



Bradford College

Annual Report and Financial Statements

For the year Ended 31 July 2021

BRADFORD COLLEGE

Key Management Personnel

Key management personnel, defined as members of the College's Executive Management Team, were represented by the following in 2020/21:

Mr Chris Webb – Chief Executive Officer; Accounting Officer

Mr Mark Day - Deputy Chief Executive Officer (from March 2021 to 27 October 2021))

Mr Chris Malish – previously Deputy Chief Executive Officer (to March 2021), Vice Principal, Finance and Corporate Services (from 29 September 2021),

Ms Dawn Leak – Vice Principal, Curriculum and Development previously Director of Employer Responsiveness

Ms Sarah Cooper – Director of People Services

Mr Craig Tupling – Vice Principal, Quality and Student Experience

Mr Asa Gordon – Vice Principal Curriculum (from 1 April 2021)

Mr Marc Gillham – Vice Principal, Data Funding and Exams (from 11 October 2021)

Board of Governors

A full list of Governors is given on page 16-18 of these financial statements.

Ms Sarah McKenzie acted as Clerk to the Corporation.

Professional Advisers

Financial Statements and Regularity Auditors:

RSM UK Audit LLP
Two Humber Quays
Wellington Street West
Hull HU1 2BN

Bankers:

Lloyds Bank
Ground Floor Lovell Park
1 Lovell Park Road
Leeds
West Yorkshire
LS7 1DZ

Internal Auditors:

Wylie and Bisset
168 Bath Street
Glasgow
G2 4TP

Solicitors:

Eversheds
Bridgewater Place
Leeds
LS11 5DR

BRADFORD COLLEGE

CONTENTS

	Page(s)
Corporation Report	3 – 14
Statement of Corporate Governance and Internal Control	15 – 23
Corporation Statement on the College's Regularity, Propriety and Compliance With Funding Body Terms and Conditions of Funding	24
Statement of Responsibilities of the Members of Corporation	25
Independent Auditors Report to the Corporation of Bradford College	26 – 28
Consolidated and College Statements of Comprehensive Income	29
Consolidated and College Statements of Changes in Reserves	30
Consolidated and College Balance Sheets	31
Consolidated Statement of Cash Flows	32
Notes to the Financial Statements	33 – 61
Independent Reporting Accountant's Assurance Report on Regularity	

BRADFORD COLLEGE

CORPORATION REPORT

NATURE, OBJECTIVES AND STRATEGIES

1. The corporation present their report and the audited financial statements for the year ended 31 July 2021.

Legal status

2. The Corporation was established under the Further and Higher Education Act 1992 for the purpose of conducting the then Bradford & Ilkley Community College. The College is an exempt charity for the purposes of Part 3 of the Charities Act 2011.
3. On 1 September 1999, with consent from the Secretary of State, the name of the Corporation was changed to Bradford College.

Mission

4. The College is passionate about students, the experience they have, the support that can be provided, the opportunities that the College can generate and the value that we can add to their time at the College.

Public Benefit

5. COVID-19: The College focused on continued delivery whilst taking supportive action to ensure all students' needs were addressed in the change to remote delivery of our educational courses. Early action was taken to ensure equipment, software and support was in place at the very start of March 2020 as lockdown commenced. This has enabled The College to work effectively during the 20/21 year. The College have in the main had very pleasing feedback from both students and staff on the transition to remote delivery of lessons and remote working. Thanks go out to the whole of the teaching and administration teams for making this a success.
6. Partnership working and contracts with stakeholders have had a different focus during COVID-19. The College re negotiated contracts where it was appropriate to do so. Working to furlough staff members as appropriate has meant the College can continue to meet its financial obligations during the COVID-19 pandemic. With the announcement of a further national lockdown effective from the 5th of January 2021, the College physically closed for all staff and students apart from exceptions allowed by Government guidance, working from home continued and on-line learning was in place throughout. A COVID-19 testing site was be set up on the College site.
7. The College is an exempt charity under Part 3 of the Charities Act 2011 and its principal regulator is the Secretary of State for Education. The College Governors, who are trustees of the charity, are disclosed on page 16 of these financial statements. They are aware of their responsibilities as charity trustees to act for the public benefit in all their decision-making.
8. In setting and reviewing the College's strategic objectives, Governors had due regard for the Charity Commission's guidance on public benefit and, in particular, its supplementary guidance on the advancement of education.
9. The College is committed to providing high-quality education and to increasing educational opportunities among all the communities it serves. It is also committed to increasing the economic prospects and social mobility of Bradford and the surrounding areas. Substantial public benefit is provided through the wide range of activities it undertakes, from equipping individuals with basic life skills such as literacy and numeracy; to producing graduates and contribution research.
10. As its core business, the College operates a general further education College, delivering a range of courses and study programmes, including apprenticeships at intermediate and advanced levels, supporting individuals to achieve their learning goals and complete their studies with skills equipping them for higher level courses or for the national workforce. It supports a large number of those individuals to undertake practical work experience directly linked to their study programmes, to help develop their employability skills. The College works collaboratively with statutory agencies, educational partners and private enterprises, including the Leeds City Region and Combined Authority in order to contribute to the creation of a skilled workforce.

BRADFORD COLLEGE

CORPORATION REPORT

NATURE, OBJECTIVES AND STRATEGIES (continued)

11. The College partners with numerous local charities, social enterprises and community organisations, encouraging students to become involved in volunteering to support their personal development, augmenting the employability skills of those concerned and nurturing their sense of citizenship and social responsibility.
12. Examples of the College's engagement in activities that are of benefit to the wider public in 2020/21 are:
 - Some of the College's ESOL students were involved in 'Through Our Lens', a district-wide photography project aiming to transform Bradford's streets into a canvas of images capturing the moments, feelings and diversity of those living in the city.
 - Raised awareness of Chronic Pain Support Group Bradford, set up by a performing arts student and her sister who suffers from chronic pain. The college has made special arrangements to support the student, and supported activities to raise awareness of Chronic Pain conditions.
 - Supported Mental Health Awareness Week and carried out campaigns and activities to help students, staff and the wider public take better care of their own mental health. Our distance learning provision has offered free courses, and member of the college have shared regular tips and advice on the Bradford College website, social media channels, and Bradford College Students' Union website.
 - Participated in Bradford Tech Week to inspire people into the exciting opportunities available in the technology sector. We provided advice on guidance in how to get into a career in digital and technology and held a programme of activities where we invited students and members of the public to take part.
 - Raise awareness of hate crime and the devastating impact it can have. The College hosted a virtual screening of Black Roses: The Killing of Sophie Lancaster followed by a Q&A with Sophie's brother. Information about hate crime was shared on social media and the Bradford College website, as well as a post event news story highlighting the issue.
 - Promoted the debut novel of Bradford College Event's Coordinator Yousra Abdelal. Her book touched on issues young people can relate to as the story follows a young woman caught between the wishes of her family and her own desire for independence.
 - Continued to support those eligible for free college meals throughout the college holidays including half term and the winter break. The College also vocalised support for footballer Marcus Rashford's high-profile campaign to combat child poverty.
 - Set up a 'seed to plate' project following the successful application for a grant from DPD Eco Fund, which will fund seeds and equipment that will enable students grow vegetables, herbs, plants and flowers. The skills students learn participating in this project will allow them to show family and community members how to grow plants.
 - Bradford College has partnered with employers to lead a new education and training initiative, helping create the highly-skilled technology workforce of tomorrow. The Future Technologies Centre is a new and developing education, research and skills training framework. It has been designed by Bradford College to support the growth of technology and low carbon skills capacity and capability within West Yorkshire.
 - The College received a £57,000 grant from Children in Need to open up new opportunities for asylum seeker, refugee and BAME background students at Bradford College. These opportunities will support integration and improve the job prospects of those from minority socio-economic and ethnic backgrounds and continue to diversify the city's future workforce.
 - Bradford (Park Avenue) AFC and Bradford College have teamed up to provide a top-class football academy for aspiring 16-18-year-old male and female footballers.
 - The College has joined The Collab Group, which is an organisation representing 35 of the largest and most innovative colleges in the UK.

BRADFORD COLLEGE

CORPORATION REPORT

NATURE, OBJECTIVES AND STRATEGIES (continued)

13. The College produces and conserves works of artistic merit, for example curating a rich textile archive which it makes available for art students, designers, fabric manufacturers and the general public. It has mounted a series of exhibitions at prestigious events and venues which are open to the public, some involving international work. Paintings, designs and sculpture are displayed around the College campus and include student work.
14. The College has a Teaching Excellence Framework (TEF) Bronze award, meaning that the College "achieves good outcomes for most of its students"
15. The College provides training and support for learners with learning difficulties and/or disabilities, enhancing their ability for both independent living and preparation for work. It supports such learners to enable them to be taught in mainstream classes and provides support for those with behavioural problems. During the return to College particular measures were placed to enable vulnerable learners and learners with high needs to attend College ahead of a full return to study during the Covid-19 pandemic, this helped the group of learners settle more easily into the new environment in preparation for the full return to College in September 2020.
16. The College continues with its commitment to provide training and industry relevant qualifications through a range of apprenticeship programmes that support local employees and employers. Circa. 91% of employees completing apprenticeships with Bradford College go onto progress or continue into sustained employment.
17. The College has a strong commitment to widening participation in education and learning and, in furtherance of this, it works with a number of organisations in the region to promote this. Young people are also engaged through initiatives such as weekend workshops, for example in computer programming and art, as well as dance classes and theatre projects, aimed at nurturing talent, promoting further and higher education and building confidence, as well as increasing public understanding of careers in various sectors.
18. The College delivers an extensive programme of teacher education, supporting school improvement through teacher training for local schools. It has excellent relationships with local schools, training a large proportion of their professional workforce. As well as training for new teachers, including for its own workforce, courses are offered for those who wish to improve their teaching skills.
19. The college has supported the needs of BRI by developing and delivering Adult Social Care apprenticeships at level 2 and level 3, supporting the recruitment of key frontline staff. Apprenticeships in Dental, Pharmacy and a Higher-Level apprenticeship in Social Work demonstrate the College's commitment to supporting regional employers to provide the essential services needed.
20. Further information about how the College has delivered its charitable purposes for the public benefit is detailed throughout the Corporation Report.

BRADFORD COLLEGE

CORPORATION REPORT

NATURE, OBJECTIVES AND STRATEGIES (Continued)

Implementation of Strategic Plan

21. The start of the 2021 academic year has brought in new considerations to present the College Covid-19 safe for new and returning students and staff. Welcome back sessions include a number of measures to safeguard everyone on campus, resources have been made available to make the College a Covid-19 safe environment from the start of the new academic year to support the vision of **creating a better future for all through education and training**.

The strategic goals and objectives of the College's five-year corporate strategy in the pursuit of the College's educational mission, **working together to transform lives**, are laid out below. At the start of each academic and financial year, Corporation approves the strategic priorities, key improvement actions and performance targets to be achieved by the end of that year. Performance targets are set for each of the key performance indicators that measure the success of achieving the strategic objectives. This allows for monitoring by Corporation during the year to allow for prompt intervention if there is any major deviation from achieving the strategic objectives and goals. In this way, the Corporation is overseeing the execution of the College's corporate strategy on an annual basis.

Strategic Objective 1: Deliver a curriculum that meets the needs of students, employers and our community

Strategic Objective 2: Deliver an outstanding student experience

Strategic Objective 3: Be an employer of choice

Strategic Objective 4: Maintain a sustainable College

Strategic Objective 5: Grow our reputation and influence

22. In pursuing the strategic goals and objective, the College do so in accordance with its set of **values**, which guide the way things are done:
- a. **Respectful:** supportive, empathetic, mindful.
 - b. **Inclusive:** belonging, valued, understanding.
 - c. **Trust:** credible, accountable, honest.
 - d. **Inspirational & Aspirational:** passion, ambition, belief, confidence.
23. In 2020/21, strategically, the College was committed to continue its strengthening of its academic and financial sustainability through continuing with a programme of change in the face of ongoing challenges in both the FE and HE sectors in England.

BRADFORD COLLEGE

CORPORATION REPORT

NATURE, OBJECTIVES AND STRATEGIES (Continued)

Key Performance Indicators

24. The College monitors its performance in delivering the strategic objectives of the institution using a set of key performance indicators. The indicators align with the objectives set by the corporation, namely
- to deliver a curriculum that meets the needs of students, employers and our community
 - to deliver an outstanding student experience
 - to be an employer of choice
 - to maintain a sustainable college
 - to grow the college's reputation and influence

For 2020/21 a sample of the actual performance against target is shown below:

	Target	Actual
Staff costs as % of income*	62.6%	57.9%
Cash days in hand	73	67
Adult students' achievement	92.7%	90.5%
16-18 student's achievement	87.0%	84.4%
Student attendance	90.0%	85.1%
EBITDA % Income**	6.5%	10.27%

*Includes restructuring costs

** Earnings Before Tax, Interest and Depreciation (EBITDA), excludes pensions charges.

FINANCIAL POSITION

Financial results

25. The College Group suffered a deficit before other gains and losses in the year of (£2.485m) (2019/20 – deficit of £3.477m).
26. The total comprehensive income in 2020/21 is stated after accounting for the following items:
- Actuarial gain in respect of defined benefit pensions schemes, which relates to the West Yorkshire Pension Fund (WYPF, a Local Government Pension Scheme), of £18.703 m (2019/20 – actuarial loss of £19.121m);
 - Restructuring costs of £0.331m (2019/20: cost of £0.207m);
 - Additional employer service costs for the defined benefit pension scheme with the WYPF of £2.828m including past service costs of nil as per FRS 102 (28) (2019/20 – cost of £1.924m)
 - Net interest payable on the defined pension liability with the WYPF of £0.862m as per FRS 102 (28) (2019/20 – cost of £0.834m);
 - Interest and other finance costs, excluding the pension finance cost as per the above item, of £0.640m (2019/20 cost of £0.712m)
 - Depreciation charge of £3.079 m (2019/20 – cost of £3.03m)

BRADFORD COLLEGE

CORPORATION REPORT

NATURE, OBJECTIVES AND STRATEGIES (Continued)

27. Capital investment - the College Group invested £3.072m in fixed asset additions during the year 20/21. This includes a £1.538m Capital and IT grant from the ESFA
28. Reserves – the Group reserves amounted to £17.052m at the year-end. It held £10.983 m in cash and bank balances at that date.
29. The College reserves are reviewed in line with Charity Commission guidance, through forecasting and quarterly analysis of actuals. Performance is measured against key indicators for EBITDA as a percentage of income, staff costs as a percentage of income, borrowing as a percentage of income, adjusted current ratio and bank covenant compliance. Where a key performance measure is highlighted as breach or potential breach of the minimum levels set, corrective action is taken to ensure the College reserves are not compromised. Aspirational levels are set for each of the key performance measures. Planned income is monitored through the annual business planning cycle with quarterly reviews. Cash reserves are subject to monthly reconciliation. The impact from COVID-19 resulted in an inability to deliver against some of the College's key income streams, specifically around the delivery of AEB income and this resulted in costs of £600k being incurred without the corresponding income being delivered. Additional expenses of £25k were also incurred in ensuring the College environment was safe and minimised risk of COVID-19 transmission as students return to onsite delivery of provision.
30. The College reserves remain at a satisfactory level after the impact of COVID-19. Income has grown due to a capital grant and 16-18 grant income. Measures are in place to protect the College reserves and cash and bank balances. Core income levels, with the exception of apprenticeship income have remained stable during the COVID-19 pandemic.
31. The Group has significant reliance on the education sector funding bodies for its principal funding source, largely from recurrent grants. In 2020/21 these funding bodies provided over 74% of the Group's total income.
32. The College Group is made up of the College and its two wholly-owned subsidiaries and two joint venture companies. The two whole-owned subsidiary companies were wound down during 2020/21 and closed, all trade and assets of these subsidiaries were transferred to the college in the year. The two wholly-owned subsidiary companies are: Training for Bradford Ltd trading as City Training Services (CTS) (dissolved 14 September 2021) and Beacon Recruitment & Placement Services Ltd (dissolved 9 November 2021). The principal activity of CTS was apprenticeships and other forms of work-based learning. Beacon Recruitment & Placement Services Ltd recruited and placed temporary staff within the College and elsewhere and arranged placements for students as part of their course requirements. Both of these activities have been bought into the college.
33. The closure of Training for Bradford Limited and Beacon Recruitment & Placement Services Ltd is due to declining business particularly compounded by to the COVID-19 pandemic experienced from March 2020.

FUTURE PROSPECTS

34. **Financial Plan** – the Corporation approved a three-year financial plan in July 2021 which sets objectives for the period to 2024 as part of delivering a sustainable college.
35. Treasury policies and objectives - the College has a Treasury Management Policy in place, applicable to both the investments and borrowings of the College. The policy recognises the difficulties of striving for effective risk management and controls whilst at the same time pursuing value for money. The aim is to effectively manage cash flows and banking arrangements to meet the College's needs.
36. Applications on Further Education and Higher Education programmes may prove to be challenging this coming year, however we are anticipating new opportunities that the College will pursue.

BRADFORD COLLEGE

CORPORATION REPORT

NATURE, OBJECTIVES AND STRATEGIES (Continued)

37. Unforeseen additional costs have been experienced due to the Covid-19 pandemic as the College moved to delivery platforms that allow study and working from home. These additional costs of £25k continue into 2020/21 as social distancing measures are introduced. Close monitoring of performance with regular review are in place to aid in the control of the college's reserves. The College worked closely with suppliers to ensure early payment to the supply chain in accordance with the Government Procurement Policy Notices. Contracts were re-negotiated where sub contract employees moved workforce onto furlough arrangements.
38. **Cash flows and liquidity** – at £4.844m (inflow) for 2020/21 (2019/20 £3.336m inflow).
39. The net overall cash inflow of £0.764m (2019/20 – inflow £1.622m). Pay costs savings were made as a result of held vacancies and some restructuring.
40. **Reserve Policy** - the College Group wishes to build its reserves in order to:
- a. Maintain financial solvency and continually improve financial sustainability;
 - b. Strengthen the ESFA financial health grading;
 - c. Ensure full compliance with bank loan covenants;
 - d. Fully cover pension fund liabilities

At the year end the College had total group reserves of £17.052m. It is the College's intention to increase reserves over the life of the strategic plan through the generation of annual operating surpluses.

41. **Going concern** – The College continued to work closely with the ESFA and the Lloyds Banking Group, during the 2020/21 financial year. The Covid-19 pandemic has meant sales of property have stalled, although there is an expectation that advancement in the planned building sales will continue during 2021/22. Included within the College's bank loans is a £2m interest only loan repayable in full at the end of 4 years, unless repaid from the proceeds of disposal of properties, in accordance with the Fresh Start restructure agreement.

The College had two covenant breaches in 2020/21 for the periods of January and April 2021. Further breaches of the bank covenant have been forecast for January, April and July 2022 and at each quarter end of the 31 July 2023 financial year. The bank is very supportive of the College, granting waivers for the breaches in 2020/21. The bank, however, are unable to provide waivers so far in advance but have indicated that the waivers are likely to be awarded for January, April and July 22 breaches as well as each quarter end of the 31 July 2023 financial year. The College are in discussions with the bank to potentially reset the Covenants to an achievable level during 2022. The College has positive cash balances of circa. £11m, which is significantly higher than the amounts forecast as per the Fresh Start restructure agreement, that gives rise to confidence going forward.

BRADFORD COLLEGE

CORPORATION REPORT

NATURE, OBJECTIVES AND STRATEGIES (Continued)

42. A balanced budget has been set through the robust and detailed business planning rounds, giving control and visibility with a view to meeting the College strategic aim to deliver a sustainable college.

The College aims to deliver an outstanding student experience, meeting student, employers and the community needs through the curriculum, building on its reputation and influence and becoming an employer of choice. The Covid-19 pandemic has strengthened the College's ability to deliver a flexible working environment for both staff and students, as implementation of remote working and curriculum delivery has ensured the continuance of College operations during the Covid-19 lockdown. The College has proved it was well prepared in resources and successfully created a Covid-19 safe environment for a return to College for academic delivery from the start of the 2020/21 academic year and this has continued through the whole of 20/21.

Financial support has been sought as appropriate through the government furlough scheme and deferral of tax. However, the current cash holding means that the application for Government support related to Covid-19 Provider Relief Scheme was not successful. The support received during the Covid-19 pandemic helped the College maintain an acceptable level of cash reserves, the position will be regularly reviewed during the 21/22 academic year, however the College feels through careful monitoring and planning the future sustainability of the financial position of the College will be maintained. The College has prepared cashflow projections through to July 2023 that demonstrate the College can meet its working capital and debt obligations as they fall due.

The College has a good proven record of a robust budget planning and monitoring system, which is embedded in the financial management enabling the college to address reductions in income through strong cost control, this along with good current cash levels gives assurance that the college continues to be a going concern. On this basis, the Governors are satisfied that the College remains a going concern and therefore adopt the going concern basis of accounting.

CURRENT AND FUTURE DEVELOPMENT AND PERFORMANCE

FE Quality

43. The College's Further Education self-assessment review, against the new Education Inspection Framework gained an overall effectiveness judgement of 'Good'. This is an improvement compared with the "requires improvement grade of 2019/20.
44. The good grade is supported by a 3-year improving trend in student outcomes and an improvement in learning, teaching and assessment.

BRADFORD COLLEGE

CORPORATION REPORT

NATURE, OBJECTIVES AND STRATEGIES (Continued)

RESOURCES

45. The College Group has £17.052m of net assets (including a pension liability of £47.282m, a decrease of 24% from the previous year). Fixed assets include properties with a balance sheet value of £78.491m.
46. The pension liability continues to experience fluctuations, a result of the wider uncertainty in the stock market due to the COVID-19 pandemic, BREXIT and amendments to scheme rules and changing actuarial assumptions.
47. The College Group employs 864 staff (expressed as numbers by head count) of whom 379 are teaching staff.
48. The College has an excellent reputation locally and nationally. Maintaining a quality brand is essential for the College's success at attracting students and developing external relationships.

STRATEGIC RISKS AND UNCERTAINTIES

49. The College has well developed strategies for managing risk and seeks to embed risk management in all that it does. The College has a robust planning and monitoring system in place that tracks both quality and finances and ensures where there is deviation from plans actions are taken to mitigate this. The strategic risk implications are considered at all committee meetings, with each agenda item being referenced to the relevant risk. The College continues to refine and improve systems of internal control, including financial, operational and risk management which are designed to protect the College's assets and reputation. It has standardised the risk management approach of the College's subsidiaries in line with that of the College. Examples of risk mitigation through the year were the continued meeting of the critical incident team, chaired by the Vice Principal, Curriculum and Development, who would review and implement actions in response to Covid. This included policies and guidance about working from home and ensuring the College provided a safe environment that mitigated the risk of Covid transmission through increased ventilation in rooms, mask wearing requirements, one way systems, social distancing guidance for when students and staff returned to College in the latter part of the academic year. In terms of monitoring finance this was done as part of the regular quarterly performance review process. However, there was greater scrutiny on replacement roles and spend was limited to business critical items only.
50. The corporation has overall responsibility for risk management and its approach to managing risks and internal controls is explained in the Statement of Corporate Governance.
51. A strategic risk register is maintained at College level which is reviewed at each meeting of the Audit Committee and more frequently where necessary by other committees. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the College, the sources of assurance and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.
52. Outlined below is a description of the principal risks affecting the College. Not all the factors are within the College's control. Other factors besides those listed below may also adversely affect the College.

Outstanding student experience

53. The College needs to ensure it continually improves the quality of teaching, learning and assessment and there is a risk that it may not do this. The quality of delivery to students needs to be of sufficient quality to produce acceptable progression and achievement rates.
54. In addition, a failure to ensure that achievement rates and value-added increases are above national averages may trigger an inspection. This would have a detrimental impact upon reputation and recruitment.

BRADFORD COLLEGE

CORPORATION REPORT

NATURE, OBJECTIVES AND STRATEGIES (Continued)

Curriculum offer

55. The College needs to ensure the curriculum is relevant, innovative, adds value and is of high quality and is planned and improved to meet the needs of learners and employers. If this is not achieved and learner needs are not met, there is a risk that learner numbers will decline as they seek other providers of relevant curriculum.

Staff

56. The College may fail to retain senior leaders required to continue to deliver clear strategy and leadership.
57. It could also fail to recruit, retain and engage high performing employees. The College will mitigate this by ensuring it offers a good but challenging working environment that also stimulates staff in parallel to market level with a strategic goal of becoming an employer of choice.

Achieving recruitment targets

58. The College risks failing to meet its recruitment targets and thus missing its income total. The College would be required to address its cost base as a result of predicted deficits and face a position where financial obligations cannot be met.

Financial Sustainability

59. The College has formulated a strategic sustainable financial plan in conjunction with the ESFA in light of the financial notice to improve issued in 2017/18 and to safeguard the College's against the ongoing financial challenges facing the FE sector and HE sector. There is a risk that there is an inability to maintain financial sustainability by failure to generate operating surpluses, control costs and manage cash flow. The College will continue to seek to identify and realise income growth and cost saving opportunities to improve the achievement value-for-money from the use of its resources in delivering the corporate strategy. The prime focus will be the improvement of student achievement and numbers enrolled. The Teachers' Pension Scheme increases of 7% is being funded by ESFA from 1st September 2019 to July 2022.

STAKEHOLDER RELATIONSHIPS

60. In line with other Colleges and Universities, Bradford College has many stakeholders. These include:
- students, both current and future, and Alumni
 - education funding bodies
 - FE Commissioner
 - staff and their trade unions
 - local employers (with specific links) including its suppliers
 - local authorities, government offices and local enterprise partnerships
 - partner schools and universities as well as other Colleges
 - professional organisations in the sectors it works in

Equality and diversity

61. Bradford College is committed to ensuring equality of opportunity for all who learn and work here. The College respects and values positively, differences in race, gender, sexual orientation, ability, religion or belief and age. It strives vigorously to remove conditions which place people at a disadvantage and actively combats bigotry. This policy is resourced, implemented and monitored on a planned basis. The College's Equality, Diversity and Inclusion Policy, which includes Race Relations and Transgender, is published on the College's internet site.

BRADFORD COLLEGE

CORPORATION REPORT

NATURE, OBJECTIVES AND STRATEGIES (Continued)

62. The College publishes an Annual Equality, Diversity and Inclusion Report to ensure compliance with all relevant equality legislation including the Equality Act 2010. The College undertakes equality impact assessments on new policies and procedures and publishes the results. Equality impact assessments are also undertaken for existing policies and procedures on a prioritised basis.
63. The College has committed to the principles and objectives of the Positive about Disabled standard. It considers all applications for employment from disabled persons, bearing in mind the aptitudes of the individuals concerned, and guarantees an interview to any disabled applicant who meets the essential criteria for the post. Where an existing employee becomes disabled, every effort is made to facilitate the continuance of their employment with the College. The College's policy is to provide training, career development and opportunities for promotion for employees with disabilities that are, as far as possible, identical to those for non-disabled employees.

Disability Statement

64. The College seeks to achieve the objectives set down in the Equality Act 2010:
- as part of the redevelopment of the buildings lifts and ramps have been installed;
 - there is a stock of specialist equipment, such as lighting for audio facilities, a range of assistive technologies, which the College can make available for use;
 - both FE and HE have an admissions policy which details the procedure for both admissions and appeals against a decision not to offer a place to any applicant; there is a College-wide Learning Support Policy and a Disclosure and Confidentiality Policy for Learners with Disabilities and/or Learning Difficulties that sets out the processes we follow;
 - the College has made a significant investment in the appointment of specialist lecturers to support students with learning difficulties and/or disabilities to build a learning support team of academics;
 - there are a number of learning support assistants who provide a variety of support for learning;
 - there is a programme of staff development to ensure provision of appropriate student support; specialist training is provided for staff supporting learners specific to needs;
 - specialist programmes are described in programme guides, achievements and destinations are recorded and published in the standard College format;
 - mental health and wellbeing, counselling and welfare services are provided. Support services for students and staff are described on the website, during induction and via various publications in College;
 - marketing materials, prospectuses and course materials for learners are available in a range of alternative formats on requests, such as braille, large print or in British sign language.

Trade union facility time

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

Numbers of employees in the relevant year	864
---	-----

Relevant Union Officials

Numbers of employees who were relevant union officials during the relevant period	Percentage of time	FTE employee number
12	14.19%	1.84
Total cost of facility time		£55.7k
Total pay bill		£30.1m
Percentage of total bill spent on facility time		0.18%

BRADFORD COLLEGE

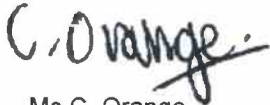
CORPORATION REPORT

NATURE, OBJECTIVES AND STRATEGIES (Continued)

Disclosure of information to auditors

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

Approved by order of the members of the Corporation on 16 December 2021 and signed on its behalf by



Ms C. Orange
Chair

BRADFORD COLLEGE

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL

Statement of Corporate Governance

Purpose

The following statement is provided to enable readers of the College's annual report and financial statements to obtain a better understanding of its governance and legal structure. It covers the year from 1 August 2020 to 31 July 2021 and up to the date of approval of the annual report and financial statements.

The Corporation recognises that, as a body entrusted with both public and private funds, it has a duty to observe the highest standards of corporate governance at all times. It is committed to exhibiting best practice in all aspects of corporate governance, conducting its business in accordance with:

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

College leaders and governors have adapted to the restrictions of the Covid-19 pandemic to deliver teaching and learning online and ensure the wellbeing of all students and staff.

Compliance with the Code

Whilst not having adopted the UK Corporate Governance Code 2018, in the opinion of the Governors the College has due regard to its principles and guidance.

The Corporation takes full account and regularly reviews its compliance against The Code of Good Governance for English Colleges issued by the Association of Colleges in March 2015, which it formally adopted in December 2015.

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

External Assessment

The FE Commissioner report issued in October 2020 and a further report issued in July 2021 has resulted in a conclusion from the team that they consider that it is no longer necessary for stocktake assessments related to intervention to continue as the college has made excellent progress.

An interim Ofsted inspection occurred at the College 30 September 2020 to 1 October 2020. The visit had been planned earlier in the year but was delayed due to the Covid-19 pandemic. A positive interim inspection report has been published.

Corporation Membership

During the year, the individuals named in the table below served as Governors on the Corporation:

BRADFORD COLLEGE

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL

Governor	Date of initial appointment	Most recent re-appointment	Length of current term of office	Termination date (if applicable)	Type of Governor	Committees served on	Attendance as a % of possible attendance between 01.08.20 and 31.07.21
Ms C Orange (Chair)	21 Jan 2016	24 Oct 2019	4 yrs		Independent	<ul style="list-style-type: none"> Corporation Chair Remuneration Committee Search & Governance Committee (Chair) Finance & General Purposes Committee Quality & Standards Committee SPH & Clerk Appointment Committee 	96%
Mr G Alvy	18 Oct 2018		4 yrs	20 Oct 2020	Independent	<ul style="list-style-type: none"> Audit Committee (Chair) Search & Governance Committee 	100%
Mr P Ashton	14 Dec 2011	20 Jun 2019	4 yrs		Independent	<ul style="list-style-type: none"> Corporation Vice Chair Finance & General Purposes Committee (Chair) Search & Governance Committee SPH & Clerk Appointment Committee 	89%
Mr S Aslam	3 Mar 2021		4 yrs		Independent	<ul style="list-style-type: none"> Quality & Standards Committee 	33%
Mr P Birtles	18 Oct 2018		4 yrs		Independent	<ul style="list-style-type: none"> Remuneration Committee (Chair) Search and Governance Committee SPH & Clerk Appointment Committee 	100%

BRADFORD COLLEGE

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL

Mrs J Durrant	28 Sept 2017		4 yrs		Independent	<ul style="list-style-type: none"> Quality & Standards Committee (Chair) Remuneration Committee Search & Governance Committee SPH & Clerk Appointment Committee 	78%
Ms L Ho	1 July 2019		4 yrs		Independent	<ul style="list-style-type: none"> Finance & General Purposes Committee Remuneration Committee 	57%
Ms A Kendal	19 Oct 2017		4 yrs		Independent	<ul style="list-style-type: none"> Remuneration Committee (until 25 Mar 2021) Audit SPH & Clerk Appointment Committee 	85%
Mr N B Khokhar	1 Jul 2019		4 yrs		Independent	<ul style="list-style-type: none"> Quality & Standards Committee Remuneration Committee 	83%
Mr A Kidwai	3 Mar 2021		4 yrs		Independent	Audit Committee	100%
Miss T Lythgow	3 Feb 2021		4 yrs		Staff	Audit Committee	100%
Mr A Naylor	12 Dec 2019		4 yrs	1 Feb 2021	Staff	Audit Committee	50%
Miss M Newton	3 Feb 2021		Until 31 July 2021	1 Jun 2021	Student	Quality & Standards Committee	25%
Mr E Osei Boateng	17 Nov 2020		4 yrs		Independent	Quality & Standards Committee	83%
Mr C Pazvakawambwa	3 Mar 2021		4 yrs		Independent	Finance & General Purposes Committee	83%
Mr S Roberts	15 May 2018		4 yrs		Independent	Audit Committee	78%
Mr P Telemacque	29 March 2018		4 yrs		Staff		60%

BRADFORD COLLEGE

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL

Dr F Thompson	3 Mar 2021		4 yrs		Independent	Quality & Standards Committee	83%
Mr N Ward	18 Oct 2018		4 yrs		Independent	Finance & General Purposes Committee	90%
Mr C Webb	1 Mar 2019		Ex Officio		Chief Executive Officer	<ul style="list-style-type: none"> Finance & General Purposes Committee Quality & Standards Committee Search & Governance Committee SPH & Clerk Appointment Committee 	94%
Mr R Woods	12 Dec 2019		4 yrs		Independent	Audit Committee (Chair from 21 Oct 2020)	78%
Mrs S McKenzie acted as Clerk to the Corporation							

It is the Corporation's responsibility to bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct. The Corporation is provided with regular and timely information on the overall financial performance of the College together with other information such as performance against funding targets, proposed capital expenditure, quality matters, safeguarding and personnel-related matters such as health and safety and environmental issues. The Corporation meets approx. five times a year. During the Covid-19 pandemic The Corporation have continued to meet through remote methods and have been fully briefed and involved with all Covid-19 related decisions pertaining to the welfare and business of the College staff and students.

The Corporation conducts its business through committees, each having its own terms of reference approved by the Corporation. The current standing committees are Audit; Finance and General Purposes; Quality and Standards; Remuneration and Search and Governance. Full minutes of all meetings, except those deemed to be confidential by the Corporation, are available on the College's website at <https://www.bradfordcollege.ac.uk/help/knowledge-base/corporation-meeting-minutes/> or can be obtained from the Clerk to the Corporation at the College's registered address.

The Clerk to the Corporation maintains a register of Governors' financial and personal interests. The register is also available for inspection from the Clerk to the Corporation.

BRADFORD COLLEGE

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL

Corporation membership (continued)

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

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

The Corporation has a strong and independent non-executive element; that Group are completely independent of management and free from any business or other relationship that could materially interfere with the exercise of their independent judgement. No individual or group dominates the Corporation's decision-making process. There is a clear division of responsibility in that the roles of the Chair and Accounting Officer are separate.

Appointments to the Corporation

All Governor appointments are made by the full Corporation, as required by the Instrument of Government. The Corporation's Search Committee, is responsible for the selection and nomination of new Independent Governors for the Corporation's consideration. The Corporation is responsible for ensuring that appropriate training is provided as required.

Members of the Corporation are appointed for a term of office not exceeding four years, renewable for a maximum of two terms, except in exceptional circumstances or where undertaking a new and more senior role for example as Chair of a Committee, or as Chair or Vice-Chair of the Corporation. This arrangement is a deliberate deviation from the Code. The Corporation considers that due to the complexity of the business it is in and the value of corporate memory, it is in the College's interests to be able to retain experienced trustees for more than two terms in exceptional circumstances. However, prior to recommending the reappointment of any individual, the Search & Governance Committee will consider any other available candidates and select the most suitable. In view of the recommendations of the Nolan Committee and the College's values, the Search & Governance Committee will take particular care to ensure that any decision to reappoint is justified.

Corporation performance

The Corporation engaged in an external board review in May/June 2021 receiving positive feedback about its composition, structures and interaction. It was noted that the Board is having a very positive impact and has been effectively providing leadership in governance throughout the period of transformational change and the drive for excellence. A self-assessment exercise is to be carried out over the summer of 2021 with actions from both exercises to feed into the governance improvement plan.

College Performance

Through annual business planning along with robust forecasting the College continues to work towards its strategic plan to deliver a sustainable college. The College bankers, Lloyds Banking Group, supports the College through the fluctuating environment this last year and have issued three covenant waivers in the year to July 2021. The College had two covenant breaches in 2020/21 for the periods of January and April 2021. The College continue to hold healthy cash balance at circa. £10m, growth in cash resulted in a cash sweep payment to the bank and ESFA during the year in accordance with the Restructuring Fund agreement.

BRADFORD COLLEGE

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL

Standing Committees of the Corporation

Search Committee

The Search Committee, which includes in its membership the Chief Executive (who is a Governor) and the Chair of the Corporation, considers applications for appointment to the Corporation. The Committee ensures that an appropriate range of skills and expertise is maintained on the board, including a programme of Governor training; and that there is effective succession planning. It closely monitors Governor attendance and operates a number of controls for the same, to ensure high levels of commitment are demonstrated and to mitigate the risk of ineffective governance where a majority of Governors are not fully briefed and up to date. The Committee also reviews the annual performance of the Corporation and advises the full board on the adequacy of its governance arrangements.

Remuneration Committee

The Remuneration Committee oversees the appraisal and performance management arrangements for the Chief Executive Officer, the Clerk and other senior post holders as defined in Standing Orders. It also makes recommendations to the Corporation in respect of their remuneration, in accordance with the AoC's code for remuneration of senior staff, and based on College performance, sector benchmarking and the achievement of individual objectives. The Committees' members are all independent governors. The Corporation has adopted the AoC's code for remuneration of senior staff.

Details of payments for the year ended 31 July 2021 are set out in note 8 of the notes to the Financial Statements.

Audit Committee

The Audit Committee in accordance with the Audit Code of Practice, comprises at least three members of the Corporation (excluding the Accounting Officer and Chair). The Committee operates in accordance with terms of reference approved by the Corporation. The Audit Committee meets four times a year and provides a forum for reporting by the College's internal, reporting accountants and financial statements auditors, who have access to the Committee for independent discussion, without the presence of College management.

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

Management is responsible for the implementation of agreed audit recommendations and internal audit undertakes periodic follow-up reviews to ensure such recommendations have been implemented.

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

Attendance at Audit Committee meetings in the year were:

BRADFORD COLLEGE

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL

Audit Committee	Possible attendances	Total attendances	Total absences
Geoff Alvy (Chair)	1	1	0
Ann Kendal	4	3	1
Steve Roberts	4	3	1
Andy Naylor	2	1	1
Tiffany Lythgow	2	2	0
Richard Woods	4	3	1
Azim Kidwai	1	1	0
Total by meeting	18	14	4

Finance and General Purposes Committee

The Finance and Resources Committee considers and advises the Corporation on all aspects of the Corporation's finances and resources, inclusive of financial policies, controls and strategy. It meets six times a year. Its membership includes the Chair of the Corporation and the Chief Executive Officer.

Quality and Standards Committee.

The Quality and Standards Committee ensures the College's curriculum offering is of a high calibre and reflects current practice and pedagogy in the sector, making recommendations to the Corporation on the mission and educational character of the College. It meets four times a year. Its membership includes governors with relevant experience in the education sector especially within FE and HE.

Internal control

Scope of responsibility

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

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of College policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Bradford College for the year ended 31 July 2021 and up to the date of approval of the annual report and accounts.

BRADFORD COLLEGE

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL

Internal control (continued)

Capacity to handle risk

The Corporation has reviewed the key risks to which the College is exposed together with the operating, financial and compliance controls and arrangements for compliance with legal and regulatory matters including those relating to the regularity and propriety of the use of public funding, that have been implemented to mitigate those risks. The Corporation is of the view that there is a formal ongoing process for identifying, evaluating and managing the College's significant risks that has been in place for the year ending 31 July 2021 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Corporation.

The risk and control framework

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

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

Internal Audit Reviews

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

For 2020-21 the HIA concluded that:

We are satisfied that sufficient internal audit work has been undertaken to allow us to draw a conclusion as to the adequacy and effectiveness of the College's risk management, control and governance processes.

In our opinion Bradford College did have adequate and effective risk management, control and governance processes to manage its achievement of the College's objectives at the time of our audit work. In our opinion, the College has proper arrangements to promote and secure value for money.

During the year to July 2021, 8 internal audits took place. The internal audits targeted areas where complexities existed with a view to targeting improvements in internal control.

- Funding Review
- HR Re-audit
- Staff Utilisation
- Key Financial Controls
- Business Plan Monitoring
- Estates Strategy
- Safeguarding
- Follow Up Review

Five of the audits resulted in strong conclusion (Controls satisfactory, no major weaknesses found, some minor recommendations identified) and three with a substantial conclusion (Controls largely satisfactory although some weaknesses identified, recommendations for improvement made). There were no fundamental/high propriety recommendation arising from these audits.

BRADFORD COLLEGE

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL

Internal control (continued)

Statement from the Audit Committee

The Audit Committee has advised the Corporation that it is of the opinion that for 2020-21:

- a) The Committee has operated effectively and has considered issues in detail;
- b) In spite of the disruption caused by the Covid pandemic, the Committee has continued to meet and fulfilled its Terms of Reference by agreeing a suitable and balanced calendar of business throughout the year, and ensured that all duties and responsibilities are covered;
- c) The College's assurance arrangements; framework of governance; risk management and control; and processes for securing economy, efficiency and effectiveness are adequate and effective and reviewed regularly.

The Audit Committee believes the Corporation has effective internal controls in place.

Review of effectiveness

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

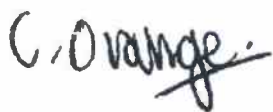
- the work of the internal auditors
- the work of the executive managers within the College who have responsibility for the development and maintenance of the internal control framework
- comments made by the College's financial statements auditors, the reporting accountant for regularity assurance,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

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

The senior management team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments and reinforced by risk awareness training. The senior management team and the Audit Committee also receive regular reports from internal audit and other sources of assurance, which include recommendations for improvement. The Audit Committee's role in this area is confined to a high-level review of the arrangements for internal control. The Corporation's agenda includes a regular item for consideration of risk and control and receives reports thereon from the senior management team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. The Corporation has carried out the annual assessment for the year ended 31 July 2021 at its meeting on 16 December 2021 by considering documentation from the senior management team and internal audit, and taking account of events since 31 July 2021.

Based on the advice of the Audit Committee and the Accounting Officer, the Corporation is of the opinion that the College has an adequate and effective framework for governance, risk management and control, and has fulfilled its statutory responsibility for *"the effective and efficient use of resources, the solvency of the institution and the body and the accountability for how it spends public funds."*

Approved by order of the members of the Corporation on 16 December 2021 and signed on its behalf by



Ms C. Orange
Chair



Mr Chris Webb
Chief Executive Officer

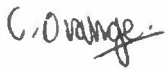
BRADFORD COLLEGE

STATEMENT ON THE COLLEGE'S REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



Ms C. Orange
Chair



Mr Chris Webb
Chief Executive Officer

Date 16 December 2021

Date 16 December 2021

BRADFORD COLLEGE

STATEMENT OF RESPONSIBILITIES OF THE MEMBERS OF THE CORPORATION

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

Within the terms and conditions of the Corporations' grant funding agreements and contracts with the ESFA and any relevant funding bodies, the Corporation, through its accounting Officer, is required to prepare financial statements and an operating and financial review for each financial year in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education, ESFA's College accounts direction and the UK's Generally Accepted Accounting Practice and which give a true and fair view of the state of affairs of the Corporation and its surplus or deficit of income over expenditure for that year.

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

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess whether the Corporation is a going concern, noting the key supporting assumptions qualifications or mitigating actions as appropriate;
- Prepare financial statements on the going concern basis, unless it is inappropriate to assume that the Corporation will continue in operation.

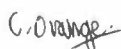
The Corporation is also required to prepare a Members' Report, which describes what it is trying to do and how it is going about it, including information about the legal and administrative status of the Corporation.

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

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

Members of the Corporation are responsible for ensuring that expenditure and income are applied for the purposes intended by Parliament and that the financial transactions conform to the authorities that govern them. In addition they are responsible for ensuring that funds from the ESFA, and any other public funds, are used only in accordance with the ESFA's funding agreements and contracts and any other conditions that may be prescribed from time to time by ESFA or any other public funder. Members of the Corporation must ensure that there are appropriate financial and management controls in place in order to safeguard public and other funds and to ensure they are used properly. In addition, members of the Corporation are responsible for securing economic, efficient and effective management of the Corporation's resources and expenditure, so that the benefits derived from the application of public funds from the ESFA and other public bodies are not put at risk.

Approved by order of the members of the Corporation and signed on its behalf by



Ms C. Orange
Chair

INDEPENDENT AUDITORS REPORT TO THE CORPORATION OF BRADFORD COLLEGE

Opinion

We have audited the financial statements of Bradford College (the "College") and its subsidiaries (the "Group") for the year ended 31 July 2021 which comprise the consolidated and College statements of comprehensive income, the consolidated and College statements of changes in reserves, the consolidated and College balance sheets, the consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the College's affairs as at 31 July 2021 and of the Group's and the College's deficit of income over expenditure for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 1 in the financial statements, which indicates that the College is forecasting loan covenant breaches at each quarter end from January 2022 to July 2023. The College's Bankers will not commit to waiver letters in advance of the forecasted breaches for the period from January 2022 to July 2023. The College is working with their Bankers with the aim to reset the covenants in 2022 to make the loan covenants achievable.

As stated in note 1, these events or conditions, along with the other matters as set out in note 1, indicate that a material uncertainty exists which may cast significant doubt about the Group and College's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

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

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

Other information

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

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

We have nothing to report in this regard.

INDEPENDENT AUDITORS REPORT TO THE CORPORATION OF BRADFORD COLLEGE (CONTINUED)

Opinion on other matters prescribed by the Office for Students' Accounts Direction

In our opinion, in all material respects:

- funds from whatever source administered by the College for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the Office for Students, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and Department for Education have been applied in accordance with the relevant terms and conditions; and
- the requirements of the Office for Students' accounts direction for the relevant year's financial statements have been met.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Post-16 Audit Code of Practice 2020 to 2021 issued by the Education and Skills Funding Agency requires us to report to you if, in our opinion:

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

We have nothing to report in respect of the following matters where the Office for Students' accounts direction requires us to report to you if:

- the College's grant and fee income, as disclosed in the note 3 to the financial statements, has been materially misstated.
- the College's expenditure on access and participation activities for the financial year has been materially misstated.

Responsibilities of the Corporation of Bradford College

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

INDEPENDENT AUDITORS REPORT TO THE CORPORATION OF BRADFORD COLLEGE (CONTINUED)

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

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

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

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

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Further and Higher Education SORP, the College Accounts Direction published by the Education and Skills Funding Agency, Regulatory Advice 9: Accounts Direction published by the Office for Students' and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those which are in relation to the Education Inspection Framework under the Education and Inspections Act 2006, Keeping Children Safe in Education under the Education Act 2002 and the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. We performed audit procedures to inquire of management whether the Group is in compliance with these laws and regulations and inspected correspondence and inspected correspondence with licensing or regulatory authorities in order to draw a conclusion.

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

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

Use of our report

This report is made solely to the Corporation, as a body, in accordance with the Funding Agreement published by the Education and Skills Funding Agency and our engagement letter dated 29 October 2021. Our audit work has been undertaken so that we might state to the Corporation, as a body, those matters we are engaged to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Corporation, as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK AUDIT LLP
Chartered Accountants
Two Humber Quays
Wellington Street West
Hull
HU1 2BN

17/12/2021

BRADFORD COLLEGE
CONSOLIDATED AND COLLEGE STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2021

	Note	Group 2021 £'000	College 2021 £'000	Group 2020 £'000	College 2020 £'000
INCOME					
Funding body grants	2	34,339	34,339	31,299	31,299
Tuition fees and education contracts	3	11,461	11,461	12,294	12,294
Other grants and contracts	4	1,048	1,048	376	376
Other income	5	287	287	456	336
Investment income	6	-	-	43	42
Donations	7	186	186	-	-
Total income		47,321	47,321	44,468	44,347
EXPENDITURE					
Staff costs	8	30,277	30,277	28,022	26,943
Restructuring costs	8	331	331	207	134
Other operating expenses	9	14,617	14,617	15,140	15,593
Depreciation	12	3,079	3,079	3,030	2,948
Impairment of investments	13	-	-	-	399
Interest and other finance costs	10	1,502	1,502	1,546	1,546
Total expenditure		49,806	49,806	47,945	47,563
Deficit before other gains and losses and share of surplus in joint ventures		(2,485)	(2,485)	(3,477)	(3,216)
Loss on disposal of tangible fixed assets	12	-	-	(35)	(35)
Share of operating deficit in joint ventures		(4)	-	(44)	-
		(2,489)	(2,485)	(3,556)	(3,251)
Deficit before tax		(2,489)	(2,485)	(3,556)	(3,251)
Taxation	11	-	-	-	-
Deficit for the year		(2,489)	(2,485)	(3,556)	(3,251)
Re-measurement of net defined benefit pensions liability	24	18,703	18,703	(19,121)	(19,121)
Actuarial loss in respect of enhanced pensions	18	-	-	(85)	(85)
Other comprehensive income for the year		18,703	18,703	(19,206)	(19,206)
Total comprehensive income for the year		16,214	16,218	(22,762)	(22,457)
Attributable to the College Corporation		16,214	16,218	(22,762)	(22,457)

BRADFORD COLLEGE


CONSOLIDATED AND COLLEGE STATEMENTS OF CHANGES IN RESERVES FOR THE YEAR ENDED 31 JULY 2021


	Restricted reserves	Attributable to the College			Total £'000
	Endowment fund £'000	Income and expenditure account £'000	Revaluation reserve £'000	Merger reserve £'000	
GROUP					
Balance at 1 August 2019	124	17,663	6,020	-	23,807
Deficit for the year	-	(3,556)	-	-	(3,566)
Other comprehensive income	-	(19,206)	-	-	(19,206)
Total comprehensive income for the year	-	(22,762)	-	-	(22,762)
Balance at 31 July 2020	124	(5,099)	6,020	-	1,045
Deficit for the year	-	(2,489)	-	-	(2,489)
Other comprehensive income	-	18,703	-	-	18,703
Transfer of subsidiary undertakings (note 13)	-	(309)	-	102	(207)
Total comprehensive income for the year	-	15,905	-	102	16,007
Balance at 31 July 2021	124	10,806	6,020	102	17,052
COLLEGE					
Balance at 1 August 2019	124	16,976	6,020	-	23,120
Deficit for the year	-	(3,251)	-	-	(3,251)
Other comprehensive income	-	(19,206)	-	-	(19,206)
Total comprehensive income for the year	-	(22,457)	-	-	(22,457)
Balance at 31 July 2020	124	(5,481)	6,020	-	663
Deficit for the year	-	(2,485)	-	-	(2,485)
Other comprehensive income	-	18,703	-	-	18,703
Transfer of subsidiary undertakings (note 13)	-	-	-	102	102
Total comprehensive income for the year	-	16,218	-	102	16,320
Balance at 31 July 2021	124	10,737	6,020	102	16,983

BRADFORD COLLEGE
CONSOLIDATED AND COLLEGE BALANCE SHEETS
FOR THE YEAR ENDED 31 JULY 2021

		Group	College	Group	College
		2021	2021	2020	2020
	Note	£'000	£'000	£'000	£'000
Fixed assets					
Tangible fixed assets	12	78,491	78,491	78,574	77,739
Investments	13	127	127	127	256
Investments in joint ventures		69	-	73	-
Total fixed assets		78,687	78,618	78,774	77,995
Current assets					
Stocks		88	88	237	237
Trade and other receivables	14	2,019	2,019	1,731	2,018
Cash at bank and in hand	19b	10,983	10,983	10,219	10,121
Total current assets		13,090	13,090	12,187	12,376
Current liabilities					
Creditors – amounts falling due within one year	15	8,119	8,119	7,344	7,136
Net current assets		4,971	4,971	4,843	5,240
Total assets less current liabilities		83,658	83,589	83,617	83,235
Creditors – amounts falling due after more than one year	16	19,021	19,021	20,064	20,064
Provisions for liabilities					
Defined benefit pension scheme	18	47,282	47,282	62,194	62,194
Other provisions	18	303	303	314	314
Total net assets		17,052	16,983	1,045	663
Reserves					
Restricted reserves					
Endowment fund		124	124	124	124
Unrestricted Reserves					
Income and expenditure account		10,806	10,737	(5,099)	(5,481)
Revaluation reserve		6,020	6,020	6,020	6,020
Merger reserve		102	102	-	-
Attributable to the College Corporation		16,928	16,859	921	539
Total reserves		17,052	16,983	1,045	663

The financial statements were approved and authorised for issue by the Corporation on 16 December 2021 and were signed on its behalf on that date by:


Ms C. Orange
Chair


Mr C Webb
Accounting Officer

BRADFORD COLLEGE
CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 JULY 2021

	Notes	2021 £'000	2020 £'000
Operating activities			
Cash generated from operations		4,844	3,336
Taxation paid		-	-
Net cash from operating activities	19a	4,844	3,336
Interest received		-	43
Purchase of tangible fixed assets		(3,072)	(1,046)
		(3,072)	(1,003)
Financing Activities			
Interest paid		(640)	(691)
Repayment of obligations under finance leases		(18)	(20)
Repayment of loan restructure borrowings		(350)	-
		(1,008)	(711)
Increase in cash and cash equivalents in the year		764	1,622
Cash and cash equivalents at beginning of the year	19b	10,219	8,598
Cash and cash equivalents at end of the year	19b	10,983	10,219

BRADFORD COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES

General information

Bradford College is a corporation established under the Further and Higher Education Act 1992 as an English general College of further education. The address of the College's principal place of business is Bradford College, Great Horton Road, Bradford, West Yorkshire, BD7 1AY.

Basis of accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education (the F & HE SORP 2019) the College Accounts Direction for 2020 to 2021, and the Regulatory Advice 9: Accounts Direction issued by the Office for Students and in accordance with Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102) under the historical cost convention. The College is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102.

The principal accounting policies applied in the preparation of these consolidated and separated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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

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

Reduced disclosures

In accordance with the F & HE SORP 2019 and FRS 102, the College in its separate financial statements, which are presented alongside the consolidated financial statements, has taken advantage of the disclosure exemptions available to it in respect of presentation of a cash flow statement and financial instruments.

Basis of consolidation

The consolidated financial statements include the College and its subsidiaries, Training for Bradford Limited and Beacon Recruitment and Placement Services Limited, controlled by the Group. Control is achieved where the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

During the year the trade and assets of the College's subsidiary companies were transferred to the College via a group reorganisation. The College was eligible to apply merger accounting in accordance with Section 19 of FRS 102 and F & HE SORP 2019, the comparatives reported in these financial statements for the College have not been restated as this information was readily available in the group financial statements. As at the 31 July 2021 shareholdings in each of the subsidiary companies were held by the College, but have both subsequently been dissolved.

All intra-group transactions, balances and unrealised gains on transactions between Group entities are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group. Joint Venture entities are accounted for using the equity method. The investment is initially measured at cost and is subsequently adjusted to reflect the College's share of the profit or loss and equity.

BRADFORD COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES

Going concern

The Group and College have loans of £19.65 million, the loan repayments schedule is set out in note 17 of these financial statements. Included within these loans is a £2m interest only loan repayable in full during 2023, unless repaid from the proceeds of disposal of surplus properties, in accordance with the Fresh Start restructure agreement. One sale was anticipated during the year 2019/20 but did not go through, however the College have sufficient cash reserves to meet the debt repayment obligations but is unable to do so early under the terms of the Fresh Start restructure agreement.

The College also breached its bank covenants for two of the four test periods. However, in each instance, the College's bankers issued a waiver letter. Further breaches of the bank covenant have been forecast for January, April and July 2022 and at each quarter end of the 31 July 2023 financial year. The College has a strong working relationship with its bankers and the ESFA, following the completion of the Fresh Start restructure in March 2019. The bank has granted waivers during 2021 and have indicated that it is likely that waivers will be granted for periods noted above. A reset of the bank covenants to an achievable level is the subject of provisional discussions for 2022. A balanced budget for 2021/22, together with cashflow projections through to July 2023 demonstrate that the College can meet its working capital and debt obligations as they fall due in accordance with the terms of the bank arrangements. The College's annual business planning and performance cycle deliver a sustainable College going forward. Therefore, on this basis, the Governors have reasonable expectation of the bank's continued support, despite this not being formally agreed.

The Covid-19 pandemic has strengthened the College's ability to deliver a flexible working environment for both staff and students through the implementation of remote working and curriculum delivery.

The College financial forecasts to July 2023 show that increases in income will be controlled with strong cost control to ensure that staff costs % of income KPI remains within target. This, along with good current and forecast cash levels, together with continued support from the bank, provides assurance that the college continues to be a going concern. On this basis, the Governors are satisfied that the College remains a going concern and therefore adopt the going concern basis of accounting, whilst being mindful that the inability for the Group and College to meet the bank covenants during 2021/22 and in 2023 (which will be closely monitored) does give rise to a material uncertainty, that may cast significant doubt on the Group and College's ability to continue as a going concern.

BRADFORD COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES (CONTINUED)

Recognition of income

Grants – government and non-government

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

Adult Education Budget ('AEB') grant funding income recognised is a best estimate of the amount receivable in accordance with the annual main funding guidance published by the ESFA and either determined as part of the reconciliation process or by separate agreement between the College and the ESFA at the reporting period end date. Any subsequent agreement to determination of the AEB funding after the reporting end date which is not provided for in the annual main funding guidance is not reflected in the income recognised.

For 2020-21 in light of Covid-19, the ESFA announced that there will be a tolerance of 90% for clawback of AEB. In addition, they also announced pre-year end that they are developing arrangements to allow colleges to apply for support either as a result of local circumstances that made it impossible to deliver at or close to 90% and recovery of funds at this 90% threshold would not cover the AEB delivery costs, or applying the full amount of AEB claw back would cause significant financial difficulties for the college. The College has provided for a potential £873k clawback in its 2020/21 financial statements based on current data.

16-18 learner-responsive funding is not normally subject to reconciliation and is therefore not subject to contract adjustments and is recognised when receivable.

The recurrent grant from Office for Students represents the funding allocations attributable to the current financial year and is recognised when received or receivable.

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

Government capital grants for assets are accounted for under the performance model. The grant income received or receivable is recognised in full in profit or loss in the year in which the performance criteria related to the grant are met. Where the performance criteria relating to the grant are not met in the year in which the grant is received, the grant is not recognised in profit or loss.

Tuitions fee Income

Invoices are raised against courses where a fee is due from the student and recognised in the accounts in the year of study. The student applies where applicable for student finance or advanced learner loan to cover the fees. The fee invoice will be cleared by the Student Loan Company on behalf of the student or the student themselves as applicable.

Workbased Learning Fees

ESFA funding from the Adult Education Budget to support learning in the workplace combined with learning in the classroom. Income is recognised in the period of study.

BRADFORD COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES (CONTINUED)

Educational Contracts

Other educational contracts awarded to the College Group, funded by public and/or private sector partners. Income is recognised in line with stage of completion of the contract.

Apprenticeship Income

Fees received through the ESFA and recognised in the period of study. The retention fee of 20% is recognised when received.

Other income

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

Income from tuition fees is recognised over the period for which it is received.

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

Restructuring Costs

The cost of redundancy is calculated either in accordance with contractual terms or statutory provisions and a cost is recognised when the Group has a detailed formal plan for restructuring and has raised a valid expectation in those affected by either starting to implement the plan or announcing its main features to those affected and therefore has a legal or constructive obligation to carry out the restructuring. The relevant statutory provisions are based on the employee's age, length of continuous employment and either the statutory figure or actual weekly pay. Considerations will be given to the relevant provisions of the Local Government and Teacher's Pension Schemes.

Retirement benefits

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

The TPS is an unfunded scheme. Contributions to the TPS are calculated so as to spread the cost of pensions over employees' working lives with the College in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of valuations using a projected unit method. The TPS is a multi-employer scheme but sufficient information is not available to use defined benefit accounting and therefore it is accounted for as a defined contribution scheme, where the amount charged to the statement of comprehensive income is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

The WYPF is a funded scheme, and the assets of the scheme are held separately. Pension scheme plan assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs. The net interest cost on the net defined benefit liability is included in operating surplus and recognised within finance costs. Re-measurement comprising actuarial gains and losses and the return on scheme assets (excluding amounts include in net interest on the net defined benefit liability) are recognised immediately in other comprehensive income.

BRADFORD COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES (CONTINUED)

Short term Employment benefits

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

Enhanced Pensions

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

Fixed asset investments

College

Interests in subsidiaries and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses in the separate financial statements of the College.

Interests in subsidiaries and jointly controlled entities are assessed for impairment at each reporting date. Any impairment losses or reversals of impairment losses are recognised immediately in comprehensive income.

Group

Jointly controlled entities

Entities in which the Group has a long-term interest and shares control under a contractual arrangement are classified as jointly controlled entities. Jointly controlled entities are accounted for using the equity method. The investment is initially measured at cost and subsequently adjusted to reflect the College's share of the profit or loss and equity.

Other investments and endowment assets

Listed investments or endowment assets are stated at fair value through the profit or loss. Investments comprising unquoted equity instruments whose fair values cannot be measured reliably are measured at cost less impairment. The income from the sale of investments is recognised as the sale is completed and any profit arising disclosed in the Statement of Comprehensive Income.

Tangible fixed assets

Tangible fixed assets are stated at cost or where inherited at deemed cost less accumulated depreciation and accumulated impairment losses.

Land and buildings

Land and buildings are stated at cost, or deemed cost, for land held at valuation at the date of transition to FRS102 less accumulated impairment losses. Any impairment will be taken into the Income and Expenditure account at this point. Any loss or surplus as a result of the sale of a current asset will be taken into the Income and Expenditure account at the point of sale.

BRADFORD COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES (CONTINUED)

Equipment

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

Depreciation and residual values

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

- | | |
|--------------------------------|---------------------------------------|
| • Freehold buildings | - between 10 and 50 years |
| • Major adoptions to buildings | - 25 years |
| • Furniture and equipment | - 20% per year – Straight Line Method |
| • Motor vehicles | - 25% per year – Straight Line Method |
| • Fixtures and fittings | - 10% per year – Straight Line Method |
| • Computer equipment | - 25% per year – Straight Line Method |

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

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

Impairments of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, an estimate is made of the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairment of revalued assets, are treated as a revaluation loss. All other impairment losses are recognised in comprehensive income.

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

BRADFORD COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES (CONTINUED)

Leased assets

Finance leased assets

Leasing agreements which transfer to the College substantially all the benefits and risks and rewards incidental to ownership of an asset are treated as finance leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset or, if lower, the present value of minimum lease payments as determined at inception of the lease. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Assets are depreciated over the shorter of the lease term and the estimated useful economic life of the asset and assessed for impairment losses in the same way as owned assets.

Operating leases

All leases are operating leases and annual rents are charged to comprehensive income on a straight-line basis over the lease term.

Financial Instruments

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

Financial assets and liabilities

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

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

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

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

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

BRADFORD COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES (CONTINUED)

Taxation

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

The College is partially exempt in respect of Value Added Tax, so that it can only recover around 3% of the VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature.

Training for Bradford Limited and Beacon Recruitment and Placement Services Limited are subject to both corporation tax and to VAT in the same way as any commercial organisation.

Provisions and contingent liabilities

Provisions are recognised when the College has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation and the amount of the obligation can be reliably measured.

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

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

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

Unrestricted reserves

Income and expenditure reserve

Cumulative surplus/deficit generated by the Group.

Revaluation reserve

The cumulative revaluation gains and losses in respect of land and buildings, except revaluation gains and losses recognised in profit or loss.

Agency arrangements

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

BRADFORD COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES (CONTINUED)

CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION OF UNCERTAINTY

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

Critical areas of judgement

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

- In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the Group and College as lessee.

Critical accounting estimates and assumptions:

- **Tangible fixed assets**
Tangible fixed assets are depreciated over their useful lives considering residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, maintenance programmes, economic utilisation and physical condition of the assets are considered. Residual value assessments consider issues such as future market conditions and the remaining life of the asset.
 - **West Yorkshire Pension Fund**
The present value of the West Yorkshire Pension Fund defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 July 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.
 - **Impairment of fixed assets**
The Group considers whether tangible fixed assets are impaired. Where an indication of impairment is identified the estimation of the recoverable amount of the asset or the recoverable amount of the cash-generating unit is required. There was no indication of impairment in current year.
- Recoverability of trade and other debtors
- The Group and College makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile and historical experience of the customer. The Covid-19 pandemic has no effect on our anticipation for recovery of outstanding debt.

BRADFORD COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

2. FUNDING BODY GRANTS

	2021		2020	
Detail of grant income:	Group £'000	College £'000	Group £'000	College £'000
Recurrent Grants				
Education and Skills Funding Agency - Adult	7,200	7,200	8,095	8,095
Education and Skills Funding Agency – 16-18	20,215	20,215	17,324	17,324
Apprenticeship contracts	3,194	3,194	3,523	3,523
Office for Students	115	115	134	134
Specific Grants				
Teachers' Pension Scheme contribution grant	975	975	983	983
Office for Students revenue grants	767	767	765	765
DfE grants	153	153	475	475
FECA grant	1,507	1,507	-	-
ESFA grant Income	213	213	-	-
Total	34,339	34,339	31,299	31,299

The Education and Skills Funding Agency (non-recurrent grant) – Adult funding includes in Community Learning funds of £956k for 2021 (2020: £956k).

The College received funding from the ESFA in respect of the Further Education Capital Allocation (FECA). In accordance with the College's accounting policies, the funding received for the FECA grant has been accounted for under the performance model as the performance criteria related to the grant was met.

3. TUITION FEES AND EDUCATION CONTRACTS

	2021		2020	
Details of fee income:	Group £'000	College £'000	Group £'000	College £'000
Tuition Fees				
UK higher education students	6,418	6,418	7,627	7,627
Trainee Teachers	2,892	2,892	2,923	2,923
UK and EU further education students	1,649	1,649	1,714	1,714
Education contracts	502	502	30	30
Total	11,461	11,461	12,294	12,294

Details of grant and fee income

	Year ended 31 July 2021 £000	Year ended 31 July 2020 £000
Grant income from the Office for Students	882	899
Grant income from other bodies	33,332	30,400
Fees income for taught awards (exclusive of VAT)	11,461	12,294
Fee income for research awards (exclusive of VAT)	-	-
Fee income for non-qualifying courses	-	-
Total grant and fee income	45,675	43,593

BRADFORD COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

4. OTHER GRANTS AND CONTRACTS

	2021		2020	
	Group £'000	College £'000	Group £'000	College £'000
Other grants and contracts	1,046	1,046	376	376
UK-based charities	2	2	-	-
	1,048	1,048	376	376

5. OTHER INCOME

	Group £'000	College £'000	Group £'000	College £'000
Other income generating activities	55	55	24	24
Miscellaneous income	174	174	381	286
Coronavirus Job Retention Scheme grant	58	58	51	26
Total	287	287	456	336

The corporation applied to the furlough scheme for invigilators and some Training for Bradford staff, under the government's Coronavirus Job Retention Scheme. The Group funding received of £58k relates to staff costs which are included within the staff costs note as appropriate. The funding received covered costs of £58k.

6. INVESTMENT INCOME

	2021		2020	
	Group £'000	College £'000	Group £'000	College £'000
Other interest receivable	-	-	43	42
Total	-	-	43	42

7. DONATIONS

	2021		2020	
	Group £'000	College £'000	Group £'000	College £'000
Donations received	186	186	-	-
Total	186	186	-	-

Fixed asset additions in the year included fixtures, computers and equipment gifted to the College with a fair value of £186k.

BRADFORD COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

8. STAFF COSTS AND KEY MANAGEMENT PERSONNEL REMUNERATION – GROUP AND COLLEGE

The average number of persons (including key management personnel) employed by the College during the year, expressed as an average by head count, was:

	2021		2020	
	Group No.	College No.	Group No.	College No.
Teaching staff	379	379	370	363
Non-teaching staff	485	485	465	455
Total	864	864	835	818

Staff costs for the above persons

	2021		2020	
	Group £'000	College £'000	Group £'000	College £'000
Wages and salaries	21,511	21,511	20,176	18,236
Social security costs	1,983	1,983	1,881	1,709
Other pension costs	6,783	6,783	5,377	5,291
Payroll sub-total	30,277	30,277	27,434	25,236
Contracted out staffing services	-	-	588	1,707
	30,277	30,277	28,022	26,943
Restructuring costs - Contractual	196	196	169	104
Restructuring costs – Non-Contractual	135	135	38	30
Total staff costs	30,608	30,608	28,229	27,077

BRADFORD COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

8. STAFF COSTS AND KEY MANAGEMENT PERSONNEL REMUNERATION – GROUP AND COLLEGE (CONTINUED)

Restructuring costs are as approved at Corporation.

Salary sacrifice schemes in operation during 2020/21 include childcare voucher scheme and cycle to work scheme.

Key management personnel compensation

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 Executive Team, which comprised the Chief Executive Officer, Deputy Chief Executive Officer, Vice Principal – Quality and Student Experience, Vice Principal – Curriculum and Development and the Director of People Services.

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

	2021 No.	2020 No.
The number of key management personnel including Accounting Officer was:	5	6

BRADFORD COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

8. STAFF COSTS AND KEY MANAGEMENT PERSONNEL REMUNERATION – GROUP AND COLLEGE
(CONTINUED)

The number of key management personnel and other staff who received annual emoluments, excluding pension contributions and employer's national insurance but including benefits in kind, in the following ranges was:

	Key management personnel		Other staff	
	2021 No.	2020 No.	2021 No.	2020 No.
£60,001 to £65,000 p.a.	-	-	3	4
£65,001 to £70,000 p.a.	-	1	1	5
£70,001 to £75,000 p.a.	-	-	1	1
£75,001 to £80,000 p.a.	-	-	-	1
£85,001 to £90,000 p.a.	1	1	-	-
£95,001 to £100,000 p.a.	1	2	-	-
£100,001 to £105,000 p.a.	1	-	-	-
£110,001 to £115,000 p.a.	-	1	-	-
£115,001 to £120,000 p.a.	1	-	-	-
£160,001 to £165,000 p.a.	1	1	-	-
	5	6	5	11

All key personnel during the year 2020-21 were full time, where key personnel are part-time these are grossed up to full time equivalent and staff on maternity, paternity or sickness leave are expressed at their usual rate of pay.

Key management personnel (Including the Accounting Officer) total compensation is made up as follows:-

	2021 £'000	2020 £'000
Salaries – gross of salary sacrifice	658	639
Benefits in kind	-	-
Employers National insurance	84	81
	742	720
Employers pension contributions	127	114
Total Emoluments	869	834

BRADFORD COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

8. STAFF COSTS AND KEY MANAGEMENT PERSONNEL REMUNERATION – GROUP AND COLLEGE (CONTINUED)

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

	2021 £'000	2020 £'000
Salaries – gross of salary sacrifice	165	165
Benefits in kind	-	-
	165	165
Employers pension contributions	39	38
Total Emoluments	204	203

Relationship of Chief Executive Officer pay and remuneration expressed as a multiple:

	2021	2020
CEO's basic salary as a multiple of the median of all staff	4.90	4.60
CEO's total remuneration as a multiple of the median of all staff	5.30	4.61

C Webb held office of the Chief Executive Officer for the full year of 2020-21.

The multiple is expressed against employee full time equivalent hours:

The remuneration package of Key management staff, including Chief Executive Officer, is subject to annual review by the Remuneration Committee of the Corporation, who set the appropriate remuneration in line with AoC's Senior Staff Remuneration Code in July 2019, based on effectiveness of the senior post holders. The Committee terms of reference are tasked with avoiding rewarding poor performance. Benchmarking information is referenced to provide objective guidance.

The Executive Team reports to the Chair of Board, who undertakes an annual review of their performance against the college's overall objectives using both qualitative and quantitative measures of performance. There was no severance payment's approved by the College's Remuneration Committee in year any redundancy payments were due to restructure.

The Chief Executive Officer's basic salary is 4.90 times the median of all staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the College to its staff.

The College's operating context and performance in 2020-21 are described in detail elsewhere in these financial statements. The Chief Executive Officer's remuneration is set in the context of a college with a turnover of £47m with operating deficit of (£2.484m) before other gains and losses. The College operates in an increasingly competitive student recruitment environment, linked to demographic factors and changes in government policy. Major risks include rising competition in the local area, financial sustainability and rising pension costs. In 2020-21 the College has been impacted by the COVID-19 pandemic and a recovery programme to strengthen academic and financial sustainability is being formulated. There are significant challenges in both the FE and HE sectors in England in the year ahead.

Governors' remuneration

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

During the year, no expenses were paid any governors (2020: three governors), £nil (2020: £1,235) in respect of travel and subsistence and other out of pocket expenses incurred in the course of their duties.

BRADFORD COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

9. OTHER OPERATING EXPENSES

	2021		2020	
	Group £'000	College £'000	Group £'000	College £'000
Teaching costs	3,354	3,354	3,860	6,624
Non-teaching costs	6,414	6,414	6,660	4,349
Premises costs	4,849	4,849	4,620	4,620
Total	14,617	14,617	15,140	15,593

	2021		2020	
	Group £'000	College £'000	Group £'000	College £'000
Deficit before tax after charging/(crediting):				
External auditors' remuneration (excluding VAT):				
Financial statements audit	66	53	93	59
Other services provided by the financial statements auditors:				
Assurance services	11	11	4	4
Other services	9	9	14	14
Internal auditors' remuneration:				
Internal audit work	51	51	44	44
Other services provided by the internal auditor	5	5	-	-
ESFA cash sweep	125	125	-	-
Loss on disposal of tangible fixed assets	-	-	(35)	(35)
Operating lease rentals	287	287	327	327

	2021 £'000	2020 £'000
Access and participation expenditure		
Access Investment	418	371
Financial support provided to students	55	104
Support for disabled students	308	330
Research and evaluation related to access and participation	2	2
Total	783	807

The College's access and participation plan is available on the College's website at <https://www.bradfordcollege.ac.uk/help/wp-content/uploads/sites/107/2021/09/BC-Access-and-Participation-Plan-2020-21-to-2024-25-1.pdf>

BRADFORD COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

10. INTEREST AND OTHER FINANCE COSTS – GROUP AND COLLEGE

	2021	2020
	£'000	£'000
Bank loans, overdrafts and other loans	624	691
Finance leases	16	21
Net interest on defined pension liability (note 24)	862	834
Total	1,502	1,546

11. TAXATION - GROUP

Tax expense included in Statement of Comprehensive Income

	2021	2020
	£'000	£'000
United Kingdom corporation tax at 19% (2020: 19%)	-	-
Provision for deferred corporation tax	-	-
Total tax payable	-	-

BRADFORD COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

12. TANGIBLE ASSETS GROUP

	Land and buildings	Fixtures, Computers & Equipment	Total
	£'000	£'000	£'000
Cost or valuation			
At 1 August 2020	97,050	13,627	110,677
Additions	786	2,286	3,072
Other changes (note 13)	4	26	30
At 31 July 2021	97,840	15,939	113,779
Accumulated Depreciation			
At 1 August 2020	21,226	10,877	32,103
Charge for the year	1,997	1,082	3,079
Other changes (note 13)	7	99	106
At 31 July 2021	23,230	12,058	35,288
Carrying amount			
At 31 July 2021	74,610	3,881	78,491
At 31 July 2020	75,824	2,750	78,574

Other movements are adjustments to align group tangible asset carrying values following the transfer of the trade and assets of subsidiary companies referred to in note 13 of the financial statements.

Capital additions in 20/21 amounted to £3.072m. Capital grant funding of £250k and ESFA funding of £1.538m was received in the year to support these additions, giving a net position of £1.3m.

BRADFORD COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

12. TANGIBLE ASSETS (CONTINUED)

COLLEGE

	Land and buildings £'000	Fixtures, Computers & Equipment £'000	Total £'000
Cost or valuation			
At 1 August 2020	95,167	13,080	108,247
Additions	786	2,286	3,072
Transfer from Training for Bradford (note 13)	1,887	573	2,460
At 31 July 2021	97,840	15,939	113,779
Accumulated Depreciation and Impairment			
At 1 August 2020	20,028	10,480	30,508
Charge for the year	1,997	1,082	3,079
Transfer from Training for Bradford (note 13)	1,205	496	1,701
At 31 July 2021	23,230	12,058	35,288
Carrying amount			
	74,610	3,881	78,491
At 31 July 2021			
At 31 July 2020	75,139	2,600	77,739

The net book value of Land and Buildings includes an amount of £250,000 (2020 £250,000) in respect of an asset held under finance lease. The depreciation charge on the asset for the year was £nil (2020: £nil).

If inherited land and buildings had not been valued, before deemed being at cost on transition to FRS 102, they would have been included at the following amounts:

	£'000
Cost	Nil
Aggregate depreciation based on cost	Nil
Net book value based on cost	Nil

13. NON-CURRENT INVESTMENTS

	2021		2020	
	Group £'000	College £'000	Group £'000	College £'000
Investments in subsidiary companies	-	-	-	129
Other non-current asset investments	127	127	127	127
Total	127	127	127	256

BRADFORD COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

13. NON-CURRENT INVESTMENTS (CONTINUED)

GROUP AND COLLEGE

	Subsidiaries £'000	Other £'000	Total £'000
Cost			
At 1 August 2020	129	127	256
Other movements	(129)	-	(129)
At 31 July 2021	-	127	127
Provisions for impairment			
At 1 August 2020	-	-	-
At 31 July 2021	-	-	-
Carrying amount			
At 31 July 2021	-	127	127
At 31 July 2020	129	127	256

Other movements relate to the trade and assets of the College's subsidiary companies to the College, this was accounted for as a merger in accordance with section 19 of FRS 102. The two subsidiaries (listed below) were merged into the College on 15 June 2021. The amount of total comprehensive income for the College was not impacted before or after the merger in the current year. The College's comparative figures reported in these financial statements have not been restated as this information was readily available in the group financial statements. No significant adjustments have been made in order to align accounting policies or to net assets as a result of the merger.

As at the 31 July 2021 shareholdings in each of the subsidiary companies was held by the College.

The College's subsidiary undertakings are:

Name of undertaking	Class of shareholding	Proportion of nominal value held directly	Nature of business
Training for Bradford Limited	Limited by guarantee	Sole ownership	Administration and supervision of training
Beacon Recruitment and Placement Services Limited	Ordinary	100%	Recruitment and placement of temporary and permanent staff

Both subsidiaries were dissolved subsequent to the year end.

The College's joint venture undertakings are:

Name of undertaking	Class of shareholding	Proportion of nominal value held directly	Nature of business
Inprint and Design	Limited	50%	Printing
Bradford District Apprenticeship Training Limited	Limited by guarantee	50%	Apprenticeship Training

BRADFORD COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

14. DEBTORS AND OTHER RECEIVABLES

	2021		2020	
	Group £'000	College £'000	Group £'000	College £'000
Amounts falling due within one year:				
Trade receivables	627	627	426	405
Amounts owed by group undertakings:				
Subsidiary undertakings	-	-	-	402
Joint ventures	-	-	42	42
Prepayments and accrued income	1,176	1,176	804	710
Amounts owed by the ESFA	216	216	459	459
Total	2,019	2,019	1,731	2,018

Trade receivables are stated net of a bad debt provision of £ 284,000 (2020: £474,000).

15. CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021		2020	
	Group £'000	College £'000	Group £'000	College £'000
Bank loans	900	900	225	225
Obligations under finance leases	31	31	31	31
Trade creditors	1,059	1,059	778	617
Amounts owed to subsidiary undertakings	-	-	-	162
Joint venture undertakings	33	33	23	23
Taxation and social security	497	497	491	450
Accruals and deferred income	3,619	3,619	3,652	3,484
Deferred income government revenue grants	261	261	18	18
Amounts owed to the ESFA	1,719	1,719	1,996	1,996
Amounts owed to other funding bodies - OfS	-	-	130	130
Total	8,119	8,119	7,344	7,136

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021		2020	
	Group £'000	College £'000	Group £'000	College £'000
Bank loans	18,750	18,750	19,775	19,775
Obligations under finance leases	271	271	289	289
Total	19,021	19,021	20,064	20,064

BRADFORD COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

17. BORROWINGS

(a) Bank loans and overdrafts

Bank loans and overdrafts are repayable as follows:

	2021		2020	
	Group £'000	College £'000	Group £'000	College £'000
In one year or less	900	900	225	225
Between one and two years	3,675	3,675	900	900
Between two and five years	2,700	2,700	4,700	4,700
In five years or more	12,375	12,375	14,175	14,175
Total	19,650	19,650	20,000	20,000

(b) Finance leases

Total future minimum lease payments are repayable as follows:

	2021		2020	
	Group £'000	College £'000	Group £'000	College £'000
In one year or less	31	31	31	31
Between one and two years	63	63	63	63
Between two and five years	94	94	86	86
In five years or more	114	114	140	140
Total	302	302	320	320

The new facility in 2019 comprised of a) a £2m interest only loan repayable in full at the end of 4 years unless repaid from the proceeds of disposal of surplus properties, b) an £11.7m loan repayable over 15 years with a capital holiday for the first two years, and c) a final payment of £6.3m at the end of the 15-year term of the £11.7m loan.

The balance of £11.7m is subject to a fixed rate interest charge of 3.784% per annum. All other loan balances are at a variable rate linked to LIBOR.

In March 2019, the College signed a contract with Bradford Council to lease the Alexandra Car Park, Great Horton Road. The lease agreement consisted of:

- One peppercorn rent per annum from 15 June 2015 to 14th June 2020
- Rent of £31,400 per annum from 15 June 2020 to 14th June 2034
- Rent of £31,212 for the final year from 15 June 2034 to 14th June 2035

Purchase Price 15 June 2035 £1.00. With interest charged at 4% above NatWest base rate.

There is a financial condition set out in the agreement for the covenants to be tested quarterly for the following-Cash flow Cover, Projected Cash flow Cover, Total Gross Debt to EBITDA, Total Gross Debt to Total Revenue, Total Gross Debt to Net Assets, Capital Expenditure, Finance Leases and a Minimum Cash Balance.

The following charges on property exist within the Group: The Secretary of State for Education 29th July 2019 Property: 39 and 41 Chapel Street, Bradford: Lloyds Bank Plc Date: 29th May 2019 Property: 39 and 41 Chapel Street, Bradford.

BRADFORD COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

18. PROVISIONS FOR LIABILITIES

Group and College

	Defined benefit obligations (note 25) £'000	Enhanced pensions £'000	Total £'000
At 1 August 2020	62,194	314	62,508
Amounts utilised in the year	(1,380)	(22)	(1,402)
Recognised in total comprehensive income	(13,532)	11	(13,521)
At 31 July 2021	47,282	303	47,585

Defined benefit obligations relate to the liabilities under the College's membership of the Local Government pension Scheme. Further details are given in Note 24.

The enhanced pension provision relates to the cost of staff that have already left the College's employ and commitments for reorganisation costs from which the College cannot reasonably withdraw at the balance sheet date. An estimate of the expected future cost of any enhancement to the ongoing pension of a former member of staff is charged in full to comprehensive income in the year that the member of staff retires. In subsequent years the provision will be re-measured, and a charge made to provisions in the balance sheet. The provision has been calculated in accordance with guidance issued by the funding bodies. The principal assumptions in this calculation are:

	2021	2020
Price inflation	2.60%	2.30%
Discount rate	1.70%	1.40%

BRADFORD COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

19. (a) NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

	2021 £'000	2020 £'000
Cash flow from operating activities		
Deficit after tax for the year	(2,489)	(3,556)
Depreciation	3,079	3,030
Decrease in other provisions	(11)	-
Pension costs less contributions payable	2,929	1,924
Share of operating deficit in joint ventures	4	44
Investment income	-	(43)
Interest payable	1,502	1,546
Transfer of trade and assets of subsidiary undertakings	(129)	-
Loss on sale of tangible fixed assets	-	35
Net cash flow from operating activities	4,885	2,980
Decrease in stocks	149	(191)
Increase in debtors	(288)	509
Increase in creditors	98	38
Cash generated from operations	4,844	3,336

19. (b) ANALYSIS OF CHANGE IN NET DEBT

	At 1 August 2020 £'000	Cash flows £'000	Other changes £'000	At 31 July 2021 £'000
Cash and cash equivalents	10,219	764	-	10,983
	10,219	764	-	10,983
Loans falling due within one year	(225)	225	(900)	(900)
Loans falling due after more than one year	(19,550)	(125)	925	(18,750)
Finance lease obligations	(320)	18	-	(302)
Total	(9,876)	882	25	(8,969)

BRADFORD COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

20. CAPITAL COMMITMENTS

As at 31 July 2021 the Group and College had £27,127 capital commitments (2020: £nil).

21. LEASE OBLIGATIONS

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

	Group and College	
	2021	2020
	£'000	£'000
Payments due		
Not later than one year	305	259
Later than one year and not later than five years	381	187
Later than five years	-	-
Total lease payments due	686	446

22. CONTINGENCIES

The College has no contingent liabilities to report.

23. EVENTS AFTER THE REPORTING PERIOD

There are no adjusting events after the reporting period.

BRADFORD COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

24. DEFINED BENEFIT OBLIGATIONS

The College's employees belong to two principal post-employment benefit plans: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the West Yorkshire Local Government Pension Scheme (LGPS) for non-teaching staff. Both are multi-employer defined-benefit plans.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest formal actuarial valuation of the TPS was as at 31 March 2016 and of the LGPS 31 March 2019.

	2021		2020	
	£'000	£'000	£'000	£'000
Total pension cost for the year				
Teachers' pension scheme contributions paid		2,438		2,186
Defined contribution		25		-
West Yorkshire Pension Fund:				
Current Service Costs:				
Contributions paid	1,380		1,181	
FRS102 (28) charge	2,828		1,773	
Past Service Costs	-		151	
Curtailment costs	101		-	
Charge to the Statement of Comprehensive income		4,309		3,105
Enhanced pension charge to Statement of Comprehensive income		11		-
Pension contributions paid into subsidiary defined contribution scheme		-		86
Total Pension Cost for year within staff costs		6,783		5,377

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by the employers, are credited to the Exchequer. The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme on as a defined benefit plan so it is account for as a defined contribution plan.

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuation and Employer Cost Cap) Directions 2014 except it has been prepared following the Government's decision to pause the operation of the cost control mechanism at the time when legal challenges were still pending.

The valuation report was published in April 2019. The key results of the valuation and subsequent consultation are:

- Total scheme liabilities for service (pensions currently payable and the estimated cost of future benefits) of £218 billion.
- Value of notional assets (estimated future contributions together with the proceeds from the national investments held at the valuation date) of £196 billion.
- Notional past service deficit of £22 billion.
- Discount rate of 2.4% in excess of CPI.

BRADFORD COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

24. DEFINED BENEFITS OBLIGATIONS (CONTINUED)

Teachers' Pension Scheme (continued)

As a result of the valuation, new employer contributions rates were set at 23.68% of pensionable pay from September 2020 onwards (compared with 16.48% during 2019/20). DfE has agreed to pay a teacher pension employer contribution grant to cover the additional cost during the 2019/20 and 2020/21 academic years and currently through to March 2022.

The next valuation result is due to be implemented from 1 April 2023.

The pension costs paid to TPS in the year amounted to £2,438,342 (2020: £2,186,000).

Local Government Pension Scheme

The WYPF is a funded defined-benefit plan, with the assets held in separate funds administered by West Yorkshire Pension Fund. The total contributions made for the year ended 31 July 2021 were £1,879,000 (2020 - £1,617,000) of which employer's contributions totalled £1,380,000 (2020 - £1,182,000) and employees' contributions totalled £499,000 (2020 - £435,000). The agreed contribution rates until 31st March 2021 are 16.4% for employers and range from 5.5% to 12.5% for employees, depending on salary. The proposed contribution rate for employer's increases as follows, following the draft actuarial valuation results as at 11th November 2019:

17% from 1st April 2021.

18% from 1st April 2022.

Principal Actuarial Assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2019 updated to 31 July 2021 by a qualified independent actuary.

	At 31 July 2021	At 31 July 2020
Rate of increase in salaries	3.85%	3.55%
Future pensions increase	2.6%	2.30%
Discount rate	1.7%	1.40%
Inflation assumption (CPI)	2.6%	2.30%
Commutation of pensions to lump sums	-	75.0%

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

	At 31 July 2021 Years	At 31 July 2020 Years
<i>Retiring today</i>		
Males	21.9	21.8
Females	24.7	24.6
<i>Retiring in 20 years</i>		
Males	22.6	22.5
Females	25.8	25.7

BRADFORD COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

24. DEFINED BENEFITS OBLIGATIONS (CONTINUED)

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

	Fair Value at 31 July 2021 £'000	Fair value at 31 July 2020 £'000
Equity instruments	86,336	72,085
Property	3,988	3,989
Government Bonds	8,623	9,277
Corporate Bonds	4,743	4,639
Cash	2,479	1,484
Other	1,617	1,300
Total fair value of plan assets	107,786	92,774
Actual return on plan assets	16,788	(5,267)

Amounts charged/ (credited) to the Statement of Comprehensive Income in respect of the plan are as follows:

	2021 £'000	2020 £'000
Amounts included in staff costs:		
Current service cost	4,208	2,954
Past service cost	-	151
Curtailment costs	101	-
Total	4,309	3,105
Interest and other finance costs:		
Net interest expense	862	834
Total	862	834

Amount recognised in other comprehensive income:

Changes in the present value of defined benefit obligations	2021 £'000	2020 £'000
Defined benefit obligations at start of year		
Liabilities at start of the year	154,968	141,321
Current service cost	4,208	2,954
Interest cost	2,149	2,924
Contributions by scheme participants	499	435
Actuarial (gains)/losses	(3,202)	11,764
Benefits paid	(3,655)	(4,581)
Curtailment costs	101	-
Past service cost	-	151
Defined benefit obligations at end of year	155,068	154,968

BRADFORD COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

24. DEFINED BENEFITS OBLIGATIONS (CONTINUED)

Changes in fair value of plan assets	2021	2020
	£'000	£'000
Fair value of plan assets at start of year	92,774	101,006
Interest income	1,287	2,090
Return on plan assets (excluding net interest on the net defined benefit liability)	15,501	(7,357)
Employer contributions	1,380	1,181
Contributions by scheme participants	499	435
Benefits paid	(3,655)	(4,581)
Fair value of plan assets at end of year	107,786	92,774
Deficit of plan obligations net of plan	18 47,282	62,194

Asset returns over the period are better than expected. This has led to a gain on assets over the accounting period and an improvement in the balance sheet position before allowance for the 2019 Valuation.

There are been a change in the assumptions over the period, the discount rate has reduced by 0.70%. This has resulted in a more positive balance sheet position. The impact of the change is recognised in Other Comprehensive Income.

25. RELATED PARTY TRANSACTIONS

Transactions with key management personnel

Key management compensation disclosure is given in note 8.

No Governor has received any remuneration or waived payments from the college or its subsidiaries during the year (2020: None).

Inprint & Design Limited (company number 4229897)

Inprint & Design Limited is a private limited company in which the College holds 50% of the issued share capital, the remaining 50% being held by The University of Bradford. Chris Malish was a director of Inprint & Design Limited during the relevant year. Purchase transactions with Inprint & Design Limited in the year amounted to £283,129 (2019/20: £301,835) with £81,543 outstanding at the year-end (2019/20: £22,617). Sales transactions with Inprint & Design Limited in the year amounted to £166,990 (2019/20: £178,491) with a balance of £48,676 outstanding at the year-end (2019/20: £18,649). A gift aid value of £nil (2019/20 £nil) gifted to Bradford College for the accounting period.

INDEPEDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY TO THE CORPORATION OF BRADFORD COLLEGE AND THE SECRETARY OF STATE FOR EDUCATION ACTING THROUGH EDUCATION AND SKILLS FUNDING AGENCY

Conclusion

We have carried out an engagement, in accordance with the terms of our engagement letter dated 29 October 2021 and further to the requirements of the grant funding agreements and contracts with the Education and Skills Funding Agency (the "ESFA") or any other public funder, to obtain limited assurance about whether the expenditure disbursed and income received by Bradford College during the period 1 August 2020 to 31 July 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 August 2020 to 31 July 2021 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Basis for conclusion

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

We are independent of the Bradford College in accordance with the ethical requirements that are applicable to this engagement and we have fulfilled our ethical requirements in accordance with these requirements. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

Responsibilities of Corporation of Bradford College for regularity

The Corporation of Bradford College is responsible, under the grant funding agreements and contracts with the ESFA and the requirements of the Further & Higher Education Act 1992, subsequent legislation and related regulations and guidance, for ensuring that expenditure disbursed and income received are applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. The Corporation of Bradford College is also responsible for preparing the Governing Body's Statement of Regularity, Propriety and Compliance.

Reporting accountant's responsibilities for reporting on regularity

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Code.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity. A limited assurance engagement is more limited in scope than a reasonable assurance engagement and the procedures performed vary in nature and timing from, and are less in extent than for a reasonable assurance engagement; consequently a limited assurance engagement does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 August 2020 to 31 July 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including the specific requirements of the grant funding agreements and contracts with the ESFA and high level financial control areas where we identified a material irregularity is likely to arise. We undertook detailed testing, on a sample basis, on the identified areas where a material irregularity is likely to arise where such areas are in respect of controls, policies and procedures that apply to classes of transactions.

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

**INDEPEDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY TO THE
CORPORATION OF BRADFORD COLLEGE AND THE SECRETARY OF STATE FOR
EDUCATION ACTING THROUGH EDUCATION AND SKILLS FUNDING AGENCY
(CONTINUED)**

Use of our report

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

RSM UK Audit LLP

RSM UK AUDIT LLP
Chartered Accountants
First Floor
Two Humber Quays
Wellington Street West
Hull
HU1 2BN

Date

17/12/2021