1 September 2021 – 31 August 2025. The Board of Trustees monitors the performance of the College against these plans. The plans are reviewed and updated each year. Key strategic objectives are:

- Maintenance of the highest quality learning and teaching through regular and effective sharing of best practice, encouraging innovation in Learning, Teaching and Assessment as well as ensuring quality assurance process are reflective, robust and clearly drive year-on-year improvement in practice.
- Preparing young people for all of our sustainable futures by effectively supporting independent learning and homework tasks throughout their time at College as well as providing highly effective careers guidance and a pastoral programme that addresses and promotes the wider skills, attitudes and attributes needed by young people after College.
- Community and wellbeing; A comprehensive range of pastoral and other wellbeing support and community activities, will allow us to make every effort to promote positive mental health and so allowing all to carry out their roles to the best of their abilities. Engagement in the local community through work experience, voluntary work and working with local organisations will allow the College to be seen as an important local resource and an institution of which the town of Woking can be proud.
- Resources for stability and growth; Funding for learning and teaching resources, including ICT and provision for pastoral support will be maintained so that teachers and students will continue to have up-to-date bespoke resources which contribute to educational progression and individual wellbeing. The College will continue to fund necessary and modernising resources alongside a process of innovation bids from teaching departments, which build their position as leaders in sixth form education both locally and nationally.

Public Benefit

Woking 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 1.

In setting and reviewing the College's strategic objectives, the Board of Trustees has had due regard for the Charity Commission's guidance on public benefit and particularly upon its supplementary guidance on the advancement of education. The guidance sets out the requirement that all organisations wishing to be recognised as charities must demonstrate, explicitly, that their aims are for the public benefit.

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

- High-quality teaching
- Widening participation
- Excellent progression/employment record for students
- Strong student support systems
- Links with employers, industry and commerce

Woking College

Trustees Report (Continued)

Strategic Report

Achievements and Performance

The achievements in 2022/23 in relation to the Trust's main strategic objectives include:

- 608 (2021/22: 610) Advanced level students completed their course and of these, 66 (2021/22: 83) went into employment, 56 (2021/22: 54) students have been accepted into Apprenticeships, 309 (2021/22: 334) have commenced further or higher education, 150 (2021/22: 108) students have taken a Gap Year and 24 (2021/22: 17) Level 3 students have gone to other FE colleges.
- Students entering Higher Education (including those students taking a Gap Year) is estimated to be 76% (2021/22: 74%). If those on a Gap Year are excluded, it is 51% (2021/22: 56%).
- 309 (2021/22: 334) students applied for higher education courses, and of these 81% (2021/22: 84%) gained their first choice, 9% (2021/22: 4%) gained their insurance choice.
- 91 (2021/22: 77) Level 2 students completed their course and of these 88% (85%) continued with their education, 4% (2021/22: 5%) went into employment and 3% (2021/22: 8%) started apprenticeships. Of those who remained in education 68% (2021/22: 67%) chose to do so at Woking College.

The Trustees use the following measures to assess the success of the activities of the College;

- Student achievement including value added performance
- Percentage of students passing
- Attendance data
- Retention data
- Student enrolment data
- College's compliance with all legal requirements including Equality and Diversity, Health and Safety, Safeguarding, Data Protection including GDPR

Key Performance Indicators

Overall Success/ Achievement Rate	16-18			19+		
	20/21	21/22	22/23	20/21	21/22	22/23
Enrolments	2,636	2,816	2,612	416	483	627
Achievement rate (%)	92.6	90.6	92.1	82.7	81.4	92.8
Pass rate (%)	98.5	95.7	97.2	83.3	84.9	94.3
Attendance (%)	96.8	96.3	96.8	-	-	-
Retention (%)	94.0	94.7	94.7	99.3	95.9	98.4
High Pass rate (%)	65.6	55.6	50.5	-	-	-

Going Concern

The Trust has achieved a net income before depreciation and FRS102 adjustments and has retained reserves. After making appropriate enquiries, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Trust continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the 'going concern' basis can be found in the Statement of Accounting Policies on page 30.

Woking College

Trustees Report (Continued)

Financial Review

The majority of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants. The grants received from the ESFA and the associated expenditure is shown as restricted funds in the Statement of Financial Activities.

During the year, the College opted in to receive its allocation of £61k of the Catch-up premium. The funding is intended to support 16-19-year-old students who have not yet achieved a grade 5 GCSE in English and/or maths. Students with Special Educational Needs and Disabilities (SEND) - including those aged 19 to 24 who require additional tuition to help them catch up with their studies are also supported by this provision.

The College used this funding to provide:

- Small group teaching to targeted students in GCSE Maths
- Individual and small group support to targeted students for mentoring and general educational support purposes, drawn from students without GCSE English or maths
- Small group support to all students with disclosed learning needs. This support is a mix of 1 to 1 and small group work
- Easter revision conferences across a variety of subjects for small groups of students.

The College generated a profit before other gains and losses for the period of £1,272k (this includes £931k for depreciation). This includes capital funding received of £2,078k towards the capital projects undertaken throughout the year and £673k paid to Woking Borough Council towards the refurbishment of the Old Woking Community Centre.

At 31 August 2023 the net book value of fixed assets was £33,759k as shown in note 10. The assets are used for the purposes of providing education and the associated support services to the students of Woking College. Total funds available at 31 August 2023 amount to £35,147k and the value of unrestricted reserves is £1,423k.

Reserves Policy

The policy is to have at least £500k in free reserves (excluding the restricted fixed asset fund asset £33,554k and pension reserve £170k surplus at 31 August 2023) to mitigate the risk of reduced funding due to lower student numbers, funding cuts or unexpected increases in expenditure for example higher levels of inflation. The reserve amount dictated by College policy equates to approximately one months' worth of expenditure including payroll and will ensure the working capital requirements are met.

The number of reserves held (excluding restricted fixed asset and pension reserve) on 31 August 2023 is £1,423k which comfortably exceeds the target level set. It is currently anticipated that funds over and above the target free reserves will be used to improve the infrastructure of the College's premises to benefit current and future students.

The total funds available on 31 August 2023 amount to £35,147k and the amount available for general purposes of the Trust on 31 August 2023 amount to £1,423k. The balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2023 is £1,423k.

The pension reserve reflects an asset position but this does not create an immediately realisable asset that can be expended for the specific purposes of the LGPS reserve and as such it is excluded when looking at the Total funds available as at 31 August 2023.

Woking College

Trustees Report (Continued)

Investment Policy

The Trust has an Investment Policy that allows funds, identified as surplus to immediate requirements through cash flow monitoring, to be placed on short-term deposit with banks. The banks offer better return on short term investments through the money market. Should the reserves increase sufficiently to consider longer term investment, the Trust would take professional advice on suitable investment opportunities.

Principal Risks and Uncertainties

The system of internal control maintained by the Trust includes financial, operational and risk management which is designed to protect the College's assets and reputation.

A risk register is maintained at the Trust and is reviewed at the meeting of the Audit and Finance Committee, and on a regular basis by the SLT. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Trust and the actions being undertaken to reduce and mitigate the risk. Risks are prioritised using a consistent scoring system. Outlined below is a description of the principal risk factors that may affect the Trust. Not all the factors are within the Trust's control. Other factors besides those listed below may also adversely affect the Trust.

The College faces the following principal risks;

1. The College fails to recruit and retain appropriate numbers of new and returning students and/or fails to fully record the complete learning programme (including GCSE Maths and English if applicable), thereby not maximising funding in order to allow for the effective operation of its mission and having to make strategic changes to its plans.

This risk is managed by the College using effective interviewing and admission processes to ensure maximum publicity and contact with students in Year 10 and 11. ILR submissions are reviewed by the Director of Finance and Estates Application numbers and acceptance numbers are reviewed by the Executive weekly. Marketing activities are tailored according to recruitment trends.

2. Insufficient increases in funding streams coupled with rising running costs (including significant increases in energy costs and additional examination fees for vocational courses) reduce the overall income and lead to the College not being able to continue as a going concern.

This risk is managed by producing an annual budget and a three-year forecast based on a variety of assumptions about funding rates and external salary related changes. Monthly management accounts are produced and reviewed by the Director of Finance and Trustees, and action taken should negative variances arise.

3. The College fails to recruit, manage and retain high performing staff (both teaching and support staff) - resulting in poor morale and well-being, increased risk of industrial action and lower achievement rates which will reduce student demand and lead to risk 1.

This risk is managed by taking a proactive approach to staff recruitment and, in most cases, advertising and appointing as early as possible to ensure successful appointments or time to re-advertise if necessary.

Woking College

Trustees Report (Continued)

Principal Risks and Uncertainties (Continued)

4. Failure to effectively address the range of changing external challenges, such as increased local post-16 competition and a change in national priorities such as national curriculum structures and expectations, leads to a loss of reputation, lower student recruitment and therefore income.

This risk is managed by producing the following documents in which the College identifies and responds to the range of external challenges, to ensure the Colleges agreed strategic objectives are met:

- A Mission Statement
- A Quality Improvement Plan
- A four-year Strategic Plan
- A Financial Plan

The documents listed above are all reviewed regularly by the SLT in consultation with all staff in order to ensure the College's responses remain relevant, sufficient and appropriate. The documents listed above are reviewed and agreed by the Board of Trustees as being sufficient to achieve the College's strategic objectives in the short/medium term.

5. Failure to manage the extended use and provision of the College site (3G pitch and pavilion, OWCC, evening and weekend lettings and wider community usage) leads to reputational damage and increased risk to core daytime business activities.

This risk is mitigated by limiting the use of our facilities to local groups with established relationships with the College.

6. Failure to meet quality targets (achievement rates in particular and implementation of new vocational specifications and assessments) therefore impacting the College's reputation and its ability to attract and retain students. Failure to obtain at least "Good" OFSTED inspection outcome, resulting in reduced student numbers and leading to risk 1.

This risk is managed by ensuring the quality targets defined by Government are contained within the College's Quality Improvement Plan which is managed and reviewed in the annual Self-Assessment Review. All College policy documents are reviewed on a cyclical basis to ensure they are up-to-date and fully compliant with quality targets.

Fundraising

The Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

Woking College

Trustees Report (Continued)

Plans for Future Periods

As part of the College's plans to continue its mission "to improve the life chances of our students" the College has entered into a 125-year Under lease relating to use of parts of the Old Woking Community Centre ('OWCC') with the Trustees of the Old Woking and District Community Centre.

During 2023/2024 the key objectives will be as follows:

Quality of Education:

- Remain at the forefront of innovative organisation of learning, teaching and monitoring student progress
- Embedding significant numbers of new staff into College ethos, vision, culture and expectations
- To continue to enhance consistency and quality of Teaching, Learning and Assessment and 1:1 tutorial

Behaviour and Attitude:

- Further development of the Equality, Diversity and Inclusivity programme throughout College

Personal Development

- To further develop the Woking Way Programme and cultural enhancement
- Further development of support for student's mental health and wellbeing

Leadership and Management

- To be at the forefront of developing a robust and effective induction programme for Early Career Teachers (ECT), adhering to the Early Career Framework (ECF)
- Continue to embed staff wellbeing into all aspects of College life to further enhance morale
- Maintain and build upon excellent communication with local communities
- Further development of data management to continue to reduce workload and promote well-being
- Effective management of the re-suiting of College following completion of new builds
- To further enhance the college IT infrastructure to ensure it supports continuity of operations
- To increase focus on sustainability and explore cost effective ways of reducing carbon emissions

Auditor

Insofar as the Trustees are aware

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' Report, incorporating a Strategic Report, was approved by order of the Board of Trustees, as the company directors, on 6 December 2023 and signed on the Board's behalf by:



Tim Stokes
Chair of Trustees

Woking College

Governance Statement

Scope of Responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Woking College has an effective and appropriate system of controls, financial and otherwise. These systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Trustees has delegated day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Woking College and the Secretary of State for Education. The Principal is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 8 times during the year. 7 meetings were scheduled at the start of the year but 1 further meeting was called by way of an extraordinary meeting to approve the budget for 2023/24. Approval had been delayed pending a review of the original ESFA funding allocation.

Trustees	Meetings attended	Out of a possible	% Attendance
Mr G Botha	3	3	100%
Mrs E Ehoru	4	4	100%
Mr B Freeman	8	8	100%
Mr A MacAulay	7	8	88%
Mrs A Middleton	6	8	75%
Mr J Miles	7	8	88%
Mr C Mitchell	2	8	25%
Dr M Mulheron	6	8	75%
Dr R Sellahewa	6	8	75%
Mr B Smith	4	8	50%
Mr T A Stokes	8	8	100%
Mr A Williams	7	8	88%

Coverage of the work of the Board of Trustees

The Board of Trustees met 8 times during 2022/23. All meetings were held as physical face to face meetings. If additional meetings are considered necessary, either additional Board Meetings are convened as required or the Board sets up working groups.

Terms of Reference for the combined Finance and Audit Committee are reviewed annually and re-affirmed. The Clerk to the Trustees co-ordinates the work of the Board of Trustees. The minutes of the Finance and Audit Committee, and key reports including the management accounts, are also considered by the full Board at each meeting. Management accounts are circulated to the Chair of the Board monthly and to all Trustees with a covering email from the Director of Finance of Estates during the year. Through the regular circulation of management accounts to the Board and scrutiny by the Finance and Audit Committee (which meets once a term or more often if required) the Board maintains effective oversight of the College's funds.

Woking College

Governance Statement (Continued)

Coverage of the work of the Board of Trustees (Continued)

The oversight of educational performance by the Board is undertaken through a number of ways in addition to scrutiny of performance data at Board Meetings. These include involvement of Trustees in moderation of the College Self-Assessment Report. Trustees observe both mid-year SAR reviews and the College SAR validation event to check the rigour of the process first hand for the Board and to validate or challenge judgments made by College managers. The Chair and Vice Chair of Trustees also meet the Principal to discuss broader educational and College developments. Trustees have also used contextualised learning walks and the Board adopted a new Link Trustee protocol in March 2021 and the Link Trustee scheme has continued throughout 2022/23, with 7 Trustees continuing to be linked to a particular department which enables a greater focus on a particular curriculum area or a particular aspect of teaching, learning and assessment. During 2022/23, Link visits took place across the departments of Humanities and Sports & PE.

During the pandemic, student focus groups were not held but these groups have now recommenced (with sessions taking place between Student Union representatives and the Chair & Vice Chair of the Board) and these form an important mechanism to help validate Trustees' judgments about the College's performance.

The Board's performance

The Board is aware of the need continually to monitor and improve its performance. The Finance and Audit Committee carries out an annual review of effectiveness against its Terms of Reference set out in the Committee's Annual Report. The key tool for Board evaluation is the practice of carrying out an annual internal review when the Board prepares a Governance Self-Assessment Report, identifying key strengths and areas for development including setting a Governance Quality Improvement Plan and self-assessing the effectiveness of governance which was self-assessed for 2022/23 as Outstanding. Achievement against targets in the Governance Quality Improvement Plan was reviewed mid-year by the Board's Succession Planning/Governance Working Party and action instituted to ensure that all targets are met.

Data used by the Board

Trustees receive high-quality, accurate and timely information sufficiently in advance of Board Meetings so that they can exercise effective scrutiny at their meetings. Teaching, Learning and Assessment is highlighted as a separate agenda item for every Board meeting and appears early on the agenda so as to be a key focus for Trustee's time and attention.

Trustees receive regular written reports, performance data and Quality Improvement Plan (QIP) updates, supplemented by presentations from senior College staff at Board Meetings. Trustees also request additional reports or presentations if they lack knowledge of any particular issue or curriculum development. At the request of Trustees all data presented to the Board is colour coded to highlight whether this is below, at or above target and includes comparable data (where available) in respect of the previous two years as well as benchmarking comparing the College with other colleges and academies.

Trustees are invited to attend the College's Self-Assessment moderation meeting and mid-year review meetings. All Trustees receive the College's Self-Assessment Report and the College's QIP and review and monitor the QIP from regular progress reports on this to the Board throughout the year. The Board meeting in November is dedicated to the robust review and challenge of the College's Self-Assessment Report. The November meeting and all subsequent reports and presentations provided to the Board enable Trustees to have a clear understanding of the College's strengths and weaknesses.

Trustees also gather first-hand knowledge about the strengths and weakness of the College from visits to their Link departments. Arrangements are made directly between Trustee and Head of Department. In addition, the Chair and Vice-Chair have held staff and student focus groups without College management present to test the accuracy of the data which they receive.

Woking College

Governance Statement (Continued)

Conflicts of interest

Previously, the College required all Members, Trustees and members of the Senior Leadership Team to physically complete a Register of Interest on appointment and then annually at the start of each academic year. The Register of Interests require the declaration of all pecuniary and other direct or indirect personal interests of not only the Member, Trustee or SLT Member but of their immediate family or close connections. A summary of all declared interests of Trustees and Members was also published on the College website at the start of the academic year and updated as appropriate. All original Register of Interests remain held by the Clerk to the Board of Trustees.

In addition, there is a standing agenda item at each Board of Trustees meeting and Committee meetings for those attending to declare any conflicts of interest.

During 2022/23 and the adoption of a governor virtual office, known as GovernorHub there was a move away from Trustees, Members and SLT Members annually signing off a separate Register of Interests form. Now, all Trustees, Members and SLT complete their register of interests within their profile online and confirm that the declaration remains accurate on an annual basis. A full summary of declared interests can be downloaded direct from GovernorHub.

Governance Review

The key tool for Board evaluation is the practice at Woking College of carrying out an annual internal review of the effectiveness of Governance as part of the College-wide Self-Assessment process. The Board utilises the format recommended by the Academy Trust Handbook and then holds a separate self-assessment meeting attended by Trustees and without management present. Through this process of preparing the Governance Self-Assessment Report the Board self-assesses the effectiveness of governance at Woking College including identifying key strengths and areas for development included in a Governance Quality Improvement Plan for the next year. The Board of Trustees reviewed the effectiveness of the 2021/22 Governance Quality Improvement Plan in the autumn term 2022 and adopted a Governance Quality Improvement Plan for 2022/23 with six areas for improvement. These six areas aligned with the areas for improvement set out under Leadership and Management in the College's QIP. These areas were reviewed throughout the year, most notably as part of the Succession/Governance Working Group held in May 2023 and reported back to the Board on the achievement against targets mid-year and instituted further agreed action to ensure that all targets, wherever possible, were met.

The Board also prepare a Performance Review as part of its commitment to continually self-evaluate. The report provided an overview of the year, the key decisions taken and the monitoring processes it had undertaken to comply with its responsibilities. This document was published on the College's website to ensure that it was available to parents, stakeholders and the wider community.

During 2022/23, the Board commissioned an External Review of Governance. The Board in October 2022 appointed Fiona Chalk of Governance4FE who carried out a review over the period of February 2023 to May 2023. This included a scoping exercise with the CEO, Chair of Trustees and Governance Professional, the circulation of a questionnaire and follow up conversations with Trustees, members of the Executive Team, the Principal, the Chair, and the Governance Professional, observation of a Board meeting in March 2023, perusal of documentation and finally a facilitated discussion with the Board on the findings of the draft report in May 2023.

The ERG report echoed the recent Ofsted inspection findings and suggested improvements were therefore to be understood against the background of a strong governance foundation. Evidence based recommendations were set out in terms of alignment; governance practice and relationships and enabling.

The Board reviewed the suggested recommendations and agreed at the June 2023 Board meeting the top 3 priorities and these will be the focus for development in the course of 2023/24.

Woking College

Governance Statement (Continued)

Governance Review (Continued)

Changes made to governance at the College during 2022/23 and the impact of these on the effectiveness of governance include:

- The continued promotion of the Link Trustee Scheme and agreed protocol which links a Trustee to a department of their choosing enabling them to gain a greater understanding of that particular curriculum area or a specific aspect of Teaching, Learning and Assessment to achieve a greater understanding of the strengths and weaknesses of the College.
- Student enrichment/Learner Voice – A Student Focus Group was held in March 2023 and SU representatives attended the June 2023 Board meeting.
- Periodic updates are given to Trustees to remind them of their responsibilities as Trustees and Directors together with ongoing training to ensure they are fully conversant with their responsibilities. Successful Trustee training has been achieved through the SFCA and NGA Governance webinar training programme which provides comprehensive sector insights. Whole Board face to face training also took place in January 2023 with the Board concentrating on the learner experience. The Board examined the experience of a typical learner through the enrolment process, examining how the College ensured that each student was enrolled on the right course for them and exploring how some more challenging situations had been resolved. The Board also had a demonstration on the new Apple support framework and the methodology behind the new teaching aid, WALKTHRU's. All Trustees are asked to complete the online Safeguarding module operated by Cylix (certified CPD) together with online Prevent Awareness training run by HM Government.

From September 2022 to August 2023, no Trustees who were also Members of the Trust therefore providing a robust governance structure due to the significant degree of separation between the member and trustee roles.

Finance and Audit Committee

The Finance and Audit Committee is a Committee of the Board of Trustees. It operates in accordance with written Terms of Reference approved by the Trustees. In terms of its financial function, its purpose is to review the financial position of the Trust, including revenue, capital and cash flow and investments, on a termly basis (or more frequently if required). It receives regular reports on capital schemes and other estates issues. This year the focus has been on the College's expansion strategy in which the College, having submitted two unsuccessful Condition Improvement Fund Bids for overcrowding over the two years, the College was notified in October 2021 that its expansion bid for a new eight-classroom teaching block had been successful in the Post-16 Capacity Fund Bid. The Finance and Audit Committee advises the Board on all financial matters and such other matters relating to employment and certain corporate policies or finance as the Trust Board may remit to them such as financial regulations/delegations/procedures or staffing policies. During the period it dealt with monthly management accounts, the annual budget, three-year forecast and a number of Condition Improvement Fund bids.

In terms of the Audit function of the Committee, its purpose is to advise the Trustees on the adequacy and effectiveness of the Trust's systems of internal control and its arrangements for risk management, control and governance processes. The Committee also provides a forum for reporting by the Trust's Financial Statements Auditor's, who have access to the Committee for independent discussion, without the presence of management. The Committee also receives and considers reports from the funding body if they affect the operations.

Management are responsible for the implementation of agreed audit recommendations and the Finance and Audit Committee review follow-up tracker reports to ensure that recommendations have been implemented.

Woking College

Governance Statement (Continued)

Finance and Audit Committee (Continued)

The Committee also advises the Trustees on the appointment of Financial Statements Auditor's, and their remuneration for both audit and non-audit work as well as reporting annually to the Trustees.

Attendance during the period at meetings was as follows:

Trustees	Meetings attended	Out of a possible	%Attendance
Mr B Freeman	3	3	100%
Mr H J Miles	3	3	100%
Dr M Mulheron	2	3	66%
Dr R Sellahewa	3	3	100%
Mr T A Stokes	3	3	100%
Mr A Williams	3	3	100%

Review of Value for Money

As Accounting Officer, the Principal, has responsibility for ensuring that the Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received. The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Trust has delivered improved value for money during the year by:

- Ensuring financial controls and procedures are reviewed regularly including written delegations and clear purchasing procedures
- Regular budget monitoring including comprehensive monthly management accounts which are reported to Trustees on a monthly basis
- Three-year financial planning and cash-flow forecasting
- Collaborative procurement programme with S7 covering staff development
- Undertaking regular review of benchmarking against other S7 Colleges and other Sixth Form Colleges
- Upgrading the life expired heating system to the three oldest teaching blocks as well as taking the opportunity to refurbish those blocks, including upgrading the lighting to LED lighting.

The College did not make payments to suppliers under the PPN 20/20 (Procurement Policy Note) during the 2022/23 year.

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 on-going process designed to identify and prioritise the risks to the achievement of Trust 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 Woking College for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the Annual Report and Financial Statements.

Woking College

Governance Statement (Continued)

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the Annual Report and Financial Statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- Regular reviews by the Finance and Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- Setting targets to measure financial and other performance
- Clearly defined purchasing (asset purchase or capital investment) guidelines
- Delegation of authority and segregation of duties
- Identification and management of risks.

The Board of Trustees has decided to employ Wylie and Bisset LLP as internal auditor. This role includes giving advice on financial and other matters and performing a range of checks on the Trust's financial and other systems. In particular, the checks carried out in the current period included:

- Overall Financial Controls
- Funding Review
- Health & Safety

The internal auditor reports to the Board of Trustees twice a year, through the Finance and Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares an annual summary report to the Committee outlining the areas reviewed, key findings, recommendations and conclusions to help the Committee consider actions and assess year on year progress.

In addition, the Finance and Audit Committee hold a closed session with the auditors prior to each meeting they attend, without senior management present.

No material control issues arose as a result of the auditor's work.

Review of effectiveness

As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework

Woking College

Governance Statement (Continued)

The Accounting Officer has been advised of the implications of the result of the review of the system of internal control by the Finance and Audit Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 6 December 2023 and signed on its behalf by:



Tim Stokes
Chair of Trustees



Brett Freeman
Principal and Accounting Officer

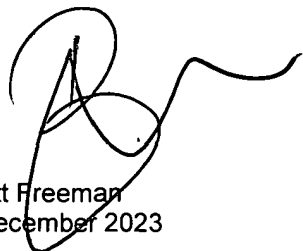
Woking College

Statement of Regularity, Propriety and Compliance

As accounting officer of Woking College, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2022.

I 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 the board of trustees and ESFA.

A handwritten signature in black ink, appearing to be 'Brett Freeman', with a stylized, flowing script.

Brett Freeman
6 December 2023

Woking College

Statement of Trustees' Responsibilities

The Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with the Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023
- Make judgments and accounting 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
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 6 December 2023 and signed on its behalf by:



Tim Stokes
Chair of Trustees

Independent Auditor's Report to the members of Woking College for the year ended 31 August 2023

Opinion

We have audited the financial statements of Woking College for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education & Skills Funding Agency.

In our opinion the financial statements

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

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 academy trust 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 Trustees' 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 academy trust'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 Trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

We have nothing to report in this regard.

Independent Auditor's Report to the members of Woking College for the year ended 31 August 2023 (Continued)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report, including the incorporated strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees 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 Trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company, 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. 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.

Independent Auditor's Report to the members of Woking College for the year ended 31 August 2023 (Continued)

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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.

Independent Auditor's Report to the members of Woking College for the year ended 31 August 2023 (Continued)

Use of our report

This report is made solely to the Academy Trust's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act. Our audit work has been undertaken so that we might state to the Academy Trust's Members those matters we are required to state to them in an Auditors' 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 Academy Trust and the Academy Trust's Members as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Paul Creasey (Senior Statutory Auditor)
for and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor

Gladstone House
77-79 High Street
Egham
Surrey
TW20 9HY

6 December 2023

Independent Reporting Accountant's Assurance Report on Regularity to Woking College and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 6 June 2023 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Woking College during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Woking College's Accounting Officer and the Reporting Accountant

The accounting officer is responsible, under the requirements of Woking College's funding agreement with the Secretary of State for Education dated 17 January 2023 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed, and income received is 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 Academies Accounts Direction 2022 to 2023. 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 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

Independent Reporting Accountant's Assurance Report on Regularity to Woking College and the Education & Skills Funding Agency (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 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Azets Audit Services

Reporting Accountant

Azets Audit Services
Gladstone House
77-79 High Street
Egham
Surrey
TW20 9HY

Date *6 December 2023*

Woking College
Statement of Financial Activities
For the period ended 31 August 2023
(including Income and Expenditure Account)

	Note	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	2022/23 Year	2021/22 Year
		£000	£000	£000	Total £000	Total £000
Income and endowments from:						
Donations and capital grants	2	8	-	2,078	2,086	749
Other trading activities	4	160	-	-	160	83
Charitable activities:						
Funding for the Academy Trust's educational operations	3	66	8,818	-	8,884	8,029
Total		234	8,818	2,078	11,130	8,861
Expenditure on:						
Charitable activities:						
Academy trust educational operations	6	-	8,927	931	9,858	9,042
Total		-	8,927	931	9,858	9,042
Net income / (expenditure)		234	(109)	1,147	1,272	(181)
Transfer between funds	13	(514)	(1,185)	1,699	-	-
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes	22	-	515	-	515	2,158
Net movement in funds		(280)	(779)	2,846	1,787	1,977
Reconciliation of funds						
Total funds brought forward		1,703	949	30,708	33,360	31,383
Total funds carried forward		1,423	170	33,554	35,147	33,360

The accompanying notes form part of these financial statements.

Woking College
Statement of Financial Activities
For the period ended 31 August 2022
(including Income and Expenditure Account)

	Note	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	2021/22 Year	2020/21 Year
		£000	£000	£000	Total £000	Total £000
Income and endowments from:						
Donations and capital grants	2	4	-	745	749	123
Other trading activities	4	83	-	-	83	27
Charitable activities:						
Funding for the Academy Trust's educational operations	3	67	7,962	-	8,029	7,962
Total		154	7,962	745	8,861	8,112
Expenditure on:						
Charitable activities:						
Academy trust educational operations	6	-	8,397	645	9,042	8,290
Total		-	8,397	645	9,042	8,290
Net income / (expenditure)		154	(435)	100	(181)	(178)
Transfer between funds	13	-	(557)	557	-	-
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes	22	-	2,158	-	2,158	(41)
Net movement in funds		154	1,166	657	1,977	(219)
Reconciliation of funds						
Total funds brought forward		1,549	(217)	30,051	31,383	31,602
Total funds carried forward		1,703	949	30,708	33,360	31,383

The accompanying notes form part of these financial statements.

Woking College

Balance Sheet

As at 31 August 2023

	Note	2023 £000	2023 £000	2022 £000	2022 £000
Fixed assets					
Tangible assets	10		33,759		31,616
Current assets					
Debtors	11	419		275	
Cash at bank and in hand	18	1,670		2,557	
		<u>2,089</u>		<u>2,832</u>	
Liabilities					
Creditors: Amounts falling due within one year	12	<u>(871)</u>		<u>(872)</u>	
Net current assets			<u>1,218</u>		<u>1,960</u>
Total assets less current liabilities			<u>34,977</u>		<u>33,576</u>
Net assets excluding pension liability			<u>34,977</u>		<u>33,576</u>
Defined benefit pension scheme liability	13		<u>170</u>		<u>(216)</u>
Total net assets			<u>35,147</u>		<u>33,360</u>
Funds of the Academy Trust:					
Restricted funds					
Fixed asset fund	13	33,554		30,708	
Restricted income fund	13	-		1,165	
Pension reserve	13	<u>170</u>		<u>(216)</u>	
Total restricted funds			<u>33,724</u>		<u>31,657</u>
Unrestricted income funds	13		<u>1,423</u>		<u>1,703</u>
Total funds			<u>35,147</u>		<u>33,360</u>

The accompanying notes form part of these financial statements.

The financial statements on pages 26 to 48 were approved by the Trustees and authorised for issue on 6 December 2023 and are signed on their behalf by



Timothy Stokes
Chair of Trustees



Brett Freeman
Accounting Officer

Woking College

Cash Flow Statement

For the period ended 31 August 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net cash provided by operating activities	16	110	423
Cash flows from financing activities	17	(997)	(1,264)
Change in cash and cash equivalents in the reporting period		<u>(887)</u>	<u>(841)</u>
Cash and cash equivalents at 1 September		2,557	3,398
Cash and cash equivalents at 31 August	18	<u>1,670</u>	<u>2,557</u>

The accompanying notes form part of these financial statements.

Woking College

Notes to the Financial Statements

For the period ended 31 August 2023

1 Accounting policies

Woking College is a charitable company, limited by guarantee and registered in England and Wales. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' Report.

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

Basis of Preparation

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Going Concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. A review of the balance sheet shows net current assets are 1,217k and Cash at bank and in hand £1,670k. The Trustees have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern as thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

All incoming resources are recognised when the Trust has entitlement to the funds, the receipt is probable, and the amount can be measured reliably.

- **Grants**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant (GAG) is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Grant for 19+ funding is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any known clawback in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Woking College

Notes to the Financial Statements (Continued)

For the period ended 31 August 2023

1 Accounting policies (continued)

- **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable, and the amount can be reliably measured.

- **Other Income**

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the Trust has provided the goods or services.

- **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

- **Donated fixed assets (excluding Transfers on conversion/into the Trust)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's accounting policies.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Expenditure on Raising Funds**

This includes all expenditure incurred by the Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

- **Charitable Activities**

These are costs incurred on the Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

Woking College

Notes to the Financial Statements (Continued)

For the period ended 31 August 2023

1 Accounting policies (continued)

Tangible Fixed Assets

Individual assets costing £1,000 or more and a group of assets costings £3,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

- | | |
|-------------------------------|---------------|
| • Freehold Land and Buildings | 20 - 50 years |
| • Leasehold Buildings | 125 years |
| • Furniture and Equipment | 3 -10 years |
| • Computer Equipment | 3 years |

Freehold land is not depreciated as it is considered to have an infinite useful life.

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

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions

Provisions are recognised when the Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased Assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

Woking College

Notes to the Financial Statements (Continued)

For the period ended 31 August 2023

1 Accounting policies (continued)

Financial Instruments

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Trust and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 11. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 12. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Taxation

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 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.

Pensions Benefits

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the Trust 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 Government Actuary based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

Woking College

Notes to the Financial Statements (Continued)

For the period ended 31 August 2023

1 Accounting policies (continued)

Fund Accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Trust at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 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.

Having reviewed the FRA 102 report, the Trust hold the view that there is a minimum funding requirement for the future service and past service exists in the LGPS (assumes a minimum funding requirement exists in the LGPS for contributions relating to future service and past service) and as a result the net asset position is being restricted in line with this methodology.

The College entered into a 125-year Under Lease relating to use of parts of the Old Woking Community Centre (OWCC) as set out in the Under lease and associated Management Agreement with the Trustees of the Old Woking and District Community Centre. The College agreed to contribute £750k towards to the enhancement of the OWCC for the benefit of both the College and community. The College will depreciate the resulting right of use asset over the period of usage.

Agency Arrangements

The Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 23.

Woking College

Notes to the Financial Statements (Continued)

For the period ended 31 August 2023

2 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	2022/23 Total £000	2021/22 Total £000
Capital grants	-	2,078	2,078	745
Donated fixed assets	-	-	-	-
Other donations	8	-	8	4
	8	2,078	2,086	749

3 Funding for the Trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	2022/23 Total £000	2021/22 Total £000
DfE / EFSA grants				
General Annual Grant (GAG)		8,130	8,130	7,266
Other DfE Group grants				
Teacher's Pension Grant		296	296	281
Teacher's Pay Grant		2	2	100
AEB Funding		211	211	158
Supplementary Grant		54	54	21
Tuition Grant Funding		62	62	61
Other COVID-19 funding – FSM		16	16	16
Other		9	9	4
	-	8,780	8,780	7,907
Other Government grants				
Local authority grants		38	38	55
Other income from the Trust's educational operations	66	-	66	67
	66	8,818	8,884	8,029

4 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	2022/23 Total £000	2021/22 Total £000
Hire of facilities	63	-	63	54
Income from other charitable activities	97	-	97	29
	160	-	160	83

Woking College

Notes to the Financial Statements (Continued)

For the period ended 31 August 2023

5 Expenditure

			Non-Pay Expenditure		
			2022/23	2021/22	
	Staff costs £000	Premises £000	Other £000	Total £000	Total £000
Academy's educational operations:					
Direct costs	5,946	-	600	6,546	6,269
Allocated Support costs	1,082	830	1,400	3,312	2,773
	<u>7,028</u>	<u>830</u>	<u>2,000</u>	<u>9,858</u>	<u>9,042</u>

Net income/ (expenditure) for the period includes:

	2022/23 £000	2021/22 £000
Operating lease rentals	17	16
Depreciation	931	818
Impairment	-	(173)
Fees payable to auditor for:		
Audit	15	12
Other services	5	4

Included within expenditure are the following transactions:

Staff gift vouchers	<u>4</u>	<u>2</u>
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6 Charitable activities

	2022/23 £000	2021/22 £000
Direct costs – educational operations	6,546	6,269
Support costs – educational operations	3,312	2,773
	<u>9,858</u>	<u>9,042</u>

Analysis of support costs

		2022/23	2021/22
	Educational operations £000	Total £000	Total £000
Support staff costs	1,082	1,082	1,241
Depreciation	931	931	818
Impairment	-	-	(173)
Technology costs	45	45	43
Premises costs	830	830	434
Other support costs	367	367	378
Governance costs	46	46	32
Legal Costs	11	11	-
	<u>3,312</u>	<u>3,312</u>	<u>2,773</u>

Woking College

Notes to the Financial Statements (Continued)

For the period ended 31 August 2023

7 Staff

a) Staff costs

Staff costs during the period were:

	2022/23 £000	2021/22 £000
Wages and Salaries	5,247	4,926
Social security costs	532	503
Pension costs	1,234	1,431
	<u>7,013</u>	<u>6,860</u>
Agency staff costs	18	8
	<u>7,031</u>	<u>6,868</u>

b) Non-statutory/non-contractual staff severance payments

There were no non-contractual severance payments included in staff restructuring costs above. (2022: £nil).

c) Staff numbers

The average number of persons employed by the Trust during the period was as follows:

	2022/23 No.	2021/22 No.
Teachers	105	110
Administration and support	50	50
Management	6	6
	<u>161</u>	<u>166</u>

d) Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022/23 No.	2021/22 No.
£60,001 - £70,000	2	3
£70,001 - £80,000	1	1
£80,001 - £90,000	1	-
£100,001 - £110,000	-	-
£110,001 - £120,000	1	1

e) Key management personnel

The key management personnel of the Trust comprise the Trustees and the Senior Leadership Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their service to the Trust was £601k (2022: £555k). Trustees/Directors do not receive any remuneration.

Woking College

Notes to the Financial Statements (Continued)

For the period ended 31 August 2023

8 Related Party Transactions – Trustees' remuneration and expenses

One Trustee has been paid remuneration or have received other benefits from employment with the Trust. The Principal and other staff trustee only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

The value of trustees' remuneration and other benefits was as follows:

B Freeman (Principal and trustee):

Remuneration £115,000 - £120,000 (2022: £100,000 - £115,000)

Employer's pension contributions paid £25,000 - £30,000 (2022: £25,000 - £30,000)

During the period ended 31 August 2023, travel and subsistence expenses totalling £209 (2022: £419) were reimbursed or paid directly to the Principal. During the year, the College incurred £nil (2022: £nil) on training costs for the Principal and trustees.

9 Trustees and officers' insurance

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust's business. The insurance provides cover up to £2,000,000 and the cost for the period ended 31 August 2023 was £3,064 (2022: £2,959). The cost of this insurance is included in the total insurance cost.

10 Tangible fixed assets

	Freehold Land and Buildings £000	Leasehold Buildings £000	Furniture and equipment £000	Computer Equipment £000	Total £000
Cost					
At 1 September 2022	34,536	-	1,192	176	35,904
Additions	2,001	561	120	393	3,075
Disposals	-	-	(138)	-	(138)
At 31 August 2023	36,537	561	1,174	569	38,841
Depreciation					
At 1 September 2022	3,145	-	1,070	74	4,289
Charged in year	743	-	78	110	931
Eliminated in respect disposal	-	-	(138)	-	(138)
At 31 August 2023	3,888	-	1,010	184	5,082
Net book values					
At 1 September 2022	31,391	-	122	102	31,616
At 31 August 2023	32,649	561	164	385	33,759

The land and buildings carrying value of £33,210k includes non-depreciated land valued at £12,470k.

The College entered into a 125-year Underlease relating to use of parts of the Old Woking Community Centre (OWCC) as set out in the Underlease and associated Management Agreement with the Trustees of the Old Woking and District Community Centre. As at 31 August 2023, the College has contributed £561k of the total £750k towards to the enhancement of the OWCC for the benefit of both the College and community. The College will depreciate the resulting right of use asset over the period of usage.

Woking College

Notes to the Financial Statements (Continued)

For the period ended 31 August 2023

11 Debtors

	2023 £000	2022 £000
Other debtors	11	5
Vat recoverable	252	131
Prepayments and accrued income due within one year	140	117
	<u>403</u>	<u>253</u>
Prepayments and accrued income due over one year	16	22
	<u>419</u>	<u>275</u>

12 Creditors: amounts falling due within one year

	2023 £000	2022 £000
Trade creditors	575	571
Other taxation and social security	250	240
Accruals and deferred income	46	61
	<u>871</u>	<u>872</u>
Deferred income:		
Deferred income at 1 September	-	12
Released from previous years	-	(12)
Resources deferred in the year	-	-
Deferred income at 31 August	<u>-</u>	<u>-</u>

There is no deferred income as at 31 August 2023.

Woking College

Notes to the Financial Statements (Continued)

For the period ended 31 August 2023

13 Funds

	Balance on 1 September 2022 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance on 31 August 2023 £000
Restricted general funds					
General Annual Grant (GAG)	547	8,130	(7,492)	(1,185)	-
Other DfE Group grants					
Teacher's Pension Grant	281	296	(577)	-	-
Teacher's Pay Grant	275	2	(277)	-	-
AEB Funding	18	211	(229)	-	-
Other Funding	-	141	(141)	-	-
Other non DfE funding	44	38	(82)	-	-
Pension reserve	(216)	-	(129)	515	170
	949	8,818	(8,927)	(670)	170
Restricted fixed asset funds					
Tangible Fixed Assets	31,616	-	(931)	3,074	33,759
DfE Group capital grants	(908)	2,078		(1,375)	(205)
	30,708	2,078	(931)	1,699	33,554
Total restricted funds	31,657	10,896	(9,858)	1,029	33,724
Total unrestricted funds	1,703	234	-	(514)	1,423
Total funds	33,360	11,130	(9,858)	515	35,147

The specific purposes for which the funds are to be applied are as follows:

The Restricted General Fund includes GAG and other grants received from the ESFA and the Local Authority towards educational activities.

The Restricted Fixed Asset Fund includes amounts received from the ESFA in respect of tangible fixed assets held for the Trusts use. Transfers between the GAG Fund and Restricted Fixed Asset Fund relate to purchases from this fund.

The Pension Reserve relates to the Trust's share of the surplus of the Local Government Pension Scheme overseen by Surrey County Council.

Under the Funding Agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

Woking College

Notes to the Financial Statements (Continued)

For the period ended 31 August 2023

13 Funds

Comparative information in respect of the preceding period is as follows:

	Balance on 1 September 2021 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance on 31 August 2022 £000
Restricted general funds					
General Annual Grant (GAG)	1,125	7,266	(7,287)	(557)	547
Other DfE Group grants					
Teacher's Pension Grant	281	281	(281)	-	281
Teacher's Pay Grant	275	100	(100)	-	275
AEB Funding	18	158	(158)	-	18
Other Funding		102	(102)	-	-
Other non DfE funding	44	55	(55)	-	44
Other COVID-19 funding	9	-	(9)	-	-
Pension reserve	(1,969)	-	(405)	2,158	(216)
	(217)	7,962	(8,397)	1,601	949
Restricted fixed asset funds					
Tangible Fixed Assets	30,649	-	(645)	2,009	31,616
DfE Group capital grants	(598)	745		(1,452)	(908)
	30,051	745	(645)	557	30,708
Total restricted funds	29,834	8,707	(9,042)	2,158	31,657
Total unrestricted funds	1,549	154	-	-	1,703
Total funds	31,383	8,861	(9,042)	2,158	33,360

Woking College

Notes to the Financial Statements (Continued)

For the period ended 31 August 2023

14 Analysis of net assets between funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	33,759	33,759
Current assets	1,423	871	(205)	2,089
Current liabilities	-	(871)	-	(871)
Pension scheme asset	-	170	-	170
Total net assets	1,423	170	33,554	35,147

Comparative information in respect of the preceding period is as follows:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	31,616	31,616
Current assets	1,703	2,037	(908)	2,832
Current liabilities	-	(872)	-	(872)
Pension scheme liability	-	(216)	-	(216)
Total net assets	1,703	949	30,708	33,360

15 Commitments under operating leases

Operating leases

At 31 August 2023 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	2023 £000	2022 £000
Amounts due within one year	16	16
Amounts due between one and five years	38	16
	54	32

Woking College

Notes to the Financial Statements (Continued)

For the period ended 31 August 2023

16 Reconciliation of net income / (expenditure) to net cash flow from Operating Activities:

	Note	2022/23 £000	2021/22 £000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		1,272	(181)
Adjusted for:			
Depreciation	11	931	818
Reversal of Impairment	11	-	(173)
Capital grants from DfE and other capital income	2	(2,078)	(745)
Defined benefit pension scheme cost less contributions payable	22	117	369
Defined benefit pension scheme finance cost	22	12	36
Decrease/(Increase) in debtors		(143)	68
Increase/(Decrease) in creditors		(1)	231
Net cash provided by Operating Activities		110	423

17 Cash Flows from Investing Activities

	2023 £000	2022 £000
Purchase of tangible fixed assets	(3,075)	(2,009)
Capital grants from DfE Group	2,078	745
Net cash provided by Investing Activities	(997)	(1,264)

18 Analysis of cash and cash equivalents

	2023 £000	2022 £000
Cash in hand and at bank	1,670	2,557
Total cash and cash equivalents	1,670	2,557

19 Analysis of changes in net debt

	2023 £000
Cash	1,670
Loans falling due within one year	(4)
Loans falling due after more than one year	(17)
Total	1,649

Woking College

Notes to the Financial Statements (Continued)

For the period ended 31 August 2023

20 Capital commitments

	2023 £000	2022 £000
Contracted for, but not provided in the financial statements	452	1,505

21 Members liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before he/she ceases to be a member.

22 Pension and similar obligations

The Trust's employees belong to two principal pension schemes: The Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Surrey County Council. Both are multi-employer defined benefit schemes. The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £127k were payable to the schemes at 31 August 2023 (2022: £123k) and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% 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 £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million

Woking College

Notes to the Financial Statements (Continued)

For the period ended 31 August 2023

22 Pension and similar obligations (Continued)

- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the period amounted to £925k (2022: £893k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £263k (2022: £227k), of which employer's contributions totalled £197k (2022: £170k) and employees' contributions totalled £66k (2022: £57k). The agreed contribution rates for future years are 17.9% per cent for employers and 5.5% - 12.5% per cent for employees. Employer's contributions for the period to 31 August 2024 will be approximately £193k

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of a Trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	4.0	4.1
Rate of increase for pensions in payment/inflation	3.0	3.2
Discount rate for scheme liabilities	5.20	4.25
Inflation assumption (CPI)		
Commutation of pensions to lump sums	55%	25% pre-April 2008 service 63% post April 2008 service

Woking College

Notes to the Financial Statements (Continued)

For the period ended 31 August 2023

22 Pension and similar obligations (Continued)

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

	2023 %	2022 %
<i>Retiring today</i>		
Males	20.6	22.1
Females	24.4	24.5

<i>Retiring in 20 years</i>		
Males	21.8	23.1
Females	26.2	26.2

Sensitivity analysis:

	2023 £	2022 £
Discount rate -0.1%	77	80
Salary +0.1%	4	4
CPI rate +0.1%	74	77
Life expectancy +1yr	163	162

The Academy Trust's share of the assets in the scheme was:

	2023 £000	2022 £000
Equities	3,277	2,907
Corporate bonds	517	536
Property	345	306
Cash and other assets	172	76
Asset ceiling restriction	(60)	-
Total market value of assets	4,251	3,825

The actual return on scheme assets was £140k (2020: £157k).

	2023 £000	2022 £000
Current service cost	(314)	(539)
Interest income	166	65
Interest cost	(178)	(101)
Benefit changes, gains on curtailment and gain on settlement	575	2,158
Asset ceiling restriction	(60)	-
Total income recognised in the SOFA	189	1,583

Woking College

Notes to the Financial Statements (Continued)

For the period ended 31 August 2023

22 Pension and similar obligations (Continued)

Changes in the present value of defined benefit obligations were as follows:

	2023 £000	2022 £000
At 1 September 2022	4,041	5,841
Current service cost	314	539
Interest cost	178	101
Employee contributions	66	57
Actuarial (gain)/loss	(425)	(2,418)
Benefits paid	(93)	(79)
At 31 August 2023	4,081	4,041

Changes in the fair value of Academy Trust's share of scheme assets:

	2023 £000	2022 £000
At 1 September 2022	3,825	3,872
Interest income	166	65
Scheme participants' contributions	66	57
Employer contributions paid	197	170
Benefits paid	(93)	(79)
Actuarial gain/(loss)	150	(260)
Asset ceiling restriction	(60)	-
At 31 August 2023	4,251	3,825

23 Related Party Transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 7.

Woking College **Notes to the Financial Statements (Continued)** **For the period ended 31 August 2023**

24 Agency Arrangements

	2023	2022
	£000	£000
Balance at 1 September	-	-
Funding body grants	97	90
Disbursed to Students	(102)	(90)
Administration costs	-	-
Balance overspend at 31st August	(5)	-

The Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the account period ending 31 August 2023 the Trust received £97k and disbursed £102k from the fund. Comparatives for the accounting period ending 31 August 2022 are £90k received, £90k disbursed.