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Annual Report  
and Financial Statements

**2023**

**24**

**Belfast Metropolitan College  
Annual Report and Accounts  
For the year ended 31 July 2024**

*The Accounting Officer authorised these  
financial statements for issue  
on  
11th December 2024*

*Laid before the Northern Ireland Assembly  
under the Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008  
by the Department for the Economy*

*on*

*18th December 2024*

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

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# Foreword

**Chair of Governing Body and  
Principal & Chief Executive**

## FOREWORD BY CHAIR OF GOVERNING BODY AND PRINCIPAL AND CHIEF EXECUTIVE

This Annual Report has demonstrated another year of continued success for the College, set against a very challenging background where we engaged in a voluntary redundancy process as part of the wider FE sectoral programme of Reform to Save.

Despite the challenging context and the understandable College community impact, with some of our close colleagues leaving to pursue new opportunities, our achievements and our desire to do the best for our learners, each other and our partners has only been made possible by the continued efforts and commitment of our staff.

Among the many examples to choose from, and in line with our College of Choice objective, the two that perhaps represent the breadth of the College's achievements are the results of our annual Learner Satisfaction Survey, and our success at the first ever Further Education (FE) Excellence Awards. The first shows our effectiveness in meeting the needs of our learners with 98% of learners "feeling safe and secure at Belfast Met" while the second saw seven Belfast Met students, across a wide spectrum of learning levels and pathways, being honoured in the inaugural FE Excellence awards with Staff Recognition Awards for Lifetime Contributions being presented to two Belfast Met staff for their service to the College and the local community. One of the things we are most proud of each and every year is seeing our learners rewarded for their skills and talents and knowing the role that our staff have played in helping them achieve their potential.

With the cost-of-living crisis continuing to take its toll on our learners, we were delighted to roll out our Winter Warmer Campaign, providing free breakfast or lunch every day, for every student, across all campuses until funds were exhausted.

Our Partner of Choice objective is fundamental to Belfast Met's role supporting the Minister's new economic vision for Northern Ireland and in October 2023 we announced our groundbreaking partnership with Bank of America in running a three-year digital skills and employability programme. To support the delivery of these new programmes and extend our reach we have developed a range of new social partnerships as part of a model which will be instrumental in enhancing our offer to the most disadvantaged and excluded groups across our City Region. We have also continued to work closely with Belfast City Council, Queen's University Belfast and Ulster University to refresh and recommit our support for the Belfast Agenda and Belfast Regional City Deal as part of continued efforts to build on our UNESCO Learning City status.

We continued to work collaboratively with departments and teams across the College to deliver a whole series of initiatives in support of our Digital by Design objective including the development of a new Customer Relationship Management system to improve the quality and consistency of our approach to stakeholder engagement. We also showed continued efforts towards our objective of being 'Sustainable by Nature' in 2023-24 by achieving Gold Status in the Business in the Community Northern Ireland Environmental Benchmarking Survey Results.

In November 2023 the work which we led on in the GenComm project on Green Hydrogen secured the Energy Globe Award from the UK Austrian Embassy and supported our lead on the delivery of the very successful Hydrogen Ireland conference in Belfast.

We are committed to demonstrating our commitment towards meeting all four key objectives of the Economy Minister's new Economic Vision. We are similarly passionate about preparing for good jobs through creating more and better paid apprenticeships and skills academies, including working with employers to develop proposals for the first Childcare Academy; improving careers advice so that our students are informed about and ready for all opportunities available to them. The promotion of regional balance is of particular

importance, given that Belfast contains half of the most deprived areas in Northern Ireland; and raising productivity through increasing student numbers to improve work-relevant skills of the working-age population remains our prime aim.

Our Strategic Plan 2021-22 – 2023-24 sets out our vision for the future, our objectives, what we will do and what we will achieve. Whilst originally expected to run to 31 July 2024, in light of the ongoing review of Further Education delivery model, we have agreed to extend our Strategic Plan by one further year to 2024-25. Our College Vision, Purpose, Values and Strategic Objectives will remain the same for 2024-25. In 2023-24 we reached or exceeded targets in several key areas, including:

- We exceeded enrolment targets in FE, Traineeships and Apprenticeship NI provision.
- Overall learner satisfaction amongst our FE & HE students remained high at 92% overall.
- Satisfaction amongst our employers remained high at 87%.
- We engaged with 302 businesses in 2023-24, reaching 5.5% more businesses than 2022-23 and 21.8% more than 2021-22.
- We increased the percentage of people participating in social inclusion programmes by 11.6% from the baseline position in 2020-21.
- We increased the number of Entry Level & Level 1 enrolments (including Essential Skills) by 11.6% from 2022-23, and by 76.6% from 2020-21.

We have undoubtedly shown growth and achieved great accolades during a very difficult time. Having said this, the well-documented and significant financial and wider pressures facing further education colleges and the public sector showed no sign of easing and we need to create a sustainable base to bring the College forward. Despite significant efforts and proactive steps taken to mitigate against these challenges, including exerting tight controls on recruitment and introducing cost savings across our entire operation, our budget position remained challenging, and could not be resolved without the permanent reduction in staff numbers delivered through the Reform to Save programme.

The motivation behind all of these achievements is the drive to deliver for our learners, our stakeholders and the Northern Ireland economy as a whole. Teamwork is central to our success, and this is evident at every level in the organisation.

As regards the future, the one thing we can be certain of is that the next few years for the further education sector will continue to be challenging. However, irrespective of the challenges, we will continue to strive to be a College of Choice for learners, an Employer of Choice for top talent, and a Partner of Choice for employers and businesses. We have every confidence that the talented and dedicated team of people throughout the College will navigate successfully through all the uncertainty and respond effectively and resourcefully to whatever difficulties come our way.

We wish to record our thanks to all members of staff, governors, Department for the Economy colleagues, business partners and, most importantly, our learners. It is only with your support and all our individual contributions that we can come together effectively to help shape the lives of our learners, the future of our college and the success of the city itself.



The image shows two handwritten signatures in black ink. On the left is the signature of Damian Duffy, and on the right is the signature of Michele Corkey. Both signatures are written in a cursive, flowing style.

Michele Corkey, Chair of Governing Body  
Damian Duffy, Interim Principal and Chief Executive



# Strategic Report

2023-24

## STRATEGIC REPORT

### STRATEGIC REPORT 2023-24

#### **NATURE, OBJECTIVES AND STRATEGIES**

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

#### **Legal Status**

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

The College has been granted charitable status by the UK HM Revenue and Customs.

#### **Purpose of Further Education in Northern Ireland**

The purpose of the further education sector is to improve skills in Northern Ireland; increase economic participation; and widen access and inclusion, and, in doing so, support economic development.

#### **Strategic Context**

Belfast Met is a key delivery partner in taking forward the Minister's priorities set out in his new Economic Vision to:

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

As such, our provision is fully aligned with the key Government strategies and projects which set the policy and delivery context for Belfast Met, namely:

- Skills for 10X Economy – Skills strategy for NI
- Trade and Investment for a 10X Economy
- NI Economic Strategy
- NI Economic Recovery Plan 2022-25
- Review of the FE Delivery Model
- Transition of Young People into Careers (14–19) project
- DfE Transformation Programme
- NI Government Instability and Departmental Fiscal Pressure
- College Long-Term Financial Sustainability Strategic Commitment
- New Decade, New Approach
- Programme for Government
- Tourism Recovery Action Plan



- Belfast Region City Deal
- Climate Change Act (NI) 2022
- Regional Skills Barometer.

### About Belfast Met

Our Vision, Purpose and Values were reaffirmed in the refreshed 2021-22 – 2023-24 Strategic Plan, ‘*Choose Success*’, which places our learners at the heart of everything we do. Given the significant pressures currently facing further education colleges and the public sector, including the ongoing review of the FE delivery model, the College’s Governing Body agreed to extend our Strategic Plan by one further year to 2024-25. As such, the College’s Vision, Purpose, and Values remain the same for 2024-25:

#### Vision

Our Vision is to be a:

- College of Choice for learners
- Employer of Choice for talent
- Partner of Choice for employers and businesses

#### Purpose

Equipping learners, driving innovation, transforming lives.

#### Values

Four core values underpinning our work are:

##### Collaboration

Forging strong and creative partnerships based on shared goals and mutual respect, striving to bring out the best performance, and delivering clear and tangible outcomes.

##### Ambition

Determined to accomplish great things for our learners, our college, our business and industry partners, the communities we serve, and the city of Belfast and beyond.

##### Respect

Valuing everyone’s contribution, acting with courtesy and consideration, providing help and support when needed, and always behaving in an honest, transparent, and fair manner.

##### Excellence

Making excellence part of our day-to-day working lives, seeking continuous quality improvement, and setting and achieving the highest possible standards for individuals and for the College.

### Choosing Success: 2021-22 – 2023-24 Roll Forward Plan 2024-25

2021-22 saw the publication of our new 2021-22 – 2023-24 Strategic Plan, ‘*Choose Success*’.

The College outlines its priorities within the Strategic Plan to ensure continuous improvement in the delivery of our dual mandate of promoting economic growth and social inclusion. These priorities are based upon the wider, long-term outcomes identified by the Northern Ireland Executive and the Department for the Economy. They were developed based on internal and external analysis of

performance information, key government policies and socio-economic data as well as stakeholder engagement.

In September 2023, the Governing Body reflected on college performance, as well as the significant financial and wider pressures currently facing further education colleges and the public sector, including the ongoing review of the FE delivery model. The College recognises that as financial pressures are expected to continue in subsequent years, reform is likely to be required, which has the potential to influence our strategic ambitions and deliverables for the future.

As such, Governing Body agreed to extend the existing Strategic Plan 2021-22 – 2023-24 by one further year to 2024-25. During the discussion, Governing Body also determined that, despite the many internal and external challenges facing the FE sector at present, the following objectives of our Strategic Plan continue to be relevant and therefore will remain unchanged during the 2024-25 academic year:

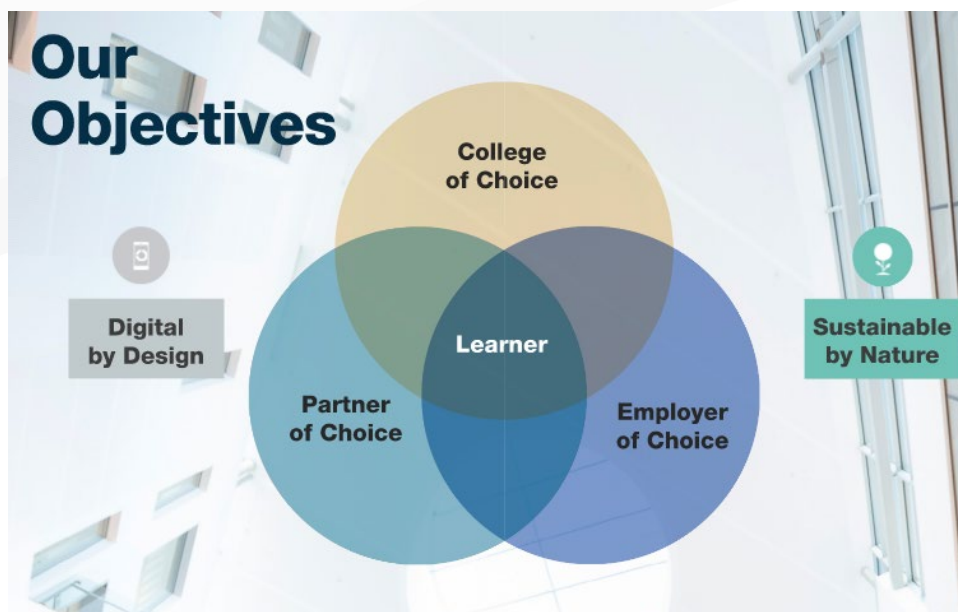
**Objective 1:** To be a College of Choice, providing learners with an excellent learning experience on relevant, high-performing and flexible skills and education programmes that enable them to progress into work or further study.

**Objective 2:** To become an Employer of Choice, committed to attracting and developing talented people to realise the College's purpose.

**Objective 3:** To be a Partner of Choice, playing a central part in developing and supporting the delivery of education, skills, employability and business development programmes regionally, nationally and internationally.

**Objective 4:** To be Digital by Design, using digital solutions to enhance teaching and learning to improve how we work.

**Objective 5:** To be Sustainable by Nature, using our role as educators to inspire, celebrate and advance the sustainability agenda, maximising our positive impact on the environment, economy and communities we serve.



A comprehensive range of actions to deliver on our dual mandate of promoting economic growth and social inclusion are articulated within the Strategic Plan, which underpins our operational plans, as well as the College Development Plan 2023-24, Widening Access and Participation Plan 2022-23 – 2024-25, the College Equality Scheme, the Disability Action Plan, and the Whole College Quality Improvement Plan 2023-24.

### Progress against the Strategic Plan

We identified 10 strategic targets within the Strategic Plan and committed to reporting progress against these in an annual impact report to the Governing Body, which is also published on the [College website](#).

Our progress against each of these 10 strategic targets in 2023-24 was as follows:

Target Number	Target	Progress
<b>What did we do?</b>		
1. Learners on main programmes	Meet <u>all</u> our enrolment targets for our <u>main programmes</u> as agreed in our Annual College Development Plan for each year of this Strategic Plan.	12,098 individual learners were enrolled in the College against a target of 11,224.  We had 20,554 enrolments (including Essential Skills enrolments) against a planned target of 20,991.
2. Learners on targeted inclusion programmes	Increase the percentage of enrols on non-core targeted programmes by 5% per year from the 2020-21 baseline position up to a total target of 15% in year 3.	The number of enrols on non-core targeted programmes decreased by 11.6% from 2022-23. However, we have increased enrolments by 11.6% from our 2020-21 baseline.
<b>How well did we do it?</b>		
3. Learner retention,	Achieve over 92% for retention, over 88% for achievement and over 81% for success.	Our 2023/24 end of year learner retention, achievement and success rates were:

achievement and success		Retention: 92% Achievement: 86% Success: 78%
4. Learner satisfaction	Improve on 90% student satisfaction (average of LSS and NSS).	HE & FE student satisfaction remains high at 92% overall.
5. Employer satisfaction	Improve the overall level of employer satisfaction to 85%.	Employer satisfaction was 87% in 2024.
6. Employee satisfaction	Increase employee satisfaction by 2% per annum.	Next Employee Engagement Survey is likely to be supported through Staff Pulse Surveys during 2024-25.
7. Sustainable finances	<p>For the three years of this Strategic Plan, we aim to consolidate our financial position to live within our budget.</p> <p>Over the three years of the plan, we will seek to: increase the total value and contribution of non-core funded programmes (including all apprenticeship programmes); and ensure we maximise the opportunities for additional funds, we will seek to ensure that all our non-core programmes draw down at least 95% of total budgets throughout the period of this plan.</p>	<p>We lived within our budget.</p> <p>Value and contribution of non-core funded programmes increased from £13m in 2022-23 to £13.7m in 2023-24.</p> <p>We drew down 100% of total non-core programme budgets.</p>
8. Corporate governance and accountability	Comply with <u>all</u> obligations placed upon us as a non-departmental public body.	<p>We fell short of our overall enrolment target by 226 enrolments.</p> <p>We were 100% compliant in providing timely accountability returns to our parent body, the Department for the Economy (DfE).</p> <p>We are progressing all 62 of the key internal controls required of us by the DfE.</p>
9. Business upskilling and reskilling	Improve upon the baseline performance in business skills and innovation programmes by 5% for the total number of businesses and employees engaged.	We engaged with 302 businesses in 2023-24, reaching 5.6% more businesses in 2023-24 than in 2022-23, and 21.8% more than 2021-22.
<b>Is anyone better off?</b>		
10. Learner Progression	At least 90% of both FE and HE leavers going into further learning or employment <u>and</u> the number of those falling into unemployment <u>reduced</u> .	<p>88% of both FE and HE leavers went into further learning or employment (down from 90% as recorded in our 2022-23 Impact Report).</p> <p>FE and HE leavers going into unemployment increased to 5.5% (up from 4% as recorded in our 2022-23 impact report).</p>

### **Performance against College Development Plan (CDP)**

Belfast Met, along with all FE Colleges, ensures that our key priorities are based on the need of the population and are aligned to the policy context outlined earlier in this report.

In 2023, DfE approved [Belfast Met's College Development Plan 2023-24](#). This served as the baseline against which delivery of operational targets was measured throughout the academic year.

The Department for the Economy monitors our progress regularly against three key priority areas:

- 1. Innovation**
- 2. Inclusive Growth**
- 3. Sustainability**

CDP Progress Reports are submitted to the Department for the Economy three times a year.

## FINANCIAL POSITION

### Financial Results

The Belfast Met Group (the College) generated an operating deficit in the year of £518k (2022-23 – restated deficit of £3.7m), stated after accounting for the disposal of property, plant, and equipment.

The College group income for the year was £81.8m, an increase of £8.7m (12%) from 2022-23. This included Reform to Save (RtS) income from DfE of £5.8m. Excluding the RtS income the increase on 2022-23 is £2.9m (3.9%). This variance includes an increase in DfE funding of £1m, Education contracts of £1.2m, Tuition fees of £0.2m, Other Grant Income of £0.5m, other operating and investment income of £0.02m.

The College group expenditure for the year was £76.5m, a decrease of £0.3m from 2022-23. This does not include the exceptional RtS staff costs of £5.8m. Staff costs reduced by £2.3m, excluding the exceptional RtS staff costs, operating expenditure increased by £1.9m, depreciation increased by £0.5m and interest and other finance costs reduced by £0.4m.

The College has significant reliance on the DfE for its principal funding source, largely from recurrent grants. In 2023-24, DfE provided 57% of the College's total income through allocated recurrent grant (2022-23 61% restated). This represented 27.6% of the total recurrent grant available to the sector (2022-23 23.3%).

The increase in net assets from 31 July 2023 is primarily the result of an decrease in the creditors amounts falling due within one year.

The pension surplus has been restricted to the present value of future service costs less the present value of the minimum funding requirement contributions for future service (i.e. an asset ceiling has been set) and 31<sup>st</sup> July 2023 pension figures have been restated to reflect this too.

### Subsidiaries

At 31 July 2024 Belfast Met had one wholly owned subsidiary company, Springvale Educational Village Ltd (SEV Ltd) which is limited by guarantee.

The other subsidiary, Belfast Metropolitan College Trust, was closed during the financial year. Remaining assets of £67k were transferred to Belfast Met on 31 March 2024 and the Trust itself was closed down on 30 June 2024.

SEV Ltd owns the Community Learning Centre (CLC) on the Springvale site and the land on which it sits. Operations relate to renting out space to organisations on both a long and short-term basis. Tenants and customers include publicly funded and charitable institutions, many of whom provide outreach programmes that support people and help strengthen relations with the wider community. SEV Ltd has generated a deficit of £66k in the year (2022-23 deficit £32k).

Both subsidiary company accounts were audited and received an unqualified audit opinion.

### Financial Resources

The consolidated net assets at 31 July 2024 were £97.2m (2022-23 £95.2m restated). This includes cash balances of £8m and a debtor of £0.3m on PFI prepayments (2022-23 £0.4m). The increase in net assets is largely due to the decrease in creditors amounts falling due within one year and a £1m increase in cash balances.

### **Treasury Policies and Objectives**

Treasury management is the management of the College's cash flows, its banking, its money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks. Belfast Met complies with the Partnership Agreement agreed with the DfE on all cash management processes.

### **Payment Performance**

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

During the accounting period 1 August 2023 to 31 July 2024, the College paid 97.8% of its invoices within 30 days (2022-23 97.3%) The College incurred no interest charges in respect of late payment for this period. The Northern Ireland Executive is committed to paying suppliers as quickly as possible, within 10 working days. During the accounting period 1 August 2023 to 31 July 2024, the College paid 84.4% of its invoices within 10 days (2022-23 76.7%).

### **Principal Risks and Uncertainties**

The College has developed and embedded a system of internal control, including financial, operational and risk management which is designed to protect the College's and Group's assets and reputation. For details on BMC's principal risks and uncertainties refer to the Statement of Corporate Governance and Internal Control.

### **Post Statement of Financial Position Events**

Please refer to Note 23 to the Financial Statements for details on any post Statement of Financial Position events.

### **Going Concern**

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

### Disclosure of information to Auditors

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

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

### Charitable and taxation status

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

### Charitable/Political Donations

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

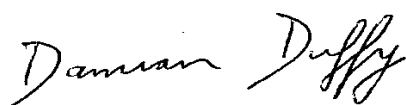
### Professional Advisers

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

Internal Auditors:           RSM Northern Ireland (UK) Ltd  
Number one,  
Lanyon Quay  
Belfast, BT1 3LG

Bankers:                       Danske Bank  
Donegall Square West  
Belfast, BT1 6 JS

Solicitors:                   Carson McDowell  
Murray House  
4 Murray Street  
Belfast, BT1 6D



Damian Duffy  
Accounting Officer

Date: 11 December 2024



## Members of the Governing Body

The members who served the governing body during the year were as follows:

Name	Date of Appointment Re-appointment Extension	Term of Office	Status of Appointment	Committees Served	Governing Body Attendance (inc Strat Plan)
F Bryan (Chair)	A 26/10/15 R 26/10/19	25/10/19 25/10/23	BIP	None	1/1
M Corkey (Temp Chair)	A 26/10/23	*	Co-opted	CQE (1/1 only)	5/6
R Byrne	A 01/08/23	31/07/27	BIP	CQE, HR	5/7
T Hesketh	A 01/08/23	31/07/27	BIP	RES, CQE	7/7
M Keady	A 01/08/23	31/07/27	BIP	ARAC, CQE	7/7
L McAteer	A 13/01/22	12/01/26	BIP	HR, RES	6/7
S McGoran	A 13/01/22	12/01/26	BIP	ARAC, HR	7/7
M McKernan	A 01/08/23	31/07/27	BIP	RES, CQE	7/7
S McKinney	A 01/08/23	31/07/27	BIP	CQE, HR	7/7
B Montgomery	A 05/10/22	04/10/26	BIP	CQE, RES	7/7
Y Murphy	A 13/01/22	12/01/26	BIP	CQE, RES	7/7
S Sharpe	A 01/08/23	31/07/27	BIP	ARAC, CQE	5/7
S Snodden	A 09/12/15 R 14/12/19	08/12/19 13/12/23	BIP	ARAC, HR	3/3
M Corkey	A 27/02/23	26/02/27	Co-opted	CQE, HR	1/1
S Dawson	A 01/06/17 R 01/06/21	31/05/21 31/05/25	Co-opted	CQE, RES	5/7
J Leaden	A 19/11/20	20/11/24	Staff elected	CQE, RES	4/7
N Brijpaul	A 14/09/21	13/09/25 Resigned 04/09/23	Staff elected	CQE, RES	0/0
M Mearns	A 18/04/24	17/04/28	Staff elected	CQE, RES	1/2
O McCaughey	A 10/10/23	30/09/24 **	Student elected	CQE, RES	3/6
L Warde Hunter	L Warde Hunter by virtue of office of Principal and Chief Executive is a member of the Governing Body.				7/7

\*Until appointment of a new substantive Chair or the end of her 2<sup>nd</sup> term on the GB, whichever occurs first. For Michele Corkey periods split as served as co-opted member (before 25th Oct 2023) and as Temporary Chair (post 26th Oct 2023)

\*\*Student term ended in College 21 June 2024.

<sup>1</sup> BIP stands for Business, Industry and Professional

For and on behalf of the members of the Governing Body



Michele Corkey  
Chair of Governing Body

Date: 11 December 2024



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# Remuneration Report

## ACCOUNTABILITY REPORT

## REMUNERATION REPORT

### Overview

The Remuneration and Staff reports set out the College's remuneration policy for all staff and contributes to the entity's accountability to the NI Assembly, aligns with best practice with corporate governance and demonstrates transparency.

### Remuneration Policy

The Northern Ireland Colleges Employers' Forum (CEF) and Belfast Metropolitan College is a collaborative network and has the responsibility to arrange for the negotiation of pay, conditions of service and related issues through regional negotiation committees and agreed procedures, on behalf of the six regional colleges. CEF has the authority to sign off collective agreements reached by the relevant negotiating committees.

There are three CEF negotiating committees producing pay grades for each of the following staff groups:

- Principal and Chief Executives and senior staff (deputy directors);
- Lecturers; and
- Non-Teaching staff

The pay of each of these groups, excluding the Principal & Chief Executive, is based on a system of pay scales for each grade, containing a number of pay points from minimum to maximum, allowing progression towards the maximum based on contractual annual increments.

Annual pay awards are made in accordance with Northern Ireland's public sector pay policy guidance, and in the context of the wider public sector pay policy.

The following pay awards were applied in the 2023-24 financial year:

- **Further Education Directors' Negotiating Committee (Principal & Deputy Directors)**

The rates of salaries for Principals and Deputy Directors in Colleges of Further Education from 1 September 2021 and 1 September 2022 were published on 10 November 2023. The following changes were determined and applied:

- 1% increase in salary rates from **1 September 2021**;
- 1% increase in salary rates from **1 September 2022**; and
- Non-consolidated payment for those employed during the period 1 September 2021 - 31 August 2022 (calculated at £3,000 gross per Full Time/Whole Time Equivalent).

▪ **Further Education Lecturers' Pay (Lecturer's Contract of Employment)**

The rates of salaries for Lecturers in Colleges of Further Education from **1 September 2023** was published on 5 June 2024. The following changes were determined and applied:

- Salary scale point 1 of the lecturing scale increased to £30,000.
- 8.4% increase plus £1,000 on each salary scale point (excluding point 1) relating to Lecturer's Contract of Employment (i.e. Associate Lecturers, Full-Time Lecturers, Principal Lecturers and Heads of Department) and Part-time Hourly Paid Lecturers.
- 8.4% increase to allowances i.e. Threshold, Deane, Responsibility and Re-organisation) relating to Lecturer's Contract of Employment (i.e. Associate Lecturers, Full-Time Lecturers, Principal Lecturers and Heads of Department).

▪ **Further Education Non-Teaching Staff Negotiating Committee (Non-Teaching Contract of Employment)**

In January 2024, in accordance with the provisions of Article 11, Schedule 3, paragraph 10.3 of the Further Education (Northern Ireland) Order 1997 and the Constitution for Negotiating the Terms, Conditions of Service and Remuneration of Non-Teaching Staff Employed in Incorporated Colleges of Further Education, the following change was determined:

- The higher of £1,925 or 3.88% annual increase on each salary scale point from **1 April 2023**.

The 2023-24 (September 2023) pay award for Principal and Chief Executives and Senior Staff (Deputy Directors) has not yet been finalised. The 2024-25 (April 2024) pay award for non-teaching staff has been finalised and will be the higher of £1,290 or 2.5% with effect from 1 April 2024. The Financial statements have been updated to reflect this.

The College has accrued costs into 2023-24 of the expected pay awards.

### **Members of the Governing Body**

There are normally 18 members of the College Governing Body, most of whom are appointed in accordance with the Code of Practice of the Office of the Commissioner for Public Appointments for Northern Ireland. The majority of members are appointed for a fixed period of up to four years and may thereafter be re-appointed in accordance with the Code of Practice.

The remuneration of Governing Body members (excluding staff members) was first introduced by the Department from 1 January 2016. There are no arrangements in place for the payment of a bonus. No member of the Governing Body, including the Chairperson, receives pension contribution from the College or the Department.

Belfast Met also reimburses Governing Body members for any incidental expenses incurred for carrying out their duties relevant to the organisation.

The remuneration of the Chairperson and Board members is as follows:

	2023-24				2022-23			
	Salary & allowance £'000	Benefits in Kind £'000	Pension benefits £'000	Total £'000	Salary & allowance £'000	Benefits in Kind £'000	Pension benefits £'000	Total £'000
<b>Michele Corkey (Chairperson)</b>	15-20	0	0	15-20	0-5	0	0	0-5
<b>Frank Bryan (former Chairperson)</b>	5-10	0	0	5-10	20-25	0	0	20-25
<b>Catherine Burns*</b>	0-5	0	0	0-5	0-5	0	0	0-5
<b>Kate Burns*</b>	0-5	0	0	0-5	0-5	0	0	0-5
<b>Sheena McKinney</b>	0-5	0	0	0-5	0	0	0	0
<b>Michael McKernan</b>	0-5	0	0	0-5	0	0	0	0
<b>Kathleen O'Hare*</b>	0-5	0	0	0-5	0-5	0	0	0-5
<b>Samuel Snodden</b>	0-5	0	0	0-5	5-10	0	0	5-10
<b>Seamus Dawson</b>	0-5	0	0	0-5	0-5	0	0	0-5
<b>Sinead Sharpe</b>	0-5	0	0	0-5	0	0	0	0
<b>Seamus McGoran</b>	5-10	0	0	5-10	0-5	0	0	0-5
<b>Lauren McAteer</b>	5-10	0	0	5-10	5-10	0	0	5-10
<b>Yvonne Murphy</b>	0-5	0	0	0-5	0-5	0	0	0-5
<b>Rose Byrne</b>	5-10	0	0	5-10	0	0	0	0
<b>Bill Montgomery</b>	0-5	0	0	0-5	0-5	0	0	0-5
<b>Maurice Keady</b>	0-5	0	0	0-5	0	0	0	0
<b>Tom Hesketh</b>	0-5	0	0	0-5	0-5	0	0	0-5
<b>Owen McCaughey</b>	0-5	0	0	0-5	0	0	0	0
<b>Janis Leaden</b>	0	0	0	0	0	0	0	0
<b>M Mearns</b>	0	0	0	0	0	0	0	0
<b>N Brijpaul</b>	0	0	0	0	0	0	0	0

\*Terms of office ended in 2022-23 – payments received in 2023-24 relating to 2022-23

### The Principal/Director and Senior College Staff

The Principal/Director and the Senior College Staff appointments are made in accordance with the Belfast Met recruitment policy. The policy requires appointments to be made on merit based on fair and open competition.

The Principal/Director and Senior College Staff hold permanent appointments. Staff may be able to retire before state pension age with no diminution of earned pension benefits, depending on the terms of their pension. The policy relating to notice periods is contained in the Staff Handbook.

### Minimum Pay Levels

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

### **Progression**

There is no incremental progression for Principals/Directors as they are paid on a one-point scale according to college size. However, if the college size changes, they will automatically move to that new salary point.

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

### **Performance Pay**

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

### **Total Reward Package**

Senior staff in colleges have access to the Northern Ireland Teachers' Pension Scheme.

Senior Staff posts are based on 36 hours per week and post holders have access to the College's Maternity Leave Scheme, Paternity Leave Scheme, Adoption Leave Scheme and flexible working arrangements.

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

### **Service Contracts**

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

### **Salary and Pension Entitlements**

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

## Remuneration (including salary) and pension entitlements [Executive Directors] (audited)

Senior Management	2023-24				2022-23			
	Salary £'000	Benefits in kind £'000	Pension benefits £'000	Total £'000	Salary £'000	Benefits in kind £'000	Pension benefits £'000	Total £'000
<b>L Warde Hunter</b> (Principal and Chief executive) <sup>1</sup>	130-135	0	20-25	155-160	120-125	0	45-50	170-175
<b>D Duffy</b> (Deputy Chief Executive)	110-115	0	25-30	140-145	90-95	0	10-15	100-110
<b>A Sloane</b> (Chief Operating Officer)	105-110	0	25-30	130-135	90-95	0	35-40	130-135
<b>J Kettle</b> (Director of Curriculum) <sup>2</sup>	5-10 (85-90 Full year equivalent)	0	15-20	20-30 (100-110 Full year equivalent)	85-90	0	15-20	100-110
<b>G Magee</b> (Director of People) <sup>3</sup>	0	0	0	0	75-80	0	0-5	80-85

<sup>1</sup> L Warde Hunter left on 16/08/24

<sup>2</sup> J Kettle left on 31/08/23

<sup>3</sup> G Magee left on 31/05/23

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

### Salary

'Salary' includes gross salary; performance pay or bonuses; overtime; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by Belfast Metropolitan College and thus recorded in these accounts.

### Benefits in kind

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

### Fair Pay Disclosure – Pay Ratios (audited)

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

The banded remuneration (excluding back-dated pay award) of the highest paid director in the financial year 2023-24 was £130k - £135k (2022-23 £120k - £125k). The relationship between the mid point of this band and the remuneration of the College's workforce is disclosed below. The pay ratios have fallen this year due there being an increase in staff at lower bands rather than higher bands, and staff leaving on the RtS scheme.

2023-24	25 <sup>th</sup> percentile	Median	75 <sup>th</sup> percentile
Total remuneration	£29,269	£37,609	£44,158
Ratio	4.53	3.52	3.00

2022-23	25 <sup>th</sup> percentile	Median	75 <sup>th</sup> percentile
Total remuneration	£25,409	£33,063	£39,028
Ratio	4.82	3.71	3.14

*Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.*

*For 2023-24 and 2022-23, the 25<sup>th</sup> percentile, median and 75<sup>th</sup> percentile remuneration values consist only of salary payments.*

Remuneration ranged from £20k - £25k to £130k - £135k (2022-23 £20k - £25k to £120 - £125k).

### Fair Pay Disclosure – Percentage Change in Remuneration (audited)

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

The percentage changes in respect of Belfast Metropolitan College are shown in the following table. It should be noted that the calculation for the highest paid director is based on the mid-point of the



band in which their remuneration fell each year. The increase in the pay ratio is due to an increase in the remuneration of the College's employees as a whole due to pay awards applied and accrued for.

Percentage Change for:	2023-24 compared to 2022-23
Average employee salary and allowances	12.8%
Highest paid director's salary and allowances	8.16%

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

### Pension Entitlements (audited)

Senior Management	Accrued pension at pension age as at 31/7/24 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/7/24	CETV at 31/7/23	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
L Warde Hunter (Principal and Chief Executive) <sup>1</sup>	10-15 plus lump sum of 0-5	0-5 plus lump sum of 0-5	195-200	155-160	20-25
D Duffy (Deputy Chief Executive)	20-25 plus lump sum of 0-5	0-5 plus lump sum of 0-5	390-395	330-335	60-65
A Sloane (Chief Operating Officer)	15-20 plus lump sum of 0-5	0-5 plus lump sum of 0-5	195-200	155-160	15-20
J Kettle (Director of Curriculum) <sup>2</sup>	15-20 plus lump sum of 0-5	0-5 plus lump sum of 0-5	40-45	320-325	15-20
G Magee (Director of People) <sup>3</sup>	0	0	0	370-375	

<sup>1</sup> L Warde Hunter left on 16/08/24

<sup>2</sup> J Kettle left on 31/08/23

<sup>3</sup> G Magee left on 31/05/23

## Pension Arrangements

Retirement benefits to employees of the college are provided by the Northern Ireland Teachers' Pension Scheme (NITPS) and the Local Government Pension Scheme for Northern Ireland administered by the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC).

### Northern Ireland Teachers' Pension Scheme

Pension benefits may be provided through the Northern Ireland Teacher's Pension Scheme which is administered by the Teachers' Pension Team within the Department of Education. The Scheme is funded by contributions made by both employees and employers. See detail of contributions at [www.education-ni.gov.uk](http://www.education-ni.gov.uk).

The pension scheme, from 1 April 2015, operates as a Career Average Revalued Earnings (CARE) and all new entrants joining the scheme on or after 1 April 2015 have their benefits calculated using career average arrangements only. CARE schemes accumulate pension based on a fraction of pensionable earnings each year – for NITPS this is 1/57th.

Existing scheme members, on 1 April 2015, who satisfied certain criteria (generally members within 10 years of their normal pension age) remained in the existing final salary arrangements, whilst others started to have their benefits calculated using a combination of career average and final salary arrangements.

In 2018, the UK Court of Appeal found that transitional protections put in place in 2015, that allowed older workers to remain in their original scheme, were discriminatory on the basis of age (**McCloud Judgement**).

The NITPS has now made regulations which remedy the discrimination by:

- prospective remedy: all active members of the NITPS becoming members of the 2015 reformed scheme (career average) from 1 April 2022, irrespective of age; and
- retrospective remedy: providing each eligible member with options to have their pension entitlements for the period when the discrimination existed between 1 April 2015 and 31 March 2022 (the remedy period) retrospectively calculated under either the current (2015 reformed) scheme rules, or the legacy scheme (final salary) rules which existed before 2015.

This means that all active NITPS Pension Scheme members are in the same pension scheme, CARE, from 1 April 2022 onwards, regardless of age. This removes the discrimination going forward in providing equal pension provision for all scheme members.

The NITPS is now implementing the second part of the remedy, which addresses the discrimination which was incurred by affected members between 1 April 2015 and 31 March 2022.

Eligible members with relevant service between 1 April 2015 and 31 March 2022 (the Remedy Period) will now be entitled to a choice of alternative pension benefits in relation to that period i.e. calculated under legacy rules or alternatively calculated under CARE scheme rules. As part of this retrospective remedy most active members will now receive a choice about their remedy period benefits at the point of retirement. This is known as the Deferred Choice Underpin (DCU). For those members who already have pension benefits in payment in relation to the Remedy Period, they will receive an Immediate Choice as soon as practicable after 1 October 2023, and no later than 18 months following this date.

At this stage, allowance has not yet been made within CETVs for this remedy. Further information on the remedy can be found at [Retrospective Remedy Consultation | Department of Education \(education-ni.gov.uk\)](https://www.education-ni.gov.uk/retrospective-remedy-consultation).

### **Local Government Pension Scheme (Northern Ireland)**

Pension benefits may be provided through the Local Government Pension Scheme (Northern Ireland) which is administered by the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC).

The pension scheme operates as a Career Average Scheme where a member builds up retirement pension at the rate of 1/49th pensionable pay for each year.

The LGPS (Northern Ireland) changed from a Final Salary Scheme to a Career Average Scheme on 1 April 2015. Members who joined the Scheme before 1 April 2015 have built up benefits in the final salary scheme. For members between 1 April 2009 and 31 March 2015, pension benefits were built up at the rate of 1/60th pensionable pay for each year of membership. Pension benefits in relation to any membership before 1 April 2009 were built up at the rate of 1/80th (pension) and 3/80ths (tax free lump sum) of pensionable pay for each year of membership up to 31 March 2009. There is no automatic lump sum provided in respect of membership after 31 March 2009. At retirement, members may give up some pension for additional lump sum, subject to HM Revenue and Customs (HMRC) limits.

Existing scheme members, on 1 April 2015, who were closer to retirement were protected from the changes of LGPS (NI) moving from a final salary scheme to a career average scheme. For 'protected' members, at point of retirement, NILGOSC would compare the career average pension they built up before age 65 with the pension they would have built up in the final salary scheme. If the final salary pension was higher, the difference was added to their pension. This protection was called the 'underpin'. The underpin period is from 1 April 2015 to 31 March 2022 (also known as the **remedy period**).

### **McCloud Judgement**

The McCloud Judgement ruled that this protection was discriminatory on the basis of age. The LGPS (NI) has made regulations to remedy this discrimination (the 'McCloud Remedy'):

- prospective remedy: from 1 April 2022 all members, irrespective of age, have their pension built up based on the career average scheme only; and

- retrospective remedy: eligible younger members also retrospectively protected by the underpin.

This means that all active LGS (NI) Pension Scheme members build up their pension on the same basis, from 1 April 2022 onwards, regardless of age. This removes the discrimination going forward in providing equal pension provision for all scheme members.

The NILGOSC is now implementing the second part of the remedy, which addresses the discrimination which was incurred by affected members between 1 April 2015 and 31 March 2022. Eligible members with relevant service between 1 April 2015 and 31 March 2022 (the Remedy Period) will now receive the same treatment in the application of the underpin protection: when a member takes their pension, NILGOSC will compare the pension built up from 1 April 2015 to 31 March 2022 in the career average scheme with the pension that could have been built up had the final salary scheme continued – if the final salary pension would have been higher, the difference is added to the member’s pension.

For those members who already have pension benefits in payment (pre 1 October 2023) in relation to the Remedy Period, NILGOSC will review the pension being paid. If the pension that would have built up between 1 April 2015 and 31 March 2022 in the final salary scheme would have been higher than in the career average scheme, then the member’s pension will be increased. NILGOSC will pay arrears of pension and interest.

Further information on the NILGOSC remedy can be found at [The McCloud Remedy - NILGOSC](#).

To comply with auto-enrolment legislation, Belfast Met joined the National Employment Savings Trust (NEST). Where an employee has previously opted out of NILGOSC or NITPS, the College still has a duty to enrol them in a qualifying pension scheme (provided they meet certain earnings criteria). NEST was set up by Government to assist with this requirement. The College contributions to NEST are on a defined contribution basis at 3%.

### **Cash Equivalent Transfer Values**

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member’s accrued benefits and any contingent spouse’s pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NILGOSC pension arrangements and for which the Fund has received a transfer payment commensurate with the additional pension liabilities being assumed. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2015 and do not take

account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken. The Lifetime Allowance ended in April 2024 and will be replaced by the Lump Sum Allowance and The Lump Sum and Death Benefit Allowance.

**Real increase in CETV**

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

**Compensation for Loss of Office**

No costs were incurred for compensation for loss of office in 2023-24.

## STAFF REPORT

### Staff Costs

Staff Costs are disclosed in Note 7 to the Financial Statements.

### Average Number of Persons Employed

The average number of full-time equivalent persons employed during the year was as follows (excluding Governors):

	<b>2024 Group No.</b>	<b>2024 College No.</b>	<b>2023 Group No.</b>	<b>2023 College No.</b>
Governing Body	0	0	0	0
Teaching	376	376	362	362
Support	165	165	182	182
Administration	205	205	263	263
Premises	32	32	32	32
<b>Total</b>	<b>778</b>	<b>778</b>	<b>839</b>	<b>839</b>

### Voluntary Severance Scheme

The table below shows the total cost of exit packages agreed and accounted for in 2023-24.

Voluntary Severance Scheme costs have been paid in accordance with compensation arrangements agreed within the Northern Ireland Further Education Colleges Voluntary Severance Scheme 2023/24 conditions. Minister Murphy approved the scheme with assurances that the scheme was to be delivered in a way which minimised the impact on front line delivery.

Voluntary Redundancy costs have been paid in accordance with compensation arrangements under the Redundancy Terms for Northern Ireland Further Education staff. Voluntary redundancy payment is calculated on the basis of age, service and pay and is traditionally enhanced terms.

Exit Package Cost Band	Voluntary Severance Scheme	
	2024	2023
	Number	Number
< £10,000	7	-
£10,000 - £25,000	6	-
£25,001 - £50,000	17	-
£50,001 - £100,000	46	-
£100,001 - £150,000	9	-
£150,001 - £200,000	4	-
£200,001 - £250,000	-	-
£250,001 - £300,000	-	-
£300,001 - £350,000	-	-
£350,001 - £400,000	-	-
£400,001 - £450,000	-	-
£450,001 - £500,000	-	-
<b>Total number of exit packages</b>	<b>89</b>	<b>-</b>
<b>Total Cost (£'000)</b>	<b>5,822</b>	<b>-</b>

### Attendance Management

Belfast Met had an overall sickness absence rate of 9.45% in 2023-24 (2022-23 4.65%)

### Staff Composition

The table below provides a breakdown of the number of persons employed and paid by the College as at 31 July, by gender.

	2024 Group No.	2024 College No.	2023 Group No.	2023 College No.
Male	373	373	429	429
Female	521	521	579	579
<b>Total</b>	<b>894</b>	<b>894</b>	<b>1,008</b>	<b>1,008</b>

### Staff Turnover

Staff turnover for the period 1 August 2023 to 31 July 2024 was 24%.

### Off Payroll Engagements

The College had no off-payroll engagements in 2023-24.

## Other Employee Matters

### Staff Development

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

Training is delivered using a variety of learning delivery channels including both on-line and in person. All employees must undertake specific mandatory training on an annual basis, in 2023-24 this was completed during the welcome back event and included modules on:

- Equality, Diversity, and Inclusion
- IT Security Awareness
- Safeguarding, Care and Welfare
- Health and Safety
- Financial Management

Throughout the year, all staff can partake in a variety of Continuous Professional Development (CPD) programmes, including:

- Staff Induction
- Wellbeing and Leadership programmes
- Hybrid Teaching and Learning
- Project based Learning
- Remote Working
- Core skills, for example managing conflict and challenging Behaviour, Microsoft Office etc.

The development programmes are also further supported by College staff being able to apply for funded support for self-managed CPD, tailored to their specific development needs.

## Staff Policies

### Equal Opportunities and Employment of Disabled Persons

When carrying out all its functions, powers, and duties, Belfast Met has due regard to the need to promote equality of opportunity as set out in Section 75 of the Northern Ireland Act 1998:

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

Without prejudice to its obligations above, the College is committed to promoting good relations between persons of different religious belief, political opinion or racial group. The College has included the promotion of good relations as part of the corporate planning process. The College is committed to the fulfilment of its Section 75 obligations in all parts of its organisation. The College will allocate necessary resources to ensure that the statutory duties are complied with and that the measures within the [Equality Scheme](#) to promote equality of opportunity are implemented



effectively and on time. The College recognises its responsibility to provide a positive and inspiring experience in terms of equality of opportunity.

The College continues to raise awareness about its legal obligations to promote equality of opportunity and good relations and embed this in the curriculum. We seek to build social inclusion and opportunity through widening economic participation. We work with local communities in creating capacity, developing knowledge and skills, raising self-esteem, and providing pathways into further training or employment. Belfast Met is involved in a huge array of activities that promote social inclusion, through delivery of core programmes to those from more disadvantaged backgrounds, activities related to college community outreach, the provision of an inclusive curriculum, and the extension of student support initiatives.

### **Disability Statement**

Belfast Met celebrates the diversity of its students and staff and works hard to ensure an environment where everyone is treated with dignity and respect. The following sections provide an overview on how the College strives to deliver equality, diversity and inclusion in its service delivery and employment.

Under the Disability Discrimination Act (DDA) 1995, Belfast Met, as a public authority, has a responsibility, when carrying out its functions, to have due regard to the need to promote positive attitudes towards people with a disability and encourage the participation of people with a disability in public life.

Under an amendment to the Disability Discrimination Act, Belfast Met is required to have a [Disability Action Plan](#) to promote positive attitudes towards people with a disability. This plan relates to all people with a disability who are exposed to our services including employees, customers, clients and service users as well as students. The College also adheres to its obligations under the Special Education Needs and Disability Order 2005 (SEND0).

The College submits a review of its process in relation to the relevant equality legislation to the Equality Commission by August 31 each year. This review and other information regarding our approach to equality and diversity is available at [Equality and Diversity - About Us - Belfast Met](#)



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## **Governing Body**

## STATEMENT OF THE RESPONSIBILITIES OF THE ACCOUNTING OFFICER AND GOVERNING BODY

### FOR THE YEAR ENDED 31 JULY 2024

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

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

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

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

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

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

The Accounting Officer of DfE has designated the Principal/Chief Executive as the Accounting Officer of the College. The responsibilities as an Accounting Officer, including responsibility for the propriety

and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the College's assets, are set out in Managing Public Money Northern Ireland (MPMNI) published by DoF.

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

# STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL

FOR THE YEAR ENDED 31 JULY 2024

## Introduction

This is the Governance Statement for Belfast Met, which sets out the governance structures, risk management and internal control procedures that operated within the College during the 2023-24 financial year and up to the date of approval of the Annual Report and Accounts. This Governance Statement has been prepared in accordance with guidance issued by the Department of Finance (DoF) and is aimed at supporting better governance and driving more consistent, coherent, and transparent reporting.

## Summary of the College's Structure of Corporate Governance

### Governing Body

The Governing Body is established in accordance with the Further Education (Northern Ireland) Order 1997 which provides the statutory basis for further education in Northern Ireland. The Governing Body is subject to an Instrument and Articles of Government, the Partnership Agreement, the DoF Audit and Risk Assurance Committee Handbook (NI) and other regulatory requirements. In terms of governance, all other documents are subordinate to the Order and subject to its provisions.

The College's Governing Body is comprised of members appointed by the Minister for the Department for the Economy, staff and students of the College, the Principal & Chief Executive and people co-opted by the Governing Body. The role of the Chairman of the Governing Body is separate from the role of the College Principal & Chief Executive. The Governing Body is responsible for the on-going strategic direction of the College whilst the Executive Officers are responsible for the operational management of the College. The Governing Body approves all major developments and receives regular reports on the activities of the College. The Governing Body met seven times during the 2023-24 academic year.

Four permanent committees support the Governing Body, Audit and Risk Assurance Committee (ARAC), Resources Committee (RES), Human Resources Committee (HR) and the Curriculum, Quality and Engagement Committee (CQE). A member of the Governing Body chairs each of the Committees. The Governing Body also has governors sitting on the Board of Springvale Educational Village Ltd as Directors. Springvale Education Village Ltd is a separate legal entity and wholly owned company of the College. As the need arises the Governing Body also makes use of specific project boards and personnel panels. Each permanent Committee has its own terms of reference and business cycle.

Information presented to the Governing Body is normally prepared by the appropriate business area and reviewed by the Executive Leadership Team, and in the case of governance issues prepared by the Clerk to the Governing Body and reviewed by the Chairperson. The College aims to have all papers issued a week in advance of any Board meeting to allow members to review and, where appropriate, to raise questions in advance. The relevant business area may then either be asked to attend the

meeting or to provide more detail in advance of the meeting to support discussions. This ensures a high quality of reliable and up to date information is presented. The Governing Body is content with the quality and reliability of the information presented in 2023-24.

### **Compliance with the Corporate Governance code**

During 2023-24, the College complied with the principles and supporting provisions set out in the Corporate Governance Code.

### **Pay Remit**

The College is required to comply each year with Department of Finance (DoF) guidance on the approval of pay remits. The College withholds progression increments and pay awards until appropriate Departmental Approval is received.

### **Governing Body Performance and Effectiveness**

During the year, the Governing Body continued to commit to improving board performance and effectiveness by:

- Attending a range of internal and external training events, workshops, and strategic planning days; and
- Regularly evaluating the effectiveness of the meetings of the Governing Body and its Committees.
- Undertaking a Governing Body self-assessment.

All Governing Body members are given induction and ongoing training provided by both DfE and the College, the former focuses on issues including accountability, corporate governance, and the challenge function while the latter focuses on College specific matters including the structure, vision, values and objectives of the organisation, and College strategies including those relating to the curriculum, estates, IT, stakeholder engagement and HR.

### **Audit and Risk Assurance Committee**

The Audit and Risk Assurance Committee (ARAC) operates as an advisory body to the Governing Body and the Accounting Officer. The ARAC is responsible for reviewing the effectiveness of the College accounting procedures and systems of internal control. It also must satisfy itself that adequate arrangements are in place to promote economy, efficiency, and effectiveness. The ARAC met four times during the 2023-24 year to discuss reports from the External and Internal Auditors and the relevant management responses. It reviewed the annual financial statements to ensure compliance with legislation and accounting standards.

The key issues discussed during the 2023-24 year were as follows:

- Internal Audit planning;
- Internal Audit reports including reviews as detailed below;

- NIAO matters including NIAO strategy and audit planning, Report To Those Charged with Governance (RTTCWG), and year end accounts;
- Risk management and opportunity;
- Follow up on outstanding recommendations from all sources;
- Compliance issues such as Direct Award contracts, Fraud, losses, and special payments, Raising Concern notifications, Gifts and Hospitality notifications;
- DoF and DfE and other third-party correspondence including circulars, Finance Director (FD) and Dear Accounting Officer (DAO) letters;
- Stewardship Statement; and
- ARAC effectiveness evaluation.

The Internal Audit Annual report 2023-24 published in September 2024 resulted in the College achieving an overall rating of a ‘Satisfactory’ assurance. “Satisfactory” is the highest level of audit opinion as defined in Accounting Officer letter DAO (DoF) 07/16.

Summary of internal audit reviews completed in 2023-24	
Report	Status
Budgetary Management for Revenue and Capital	Satisfactory
Review of ASF Assessment and Funding Allocation Processes	Satisfactory
Review of Compliance with DfE Letters of Offer	Satisfactory
Review of Whole College Quality Improvement Plan (WCQIP) and Self-Evaluation Report (SER) tracking	Satisfactory
Corporate Governance	Satisfactory
Compliance with Management of Policies Framework	Satisfactory

In addition to governors, auditors and DfE representatives, senior officers, namely the Chief Executive, the Chief Operating Officer, the Head of Finance, and the Head of Corporate Development were in attendance. Following each ARAC meeting the Chairperson of the Committee gives an oral update on audit and risk matters to the full Governing Body as well as circulating the draft minutes of the meeting. The Governing Body also take assurance from the annual report provided by the ARAC, and the Chairs’ committee also receives reports from the Chairperson of the ARAC Committee.

### Resources Committee

The Resources Committee inter alia supervises all matters relating to the finance and accounts of the College and the receipt of its income and the expenditure. It also supervises matters relating to Estates and IT infrastructure. Information presented to the Resources Committee is drafted by the appropriate department and discussed by the Executive Leadership Team before being presented as formal papers to Resources.

The Resource Committee met four times during 2023-24, key issues discussed during the year were as follows:

- College Annual Accounts;
- Estates Strategy and Update report;

- IT Strategy and Update report;
- Financial Performance; and
- Resource Budget Setting for the year ahead.

The Resources Committee presents a report to each meeting of the Governing Body.

### **Human Resources Committee**

This Committee is responsible for dealing with issues in relation to the recruitment, appointment, promotion and grading of all staff, other than senior staff.

The HR Committee met four times during 2023-24, key issues discussed during the year were as follows:

- HR Metrics Report, including Establishment figures, Sickness Absence, Staff Turnover rate, Employee relations cases;
- HR Department Priorities Report;
- Resourcing Report;
- Employee Relations Report;
- Annual Progress Report;
- Reform to Save Scheme.

The HR Committee presents a report to each meeting of the Governing Body.

### **Curriculum, Quality and Engagement Committee**

This Committee is responsible for overseeing the curricular provision of the College, especially the nature, quality and performance of the provision and the extent to which it meets the needs of the community the College seeks to serve.

The CQE Committee met five times during 2023-24, key issues discussed during the year were as follows:

- Northern Ireland Prison Service Contract;
- Admissions and Enrolment Update;
- Quality Assurance;
- College Development Plan;
- Higher Education Report;
- Student recruitment, performance and developments;
- New Programme Developments, Business and Skills Update;

The CQE Committee presents a report to each meeting of the Governing Body.



### Attendance at Governing Body

Attendance\* during the year at the Governing Body and the permanent committees was as follows:

Name	Governing Body	ARAC	CQE Committee	HR Committee	RES Committee
F Bryan (Chair)	1/1				
<b>M Corkey (Temporary Chair)</b>	5/6				
<b>R Byrne</b>	5/7	3/4	1/1	4/4	
<b>T Hesketh</b>	7/7		4/4		4/4
<b>M Keady</b>	7/7	3/4	2/3		
<b>L McAteer</b>	6/7		5/5	4/4	4/4
<b>S McGoran</b>	7/7	5/5		3/4	
<b>M McKernan</b>	7/7		4/4		4/4
<b>S McKinney</b>	7/7		3/4	3/4	
<b>B Montgomery</b>	7/7	4/4	4/4		1/1
<b>Y Murphy</b>	7/7		4/4		4/4
<b>S Sharpe</b>	5/7	4/5		3/4	
<b>S Snodden</b>	3/3	3/3		2/2	
<b>S Dawson</b>	5/7		3/4		4/4
<b>J Leaden</b>	4/7		2/4		4/4
<b>M Mearns</b>	1/2		1/1		1/1
<b>O McCaughey</b>	3/6		2/3		2/3
<b>L Warde Hunter</b>	7/7	4/5	3/4	4/4	2/4

\* Other attendees included Tier 2, 3 and 4 officers where significant items pertaining to their business area was discussed. All meetings were quorate.

### The College's Management Structure

The College's management structure is based on principles of good organisational design and College need. There is an established structure comprising Directorates which, during 2023-24, were led by the Deputy Chief Executive and the Chief Operating Officer, reporting to the Principal and Chief Executive. This structure enabled a compact Executive Leadership Team to exercise strategic and operational oversight on the College with clear lines of accountability.

### Internal Control Processes

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify the risks to the achievement of college policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. The system of internal control has been in place for the year ended 31

July 2024 and up to the date of approval of the annual report and accords with DoF guidance. I have fully embedded the processes which the DfE has agreed should be established and confirmed their robustness.

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

The College maintains a register for related party transactions to ensure that opportunities for conflicts of interest are avoided. This register is maintained centrally and updated regularly and includes all members of the Governing Body and the Executive Leadership Team.

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

The College receives periodic reports concerning internal control, and steps are taken to manage risks in significant areas of responsibility and monitor progress on key projects. No priority one recommendations were made by audit during the year ended 31 July 2024, and all recommendations made were accepted and have been actioned or are in the process of being actioned.

#### **Prior period restatement – recognition of income**

It was identified that the College has been incorrectly deferring an element of its block grant income from the Department for Economy (totalling £13.541million) over a number of years, resulting in a material understatement of income in the years 2017-18 to 2022-23 and the build-up of a corresponding deferred income payable (categorised as payments in advance in the accounts). The issue arose as a result of a misunderstanding by the College around the terms of the provision of the 'imputed loan' element of the funding provided by the Department. The College's process for allocating funding to cost centres contributed to the error continuing unnoticed for a number of years. A revised process was introduced during 2023-24. In future the College will seek clarity from DfE when they feel there is ambiguity around funding allocations provided and will continue to enhance its income monitoring and reconciliation checks. To correct this error a prior period restatement was required and further detail on this is provided at Note 30.

#### **Personal Data Related Incidents**

Our Data Breach register shows that 25 actual or potential data breaches occurred within the College between 1 August 2023 and 31 July 2024: 18 were confirmed as data breaches, 1 of which was reported to the Information Commissioner's Office (ICO) following a risk assessment. The investigations concluded that the College review processes to mitigate recurrence and limit potential data security risks, remind staff of their GDPR responsibilities, and ensure staff follow security protocols.

## Risk Management

The College has in place a comprehensive Corporate Risk Register and a series of operational risk registers, all of which are monitored and managed by Governing Body, Audit & Risk Assurance Committee, and senior management on a quarterly basis. Our Corporate Risk Register records details of all the risks that may prevent the College from achieving the aims and objectives set out in the Strategic Plan as well as:

- A description of each risk and their causes and effects;
- An assessed risk score based upon the probability and impact of the risk (inherent risk);
- Name of the individual who has overall responsibility for managing a particular risk;
- Actions and controls that currently exist to mitigate risks;
- Direction of travel since previous quarter; and
- Current risk status (residual risk).

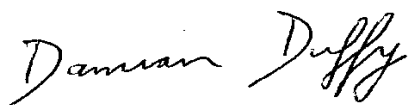
While the Corporate Risk Register is updated at least quarterly, it is entirely refreshed on an annual basis. As part of the commitment to provide digital services by design, during 2022-23, the College implemented an integrated risk and performance management software solution which draws together the strategic plan, underpinning plans, and risk management processes together by providing accessible, quality performance management information. This system was fully embedded across the business during 2023-24.

As at 31 July 2024, risks which have been classified as of significant concern (i.e., residual risk remains high despite mitigation measures) are: -

- Failure to ensure financial sustainability linked to declining core grant funding.
- Failure to ensure business continuity as a result of a cyber attack.
- Failure to deliver on College objectives as a result of challenging industrial relations environment.

RSM Auditors undertook an audit of the risk management function in 2021 and found that the College had a satisfactory system of governance, risk management and control.

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



Damian Duffy  
Accounting Officer

11 December 2024

## ASSEMBLY ACCOUNTABILITY DISCLOSURES

### FOR THE YEAR ENDED 31 JULY 2024

The Assembly Accountability Report brings together the key Assembly accountability documents within the annual report and accounts.

#### **Losses (subject to audit)**

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

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

Losses are disclosed in Note 29.

#### **Special Payments (subject to audit)**

The College is required by MPMNI to provide a special payments statement where total losses exceed £300,000.

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

Special payments are disclosed in Note 29.

#### **Remote Contingent Liabilities (subject to audit)**

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

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

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



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# Financial Statements

## THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY

### **Opinion on financial statements**

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

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

In my opinion the financial statements:

- give a true and fair view of the state of the group's and of Belfast Metropolitan College's affairs as at 31 July 2024 and of the group's and Belfast Metropolitan College's net deficit for the year then ended; and
- have been properly prepared in accordance with the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008 and the Department for the Economy directions issued thereunder.

### **Opinion on regularity**

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

### **Basis for opinions**

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

My staff and I are independent of Belfast Metropolitan College in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

### **Emphasis of matter**

#### Income Recognition

My audit of the 2023-24 financial statements identified that total comprehensive income recorded by the College in the 2022-23 financial statements was understated by £2.8 million and net current liabilities were overstated by £13.541 million. I draw attention to Note 30 of the financial statements which describes a prior period adjustment relating to this matter. My opinion is not modified in relation to this matter.

### Pensions Surplus

During my audit of the 2023-24 financial statements, the College obtained revised actuarial valuations which showed that the pension asset disclosed in the 2022-23 financial statements had been overstated by £7.585 million. I draw attention to Note 30 of the financial statements which describes a prior period adjustment relating to this matter. My opinion is not modified in relation to this matter.

### **Conclusions relating to going concern**

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

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

My responsibilities and the responsibilities of the Accounting Officer and Governing Body with respect to going concern are described in the relevant sections of this certificate.

### **Other Information**

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

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

I have nothing to report in this regard.

### **Opinion on other matters**

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

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

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

### **Matters on which I report by exception**

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

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

### **Responsibilities of the Governing Body and Accounting Officer for the financial statements**

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

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- ensuring the annual report, which includes the Remuneration Report and Staff Report is prepared in accordance with the applicable financial reporting framework; and
- assessing Belfast Metropolitan College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by Belfast Metropolitan College will not continue to be provided in the future.

### **Auditor's responsibilities for the audit of the financial statements**

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

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable Belfast Metropolitan College through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008;
- making enquires of management and those charged with governance on Belfast Metropolitan College's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of Belfast Metropolitan College's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud



to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition and posting of unusual journals;

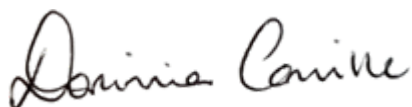
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- documenting the design and implementation of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;
- communicating with component auditors to request identification of any instances of non-compliance with laws and regulations that could give rise to a material misstatement of the group financial statements;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;
- addressing the risk of fraud as a result of management override of controls by:
  - performing analytical procedures to identify unusual or unexpected relationships or movements;
  - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
  - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
  - investigating significant or unusual transactions made outside of the normal course of business; and
- applying tailored risk factors to datasets of financial transactions and related records to identify potential anomalies and irregularities for detailed audit testing.

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

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

## Report

I have no observations to make on these financial statements.



*Dorinnia Carville*  
 Comptroller and Auditor General  
 Northern Ireland Audit Office  
 106 University Street  
 BELFAST  
 BT7 1EU  
 17 December 2024

## FINANCIAL STATEMENTS

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

	Notes	2024 Group £'000	2024 College £'000	2023 Group Restated £'000	2023 College Restated £'000
<b>INCOME</b>					
Department for the Economy income	1	67,977	67,969	61,212	61,206
Education contracts	2	1,913	1,913	730	730
Tuition fees and charges	3	8,651	8,651	8,465	8,465
Other grant income	4	1,892	1,892	1,354	1,354
Other operating income	5	1,037	760	1,172	795
Investment income	6	343	343	187	187
<b>Total income</b>		<b>81,813</b>	<b>81,528</b>	<b>73,120</b>	<b>72,737</b>
<b>EXPENDITURE</b>					
Staff costs	7	43,217	43,132	45,510	45,432
Other operating expenses	9	26,931	26,685	24,993	24,650
Depreciation and amortisation	12&13	6,357	6,337	5,902	5,882
Interest and other finance costs	10	4	4	432	432
Holiday pay provision	26	0	0	0	0
<b>Total expenditure</b>		<b>76,509</b>	<b>76,158</b>	<b>76,837</b>	<b>76,396</b>
<b>Surplus/(deficit) before exceptional items</b>		<b>5,304</b>	<b>5,370</b>	<b>(3,717)</b>	<b>(3,659)</b>
Exceptional staff costs - redundancy	7	5,822	5,822	0	0
<b>Total Exceptional items</b>		<b>5,822</b>	<b>5,822</b>	<b>0</b>	<b>0</b>
<b>Surplus/(deficit) before tax</b>		<b>(518)</b>	<b>(452)</b>	<b>(3,717)</b>	<b>(3,659)</b>
Taxation		0	0	0	0
<b>Surplus/(deficit) for the year</b>		<b>(518)</b>	<b>(452)</b>	<b>(3,717)</b>	<b>(3,659)</b>
<b>Other Comprehensive Income</b>					
Unrealised surplus on revaluation of land and buildings		2,881	2,881	10,184	10,184
Actuarial (loss)/gain in respect of pension scheme		(182)	(182)	13,117	13,117
Closure of Endowment Transfer		(126)	0	0	0
Rounding difference		1	2	0	0
<b>Total comprehensive income for the year</b>		<b>2,056</b>	<b>2,249</b>	<b>19,584</b>	<b>19,642</b>
Represented by:					
Restricted comprehensive income for the year		0	0	0	0
Unrestricted comprehensive income for the year		2,056	2,249	19,584	19,642

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

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

# CONSOLIDATED STATEMENT OF CHANGES IN RESERVES

FOR THE YEAR ENDED 31 JULY 2024

2023-24

## GROUP

	Income and expenditure account							Total
	Endowment	Restricted	Pension Reserve	Unrestricted	Revaluation reserve	Total excluding Non-Controlling Interest	Non-controlling interest	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
<b>Balance at 1 August 2022 original</b>	151	0	(11,585)	(10,171)	86,449	0	0	64,844
Prior year adjustment	0	0	0	10,741	0	0	0	10,741
<b>Balance at 1 August 2022 restated</b>	151	0	(11,585)	570	86,449	0	0	75,585
Restated Surplus/(deficit) from income and expenditure statement	0	0	0	(3,717)	0	0	0	(3,717)
Other comprehensive income	0	0	11,497	1,620	10,184	0	0	23,301
Transfers between revaluation and income and expenditure	0	0	0	0	0	0	0	0
Transfer due to endowment asset investment	(25)	0	0	25	0	0	0	0
<b>Balance at 1 August 2023 restated</b>	<b>126</b>	<b>0</b>	<b>(88)</b>	<b>(1,502)</b>	<b>96,633</b>	<b>0</b>	<b>0</b>	<b>95,169</b>
Surplus/(deficit) from income and expenditure statement	0	0	0	(518)	0	0	0	(518)
Other comprehensive income	0	0	4	(186)	2,881	0	0	2,699
Transfers between revaluation and income and expenditure	0	0	0	2,995	(2,995)	0	0	0
Rounding difference	0	0	0	1	0	0	0	1
Closure of endowment transfer	(126)	0	0	0	0	0	0	(126)
<b>Total comprehensive income for the year</b>	<b>(126)</b>	<b>0</b>	<b>4</b>	<b>2,292</b>	<b>(114)</b>	<b>0</b>	<b>0</b>	<b>2,056</b>
<b>Balance at 31 July 2024</b>	<b>0</b>	<b>0</b>	<b>(84)</b>	<b>790</b>	<b>96,519</b>	<b>0</b>	<b>0</b>	<b>97,225</b>

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

CONSOLIDATED STATEMENT OF  
CHANGES IN RESERVES  
FOR THE YEAR ENDED 31 JULY 2024

2023-24

COLLEGE

Income and expenditure account

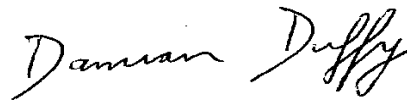
	Endowment	Restricted	Pension Reserve	Unrestricted	Revaluation reserve	Total excluding Non-Controlling Interest	Non-controlling interest	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance at 1 August 2022 original</b>	0	0	(11,585)	(10,661)	84,960	0	0	62,714
Prior year adjustment	0	0	0	10,741	0	0	0	10,741
<b>Balance at 1 August 2022 restated</b>	0	0	(11,585)	80	84,960	0	0	73,455
Restated Surplus/(deficit) from income and expenditure statement	0	0	0	(3,659)	0	0	0	(3,659)
Other comprehensive income	0	0	11,497	1,620	10,184	0	0	23,301
Transfers between revaluation and income and expenditure	0	0	0	0	0	0	0	0
Transfer due to endowment asset investment	0	0	0	0	0	0	0	0
<b>Balance at 1 August 2023 restated</b>	0	0	(88)	(1,959)	95,144	0	0	93,097
Surplus/(deficit) from income and expenditure statement	0	0	0	(452)	0	0	0	(452)
Other comprehensive income	0	0	4	(186)	2,881	0	0	2,699
Transfers between revaluation and income and expenditure	0	0	0	2,995	(2,995)	0	0	0
Rounding difference	0	0	0	2	0	0	0	2
<b>Total comprehensive income for the year</b>	0	0	4	2,359	(114)	0	0	2,249
<b>Balance at 31 July 2024</b>	0	0	(84)	400	95,030	0	0	95,346

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

## STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2024

	Notes	Group 2024 £'000	College 2024 £'000	Group 2023 Restated £'000	College 2023 Restated £'000	Group Restated 1 Aug 2022 £'000	College Restated 1 Aug 2022 £'000
<b>Non-Current Assets</b>							
Property, Plant and Equipment	12	145,258	142,732	145,578	143,055	139,362	136,907
Intangible assets	13	174	174	251	251	328	328
Endowment assets	20	0	0	126	0	151	0
Pension Asset	22	0	0	0	0	0	0
		<b>145,432</b>	<b>142,906</b>	<b>145,955</b>	<b>143,306</b>	<b>139,841</b>	<b>137,235</b>
<b>Current assets</b>							
Trade and other receivables	17	2,914	3,220	3,148	3,366	4,308	4,403
Cash and cash equivalents	21	7,969	7,941	6,943	6,909	6,776	6,770
<b>Total current assets</b>		<b>10,883</b>	<b>11,161</b>	<b>10,091</b>	<b>10,275</b>	<b>11,084</b>	<b>11,173</b>
Less: Creditors – amounts falling due within one year	18	14,409	14,388	12,868	12,831	13,515	13,499
<b>Net current (liabilities)/ assets</b>		<b>(3,526)</b>	<b>(3,227)</b>	<b>(2,777)</b>	<b>(2,556)</b>	<b>(2,431)</b>	<b>(2,326)</b>
<b>Total assets less current liabilities</b>		<b>141,906</b>	<b>139,679</b>	<b>143,178</b>	<b>140,750</b>	<b>137,410</b>	<b>134,909</b>
Less: Creditors – amounts falling due after more than one year	19	44,278	43,930	47,610	47,254	49,929	49,558
<b>Provisions:</b>							
Pension provisions	22	84	84	88	88	11,585	11,585
Other provisions	26	319	319	311	311	311	311
<b>Net assets including pension liability</b>		<b>97,225</b>	<b>95,346</b>	<b>95,169</b>	<b>93,097</b>	<b>75,585</b>	<b>73,455</b>
<b>Restricted Reserves</b>							
Income and expenditure account – restricted reserve		0	0	0	0	0	0
<b>Unrestricted Reserves</b>							
Income and expenditure – unrestricted reserves		790	400	(1,502)	(1,959)	570	80
Income and expenditure – pensions reserves		(84)	(84)	(88)	(88)	(11,585)	(11,585)
Endowment reserves	20	0	0	126	0	151	0
Revaluation reserve		96,519	95,030	96,633	95,144	86,449	84,960
<b>Total reserves</b>		<b>97,225</b>	<b>95,346</b>	<b>95,169</b>	<b>93,097</b>	<b>75,585</b>	<b>73,455</b>
<b>Total</b>		<b>97,225</b>	<b>95,346</b>	<b>95,169</b>	<b>93,097</b>	<b>75,585</b>	<b>73,455</b>

The financial statements on pages 50 to 91 were approved by the Governing Body of Belfast Metropolitan College on 11 December 24 and were signed on its behalf on that date by:



**Michele Corkey**  
Chair of Governing Body  
Belfast Metropolitan College

**Damian Duffy**  
Accounting Officer  
Belfast Metropolitan College

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

## CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2024

	Notes	2024 £'000	2023 £'000 Restated
<b>Cash inflow/(outflow) from operating activities</b>			
Deficit for the year		(518)	(3,717)
<b>Adjustment for non-cash items</b>			
Depreciation	12 & 13	6,334	5,902
Deferred capital grant released to income	1	(2,404)	(2,243)
Decrease/(increase) in receivables	17	234	1,160
Increase/(decrease) in creditors	18 & 19	169	2,485
Increase/(decrease) in pension provision	22	(186)	1,620
Increase/(decrease) in other provisions		8	0
Adjustment for investing or financing activities		0	0
Investment income		(343)	(187)
Profit on sale of property, plant and equipment		0	0
Adjustment for cumulative rounding in income and expenditure		1	0
Prior year adjustment		0	(2,800)
<b>Net cash inflow from operating activities</b>		<b>3,295</b>	<b>2,220</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of property, plant and equipment		0	0
Deferred capital grants received		2,167	1,605
Investment income	6	343	187
Payments made to acquire property, plant and equipment		(2,015)	(1,205)
New non-current asset investments		0	0
Movement in endowment reserve	20	0	25
<b>Net cash (outflow)/inflow from investing activities</b>		<b>495</b>	<b>612</b>
<b>Cash inflows from financing activities</b>			
Capital and interest elements of PFI lease rental payments		(2,764)	(2,665)
Interest paid		0	0
<b>Net cash (outflow) from financing activities</b>		<b>(2,764)</b>	<b>(2,665)</b>
<b>Increase/(Decrease) in cash and cash equivalents in the year</b>		<b>1,026</b>	<b>167</b>
Net funds at 1 August		6,943	6,776
<b>Net funds at 31 July</b>		<b>7,969</b>	<b>6,943</b>

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

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

## STATEMENT OF PRINCIPAL ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES

### FOR THE YEAR ENDED 31 JULY 2024

#### **Statement of Accounting Policies**

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

#### **Basis of Preparation**

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

The financial statements are prepared in accordance with the historical cost convention except that certain freehold properties are shown at their revalued amounts.

They also conform to the Accounts Direction issued by the Department for the Economy (DfE).

#### **Basis of Accounting**

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

#### **Going Concern**

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

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

#### **Basis of Consolidation**

The consolidated financial statements include the college and its subsidiary, Springvale Educational Village Limited (SEV Ltd). Intra-group balances are eliminated on consolidation. All financial statements are made up to 31 July 2024. The College closed its other subsidiary Belfast Metropolitan College Trust in year with the remaining assets being transferred to the College on 31 March 2024 and the subsidiary itself officially being closed down at 30 June 2024.



## STATEMENT OF PRINCIPAL ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES (continued)

### Recognition of Income

#### Government Grants [accruals model]

The recurrent grant and other revenue grants received from DfE (and other government bodies) are recognised in income over the periods in which the College recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and creditors due after more than one year as appropriate.

#### Tuition Fees

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

#### Non-government Grants

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

#### Interest

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

#### Capital Grants (non-land grants) [accruals model]

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

#### Other Capital Grants

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

#### Donations and Endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised in income when the College is entitled to the income. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations with no restrictions are recognised in income when the College is entitled to the funds.

## STATEMENT OF PRINCIPAL ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES (continued)

### Pension Scheme

The two principal pension schemes for the College's staff are the Northern Ireland Teacher's Pension Scheme (NITPS) and the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) defined benefit schemes.

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

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

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

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

To comply with auto enrolment legislation, Belfast Met has also joined the National Employment Savings Trust (NEST). Contributions by the College are made on a defined contribution basis.

## STATEMENT OF PRINCIPAL ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES (continued)

### Property, Plant and Equipment

- **Land and Buildings**

Land and buildings are stated in the Statement of Financial Position at valuation on the basis of depreciated replacement cost (including irrecoverable VAT), as the open market value for existing use is not readily obtainable. The associated credit is included in the revaluation reserve. The difference between depreciation charged on the historic cost of assets and the actual charge for the year calculated on the revalued amount is released to the income and expenditure account reserve on an annual basis. Land and buildings acquired since the last valuation are included in the Statement of Financial Position at cost. Freehold land is not depreciated. Freehold buildings are depreciated over their expected useful economic life to the college as advised by LPS. The depreciation charge on buildings is based on the opening value as valued by LPS. Where land and buildings are acquired with the aid of specific grants, these are accounted for in accordance with the revenue recognition policies above. Valuations are obtained on a regular basis, with a full professional valuation being undertaken by Land and Property Services (LPS) every five years, with revaluation using indices provided by LPS in intervening years and an interim valuation being carried out after 3 years. Revaluation is based on indices provided by LPS as at 31 July 2024.

- **Assets Under Construction**

Assets under construction are accounted for at cost, based on the value of architects' certificates and other direct costs, incurred to 31 July 2024. They are not depreciated until they are brought into use.

- **Assets other than land and buildings**

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

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

Computers	- three years straight line
Motor vehicles	- four years straight line
Plant and equipment	- five years straight line
Fixtures and Fittings	- five years straight line

### Private Finance Initiative

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

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

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

## STATEMENT OF PRINCIPAL ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES (continued)

### Leased Assets

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

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

### Intangible Assets

Intangible assets, greater than £3,000 per individual item, are capitalised at cost. Software integral to an item of hardware is dealt with as property, plant and equipment.

Amortisation is charged on a systematic basis over the useful economic life of the intangible asset. The useful economic life is limited to the period of any contractual or legal rights (including any renewal periods where the cost of renewal is not significant). Where the intangible asset has perpetual rights, the asset is amortised over the estimated useful economic life. The following amortisation rates were used in the year ended 31 July 2024:

Learner Management system - Contractual license period – 66 months from May 21

### Foreign Currency Translation

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

### Taxation

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

The college is exempted from levying VAT on most of the services it provides to students. For this reason, the college is partially exempt in respect of VAT, so that it can only recover a minor element of VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of property, plant, and equipment as appropriate, where the inputs themselves are property, plant and equipment by nature.

### Liquid Resources

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

### Provisions

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

**Financial Instruments**

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

**Agency arrangements**

The College acts as an agent in the collection and payment of Support Funds and Care to Learn payments. Related payments received from DfE and subsequent disbursements to students are excluded from the Consolidated Statement of Comprehensive Income and Expenditure and are shown separately in Note 28.

**Prior period Adjustment**

Two prior period adjustments have been recognised in these financial statements. Firstly, the College has corrected the prior year financial statements for 31st July 2023 to recognise income which had been incorrectly deferred to the balance sheet over a few years. Secondly, the College has taken advice from their actuary and now considers that any pension accounting surplus to be recognised on the Statement of Financial Position should be restricted to the present value of future service costs less the present value of the minimum funding requirement contributions for future service. This results in a restatement of the pension asset as at 31st July 2023. The effects of these adjustments are shown in detail at note 30.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. DEPARTMENT FOR THE ECONOMY INCOME

	2024 Group £'000	2024 College £'000	2023 Group £'000 Restated	2023 College £'000 Restated
<b>Grant In Aid Received from DfE</b>				
Recurrent grant	46,527	46,527	44,694	44,694
Release of deferred capital grants	2,404	2,396	2,243	2,237
Additional Support funds	615	615	694	694
Students with Learning Difficulties and/or Disabilities (SLDD)	544	544	508	508
Innovation Fund	351	351	329	329
Private Finance Initiative (PFI)/ Public Private Partnership (PPP)	6,780	6,780	6,718	6,718
Skills Focus	0	0	0	0
Other	3,340	3,340	1,369	1,369
Grant In Aid Items	<u>60,561</u>	<u>60,553</u>	<u>56,555</u>	<u>56,549</u>
<b>Non-Grant in Aid received from DfE</b>				
Education Maintenance Allowance administration	19	19	18	18
Assured Skills	548	548	903	903
Youth Training	0	0	1,028	1,028
Higher Level Apprenticeships	1,027	1,027	698	698
Level 3 Apprenticeships	0	0	2,010	2,010
VSS Income	5,822	5,822	0	0
Non-grant in aid items	<u>7,416</u>	<u>7,416</u>	<u>4,657</u>	<u>4,657</u>
<b>Total DfE income</b>	<u>67,977</u>	<u>67,969</u>	<u>61,212</u>	<u>61,206</u>

The College is the lead partner in a consortium to deliver Innovation fund in Northern Ireland. The income shown above includes that earned by the college in its capacity both as provider and as the consortium lead. All other income claimed from the Innovation fund in Northern Ireland and payable to consortium partners has been excluded from these accounts. Total income claimed in the year under this arrangement was as follows:

	2024 £'000	2023 £'000
Innovation Fund	<u>351</u>	<u>329</u>
<b>Net income</b>	<u>351</u>	<u>329</u>

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 2. EDUCATION CONTRACTS

	2024 Group £'000	2024 College £'000	2023 Group £'000	2023 College £'000
Entitlement Framework	113	113	157	157
Apprenticeships NI	1,800	1,800	573	573
<b>Total</b>	<b>1,913</b>	<b>1,913</b>	<b>730</b>	<b>730</b>

## 3. TUITION FEES AND CHARGES

	2024 Group £'000	2024 College £'000	2023 Group £'000	2023 College £'000
Higher Education (HE) income	3,524	3,524	3,292	3,292
Home and other European Union	5,081	5,081	5,147	5,147
Non-European Union	46	46	26	26
<b>Total</b>	<b>8,651</b>	<b>8,651</b>	<b>8,465</b>	<b>8,465</b>

**Tuition fees funded by bursaries**

Included within the above amounts are amounts which fund bursaries of £42,476 (2023: £64,177).

## 4. OTHER GRANT INCOME

	2024 Group £'000	2024 College £'000	2023 Group £'000	2023 College £'000
European funds	1,590	1,590	1,158	1,158
Other funds	302	302	196	196
<b>Total</b>	<b>1,892</b>	<b>1,892</b>	<b>1,354</b>	<b>1,354</b>

## 5. OTHER OPERATING INCOME

	2024 Group £'000	2024 College £'000	2023 Group £'000	2023 College £'000
Catering and residence operations	78	78	89	89
Other income generating activities	691	439	586	332
Other income	268	243	497	374
<b>Total</b>	<b>1,037</b>	<b>760</b>	<b>1,172</b>	<b>795</b>

## 6. INVESTMENT INCOME

	2024 Group £'000	2024 College £'000	2023 Group £'000	2023 College £'000
Pension income	0	0	0	0
Other interest receivable	343	343	187	187
<b>Total</b>	<b>343</b>	<b>343</b>	<b>187</b>	<b>187</b>

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 7. STAFF COSTS

All staff are employed by the College and where applicable costs are recharged to the subsidiary companies. The average number of persons (including senior post-holders) employed by the college during the year, expressed as full-time equivalents was:

	2024 Group No.	2024 College No.	2023 Group No.	2023 College No.
Governing body	0	0	0	0
Teaching	376	376	362	362
Support	165	165	182	182
Administration	205	205	263	263
Premises	32	32	32	32
<b>Total</b>	<b>778</b>	<b>778</b>	<b>839</b>	<b>839</b>

**Staff costs for the above persons**

	2024 Group £'000	2024 College £'000	2023 Group £'000	2023 College £'000
Governing body	80	80	73	73
Teaching	21,341	21,341	21,678	21,678
Support	7,212	7,212	7,018	7,018
Administration	13,459	13,439	14,192	14,175
FRS 102 adjustment (see note 22)	(190)	(190)	1,188	1,188
Premises	1,315	1,250	1,361	1,300
	43,217	43,132	45,510	45,432
<b>Exceptional Staff Costs (Redundancy)</b>	<b>5,822</b>	<b>5,822</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>49,039</b>	<b>48,954</b>	<b>45,510</b>	<b>45,432</b>
Wages and salaries	32,837	32,752	34,854	34,776
Social security costs	3,592	3,592	2,938	2,938
Movement in pension	0	0	0	0
Other pension costs	6,788	6,788	7,718	7,718
	43,217	43,132	45,510	45,432
<b>Exceptional Staff Costs (Redundancy)</b>	<b>5,822</b>	<b>5,822</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>49,039</b>	<b>48,954</b>	<b>45,510</b>	<b>45,432</b>

Included within staff costs above are agency costs amounting to £1,194k (2022-23 £1,427k)



**NOTES TO THE FINANCIAL STATEMENTS (continued)**

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

	Senior post-holders		Other staff	
	2024 No.	2023 No.	2024 No.	2023 No.
£60,001 to £70,000	0	0	57	28
£70,001 to £80,000	0	0	31	14
£80,001 to £90,000	0	0	11	14
£90,001 to £100,000	0	1	7	1
£100,001 to £110,000	0	0	1	0
£110,001 to £120,000	0	3	0	0
£120,001 to £130,000	1	0	0	0
£130,001 to £140,000	0	0	0	0
£140,001 to £150,000	1	1	0	0
£150,001 to £160,000	1	0	0	0
	<u>3</u>	<u>5</u>	<u>107</u>	<u>57</u>

**8. KEY MANAGEMENT PERSONNEL**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College and are represented by the college Governing Body and Executive Leadership Team which comprises the Principal/Directors and Deputy Directors.

	2024 No.	2023 No.
The number of senior post-holders including the Principal was:	<u>3</u>	<u>5</u>

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

	2024 £'000	2023 £'000
Salaries	535	477
Pension contributions	<u>72</u>	<u>100</u>
<b>Total emoluments</b>	<u><b>607</b></u>	<u><b>577</b></u>

The above emoluments include amounts payable to the Principal (who is also the highest paid senior post-holder) of:

	2024 £'000	2023 £'000
Salaries	135	123
Pension contributions	<u>23</u>	<u>23</u>
<b>Total</b>	<u><b>158</b></u>	<u><b>146</b></u>

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

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 9. OTHER OPERATING EXPENSES

	2024 Group £'000	2024 College £'000	2023 Group £'000	2023 College £'000
Direct Teaching	822	822	1,210	1,210
Direct Support	3,951	3,950	4,265	4,265
Administration	6,453	6,351	4,685	4,506
Professional Fees	240	240	181	181
Premises	6,122	5,979	5,748	5,584
Unitary payments under PFI contract	6,879	6,879	6,295	6,295
Interest element of finance lease	2,464	2,464	2,609	2,609
<b>Total</b>	<b>26,931</b>	<b>26,685</b>	<b>24,993</b>	<b>24,650</b>

## Other operating expenses for the group include:

	2024 £'000	2023 £'000
Auditors' remuneration:		
Financial statements audit (includes £65,000 in respect of the college – 2022-23 £44,000)	65	44
Other Services – NFI	0	1
Internal audit (includes £29,226 in respect of the college – 2022-23 £26,109)	29	26
Hire of plant and machinery – operating leases	504	235

## 10. INTEREST AND OTHER FINANCE COSTS

	2024 Group £'000	2024 College £'000	2023 Group £'000	2023 College £'000
On bank loans, overdrafts and other loans	0	0	0	0
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
On finance leases	0	0	0	0
Net charge on pension scheme	4	4	432	432
<b>Total</b>	<b>4</b>	<b>4</b>	<b>432</b>	<b>432</b>

## 11. TAXATION

The members do not believe the college was liable for any corporation tax arising out of its activities during this period. SEV Ltd had a liability of £nil in 2023-24.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 12. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land & buildings £'000	PFI £'000	Plant & equipm't £'000	Computer £'000	Fixtures & fittings £'000	Motor vehicles £'000	Total £'000
<b>Cost or valuation</b>							
At 1 August 2023	40,956	105,074	9,520	5,937	1,005	312	162,804
Additions	0	1,041	1,439	507	69	0	3,056
Impairment	23	0	0	0	0	0	23
Surplus/(deficit) on revaluation	748	2,345	0	0	0	0	3,093
Disposals	0	0	0	0	0	0	0
Rounding adjustment	0	1	(1)	0	0	0	0
<b>At 31 July 2024</b>	<b>41,727</b>	<b>108,461</b>	<b>10,958</b>	<b>6,444</b>	<b>1,074</b>	<b>312</b>	<b>168,976</b>
<b>Depreciation</b>							
At 1 August 2023	1,120	3,242	6,862	5,365	370	267	17,226
Charge for the year	1,198	3,470	1,003	426	167	16	6,280
Revaluation	63	149	0	0	0	0	212
Impairment	0	0	0	0	0	0	0
Elimination in respect of disposals	0	0	0	0	0	0	0
<b>At 31 July 2024</b>	<b>2,381</b>	<b>6,861</b>	<b>7,865</b>	<b>5,791</b>	<b>537</b>	<b>283</b>	<b>23,718</b>
<b>Net book value at 31 July 2024</b>	<b>39,346</b>	<b>101,600</b>	<b>3,093</b>	<b>653</b>	<b>537</b>	<b>29</b>	<b>145,258</b>
Net book value at 31 July 2023	39,836	101,832	2,658	572	635	45	145,578

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 12. PROPERTY, PLANT AND EQUIPMENT

## College

	Freehold land & buildings £'000	PFI £'000	Plant & equipm't £'000	Computers £'000	Fixtures & fittings £'000	Motor vehicles £'000	Total £'000
<b>Cost or valuation</b>							
At 1 August 2023	38,413	105,075	9,372	5,937	1,005	312	160,114
Additions	0	1,041	1,439	507	69	0	3,056
Surplus/(deficit) on revaluation	748	2,345	0	0	0	0	3,093
Disposals	0	0	0	0	0	0	0
<b>At 31 July 2024</b>	<b>39,161</b>	<b>108,461</b>	<b>10,811</b>	<b>6,444</b>	<b>1,074</b>	<b>312</b>	<b>166,263</b>
<b>Depreciation</b>							
At 1 August 2023	1,100	3,242	6,715	5,365	370	267	17,059
Charge for the year	1,178	3,470	1,003	426	167	16	6,260
Revaluation	63	149	0	0	0	0	212
Impairment	0	0	0	0	0	0	0
Elimination in respect of disposals	0	0	0	0	0	0	0
<b>At 31 July 2024</b>	<b>2,341</b>	<b>6,861</b>	<b>7,718</b>	<b>5,791</b>	<b>537</b>	<b>283</b>	<b>23,531</b>
<b>Net book value at 31 July 2024</b>	<b>36,820</b>	<b>101,600</b>	<b>3,093</b>	<b>653</b>	<b>537</b>	<b>29</b>	<b>142,732</b>
Net book value at 31 July 2023	37,313	101,833	2,657	572	635	45	143,055

Land and buildings were last subject to a full revaluation at 31 July 2022 on a depreciated replacement cost basis. The valuations were performed independently by the Land and Property Service (LPS). Subsequently that revaluation was updated using indices supplied by the Land and Property Service to provide valuations as at 31 July 2024.

**NOTES TO THE FINANCIAL STATEMENTS (continued)****12. PROPERTY, PLANT AND EQUIPMENT**

If property, plant and equipment had not been revalued before being deemed as cost on transition they would have been included at the following historical cost amounts:

	<b>£'000</b>
Cost	0
Aggregate depreciation based on cost	<u>0</u>
<b>Net book value based on cost</b>	<b><u>0</u></b>

The net book value of property, plant and equipment includes an amount of £101,600k (2023: £101,832k) in respect of assets held under finance leases.

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
The depreciation charge for the year is analysed as follows:		
Owned assets	2,810	2,583
Assets held under finance leases and hire purchase arrangements	3,470	3,242

**13. INTANGIBLE FIXED ASSETS****Group and College**

	Intangible Asset £'000	TOTAL £'000
<b>Cost or valuation</b>		
At 1 August 2023	424	424
Additions	0	0
Disposals	<u>0</u>	<u>0</u>
<b>At 31 July 2024</b>	<b><u>424</u></b>	<b><u>424</u></b>
<b>Amortisation</b>		
At 1 August 2023	173	173
Charge for the year	77	77
Elimination in respect of disposals	<u>0</u>	<u>0</u>
<b>At 31 July 2024</b>	<b><u>250</u></b>	<b><u>250</u></b>
<b>Net book value at 31 July 2024</b>	<b><u>174</u></b>	<b><u>174</u></b>
<b>Net book value at 31 July 2023</b>	<b><u>251</u></b>	<b><u>251</u></b>

The intangible asset is a jointly owned and controlled asset among the six Further Education Colleges of Northern Ireland. The asset is a Learner Management System that will be operated centrally for the sector. The intangible asset is funded in full through a capital grant from the Department for the Economy. The total cost for the joint asset for the sector was £2.5m and amortisation began in May 2021.

**NOTES TO THE FINANCIAL STATEMENTS (continued)****14. SERVICE CONCESSION ARRANGEMENTS**

The Statement of Financial Position includes two service concession arrangements where service delivery has commenced, Millfield and Titanic Quarter.

**Movement in service concession arrangement assets**

The asset value of the service concession included in the Statement of Financial Position as at 31 July 2024 is £101,600k (2023: £101,832k). The decrease of £232k is due to depreciation being slightly more than additions and indexation.

**Movement in service concession liabilities**

The total liabilities relating to the service concession included in the Statement of Financial Position as at 31 July 2024 were £23,935k (2023: £25,658k). The sum of £1,723k was repaid during the year.

**Future Commitments**

The following table analyses the College's future commitments in relation to service concession arrangements.

	<b>Payable in 1 year</b>	<b>Payable 2-5 years</b>	<b>Payable &gt;5 Years</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Liability repayments	3,095	8,896	11,944	23,935
Finance charge	2,229	6,254	4,982	13,465
	<b>5,324</b>	<b>15,150</b>	<b>16,926</b>	<b>37,400</b>

**NOTES TO THE FINANCIAL STATEMENTS (continued)****15. NON CURRENT INVESTMENTS**

Springvale Education Village Ltd is a company registered by guarantee without share capital.

**16. INVESTMENTS IN ASSOCIATES**

The College does not have any investments in associates.

**17. TRADE AND OTHER RECEIVABLES**

	<b>Group</b>	<b>College</b>	<b>Group</b>	<b>College</b>
	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Amounts falling due within one year:				
Trade receivables	1,293	1,225	810	778
Amounts owed by group undertakings:				
Subsidiary undertakings	0	374	0	260
Advance payments in respect of PFI contracts	310	310	414	414
Amounts due from Department	121	121	770	770
Prepayments and accrued income	<u>1,190</u>	<u>1,190</u>	<u>1,154</u>	<u>1,144</u>
<b>Total receivables</b>	<b><u>2,914</u></b>	<b><u>3,220</u></b>	<b><u>3,148</u></b>	<b><u>3,366</u></b>

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 18. CREDITORS: AMOUNTS FALLING DUE IN LESS THAN ONE YEAR

	Group 2024	College 2024	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
	£'000	£'000	Restated	Restated	Restated	Restated
Service concession arrangements	3,095	3,095	1,723	1,723	2,100	2,100
Payments received in advance	2,320	2,317	1,099	1,096	1,500	1,498
Trade payables	194	194	215	204	134	133
Amounts owed to group undertakings:						
Subsidiary undertakings	0	0	0	0	0	0
Taxation and social security	2,381	2,386	1,485	1,488	1,524	1,527
Accruals and deferred income	6,117	6,094	8,110	8,084	8,021	8,005
Other payables	0	0	0	0	5	5
Amounts owed to the Department	302	302	236	236	231	231
<b>Total</b>	<b>14,409</b>	<b>14,388</b>	<b>12,868</b>	<b>12,831</b>	<b>13,515</b>	<b>13,499</b>

In April 2009 the College signed a PPP contract with Ivywood College Ltd (ICL) to design, build and maintain, for 25 years, a new College Building on the Titanic Quarter site. Capital repayments are made over a 25-year period and are funded by DfE.

At the same time the College entered into the PFI agreement for the Titanic Quarter campus with ICL, the College also entered into a further agreement with a company connected to ICL, Ivywood Car Parks Limited. Under this agreement Ivywood Car Parks Limited constructed at its own cost (£5.3m), a sub-basement car park underneath the TQ campus which it is entitled to operate as a car park for 40 years, after which it reverts to the College. The College is entitled to income of £10k per annum indexed at 5% per annum in respect of this arrangement. The income is recognised on a straight-line basis over the 40-year period.

**Deferred income**

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

	Group 2024 £'000	College 2024 £'000	Group 2023 £'000	College 2023 £'000
Donations	1,000	1,000	0	0
Grant income	2,331	2,325	2,331	2,325
Other income	0	0	0	0
	<b>3,331</b>	<b>3,325</b>	<b>2,331</b>	<b>2,325</b>



**NOTES TO THE FINANCIAL STATEMENTS (continued)**

## 19. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	<b>Group</b>	<b>College</b>	<b>Group</b>	<b>College</b>
	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Deferred income	23,438	23,090	23,675	23,319
Service concession liabilities due after one year	<u>20,840</u>	<u>20,840</u>	<u>23,935</u>	<u>23,935</u>
<b>Total creditors after one year</b>	<b><u>44,278</u></b>	<b><u>43,930</u></b>	<b><u>47,610</u></b>	<b><u>47,254</u></b>

20. ENDOWMENT RESERVES  
**GROUP**

	<b>Restricted permanent</b>	<b>Unrestricted permanent</b>	<b>Expendable endowments</b>	<b>2024 Total</b>	<b>2023 Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 August	0	126	0	126	151
Capital	<hr/>				
Accumulated income	0	126	0	126	151
New endowments	0	0	0	0	0
Income for year	0	0	0	0	35
Expenditure for year	0	0	0	0	(60)
Transfer to Belfast Met College	0	(126)	0	(126)	0
<b>At 31 July</b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>126</u></b>

21. CASH AND CASH EQUIVALENTS  
**GROUP**

	<b>As 1 August 2023</b>	<b>Cash Flows</b>	<b>At 31 July 2024</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Cash and Cash equivalents at 31 July	<u>6,943</u>	<u>1,026</u>	<u>7,969</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)****22. PENSIONS AND SIMILAR OBLIGATIONS**

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

**Total pension cost for the year**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
NITPS: contributions paid	4,436	3,892
NILGOSC: contributions paid	2,516	2,638
NILGOSC: FRS 102 (28) adjustments	(190)	1,188
NEST: contributions paid	<u>26</u>	<u>28</u>
Charge to the Consolidated Statement of Comprehensive Income (staff costs)	6,788	7,746
Enhanced pension charge to the Consolidated Statement of Comprehensive Income (staff costs)	<u>0</u>	<u>0</u>
<b>Total pension cost for the year</b>	<b><u>6,788</u></b>	<b><u>7,746</u></b>

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

**NITPS**

The NITPS is an unfunded contributory, voluntary membership scheme administered by the Department of Education. Until 1 April 2015 the scheme operated under the Teachers' Superannuation Regulations (NI) 1998 (as amended). Further information about the scheme is given on the Department of Education's website [www.education-ni.gov.uk](http://www.education-ni.gov.uk).

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

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

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

The employer contribution rate increased to 29.1% from 1 April 2024 (was 25.1% from April 2019).

The salary bands applicable to member contributions for the NITPS from 1 April 2023 are:

<b>Salary</b>	<b>Member contribution rate</b>
Up to £32,135.99	7.4%
£32,136 to £43,259.99	8.6%
£43,260 to £51,292.99	9.6%
£51,293 to £67,979.99	10.2%
£67,980 to £92,697.99	11.3%
£92,698 and above	11.7%

The bands applicable to member contributions for the NITPS from 1 April 2024 are:

<b>Salary</b>	<b>Member contribution rate</b>
Up to £34,289.99	7.4%
£34,290 to £46,158.99	8.6%
£46,159 to £54,729.99	9.6%
£54,730 to £72,534.99	10.2%
£72,535 to £98,908.99	11.3%
£98,909 and above	11.7%

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

**NILGOSC**

NILGOSC is a defined benefit statutory scheme, administered in accordance with the Local Government Pension Scheme Regulations (Northern Ireland) 2002, as amended. The disclosures below relate to the funded liabilities within the Northern Ireland Local Government Officers' Superannuation Pension Fund (the "Fund") which is part of the Local Government Pension Scheme (Northern Ireland) (the "LGPS") and certain related unfunded liabilities which have been separately disclosed.

The LGPS is a funded defined benefit plan with benefits earned up to 31 March 2015 being linked to final salary. Benefits after 31 March 2015 are based on a Career Average Revalued Earnings scheme. Details of the benefits earned over the period covered by this disclosure are set out in 'The Local Government Pension Scheme Regulations (Northern Ireland) 2014' (as amended) and 'The Local Government Pension Scheme (Amendment and Transitional Provisions) Regulations (Northern Ireland) 2014' (as amended).

Employee contribution rates are on [www.nilgosc.org.uk](http://www.nilgosc.org.uk).

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

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

**Principal actuarial assumptions**

Principal actuarial assumptions at the Statement of Financial Position date are as follows:

	<b>At 31 July 2024</b>	<b>At 31 July 2023</b>
Rate of increase in salaries	4.30%	4.35%
Rate of increase for pensions in payment/inflation	2.80%	2.85%
Discount rate for scheme liabilities	5.00%	5.10%
Inflation assumption (CPI)	2.80%	2.85%

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

	<b>At 31 July 2024</b>	<b>At 31 July 2023</b>
<i>Retiring today</i>		
Males	21.0	21.3
Females	23.9	24.1
<i>Retiring in 20 years</i>		
Active / Deferred Males	21.6 / 21.9	21.9 / 22.2
Active / Deferred Females	24.7 / 25.0	24.9 / 25.2

The assets allocated to the College in the Fund are notional and are assumed to be invested in line with the investments of the Fund, for the purposes of calculating the return over the accounting period. The Fund holds a significant proportion of its assets in liquid investments. As a consequence, there will be no significant restriction on realising assets if a large payment is required to be paid from the Fund in relation to an employer's liabilities. The assets are invested in a diversified spread of investments.

The actuarial assumptions also include:

- Guaranteed Minimum Pension ("GMP") Indexation

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

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

The 2022 Valuation included an allowance for the additional liability potentially arising as a result of GMP indexation for all members reaching State Pension Age after 5 April 2021. The 2022 Valuation

was used as the starting point for the roll forward calculation of the accounting Defined Benefit Obligation (DBO) at 31 July 2024 and therefore the DBO calculated at 31 July 2024 implicitly includes an allowance for GMP indexation.

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

- Goodwin Ruling

A legal challenge has been made against the Government in respect of unequitable benefits for male dependants of female members (based on service after 1988) following the earlier Walker ruling. The Walker ruling made it necessary for public service pension schemes to provide survivors of registered civil partnerships or same-sex marriages with benefits that replicate those provided to widows. However, widows' pensions were generally introduced in public service schemes in the 1970s whereas a male widower of a female member historically only received benefits based on service from 6 April 1988.

An Employment Tribunal on 30 June 2020 has upheld the claim, and as a result the valuation has allowed for an additional liability in respect of the Goodwin ruling. An additional liability equating to 0.1% of the DBO was included in the DBO as at 31 July 2022 with the additional liability being recognised as a past service cost in FY22. No further allowance has been made in the DBO as at 31 July 2024.

- McCloud Ruling

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

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

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

The College's share of the assets in the scheme and the expected rates of return were:

	Long-term rate of return expected at 31 July 2024	Value at 31 July 2024 £'000	Long-term rate of return expected at 31 July 2023 (restated)	Value at 31 July 2023 £'000
Equities	39.9%	39,799	42.9%	38,171
Bonds	20.9%	20,766	21.6%	19,169
Property	9.1%	9,103	10.4%	9,203
Multi Asset Credit, Cash & other	30.1%	29,998	25.1%	22,346
<b>Total</b>		<b>99,666</b>		<b>88,889</b>

#### Amounts recognised in the Statement of Financial Position

	2024 £'000	2023 £'000 Restated
<b>Funded Benefits</b>		
Scheme assets	99,666	88,889
Scheme liabilities	(87,027)	(81,304)
<b>Present value of funded defined benefit obligation</b>	12,639	7,585
Irrecoverable Surplus	(12,639)	(7,585)
Funded Scheme – Net asset/(liability)	<b>0</b>	<b>0</b>
<b>Unfunded Benefits</b>		
Present Value of unfunded deficit	84	88
<b>Net Liability</b>	<b>(84)</b>	<b>(88)</b>

## NOTES TO THE FINANCIAL STATEMENTS (continued)

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

	2024 £'000	2023 £'000 Restated
<b>Amounts included in staff costs</b>		
Employer service cost (net of employee contributions)	2,338	3,820
Past service cost (obligation based on court rulings)	0	0
<b>Total</b>	<b>2,338</b>	<b>3,820</b>
<b>Analysis of pension finance income/(costs)</b>		
	2024 £'000	2023 £'000 Restated
Expected return on pension scheme assets	4,575	3,153
Interest cost	(4,188)	(3,585)
Interest adjustment due to irrecoverable surplus	(391)	0
<b>Net charge to other finance costs</b>	<b>(4)</b>	<b>(432)</b>
<b>Analysis of Other Comprehensive Income for pensions</b>		
	2024 £'000	2023 £'000 Restated
Actuarial gains/(losses) on pension scheme assets	4,556	(4,045)
Actuarial gains/(losses) on scheme liabilities	(75)	24,747
Actuarial gains/(losses) from recoverable surplus	(4,663)	(7,585)
<b>Total Other Comprehensive Income</b>	<b>(182)</b>	<b>13,117</b>
<b>Movement in surplus/(deficit) during the year</b>		
	2024 £'000	2023 £'000 Restated
Surplus/(deficit) in scheme at 1 August restated	(88)	(11,585)
Movement in the year:		
Employer service cost (net of employee contributions)	(2,338)	(3,820)
Employer contributions	2,528	2,632
Past service cost	0	0
Net interest/return on assets	387	(432)
Interest adjustment due to irrecoverable surplus	(391)	0
Actuarial gain or loss recognised in Other Comprehensive Income	(182)	13,117
<b>Surplus/(deficit) in scheme at 31 July</b>	<b>(84)</b>	<b>(88)</b>

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## Asset and liability reconciliation

	2024 £'000	2023 £'000 Restated
<b>Reconciliation of liabilities</b>		
<b>Liabilities at start of period</b>	81,392	99,462
Service cost	2,338	3,820
Interest cost	4,188	3,585
Employee contributions	856	879
Experience gains and losses on scheme liabilities	0	0
Actuarial (gain)/loss	75	(24,747)
Benefits paid	(1,738)	(1,607)
Past service cost	0	0
Curtailments and settlements	0	0
	<u>87,111</u>	<u>81,392</u>
<b>Liabilities at end of period</b>		
<b>Reconciliation of assets</b>		
<b>Assets at start of period</b>	88,889	87,877
Expected return on assets	4,575	3,153
Actuarial gain/(loss)	4,556	(4,045)
Employer contributions	2,520	2,624
Employee contributions	856	879
Benefits paid	(1,730)	(1,599)
	<u>99,666</u>	<u>88,889</u>
<b>Assets at end of period</b>		
<b>Net Assets</b>	<b>12,555</b>	<b>7,497</b>
Irrecoverable Surplus	(12,639)	(7,585)
	<u>(84)</u>	<u>(88)</u>
<b>Net Assets/(Liabilities)</b>		

## National Employment Savings Trust (NEST)

To comply with auto enrolment legislation the College joined the National Employment Savings Trust (NEST). Where an employee has previously opted out of NILGOSC or NIPTS the college still has a duty to enrol them in a qualifying pension scheme if certain earnings criteria are met. NEST was set up by the Government to assist with this requirement. The College's contributions to NEST are made on a defined contribution basis at 3%.



**NOTES TO THE FINANCIAL STATEMENTS (continued)****23. EVENTS AFTER THE END OF THE REPORTING PERIOD**

There have been no significant events after the end of the reporting period which need to be disclosed.

**24. SUBSIDIARY UNDERTAKINGS**

At 31 July 2024 Belfast Met has one subsidiary, Springvale Educational Village Limited which is a company registered by guarantee without share capital. During the financial year 31 July 2024 Belfast Met closed its other subsidiary Belfast Metropolitan College Trust. On 31 March 2024 the Trust assets totalling £67k were transferred to Belfast Met and following a period of inactivity for 3 months the Trust was then permanently closed on 30 June 2024.

**25. FINANCIAL COMMITMENTS**

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

	<b>Group and College</b>	
	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Land and buildings		
Expiring within one year	0	0
Expiring within two and five years inclusive	0	0
Expiring in over five years	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
Other		
Expiring within one year	176	151
Expiring within two and five years inclusive	100	251
Expiring in over five years	0	0
<b>Total</b>	<b>276</b>	<b>402</b>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

## 26. PROVISIONS FOR LIABILITIES AND CHARGES

	Litigation £'000	Holiday Pay £'000	Total £'000
At 1 August 2023	0	311	311
Expenditure in the period	0	0	0
Additions in 2023-24	0	8	8
Unused amounts reversed	<u>0</u>	<u>0</u>	<u>0</u>
<b>At 31 July 2024</b>	<b><u>0</u></b>	<b><u>319</u></b>	<b><u>319</u></b>

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

The PSNI has appealed the CoA judgment to the Supreme Court. In 2021, the case was paused to facilitate mediation, however, in March 2022, the PSNI were unable to obtain the required authorisation from the Department of Finance in respect of agreeing a potential financial settlement. The Supreme Court heard the case on 14 and 15 December 2022. The Supreme Court made its ruling on 5 October 2023 where it dismissed the appeal and upheld the judgement of the Court of Appeal.

The £319k provision has been estimated by the College and covers the period from 1998 to 31 July 2020, following the Department of Finance approach outlined for Departmental Annual Reports and Accounts (FD (DoF) 08/20).

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS (continued)****27. RELATED PARTY TRANSACTIONS AND TRANSACTIONS INVOLVING GOVERNING BODY MEMBERS AND SENIOR MANAGEMENT**

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

Name	Company	Role	Transactions (AP/AR*) 2024 £'000	Transactions (AP/AR) 2023 £'000 Restated	Amount outstanding to BMC at 31 July 2024 £'000	Amount outstanding to BMC at 31 July 2023 £'000 Restated
<b>Senior Manager</b>						
Damian Duffy	USEL	Non-Executive Director	0&1	0&2	0	0
Louise Warde Hunter	OCN NI Ltd	Non – Executive Director	120&0	103&0	0	0
Gillian Magee	RC2020	Executive Director	0	3 & 0	0	0
<b>Governor</b>						
Jim McCall	NI Water	Non-Executive Director	0	0	0	1
	NHSCT	Non-Executive Director	0	0	0	0
	NI Housing Executive	Non-Executive Director	0	53 & 10	0	3
Sam Snodden	Stranmillis University	Non – Executive Director	0	32 & 0	0	0
Kathleen O'Hare	CCEA	Member	0	37 & 64	0	0
Brian Wilson	CCEA	Member	0	37 & 64	0	0

\* AP/AR – Accounts Payable/ Accounts Receivable

**NOTES TO THE FINANCIAL STATEMENTS (continued)****28. AMOUNTS DISBURSED AS AGENT**

## Support Funds

	<b>2024</b> <b>£'000</b>	<b>2023</b> <b>£'000</b>
DfE Grants	383	446
Balance unspent in prior year	236	231
	<b>619</b>	<b>677</b>
Disbursed to students	(353)	(441)
<b>Balance unspent at 31 July</b>	<b>266</b>	<b>236</b>

## Care to Learn

	<b>2024</b> <b>£'000</b>	<b>2023</b> <b>£'000</b>
DfE Grants	6	11
Interest earned	0	0
	<b>6</b>	<b>11</b>
Disbursed to students	(6)	(11)
Audit fees	0	0
<b>Balance unspent at 31 July</b>	<b>0</b>	<b>0</b>

**29. LOSSES AND SPECIAL PAYMENTS**

In the period 1 August 2023 to 31 July 2024 there were no losses or special payments made (2022-23 £nil) and no bad debts were written off (2022-23 £109,545 bad debts were written off, 255 individual debts made up this total. Seven debts were individually £2k or more, five of these related to student debts and two related to private companies).

**30. PRIOR PERIOD RESTATEMENTS****Recognition of Income**

It was identified that the College has been incorrectly deferring an element of its block grant income from the Department for Economy (totalling £13.541million) since 2017-18 resulting in a material understatement of income to 2022-23 and the build-up of a corresponding deferred income payable (categorised as payments in advance in the accounts). The issue arose as a result of a misunderstanding by the College around the terms of the provision of the 'imputed loan' element of the funding provided by the Department. The College's process for allocating funding to cost centres

contributed to the error continuing unnoticed for a number of years. A revised process was introduced during 2023-24.

The College has corrected the prior year financial statements for 31 July 2023 and opening position as at 1 August 2022 to recognise the error which occurred since 2017-18. The amount of the correction for each financial statement line item affected for 2022-23 and 2021-22 is shown in the tables below.

### **Pension Adjustment**

At 31 July 2023, a net pension asset of £7,497k was recognised in respect of the NILGOSC pension scheme. The asset was calculated as the difference between the fair value of the assets held in the defined benefit scheme and the scheme's liabilities, measured on an actuarial basis using the projected unit method. At the reporting date, the College's actuary considered IFRIC 14 and recommended that the asset ceiling (i.e. the maximum surplus which should be recognised) should be set to equal the present value of the future service cost over a prescribed period, using the accounting assumptions at the measurement date. As such, the College recognised the full surplus at 31 July 2023.

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

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

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

The accounts have been restated to incorporate the impact of the latest actuarial advice.

## (i) The Consolidated Statement of Comprehensive Income and Expenditure has been restated as follows:

	2023 Published Accounts Group £'000	Restatement recognition of income £'000	Restatement Re Pension £'000	2023 Restated Group £'000	2023 Published Accounts College £'000	Restatement recognition of income £'000	Restatement Re Pension £'000	2023 Restated College £'000
<b>Income</b>								
Department for the Economy Income	58,412	2,800	0	61,212	58,406	2,800	0	61,206
Education contracts	730	0	0	730	730	0	0	730
Tuition Fees and charges	8,465	0	0	8,465	8,465	0	0	8,465
Other grant income	1,354	0	0	1,354	1,354	0	0	1,354
Other operating income	1,172	0	0	1,172	795	0	0	795
Investment income	187	0	0	187	187	0	0	187
<b>Total Income</b>	<b>70,320</b>	<b>2,800</b>	<b>0</b>	<b>73,120</b>	<b>69,937</b>	<b>2,800</b>	<b>0</b>	<b>72,737</b>
<b>Total Expenditure</b>	<b>76,837</b>	<b>0</b>	<b>0</b>	<b>76,837</b>	<b>76,396</b>	<b>0</b>	<b>0</b>	<b>76,396</b>
<b>Surplus/(deficit) for the year</b>	<b>(6,517)</b>	<b>2,800</b>	<b>0</b>	<b>(3,717)</b>	<b>(6,459)</b>	<b>2,800</b>	<b>0</b>	<b>(3,659)</b>
Unrealised surplus on revaluation of land and buildings	10,184	0	0	10,184	10,184	0	0	10,184
Actuarial (loss)/gain in respect of pensions scheme	20,702	0	(7,585)	13,117	20,702	0	(7,585)	13,117
<b>Total comprehensive income for the year</b>	<b>24,369</b>	<b>2,800</b>	<b>(7,585)</b>	<b>19,584</b>	<b>24,427</b>	<b>2,800</b>	<b>(7,585)</b>	<b>19,642</b>

## (ii) The Statement of Financial Position has been restated as follows:

	2023 Published Accounts	Restate-ment- recognition of income	Restatement re pensions	2023 Restated	2023 Published Accounts	Restatement- recognition of income	Restatement re pension	2023 Restated
	Group £'000	£'000	£'000	Group £'000	College £'000	£'000	£'000	College £'000
<b>Non-Current assets</b>								
Property, Plant and Equipment	145,578	0	0	145,578	143,055	0	0	143,055
Intangible Assets	251	0	0	251	251	0	0	251
Endowment Assets	126	0	0	126	0	0	0	0
Pension Asset	7,497	0	(7,497)	0	7,497	0	(7,497)	0
<b>Total</b>	<b>153,452</b>	<b>0</b>	<b>(7,497)</b>	<b>145,955</b>	<b>150,803</b>	<b>0</b>	<b>(7,497)</b>	<b>143,306</b>
<b>Total Current Assets</b>	<b>10,091</b>	<b>0</b>	<b>0</b>	<b>10,091</b>	<b>10,275</b>	<b>0</b>	<b>0</b>	<b>10,275</b>
Less: Creditors – amts falling due within one year	26,409	(13,541)	0	12,868	26,372	(13,541)	0	12,831
<b>Net Current (liabilities)/assets</b>	<b>(16,318)</b>	<b>13,541</b>	<b>0</b>	<b>(2,777)</b>	<b>(16,097)</b>	<b>13,541</b>	<b>0</b>	<b>(2,556)</b>
<b>Total assets less current liabilities</b>	<b>137,134</b>	<b>13,541</b>	<b>(7,497)</b>	<b>143,178</b>	<b>134,706</b>	<b>13,541</b>	<b>(7,497)</b>	<b>140,750</b>
<b>Less: Creditors – amounts falling due after more than one year</b>	<b>47,610</b>	<b>0</b>	<b>0</b>	<b>47,610</b>	<b>47,254</b>	<b>0</b>	<b>0</b>	<b>47,254</b>
<b>Provisions</b>								
Pensions provisions	0	0	88	88	0	0	88	88
Other provisions	311	0	0	311	311	0	0	311
<b>Net assets including pension liability</b>	<b>89,213</b>	<b>13,541</b>	<b>(7,585)</b>	<b>95,169</b>	<b>87,141</b>	<b>13,541</b>	<b>(7,585)</b>	<b>93,097</b>
<b>Unrestricted Reserves</b>								
Income and expenditure account – unrestricted reserve	(15,043)	13,541	0	(1,502)	(15,500)	13,541	0	(1,959)
Income and expenditure – pension reserves	7,497	0	(7,585)	(88)	7,497	0	(7,585)	(88)
Endowment Reserve	126	0	0	126	0	0	0	0
Revaluation Reserve	96,633	0	0	96,633	95,144	0	0	95,144
<b>Total Reserves</b>	<b>89,213</b>	<b>13,541</b>	<b>(7,585)</b>	<b>95,169</b>	<b>87,141</b>	<b>13,541</b>	<b>(7,585)</b>	<b>93,097</b>

The 2021-22 figures reported previously have been restated to reflect the correction for the recognition of income, no adjustment is required to the pension as it was a liability in 2021-22.

(i) **The Consolidated Statement of Comprehensive Income and Expenditure has been restated as follows:**

	2022 Published Accounts Group £'000	Restatement recognition of income £'000	Restatement Re Pension £'000	2022 Restated Group £'000	2022 Published Accounts College £'000	Restatement recognition of income £'000	Restatement Re Pension £'000	2022 Restated College £'000
<b>Income</b>								
Department for the Economy Income	57,893	2,584	0	60,477	57,893	2,584	0	60,477
Education contracts	611	0	0	611	611	0	0	611
Tuition Fees and charges	8,083	0	0	8,083	8,083	0	0	8,083
Other grant income	1,761	0	0	1,761	1,761	0	0	1,761
Other operating income	1,121	0	0	1,121	794	0	0	794
Investment income	0	0	0	0	0	0	0	0
<b>Total Income</b>	<b>69,469</b>	<b>2,584</b>	<b>0</b>	<b>72,053</b>	<b>69,142</b>	<b>2,584</b>	<b>0</b>	<b>71,726</b>
<b>Total Expenditure</b>	<b>78,598</b>	<b>0</b>	<b>0</b>	<b>78,598</b>	<b>78,223</b>	<b>0</b>	<b>0</b>	<b>78,223</b>
<b>Surplus/(deficit) for the year</b>	<b>(9,129)</b>	<b>2,584</b>	<b>0</b>	<b>(6,545)</b>	<b>(9,081)</b>	<b>2,584</b>	<b>0</b>	<b>(6,497)</b>
Unrealised surplus on revaluation of land and buildings	9,321	0	0	9,321	9,321	0	0	9,321
Actuarial (loss)/gain in respect of pensions scheme	29,635	0	0	29,635	29,635	0	0	29,635
<b>Total comprehensive income for the year</b>	<b>29,827</b>	<b>2,584</b>	<b>0</b>	<b>32,411</b>	<b>29,875</b>	<b>2,584</b>	<b>0</b>	<b>32,459</b>



(ii) The Statement of Financial Position has been restated as follows:

	2022 Published Accounts	Restatement- recognition of income	Restatement re pensions	2022 Restated	2022 Published Accounts	Restatement- recognition of income	Restatement re pension	2022 Restated
	Group £'000	£'000	£'000	Group £'000	College £'000	£'000	£'000	College £'000
<b>Non-Current assets</b>								
Property, Plant and Equipment	139,362	0	0	139,362	136,907	0	0	136,907
Intangible Assets	328	0	0	328	328	0	0	328
Endowment Assets	151	0	0	151	0	0	0	0
Pension Asset	0	0	0	0	0	0	0	0
<b>Total</b>	<b>139,841</b>	<b>0</b>	<b>0</b>	<b>139,841</b>	<b>137,235</b>	<b>0</b>	<b>0</b>	<b>137,235</b>
<b>Total Current Assets</b>	<b>11,084</b>	<b>0</b>	<b>0</b>	<b>11,084</b>	<b>11,173</b>	<b>0</b>	<b>0</b>	<b>11,173</b>
Less: Creditors – amts falling due within one year	24,256	(10,741)	0	13,515	24,240	(10,741)	0	13,499
<b>Net Current (liabilities)/assets</b>	<b>(13,172)</b>	<b>10,741</b>	<b>0</b>	<b>(2,431)</b>	<b>(13,067)</b>	<b>10,741</b>	<b>0</b>	<b>(2,326)</b>
<b>Total assets less current liabilities</b>	<b>126,669</b>	<b>10,741</b>	<b>0</b>	<b>137,410</b>	<b>124,168</b>	<b>10,741</b>	<b>0</b>	<b>134,909</b>
<b>Less: Creditors – amounts falling due after more than one year</b>	<b>49,929</b>	<b>0</b>	<b>0</b>	<b>49,929</b>	<b>49,558</b>	<b>0</b>	<b>0</b>	<b>49,558</b>
<b>Provisions</b>								
Pensions provisions	11,585	0	0	11,585	11,585	0	0	11,585
Other provisions	311	0	0	311	311	0	0	311
<b>Net assets including pension liability</b>	<b>64,844</b>	<b>10,741</b>	<b>0</b>	<b>75,585</b>	<b>62,714</b>	<b>10,741</b>	<b>0</b>	<b>73,455</b>
<b>Unrestricted Reserves</b>								
Income and expenditure account – unrestricted reserve	(10,171)	10,741	0	570	(10,661)	10,741	0	80
Income and expenditure – pension reserves	(11,585)	0	0	(11,585)	(11,585)	0	0	(11,585)
Endowment Reserve	151	0	0	151	0	0	0	0
Revaluation Reserve	86,449	0	0	86,449	84,960	0	0	84,960
<b>Total Reserves</b>	<b>64,844</b>	<b>10,741</b>	<b>0</b>	<b>75,585</b>	<b>62,714</b>	<b>10,741</b>	<b>0</b>	<b>73,455</b>

**NOTES TO THE FINANCIAL STATEMENTS (continued)****31. ADDITIONAL DISCLOSURES TO COMPLY WITH FINANCIAL REPORTING MANUAL**

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

	Notes	2024 Group £'000	2023 Group £'000 Restated
<b>INCOME</b>			
DfE income (non grant-in-aid items)	1	7,416	4,657
Education contracts	2	1,913	730
Tuition fees and charges	3	8,651	8,465
Other grant income	4	1,892	1,354
Other operating income	5	1,037	1,172
Endowment and investment income	6	343	187
Profit on disposal of assets		0	0
<b>Total incoming resources</b>		<b>21,252</b>	<b>16,565</b>
<b>EXPENDITURE</b>			
Staff costs	7	43,217	45,510
Other operating expenses	9	26,931	24,993
Depreciation and amortisation	12+13	6,357	5,902
Interest and other finance costs	10	4	432
Exceptional Costs - redundancy	7	5,822	0
<b>Total resources expended</b>		<b>(82,331)</b>	<b>(76,837)</b>
<b>Net deficit for the year</b>		<b>(61,079)</b>	<b>(60,272)</b>
Unrealised surplus on revaluation of land and buildings		2,881	10,184
Actuarial (loss)/gain in respect of pension scheme		(182)	13,117
Transfer from closure of subsidiary		(126)	0
<b>Amount transferred to reserves</b>		<b>(58,506)</b>	<b>(36,971)</b>
<b>Analysis of reserves prepared under FReM</b>			
		<b>2024</b>	<b>2023</b>
		<b>£'000</b>	<b>£'000</b>
Balance at 1 August restated		95,169	75,585
Grant-in-aid received in year		60,562	56,555
Net operating cost for year [ <i>amount transferred to reserves</i> ]		(58,506)	(36,971)
<b>Balance at 31 July</b>		<b>97,225</b>	<b>95,169</b>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**DATE OF AUTHORISATION FOR ISSUE**

The Accounting Officer authorised the issue of these financial statements on 17 December 2024.

