CORNWALL COLLEGE FURTHER EDUCATION CORPORATION

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

CORNWALL COLLEGE FURTHER EDUCATION CORPORATION

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BOARD REPORT
FOR THE YEAR ENDED 31 JULY 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Board of Governors

R Bosworth, Principal and CE BA PGCE MA (appointed from 01/07/24)
K Burrows BA Solicitor (end of term of office 31/12/23)
W Charnley BA
L Charnock FdSc BSc PGCE MSET
T Duffield (appointed 16/10/23, resigned 01/03/24)
J Evans, Principal and CE (resigned 12/07/24)
L Fox Smith (Appointed 5/11/24)
K Evan-Hughes (resigned 18/09/23)
M Hambly BSc
Dr W Hudson (end of term of office 18/10/24)
K James BA PGCE and MA
T Mainwaring Evans FdSc BSc CEnv MIEMA (appointed from 02/09/24)
J Mashen BSc FCA
P Mathers CSW DMS MEd (resigned 11/11/24)
Dr P Newberry FCA FRSA (Re-elected as Chair from 01/01/24)
G Price HNC MCIAT (Appointed from 01/02/24)
N Ramsay-Trease L5Dip BA MSc (Appointed 16/10/23)
M Rands L5Dip (Appointed from 14/03/24)
J Warren BA(Hons) MBCS (end of term of office 15/10/23)
G Warring ACMA CGMA
S Watts BA, L7Dip
P Wilde BSc (Re-elected as Vice chair from 23/03/24)
E Winser MBE MA DL
J Wooldridge BA MSc BPhil (appointed from 01/05/24)

Co-opted committee members
M Bailey BSc MBA MCIOB CEnv
P Baker BSc CISA
Dr I Tunbridge OBE BSc PhD FGS

Director of Governance
W Randle (resigned 12/11/23)
T Bersey (appointed 20/11/23)

Executive Leadership Team
R Bosworth BA PGCE MA (Chair from 15/07/24)
R Barrington BA PGCE L5 L&M
M Davies (appointed as interim 1/1/25)
J Evans (Chair until 12/07/24)
A Ford FCMA (resigned 21/12/24)
R Mason BA PGCE
J Ninnes CIPD L7 PGCE
L Pill BSc L5 L&M (Appointed 1/12/24)
P Ramshaw BSc
S Thompson (resigned 12/01/24)
M Wardle LLB Law PGCE (appointed 30/08/23)
K Wills (resigned 19/04/24)

Principal and Registered Office
Cornwall College, St Austell, Tregonissey Road, St Austell PL25 4DJ

BOARD REPORT
FOR THE YEAR ENDED 31 JULY 2024

Professional advisers

External Auditors:	Bishop Fleming LLP, Salt Quay House, 4 North East Quay, Sutton Harbour, Plymouth, Devon PL4 0BN
Internal Auditors:	RSM Risk Assurance Services LLP, Hartwell House, 55-61 Victoria Street, Bristol, BS1 6AD
Bankers:	Barclays Bank plc, 20 High Street, Exeter, Devon, EX4 3YR Lloyds Bank plc, 1st Floor, Phase 2, South East, Canons House, Canons Way, Bristol, BS99 7LB
Solicitors:	Ashfords LLP, Princess Court, 23 Princess Street, Plymouth, Devon PL1 2EX Trowers & Hamlins LLP, The Senate, Southernhay Gardens, Exeter EX1 1UG Eversheds Sutherland (International) LLP, Bridgewater Place, Water Lane, Leeds LS11 5DR Foot Anstey Solicitors, Salt Quay House, 4 North East Quay, Sutton Harbour, Plymouth, Devon PL4 0BN Harrison Clark Rickerbys Ltd, 5 Deansway, Worcester WR1 2JG Michelmores, Woodwater House, Pynes Hill, Exeter, Devon EX2 5WR Stephens and Scown LLP, Osprey House, Malpas Road, Truro, Cornwall, TR1 1UT

BOARD REPORT
FOR THE YEAR ENDED 31 JULY 2024

The Corporation Board members are pleased to present their report and the audited consolidated financial statements for the year ended 31 July 2024.

OBJECTIVES AND STRATEGIES

Legal status

The Corporation was established under the Further and Higher Education Act 1992. Cornwall College Further Education Corporation is an exempt charity for the purposes of the Charities Act 2011.

The Cornwall College Group Background

The College and its subsidiaries are known collectively as The Cornwall College Group (TCCG). In this report, references to the College refer to the College only, references to TCCG or the Group refer to the consolidated group. TCCG is one of the largest education establishments in the South West, with a turnover of £57m. It operates across seven campuses in Devon and Cornwall.

Mission, vision, strategy and values

TCCG's mission as approved by the Corporation Board is: 'Exceptional education and training for every learner to improve their career prospects'.

Shared values have been approved by the Board following widespread consultation. They underpin all aspects of College work and help guide the behaviour and attitude of staff and students:

Learner first
Act with integrity
Take ownership
EDI matters
Think sustainability

The Group is made up of five core brands: Cornwall College, Duchy College, Falmouth Marine School, Bicton College and Cornwall College University Centre.

Cornwall College has two general further education campuses in Camborne and St Austell and two specialist higher education campuses at Newquay University Centre and Eden University Centre.

TCCG’s two specialist land-based colleges, Duchy College and Bicton College have three campuses, Duchy College Stoke Climsland, in north Cornwall, Duchy College Rosewarne near Camborne and Bicton College in Devon.

Falmouth Marine School specialises in marine engineering, watersports and boatbuilding.

TCCG also has a dedicated Engineering Skills Centre in Plymouth, a Professional Skills and Golf Centre at St Mellion Resort as well as facilities in Spain and Portugal.

Implementation of the strategic intent

The 2022–25 strategic planning period for the College, is a significantly positive one for the first time in many years for The Cornwall College Group (TCCG) based on four main factors:

- As a result of going through the Government’s ‘Fresh Start’ process the College has benefitted from strong and significantly improved Governance and Leadership. The College exited financial intervention in May 2024.
- The Further Education sector had finally become a significant part of the Conservative Government’s ‘Levelling Up’ agenda and is seen as a key player in the country’s economic recovery. There is now a genuine desire to understand and invest in improving the FE infrastructure and with also an increase in the base rate (revenue) finally which has resulted in a pay award to all staff in 2023/24.
- The demographic data for school leavers in Cornwall over the five-year period reported a predicted 28% growth across the two main general Further Education campuses, St Austell and Camborne.
- The College has now embedded a data rich culture which significantly enables effective decision making by Leaders and Governors for example delivering a robust curriculum plan for 2023/24.

BOARD REPORT
FOR THE YEAR ENDED 31 JULY 2024

Implementation of the strategic intent *continued*

The five strategic aims are:

Quality of Education – Curriculum Strategy and Intent

- Inspire, be ambitious, respect and support all of our students including those with special educational needs.
- Provide consistently inclusive high-quality education and support to maximise students' potential relevant to their starting points.
- Deliver consistent innovative and flexible teaching, learning and assessment, making best use of technology and blended learning.
- Enhance the development of career ready skills, personal development and resilience to prepare our students for their future.
- Listen and respond to our learners in order to create a positive experience and to promote wellbeing
- Provide high quality careers, advice, information, education and guidance at every stage to ensure successful learner progression.
- Provide personalised approaches to curriculum, and aspirational support provisions, intended to develop independent, confident and resilient learners that are well-prepared to engage with the wider community.
- Provide, where appropriate to course programmes, internal and/or external work placements to build confidence, independence and broaden students' understanding of the world of work.

People – Our People Strategy

- We value, respect and recognise our staff contribution and ensure we retain, attract and recruit high calibre staff.
- We value, encourage and facilitate staff voice and participation in the deciding and informing the strategy and operation of the Group.
- Enhance the performance and career opportunities for staff through highly effective support, training and development, including succession planning at all levels.
- Maintain a positive culture where ownership, accountability, flexibility and involvement in decision making are promoted.
- Create and promote further opportunities for staff to improve their health and wellbeing; ensure that staff enjoy and value their time at work with equitable workload.

Skills and Employability – Employer Engagement Strategy

- Place employers and HE partners at the heart of defining and developing a sequenced and flexible 'industry-led' vocational FE & HE curriculum pathways.
- Put our campuses at the heart of the local communities that they serve.
- Further develop a consistent 'employer led' quality apprenticeship offers at all levels that meets the needs of employers.
- Promote a curriculum that meets the needs of environmental sustainability.
- Further develop vocational pathways with local schools to increase participation at Key Stage 3 & 4.
- Further engage with parents/carers to promote a supportive and cohesive learning experience.

Position – Financial Strategy

- Establish a long term financially secure cash position to build resilience and enable further College and community investments.
- Build financially viable campuses of the right scale and quality, each providing flexible space and delivery, generating a healthy financial contribution through targeted growth.
- Bid for projects/grant applications that support the College's strategic aims.
- Develop commercial services to enhance the College's reputation in the community, provide work opportunities and create an all year-round utilisation of College assets.
- Deliver 'value for money' in all that we do and operate in line with the triple bottom line principles of people, planet and profit

BOARD REPORT
FOR THE YEAR ENDED 31 JULY 2024

Infrastructure – Estates Strategy

- Develop vibrant sustainable campuses and study locations across the Group through ongoing capital investment in line with the Group's Estates Strategy.
- Strategically plan and invest in land-based facilities in order to meet current and future industry needs.
- Effectively use high-quality digital and data infrastructure to underpin strategic and operational decision making for curriculum delivery and enhance engagement with on-line college services.
- Explore and develop the feasibility for providing student accommodation to support HE recruitment.

Resources

TCCG has various resources that it can deploy in pursuit of its strategic objectives. In 2023/24 TCCG employed 930 people (average full-time equivalents for the Financial year), of whom 359 were academic staff. TCCGs' student population included 2,776 16-to-18-year old students, 1,704 apprentices, 633 higher education students, 6,000 adult funded learners. TCCG has £35.5 million of net assets and no long-term debt. Tangible resources include the five campuses that TCCG owns (TCCG leases land and buildings at Rosewarne and Stoke Climsland).

Stakeholder relationships

In line with other colleges and with universities, TCCG has many stakeholders. These include:

Students
Education sector funding bodies
Staff
Local employers
Local authorities
Government departments / Local Enterprise Partnerships
The local community
Other FE institutions and schools
Trade Unions
Professional bodies

TCCG recognises the importance of these relationships and engages in regular communication with them through various networks, meetings and its online presence.

TCCG has developed a comprehensive Accountability Statement (meeting Industry needs) which has been published on the College Website in line with the Department for Education's regulations.

Ofsted March 2022 report stated 'Governors, senior leaders and managers have worked relentlessly to establish the college as an influential partner in the region. They work productively with local and regional stakeholders to offer a curriculum that meets the needs of learners, the community and local industry. Working closely with Truro and Penwith College, the Cornwall and Isles of Scilly local enterprise partnership, the local education authority and local schools, senior leaders have adapted the curriculum well to meet local needs and build on the strengths of the college. The college makes a positive and vital contribution to the development of vocational skills, especially in the land-based, construction and building service, engineering, hospitality and catering, health and social care, and hair and beauty sectors.'

Following the successful Ofsted in February 2022 and TEF Silver in 2023, in 2023/24 TCCG has achieved its highest achievement rates for over 5 years for all ages and all levels including16-18-year olds, adults and apprentices placing it as one of the top performing colleges in the country.

Public benefit

TCCG is an exempt charity under Part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education. The members of the Governing Body, who are trustees of the charity, are disclosed on pages 15 and 16. In setting and reviewing TCCG strategic objectives, the Corporation Board has had due regard to 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. The College acts as a public benefit entity.

BOARD REPORT
FOR THE YEAR ENDED 31 JULY 2024

Public benefit *continued*

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

- High-quality learning and teaching - through our brilliant learning strategy to 11,113 students;
- Widening participation and tackling social exclusion - in particular through being an inclusive organisation with a focus on assisting re-engagement and success for learners with low prior attainment or difficult prior experiences of education, including approximately 338 students with high needs;
- Excellent progression into employment and further study - through preparing learners for work with the Universal, Specialist and Personal learning plan;
- Strong student support systems;
- Strong, innovative and long-standing links with employers, industry and commerce - through our focus on innovative collaborations and partnerships; and
- Adjusting courses to meet the needs of local employers and provides training to 1,704 apprentices.
- Additional detail of public benefit is demonstrated throughout this report

DEVELOPMENT AND PERFORMANCE

Financial results

The Group generated an underlying Operating deficit of £3,606k in 2023/24 (2022/23: £2,381k deficit) (see table below).

The Group undertook a restructuring exercise during the year, resulting in exceptional redundancy costs of £191k. Coupled with costs associated with FRS102 pension adjustments of (£177k) and profit on the sale of land and properties of £665k (this profit excludes the release from revaluation reserve of (£77k). The Group generated a deficit before other gains or losses of £2,630k.

A positive actuarial valuation on pensions of £7,239k was reduced by £8,050k due to the threshold for realising an asset not being met by the valuation, resulted in a Comprehensive Income profit of (£3,441k).

The following reconciliation is provided in order to present a clearer picture of the Group's underlying operating result, which is a deficit of £3,606k for 2024 (2022/23: £2,381k deficit):

	2024 **£000**	2023 £000
Consolidated (deficit) for the Financial Year	**(2,630)**	**(3,351)**
Add back (profit)/loss on sale of assets	**(665)**	**(75)**
Restructuring costs	**191**	**528**
FRS102 pension adjustments included in staff costs	**(680)**	**54**
FRS102 pension interest payable / (receivable)	**(130)**	**463**
Exceptional item – RAAC	**308**	**-**
Consolidated Underlying operating (deficit)	**(3,606)**	**(2,381)**

Due to lower than budgeted apprentice income and the continued increased levels of inflation seen during 2023/24 the College has made an underlying loss of £3,606k. Staff savings were made in year to partially mitigate the full effects of the reduced income and higher non staff expenditure, staff redundancies targeted for 2023/24 were brought forward to ensure 2023/24 financials see the full effect of these savings. Marketing and recruitment events were not cut in year to ensure growth targets for 2023/24 are met.

Cash flows and liquidity

Investment in infrastructure and capital assets of £10,261k during the year was partly offset by increased efficiencies and reduced staffing costs, has resulted in the Group cash balances reducing by £869k during the year. Grant income throughout the year has resulted in £7,819k that was received and sales proceeds of £1,175k on disposals within year, leaving a cash balance of £1,064k at the balance sheet date.

Developments

The main capital development that will have a significant impact on the College's future is the planned new build of the St Austell campus funded by the DfE and future growth prospects at Camborne as a result of investment. Market analysis and LMI shows significant growth opportunities through demographics and market share through quality improvements and the impact of a new campus.

The college has successfully bid for capital funding totalling over £70m which will be delivered in the coming 3 years. The most significant of which is the new build of St Austell campus funded by the DFE, it was originally hoped that this would be completed and handed over to the college in September 2025 however due to complications with the investigative groundworks this is now delayed to November 2026. Camborne college campus is currently in the final stages of a £12m redevelopment programme which will be completed by March 2025. During 2022/23 the college was successful in three T-level capital bids for the Rosewarne, Duchy Stoke and Bicton campuses with each being awarded £1m for their respective projects, these projects will be completed by March 2025. The college has also successfully bid for other smaller capital funded projects totalling circa £1m. £16m of these developments will be delivered and managed by college staff, all the in house delivered projects are currently on track to be completed on time and in budget.

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Reserves
Cash reserves at the end of the year were £1,064k (2022/23: £1,933k). Investment in efficiency measures across the Group, coupled with structural staffing changes, has enabled the Group to maintain a positive cash balance throughout the year.

The College has restricted reserves of £77k, which relate to a project to provide community use of certain College buildings. The revaluation reserve of £2,881k relates to revaluations of Land and Buildings from incorporation and will be released to the Profit and Loss account over the remaining life of those assets.

Sources of income

The Group has significant reliance on the education sector funding bodies for its principal funding source, largely from recurrent grants. In 2023/24, ESFA provided 57% (2022/23:54%) of the Group's total income excluding exceptional items.

Group Companies

The College has two active subsidiary companies, CC Education Services Limited and CCMS (2000) Limited. CC Education Services Limited generates solar power that is sold back to the grid at a profit and CCMS (2000) Limited is a recruitment agency. CC Education Services Limited in 2023/24 made a profit of £25,986 (2022/23: £37,874). CCMS (2000) Limited made a profit of £231,244 (2022/23: £261,389 profit) for the year.

FUTURE PROSPECTS

Developments

The future for the Group is now looking positive with the 3-year business plan providing a balanced budget (pre-cost of living rises), which generates cash, alongside increasing the 16-18 learner numbers of retained provision. The cost of dealing with the Covid restrictions and obligations has had a negative impact on many aspects however, the college is now in a position to be able to manage its way through these challenges post-Covid.

The main capital development that will have a significant impact on the College's future is the planned new build of the St Austell campus. Market analysis and LMI shows significant growth through demographics and market share through quality improvements and the impact of a new campus.

Camborne Redevelopment project begun in 2022/23, Grant of £12M was secured to redevelop the campus, this work is expected to complete in March 2025

Financial plan

The College Governors approved a two-year financial plan in July 2024, which sets objectives for the period to 2025/26. It has proved necessary to amend the plan in year for 2024/25, due to a worsening of the financial position of the College, explained elsewhere in this report. The Group has budgeted to remain cash positive throughout 2024/25 and 2025/26 with cash reserves increasing substantially in 2025/26 generating funds to re-invest in the College’s infrastructure.

Treasury policies and objectives

Treasury Management is the management of TCCG's cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks. The Group has treasury management and policy arrangements in place to manage cash flows, banking arrangements and the risks associated with those activities. Following ONS reclassification any borrowing requires the authorisation of the DFE.

Reserves
The Group has no formal reserves policy but recognises the importance of reserves in the stability of any organisation. The income and expenditure reserve stands at £32,542k. It is the Group's intention to continue to improve its cash reserves over the medium-term with actions already taken during 2023/24 to ensure cash generation.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk management

The Executive Leadership Team (ELT) undertakes a comprehensive review of the risks to which TCCG is exposed on a quarterly basis. They identify systems and procedures, including specific preventable actions, which should mitigate any potential impact of risks on TCCG. Internal controls are then implemented and subsequent appraisals review their effectiveness. Risks, including their mitigating actions and progress, are then captured and monitored in a college wide risk register, which is reviewed by both the Audit and Risk Committee and the Board at each of its meetings. Risk management is embedded in the organisation and is part of operational team meetings as well as at ELT and board level. OLT (operational leadership team) regularly review and update the risk register and operational teams update their areas during group development days. The risk register and Board assurance framework are aligned and updated on a regular basis.

The Audit and Risk Committee reviews, amongst other things, the adequacy and effectiveness of the Group’s risk management arrangements and Board assurance framework, and reports to the Board. The Group also engages a firm of internal auditors to undertake a rolling annual plan of reviews to ensure internal controls are adequate. This programme is developed annually by the Audit and Risk Committee and Executive Leadership Team and covers what are considered to be the highest risk areas of work for the College.

Outlined below is a description of the principal risk factors that may affect TCCG. Other factors besides those listed below may also adversely affect TCCG.

Quality

The 2023/24 academic year has seen learners at the college achieve the best results seen for many years. The improvements were at all ages and levels including 16-19-year-olds, adults and apprentices. The improvements over a 3-year period reflect the relentless focus on quality improvement at all levels of the organisation through the deployment of a robust quality cycle. Higher Education outcomes have also continued to improve.

The college has focused on delivering an ambitious curriculum co-designed with stakeholders and employers so that all learners are developing the knowledge, skills and behaviours needed for their next steps. This can include guest lectures, trips, visits and work-related learning to ensure the curriculum is contextualised and meeting the needs of industry.

National data was published in early 2024 and this highlighted the college’s improving performance against other providers nationally.

Quality improvement remains at the forefront of all activity with student data monitored weekly through the College Operations Group (COG) and through Course Reviews as part of the Quality Cycle. Tracking of learner performance and likely outcomes has been enhanced for 2024/25 with a learner performance BRAG rating system. This will allow for required interventions to be quickly identified and implemented.

Recruitment targets

TCCG has seen positive growth of over 500 learners in the 16-19 cohort over the 2023/24 and 2024/25 academic years which is greater than the demographic shift, reflecting the improved reputation of the college built on the positive student outcomes and the changes to the curriculum that have ensured there are pathways for all learners to access the college, progress and fulfil their potential. Investment in improved facilities across all campuses will help to support this growth and ensure the college continues its positive trajectory.

BOARD REPORT
FOR THE YEAR ENDED 31 JULY 2024

Cash flow, cost control and future funding risks

The principal financial risks to the Group are:

- Management continue to closely monitor and control income and expenditure to ensure ongoing liquidity. This risk is being managed through regular cashflow forecasting, which has highlighted an increasing cash flow risk as the College entered the new financial year 2024/25. The College has sought and obtained support from the DfE by way of a reprofiling of allocated 2024/25 16-18 income. The College expects the support to allow all financial obligations to be met as they arise and current forecasts for 2024/25 and the longer-term financial plan remain positive with the College expecting to maintain a positive cash position in the short and medium term.
- The current development programme has put additional pressure on cashflow as the projects are all grant funded in arrears, regular updated capital cashflows are maintained to ensure any low points are timed effectively to minimise the negative cash impact. Following reclassification by the ONS in November 2022 the college’s overdraft facility was removed, this would traditionally have been used to manage the low points caused by capital projects.
- A reduction in learner numbers and the resulting reduced group size. The College continues to focus on improving the quality of its provision whilst investing in facilities and teaching resources, for the benefit of the learners. Management data has improved significantly over the year and allows senior management to identify underutilisation of staff quickly, as well as being able to identify low group sizes. This allows for swift action to be taken to maximise resource use and rationalise delivery costs. Accurate and reliable finance data is readily available to management, which means the College is aware of underperforming areas at an early stage and can act accordingly. Cash is forecast on a weekly basis over a two-year period, which gives good visibility of potential low points in the future, which the College can then navigate.

KEY PERFORMANCE INDICATORS

KPI	Measure/Target	Actual for 2023/24
Student number target 16-18	2,747	2,776
Student number target apprentices	722	705
Student number target Higher Education	640	633
Student number target adult learner loans	331	208
Student number target full cost recovery	2,215	3,455
Adult income target	£4,163k	£4,029k
Student achievement 16-18	81%	84.2%
Student achievement 19+	81%	89.5%
Student achievement apprentices (all ages, overall)	72%	67.9%
Student achievement HE (excl level 4)	81%	79.4%
Operating Surplus/(Deficit)	(£1,163k)	(£3,606k)
EBITDA Positive/(Negative)	£559k	(£896k)
EBITDA as % of Income	1.1%	(1.6%)
Ofsted rating	Good	Good
Staff satisfaction	75%	85%
Financial health rating	Good	Requires improvement

Student Achievements

Student achievements are presented in the Key Performance Indicators table above. The college was graded Good by Ofsted in February 2022. The college’s performance in 2023/24 builds upon this success with continued progress being made in student achievement.

Continuous improvement in the quality of education across FE, HE and Apprenticeships is a key strategic priority and is being actively addressed through the college quality cycle.

BOARD REPORT
FOR THE YEAR ENDED 31 JULY 2024

Payment performance

The late payment of Commercial Debts (Interest) Act 1998, which came into force on 1 November 1998, requires colleges, in the absence of agreement to the contrary, to make payments to suppliers within 30 days of either the provision of the goods or services or the date on which the invoice was received. The target set by the Treasury for payment to suppliers within 30 days is 95%. During the accounting period there were times when TCCG performance fell below this level due to the process of making two payment runs to suppliers each month. This may result in some suppliers being paid just after the 30-day period. Payments within 30 days averaged 21.6% (2022/23: 30.9%) and within 60 days 62.9% (2022/23: 91.3%).

Streamlined Energy and Carbon Reporting

The college is committed to reducing its carbon emissions and has taken the following measures in the year to improve energy efficiency:

- Installed low energy LED lighting at various locations and changed occupancy sensors and switching arrangements
- Reductions in Estate Gross Floor Area at Camborne Campus
- Optimised heating controls and improvements to the BMES Systems
- Improving fleet efficiency with telematics
- We have also integrated 2 x electric cars into the fleet

The college's greenhouse gas emissions and energy use for the period are set out below:

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)	8,867,940	10,658,530
Scope 1 emissions in metric tonnes CO2e		
Gas consumption	**1243**	1,151.8
Owned transport	**31**	101.0
Total	**1274**	**1,252.8**
Scope 2 emissions in metric tonnes CO2e		
Purchased electricity	999	917.3
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee owned vehicles	165	180.48
Total gross emissions in metric tonnes CO2e	**2,438**	**2,351**
Intensity ratio		
Metric tonnes CO2e per m^2 floor area	0.02832	0.01997

Qualification and reporting methodology

The Group has followed the 2019 HM Government Environmental Reporting Guidelines. The Group has also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2 per meter squared of floor area (m^2)

The calculations above may include some estimates where actual data is missing as electricity and gas usage is based on actual billed usage for the year. College owned transport is based on the average mileage per year, per vehicle, as per the government vehicle classifications for carbon emissions.

BOARD REPORT
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Equity Statement
Cornwall College Group is committed to ensuring that every learner and every staff member can achieve their best and thrive at the College. We have embraced equity as one of our core values. To enable us to achieve this we have a Strategic Equity Plan (2022 to 2025) which sets out our goals for advancing equality, diversity and inclusion for staff, students, and the wider community.

Our Students

We want all students to be able to thrive and enjoy student life and the learning experience. We need to ensure students can feedback and drive continuous improvement.

Our Staff

We want to be recognised as an employer which embeds equity into all that we do. We want to recognise where we need to improve based on robust feedback from staff.

The Wider Community

For TCCG to serve the community in a responsible manner, it will require a diverse range of voices to represent the community.

Our objectives are:

Establish CCG as a College that supports an inclusive student journey through recruitment, admissions, wellbeing and learner environment.

Create an environment where we improve the diversity of our recruitment and enable our staff to progress and develop in a supported an environment.

Create an inclusive culture based on building and maintaining relationships between all.

Create and accessible physical and digital environment that is responsive and supportive to individual needs.

Enhance our governance structures and committees and establish assurance processes to support adherence to the legal, ethical and professional standard so that we place equality, diversity and inclusion at the centre of decisions we make.

This year to support the oversight of our progress towards these objectives we have established a strategic committee led by governors to review objectives and progress in addition to the staff committee chaired and attended by Executive Leadership Team members. These goals are reflected in our College Strategic Plan.

Each objective is broken down further into actions and the plan is published for staff and learners to review. Governors and the Executive Leadership Team also regularly review specific KPIs related to equity such as learner outcomes broken down by characteristics, gender pay gap and the composition of staff and learner bodies.

Disability Statement

Cornwall College Group seeks to achieve the objectives set down in the Equality Act 2010 and the Disability Discrimination Act 1995 as amended by the Special Education Needs and Disability Acts 2001 and 2005

To support this the group has taken actions to ensure that the College is accessible and supportive to all. TCCG has appointed access co-ordinators who provide information, advice and arrange support where necessary for students with disabilities.

We have a wide range of assistive technology and equipment available to support inclusion. We have this year refurbished a large part of estate at Camborne and included enhanced accessibility measures to improve inclusion. Our new build at St Austell will also have enhanced accessibility measures such as hearing loops on every floor.

The admissions policy for all students is outlined in TCCG's charter. Appeals against a decision not to offer a place are dealt with under the complaints policy; TCCG has made a significant investment in the appointment of specialist lecturers to support students with learning difficulties and/or disabilities. There are a number of student support assistants who can provide a variety of support for learning.
There is a continuing programme of staff development to ensure the provision of a high level of appropriate support for students who have learning difficulties and/or disabilities; counselling and welfare services are described in the College Student Guide, which is issued to students together with the Complaints and Disciplinary Procedure leaflets at induction; and specialised programmes are described in College prospectuses.

We have a fully qualified HR and Occupational Health service for staff to put in place reasonable adjustments where needed. We have this year enhanced our Employee Assistance Programme for staff to support health and wellbeing including access to an online GP and 6 face to face or virtual counselling sessions.

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 union officials during the year	**FTE employee number**
2	1.37
Percentage of time	
1-50%	1.37
Total cost of facility time	£9,210
Total pay bill	£27,913,965
Percentage of total bill spent on facility time	0.03%
Time spent on paid trade union activities as a percentage of total paid facility time	100%

Going concern

The Group has positive cash reserves carried forward into 2024/24, however cashflow projections for the 2024/25 budget have indicated a need for additional support to maintain the ability to meet all obligations as they fall due. The Group has sought and obtained support from the DfE by way of a reprofiling of allocated 2024/25 16-18 income. The Group expects the support to allow all financial obligations to be met as they arise and current forecasts for 2024/25 and the longer-term financial plan remain positive with the Group expecting to maintain a positive cash position in the short, medium term.

Learner numbers for 2024/25 have exceeded expectations, with over 200 additional 16-18 learners enrolled compared to forecasted figures. Due to the lag in funding, this enrolment increase will improve cash flow projections starting in 2025/26, generating an additional £1.7m in funding. Furthermore, this growth will qualify the Group for in-year growth funding (as per DfE guidelines), which has been included in the budget and will further strengthen the cash position.

The Group regularly monitors its financial performance throughout the year and makes any necessary adjustments to ensure its financial viability is maintained. The Group is confident that it has sufficient resources to continue operating for the foreseeable future. As a result, it continues to prepare the financial statements on a going concern basis

Impact of Pension Fund Valuation

The College is reporting a year-end pension liability of £0 as at 31st July 2024 (£0 2022/23). The actuarial valuation resulted in a pension asset of £10m, however as the valuation did not meet the criteria to be recognises as an asset in the accounts this has been capped at a £0 liability. The increase in pension fund asset resulted from a significantly improved forecast for corporate bond yields, compared to the previous year. As a result the July 2024 discount rate, (which corresponds to future investment returns) was higher. The higher discount rate places a lower value on the pension obligations and therefore improves the balance sheet. These assumptions (which are common to all FE Colleges operating the LGPS Pension and not specific to Cornwall College) were as at the date of the pension valuation and may change in future years.

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.

This Board Report was approved by order of the members of the Corporation Board and signed on its behalf by:

Dr P Newberry

Date: 30/1/25

Chair

CORPORATE GOVERNANCE
FOR THE YEAR ENDED 31 JULY 2024

The following statement is provided to enable readers of the annual report and financial statements of the Cornwall College Group (TCCG) to obtain a better understanding of its governance and legal structure. This statement covers the year from 1st August 2023 to 31st 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); and
2. in full accordance with the guidance to colleges from the Association of Colleges in the Code of Good Governance 2024 ("the Code").

In the opinion of the Board of Governors, the Group has worked in full accordance of the Code throughout the year ended 31 July 2024. The Board of Governors 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.

The Corporation

Name	Date of app't/ re-app't	Category	Term of app't	App't expiry date	Date of leaving	Committee membership	Attendance in 2023/24 %*
Mr R Bosworth	01.07.24	Principal	Ex officio			Curriculum and Quality, HE, Finance and Resources Search and Governance	n/a
Ms K Burrows	1.1.14 1.1.18 1.1.22	External	2 years	31.12.21 31.12.23	31.12.23	Finance and Resources	100%
Mr W Charnley	1.2.23	External	4 years	31.01.27		Finance and Resources	40%
Mr L Charnock	20.10.21	Staff	4 years	19.10.25		HE	58%
Mr T Duffield	16.10.23	Student	1 year	31.07.24	01/03/24	Curriculum and Quality	100%
Mr J Evans	30.9.19	Principal	Ex officio		12.07.24	Curriculum and Quality, HE, Finance and Resources Search and Governance	88%
Mrs K Evan-Hughes	1.2.23	External	4 years		18.09.23	Audit and Risk	n/a
Mr M Hambly	1.9.21	External	4 years	31.8.24		Curriculum and Quality Audit and Risk (interim)	93%
Dr W Hudson	19.10.16 19.10.20	External	4 years	18.10.20 18.10.24		Curriculum and Quality (Chair) HE Remuneration Search and Governance	86%
Ms K James	29.1.22	External	4 years	28.1.26		Curriculum and Quality	85%
Mr T Mainwaring – Evans	2.09.24	External	4 years	1.9.28		To be confirmed.	n/a
Mr J Mashen	1.1.22	External	4 years	31.12.25		Audit and Risk (Chair) Remuneration Search and Governance	88%
Mrs P Mathers	5.2.22	External	4 years	5.2.26	11/11/24	Curriculum and Quality	85%

CORPORATE GOVERNANCE
FOR THE YEAR ENDED 31 JULY 2024

Name	Date of app't/ re-app't	Category	Term of app't	App't expiry date	Date of leaving	Committee membership	Attendance in 2023/24 %
Dr P Newberry (Chair from 1.1.22)	27.11.17 5.2.20 31.01.24	External	4 years 4 years	26.11.21 4.2.24 4.2.28	12.11.18	Finance and resources Remuneration Search and Governance	75%
Ms G Price	01.2.24	External	4 years	31.01.28		Audit and Risk	80%
Ms N Ramsay-Trease	16.10.23 10.07.24	Student	1 year	31.07.24 31.07.25		HE	64%
Mr M Rands	14.03.24	External	4 years	13.03.24		Finance and Resources Major Capital Projects (Chair)	83%
Ms J Warren	16.10.19	External	4 years	15.10.23	15.10.23	Audit and Risk HE Major Capital Projects (Chair)	100%
Mr G Warring	1.11.17 1.11.21	External	4 years	31.10.21 31.10.25		Finance and Resources (Chair) Remuneration Search and Governance	90%
Mrs S Watts	17.10.22	Staff	4 years	16.10.26		HE Major Capital Projects	87%
Mrs P Wilde (Vice Chair from 23.3.22)	5.2.20 31.01.24	External	4 years	4.2.24 4.2.28		HE Committee (Chair) Curriculum and Quality Search and Governance Remuneration (Chair)	95%
Mrs E Winser	3.2.21	External	4 years	3.2.25		Finance and Resources Curriculum and Quality Audit and Risk and Major Capital Projects	72%
Mrs J Wooldridge	1.5.24	External	4 years	30.4.28		Curriculum and Quality, HE	100%

*Percentage of total Board and Committee meetings attended including special meetings

The Governance Professional for the Group supported all Board committees during the financial year. Miss W Randle acted as the Director of Governance until 12/07/24 and Miss T Bersey acted as Clerk to Governors from 20/07/24.

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

CORPORATE GOVERNANCE
FOR THE YEAR ENDED 31 JULY 2024

The Corporation is provided with regular and timely information on the overall financial performance of the Group 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 has met seven times during the year - six scheduled meetings and one special meeting.

The Corporation conducts its business through a number of committees. Each committee has terms of reference, which have been approved by the Corporation. During the year these committees were Audit and Risk, Finance and Resources, Curriculum and Quality, Higher Education, Major Capital Projects, Remuneration and Search and Governance.

Full minutes of all meetings, excluding those items dealt with as confidential business, in accordance with the Corporation's agreed policy and recorded in the confidential minutes, are available on the College's website or from the Clerk to Governors at:

Cornwall College Head Office
Tregonissey Road, St. Austell, Cornwall PL25 4DJ.

The chair of the corporation meets at least every two weeks with the Principal and Chief Executive during term time.

The Clerk to Governors maintains a register of financial and personal interests of governors and senior staff. The Governors' register is available for inspection during office hours at the above address.

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

Formal agendas, papers and reports are supplied to Governors in a timely manner, prior to Board and Committee meetings. Briefings on specific strategic matters usually precede Board meetings and are also arranged on an ad-hoc basis along with development sessions. Governors are encouraged to visit campuses and invited to attend a wide variety of events.

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 external 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 roles of the Chair of Governors and Principal and Chief Executive (Accounting Officer) are separate.

Appointments to the Corporation

Any appointments to the Corporation Board are a matter for the consideration of the Corporation as a whole. The Corporation has a Search and Governance Committee which is responsible for selecting and recommending for appointment and reappointment any external member for the Corporation's consideration.

During the year ended 31 July 2024 the Search and Governance Committee, comprised six governors including the Chair and Vice Chair of the Board, committee chairs and the Principal and Chief Executive. The committee met three times during the year and reviewed the Board's skills matrix and diversity to ensure that the Board continued to have the necessary skills to carry out its functions and remained committed to equality of opportunity.

Members of the Corporation are appointed for a term of office not exceeding four years and can be re- appointed for a second term of four years and exceptionally for further terms. The Corporation is responsible for ensuring that appropriate training and induction for new governors is provided as required.

CORPORATE GOVERNANCE
FOR THE YEAR ENDED 31 JULY 2024

Subsidiary Companies

The Corporation has two wholly owned subsidiary companies, CC Education Services Limited and CCMS (2000) Limited. The following persons acted as directors of the companies during the year:

Mr R Bosworth (appointed 12/07/24), Mr J Evans (resigned 12/07/24) and Dr P Newberry were directors of CC Education Services Limited.

Mr R Bosworth (appointed 12/07/24), Mr J Chenoweth (appointed 23/09/24), Mr P Child, Mr J Evans (resigned 12/07/24), Mr A Ford (resigned 19/11/24), Mr J Hooper, Mr A Marshall, Mr G Warring were directors of CCMS (2000) Limited.

Miss W Randle (resigned 12/11/23) and Miss T Bersey (appointed 24/11/24) acted as Company Secretary

Corporation performance

The Board reviews its performance as individual governors, Committees and as a Board. An External Board Review was completed in April 2024 by a reviewer from the Association of Colleges and presented to the Board in July 2024. The review noted improvements since the last review in 2021 and made recommendations on delegating more to committees to free up board time for strategic discussion; more frequent evaluation of meeting effectiveness; strengthening the management of hybrid meetings and extending activities beyond the boardroom to more external stakeholder groups. The Board has included these recommendations in its governance improvement plan which seeks to ensure continuous improvements are identified and embedded. A training and development plan is also in place to ensure the Board are suitably skilled in order to fulfil their roles and responsibilities.

Training and development activities undertaken by the Board include sessions on curriculum strategy, land-based strategy, the Group's Higher Education offering, international students, artificial intelligence, capital funding, Cornwall Council's skills strategy and a sector update from the Association of Colleges. The Board also have in place an initiative called Beyond the Boardroom to improve governors' knowledge and understanding of the Group and key stakeholders. Beyond the Boardroom visits were organised to seven campuses.

The new Clerk to Governors has over three years' experience working as a governance professional in a sixth form environment, with experience of safeguarding and wellbeing inspections. The Clerk has completed College training on safeguarding, data protection and equity, diversity and inclusion; received induction and mentoring support from a National Leader of Governance; is enrolled on the Education and Training Foundation Governance Professionals Development Programme – Induction and Mentoring 2024/25 and attends the Association of Colleges South West Governance Professionals Network meetings.

Remuneration Committee

During the year ended 31 July 2024, the Remuneration Committee comprised five governors, including the Chair and Vice Chair of the Board and committee chairs. The Principal and Chief Executive is not a member of the committee, which is chaired by the Vice Chair of the Board and met twice during the year. Its responsibilities are to decide and report to the Corporation on the remuneration and benefits of the Principal and Chief Executive, other senior post holders including the Director of Governance/Clerk to Governors.

The Board, on the recommendation of the Remuneration Committee, adopted the Association of College's' Senior Staff Remuneration Code. The current version of the Code is dated September 2021. This Code identifies fair and appropriate remuneration as the key to the success and development of the college sector.

Details of remuneration for the year ended 31 July 2024 are set out in note 11 to the financial statements.

CORPORATE GOVERNANCE
FOR THE YEAR ENDED 31 JULY 2024

Audit and Risk Committee

The Audit and Risk Committee comprised of four governors during the year ended 31 July 2024; plus one co-opted committee member. The Committee operates in accordance with written terms of reference approved by the Corporation. Its purpose is to advise the Corporation on the adequacy and effectiveness of the Group's system of internal control and its arrangements for risk management, control and governance processes.

The Audit and Risk Committee meets at least three times a year; two members of the Committee attended 100% of the meetings eligible to attend, one attended 67% and one attended 50%. The Committee provides a forum for reporting by the College's internal and financial statement auditors, who have access to the Committee for independent discussion, without the presence of management. The Committee also receives and considers reports from the Education and Skills Funding Agency (ESFA) and Office for Students (OfS) as they affect the College's business.

The College's internal auditors monitor 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 and Risk Committee. Management is responsible for the implementation of agreed audit recommendations and internal audit undertake periodic follow up reviews to ensure such recommendations have been implemented. The Audit and Risk Committee also advises the Corporation on the appointment of both internal and financial statement auditors and their remuneration for both audit and non-audit work as well as reporting annually to the Corporation.

Internal control

Scope of responsibility

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

The Corporation has delegated the day-to-day responsibility to the Principal and Chief Executive, 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 individuals holding the role are personally responsible, in accordance with the responsibilities assigned to that role in the Financial Memorandum between the College and the Education and Skills Funding Agency. The Principal and Chief Executive is also responsible for reporting to the Corporation any material weaknesses or break-downs in internal control.

The purpose of the system of internal control

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 for the year ended 31 July 2024 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Corporation Board 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 ended 31 July 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Corporation Board.

CORPORATE GOVERNANCE

FOR THE YEAR ENDED 31 JULY 2024

The risk and control framework

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

- comprehensive budgeting systems with an annual budget, which is reviewed and agreed by the Corporation Board;
- regular reviews by the Corporation Board 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; and
- the adoption of formal project management disciplines, where appropriate.

The Group has an internal audit service which is provided on an outsourced basis, 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 Board on the recommendation of the Audit and Risk Committee.

As a minimum, the internal audit service annually provides the Corporation Board with a report on internal audit activity in the Group. The report includes the internal audit service's independent opinion on the adequacy and effectiveness of the College's system of risk management, controls and governance processes.

Risks faced by the Corporation

Further information on the principal risks is provided in the strategic report. The risk register is scrutinised by the Audit and Risk Committee and by the Corporation Board.

Control weaknesses identified

A number of audits were completed during the year all achieving high or reasonable levels of assurance however the audit into the Transport Utilisation Framework achieved partial assurance.

The internal auditors identified a weakness in policies, procedures and consistency. Management have taken the action points raised and have ensured that the proposed actions are implemented.

Responsibilities under funding agreements

The College has complied with all of its funding agreements.

Statement from the Audit and Risk Committee

The Audit and Risk committee have shared with the Corporation the committee annual report which details the work of the Committee and the work of the internal audit and have advised the Corporation that there is an effective framework for governance and risk management, with effective internal controls in place.

All audits were completed prior to the signing of the annual accounts with the recommendations incorporated.

CORPORATE GOVERNANCE
FOR THE YEAR ENDED 31 JULY 2024

The internal audits completed in 2023/2024 and up to the date of the approval of the financial statements were on Marketing and Schools Liaison Processes; Transport Utilisation Framework; Budget Management and Monitoring Arrangements; Learner Number Systems, Student Bursaries and Procurement Follow Up. RSM's opinion on the adequacy and effectiveness of TCCG's arrangements was as follows:

The organisation has an adequate and effective framework for risk management, governance and internal control. This is regularly reviewed However, our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective.

Review of effectiveness

As Accounting Officer, the Principal and Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. The Principal's review of the effectiveness of the system of internal control is informed by:

- the work of the internal auditors;
- the work of the executive managers within the College who have responsibility for the development and maintenance of the internal control framework
- comments made by the College's financial statements auditors, the regularity auditors and funding auditors, (when relevant) in their management letters and other reports.

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

The Executive Leadership Team (ELT) receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments and reinforced by risk awareness training. The ELT and Audit and Risk Committee also receive regular reports from internal audit and other sources of assurance, which include recommendations for improvement. The Audit and Risk Committee's role in this area is confined to a high-level review of the arrangements for internal control. The Board's agenda includes consideration of risk and control and to receive reports thereon from the ELT and the Audit and Risk Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception.

Based on the advice of the Audit and Risk Committee and the Accounting Officer, the Corporation Board 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".

This report was approved by order of the members of the Corporation Board and signed on its behalf:

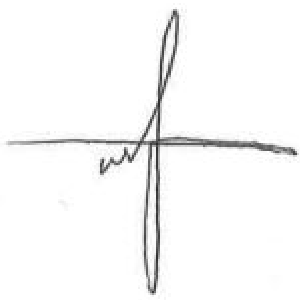
Dr P Newberry Chair	Mr R Bosworth Principal and Chief Executive
Date: 30/1/25	Date: 30/1/25

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 JULY 2024

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 grant funding agreements and contracts with ESFA, 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 corporation's grant funding agreements and contracts with ESFA, 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.

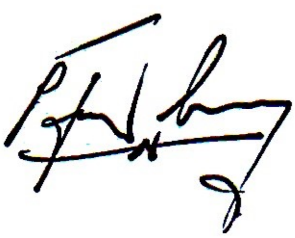
I confirm that no instances of material irregularity, impropriety, funding non-compliance, or non-compliance with the framework of authorities have been discovered to date. If any instances are identified after the date of this statement, these will be notified to ESFA.



Mr R Bosworth
Principal and Chief Executive
Date: 30/1/25

Statement of the chair of governors

On behalf of the corporation, I confirm that the accounting officer has discussed their statement of regularity, propriety and compliance with the board and that I am content that it is materially accurate.



Dr P Newberry
Chair of governors
Date: 30/1/25

STATEMENT OF RESPONSIBILITIES OF THE MEMBERS OF THE CORPORATION BOARD

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

Within the terms and conditions of the corporation's grant funding agreements and contracts with ESFA, the corporation is required to prepare financial statements which give a true and fair view of the financial performance and position of the corporation for the relevant period. Corporations must also prepare a strategic report which includes an operating and financial review for the year. The bases for the preparation of the financial statements and strategic report are the Statement of Recommended Practice – Accounting for Further and Higher Education, ESFA's College Accounts Direction and the UK's Generally Accepted Accounting Practice. In preparing the financial statements, the corporation is required to:

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

The corporation is also required to prepare a strategic report, in accordance with paragraphs 3.23 to 3.27 of the FE and HE SORP, that describes what it is trying to do and how it is going about it, including information about the legal and administrative status of the corporation.

The corporation is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the corporation and which enable it to ensure that the financial statements are prepared in accordance with 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 its website(s); the work carried out by auditors does not involve consideration of these matters and, accordingly, 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 ESFA, and any other public funds, are used only in accordance with 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. Members of the corporation must ensure that there are appropriate financial and management controls in place to safeguard public and other funds and ensure they are used properly. In addition, members of the corporation are responsible for securing economic, efficient and effective management of the corporation's resources and expenditure so that the benefits that should be derived from the application of public funds from ESFA and other public bodies are not put at risk.

Approved by order of the members of the corporation on 30/01/25 and signed on its behalf by:

Dr P Newberry
Chair of governors

Date: 30/1/25

INDEPENDENT AUDITORS' REPORT TO THE CORPORATION OF CORNWALL COLLEGE FURTHER EDUCATION

Opinion

We have audited the financial statements of Cornwall College Further Education Corporation (the 'parent corporation') and its subsidiaries (the 'group') for the year ended 31 July 2024 which comprise the Consolidated and College Statements of Comprehensive Income, the Consolidated and College Balance Sheets, the Consolidated and College Statements of Changes in Equity, the Consolidated Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice: Accounting for Further and Higher Education (the 'FE HE SORP') and the College Accounts Direction for 2023 to 2024.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's affairs as at 31 July 2024 and of the group's income and expenditure, gains and losses, changes in reserves and cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the FE HE SORP, College Accounts Direction 2023 to 2024, and the Office for Students' Accounts Direction.

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 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.

Conclusion relating to going concern

In auditing the financial statements, we have concluded that the members' 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 parent corporation's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The members are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Post 16 Audit Code of Practice Issued by the Education and Skills Funding Agency ('ESFA') requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the group, or returns adequate for our audit have not been received from branches not visited by us; or
- the group's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Opinion on other matters prescribed by the Office for Students' Accounts Direction
In our opinion:

- funds from whatever source administered by the corporation for the specific purposes have been applied to those purposes and managed in accordance with relevant legislation; and
- funds provided by the Office for Students ('OfS') and Research England have been applied in accordance with the relevant terms and conditions and any other terms and conditions attached to them.

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

- the corporation's grant and fee income, as disclosed in the notes to the financial statements, has been materially misstated; or
- the corporation's expenditure on access and participation activities for the financial year has been materially misstated.

Responsibilities of the corporation
As explained more fully in the Statement of Responsibilities of the Members of the Corporation Board, the corporation is 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 corporation determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the sector, control environment and the corporation's performance;
- results of our enquiries of management and the members, including the committees charged with governance over the corporation's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the corporation's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- how the corporation ensured it met its obligations arising from it being financed by and subject to the governance requirements of the ESFA and OfS, and as such material compliance with these obligations is required to ensure the corporation will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the group and parent corporation ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal corporation specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the corporation operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the College Accounts Direction, the Office for Students' Accounts Direction, and the FE HE SORP,

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the corporation's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, and employment legislation.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of corporation's management and members concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of the ESFA and OfS;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of the members and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

These procedures were considered at both the parent corporation and subsidiary level as appropriate.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located 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, in accordance with Article 22 of 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 it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the corporation, for our audit work, for this report, or for the opinions we have formed.

Bishop Fleming LLP

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
Devon
PL4 0BN
Date: 31 January 2025

Reporting accountant's assurance report on regularity to the Corporation of Cornwall College Further Education ("the College") and Secretary of State for Education acting through Education and Skills Funding Agency ("ESFA")

In accordance with the terms of our engagement letter dated 11 August 2021 and further to the requirements and conditions of funding in ESFA's grant funding agreements and contracts, or those of any other public funder, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by Cornwall College Further Education Corporation 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 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 Cornwall College Further Education and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Corporation of Cornwall College Further Education and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept, or assume, responsibility to anyone other than the Corporation of Cornwall College Further Education and ESFA for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Cornwall College Further Education Corporation and the reporting accountant

The Corporation of Cornwall College Further Education 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 is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

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

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

The work undertaken to draw our conclusion includes:

- An assessment of the risk of material irregularity and impropriety across the College's activities;
- Evaluation and validation of the processes and controls in place to ensure regularity and propriety for the use of public funds, including the consideration of the College's self-assessment questionnaire ("SAQ");
- Testing transactions with related parties;
- Sample testing of income to ensure that funds have been applied for the purposes that they were awarded, focused on areas assessed as high risk;
- Confirming through enquiry and understanding the control environment that the College has policies and delegated authorities in respect to procurement; and
- Reviewing any evidence of impropriety resulting from our work and determining whether it was significant enough to be referenced to our regularity report.

The list is not exhaustive, and we performed additional procedures designed to provide us with sufficient appropriate evidence to express a limited assurance conclusion on regularity consistent with the requirements of the Code.

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 that the financial transactions do not conform to the authorities that govern them.

Bishop Fleming LLP

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
Devon
PL4 0BN
Date: 31 January 2025

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2024

	Note	2024 £000	2023 £000
Income			
Funding body grants	4	**32,242**	30,045
Tuition fees and education contracts	5	**7,304**	7,631
Research grants and contracts	6	**4,357**	5,304
Other income	7	**13,064**	12,317
Investment income	8	**17**	54
Total income		**56,984**	55,351
Expenditure			
Staff costs including exceptional restructuring costs of £191k (2023: £528k)	10	**(33,991)**	(33,618)
Other operating expenses	12	**(20,672)**	(20,684)
Depreciation	16/17	**(4,285)**	(3,958)
Impairment of fixed asset	35	**(969)**	-
Interest and other finance costs	14	**(54)**	(517)
Total expenditure		**(59,971)**	(58,777)
(Deficit) before other gains and other losses		**(2,987)**	(3,426)
Profit on disposal of fixed assets		**665**	75
Exceptional Item – RAAC Costs		**(308)**	-
(Deficit) before tax		**(2,630)**	(3,351)
Taxation	15	**-**	-
(Deficit) for the financial year		**(2,630)**	(3,351)
Pension surplus not recognised		**(8,050)**	(7,076)
Actuarial gain on defined benefit pension scheme		**7,239**	20,949
Other comprehensive Income for the financial year		**(811)**	13,873
Total comprehensive Income for the financial year		**(3,441)**	10,522
(Deficit) for the financial year attributable to:			
Owners of the parent College		**(2,630)**	(3,351)
(Deficit) for the financial year		**(2,630)**	(3,351)
Total comprehensive Income for the financial year attributable to:			
Owners of the parent College		**(3,441)**	10,522
Total comprehensive Income for the financial year		**(3,441)**	10,522

The notes on pages 35 to 67 form part of these financial statements.

COLLEGE STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 JULY 2024

	Notes	**2024**	2023
		£000	£000
Income			
Funding body grants	4	**32,242**	30,045
Tuition Fees and education contracts	5	**7,304**	7,631
Research grants and contracts	6	**4,357**	5,304
Other income	7	**7,699**	7,533
Investment income	8	**17**	54
Total income		**51,619**	50,567
Expenditure			
Staff costs including exceptional restructuring costs of £191k (2023: £528k)	10	**(33,245)**	(33,056)
Other operating expenses	12	**(16,321)**	(16,773)
Depreciation	16/17	**(4,276)**	(3,946)
Interest and other finance costs	14	**(54)**	(517)
Total expenditure		**(53,896)**	(54,292)
(Deficit) before other gains and losses		**(2,277)**	(3,725)
Profit on disposal of fixed assets		**665**	75
Exceptional Item – RAAC Costs		**(308)**	-
Impairment	35	**(969)**	
(Deficit) before tax		**(2,889)**	(3,650)
Taxation	15	-	-
(Deficit) for the financial year		**(2,889)**	(3,650)
Pension surplus not recognised		**(8,050)**	(7,076)
Actuarial gain on defined benefit pension scheme		**7,239**	20,949
Other comprehensive income for the financial year		**(811)**	13,873
Total comprehensive income for the financial year		**(3,700)**	10,223

CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2024

	Note		2024 £000		*Restated 2023 £000
Fixed assets					
Intangible assets	16		**163**		234
Tangible assets	17		**87,879**		85,017
Investments	18		**15**		15
			88,057		85,266
Current assets					
Stocks	19	**927**		942	
Debtors	20	**4,488**		4,901	
Cash at bank and in hand	21	**1,064**		1,933	
		6,479		7,776	
Creditors: amounts falling due within one year	22	**(7,422)**		(6,260)	
Net current assets/(liabilities)			**(943)**		1,516
Total assets less current liabilities			**87,114**		86,782
Creditors: amounts falling due after more than one year	23		**(50,305)**		(46,439)
Provisions for liabilities					
Other provisions	26		**(1,309)**		(1,402)
Net assets excluding pension liability			**35,500**		38,941
Pension liability	29		**-**		-
Net assets			**35,500**		38,941
Capital and reserves					
Revaluation reserve	27		**2,881**		3,138
Restricted reserve	27		**77**		77
Income and expenditure reserve	27		**32,542**		35,726
			35,500		38,941

The financial statements were approved and authorised for issue by the Corporation and were signed on its behalf by:

Dr P Newberry
Chair
Date: 30/1/25

Mr R Bosworth
Principal and Chief Executive
Date: 30/1/25

See Note 36 for full details of the prior period adjustment.

COLLEGE BALANCE SHEET
AS AT 31 JULY 2024

	Note	2024 £000	2024 £000	*Restated 2023 £000	*Restated 2023 £000
Fixed assets					
Intangible assets	16		**163**		234
Tangible assets	17		**87,716**		84,876
Investments	18		**15**		15
			87,894		85,125
Current assets					
Stocks	19	**927**		942	
Debtors	20	**4,617**		5,019	
Cash at bank and in hand	21	**669**		1,532	
		6,213		7,493	
Creditors: amounts falling due within one year	22	**(7,065)**		(5,908)	
Net current assets			**(852)**		1,585
Total assets less current liabilities			**87,042**		86,710
Creditors: amounts falling due after more than one year	23		**(50,305)**		(46,439)
Provisions for liabilities					
Other provisions	26		**(1,309)**		(1,402)
Net assets excluding pension liability			**35,428**		38,869
Pension liability	29		**-**		-
Net assets			**35,428**		38,869
Capital and reserves					
Revaluation reserve	27		**2,881**		3,138
Restricted reserve	27		**77**		77
Income and expenditure reserve	27		**32,470**		35,654
			35,428		38,869

The financial statements were approved and authorised for issue by the Corporation and were signed on its behalf by:

Dr P Newberry
Chair
Date: 30/1/25

Mr R Bosworth
Principal and Chief Executive
Date: 30/1/25

*See Note 36 for full details of the prior period adjustment.

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

	Revaluation reserve £000	Restricted reserve £000	Income and Expenditure reserve £000	Total reserves £000
			Restated*	
At 1 August 2023 – as originally presented	3,138	77	36,245	38,941
Effect of the prior period adjustment			(519)	
At 1 August 2023 – As restated			35,726	
Comprehensive expense for the financial year				
Deficit for the financial year	-	-	(2,630)	(2,630)
Actuarial gain on pension scheme	-	-	(811)	(811)
Total comprehensive expense for the financial year	3,138	77	32,285	35,500
Contributions by and distributions to owners				
Transfer from revaluation reserve to income and expenditure reserve	(180)	-	180	-
Release of revaluation reserve on sale of assets	(77)	-	77	-
Total transactions with owners	(257)	-	257	-
At 31 July 2024	2,881	77	32,542	35,500

COLLEGE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2024

	Revaluation reserve £000	Restricted reserve £000	Income and expenditure reserve £000	Total reserves £000
			Restated*	
At 1 August 2023 – as originally presented	3,138	77	36,173	38,869
Effect of the prior period adjustment			(519)	
At 1 August 2023 – As restated			35,654	
Comprehensive expense for the financial year				
Deficit for the financial year	-	-	(2,889)	(2,889)
Actuarial gain on pension scheme	-	-	(811)	(811)
Total comprehensive expense for the financial year	3,138	77	31,954	35,169
Transfer from revaluation reserve to income and expenditure reserve	(180)	-	180	-
Release of revaluation reserve on sale of assets	(77)	-	77	-
Gift aid	-	-	259	259
Total transactions with owners	(257)	-	516	259
At 31 July 2024	2,881	77	32,470	35,428

The notes on pages 35 to 67 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2024

	2024 £000	2023 £000
Cash flows from operating activities		
(Deficit) for the financial year	**(2,630)**	(3,351)
Adjustments for:		
Interest payable/(receivable)	**(130)**	463
Depreciation of tangible assets	**4,285**	3,958
Impairment of assets	**969**	-
Profit on disposal of tangible assets	**(665)**	(75)
Decrease/(increase) in stocks	**15**	(170)
Decrease/(increase) in debtors	**413**	(847)
Increase/(decrease) in creditors	**1182**	(737)
(Decrease) in provisions	**(93)**	(233)
Difference between pension charge and contributions paid	**(680)**	54
Release of deferred capital grants	**(2,238)**	(2,055)
Net cash generated from/(used in) operating activities	**428**	(2,993)
Cash flows (used in)/generated from investing activities		
Purchase of intangible fixed assets	**-**	(149)
Purchase of tangible assets	**(10,261)**	(5,901)
Sale of tangible assets	**1,175**	75
Receipt of deferred capital grants	**7,819**	6,572
Release of deferred grant on disposal	**-**	(1)
Net cash (used in)/generated from investing activities	**(1,267)**	596
Cash flows from financing activities		
Repayment of loans/HP's	**(30)**	(62)
Interest paid	**-**	(2)
Net cash generated (used in) financing activities	**(30)**	(64)
Net (Decrease)/increase in cash and cash equivalents	**(869)**	(2,461)
Cash and cash equivalents at beginning of year	**1,933**	4,394
Cash and cash equivalents at the end of year	**1,064**	1,933
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**1,064**	1,933
	1,064	1,933

The notes on pages 35 to 67 form part of these financial statements

1. General information

Cornwall College Further Education Corporation (the "College") is a further education college.

The College is an exempt charity for the purposes of the Charities Act 2011 and is registered in the United Kingdom. The address of its registered office is: Cornwall College, Head Office, Tregonissey Road, St. Austell, Cornwall, PL25 4DJ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with the Statement of Recommended Practice (SORP): Accounting for further and higher education 2019, the College Accounts Direction for 2023 to 2024, and in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland. 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 Group management to exercise judgement in applying the Group accounting policies (see note 3).

The following principal accounting policies have been applied consistently throughout the year:

2.2 Going concern

The balance sheet of the Group discloses Net current Liabilities of £(943k) compared to Net Current Assets at July 2023 of £1,516k. This weakening of the group's financial position has continued into 2024/25, resulting in the group seeking and obtaining support from the DfE by way of a reprofiling of allocated 2024/25 16-18 income. The Group expects the support to allow all financial obligations to be met as they arise and current forecasts for 2024/25 and the longer-term financial plan remain positive with the Group expecting to maintain a positive cash position in the short and medium term.

Learner numbers for 2024/25 have exceeded expectations, with over 200 additional 16-18 learners enrolled compared to forecasted figures. Due to the lag in funding, this enrolment increase will improve cash flow projections starting in 2025/26, generating an additional £1.7m in funding. Furthermore, this growth will qualify the Group for in-year growth funding (as per DfE guidelines) and will further strengthen the cash position in the second half of 2025/26.

The Group regularly monitors its financial performance throughout the year and makes any necessary adjustments to ensure its financial viability is maintained. The group is confident that it has sufficient resources to continue operating for the foreseeable future. As a result, it continues to prepare the financial statements on a going concern basis.

Please refer to the Board Report for further information around the future prospects of the Group.

2.3 Basis of consolidation

The consolidated financial statements present the results of the Group and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquirer's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.
In accordance with the transitional exemption available in FRS 102, the Group chose not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 1 August 2014.

2. Accounting policies (continued)

2.4 Recognition of income

The recurrent grants from the funding bodies and OFS represent the funding allocations attributable to the current financial year and are credited directly to the income and expenditure account. Recurrent grants are recognised in line with planned activity. Any under-achievement against this planned activity is adjusted in-year and reflected in the level of recurrent grant recognised in the Statement of Comprehensive Income.

Funding body recurrent grants are recognised in line with best estimates for the year of what is receivable and depend on the particular income stream involved. Any under or over achievement for the adult learner responsive funding 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 bodies at the end of November following the year end. Employer responsive grant income is recognised based on a year- end reconciliation of income claimed and actual delivery with the ESFA. 16-18 learner-responsive funding is not normally subject to reconciliation and is therefore not subject to contract adjustments.

Other discrete Funding body funds received during the year are taken to income as expenditure is incurred in line with the specific terms and conditions attached to each fund by the Funding bodies.

Where the College receives and disburses funds in which it has no direct beneficial interest, such funds are excluded from the income and expenditure account on the grounds that the College does not have direct control over the future economic benefits derived from these funds. The College has applied this policy to certain funds received during the year from the Funding bodies (see note 32).

Non-recurrent grants from the funding bodies or other bodies received in respect of the acquisition of fixed assets are treated as deferred capital grants and amortised in line with depreciation over the life of the assets.

Income from tuition fees are recognised net of discounts in the year for which it is receivable and includes all fees payable by students or their sponsors.

Income from grants, contracts and other services rendered is included to the extent of the completion of the contract or service concerned.

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

2.5 Agency arrangements

TCCG 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.

2.6 Tangible assets

Tangible assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

2. Accounting policies (continued)

2.6 Tangible assets (continued)

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Freehold property	25-50 years
Long-term leasehold property	Shorter of 50 years and period of lease
Short-term leasehold property	Shorter of 50 years and period of lease
Office equipment	3-25 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

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

2.7 Intangible assets

Software is capitalised over 5 years or in accordance with its useful life.

The College depreciates its assets in the year after acquisition.

2.8 Revaluation of tangible assets

Individual freehold and leasehold properties are carried at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance Sheet date.

Fair values are determined from market-based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Consolidated Statement of Comprehensive Income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

2. Accounting policies (continued)

2.9 Investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

2.10 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each Balance Sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the College's cash management.

2. Accounting policies (continued)

2.13 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting year for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the Balance Sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.14 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 Finance costs

Finance costs are charged to the Income Statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2. Accounting policies (continued)

2.16 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees through the Teachers' Pension Scheme (TPS). The TPS is an unfunded scheme. Contributions to the TPS are calculated so as to spread the cost of pensions over employees' working lives within the College in such a way that the pension costs 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 expenses in the income statement in the years during which services are rendered by employees.

Defined benefit pension plan

The Group operates a defined benefit plan for certain employees through the Devon County Council and Cornwall County Council Local Government Pension Schemes (LGPS). A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Balance Sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the Balance Sheet date less the fair value of plan assets at the Balance Sheet date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

a) the increase in net pension benefit liability arising from employee service during the year; and

b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

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 because of the unused entitlement.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

2. Accounting policies (continued)

2.17 Borrowing costs

All borrowing costs are recognised in the Income Statement in the year in which they are incurred.

2.18 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated Statement of Comprehensive Income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.19 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

2.20 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.

2.21 Enhanced pensions

The actual cost of any enhanced ongoing pension to a former member of staff is paid by a college annually. An estimate of the expected future cost of any enhancement to the ongoing pensions of a former member of staff is charged in full to the College's income in the year that the member of staff retires. In subsequent years a charge is made to provisions in the Balance Sheet using the enhanced pensions spreadsheet provided by the funding bodies.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

2. Accounting policies (continued)

2.22 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 related to leases signed after 1st August 2014 are spread over the minimum lease term.

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

Assets held under finance leases are recognised initially at the fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the Balance Sheet as an obligation under finance leases. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charges are allocated over the period of the lease in proportion to the capital element outstanding.

2.23 Taxation

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

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

2.24 Contingencies

Contingent liabilities are not recognised, except those acquired in a business combination. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Group's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

3. Judgements in applying accounting policies and key sources of estimation uncertainty

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

(a) Judgements in applying accounting policies

(i) Exemptions on transition to FRS 102
The Company has elected to use the previous UK GAAP valuation of certain items of land and buildings as the deemed cost on transition to FRS 102. The items are being depreciated from the date of transition (1 July 2015) in accordance with the company's accounting policies.

(b) Key sources of estimation uncertainty

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

(i) Useful economic lives of tangible assets
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re- assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 17 for the carrying amount of the property plant and equipment, and note 2.6 for the useful economic lives for each class of assets.

(ii) Impairment of debtors
The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 20 for the net carrying amount of the debtors and associated impairment provision.

(iii) Defined benefit pension scheme
The Company has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the Balance Sheet. The assumptions reflect historical experience and current trends. See note 29 for the disclosures relating to the defined benefit pension scheme. For 2023/24 the pension plan asset has not been recognised, as the surplus is not considered recoverable through reduced contributions in the future or through refunds from the plan.

4. Funding body grants

	Group 2024 £000	Group 2023 £000	**College 2024 £000**	College 2023 £000
Recurrent grant	**24,709**	22,050	**24,709**	22,050
Non-recurrent grant	**6,381**	6,855	**6,381**	6,855
Releases of deferred capital grants (from funding bodies)	**1,152**	1,140	**1,152**	1,140
	32,242	30,045	**32,242**	30,045

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

5. Tuition fees and education contracts

	Group 2024 £000	Group 2023 £000	**College 2024 £000**	College 2023 £000
Tuition fees	**6,427**	6,565	**6,427**	6,565
Education contracts	**877**	1,066	**877**	1,066
	7,304	7,631	**7,304**	7,631

6. Research grants and contracts

	Group 2024 £000	Group 2023 £000	**College 2024 £000**	College 2023 £000
European Commission	**132**	2,343	**132**	2,343
Other grants and contracts	**4,225**	2,961	**4,225**	2,961
	4,357	5,304	**4,357**	5,304

7. Other income

	Group 2024 £000	Group 2023 £000	**College 2024 £000**	College 2023 £000
Farming activities	**1,467**	1,904	**1,467**	1,904
Recruitment services	**5,310**	4,725	**-**	6
Releases from deferred capital grants (non-ESFA)	**1,086**	915	**1,086**	915
Other income	**5,201**	4,773	**5,146**	4,708
	13,064	12,317	**7,699**	7,533

8. Investment income

	Group 2024 £000	Group 2023 £000	**College 2024 £000**	College 2023 £000
Bank interest receivable	**17**	54	**17**	54

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

9. OFS grant and fee income

	Group 2024 £000	Group 2023 £000	**College 2024 £000**	College 2023 £000
Grant income from the OFS	**520**	596	**520**	596
Grant income from other bodies	**32,265**	29,449	**32,265**	29,449
Fee income for taught awards (ex. VAT)	**4,279**	4,696	**4,279**	4,696
Fee income from non-qualifying courses (ex. VAT)	**2,288**	2,007	**2,288**	2,007
	39,352	36,748	**39,352**	36,748

10. Staff costs

The average monthly number of persons employed by the Group (including senior post holders) during the year, expressed as full-time equivalents, was as follows:

	Group 2024 Number	Group 2023 Number	**College 2024 Number**	College 2023 Number
Teaching staff	**359**	362	**359**	362
Non-teaching staff	**571**	594	**555**	581
	930	956	**914**	943

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

10. Staff costs (continued)

Staff costs for the above persons were as follows:

	Group 2024 £000	Group 2023 £000	**College 2024 £000**	College 2023 £000
Teaching staff	**18,393**	16,901	**18,393**	16,901
Non-teaching staff	**15,521**	15,447	**14,775**	14,885
Restructuring costs	**191**	528	**191**	528
Contracted out services	**566**	688	**566**	688
Local Government pension retirement benefit charge	**(680)**	54	**(680)**	54
	33,991	33,618	**33,245**	33,056

	Group 2024 £000	Group 2023 £000	**College 2024 £000**	College 2023 £000
Wages and salaries	**26,373**	26,133	**25,704**	25,631
Social security costs	**2,372**	2,245	**2,307**	2,195
Other pension costs	**4,489**	4,024	**4,477**	4,014
Restructuring costs	**191**	528	**191**	528
Payroll sub total	**33,425**	32,930	**32,679**	32,368
Contracted out services	**566**	688	**566**	688
	33,991	33,618	**33,245**	33,056

The Cornwall College Group paid 20 severance payments in year, disclosed in the following bands:

0 - £25,000	20
£25,001- £50,000	0
£50,001 - £100,000	0
£100,001 - £150,000	0
£150,001+	0

Included in staff restructuring costs are special severance payments totalling £19,500 (2023: £32,600). Individually, the payments were: £9,500 and £10,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

11. Emoluments of senior post holders and members

Senior postholders are defined as members of the senior management team.

	Group 2024 Number	Group 2023 Number	**College 2024 Number**	College 2023 Number
The number of senior postholders including the Principal was	**4**	3	**4**	3

Senior postholders' emoluments are made up as follows:

	Group 2024 £000	Group 2023 £000	**College 2024 £000**	College 2023 £000
Salaries	**458**	429	**458**	429
Taxable benefits	**64**	42	**64**	42
Pension contributions	**59**	50	**59**	50
Total emoluments	**581**	521	**581**	521

The emoluments of the principal are made up as follows:

	Group 2024 £000	Group 2023 £000	**College 2024 £000**	College 2023 £000
Salaries	**214**	195	**214**	195
Taxable benefits	**64**	42	**64**	42
Pension contributions	**4**	-	**4**	-
	282	237	**282**	237

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

11. Emoluments of senior post holders and members (continued)

Group and College

	2024	**2024**	2023	2023
	Number of senior post-holders	**Number of other staff**	Number of senior post-holders	Number of other staff
£15,001 to £20,000	**1**	**-**	-	-
£60,001 to £65,000	**-**	**-**	-	1
£65,001 to £70,000	**-**	**-**	-	1
£70,001 to £75,000	**-**	**3**	-	2
£80,001 to £85,000	**-**	**3**	-	1
£85,001 to £90,000	**-**	**-**	-	1
£135,001 to £140,000	**-**	**-**	1	-
£145,001 to £150,000	**1**	**-**	1	-
£150,001 to £155,000	**1**	**-**	-	-
£235,001 to £240,000	**-**	**-**	1	-
£260,001 to £265,000	**1**	**-**	-	-

Key management personnel who left during the year have not been included in the figures above.

New Principal started on 1st July 2024, there was an overlap of one month, as such the figures above include costs for both principals during the financial year.

The College uses the AOC's Senior Pay Survey Benchmarking information to set senior post holder's pay and benchmarks itself against colleges of similar size using the survey's stratification of colleges based on levels of income.

The College's policy on staff earning income from external activities is that if those activities occur during what would otherwise be normal working times for staff members that the income for such work should be paid to the college or the staff member concerned should take annual or unpaid leave.

Relationship of Principal pay and remuneration expressed as a multiple

	2024	2023
Principal’s basic salary as a multiple of the median of all staff	**7.5**	7.8
Principal total remuneration as a multiple of the median of all staff	**9.9**	9.5

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

12. Other operating expenses

	Group 2024 £000	Group 2023 £000	**College 2024 £000**	College 2023 £000
Teaching costs	**7,799**	7,905	**7,799**	7,868
Non-teaching costs	**8,919**	9,163	**4,631**	5,369
Premises costs	**3,954**	3,616	**3,891**	3,536
	20,672	20,684	**16,321**	16,773

Other operating expenses include:

	Group 2024 £000	Group 2023 £000	**College 2024 £000**	College 2023 £000
Auditors' remuneration:				
External audit*	**69**	70	**53**	55
Internal audit**	**60**	39	**60**	39
Other services from external audit	**5**	22	**-**	6
Other services from internal audit	**5**	6	**5**	6
Operating lease charges	**542**	525	**514**	490

* Includes £56,944 in respect of the College (2023: £55,074)
** The remuneration is wholly in respect of the College

13. Access and participation expenditure

Consolidated and College

	Staff Costs 2024 £000	**Other Operating Expenses 2024 £000**	Staff Costs 2023 £000	Other Operating Expenses 2023 £000
Access investment	**40**	**81**	45	73
Financial support	**3**	**112**	3	108
Disability support	**43**	**0**	47	-
Research and evaluation	**9**	**0**	6	-
	95	**193**	101	181

The College's Access and Participation Plans are available at: [Access and participation plans for Cornwall College - Office for students]

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

14. Interest and other finance costs

	Group 2024 £000	Group 2023 £000	**College 2024 £000**	College 2023 £000
Enhanced pensions	**54**	54	**54**	54
Local Government pensions	**-**	463	**-**	463
	54	517	**54**	517

15. Taxation

Profits generated by trading companies are gift aided to the College and the companies are therefore charged corporation tax of £Nil (2023: £Nil).

There is no tax charge due to the exemption provided under the Charities Act 2011.

16. Intangible assets

Group and College	Computer software £000
At 1 August 2023	351
Additions	-
At 31 July 2024	**351**
Accumulated depreciation	
At 1 August 2023	117
Charge for year	71
At 31 July 2024	**188**
Net book value	
At 31 July 2024	**163**
At 31 July 2023	234

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

17. Tangible assets

Group

	Freehold property £000	Long-term leasehold property £000	Short-term leasehold property £000	Office equipment £000	Total £000
Cost	Restated				
At 1 August 2023	103,193	10,202	1,422	20,706	135,523
Effect of the prior period adjustment	(519)	-	-	-	(519)
At 1 August 2023 – as restated	102,674	10,202	1,422	20,706	135,004
Additions	7,524	337	6	2,394	10,261
Disposals	(510)	-	-	-	(510)
At 31 July 2024	**109,688**	**10,539**	**1,428**	**23,10 0**	**144,755**
Depreciation					
At 1 August 2023	31,927	2,205	1,382	14,473	49,987
Impairment of assets	2,675	-	-	-	2,675
Charge for the year on owned assets	1,900	205	7	2,102	4,214
At 31 July 2024	**36,502**	**2,410**	**1,389**	**16,575**	**56,876**
Net book value					
At 31 July 2024	**73,186**	**8,129**	**39**	**6,525**	**87,879**
At 31 July 2023	70,747	7,997	40	6,233	85,017

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

Tangible assets (continued)

College

	Freehold property £000 Restated	Long-term leasehold property £000	Short-term leasehold property £000	Office equipment £000	Total £000
Cost					
At 1 August 2023	103,193	10,202	1,422	20,424	135,241
Effect of the prior period adjustment	(519)	-	-	-	(519)
At 1 August 2023 – as restated	102,674	10,202	1,422	20,424	134,722
Additions	7,525	337	6	2,362	10,230
Disposals	(510)	-	-	-	(510)
At 31 July 2024	**109,689**	**10,539**	**1,428**	**22,786**	**144,442**
Depreciation					
At 1 August 2023	31,926	2,206	1,382	14,332	49,846
Impairment of fixed asset & Grant Release	2,675	-	-	-	2,675
Charge for the year on owned assets	1,900	206	7	2,092	4,205
At 31 July 2024	**36,501**	**2,412**	**1,389**	**16,424**	**56,726**
Net book value					
At 31 July 2024	**73,188**	**8,127**	**39**	**6,362**	**87,716**
At 31 July 2023	70,748	7,996	40	6,092	84,876

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

18. Tangible assets (continued)

Land and buildings were valued for the purpose of the 1994 financial statements at depreciated replacement cost by Stratton & Holborrow, a firm of independent chartered surveyors, in accordance with the RICS Statement of Asset Valuation Practice and Guidance notes. Other tangible fixed assets inherited from the local education authority at incorporation have been valued by the Corporation on a depreciated replacement cost basis with the assistance of independent professional advice.

The Company applied the transitional arrangements of Section 35 of FRS 102 and used a previous valuation as the deemed cost for its land and buildings. The land and buildings are being depreciated from the valuation date. As the assets are depreciated or sold an appropriate transfer is made from the revaluation reserve to retained earnings.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2024 **£000**	2023 £000
Group and College		
Revaluation	**2,881**	3,138
Net book value	**2,881**	3,138

Land and buildings with a net book value of £34,782,000 (2023: £35,028,000) have been financed from exchequer funds. Should these assets be sold, the College may be liable, under the terms of the financial memorandum with the Council, to surrender the proceeds.

Fixed assets include land and buildings with a net book value of £47,316,000 (2023: £41,137,000) which have been partially funded by a grant from the funding agencies. The receipt in the current year was £7,240,000 (2023: £3,386,000).

19. Investments

Group and College

	Investments In subsidiary companies £000
Cost and net book value	
At 1 August 2023	**15**
At 31 July 2024	**15**

18. Investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the College:

Name	Registered office	Principal activity	Class of shares	Holding
CC Education Services Limited	Cornwall College, Tregonissey Road, St Austell, Cornwall, PL25 4DJ	Supply of property services	Ordinary	100 %
CCMS (2000) Limited	Cornwall College, Tregonissey Road, St Austell, Cornwall, PL25 4DJ	Supply of recruitment services	Ordinary	100 %

19. Stocks

	Group 2024 £000	Group 2023 £000	**College 2024 £000**	College 2023 £000
Livestock and growing crops	**731**	729	**731**	729
Consumables and goods for resale	**196**	213	**196**	213
	927	942	**927**	942

The difference between purchase price or production cost of stocks and their replacement cost is not material.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

20. Debtors

	Group 2024 £000	Group 2023 £000	**College 2024 £000**	College 2023 £000
Amount due within one year				
Trade debtors	**995**	1,136	**590**	728
Amounts owed by group undertakings	-	-	**730**	645
Other debtors	**2,706**	2,120	**2,445**	2,000
Prepayments and accrued income	**787**	1,645	**781**	1,646
Other taxation and social security	**-**	-	**71**	-
	4,488	4,901	**4,617**	5,019

21. Cash at bank and in hand

	Group 2024 £000	Group 2023 £000	**College 2024 £000**	College 2023 £000
Cash at bank and in hand	**1,064**	1,933	**669**	1,532
	1,064	1,933	**669**	1,532

22. Creditors: amounts falling due within one year

	Group 2024 £000	Group 2023 £000	**College 2024 £000**	College 2023 £000
Payments received on account	**1,308**	592	**1,308**	592
Trade creditors	**2,105**	520	**2,105**	514
Other amounts owed to funding bodies	**513**	1,599	**513**	1,599
Obligations under finance lease and hire purchase contracts	**-**	20	**-**	20
Other taxation and social security	**151**	-	**-**	-
Other creditors	**37**	27	**37**	27
Accruals and deferred income	**2,878**	3,097	**2,676**	2,757
Holiday Pay accrual	**430**	405	**426**	399
	7,422	6,260	**7,065**	5,908

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

23. Creditors: amounts falling due after more than one year

	Group 2024 £000	Group 2023 £000	**College 2024 £000**	College 2023 £000
Deferred capital grants	**50,305**	46,429	**50,305**	46,429
Net obligations under finance leases and hire purchase contracts	**-**	10	**-**	10
	50,305	46,439	**50,305**	46,439

24. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2024 £000	Group 2023 £000	**College 2024 £000**	College 2023 £000
Within one year	**-**	20	**-**	20
Between 1-5 years	**-**	10	**-**	10
	-	30	**-**	30

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

25. Deferred capital grants

Group & College	**ESFA £000**	**Other grants £000**	**Total £000**
At 1 August 2023			
Land and buildings	22,322	20,863	43,185
Equipment	1,312	1,771	3,083
Software	71	90	161
	23,705	**22,724**	**46,429**
Capital grants received/due:			
Land and buildings	6,993	70	7,063
Equipment	376	380	756
Software	-	-	-
	7,369	**450**	**7,819**
Released to income and expenditure account:			
Land and buildings	(450)	(2315)	(2,765)
Equipment	(693)	(431)	(1,124)
Software	(36)	(18)	(54)
	(1,179)	**(2,764)**	**(3,943)**
At 31 July 2024	**29,895**	**20,410**	**50,305**
Land and buildings	**28,865**	**18,618**	**47,483**
Equipment	**995**	**1,720**	**2,715**
Software	**35**	**72**	**107**
At 31 July 2024	**29,895**	**20,410**	**50,305**

Non-recurrent grants received from the funding bodies or other bodies received in respect of the acquisition of fixed assets are treated as deferred capital grants and amortised in line with the depreciation over the life of the fixed assets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

26. Other provisions

Group and College

	Enhanced Pensions £000
At 1 August 2023	**1,402**
Charged to profit or loss	**54**
Utilised in year	**(147)**
At 31 July 2024	**1,309**

Contractual enhanced pension payments made in year to past employees' pension funds. Restructuring costs include redundancy payments paid to employees and attributable costs in relation to these.

27. Reserves

Revaluation reserve

The revaluation reserve represents any increases in the carrying amounts of tangible assets on revaluation.

Restricted reserve

The restricted reserve represents amounts recognised in the Statement of Comprehensive Income which are restricted by legally binding conditions to specific purposes.

Income and expenditure reserve

The income and expenditure reserve represents all net gains and losses and transactions with owners (e.g. dividends) that are not recognised elsewhere.

Please note the brought forward reserves value was restated to reflect the adjustment to disposal costs of Opie building which was disposed of in 2019/20.

28. Contingent liabilities (Group and College)

During 2018/19 the College recognised £22.1m in income associated with its Department of Education Restructuring Facility. Other project costs represent in year costs incurred in support of improving the College's financial and quality outcomes, including: staff restructuring costs, legal costs, curriculum efficiency reviews and resources to improve the quality of education delivery.

The College is required to achieve several outcomes as per the agreement, which the College is confident of achieving. However, if not all outcomes are achieved, the funding received could be paid back to the Department of Education.

29. Pension liability

The College's employees belong to two principal pension schemes, the Teachers' Pension Scheme (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff. The schemes are managed by Hymans Robertson LLP for the Cornwall Council scheme and Barnett Waddingham Consulting firm for the Devon County Council scheme. Both are defined- benefit schemes.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2010, and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act 1972 and are paid by public funds provided by Parliament. 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.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest actuarial review of the TPS was carried out as at 31 March 2020 and in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023. The valuation report was published by the Department for Education (the Department) on 5 October 2023. The key results of the valuation are:

- New employer contribution rates were set at 28.6% of pensionable pay from 1 April 2024 (including administration fees of 0.08%);
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million giving a notional past service deficit of £39,800 million;
- an employer cost cap of 10.9% of pensionable pay:
- the assumed real rate of return is 2.8% pa real; 4.86% pa nominal until 2019 and then 2.4% pa real; 4.45% nominal.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

29. Pension liability (continued)

The new employer contribution rate for the TPS will be implemented from 1 April 2024.

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website at the following location:

https://www.teacherspensions.co.uk/members/faqs/valuation.aspx

Scheme Changes

Following the Hutton report in March 2011 and the subsequent consultations with trade unions and other representative bodies on reform of the TPS, the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1157th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected.

In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

Regulations giving effect to a reformed Teachers' Pension Scheme came into force on 1 April 2014 and the reformed scheme commenced on 1 April 2015.

The pension costs paid to the TPS in the year amounted to £3,885,866 (2023: £3,472,040).

Mortality

The expectations of life are explained as being representative of the average mortality assumption across the whole Fund membership such that there may be some differences in either the current year or prior year or in the relative movements year on year from the actual assumption applied for the College membership.

FRS 102 (28)

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

29. Pension liability (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate funds administered by Cornwall Council and Devon Council Local Authorities. The total contribution made for the year ended 31 July 2024 was £2,496,000 (2023: £2,325,000) of which employers' contributions totalled £2,073,000 (2023: £1,921,000) and employees' contributions totalled £423,000 (2023: £404,000).

The pensions cost is assessed every three years in accordance with the advice of a qualified independent actuary. The assumptions and other data that have the most significant effect on the determination of the contribution levels are as follows:

Latest actuarial valuation	31 July 2024
Actuarial method	Projected Unit
Pension increases per annum	2.75%
Salary scale increases per annum	2.75%
Market value of assets at date of last valuation (Cornwall and Devon Schemes)	£114.136m

Cornwall Council pensions and similar obligations

Composition of plan assets:

	2024 £000	2023 £000
Total plan assets	**100,972**	96,113

	2024 £000	2023 £000
Fair value of plan assets	**100,972**	96,113
Present value of plan liabilities	**(93,519)**	(91,173)
Derecognition of pension surplus	**(7,453)**	(4,940)
Net pension scheme asset/(liability)	**-**	-

The amounts recognised in profit or loss are as follows:

	2024 £000	2023 £000
Current service cost	**(1,238)**	(1,778)
Net interest on obligation	**(17)**	(409)
Total	**(1,255)**	(2,187)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

29. Pension liability (continued)

Reconciliation of fair value of plan liabilities were as follow:

	2024	2023
	£000	£000
Opening defined benefit obligation	**(91,173)**	(111,741)
Current service cost	**(1,238)**	(1,778)
Interest cost	**(4,564)**	(3,896)
Contributions by scheme participants	**(378)**	(368)
Actuarial gains/(losses)	**613**	23,737
Benefits paid	**3,221**	2,873
Closing defined benefit obligation	**(93,519)**	(91,173)

Reconciliation of fair value of plan assets were as follows:

	2024	2023
	£000	£000
Opening fair value of scheme assets	**96,113**	100,038
Interest income on plan assets	**4,830**	3,487
Actuarial gains/(losses)	**968**	(6,713)
Contributions by employer	**1,904**	1,806
Contributions by scheme participants	**378**	368
Benefits paid	**(3,221)**	(2,873)
Closing defined benefit asset	**100,972**	96,113

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2024	2023
	%	%
Discount rate	**5.00**	5.05
Future salary increases	**2.75**	3.00
Future pension increases	**2.75**	3.00

29. Pension liability (continued)

Devon County Council pensions and similar obligations

Composition of plan assets:

	2024 £000	2023 £000
Equities	**208**	950
Overseas equities	**6,945**	5,532
Gilts	**-**	-
Other bonds	**3,039**	2,603
Property	**981**	1,005
Infrastructure	**1,362**	1,093
Cash	**323**	168
Alternative assets	**2**	(1)
Absolute return funds	**304**	729
Total plan assets	**13,164**	12,079

	2024 £000	2023 £000
Fair value of plan assets	**13,164**	12,079
Present value of plan liabilities	**(10,431)**	(9,943)
Derecognition of pension surplus	**(2,733)**	(2,136)
Net pension scheme asset / (liability)	**-**	-

The amounts recognised in profit or loss are as follows:

	2024 £000	2023 £000
Current service cost	**(147)**	(190)
Net interest on obligation	**114**	(54)
Administrative expenses	**(8)**	(7)
Total	**(41)**	(251)
Actual return on scheme assets	**1,274**	356

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

29. Pension liability (continued)

Reconciliation of fair value of plan liabilities were as follow:

	2024 **£000**	2023 £000
Opening defined benefit obligation	**(9,943)**	(13,759)
Current service cost	**(147)**	(190)
Interest cost	**(503)**	(463)
Contributions by scheme participants	**(45)**	(36)
Actuarial (losses)/gains	**(188)**	4,201
Past service costs (including curtailments)	**-**	-
Benefits paid	**395**	304
Closing defined benefit obligation	**(10,431)**	(9,943)

Reconciliation of fair value of plan assets were as follows:

	2024 **£000**	2023 £000
Opening fair value of scheme assets	**12,079**	12,106
Interest income on plan assets	**617**	409
Actuarial (losses)/gains	**657**	(276)
Contributions by employer	**169**	115
Contributions by scheme participants	**45**	36
Administrative expenses	**(8)**	(7)
Benefits paid	**(395)**	(304)
Closing fair value of scheme assets	**13,164**	12,079

	2024 **%**	2023 %
Discount rate	**5.05**	5.15
Future salary increases	**3.90**	3.85
Future pension increases in payments	**2.90**	2.85

Mortality rates

- for a male aged 65 now	**21.4 years**	21.4 years
- at 65 for a male aged 45 now	**22.7 years**	22.7 years
- for a female aged 65 now	**22.6 years**	22.6 years
- at 65 for a female member aged 45 now	**24.1 years**	24.0 years

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

30. Commitments under operating leases

At 31 July the Group and the College had future minimum lease payments due under non-cancellable operating leases for each of the following years:

	Group 2024 £000	Group 2023 £000	**College 2024 £000**	College 2023 £000
Not later than 1 year	**526**	535	**526**	507
Later than 1 year and not later than 5 years	**515**	701	**515**	687
Later than 5 years	**409**	485	**409**	485
	1,450	1,721	**1,450**	1,679

31. Related party transactions

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

	CCMS 2024 £000	**CCES 2024 £000**
Income	**5,309**	**55**
Expenditure	**(5,079)**	**(27)**
Profit	**231**	**28**

	CCMS 2024 £000	**CCES 2024 £000**
Debtors	**609**	**107**
Creditors	**(1,011)**	**(9)**

The total expenses paid to or on behalf of the Governors during the year was £1,483 (2023: £1,658). This represents travel and subsistence expenses and other out of pocket expenses incurred in attending Governors 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 (2023: £nil).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

32. Learner support funds

	Group	Group	**College**	College
	2024	2023	**2024**	2023
	£000	£000	**£000**	£000
Funding body grants - hardship support	**1,843**	1,922	**1,843**	1,922
Funding body grants - residential bursaries	**418**	444	**418**	444
	2,261	2,366	**2,261**	2,366
Disbursed to students	**(2,142)**	(1,929)	**(2,142)**	(1,929)
Administration costs	**(91)**	(80)	**(91)**	(80)
Balance unspent at 31 July included in creditors	**28**	357	**28**	357

ESFA 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 have therefore been excluded from the income and expenditure account, other than when the College has directly incurred expenditure itself. The income and expenditure consolidated in the College's financial statements relates to the purchase of some equipment from the access fund and travel and accommodation related expenses for students incurred by the College.

33. Consolidated analysis of net debt

	At 1 August 2023	Cash flows	**At 31 July 2024**
	£000	£000	**£00**
Cash at bank and in hand	1,933	(869)	**1,064**
Finance leases	(30)	30	**-**
	1,903	**(839)**	**1,064**

34. Post balance sheet events

There were no post balance sheet events which would materially impact the financial statements.

35. Impairment of Penhaligon Building

During the financial year 2023/24, Reinforced Autoclaved Aerated Concrete (RAAC) was identified in the roof space of the Penhaligon Building at the Camborne campus. Prior to this discovery, the College was engaged in negotiations to sell the building as part of the Camborne campus redevelopment scheme. However, the sale had not been completed by the financial year-end.

Due to the costs required to rectify the building exceeding its net realisable value, the building's value has been written down to the value of the land. Consequently, an impairment loss of £969k has been recognised in the financial statements.

	NBV date of impairment £'000	Impairment £'000	Grant release £'000	NBV after impairment £'000
Penhaligon Building	3,025	(969)	(1,706)	350

36. Prior year adjustment - Disposal of Opie Building

During the financial year 2019/20, the Opie building on the Camborne campus was sold. However, during this disposal, the land value was incorrectly valued. Specifically, the land attributed to the Penhaligon Building was not accounted for, resulting in an undervaluation of the land disposed of £519k.

While immaterial, this adjustment corrects the transaction to reflect the accurate valuation of the land associated with the Penhaligon Building, prior to the impairment reflected in 2023/24 as detailed in note 35

	Group Tangible fixed Assets £'000	College Tangible fixed Assets £'000	Group Income & Expenditure reserve £'000	College Income & Expenditure reserve £'000
As per accounts 2022/23	85,536	85,395	36,245	36,173
Prior year adjustment	(519)	(519)	(519)	(519)
Restated values 2022/23	**85,017**	**84,876**	**35,726**	**35,654**