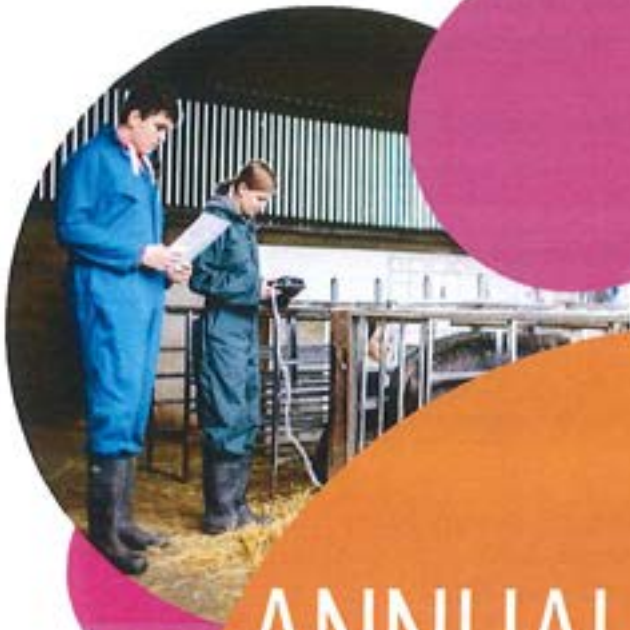




THE
BEDFORD
COLLEGE
GROUP



ANNUAL REPORT & FINANCIAL STATEMENTS

For the Year
Ending 31 July
2024



THE
BEDFORD
COLLEGE
GROUP



QAA

UK Quality Assured



European Union
Quality Standard

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Key Management Personnel, Board of Governors and Professional Advisers

Board of Governors

A full list of Governors is given on page 18-20 of these financial statements. Mrs Rachel Nicol acted as Clerk to the Corporation throughout the period.

Key management personnel

Key management personnel are defined as members of the College Leadership Team and were represented by the following in 2023/24:

Ian Pryce - Principal and CEO; Accounting officer (retired 02 January 2024)

Yiannis Koursis – Chief Executive OBE (started 01 November 2023)

Patricia Jones – Deputy Chief Executive – Finance (left 23 July 2024)

Emma Lowe – Deputy Chief Executive - Quality

Karen Campbell – Principal Bedford College

Robin Webber-Jones – Principal Tresham College

Sarah Mortimer – Principal Central Bedfordshire College

Gulam Fatima – Chief Financial Officer (appointed 01 July 2024)

Sarah Baxter – Executive Director of Sales and Marketing

Caroline Biddle - Executive Director of Human Resources

Sheraz Amin – Executive Director of Digital Transformation

Debbie Houghton – Executive Director of Apprenticeships

Principal and Registered Office

Cauldwell Street

Bedford

Bedfordshire

MK42 9AH

Professional advisers

Financial statements auditors and reporting accountants

Buzzacott LLP, 130 Wood Street, London, EC2V 6DL

Internal auditors

ICCA Education Training and Skills Limited (No 06638638), 11th Floor, McLaren House

46 Priory Queensway, Birmingham, B4 7LR

Bankers

Barclays Bank, 111 High Street, Bedford, MK40 1NJ

Solicitors

Stone King LLP, 3rd Floor, Bateman House, 82 – 88 Hills Road, Cambridge, CB2 1LQ

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

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Strategic Report

OBJECTIVE AND STRATEGY

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

Legal Status

The Corporation was established under the Further and Higher Education Act 1992 for the purpose of conducting Bedford College. The College is an exempt charity for the purposes of Part 3 of the Charities Act 2011. The Corporation was incorporated as Bedford College.

Group Companies

Bedford College has three wholly owned subsidiaries, Bedford College Services Ltd, Bedford College Professional Services Ltd and Aston Recruitment and Training Ltd, (incorporated July 2009, November 2015 and June 2004 respectively), the accounts of which are consolidated into this report.

Our Purpose

To help individuals, communities and society flourish through education by raising aspirations and reducing inequality to create a sustainable future.

Our Vision

To be the best and most authoritative post-16 educator in the South East Midlands.

Our Values

We put the learner at the heart of all we do and our values reflect the manner in which we set out to achieve this:

- **Student centred** – At our heart is always doing what is best for our students. We consider students in all of our decision making to create positive outcomes and memorable experiences for every student.
- **Educational excellence** – We promote educational excellence by delivering programmes that challenge our students to achieve their ambitions.
- **Teamwork** – We are one team who by working together can achieve great things, respecting the opinion and valuing the contribution each of us make.
- **Continuous improvement** – We challenge ourselves to always do better by trying new things, sharing knowledge, reflecting on practice and learning from others.
- **Caring** – We care about the wellbeing of our staff, our students, our community and wider society, creating an environment built on trust where we listen, engage with and support each other.
- **Inclusive** – We celebrate differences and diversity, recognizing that we can learn from each other.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Strategic Report (continued)

Resources

The Group has a three-year financial plan that demonstrates sound financial health over the life of this plan. The plan is intended to maintain financial resilience in the organisation enabling the College to resource the strategic plan whilst maintaining the Education, Skills Funding Agency financial health grade of 'Outstanding'.

The Group has various resources that it can deploy in pursuit of its strategic objectives including:

- £197m of fixed assets, £23m of current assets and £106m of net assets, including cash and cash equivalents of £13m. Further details on financial performance can be found on page 7.
- 9 freehold campuses and a number of leasehold sites that enable students to train in an industry specific environment.

People

Employs an average of 1,384 people, with 995 working within teaching areas.

Reputation

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

Stakeholders

In line with other Colleges and with universities, Bedford College has many stakeholders; it recognises the importance of these relationships and engages in regular communication. Stakeholders include:

- its current, future and past students
- its staff and their trade unions
- public sector funding bodies
- the employers it works with
- local authorities
- government offices
- local enterprise partnerships (LEPs) and the employers they work with.
- the local community
- other FE and HE institutions
- local schools
- the professional bodies in the sectors where it works

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Strategic Report (continued)

Public Benefit

Bedford College is an exempt charity under the Part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education. The members of the Governing Body, who are trustees of the charity, are disclosed on page 18-20.

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

In delivering its mission, the College provides identifiable public benefits through the advancement of education to the local community. The College provides courses without charge to young people, to those who are unemployed and adults taking English and Maths courses. The College adjusts its courses to meet the needs of local employers, providing skills and workplace training to apprentices.

The College is committed to providing information, advice and guidance to the students it enrolls and to finding suitable courses for as many students as possible regardless of their educational background.

We focus on skills needed in our community and the skills needed for our learners to get good jobs, increase prospects and improve social mobility.

We also acknowledge that our buildings and grounds are seen as community assets by our local residents. We take this seriously and want to ensure we are good neighbors; our sites are well maintained and that our community can feel proud of their local college

Our Strategic Objectives to 2027

The College has a strategic plan for the period 2022-2027, underpinned by education and resource plans. The Corporation monitors the performance of the strategic plan by using the following three strategic themes:

- Educational Leadership
- Community Leadership and Reputation
- Sustainability

Progress Overview of 2023-2024

Educational Leadership

The College achieved progress in aligning its educational delivery with strategic goals and improving outcomes. Key achievements include:

- Strategic alignment and business planning: strengthened strategic alignment through revised business planning processes, ensuring resources are effectively directed to meet educational goals.
- Restructured models: redesigned the English and mathematics model to improve outcomes in these critical subjects, alongside a restructure of quality functions to enhance teaching and learning delivery.
- New roles for targeted support: the introduction of Learning Mentors and Learning Coaches has provided tailored support, fostering student retention and progression.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

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Strategic Report (continued)

- Improved outcomes and progression: achievement rates reached 84.7% overall excluding apprenticeships, with gains for young people (83.1%), adults (87.2%) and apprenticeships (63.1%), demonstrating positive strides in key areas.

Level Group	Number of leavers 22/23	Number of leavers 23/24	Achievement rate % 22/23	Achievement rate % 23/24	Difference from last year	National Achievement rate % (22/23)	Difference in National rate % compared
16-18 All Levels	14,755	16,752	80.1%	83.1%	+3.0%	80.7%	+2.4%
19+ All Levels	10,147	10,057	82.4%	87.2%	+4.8%	86.6%	+0.6%
All Ages and Levels (excl. apprenticeships)	24,902	26,809	81.1%	84.7%	+3.6%	82.4%	+2.3%
Apprenticeships	543	547	54.0%	63.1%	+9.1%	54.6%	+8.5%

Community Leadership and reputation

The College embraced its role as an anchor institution, fostering partnerships and widening opportunities for learners. Highlights include:

- Improved stakeholder engagement: Strengthened collaboration with flagship employers and local authorities ensured relevance and alignment of the curriculum with labour market needs.
- Work experience model: A newly implemented model provided students with practical exposure, linking learning with real-world skills.

Sustainability

Sustainability at the College encompasses not only environmental responsibility but also staff development, financial strength, and investment in infrastructure and digital transformation. Key achievements in 2023-24 include:

- Enhanced personal development: a new Personal Development framework embedded confidence-building, resilience, and transferable skills into the student experience.
- Staff development and voice: improved staff voice through engagement surveys, alongside enhanced learning and development initiatives, created a positive and collaborative working environment.
- Financial strength and investment: delivered a £37.8 million capital programme over the past two financial years, including the £12.6 million Health, Science, and Digital Skills Centre in Bedford and the £9.6 million net-zero carbon Corby Sixth Form.
- Advancing digital transformation: strengthened digital systems and operations to support efficiency and enhance teaching and learning delivery.
- Net-zero leadership: earned a Green Gown Award for embedding sustainability into operations and infrastructure, aligning with long-term environmental goals.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Strategic Report (continued)

Development and Performance

Financial Results

The Group generated a surplus before tax in the year of £1.436m (£18.999m in 2022/23) with a total income of £87.0m (£86.5m in 2022/23)

The College has three subsidiary companies, Bedford College Services Ltd (BCS Ltd), Bedford College Professional Services Ltd (BCPS Ltd) and Aston Recruitment and Training Ltd. The principal activity of BCS Ltd is the supply of catering and venue services, whilst BCPS provides the supply of professional and administrative services whereas Aston Recruitment and Training Ltd specialise in Apprenticeship training. In the current year, the surplus generated by BCS Ltd was £9k (£nil in 2022/23), £nil for BCPS Ltd (£nil in 2022/23). Aston Recruitment and Training Ltd was dormant in 2023/24 (£60k deficit in 2022/23).

Financial Performance Indicators

The College remains right at the top end of the sector for financial performance, assessing its financial objectives by monitoring 8 financial indicators. These indicators (below) are measured monthly and are discussed at Executive, the Resources Committee and the Corporation Board.

Key Performance Indicators for the Group	2023/24 Outturn (As per the Financial Statements)	2022/23 Outturn	2022/23 Increase / (Reduction) year on year Movement
Income	£86.98m	£86.57m	£0.41m
Operating surplus for the year (Before disposals and gain on Acquisition)	£1.43m	£0.59m	£0.84m
Cash and cash equivalents (including investments)	£16.86 m	£14.43 m	£2.43m
Staff costs as a % of income (excl. subcontract income, excl. gain on acquisition)	60%	61%	1%
Education sector EBITDA (Earnings before interest, tax, depreciation, amortisation) as a % of income	6.77%	8.22%	(1.45%)
Adjusted current ratio	1.89	1.79	0.10
Borrowing as a % of income	9.63%	12.94%	3.31%
Financial Health Grading	Outstanding	Outstanding	

The financial indicators above for year ended July 2024 show that the College has performed well.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

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Strategic Report (continued)

Reserves

The college maintains a Reserves Policy to ensure financial resilience and alignment with its charitable objectives, in accordance with Charity Commission guidance. This policy encompasses cash reserves and broader financial considerations, balancing the need for immediate operational stability with long-term sustainability. The reserves support the college's ongoing operations, strategic investments, and ability to respond to risks and unforeseen challenges. A general reserve equivalent to approximately 50% of annual income at least is maintained to address uncertainties in funding, student recruitment, and income generation. This prudent approach ensures that the college remains a going concern while delivering public benefits.

The Reserves Policy also accounts for cash balances sufficient to cover at least two months of operating expenses and compliance with bank covenants. Capital expenditure funding and its treatment in income recognition are integrated into the reserve's framework. Additionally, the policy considers the volatility of defined benefit pension scheme valuations and their impact on the balance sheet. Annual reviews by the Resources Committee ensure adherence to the policy and address any necessary deviations, such as major capital developments. This structured approach underpins the college's financial stability, operational integrity, and commitment to future beneficiaries.

Sources of income

There is significant reliance on ESFA recurrent grants; in 2023/24 Further Education funding bodies provided 79% of the College's total income (78% in 2022/23).

Cash flows and liquidity

There has been an increase in cash, cash equivalents and investments of £1.43m (2023/24 inflow of £4.08m) demonstrated in the Consolidated Statement of Cash flows.

The acquisition of Tresham College included the novation of 3 loans to Bedford College on the 1 August 2017 and as at 31 July 2023 the value of the outstanding loans amounted to £7.90m.

Treasury policies and objectives

The College has a treasury management policy covering the management of the College's cash flows, its banking, money market transactions, the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

Payment performance

The Late Payment of Commercial Debts (Interest) Act 1998 requires Colleges, in the absence of agreement to the contrary, to make payments to suppliers within 30 days of either the provision of goods or services or the date on which the invoice was received. The target set by the Treasury for payment to suppliers within 30 days is 95 per cent. During the accounting period 1 August 2023 to 31 July 2024, the College paid 83.23% (2022/23 80.54%) of its invoices within 30 days

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Strategic Report (continued)

Future Developments

The strategic themes provide a roadmap for the College on its journey to achieving its vision of becoming the best and most authoritative post-16 educator in the South East Midlands. These priorities represent the areas where resources and time will be focused to ensure that students, staff, and stakeholders get the best out of the College.

1. Educational Leadership

Delivering high-quality education remains at the heart of the College's mission, with a focus on creating progression pathways that enable all learners to reach their full potential. Key areas of emphasis include Pre-Level 2 programmes to support disengaged and SEND learners, the delivery of T Levels and Higher Technical Qualifications (HTQs), and the expansion of adult education pathways that meet LSIP priorities. English and Maths strategies will continue to improve outcomes, while work experience and apprenticeships will provide learners with real-world opportunities to enhance employability. These efforts ensure that all students are equipped with the knowledge and skills they need for aspirational careers or further education.

2. Community Leadership and Reputation

The College is proud to serve its communities and is committed to strengthening its role as an anchor institution. The College will address local and regional priorities while fostering inclusivity and social cohesion. Partnerships with employers, local authorities, and civic leaders ensure that the curriculum reflects economic demands and Access to HE routes provide clear pathways to education and employment. These efforts reinforce the College's reputation as a trusted provider of education and skills.

3. Sustainability

Future-proofing the College is essential to ensure it continues to deliver outstanding education and support for students and staff. Investments in technology, equipment, and infrastructure, including sustainability-focused facilities, will enhance learning environments and operational efficiency. The College is committed to developing a skilled and motivated workforce by attracting high-quality staff and reducing reliance on agency workers. The College will also build on its Green Gown Award recognition to embed sustainable practices across its operations, curriculum, and infrastructure as it progresses toward achieving net-zero targets.

Principal risks and uncertainties

The College continues to operate a system of internal control, including financial, operational and risk management which is designed to protect the College's learners, staff, assets and reputation.

Based on the strategic plan, the Executive operating as the Risk Management Group undertakes a comprehensive review of the risks to which the College is exposed. They identify systems and procedures, including specific preventable actions which should mitigate any potential impact on the College. The internal controls are then implemented and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. In addition to the annual review, the Risk Management Group will also consider any risks which may arise as a result of a new area of work being undertaken by the College.

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Strategic Report (continued)

Principal risks and uncertainties (continued)

Key risks are maintained at the College level within the Risk Register which is reviewed termly by the Audit Committee. The Risk Register identifies the key risks, the likelihood of those risks occurring, their potential impact on the College and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

The Internal Audit Programme reflects key risks drawn from the risk register and the furtherance of strategic aims identified in the Strategic Plan.

Outlined below is a description of the principal risks that may affect the College. Mitigating actions are in place to manage the effects of the risks. Other factors besides those listed below may also adversely affect the College.

- Student recruitment
- Quality of Education - success or achievement performance measures
- Compliance with the rules of regulatory, funding and legal bodies
- Servicing of debt and financial stability
- IT disaster recovery and response

These risks are mitigated through diversification of funding, ensuring the College is rigorous in delivering high quality education and training and that rigorous dialogue is undertaken with funding body representatives

Equal opportunities

Everyone should have a sense of belonging at The Bedford College Group (TBCG). We are committed to supporting and promoting equity of opportunity in all aspects of college life. We encourage everyone to embrace the differences they encounter here. We are home to people from many cultures and backgrounds; and a range of beliefs and identities.

Our college is strongly opposed to discrimination, unfairness and injustice. We believe in treating everyone fairly and celebrating our differences. We do not tolerate language or behaviour that makes others uncomfortable. This includes being treated differently because of any of the 'nine protected characteristics' of the Equality Act (2010) which are protected by law from discrimination (age, disability, race, sex, gender reassignment, marriage and civil partnership, pregnancy and maternity, religion or belief, and sexual orientation). Alongside the Equality Act (2010) we have taken into consideration our commitment to the Public Sector Equality Duty (2011). In providing a public function, we must have due regard to:

- Eliminate discrimination, harassment, victimisation and any other conduct which the Equality Act prohibits;
- Advance equality of opportunity between those who share a relevant protected characteristic and those who do not;
- Foster good relations between those who share a relevant protected characteristic and those who do not.

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Strategic Report (continued)

Equal opportunities (continued)

The college has committed to the Association of College's 'Inclusive Practice Charter' setting out the following aims;

1. Deliver parity in achievement for students with protected characteristics
2. Ensure an inclusive student experience
3. The Bedford College Group has processes for fair staff recruitment and is an equitable workplace
4. Staff are able to feed back that they have a sense of belonging
5. Create and maintain culturally harmonious campuses
6. Promote and maintain an inclusive environment for LGBTQ+ staff and students
7. Establish The Bedford College Group as an anti-racist organisation that is welcoming to all

The College's Single Equality Scheme outlines the key priorities in terms of equality and diversity which are underpinned by the Single Equality Scheme Action Plan. The College's Equality, Diversity and Inclusion Strategy Group, which is chaired by the Deputy CEO and has cross-college representation, is involved in the implementation and monitoring of the impact of the Single Equality Scheme Action Plan and Strategy. Across the organisation there are EDI Ambassadors and eight diversity forums (Race Equity, LGBTQ+, Men's Health, Women's Wellbeing, Multi-Faith, Family First, Neurodiversity and Disability). The College publishes an Equality and Diversity Report annually to ensure compliance with all relevant equality legislation. The College undertakes equality impact assessments on its college wide policies and processes.

The College has an Equality and Diversity training programme which is mandatory for all staff. Refresher training and updates are carried out as part of staff's professional development and all-staff events such as the annual staff conference.

The Bedford College Group is a 'Disability Confident' employer and has committed to the principles and objectives of this standard. The College considers all employment applications 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 ensure that the employment with the College continues. The College subscribes to an independent assistance programme which is free to all staff and offers support on a wide range of work, family and personal issues. In-house counselling support is available to students and staff.

The College employs specialists to support students with learning difficulties and/or disabilities, such as an Autism coordinator, Deaf and Hard of Hearing coordinator, British Sign Language Communicators, and Student Support assistant. Specialist equipment including assistive technology is available for use by students and staff.

Learning Mentors in each curriculum area deliver individual and group tutorials aimed to develop students' personal, social and employability skills, and provide support with a range of issues, for instance, when a student is transitioning. The personal development programme empowers students in relation to health and wellbeing, staying safe and equality, diversity and inclusion. The College co-ordinates student support groups such as LGBTQIA+, Transform, and Race and Culture.

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Strategic Report (continued)

Gender pay gap reporting

In April 2017, legislation was introduced requiring organisations employing 250 or more people to report their gender pay gap based on a snapshot of the workforce on 31 March or 5 April annually.

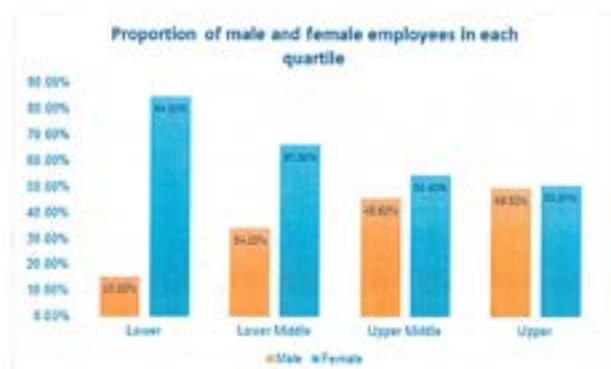
The gender pay gap reflects the percentage difference between average salaries of women and men across the workforce, irrespective of role. It is distinct from Equal Pay, which examines differences in pay for men and women in specific equivalent roles.

As of 31 March 2023, the statutory regulations applied to Bedford College, Tresham College, and Central Beds College as a merged organisation. On 5 April 2023, the regulations also applied to Bedford College Professional Services Ltd. The headcount for Bedford College Services Ltd remains below 250.

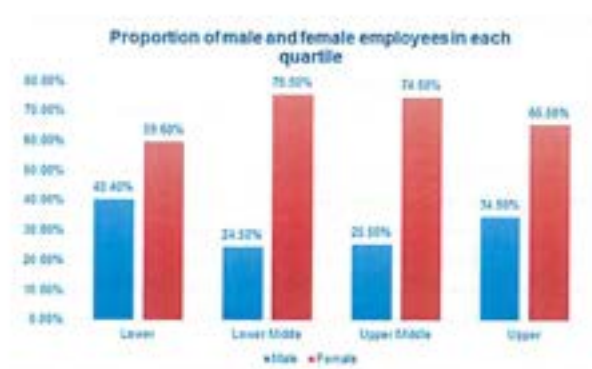
Year ending 5 April 2023		
Entity	Bedford College	Bedford College Professional Services
Mean gender pay gap	11.9%	-0.2%
Median gender pay gap	13.7%	-0.2%
Mean bonus gender pay gap	0%	0%
Median gender bonus gap	0%	0%
Proportion of males/females receiving a bonus	57% (male) 43% (female)	0% (male) 0% (female)

The graphs below show the proportion of males and females in each quartile pay band. The data has been calculated using the methodology set out in the Equalities Act 2010 (Gender Pay Gap Information) Regulations 2017.

Bedford College



Bedford College Professional Services



BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

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Strategic Report (continued)

Sustainability and climate action aims

The College's has developed a strategy to positively respond to climate change by reducing our impact on the environment, helping to boost the economy through the delivery of green skills and inspiring our students and staff to tackle climate action to achieve our goal to be a net zero organisation and a leader in sustainability practices by 2042.

The College's Sustainability and Climate Action aims are to

- To demonstrate clear leadership and governance in tackling climate change to foster a culture where staff and students care about sustainability and continuously improve their own and collective practices.
- To embed climate and sustainability education into the curriculum and wider enhancement activities to enable young people and adults to develop the knowledge, skills, values and attitudes needed to tackle climate change, and prepare them for green jobs and the changing skillset required in their chosen careers.
- To protect and enhance the natural environment by minimising our environmental impact from our estate and infrastructure.
- To develop and advance practices and habits for sustainable procurement and responsible use of resources throughout the supply chain.
- To become a leader and key influencer on sustainability matters within our internal and external communities and the wider FE.

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Strategic Report (continued)

Streamlined Energy and Carbon Reporting

The Bedford College Group SECR Greenhouse Gas Emissions are presented according to guidance from BEIS and the Energy Managers Association. Figures have been collated using Government Gas carbon emission multipliers, and applied to College data streams with the scopes (1, 2 and 3) below.

- Scope 1 – direct emissions from fuels burnt from owned or controlled sources.
- Scope 2 – indirect emissions from use electricity
- Scope 3 – indirect emissions arising from upstream (supply) activities, or downstream (waste management) activities.

The college's greenhouse gas emissions and energy use for the period calculated in line with the 2019 HM Government Environmental Reporting Guidelines, the GHG Reporting Protocol – Corporate Standard and the 2021 UK Government's Conversion Factors for Company Reporting are as follows:

UK Greenhouse gas emissions and energy use data for the period	1 August 2023 to 31 July 2024	1 August 2022 to 31 July 2023
Energy Consumption used to calculate emissions (kWh)	14,503,572	14,004,741
<u>Scope 1 emissions in metric tonnes CO₂e</u>		
Gas consumption	1,327	1,256
Heating Oil	310	313
College Vehicles	37	32
Total	1,674	1,601
<u>Scope 2 emissions in metric tonnes CO₂e</u>		
Grid Electricity	1,501	1,461
<u>Scope 3 emissions in metric tonnes CO₂e</u>		
Business travel in employee-owned vehicles	27	25
Supply water	6	5
Waste water	6	5
Total	35	35
Total gross emissions in metric tonnes CO₂	3,214	3,097
<u>Intensity Ratio</u>		
Metric tonnes CO ₂ e per m ² GIA	0.028	0.031

Intensity ratio

The chosen intensity measurement ratio is the gross internal area of the estate in use, as described as full-time equivalents.

It should be noted 2023/24 is the first full year post merger with Central Bedfordshire College.

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Strategic Report (continued)

Trade union facility time

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

Numbers of employees who were relevant period	FTE employee number
2	1,078.9

Percentage of time	Number of employees
0%	1,076.9
1-50%	2

Total cost of facility time	£3,008
Total pay bill	£ 49.8 m
Percentage of total bill spent on facility time	0.00604%
Time spent on paid trade union activities as a percentage of total paid facility time	100%

Going concern

After making appropriate enquiries, the Corporation considers that the College has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

Events after the reporting period.

In October 2024, an Ofsted inspection was conducted at the College. Our overall grade was Good. The full report will be published on both the College's and the Department for Education's websites.

In November 2024, the Department for Education introduced a guarantee to reassure Local Government Pension Scheme pension fund managers that Further Education bodies should not be classified as high-risk employers. This guarantee ensures that, in the event of a Further Education body closure, any outstanding Local Government Pension Scheme liabilities will not revert to the pension fund but will be covered by the Department for Education.

Neither event affects the conditions existing as of the balance sheet date and, therefore, both are classified as non-adjusting post-balance sheet events.

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Strategic Report (continued)

Disclosure of information to auditors

The members who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the College's auditors are unaware; and each member has taken all the steps that he 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 17 December 2024 and signed on its behalf by:



Alasdair Simmons
Chair
17 December 2024

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Statement of Corporate Governance and Internal Control

The following statement is provided to enable readers of the annual report and accounts of the College to obtain a better understanding of its governance and legal structure. This statement covers the period from 1 August 2023 to 31 July 2024 and up to the date of approval of the annual report and financial statements.

The college endeavours to conduct its business:

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

In the opinion of the Governors, the College complies with all the provisions of the Code, and it has complied throughout the year ended 31 July 2024. This opinion is based on an internal review of compliance with the Code reported to the Governance Committee on 14 November 2024. The Governing Body recognises that, as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times. In carrying out its responsibilities, it took full account of The Code of Good Governance for English Colleges ("the Code") issued by the Association of Colleges, first adopted in December 2015 with subsequent decisions of the Corporation to assess compliance in line with the updated version in 2019 to include the Colleges Senior Post Holder Remuneration Code and the updated version issued in September 2021 following the Skills for Jobs White Paper and Independent Commission for the College of the Future. At their meeting on 4 December 2023 the Corporation confirmed their adoption of the September 2023 version of the Code and intention to assess compliance against that version in 2023-2024.

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

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

The Corporation

The members who served on the Corporation Board during the year and up to the date of signature of this report were as follows:

Name	Date of Appointment	Term of Office	Date of Retirement / Resignation	Status of Appointment	Committees Served	Attendance at meetings in 2023-2024 ¹
A Schofield Chair	Re-appointed August 2018 (extensions granted for exceptional circumstances to 31 March 23 and then 31 March 24	Re-appointed Chair 1 August 2023 for a 1-year period to 31 July 2024	31.07.24	External	Curriculum & Quality Governance Remuneration Resources	100%
C Barr	1 March 2023	To 31 July 2026		External	Curriculum & Quality	78%
D Buckley	August 2020	4 years	31.07.24	External	Audit	100%
J Butcher	1 November 2023	To July 2027		External	Audit	89%
T Cowan	1 August 2024	4 years		External	N/A	N/A
R Dimbleby	Re appointed July 2022	4 years to 31 July 2026		External	Curriculum & Quality Governance Remuneration	67%
T Dove-Wallington	26 September 2023	To July 2027		External	Resources	90%
S Ennis	1 August 2023	1 year		Student	Resources	0%
L Fellows	1 August 2024	4 years		External	N/A	N/A
L Ferebee	August 2021	4 years		External	Audit Governance Remuneration	92%

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Name	Date of Appointment	Term of Office	Date of Retirement / Resignation	Status of Appointment	Committees Served	Attendance at meetings in 2023-2024 ¹
J Gallacher	August 2022	2 years	31.07.24	Staff	Curriculum & Quality	33%
M Glass	28 October 2022	4 years to 31.07.26	18.06.24	Co-opted member	Audit	0%
A Harris	1 August 2024	4 years to 31 July 2028		External	N/A	N/A
Y Kouris	Appointed 03 January 2024	-		Accounting Officer		90%
T Logan	Appointed August 2024	1 year		Student	N/A	N/A
F Mir	1 March 2023	To 31 July 2026		External	Resources Governance	67%
V Mistry	1 August 2024	4 years to 31 July 2028		External	N/A	N/A
D Moran	1 August 2024	To 31 July 2028		External	N/A	N/A
N Nazir	1 August 2023	2 years		Staff	Resources	70%
I Pryce	Appointed December 1998	-	02.01.24	Accounting Officer	Resources Curriculum & Quality	67%
P R Randhawa	Appointed 20.01.22	To 31.07.25	31.07.24	External	Audit	89%
L J Rawlings	1 April 2024	To 31.07.28		External	N/A	100%

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Name	Date of Appointment	Term of Office	Date of Retirement / Resignation	Status of Appointment	Committees Served	Attendance at meetings in 2023-2024 ¹
S Selwood	Re appointed August 2019 August 2024 Further re-appointment for 1 year under exceptional circumstances	1 year exceptional to 31 July 2025		External	Curriculum & Quality Governance Remuneration	100%
A Simmons Vice Chair 23-24 Chair from 01.08.24	Appointed 21.06.21 Extension to 31.07.26 to allow minimum of 2 years in Chair role	To 31.07.26 1 year extension		External	Resources Governance Remuneration	92%
K Singh	1 August 2024	4 years		External	N/A	N/A
L Tiribabi	Appointed August 2024	1 year		Student	N/A	N/A
S Wilson	Appointed August 2024	2 years		Staff	N/A	N/A
C Wragg	Re-appointed for a second 4 year term of office from 1 August 2023	4 years		External	Resources Governance	83%
A Wright	1 March 2023	To 31.07.26	06.12.23		Audit	50%

R Nicol Group Director of Governance, supports the board and the role replaces the traditional "Clerk to the Corporation" role.

¹ This reflects attendance at Board and Committee meetings but does not reflect attendance at additional events such as Awards Evenings, development days, working groups, college committees monitoring curriculum & quality and those on safeguarding, equality and diversity and health & safety. A number of external members have been involved in these groups during the year.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Statement of Corporate Governance and Internal Control (continued)

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

The Corporation is provided with regular and timely information on the overall financial performance of the College together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel-related matters such as health and safety and environmental issues. The Corporation meets at least once a term.

The Corporation conducts its business through a number of committees. Each committee has terms of reference, which have been approved by the Corporation. These committees are Audit, Resources, Group Curriculum & Quality Committee, Remuneration, and Governance. Full minutes of all meetings, except those deemed to be confidential by the Corporation, are available on the College's website at www.bedford.ac.uk or, from the Group Director of Governance at Bedford College, Cauldwell Street, Bedford, MK42 9AH. In addition the Corporation established 3 local curriculum & quality groups in 2023-2024 on a 2 year trial (Northamptonshire plus 6th forms, Bedford and Central Bedfordshire) These groups have external, staff and student members and report to the Group Curriculum & Quality Committee.

The Group Director of Governance maintains a register of financial and personal interests of the governors. The register is available for inspection at the above address.

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

The Group Director of Governance is a senior post holder and holds various relevant qualifications. The post holder is a non-practising solicitor (having a Law degree and post graduate diploma in legal practice), is a member of the Institute of Chartered Accountants England and Wales and is a Fellow of the Chartered Governance Institute.

The Board ensures that the Group Director of Governance receives appropriate development throughout the year including attendance at relevant governance conferences as well as internal training. The Group Director of Governance has previously completed the Education & Training Foundation Governance Professionals' leadership programme and was appointed as a National Leader of Governance in March 2023. She attends FE Commissioner training events and conferences as well as various CPD activities relevant to her professional qualifications including AoC events and webinars from a number of sources. The Board ensures that the Group Director of Governance also works with the sector to help develop Governance through acting as vice chair to the AOC East Governance Professionals network.

Formal agendas, papers and reports are supplied to governors in a timely manner, prior to Board meetings. Governors have access to a board portal for formal meeting papers, induction, training and development material, including links to webinars. In addition to mandatory safeguarding training governors are given access to AOC briefings, induction sessions, group specific briefings and the ETF Governor Development Programme.

During 2023-2024 governors have also accessed a range of networking and development activities including the AOC Governance Conference, regional events, networks and governor inductions. The Corporation annual Strategy/Development Day in February 2024 included a session on developments in the sector and a further session on L2 and L3 qualification reform was delivered internally during the year.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Statement of Corporate Governance and Internal Control (continued)

The Corporation has a strong and independent non-executive element and no individual or group dominates its decision-making process. The Corporation considers that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement. There is a clear division of responsibility in that the role of the Chair and Accounting Officer are separate.

Appointments to the Corporation

The Corporation has a strong and independent non-executive element and no individual or group dominates its decision-making process. The Corporation considers that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement. There is a clear division of responsibility in that the role of the Chair and Accounting Officer are separate.

Appointments to the Corporation

Any new appointments to the Corporation are a matter for the consideration of the Corporation as a whole. The Corporation has a Governance Committee, consisting of at least 4 members of the Corporation, which is responsible for the selection and nomination of any new external members 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. The Corporation monitors terms of office and succession planning. Following adoption of the AOC Code of Good Governance for English Colleges external members are initially appointed for a 4 year period with the potential for a re-appointment for a further 4 year period. The Corporation has committed to only extend terms of office beyond 8 years in exceptional circumstances and for 1 year at a time.

The Memorandum and Articles of Bedford College Services (BCS), Bedford College Professional Services (BCPS), Aston Recruitment and Training (Aston) and Inspirational Training Partnership Limited provide for appointments to the relevant Boards to be approved by the Corporation.

Bedford College Academies Trust Limited ("BCAT") and The Silverstone Academy Trust Limited are Trust arrangements for schools of which Bedford College is a Member. The schools run by BCAT were transferred together with the assets and liabilities of the Trust on 1 March 2024 to the Knowledge Schools Trust. The terms of reference of both trusts provide for member appointments to their respective boards to be approved by the Bedford College Corporation.

Corporation Performance

The performance of the Corporation and its committees is considered annually in line with the agreed Self Evaluation Strategy to ensure continued improvement of the value added by this strategic support. As part of the Board's assessment of their performance the Board considers a range of evaluation mechanisms including numeric and narrative assessment against competency-based statements, committee reviews against terms of reference and one to one governor conversations at intervals providing for narrative feedback on areas such as the quality of papers, appropriateness of commitment required, training and development needs and personal ambitions.

Committees reflect on their performance and terms of reference each year with the Audit Committee completing a numerically scored questionnaire measuring their effectiveness against their terms of reference.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Statement of Corporate Governance and Internal Control (continued)

In 2023-2024 an External Board Review was carried out by Rob Lawson through the AoC. The review included a comprehensive survey of governors, a desktop analysis of papers, observations of meetings and one to one conversation with governors, members of the executive and the Group Director of Governance. Key recommendations focused on board recruitment, development of the triumvirate relationship with changes in the CEO and Chair roles and a review of frequency of meetings, timeliness of reporting and impact. The report and draft action plan were reviewed by the Governance Committee in June and the Corporation confirmed their acceptance of the report and action plan at a special meeting of the Corporation on 17 June 2024. It has been agreed that monitoring of the action plan will be overseen by the Governance Committee but also reviewed by the full Corporation.

Identified and emerging themes are picked up in committee work plans, appropriate to the terms of reference in place.

The Corporation acknowledges the external Ofsted inspection grading in September 2019 for Leadership and Governance as good overall, considering some areas as outstanding whilst seeking to identify areas for continuing improvement.

Remuneration Committee

Throughout the year ending 31 July 2024 the College's Remuneration Committee comprised five members of the Corporation. The Committee, for the year ended 31 July 2024 had delegated authority from the Corporation to consider and make recommendations to the Corporation in respect of the remuneration, terms and conditions of employment and objectives of the Accounting Officer and other senior post-holders. Recommendations in respect of remuneration for the year ended 31 July 2024 were made to and approved by the Corporation on 4 December 2023 following a meeting of the Committee on 11 November 2023.

Details of remuneration for the year ended 31 July 2024 are set out in note 7 to the financial statements.

Audit Committee

The Audit Committee comprised between 4 and 6 members during the year to 31 July 2024, (excluding the Accounting Officer) Membership included 1 co-opted member. The Committee operates in accordance with written terms of reference approved by the Corporation.

Attendance at the Committee was as follows;

Luke Ferebee(Chair)	3 meetings attended out of 3
Dennis Buckley	3 meetings attended out of 3
John Butcher 2/3	2 meetings attended out of 3
Raj Randhawa 2/3	2 meetings attended out of 3
Angelique Wright 1/1	1 meeting attended out of 1
Matthew Glass 0/2	0 meetings attended out of 2

The Audit Committee meets on a termly basis 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 Committee also receives and considers reports from the main FE funding bodies as they affect the College's business.

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.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Statement of Corporate Governance and Internal Control (continued)

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 and financial statement auditors and their remuneration for audit and non-audit work as well as reporting annually to the Corporation.

Governance Committee

The Governance Committee consisted of 7 members throughout the year (excluding the Accounting Officer) and operates in accordance with the written terms of reference approved by the Corporation.

The Committee meets at least twice annually and is responsible for advising the Corporation on the appointment of external governors and on matters concerning the smooth running and best practice in corporate governance of the Corporation such as the size of the Board, the Board's own rules and procedures, training for governors, evaluation of the Corporation and the appointment of office holders.

In the year ended 31 July 2024 the Committee met twice with a further full board meeting for discussion of the External Board Review.

Resources Committee

The Resources Committee consisted of between 6 and 7 members throughout the year (including the Accounting Officer) and operates in accordance with the written terms of reference approved by the Corporation.

The Committee meets at least termly and is responsible for monitoring the College's finance, accommodation and capital expenditure, advising the Board on solvency and the safeguarding of assets, approving capital expenditure, write offs (under delegated authority), people management and development policies and procedures; ensuring compliance with employment legislation and good practice and overseeing policies and work promoting the safety and well-being of staff.

Curriculum & Quality Committee

The Curriculum & Quality Committee consisted of between 7 and 8 members during the year (including the Accounting Officer) and operates in accordance with the terms of reference approved by the Corporation.

The Committee meets at least once a term and is responsible for briefing the Board on the quality of education provision at the College, the student experience (including student aspects of safeguarding and equality and diversity), and to have oversight of quality processes.

Local curriculum and quality groups consisting of external, staff and student members have operated during the year with at least one external governor attending each group and reporting into the Group Curriculum & Quality Committee. An evaluation of the operation of the groups has taken place and the terms of reference will be reviewed for 2024-2025.

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.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Statement of Corporate Governance and Internal Control (continued)

The Corporation has delegated the day-to-day responsibility to the Chief Executive officer ("CEO"), as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the College's policies, aims and objectives, whilst safeguarding the public funds and assets for which he is personally responsible, in accordance with the responsibilities assigned to him in the Financial Memorandum/Financial Agreement between Bedford 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 Bedford College for the year ended 31 July 2024 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Corporation has reviewed the key risks to which the College is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The Corporation is of the view that there is a formal ongoing process for identifying, evaluating and managing the College's significant risks that has been in place for the year ending 31 July 2024 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 governing body
- regular reviews by the governing body 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.

Bedford College has an 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 a minimum, annually, the Head of Internal Audit (HIA) provides the governing body 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.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Statement of Corporate Governance and Internal Control (continued)

Responsibilities under funding agreements

The Corporation receives assurance on compliance with the contractual responsibilities under the College's funding agreement through a detailed annual work plan and allocation of relevant responsibilities for scrutiny to committees under their terms of reference. Compliance for funding purposes is included in a comprehensive internal audit programme and key risks are monitored both by the Audit Committee and the full board at each meeting.

The Department for Education and Education and Skills Funding Agency introduced new controls for the college on 29 November 2022 on the day that the Office for National Statistics reclassified colleges as public sector organisations in the national accounts. The ESFA chief executive communicated these changes to all college accounting officers and explained plans to introduce a college financial handbook in 2024. The college has reviewed its policies, procedures and approval processes in line with these new requirements to ensure there are systems in place to identify and handle any transactions for which DfE approval is required.

Statement from the audit committee

The Audit Committee has advised the board of governors that the Corporation has an effective framework for governance and risk management in place. The Audit Committee believes the corporation has effective internal controls in place.

The specific areas of internal audit work reviewed by the Audit Committee in 2023/2024 and up to the date of the approval of the financial statements, including the level of assurance provided where available, are:

- ESFA mock funding audit (Reasonable)
- Study Programmes Curriculum Efficiency (Substantial)
- Subcontracting standards assurance review (advisory only)
- Learner attendance and registers (Reasonable)
- ESFA mock funding audit apprenticeships (Reasonable)
- Key financial controls (Reasonable)

No high priority recommendations were made across the programme. 7 medium recommendations were made across the programme with only one medium recommendation relating to data protection reported as outstanding on the progress against recommendations report in the June meeting of the Audit Committee. The Committee receives a progress report at each meeting.

Review of effectiveness

As Accounting Officer, the CEO 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 and regularity auditors, 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

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Statement of Corporate Governance and Internal Control (continued)

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. At its December 2024 meeting, the Corporation carried out the annual assessment for the year ended 31 July 2024 by considering documentation from the senior management team and internal audit, and taking account of events since 31 July 2024.

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 safeguarding of their assets"*.

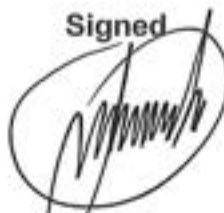
Approved by order of the members of the Corporation on 17 December 2024 and signed on its behalf by:

Signed



Alasdair Simmons
Chair
17 December 2024

Signed



Yiannis Koursis OBE
Accounting Officer
17 December 2024

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Statement of College's Regularity, Propriety and Compliance

As accounting officer I confirm that the corporation has had due regard to the framework of authorities governing regularity, priority and compliance, and the requirements of the college's accountability agreement, funding agreements and contracts with ESFA and DfE, and has considered its responsibility to notify ESFA of material irregularity, impropriety and non-compliance with those authorities and terms and conditions of funding.

I confirm on behalf of the corporation that after due enquiry, and to the best of my knowledge, I am able to identify any material irregular or improper use of funds by the corporation, or material non-compliance with the framework of authorities and the terms and conditions of funding under the college's accountability agreement, funding agreements and contracts with ESFA and DfE, or any other public funder. This includes the elements outlined in the "Dear accounting officer" letter of 29 November 2022 and ESFA's bite size guides.

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

Signed



Alasdair Simmons
Chair
17 December 2024

Signed



Yiannis Kouris OBE
Accounting Officer
17 December 2024

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

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 College's grant funding agreements and contracts with the ESFA, the Corporation, through its Accounting Officer, is required to prepare financial statements and an operating 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 College and its surplus of income over expenditure for that period.

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

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable 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 College will continue in operation.

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

The Corporation is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the College and which enable it to ensure that the financial statements are prepared in accordance with 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 to safeguard its assets and to prevent and detect fraud and other irregularities.

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

Members of the Corporation are responsible for ensuring that expenditure and income are applied for the purposes intended and that the financial transactions conform to the authorities that govern them.

In addition, they are responsible for ensuring that funds from the ESFA, and any other public funds, are used only in accordance with the ESFA's grant funding agreements and contracts and any other conditions, that may be prescribed from time to time by ESFA, or any other public funder, including that any transactions entered into by the Corporation are within the delegated authorities set out in the "Dear accounting officer" letter of 29 November 2022 and ESFA's bite size guides.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

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Statement of Responsibilities of the Members of the Corporation

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 economical, efficient and effective management of the College's resources and expenditure, so that the benefits that should be derived from the application of public funds from the ESFA are not put at risk.

Approved by order of the members of the Corporation on 17 December 2024 and signed on its behalf by:



Alasdair Simmons
Chair
17 December 2024

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Independent Auditor's Report to the Corporation of Bedford College Year ended 31 July 2024

Opinion

We have audited the financial statements of The Bedford College Group and its subsidiaries (collectively the 'Group') for the year ended 31 July 2024 which comprise the Group and College statement of comprehensive income and expenditure, the Group and College statement of changes in reserves and balance sheets, the Group statement of cash flows, the principal accounting policies, and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) and the College Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and the College's affairs as at 31 July 2024 and of its surplus of income over expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the Statement of Recommended Practice; Accounting for Further and Higher Education (the 2019 FE HE SORP) and the Accounts Direction 2023 to 2024 issued by the ESFA.
- In all material respects, funds from whatever source administered by the Group and the College for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- in all material respects, funds provided by the OfS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions; and
- the requirements of OfS's accounts direction have been met.

Basis for opinion

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

Conclusions relating to going concern

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

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

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Independent Auditor's Report to the Corporation of Bedford College Year ended 31 July 2024 (continued)

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The members of the Corporation are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the College and its environment obtained in the course of the audit, we have not identified material misstatements in the annual report. We have nothing to report in respect of the following matters in relation to which the Post 16 Code of Practice 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, or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns; or
- all the information and explanations required for the audit were not received; or
- certain disclosures of members' remuneration specified by law are not made.

We have nothing to report in respect of the following matter in relation to which the Office for Students requires us to report to you, if in our opinion:

The College's grant and fee income, as disclosed in note 2 to these financial statements has been materially misstated

Responsibilities of the Corporation

As explained more fully in the statement of responsibilities of members of the Corporation, the members of the Corporation are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members of 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 members of the Corporation are responsible for assessing the Group 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 members of the Corporation either intend to liquidate the Group and the College or to cease operations, or have no realistic alternative but to do so.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Independent Auditor's Report to the Corporation of Bedford College Year ended 31 July 2024 (continued)

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 it 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Group and the College through discussions with management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Group and the College, including the Further and Higher Education Act 1992, funding agreements with the ESFA and associated funding rules, ESFA regulations, data protection legislation, anti-bribery, safeguarding, employment, health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Group and the College's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Independent Auditor's Report to the Corporation of Bedford College Year ended 31 July 2024 (continued)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias;

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of Corporation meetings;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any available correspondence with HMRC and the College's legal advisors (although none was noted as being received by the College).

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the members of the Corporation and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at 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 College's Articles of Government. Our audit work has been undertaken so that we might state to the Corporation those matters we are required 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 College and the Corporation as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Chartered Accountants and Registered Auditor
130 Wood Street
London
EC2V 6DL

Date: 18/12/2024

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Independent Reporting Accountant's Report on Regularity

To: The Corporation of The Bedford College Group and Secretary of State for Education acting through Education and Skills Funding Agency (the ESFA)

In accordance with the terms of our engagement letter dated 29 May 2024 and further to the requirements and conditions of funding in the ESFA's grant funding agreements and contracts, or those of any other public funder, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by The Bedford College Group during the period 1 August 2023 to 31 July 2024 have not been applied to the purposes identified by Parliament and the financial transactions do not conform to the authorities which govern them.

The framework that has been applied is set out in the Post-16 Audit Code of Practice (the Code) issued by the ESFA and in any relevant conditions of funding concerning adult education notified by a relevant funder.

This report is made solely to the corporation of The Bedford College Group and 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 The Bedford College Group and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept, or assume, responsibility to anyone other than the corporation of The Bedford College Group and the ESFA for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Bedford College Group and the reporting accountant

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

Our responsibilities for this engagement are established in the United Kingdom by the Code our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Code. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received, during the period 1 August 2023 to 31 July 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Code issued by the ESFA. We performed a limited assurance engagement as defined in that framework. The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity. A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion. Our engagement includes examination, on a test basis, of evidence relevant to the regularity of the corporation's income and expenditure.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Independent Reporting Accountant's Report on Regularity (continued)

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity and impropriety across all of the College's activities;
- Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects, the expenditure disbursed and income received during the period 1 August 2023 to 31 July 2024 has not been applied to purposes intended by Parliament, and the financial transactions do not conform to the authorities that govern them.



Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

Date: 18/12/2024

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Consolidated Statement of Comprehensive Income

	Notes	Year ended 31 July		Year ended 31 July	
		2024	2024	2023	2023
		Group	College	Group	College
		£'000	£'000	£'000	£'000
INCOME					
Funding body grants	2	69,144	69,144	53,187	53,187
Tuition fees and education contracts	3	12,765	12,765	11,364	11,313
Other income	5	4,174	2,221	3,452	2,630
Gain on acquisition	26	-	-	18,407	18,407
Endowment and investment income	6	900	900	161	373
Total income		86,983	85,030	86,571	85,910
EXPENDITURE					
Staff costs	7	49,808	48,816	41,556	40,331
Other operating expenses	8	26,507	25,555	18,783	19,288
Depreciation	12&13	8,643	8,643	6,628	6,621
Interest and other finance costs	9	589	589	605	605
Total expenditure		85,547	83,603	67,572	66,845
Surplus before other gains and losses		1,436	1,427	18,999	19,065
Profit/(Loss) on disposal of assets	13	444	444	(2,685)	(2,691)
Surplus before tax		1,880	1,871	16,314	16,374
Taxation	10	-	-	-	-
Surplus for the year		1,880	1,871	16,314	16,374
Actuarial gain/(loss) in respect of pensions schemes	24	(519)	(519)	3,596	3,596
Unrealised surplus on revaluation	13	-	-	475	475
Total Comprehensive Income for the year		1,361	1,352	20,385	20,445

The statement of comprehensive income is in respect of continuing activities

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Consolidated Statement of Changes in Reserves

	Income and Expenditure account	Revaluation reserve	Total
	£'000	£'000	£'000
Group			
Balance at 1st August 2022	70,415	13,959	84,374
Surplus from the income and expenditure account	16,314	-	16,314
Other comprehensive income	3,596	-	3,596
Unrealised surplus on revaluation	475	-	475
Transfers between revaluation and income and expenditure reserves	1,846	(1,846)	-
Balance at 31st July 2023	92,645	12,113	104,758
Surplus/(deficit) from the income and expenditure account	1,880	-	1,880
Other comprehensive income	(519)	-	(519)
Unrealised surplus on revaluation	(475)	-	(475)
Transfers between revaluation and income and expenditure reserves	81	(81)	-
Total comprehensive income for the year	967	(81)	886
Balance at 31st July 2024	93,612	12,032	105,644
College			
Balance at 1st August 2022	70,291	13,959	84,250
Surplus from the income and expenditure account	16,374	-	16,374
Other comprehensive income	3,596	-	3,596
Unrealised surplus on revaluation	475	-	475
Transfers between revaluation and income and expenditure reserves	1,846	(1,846)	-
Balance at 31st July 2023	92,582	12,113	104,695
Surplus from the income and expenditure account	1,871	0	1,871
Other comprehensive income	(519)	-	(519)
Unrealised surplus on revaluation	(475)	-	(475)
Transfers between revaluation and income and expenditure reserves	81	(81)	-
Total comprehensive income for the year	958	(81)	877
Balance at 31 July 2024	93,540	12,032	105,572

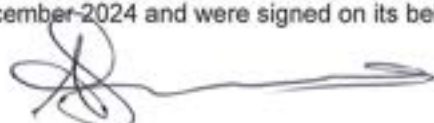
BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

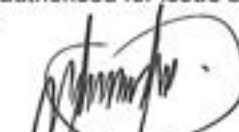
Balance sheets as at 31 July

	Notes	Group	College	Group	College
		2024	2024	2023	2023
		£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	12	869	869	894	894
Tangible fixed assets	13	196,161	196,161	190,351	190,351
		197,030	197,030	191,245	191,245
Current assets					
Stocks		220	196	223	205
Assets held for re-sale	13	-	-	1,675	1,675
Trade and other receivables	15	5,762	5,686	6,578	6,526
Investments	16	4,005	4,005	3,005	3,005
Cash and cash equivalents	21	12,859	12,450	11,429	10,973
		22,846	22,337	22,910	22,384
Less: Creditors – amounts falling due within one year	17	(16,907)	(16,613)	(16,618)	(16,269)
Net current assets		5,939	5,724	6,292	6,115
Total assets less current liabilities		202,969	202,754	197,537	197,360
Less: Creditors – amounts falling due after more than one year	18	(95,886)	(95,886)	(91,162)	(91,162)
Provisions					
Dilapidations	20	(1,025)	(1,025)	(1,149)	(1,149)
Other provisions	20	(414)	(271)	(468)	(354)
Total net assets		105,644	105,572	104,758	104,695
Unrestricted reserves					
Income and expenditure account		93,612	93,540	92,645	92,582
Revaluation reserve		12,032	12,032	12,113	12,113
Total unrestricted reserves		105,644	105,572	104,758	104,695

The financial statements on page 37 to 69 were approved and authorised for issue by the Corporation on 17 December 2024 and were signed on its behalf on that date by:



Alasdair Simmons
Chair
17 December 2024



Yiannis Koursis OBE
Accounting Officer
17 December 2024

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Consolidated Statement of Cash Flows

	Notes	2024 £'000	2023 £'000
Cash inflow from operating activities			
Surplus for the year	11	1,880	16,314
Adjustment for non-cash items			
(Gain) from acquisition	27	-	(18,407)
Depreciation	12 & 13	8,643	6,628
Decrease in stocks		3	13
Decrease in debtors	15	816	6,241
Increase in creditors	17 & 18	5,560	13,066
Increase in provisions		(178)	(273)
Pensions costs less contributions payable	24	(519)	433
Adjustment for investing or financing activities			
Investment income	6	(443)	(129)
Interest payable	9	589	605
(Profit)/Loss on sale of fixed assets	13	(444)	2,685
		<u>15,907</u>	<u>27,176</u>
Net cash flow from operating activities			
Cash flows from investing activities			
Proceeds from sale of fixed assets		1,651	32
Investment income	6	443	129
New/(withdrawal) of deposits	16	(1,000)	(1,000)
Payments made to acquire fixed assets	13 & 14	(14,435)	(23,382)
Cash and cash equivalents received from acquisition	27	-	3,470
		<u>(13,341)</u>	<u>(20,751)</u>
Cash flows from financing activities			
Interest paid	9	(589)	(605)
Repayments of amounts borrowed	17 & 18	(547)	(1,315)
Capital element of finance lease rental payments		-	(427)
		<u>(1,136)</u>	<u>(2,347)</u>
Increase in cash and cash equivalents in the year			
		<u>1,430</u>	<u>4,078</u>
Cash and cash equivalents at beginning of the year	21	11,429	7,351
Cash and cash equivalents at end of the year	21	12,859	11,429

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts

1 Statement of accounting Policies and estimation techniques

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

Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (the 2019 FE HE SORP), the College Accounts Direction for 2023 to 2024 and in accordance with Financial Reporting Standard 102 – “The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland” (FRS 102). The college is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102.

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

The acquisition of Central Bedfordshire College in March 2023 has been treated as acquisition accounting further details shown in note 27.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention as modified by the use of previous valuations deemed as cost at transition for certain non-current assets.

Basis of consolidation

The consolidated financial statements include the College and its subsidiaries, Bedford College Services Limited and Bedford College Professional Services Ltd and Aston Recruitment and Training Ltd. The results of subsidiaries acquired during the period are included in the consolidated income and expenditure account from the date of acquisition. Intra-group sales and profits are eliminated fully on consolidation. All financial statements are made up to 31 July 2024.

Going concern

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

The College currently has £7.904m of loans outstanding, shown in note 19, novated through the acquisition of Tresham College for Further and Higher Education in August 2018.

The College’s forecasts and financial projections indicate that it will be able to operate within this existing facility and covenants for the foreseeable future. Accordingly, the College has a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future, and for this reason will continue to adopt the going concern basis in the preparation of its Financial Statements.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

1 Statement of accounting Policies and estimation techniques (continued)

Recognition of income

Revenue grant funding

Government revenue grants include funding body recurrent grants and other grants and are accounted for under the accrual model as permitted by FRS 102. Funding body recurrent grants are measured in line with best estimates for the period of what is receivable and depend on the particular income stream involved. Any under achievement for the Adult Education Budget is adjusted for and reflected in the level of recurrent grant recognised in the income and expenditure account. The final grant income is normally determined with the conclusion of the year end reconciliation process with the funding body following the year end, and the results of any funding audits. 16-18 learner-responsive funding is not normally subject to reconciliation and is therefore not subject to contract adjustments.

The recurrent grant from OFS represents the funding allocations attributable to the current financial year and is credited direct to the Statement of Comprehensive Income.

Where part of a government grant is deferred, the deferred element is recognised as deferred income within creditors and allocated between creditors due within one year and creditors due after more than one year as appropriate.

Grants (including research grants) from non-government sources are recognised in income when the College is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

Capital grant funding

Government capital grants are capitalised, held as deferred income and recognised in income over the expected useful life of the asset, under the accrual model as permitted by FRS 102. Other, non-governmental, capital grants are recognised in income when the college is entitled to the funds subject to any performance related conditions being met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the Balance Sheet and released to income as conditions are met.

Fee income

Income from tuition fees is stated gross of any expenditure which is not a discount and is recognised in the period for which it is receivable.

Investment income

All income from short-term deposits is credited to the income and expenditure account in the period in which it is earned on a receivable basis.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

1 Statement of accounting Policies and estimation techniques (continued)

Agency arrangements

The college acts as an agent in the collection and payment of certain discretionary support funds and any other arrangements. Related payments received from the funding bodies and subsequent disbursements to students are excluded from the income and expenditure of the college where the college is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

Accounting for post-employment benefits

Post-employment benefits to employees of the College are principally provided by the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). These are defined benefit plans, which are externally funded and contracted out of the State Second Pension.

Teachers' Pension Scheme

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 qualified actuaries on the basis of valuations using a prospective benefit method.

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

Bedfordshire Local Government Pension Scheme (LGPS)

The LGPS is a funded scheme. The assets of the LGPS are measured using closing fair values. LGPS liabilities are measured using the projected unit credit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to 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 as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Comprehensive Income and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in interest and other finance costs. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

At the year end, the initial actuarial report from the Scheme Actuary reported a net pension asset of £12.512m. When the Scheme gives rise to a potential asset position, the Governors are required to assess the basis for recognising an asset on the balance sheet against the FRS102 criteria, this being "An entity shall recognise the plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or refunds from the plan." In using the word "shall", the emphasis is placed upon the College to consider the value of such an asset, rather than whether an asset should be recognised in the first instance.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

1 Statement of accounting Policies and estimation techniques (continued)

Bedfordshire Local Government Pension Scheme (LGPS) (continued)

Accordingly, the College has considered the value at which they can benefit from either (1) refunds from the plan or (2) reduced contributions. As the College intends to continue to participate in the LGPS, the likelihood of a refund being due from the Scheme has been deemed as remote and not practically achievable. Secondly, the College has undertaken an exercise to assess the Minimum Fund Contributions (MFR) due to the Scheme in order to calculate the net present value of the asset which will be the value of a perpetuity of the future service cost minus the prevailing primary rate. The outcome of this calculation has shown that the College is unlikely to gain economic benefit from a reduction in future contributions.

Accordingly, the college has made an impairment charge on the asset reducing the net position at the year ended 31 July 2024 to £Nil. Therefore, no defined benefit pension asset has been included in the financial statements

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. Any unused benefits are accrued and measured as the additional amount the College expects to pay as a result of the unused entitlement.

Intangible fixed assets

Intangible assets are capitalised at cost and are amortised over their estimated useful economic life. Purchased computer software is amortised over 4 years.

A review for impairment of intangible fixed asset is carried out annually to consider if events or changes in circumstances indicate that the carrying amount of any such asset may not be recoverable.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets that had been revalued to fair value on or prior to the date of transition to the 2019 FE HE SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that transition.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets

Land and buildings

Land and buildings inherited from the local education authority are stated in the balance sheet at valuation on the basis of depreciated replacement cost as the open market value for existing use is not readily obtainable. The associated credit is included in the revaluation reserve. Building improvements made since incorporation are included in the balance sheet at cost.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

1 Statement of accounting Policies and estimation techniques (continued)

Tangible fixed Assets (continued)

Freehold buildings are depreciated on a straight-line basis over their expected useful economic life to the College. The College has a policy of depreciating major adaptations to buildings over the period of their useful economic life.

- | | |
|-------------------------|--------------------------------|
| • Freehold buildings | Over periods of 36 to 65 years |
| • Leasehold buildings | Over length of lease |
| • Building improvements | 10 years |

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

Where land and buildings are acquired with the aid of specific grants, they are capitalised and depreciated as above. The related grants are credited to a deferred capital grant account, and are released to the income and expenditure account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Finance costs, which are directly attributable to the construction of land and buildings, are not capitalised as part of the cost of those assets.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of any fixed asset may not be recoverable.

On adoption of FRS 102, the College followed the transitional provision to retain the book value of land and buildings. The land was revalued in 2015.

Subsequent expenditure on existing fixed assets

Where significant expenditure is incurred on tangible fixed assets it is charged to the income and expenditure account in the period it is incurred, unless it meets one of the following criteria, in which case it is capitalised and depreciated on the relevant basis.

Buildings owned by third parties

Where land and buildings are used, but the legal rights are held by a third party, for example a charitable trust, they are only capitalised if the College has rights or access to ongoing future economic benefit. These assets are then depreciated over their expected useful economic life.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

1 Statement of accounting Policies and estimation techniques (continued)

Tangible fixed Assets (continued)

Equipment

Equipment costing less than £2,000 per individual item is written off to the income and expenditure account in the period of acquisition. All other equipment is capitalised at cost. Equipment inherited from the local education authority is included in the balance sheet at valuation.

Inherited equipment has been depreciated on a straight-line basis over its remaining useful economic life to the College of between one and three years from incorporation and is now fully depreciated. All other equipment is depreciated over its useful economic life as follows:

- | | |
|---|-----------------------------------|
| • plant machinery and general equipment | 10 years on a straight-line basis |
| • motor vehicles | 5 years on a straight-line basis |
| • computer equipment | 4 years on a straight-line basis |
| • fixtures and fittings | 10 years on a straight-line basis |

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

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

Borrowing costs

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

Leased assets

Costs in respect of operating leases are charged on a straight-line basis over the lease term to the Statement of comprehensive Income and Expenditure. Any lease premiums or incentives relating to leases signed after 1 August 2014 are spread over the minimum lease term

Investments

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

Asset held for re-sale

Asset held for re-sale are recognised at the lower of their carrying amount and fair value less costs to sell.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

1 Statement of accounting Policies and estimation techniques (continued)

Inventories

Inventories are stated at the lower of their cost and net realisable value. Where necessary, provision is made for obsolete, slow-moving and defective stocks.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, overdrafts, and deposits repayable on demand. Deposits are considered repayable on demand if they are available for withdrawal within 60 days without penalty. Overdrafts that are an integral part of the Group's cash management are included as a component of cash for the purposes of the cash flow statement.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with an insignificant risk of changes in value. To qualify as a cash equivalent, the investment must have an original maturity of 60 days or less from the date of acquisition.

Financial liabilities and equity

Financial liabilities and equity are classified based on the substance of the contractual obligations of the financial instrument, rather than its legal form.

All loans, investments, short-term deposits, and overdrafts held by the Group are classified as basic financial instruments under FRS 102. These instruments are initially recorded at the transaction price less any transaction costs (historical cost).

FRS 102 requires that basic financial instruments be subsequently measured at amortised cost. However, the Group has determined that the difference between historical cost and amortised cost is not material; therefore, these financial instruments are stated on the balance sheet at historical cost.

Short-term investments, including deposits with withdrawal terms of over 60 days but no more than 90 days, are classified separately from cash and cash equivalents. These are recognised on the balance sheet as investments. Loans and investments payable or receivable within one year are not discounted.

Taxation

The College is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the College is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 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 a minor element of VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature.

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

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

1 Statement of accounting Policies and estimation techniques (continued)

Provisions

Provisions are recognised when

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

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. The unwinding of the discount is recognised as a finance cost in the statement of comprehensive income in the period it arises.

Judgements in applying accounting policies and key sources of estimation uncertainty

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

- Determine whether leases entered into by the College either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.
- Determine whether there are indicators of impairment of the group's tangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty

- *Tangible fixed assets*

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

- *Local Government Pension Scheme*

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 July 2024. 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 liabilities.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

2 Funding council grants

	Year ended 31 July		Year ended 31 July	
	2024	2024	2023	2023
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Recurrent grants				
Education and Skills Funding Agency - adult	9,153	9,153	7,919	7,919
Education and Skills Funding Agency - 16-18	53,582	53,582	40,711	40,711
Education and Skills Funding Agency - Apprenticeships	0	0	(10)	(10)
Higher Education Funding Council	138	138	416	416
Total recurrent grants	62,873	62,873	49,036	49,036
Specific Grants				
Education and Skills Funding Agency - other	488	488	115	115
Teacher Pension Scheme contribution grant	1,752	1,752	1,209	1,209
Releases of government capital grants	4,031	4,031	2,827	2,827
Total	69,144	69,144	53,187	53,187

3 Tuition fees and education contracts

	Year ended 31 July		Year ended 31 July	
	2024	2024	2023	2023
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Adult education fees	1,511	1,511	1,429	1,378
Apprenticeship fees and contracts	5,376	5,376	5,169	5,169
Fees for FE loan supported courses	566	566	698	698
Fees for HE loan supported courses	2,412	2,412	2,344	2,344
Total tuition fees	9,865	9,865	9,640	9,589
Education contracts	2,900	2,900	1,724	1,724
Total	12,765	12,765	11,364	11,313

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

4 Breakdown of Recurrent grant and Tuition Fee income received for Office for Students

	Year ended 31 July		Year ended 31 July	
	2024	2024	2023	2023
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Grant income from the Office for Students	138	138	416	416
Grant income from other bodies	62,735	62,735	48,620	48,620
Fee income for taught awards	2,412	2,412	2,344	2,344
Fee income for non-qualifying course	7,453	7,453	7,296	7,245
Total	72,738	72,738	58,676	58,625
Total recurrent grant (note 2)	62,873	62,873	49,036	49,036
Total tuition fees (note 3)	9,865	9,865	9,640	9,589
Total	72,738	72,738	58,676	58,625

5 Other income

	Year ended 31 July		Year ended 31 July	
	2024	2024	2023	2023
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Catering and residences	1,271	11	1,158	1,063
Other income generating activities	2,275	1,582	2,206	1,479
Other grant income	628	628	88	88
Total	4,174	2,221	3,452	2,630

6 Investment income

	Year ended 31 July		Year ended 31 July	
	2024	2024	2023	2023
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Other investment income	0	0	0	212
Other interest receivable	443	443	129	129
	443	443	129	341
Net return on pension scheme (note 24)	457	457	32	32
	900	900	161	373

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

7 Staff costs - Group

The average number of persons (including key management personnel) employed by the Group during the year was:

	2024 No.	2023 No.
Teaching staff	995	866
Non-teaching staff	389	341
	<u>1,384</u>	<u>1,207</u>

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

	2024 No.	2023 No.
Teaching staff	810	741
Non-teaching staff	306	276
	<u>1,116</u>	<u>1,017</u>

Staff costs for the above persons

	2024 £'000	2023 £'000
Wages and salaries	39,863	32,786
Social security costs	3,470	2,919
Other pension costs	5,918	5,434
	<u>49,251</u>	<u>41,139</u>
Payroll sub total	49,251	41,139
Contracted out staffing services	531	417
	<u>49,782</u>	<u>41,556</u>
Fundamental restructuring costs -		
contractual	26	0
non-contractual	0	0
	<u>49,808</u>	<u>41,556</u>

The Group paid 2 severance payments in the year, disclosed in the following bands:

Range of Severance	No
£0 - £25,000	2

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

7 Staff costs - College only

The average number of persons (including key management personnel) employed by the College during the year, was

	2024	2023
	No.	No
Teaching staff	995	866
Non-teaching staff	325	285
	<u>1,320</u>	<u>1,151</u>

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

	2024	2023
	No.	No.
Teaching staff	810	741
Non-teaching staff	274	243
	<u>1,084</u>	<u>984</u>

Staff costs for the above persons

	2024	2023
	£'000	£'000
Wages and salaries	38,924	31,744
Social security costs	3,424	2,879
Other pension costs	5,900	5,418
	<u>48,248</u>	<u>40,041</u>
Contracted out staffing services	542	290
	<u>48,790</u>	<u>40,331</u>
Fundamental restructuring costs -		
contractual	26	0
non-contractual	0	0
	<u>48,816</u>	<u>40,331</u>

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

7 Staff costs - Group and College

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group and are represented by the College Leadership Team which comprises the Chief Executive, Deputy Chief Executives, Principals, Chief Finance Officer, Executive Directors of Apprenticeships, Digital Transformation, Human Resources, and Sales and Marketing.

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

	2024 No.	2023 No.
The number of key management personnel including the Accounting Officer was:	12	10

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	
	2024 No.	2023 No.	2024 No.	2023 No.
£40,000 to £44,999	0	1	0	0
£60,000 to £64,999	1	1	4	9
£65,000 to £69,999	0	0	10	3
£70,000 to £74,999	0	0	4	2
£75,000 to £79,999	0	1	2	0
£80,000 to £84,999	1	2	1	0
£85,000 to £89,999	1	1	0	0
£90,000 to £94,999	2	1	0	0
£95,000 to £99,999	3	1	0	0
£100,000 to £104,999	1	0	0	0
£105,000 to £109,999	1	0	0	1
£110,000 to £114,999	0	1	0	0
£120,000 to £124,999	1	0	0	0
£155,000 to £159,999	1	0	0	0
£200,000 to £204,999	0	1	0	0
	12	10	21	15

Key management personnel emoluments are made up as follows:

	2024 £'000	2023 £'000
Salaries	1,125	916
Benefits in Kind	6	19
Pension contributions	243	184
Total Key management personal emoluments	1,374	1,119

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

7 Staff costs - Group and College

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

	IP 01 August 2023 – 02 January 2024	YK 03 January 2024 – 31 July 2024	2024	2023
	£'000	£'000	£'000	£'000
Salaries	89	122	211	185
Benefits in kind	6	0	6	18
Pension contributions	16	30	46	35
	<u>111</u>	<u>152</u>	<u>263</u>	<u>238</u>

The governing body has adopted AoC's Senior Staff Remuneration Code in July 2019 and will assess pay in line with its principles in future.

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

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

Relationship of Principal/Chief Executive pay and remuneration expressed as a multiple

	2024 £'000	2023 £'000
Principal's basic salary as a multiple of the median of all staff	6.68	6.37
Principal and CEO's total remuneration as a multiple of the median of all staff	7.64	7.04

8 Other operating expenses

	Year ended 31 July 2024		Year ended 31 July 2023	
	Group £'000	College £'000	Group £'000	College £'000
Teaching costs	7,409	7,409	6,148	6,148
Non-teaching costs	9,408	8,489	5,925	6,560
Premises costs	9,690	9,657	6,710	6,580
Total	<u>26,507</u>	<u>25,555</u>	<u>18,783</u>	<u>19,288</u>

Other operating expenses include:

	2024 £'000	2023 £'000
Auditor's remuneration:		
Financial statements audit	60	70
Internal audit	22	37
Profit/(Loss) on disposal of tangible fixed asset	444	(2,685)
Hire of assets under operating leases	1,534	607

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

8a. Access and participation spending

	Year ended 31 July 2024 College £000s	Year ended 31 July 2023 College £000s
Access Investment	234	228
Research and evaluation	19	18
Disability support	6	9
Financial support to students	3	7
Total	262	262

8b. Write offs, losses, guarantees, letters of comfort, compensation (ONS)

Following a review by the Office for National Statistics, it was formally announced, on 29 November 2022, that FE Colleges and their subsidiaries will be reclassified as forming part of central government sector.

The College is required to disclose in its annual financial accounts the value of the following transaction types during the year ending July 2024

Write off and losses - £97,277

This includes three individual student debts written off due to age, with values of £11,790, £5,895, and £5,750, respectively.

Guarantees, letters of comfort and indemnities - £nil

Compensation payments and ex-gratia payments - £nil

9 Interest payable - Group and College

	Year ended 31 July 2024		Year ended 31 July 2023	
	Group £'000	College £'000	Group £'000	College £'000
On bank loans, overdrafts and other loans:	589	589	605	605
Net interest on defined pension liability (note 24)	0	0	0	0
Total	589	589	605	605

10 Taxation - Group only

The College is an exempt Charity and is therefore broadly exempt from corporation tax on its activities.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

11 Surplus on continuing operations during the period

The Surplus on continuing operations for the year is made up as follows:

	2024 £'000	2023 £'000
College surplus for the period	1,871	(2,033)
Surplus on Acquisition	-	18,407
Surplus/(Loss) generated by subsidiary undertakings	9	(60)
	<u>1,880</u>	<u>16,314</u>

12 Intangible fixed assets (Group)

	Total £'000
Cost	
At 1 August 2023	1,312
Additions	96
Disposals	-
At 31 July 2024	<u>1,408</u>
Depreciation	
At 1 August 2023	418
Charge for the year	121
Elimination in respect of disposals	-
At 31 July 2024	<u>539</u>
Net book value at 31 July 2024	<u>869</u>
Net book value at 31 July 2023	<u>894</u>

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

13 Tangible fixed assets (Group and College)

	Land and buildings	Equipment	Assets in the Course of Construction	Total
	Freehold			
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 August 2023	188,963	22,576	21,151	232,690
Additions	1,039	5,476	7,824	14,339
Transfer assets from subsidiary	(19)	(222)	-	(241)
Re-classification from assets under construction	23,420	2,004	(25,424)	-
Disposals	-	(17)	-	(17)
At 31 July 2024	213,403	29,817	3,551	246,771
Depreciation				
At 1 August 2023	33,018	9,321	-	42,339
Charge for the year	5,272	3,250	-	8,522
Transfer assets from subsidiary	(19)	(222)	-	(241)
Elimination in respect of disposals	-	(10)	-	(10)
At 31 July 2024	38,270	12,340	0	50,610
Net book value at 31 July 2024	175,132	17,478	3,551	196,161
Net book value at 31 July 2023	155,945	13,255	21,151	190,351

Land, buildings and equipment were inherited from the local authority on 1 April 1993. Inherited land was valued at open market value for 'College' use and buildings at depreciated cost, by a firm of independent chartered surveyors. Inherited equipment is now fully written off. If inherited land had not been valued it would have been included at nil value as no consideration was paid.

On 1 August 2018 the College acquired Tresham College for Further and Higher Education. Their fixed assets have been included above based upon a valuation carried out by Lambert Smith Hampton using surveyors registered with the Royal Institution of Chartered Surveyors on a fair value existing use basis.

On 1 March 2023 the College acquired Central Bedfordshire College. Their fixed assets have been included above based upon a valuation carried out by Kirkby and Diamond using surveyors registered with the Royal Institution of Chartered Surveyors on a fair value existing use basis.

In May 2023, the College Board approved the decision to market Triumph Way, Kempston for sale. Initially valued at £1.2 million in December 2021 and classified as an investment property, the property was listed with an agreed selling price of £1.675 million, and re-classified as an asset held for resale in July 2023. The sale of the property was completed in April 2024.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

14 Non-current Investments

The College owns 100 per cent of the issued shares of Bedford College Services Limited, Bedford College Professional Services Limited and Aston Recruitment and Training Ltd. All companies are incorporated in England and Wales. The principal activity of Bedford College Services Limited is hospitality and leisure services. The principal activity of Bedford College Professional Services is employment services. The principal activity of Aston Recruitment and Training is the delivery of training services.

15 Trade and other receivables

	Group 2024 £'000	College 2024 £'000	Group 2023 £'000	College 2023 £'000
Amounts falling due within one year:				
Trade receivables	1,288	1,284	1,082	1,078
Other Debtors	-	-	7	-
Amounts owed by group undertakings				
Subsidiary undertakings	-	5	-	31
Prepayments and accrued income	4,474	4,397	5,489	5,417
Total	5,762	5,686	6,578	6,526

16 Current investments

	Group 2024 £'000	College 2024 £'000	Group 2023 £'000	College 2023 £'000
Short term deposits	4,005	4,005	3,005	3,005
Total	4,005	4,005	3,005	3,005

Deposits are held with banks and building societies operating in the London market and licensed by the Financial Conduct Authority with more than three months maturity at the balance sheet date. The interest rates for these deposits are fixed for the duration of the deposit at time of placement.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

17 Creditors: amounts falling due within one year

	Group 2024 £'000	College 2024 £'000	Group 2023 £'000	College 2023 £'000
Bank loans and overdrafts	582	582	548	548
Payments received in advance	153	153	679	679
Trade payables	2,444	2,436	2,979	2,968
Other taxation and social security	1,508	1,297	1,401	1,238
Holiday accrual	783	783	813	813
Accruals and deferred income	6,904	6,914	5,874	5,799
Other creditors	393	308	224	124
Deferred income - government capital grants	4,020	4,020	3,918	3,918
Amounts owed to the ESFA	120	120	182	182
Total	16,907	16,613	16,618	16,269

18 Creditors: amounts falling due after one year

	Group 2024 £'000	College 2024 £'000	Group 2023 £'000	College 2023 £'000
Bank loans	7,323	7,323	7,904	7,904
Trade payables	759	759	-	-
Deferred income - government capital grants	87,804	87,804	83,258	83,258
Total	95,886	95,886	91,162	91,162

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

19 Maturity of debt

(a) Loans are repayable as follows

Bank loans and overdrafts are repayable as follows:

	Group 2024 £'000	College 2024 £'000	Group 2023 £'000	College 2023 £'000
In one year or less	582	582	548	548
Between one and two years	618	618	582	582
Between two and five years	2,089	2,089	1,967	1,967
In five years or more	4,615	4,615	5,355	5,355
Total	<u>7,904</u>	<u>7,904</u>	<u>8,452</u>	<u>8,452</u>

Bank loans are secured upon the freehold land and buildings at the College's Windmill Avenue, Kettering campus, and it's Oakley Road, Corby campus.

The Kettering loan (£7.082m) incurs interest at rate of 6.95% and capital repayments are made over its 25-year term. It will be fully repaid in 2033.

The Corby loan (£5.232m) incurs interest at rate of 6.91% and capital repayments are made over its 25-year term. It will be fully repaid in 2036.

20 Provisions

Group

	Dilapidations £'000	Other £'000	Total £'000
At 1 August 2023	1,149	468	1,617
Transferred from income and expenditure account	(124)	(54)	(178)
At 31 July 2024	<u>1,025</u>	<u>414</u>	<u>1,439</u>

College

	Dilapidations £'000	Other £'000	Total £'000
At 1 August 2023	1,149	354	1,503
Transferred from income and expenditure account	(124)	(83)	(207)
At 31 July 2024	<u>1,025</u>	<u>271</u>	<u>1,296</u>

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

21 Cash and cash equivalents

	At 1 August 2023	Cash flows	Other changes	At 31 July 2024
	£'000	£'000	£'000	£'000
Cash and cash equivalents	11,429	1,430	-	12,859
Total	11,429	1,430	-	12,859

22 Capital commitments

	Group and College	
	2024	2023
	£'000	£'000
Commitments contracted for at 31 July 2024	2,863	5,735
Authorised but not contracted 31 July 2024	7,777	14,494

23 Lease Obligations

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

	Group and College	
	2024	2023
	£'000	£'000
Future minimum lease payments due		
Land and buildings		
Not later than one year	1,004	735
Later than one year and not later than five years	3,785	2,687
Later than five years	17,311	13,036
	<u>22,100</u>	<u>16,458</u>
Other		
Not later than one year	16	16
Later than one year and not later than five years	13	29
	<u>29</u>	<u>45</u>
Total lease payments due	<u>22,129</u>	<u>16,503</u>

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

24 Retirement benefits

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 Wessex Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Bedford Borough Council. 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 2020 and of the LGPS 31 March 2022

Total pension cost for the year	2024 £'000	2023 £'000
Teachers' Pension Scheme: contributions paid	4,252	3,392
Other Pension Schemes	272	215
Local Government Pension Scheme:		
Contributions paid	1,462	1,220
FRS 102 (28) charge	(62)	633
Charge to the Statement of Comprehensive Income	1,400	1,853
Enhanced pension charge to Statement of Comprehensive Income	-	-
Total Pension Cost for Year	5,924	5,460

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The college is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the college has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The college has set out above the information available on the plan and the implications for the college in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education (the Department) in October 2023. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service at the effective date of £262 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222 billion giving a notional past service deficit of £40 billion (compared to £22 billion in the 2016 valuation).

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

24 Retirement benefits

Teachers' Pension Scheme (continued)

As a result of the valuation, new employer contribution rates will rise to 28.68% from April 2024 (compared to 23.68% during 2018/9)

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.

The pension costs paid to TPS in the year amounted to £4,252,000 (2023: £3,392,000)

Local Government Pension Scheme

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by Bedford Borough Council. The total contribution made for the year ended 31 July 2024 was £1,943,000, of which employer's contributions totalled £1,455,000 and employees' contributions totalled £488,000. The agreed contribution rates for future years are 18.9 % for employers and range from 5.5% to 12.5% cent for employees, depending on salary.

Principal Actuarial Assumptions

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

	At 31 July 2024	At 31 July 2023
Rate of increase in salaries	2.00%	2.00%
Future pensions increases	2.90%	2.85%
Discount rate for scheme liabilities	5.05%	5.15%
Inflation assumption (CPI)	3.20%	2.85%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates.

The assumed life expectations on retirement age 65 are:

	At 31 July 2024	At 31 July 2023
	years	years
Retiring today		
Males	21.10	21.10
Females	23.90	23.90
Retiring in 20 years		
Males	22.10	22.10
Females	25.50	25.50

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

24 Retirement benefits

Local Government Pension Scheme (Continued)

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

	Long-term rate of return expected at 31 July 2024	Fair Value at 31 July 2024	Long-term rate of return expected at 31 July 2023	Fair Value at 31 July 2023
		£'000		£'000
Equities	5.00%	54,569	5.00%	51,521
Bonds	5.00%	16,021	5.00%	14,437
Property	5.00%	12,699	5.00%	11,621
Cash	5.00%	4,682	5.00%	2,960
Total market value of assets		87,971		80,539
Weighted average expected long term rate of return	5.00%		5.00%	
Actual return on plan assets		5,172		1,841

The amount included in the balance sheet in respect of the defined benefit pension plan is as follows:

	2024 £'000	2023 £'000
Fair value of plan assets	87,971	80,539
Present value of plan liabilities	(75,459)	(72,326)
Net pensions asset as at 31 July	12,512	8,213

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

24 Retirement benefits

Local Government Pension Scheme (Continued)

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

	2024 £'000	2023 £'000
Amounts included in staff costs		
Current service cost	1,400	4,796
Past service cost	-	24
Total	1,400	4,820
Amounts included in interests and other finance costs		
Net interest (income)/costs	(457)	(32)
	(457)	(32)
Amounts recognised in Other Comprehensive Income		
Return on pension plan assets	5,172	1,841
Changes in assumptions underlying the present value of plan liabilities	(1,336)	8,400
Impairment of Assets	(4,355)	(6,645)
Amount recognised in Other Comprehensive Income	(519)	3,596

Local Government Pension Scheme Actuarial Report

The actuarial report for the local government pension scheme at 31 July 2023 and 31 July 2024 shows an actuarial gain which has resulted in a pension asset at the same date.

We have not recognised the pension asset as a positive position but have instead shown a break-even position as there is insufficient evidence to conclude that the 'asset' may be available to reduce future payments.

As asset should only recognised to the extent that the College is able to recover the surplus either through reduced contributions in the future or refunds from the plan.

We have made further disclosure in the Strategic Report and in the note on judgements to adequately reflect this.

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

24 Retirement benefits

Local Government Pension Scheme (Continued)

Movement in net defined benefit (liability)/asset during the year

	2024	2023
	£'000	£'000
Surplus in scheme at 1 August	8,157	1,568
Movement in year:		
Current service cost	(1,312)	(4,796)
Employer contributions	1,462	1,220
Past service cost	-	(24)
Net interest on the defined (liability)/asset	457	32
Administration expenses	(88)	(84)
Changes in Financial Assumptions	(1,882)	20,706
Changes in Demographic Assumptions	167	1,156
Other experience	379	(11,160)
Other actuarial (losses)	-	(2,302)
Actuarial gain or loss	5,172	1,841
Net defined benefit asset at 31 July	12,512	8,157

Asset and Liability Reconciliation

	2024	2023
	£'000	£'000
Changes in the present value of defined benefit obligations		
Defined benefit obligations at start of period	72,382	64,913
Current Service cost	1,312	1,745
Interest cost	3,646	2,426
Contributions by Scheme participants	482	446
Changes in demographic assumptions	(167)	(1,156)
Changes in financial assumptions	1,882	(20,706)
Liabilities assumed on settlements	-	17,847
Other experience	(379)	11,160
Estimated benefits paid	(3,692)	(4,314)
Past Service cost	-	24
Undefined pension payments	(7)	(3)
Defined benefit obligations at end of period	75,459	72,382

Reconciliation of Assets

Fair value of plan assets at start of period	80,539	66,481
Interest on plan assets	4,103	2,458
Return on plan assets	5,172	1,841
Other actuarial (losses)	-	(2,302)
Administration expenses	(88)	(84)
Employer contributions	1,462	1,220
Contributions by Scheme participants	482	446
Settlement prices received	-	14,796
Estimated benefits paid	(3,699)	(4,317)
Assets at end of period	87,971	80,539

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

25 Related party transactions

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

During the year, the College received funds totalling £369k (2023: £215k) from the Connolly Foundation, a charitable organisation. A member of the College's key management personnel is a director of the Connolly Foundation. These funds were received to support educational initiatives and student bursaries.

The total expenses paid to or on behalf of the Governors during the year was £677; 27 governors (2023: £630; 25 governors). This represents travel and subsistence expenses and other out of pocket expenses incurred in attending Governor meetings and charity events in their official capacity.

No Governor has received any remuneration or waived payments from the College or its subsidiaries during the year (2022: None).

Intra-Group Transactions and Balances

Bedford College has established relationships with its wholly owned subsidiaries, and details of transactions and balances during the year are as follows: Bedford College Professional Services (BCPS), Bedford College Services (BCS), and Aston Recruitment and Training (ART).

Bedford College Services:

Nature of transaction: Catering services provided by BCS to Bedford College.

Purchase transactions in the year: £104,365 (2023: £77,439).

Outstanding balances owed by Bedford College to BCS at year-end: £22,485 (2023: £21,847).

Bedford College Professional Services (BCPS):

Nature of transaction: Professional services and associate staff provided by BCPS to Bedford College.

Purchase transactions in the year: £10,690,741 (2023: £8,639,370).

Outstanding balances owed to Bedford College by BCPS at year-end: £39,394 (2023: £37,719).

Aston Recruitment and Training (ART):

Nature of transaction: Delivery of apprenticeship provision by ART to Bedford College.

Purchase transactions in the year: No transactions (2023: £376,667).

Outstanding balances owed by Bedford College to ART at year-end: £12,334 (2023: £15,009 owed to Bedford College by ART).

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

26 Amounts disbursed as agent

Learner support funds	2024 £'000	2023 £'000
Funding body grants – 16-19	1,423	983
Funding body grants – Advanced Learning Loans	142	148
Funding body grants – 19+	477	476
Funding body grants – residential bursaries	73	78
Other Funding body grants	170	131
	<u>2,285</u>	<u>1,816</u>
Disbursed to students	(2,034)	(1,342)
Administration costs	(105)	(64)
	<u>146</u>	<u>410</u>

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

BEDFORD COLLEGE CONSOLIDATED ACCOUNTS

(INCORPORATING BEDFORD COLLEGE SERVICES LTD, BEDFORD COLLEGE PROFESSIONAL SERVICES LTD AND ASTON RECRUITMENT AND TRAINING LTD)

Notes to the Accounts (continued)

27 Business Combinations

On 1 March 2023 the group acquired Central Bedfordshire College for cash consideration of £0.

The investment has been accounted for under the acquisition method.

Recognised amounts of identifiable assets acquired and liabilities assumed:

	Book value	Adjustments		Fair Value
	Fair Value	Fair Value	Accounting Policy	Fair Value
	£000s	£000s	£000s	£000s
Assets				
Tangible	29,033	3,235	0	32,268
Intangible	0	0	0	0
	<u>29,033</u>	<u>3,235</u>	<u>0</u>	<u>32,268</u>
Stocks	6	0	0	6
Debtors	1,937	0	(172)	1,765
Cash at bank and in hand	3,470	0	0	3,470
Total assets	<u>34,446</u>	<u>3,235</u>	<u>(172)</u>	<u>37,509</u>
Liabilities				
Due within one year	(3,514)	0	0	(3,514)
Due in greater than one year	(12,593)	0	0	(12,593)
Provisions	-	(2,995)	0	(2,995)
Total identifiable net assets	<u>18,339</u>	<u>240</u>	<u>(172)</u>	<u>18,407</u>
Total purchase consideration				0
Surplus on acquisition				18,407