

WORKERS' EDUCATIONAL ASSOCIATION

England & Wales · Charity number 1112775

Details

Other names	WEA
Status	Registered
Legal form	Charitable company
Company number	02806910
Registered	2006-01-20
Register	View on the Charity Commission register

Contact

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Activities

Objects: THE OBJECT OF THE ASSOCIATION IS TO PROMOTE ADULT AND GENERAL EDUCATION FOR THE BENEFIT OF THE COMMUNITY REGIONALLY, NATIONALLY AND INTERNATIONALLY BASED ON DEMOCRATIC PRINCIPLES IN ITS ORGANISATION AND PRACTICE, THROUGH THE PARTICIPATION OF ITS VOLUNTARY MEMBERS.3.1 STIMULATING AND RESPONDING TO THE DEMAND FOR LIBERAL EDUCATION, THROUGH THE DIRECT PROVISION OF COURSES AND OTHER ACTIVITIES;3.2 RELIEVING POVERTY AND PROVIDING FOR THE NEEDS OF WORKING CLASS PEOPLE AND OF THOSE WHO ARE SOCIALLY, ECONOMICALLY OR EDUCATIONALLY DISADVANTAGED AND IN PARTICULAR (BUT WITHOUT LIMITATION) BY PROVIDING EDUCATION AND TEACHING SKILLS FOR EMPLOYMENT, VOLUNTARY WORK AND SOCIAL INCLUSION (DEFINED AS PROMOTING EQUALITY, DIVERSITY, MULTI-CULTURAL AWARENESS, HUMAN RIGHTS AS SET OUT IN THE UNIVERSAL DECLARATION OF HUMAN RIGHTS AND SUBSEQUENT INTERNATIONAL INSTRUMENTS, PARTICIPATION IN CIVIL SOCIETY INCLUDING VOLUNTEERING, SELF-DEVELOPMENT AMONG THE DISADVANTAGED, LITERACY, NUMERACY AND VOCATIONAL EDUCATION AND SKILLS FOR THE UNEMPLOYED AND THOSE AT RISK OF UNEMPLOYMENT, ALL TOWARDS SUPPORTING THE DISADVANTAGED OF ALL AGES AND ENABLING IMPROVEMENT IN THEIR EDUCATION STANDARDS, LEVELS OF SOCIAL, ECONOMIC AND CULTURAL ENGAGEMENT AND GENERAL HEALTH AND WELL-BEING);3.3 PROVIDING EDUCATIONAL PROGRAMMES FOR APPROPRIATE ORGANISATIONS CONCERNED WITH COLLECTIVE EDUCATIONAL NEEDS IN THE COMMUNITY AND IN THE WORKPLACE;3.4 GENERALLY FURTHERING THE ADVANCEMENT OF EDUCATION TO THE END THAT ALL PEOPLE IN ENGLAND, SCOTLAND AND OTHER PARTS OF THE WORLD MAY HAVE FULL ACCESS TO THE EDUCATION NEEDED FOR THEIR COMPLETE INDIVIDUAL AND SOCIAL DEVELOPMENT;3.5 PROMOTING THE EFFICIENCY AND EFFECTIVENESS OF CHARITIES WITH SIMILAR PURPOSES AND THE EFFICIENT AND EFFECTIVE APPLICATION OF RESOURCES FOR SUCH PURPOSES, IN PARTICULAR BY PROMOTING AND DISSEMINATING EDUCATIONAL PROGRAMMES AND MODELS OF ACTIVITY, PROJECTS OR GOOD PRACTICE DEVELOPED OR CARRIED OUT BY THE ASSOCIATION NATIONALLY AND INTERNATIONALLY IN ANY APPROPRIATE FORM OR FORMAT, AND BY THE DELIVERY OF SUPPORT SERVICES GENERALLY TO SUCH CHARITIES.

Activities: Promote adult and general education by stimulating and responding to the demand for liberal education, providing for the needs of working class adults and of those who are socially, economically or educationally disadvantaged, providing educational programmes in the community and in the workplace, furthering the advancement of education for all and promoting the effectiveness of similar charities.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Economic/community Development/employment, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, The General Public/mankind

Geography

- **Area of benefit:** ENGLAND, SCOTLAND AND OTHER PARTS OF THE WORLD.
- Scotland
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£27,413,000	£26,675,000	£19,138,000	528
2024-07-31	£32,705,088	£28,746,513	£18,461,000	736
2023-07-31	£27,475,000	£26,121,000	£14,900,000	859
2022-07-31	£28,487,000	£27,660,000	£13,994,000	966
2021-07-31	£30,309,000	£25,455,000	£13,600,000	1004

Trustees

Name	Role	Appointed
John Widdowson	Chair	2018-07-18
AMANDA WOODVINE		2025-05-15
Andrew Law		2026-02-13
Catherine Armor		2023-11-01
Christine Grant		2022-07-14
Colin Finlay		2025-07-12
Geoffrey Mark Layer		2019-07-18
Jamey Johnson		2023-11-01
Kevin Michael Doyle		2022-10-01
Matthew Pointon		2024-08-01
Robin Cook		2018-07-18
Ronald Marks		2026-04-29
Stephanie Mason		2023-11-01

Accounts

Year ended 31 July 2025

WEA statutory annual report and financial statements



Workers' Educational Association

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Introduction

The members of the Board of Trustees of the Workers' Educational Association (WEA), who are the Trustees of the charity, and Directors and Members of the Company, have pleasure in submitting the report and accounts for the year ended 31 July 2025.

The financial statements have been prepared in accordance with the accounting policies set out in the attached financial statements and comply with the charitable company's Articles of Association, applicable law and regulations, and:

- ▶ Have been properly prepared in accordance with UK accounting standards, including FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland and with the 2019 Statement of Recommended Practice: Accounting and Reporting for Charities; and
- ▶ Meet the requirements of the ESFA funding agreement and College Accounts Direction published in March 2025.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a directors' report as required by section 418 of the Companies Act 2006.

The Governance arrangements are explained in more detail in the Structure, Governance & Management section beginning on page 24.

Further information on WEA's activities during the year and the impact these activities have had on the communities it serves is available in the Impact Report, separately published in June 2025 and available on the WEA website.

Reference and administrative details

Trustees

The following trustees served on the Board during the year and to date:

John Widdowson (Chair)	Jamey Johnson
Catherine Armor	Abda Khan (resigned 24/01/2025)
Robin Cook	Geoff Layer (Vice Chair)
Tracey Irving Craib	Ronald Marks
Kevin Doyle	Stephanie Mason
Colin Finlay (appointed 12/07/2025)	Matthew Pointon
Malcolm Grady	Amanda Woodvine (appointed 15/05/2025)
Christine Grant	

Company Secretary

Kathleen Formosa

Leadership team (to 31 July 2025)

Chief Executive & General Secretary	Simon Parkinson
Chief Financial Officer	Shaun Tyndall
Director of Quality & Curriculum	Preeya Searle
Director of Scotland & Contract Management	Ray McCowan
Director of Learning	Navjot Johal
Director of External Relationships	Chris Morgan
Director of Governance & Purpose	Kathleen Formosa
Director of People, Strategy & Culture	Angie Evans
Director of IT	Luke Cama

Leadership team (from 1 August 2025)

Chief Executive & General Secretary	Simon Parkinson
Chief Financial Officer	Shaun Tyndall
Director of Curriculum, Quality & Safeguarding	Preeya Searle
Director of Scotland & Relationship Management	Ray McCowan
Director of Learning & Contract Performance	Navjot Johal
Director of External Relationships	Chris Morgan
Director of Governance & Purpose	Kathleen Formosa
Director of People, Strategy & Culture	Angie Evans
Director of IT	Luke Cama

Auditor

Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

Bankers

Royal Bank of Scotland
250 Bishopsgate
Spitalfields, London
EC2M 4AA

Bank of Scotland
300 Lawnmarket
Edinburgh EH1 2PH

Solicitors

Bates Wells
10 Queen Street Place
London EC4R 1BE

Balfour & Manson
54-66 Frederick
Edinburgh EN2 1LS

Pension fund trustees and administrators

Teachers' Pensions
11b Lingfield Point
Darlington
DL1 1AX

Scottish Public Pension Agency
7 Tweedside Park
Tweedbank
Galashiels TD1 3TE

The People's Pension
(B&CE Holdings Ltd.)
Manor Royal
Crawley RH10 9QP

The Pensions Trust
(closed to future accrual 31/08/2019)
Verity House
6 Canal Wharf
Leeds LS11 5BQ

WEA registered office

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London EC2A 4XW
T. +44 (0) 20 7426 3450
W. wea.org.uk

Registered Charity Number
(England and Wales): 1112775
(Scotland): SC039239

Registered Company Number
(England and Wales): 2806910

Objectives and activities

In fulfilment of its charitable objects, to promote adult and general education for the benefit of the community regionally, nationally and internationally based on democratic principles in its organisation and practice, through the participation of its voluntary members, WEA built on its successes from previous years in its achievements during 2024/25 and addressed some of its areas of development.

WEA embraces the principle that individuals and their communities have the knowledge, skills and desire to drive positive change at the local, regional, national (England and Scotland), and international level. The Association thus recognizes that its role is to celebrate local variation and variety whilst serving and supporting local and regional activity.

Throughout 2024/25, WEA's objectives and activities were aligned with the "Creating Opportunities" Strategy, demonstrating a commitment to delivering lifelong learning across three strategic pillars – Learning for Life; Learning for Work; and Learning that Builds Communities.

2024/25 was a busy and pivotal year for WEA, during which the organisation:

- Implemented a root and branch restructure of the Association's management and colleagues ("Reshaping the Way We Work"), following consultation with colleagues and agreement of the Board of Trustees.
- Began a programme of greater integration of WEA Scotland into the UK-wide team.
- Modified the approach to local governance, winding down Regional Committees in favour of a broader range of smaller, local advisory panels ("LAPs") aligned with MCA funding areas.
- Agreed an action plan resulting from the external review of governance effectiveness (which judged WEA's governance as effective) undertaken in accordance with DfE requirements.
- Completed the final year of its "Creating Opportunities" strategy while drafting and agreeing on collaboration with the Board of Trustees the new "Meeting the Future" strategy to take WEA from 2025/26 to 2027/28.

Having carefully monitored the impact of "Reshape" on the Association and its ability to deliver contracts and support learners, a "mini Reshape – Re-alignment" was undertaken at the start of the 2025/26 financial year to correct some areas where delivery and support were lagging. This resulted in some adjustment to leadership team portfolios and title changes, as well as adjustments to teams.

WEA has been a unitary organization since 2005. However, the significant differences in inspection regimes and funding requirements in Scotland have meant that work and operations in Scotland continued to be treated separately. The overhaul of digital systems and infrastructure beginning in 2023/24, and the reorganization of teams through "Reshape" in 2024/25 meant that we now had the tools and expertise available to bring English and Scottish operations closer together, and to ensure that financial reporting, the collection and handling of learner data, quality systems, and training and development opportunities were consistent across borders. Within governance, these changes have impacted on the work of Scotland Board, and it is expected that the year ahead will bring changes to the way in which strategic oversight is carried out in relation to our work in Scotland.

Our learners & learning

An informed, needs-based approach to curriculum planning has enabled our learners to achieve positive outcomes that:

- Build confidence for life and work.
- Support them into work and progression at work.
- Promote mental health, physical health, and wellbeing.
- Broaden horizons.
- Encourage active citizenship and vibrant communities.

These outcomes have underpinned our continuing process to embed a systematised, rigorous approach to curriculum planning, and a whole Association response to emerging opportunities and leveraging specific, successful initiatives developed across England and Scotland. With attention to local needs and to learner interests and aspirations, WEA continued to encourage and support learners in the completion of their learning programmes and to progress into higher level courses or into employment. Targeted interventions to increase participation and reduce drop-out of courses and qualification pathways continued to be prioritised throughout the year.

Funding challenges

WEA has acknowledged continued, significant shifts in public funding toward skills and employability, and away from WEA's historic strength in delivering community learning, arts/crafts, health and wellbeing, and cultural learning. It has responded by building a curriculum offer that includes both accredited and non-accredited skills provision, and that is supported by a growing range of provision in maths, English, and ESOL. WEA continues to build its capabilities in the employability training arena as it builds a longer track record of successful skills provision.

WEA has and will continue to ensure that a positive learner experience remains at the centre of all activities and initiatives. WEA continues to develop and to refine its programme of peer-reviewed class visits and proactive support for learner progression through WEA programmes.

In response to funder requests, WEA moved a significant portion of its provision back into venues while continuing to leverage the significant investments in technology made over the previous three years. Progressive improvements continued to be made to embed approaches to blended and digitally enabled learning for all provision. All learners are supported in the use of Canvas (WEA's virtual learning environment) to enhance their classroom experience, whether they are taught fully online or in venue. At minimum, all learners use Canvas to complete their learning plans and evaluation plans for each course.

Each of the strategic priorities identified during the year regarding learners and learning were underpinned by distinct priorities for Scotland and throughout England. Balancing uniform quality standards while inflecting provision to respond to local variation has supported a positive learner experience alongside increased efficiency and effectiveness in delivering education contracts.

ESOL provision continues to account for a significant portion of WEA provision in all areas, and in Scotland, the majority of learners are enrolled in ESOL provision. WEA delivers to a broad range of learners with hugely varying backgrounds and capabilities. As a result, our ESOL provision is not strictly focused on generic language training but focused on the language delivery being tailored to the context of the individuals and class groups. Examples include ESOL and financial literacy, and ESOL for employability.

Headline subject areas were broadly the same in England and in Scotland and aligned to WEA's overall strategy and strategic priorities. We are increasingly using digital technologies to support teaching and learning on both sides of the border and setting objectives in relation to improving the quality of the learner experience whether courses are taught online or in venue. In England, curricula have been developed in response to local need, as articulated by the funder. In Scotland, this demand is less explicit, but significant focus has been placed on employability provision to progress people at various stages along the skills pipeline and in some cases into work. Literacy, numeracy, and digital literacy also accounted for significant amounts of the provision in Scotland, both to help people into work but also for those who are in work but in low skill, low wage sectors of the economy.

The different funding requirements in Scotland have enabled WEA to continue to run a wide range of personal development programmes to assist learners with particularly challenging life circumstances – e.g., long-term unemployed, ex-offenders, those recovering from substance or alcohol addiction, and young adults moving on from looked-after settings. We have also sustained an active membership education programme, notably in Edinburgh, Fife and the Northeast, which looks to prevent loneliness, isolation and dependency through a varied programme of activity that facilitates community engagement and empowers individuals' independence. Such programmes have also previously been run in England. However, recent shifts in funding prioritising skills and employability provision above all else mean that these programmes have largely disappeared in England.

Our members & volunteers

WEA is constitutionally an Association of members and views engaged membership as critical to its long-term success and sustainability. WEA has sought to deepen its engagement with the Association Membership during the year to ensure the Association's reach, to grow its profile, and amplify its voice not only as a provider of adult education, but also as a thought leader and champion of lifelong learning generally.

Many Association Members are also volunteers for WEA. Most WEA volunteers engage with the Association through its governance, either as lay members of committees of the Board of Trustees, or as members of one of WEA's fourteen Local Advisory Panels working across England to expand WEA's charitable reach, to ensure WEA is meeting and responsive to local need, and to support positive learner experiences and engagement with WEA. WEA volunteers also support and contribute to Association-wide events and communications.

Following WEA's restructure, the placement of the Volunteering Manager within the People, Strategy & Culture Directorate has enabled closer alignment of volunteering and HR functions and supported a more rigorous and regular volunteer recruitment and vetting process, onboarding, and improved communication with volunteering.

Our voice

WEA has used its position as the leading organisation in the UK for adult learning to demonstrate the positive difference that lifelong learning makes. In 2024/25, WEA continued to grow its network of like-minded organisations in the UK and internationally. WEA has strong and established relationships with national and international organisations in the sector (e.g., Hoxex, SOLIDAR, IFWEA) and engages these allied organisations in ways that build WEA's profile within the sector, that builds enthusiasm for WEA's mission and values, and that advances the cause of individual access to lifelong learning generally.

Our people

WEA recognise that its people are its greatest asset. Following months of colleague consultation and the agreement of the Board of Trustees in the second half of 2023/24, WEA implemented a new target operating model and organisational structure from 1 August 2024. With the aim of refreshing and reinforcing what WEA had been historically, and what it aims to be in the future – i.e., a member-led charity with a proud legacy of support for thousands of learners across the UK – WEA's "Reshaping the Way We Work" project shifted WEA away from teams organised by geography to a new structure organised according to areas of specialization and expertise. In this way, WEA sought to increase support for and responsiveness to learners, and to maximise the impact on the communities where we work while improving organisational agility and efficiency. WEA did not change its strategic objectives through the "Reshape" project.

Continuing Change Post-"Reshape"

Following more than six months of planning among Leadership Team and eight weeks of consultation with colleagues, WEA implemented its new structure on 1 August 2024. From 1 August 2024, WEA colleagues continued to be spread across England and Scotland but with reporting lines shifted to support and enable greater transparency and accountability across the Association.

During the 2024/25 financial year, phase 2 was launched a "mini-reshape" - Re-alignment project was introduced to rationalize roles in the finance team in relation to the wider organisational restructuring and a new Finance system. Teams in Scotland were also reshaped to enable increased cross-border working to eliminate duplication of systems, and to ensure that learners received a consistent high quality of provision and pastoral support whether studying in England or in Scotland. Additionally, some adjustments were made to roles and reporting lines elsewhere in the organisational structure in response to colleague feedback on optimizing outcomes from "Reshape."

WEA tutors were not affected by "Reshape" and were out of scope for the restructure. WEA continues to work toward maximizing opportunities for its part-time and sessional tutor workforce. In line with curriculum development efforts, WEA continues to develop a strategic workforce planning framework to analyse, manage and prepare its current and future tutor workforce requirements which will change with the upcoming Employment Rights Bill.

WEA is aware of the risk to employee and volunteer engagement arising from the significant level of change that has been implemented progressively across the Association over the last few years. With an eye toward achieving what it perceives to be a balance between the risks and the benefits of large-scale organisational change, WEA has placed significant emphasis on:

- Structured and progressive programmes of induction, training and support for colleagues and volunteers at all levels to ensure they receive the information, guidance and support to perform their roles effectively and operate at all times in accordance with WEA's beliefs and culture.
- Implementation and embedding of our target operating model to ensure colleagues progress through the change journey successfully, and to ensure we can deliver for our learners.
- Providing innovative wellbeing initiatives that contribute to a positive, productive and rewarding environment.
- Delivering a professional development programme, including leadership and management, contract management, and IT training.

Support for Volunteers and Colleagues

WEA continues its commitment to supporting its paid and voluntary workforce by:

- Progressing the work of the Equality, Diversity & Inclusion ("EDI") Working Group to build institutional understanding of where colleagues and volunteers may be facing exclusion or marginalization, and to shift organizational culture toward greater recognition of empathetic and inclusive working practices and attitudes.
- Refining its approach to succession planning, particularly in governance and senior leadership roles.
- Continuing to develop the skills of WEA volunteers.

WEA continues to be a living wage employer and has introduced a colleague led EDI initiative ("WEA Represents") to prioritise and embed measures to improve and support equality, diversity, and inclusion across the organisation. WEA continues to develop its culture with a focus on improvements to our internal communication and leadership at all levels.

Our systems & processes

Phase two of the digital transformation and infrastructure project agreed by the Board of Trustees in 2022 was substantially completed by the end of 2023/24. As at 31 July 2024, £2.3 million of the agreed £3.4 million investment had been spent.

A further £500K was spent in 2024/25 to finish the digital transformation and infrastructure project and launch new finance and HR systems, thereby completing the IT refresh. Networking and user device replacements are ongoing to replace physical technical debt, and this will be maintained on a five-year rolling cycle. Overall, the digital transformation project ended c. £600K below budget.

WEA maintained CyberEssentials+ accreditation in 2024/25 and has committed to achieving ISO 27001 accreditation for the first time in 2025/26.

Our finances

As in previous years, WEA engaged mayoral authorities throughout 2024/25 to protect its position as a grant funded provider.

WEA continues to face challenges in the funding environment as devolution continues in England, and government priorities in England and Scotland shift ever increasingly toward skills provision and employability. The growing imbalance between restricted and unrestricted income continues to be a risk that WEA Trustees carefully monitor. Shrinking unrestricted income from the Department for Education, whether through our core grant or via Mayoral Combined Authorities, threatens WEA's ability to sustain the learner-driven courses and programmes on which much of its reputation has been built.

Nevertheless, WEA continues to make efforts to pursue funding wherever it devolves and recognises that the ability to secure renewed funding beyond initial contracts depends on its ability to deliver against specific funding commitments. WEA continues to focus efforts on improving its overall approach to contract monitoring and compliance, and to building relationships with individual Mayoral Combined Authorities to better anticipate and respond to changes in priorities and needs within each locality.

Anticipating that unrestricted income from statutory sources will continue to reduce dramatically year on year, WEA implemented as part of "Reshape" a new directorate – External Relationships – with a remit to diversify income through three distinct income streams:

- 1) Moving a curated selection of WEA courses which are no longer supported by DfE or MCA funding to a full-cost, remote learning offer under the label of WEA Learn.
- 2) Working with other government departments and public bodies (e.g., Department for Work and Pensions, Home Office, NHS) to fund courses and programmes tailored to their beneficiaries or service users.
- 3) Working directly with corporates to develop programmes of learning to meet the needs of their workforce, or to provide employee benefit.

The ambition is that WEA Learn develops into a programme that will generate sufficient income to enable a self-subsidised programme of courses in humanities, arts and culture that can be accessible to all learners, regardless of their individual means. Income from statutory bodies and from corporates will enable WEA to introduce new audiences to its brand of learning, and to extend and sustain its offer nationally.

WEA also expanded the remit of the Governance directorate (post-Reshape, the directorate is "Governance and Purpose") to include responsibility for membership, fundraising, and other functions relating to our charitable purpose outside the scope of education delivery. WEA has always attracted legacies and individual donations, but never at scale. The new Charitable Purpose department within the Governance and Purpose directorate has throughout 2024/25 worked to build the foundations for an organised, scaled-up programme of individual and legacy giving, and to build a case for support for trust, foundation, and corporate giving in the year ahead.

WEA has continued to maintain a strong cash flow profile. It ends the 2024/25 financial year with a DFE financial health rating of "good."

Impact

WEA continues to support its learners to improve their confidence, develop their skills, get into work, and become healthier. Full details of the impact learning opportunities provided by WEA have had on learners, and the real measurable differences WEA has made to individual learners, their communities and society are included in the latest WEA Impact Report, published in June 2025.

Strategic report

WEA is a leading education charity, focused on lifelong learning, with a legacy stretching back over 120 years. WEA empowers adults through learning at all stages of life, reaching approximately 27,000 learners annually across England and Scotland.

WEA's purpose is to bring lifelong learning within reach of everyone who needs it, fighting inequality and promoting social justice. WEA empowers adults by bringing great teaching to local communities across England and Scotland with a mission of providing access to education for adults right on their doorstep. WEA believes that the opportunity for a better future is too often made inaccessible for reasons including cost, location, and a lack of information. WEA is committed to removing barriers to education so that individuals can improve their own life chances and have a positive impact on their communities and society as a whole.

WEA differentiates itself from further education colleges by reaching into communities where learners live and work to deliver learning in familiar, comfortable surroundings. WEA emphasizes smaller class sizes so that learners receive more personal care, attention, and support from tutors. To achieve this, WEA works in partnership with over 500 community-based venues and local networks across the UK, and with like-minded partners internationally.

Long-term strategic plan

The overarching priority of WEA's long-term strategic plans is to maximise learners' chances of success by providing an outstanding level of teaching and learning, and by providing additional support to help learners overcome any barriers to learning.

WEA is committed to supporting all learners through exceptional service and high professional standards that result in excellent quality learning experiences that cater to learners' needs. WEA's aspirations are to surpass compliance and strive continually to improve teaching. To this end, WEA has invested significantly in creating skilled technical in-house roles and in new digital systems and infrastructure improvements to introduce best-in-class systems for learner records management and all aspects of curriculum development and planning. This digital transformation project was rolled out over two years (2022-2024) and enabled more robust data reporting, enabling speedier and clearer decision-making around curriculum and resourcing for education delivery based on transparent, objective evidence and attention to emerging trends.

WEA will continue to focus attention and resources on the use of technology to improve learner engagement and to make learning more accessible wherever its learners live. It will continue to support teams to deliver the best possible learner experience, to improve learners' understanding of the outcomes they can achieve, and to support them to track and celebrate their achievements. WEA has made a commitment to providing tailored and timely advice, guidance and support for learners throughout their learning journey.

Throughout 2024/25 WEA's priorities continued to be aligned to the Creating Opportunities Strategy agreed by the Board of Trustees in July 2022, placing learner success at the heart of all WEA's activities. As 2024/25 brought us into the final year of the Creating Opportunities Strategy, a major project for the second half of the year was developing the next three-year strategy. Our new strategy – Meeting the Future – was approved by the Board of Trustees in July 2025, for implementation from 1 August 2025.

As in the previous strategy, WEA will continue to demonstrate its commitment to quality and learner success through encouraging and achieving high levels of learner attendance, retention, achievement, and enhancement of personal development, and will maintain ambitious internal targets in these areas accordingly. WEA will also continue its commitment to maximising learners' chances of success by providing an outstanding level of teaching and learning, and by providing additional support to help learners overcome any barriers to learning.

Based on current performance, WEA estimates that by the end of the 2025/26 financial year it can realistically achieve:

- 98% of learners reporting they are satisfied with their WEA learning experience.
- 94% of learners overall, across all programmes attending their first session going on to complete their course.
- 96% of teaching sessions meeting or exceeding learners' expectations.

In response to the volatility of the funding environment and to keep pace with changing learner demographics, the new Meeting the Future strategy places heavy emphasis on income diversification. We know that we must diversify our income and increase the amount of unrestricted income if we wish to continue offering the kind of courses we know our learners want and benefit from, irrespective of their post code and individual means.

The "Meeting the Future" strategy also gives equal weight to campaigning and thought leadership activity, placing this on an equal footing with education delivery. This is a new area of endeavour for WEA and will require some investment. Our ambition is to revive the "WEA Movement" through expansion and diversification of membership and volunteering activities and roles, eventually leveraging these in the interest of fundraising. We have launched new programmes of activity to partner with other charities and education providers to raise awareness of the importance and social and personal benefits of adult education and increased our presence on social media.

2025/26 priorities

WEA's priorities for 2025/26 will be aligned to its new "Meeting the Future" strategy agreed by the Board of Trustees in July 2025. WEA aims to be known as a charity that delivers lifelong learning, and as a thought-leader in adult education – a corner of the education sector that is frequently overlooked and therefore requires active support, which we believe we are well-positioned to provide as a national provider of lifelong learning and charity with an active, engaged membership.

Looking at the Association through three lenses (charity, learning provider, business) with our mission and beliefs at the centre, our new strategy sets out five strategic goals that we will work toward over the next three years:

- That all learners are welcome at WEA
- That we will deliver responsive learning to meet contemporary needs
- That we will diversify our revenues in support of our mission
- That we will position lifelong learning at the centre of place-based community planning
- That we will fight for a broad and economically just lifelong learning offer that meets social needs.

WEA believes that its mission can unite and motivate colleagues and volunteers to deliver life-changing learning to those who need it, and that it can do so in an efficient and effective way to reach as many learners as possible.

Beginning with the implementation of a new operating model in 2024/25, WEA continues to develop its people and build a resilient and responsive culture to embrace the opportunities and challenges it knows lie ahead. The work being done currently to embed the new structure and operating model will be supported through leadership and communication experiences to equip colleagues to deliver against agreed strategies, and to deliver and respond to change in a way that is caring, innovative, and respectful. We will also ensure that volunteers and trustees are equipped to participate in continuous improvement and effectiveness in governance, nationally and locally.

All learners are welcome at WEA

WEA believes that open access to lifelong learning creates a more equal and just society and improves the home lives of our learners and their families. As government funding priorities continue to shift their focus to investment in Skills for Jobs and higher-level qualifications, and to increasingly dictate specific postcodes in which our provision must be offered, WEA will seek to bid successfully for funding to deliver skills for employment provision while also seeking to diversify its funding streams to ensure that tailored learning, arts and crafts, health and wellbeing, and cultural provision can continue to be supported.

Support for provision outside the scope of Skills for Jobs will be sought through effective bidding for the

public funding that does remain available, while also looking to alternative funders (e.g., government departments beyond DfE, the wider public sector, and corporate partners) to support delivery of skills and employment-related provision to anyone wishing to learn with us, in their communities and online.

We will continue to build our WEA Learn catalogue of arts, humanities, and cultural provision offered at full cost. We have aimed to price these courses competitively with similar offerings in the wider market, with the aim of covering costs, but also to build a fund to support any learner wishing to access these courses, irrespective of their individual means. The remaining funds of a significant legacy WEA received from the estate of a WEA member in 2012 for the benefit of learners in Ilford have been used to trial a pilot programme of self-subsidising WEA Learn provision in 2025/26 for learners in Ilford. This trial programme is being used to develop a model of self-subsidy that we hope to expand nationally as we build a pot of funding to support the type of learning our learners value, but that is no longer supported by statutory funds.

We are mindful that a volatile political environment means that certain areas of provision such as ESOL are potentially under threat, as is access to safe, supportive spaces for teaching and learning for migrant and other marginalized groups. We will campaign actively to ensure the widest possible access for all adults wishing to access education, and for the importance of ESOL provision as a key element of building community cohesion. We will also make a fundraising case for support that helps us to raise sufficient private and unrestricted funds to support provision that statutory funders may choose to restrict, and to support learners who may not be deemed fundable by government.

Responsive learning to meet contemporary needs

WEA believes that everyone deserves to maximise their potential and contribution to society and that engagement with lifelong learning is often how such potential is realized. Whether maximising potential and contributing to society means finding a fulfilling and sustainable place to work, sustaining an active mind and body, or engaging with others in the community around shared interests, WEA learners often report their learning with us is life changing¹.

WEA enables its learners to flourish through a needs-based curriculum, and innovative and learner-driven approach to teaching, learning, and assessment, and individualized personal support. WEA is and will continue to be effective in delivering a responsive, relevant curriculum that:

- Is determined by national and regional needs analysis
- Reaches learners with protected characteristics or from areas of multiple deprivation
- Expands our reach to new learners with a focus on the most disadvantaged
- Is supported by effective, impactful teaching.

WEA will continue to build a curriculum that helps learners to develop essential skills, improve their everyday lives, and build confidence to achieve their personal goals. Our curriculum is broad and balanced, spanning courses to improve learners' numeracy, literacy, English language, and digital skills, to courses designed to improve confidence, physical and mental wellbeing, communication, nutrition, budgeting and financial knowledge. Learners will progress through clear pathways, ensuring we are working to support an individual learning journey, whether that leads to paid or voluntary work, further study (with us, or with another provider), or a sense of personal accomplishment.

In the area of skills and employability, WEA's offer will continue to be matched to local and national need and shaped by working in partnership with employers and employer groups. To enable this work, WEA will:

- Review its tutor base, with attention to building upon the knowledge, expertise, and interests of existing tutors, offering full-time or near full-time appointments where it makes strategic sense to do so;
- Improve its tutor recruitment and retention strategies to get the highest quality teachers and support who bring the most up-to-date sector knowledge;
- Innovate the use of technology to deliver education that is accessible to learners around their work and life commitments as well as removing other barriers to learning; and
- Refine our approach to easing the transitions into and out of learning.

WEA will continue to demonstrate its commitment to quality and learner success through encouraging and achieving high levels of learner attendance, retention, achievement, and enhancement of personal development, and will maintain ambitious internal targets in these areas accordingly.

¹ Ofsted inspection of Workers' Educational Association 2024, p.2 ([10299756_workers_educational_130419_final_pdf.pdf](#))

Recognising that learner success is tied to tutor engagement and the quality of professional support provided to the tutor base, WEA will continue to build upon the programme of continuous professional development to tutors implemented in 2022/23 including:

- Regular performance reviews, informed by class reviews and other performance data
- Encouraging the sharing of best practice within WEA
- Providing training and development focused on emerging priorities, and teaching and learning best practice.

WEA continues its commitment to maximising learners' chances of success by providing an outstanding level of teaching and learning, and by providing additional support to help learners overcome any barriers to learning.

Diversifying our revenues in support of our mission

To remain true to its mission and charitable purpose, WEA must grow and diversify its income streams whilst controlling and monitoring expenditure with the aim of delivering maximum impact in terms of reach and quality of the learner experience. "Reshaping the Way We Work" in 2024/25 enabled us to re-balance our direct and indirect operational costs and central overheads, and to align these with a clear business plan.

In 2025/26, and in the interest of building sustainable income streams, WEA will seek to engage with a variety of funders to understand their needs, and to leverage our strengths and track record to create strong proposals to effectively bid for contracts, retain grants, apply for charitable funding, and develop self-financing programmes of full cost provision. To this end, we will:

- Continue to drive the case for public funding at national level, and seek to secure funding from new and current sources aligned with our overall mission and values
- Build and share a specific evidence-based case to convince policy and funding decision-makers at national and local levels
- Continue to improve the WEA website and technology in support of teaching and learning, and to ensure the WEA offer is accessible to all.

WEA is keenly aware that forecasts in both Scotland and England predict unrelenting pressure on the public purse. We are also keenly aware that the threat to public funding support for much of the provision that WEA has historically offered has begun to accelerate. We have determined the full direct cost of delivering a particular course, and from 2025/26 we will:

- Undertake thorough due diligence on any bids for public funding to ensure that funders are enabling us to deliver on our mission, which also making sufficient surplus to cover all overheads associated with the delivery of publicly subsidized provision
- Define a programme of unsubsidized provision that asks each learner with the means to pay to make a proportionate contribution toward the cost of their course with sufficient surplus to enable us to build a pot of funding to support learners who do not have the means to pay
- Further to the point above, to protect our privately generated funds to enable us to adhere to the principle that any learner, regardless of their means, is enabled to join a full-cost course.

WEA believes that it offers adults a life-changing opportunity, but that too few are aware of our impact. WEA will therefore seek to build visibility, awareness and understanding of its offer among adults who could benefit from its provision and make a strong case for grant funding from public policy and funding decision-makers.

WEA acknowledges the inherent challenges in seeking to grow and diversify income in a period of increasing constraints on public finances and rising costs of living. To meet and overcome these challenges we will:

- Retain grants and contracts from ESFA and MCAs and achieve grant status wherever possible
- Pursue contracts with newly devolved authorities where it makes commercial or strategic sense for us to do so
- Develop new employer sponsor relationships and trade union partnerships
- Develop innovative education products for local authorities, employers, and partners
- Create a service and cost model that grows WEA's reach and empowers self-organising learner groups to deliver programmes and organize their work in ways that make sense for them.

Positioning lifelong learning at the centre of place-based community planning

WEA believes that vibrant and inclusive communities promote health, happiness, and success at the individual and community level. WEA views itself, and education providers generally, as part of a wider network of community support, sitting alongside public and voluntary sector providers of housing, health and social care, job support, childcare, legal and financial advice services, and other such support.

Our ambition is to establish community hubs across the country, in communities where we know we have a strong learner base and robust volunteer support. We envision our community hubs as a home for our provision that we will share with other community support services to do their work alongside us. We see this as a benefit to our learners who can then access the services they need in a single location, and a benefit to us in helping to demonstrate how education works as an important pillar of social and community support.

WEA will continue to evolve its estate plan in line with our beliefs and ambition, prioritizing the development of community hubs. WEA has used recent grant funding from DfE to invest in the existing estate, and to establish firm anchors in communities where we believe we can make the greatest impact.

WEA has partnered with MyCarbon to support its efforts to evidence social value and achieve a carbon neutral target.

Fighting for broad and economically just lifelong learning

WEA believes that in supporting the development of strong community networks, it can create a WEA family with reciprocal benefits for the individual and their community. In other words, WEA networks can deliver a social contract, creating a responsibility to others and a desire to promote social justice. To enable this work, WEA will:

- Build awareness and evidence of the value and impact of community and the role learning plays within it; and
- Clarify and diversify volunteering opportunities within WEA to harness volunteer support and enable volunteers to build and support their own networks and communities.

WEA will seek to embrace the passion of its members, learners, and volunteers to support the WEA mission and to help WEA achieve the full breadth of its charitable aims. WEA will seek to improve its methods of engagement with members and volunteers at the same time as it seeks to broaden its outreach to a more comprehensive range of stakeholders. In the interest of increasing its effectiveness in stakeholder engagement, WEA will:

- Rationalise its provision to ensure learners can find the courses they want or need
- Effectively target diverse learner cohorts through focused learner attraction efforts
- Implement a robust volunteer stewardship programme
- Expand stakeholder engagement with devolved authorities.

Governance review

Internal review

WEA concluded its internal programme of governance review in July 2024 with the Board of Trustees' agreement by special resolution to amend its Articles and Regulations, removing outdated provisions and unnecessary procedural detail, and ensuring alignment with charity law in England and Wales, as well as in Scotland. Among the changes agreed was an increase to the size of the Board of Trustees from 12 to 15 members. Increasing the size of the Board has helped to ensure a robust collective skill set covering all areas of trustee duties and responsibilities and to support a committee structure that provides specialist scrutiny and advice on matters of strategic importance.

Governance development during 2024/25 included trialing a new approach to local governance. The nine Regional Committees that had been in place for many years were wound down in favour of smaller and more numerous Local Advisory Panels ("LAPs") aligned with MCA funding areas. With a remit to advise on local need, the quality of the learner experience, and opportunities for WEA to extend its charitable reach, LAPs were included within the formal governance structure as sub-groups of WEA Council.

By June 2025, WEA had 11 active LAPs, with a further nine in recruitment. As most of the active LAPs had been in operation for 12-15 months by June 2025, the Board of Trustees requested that LAP activity be paused while a comprehensive review of LAP performance and effectiveness was undertaken. The review brought to light a number of key challenges, including:

- Attendance and recruitment. Meeting attendance was challenging for most LAPs, and some struggled with recruitment.
- Inconsistent understanding of LAPs' purpose. Management reorganisation (i.e., Reshape) closely following the reorganisation of local governance disrupted LAPs' embedding. Positioning Contract Relationship Managers as the primary point of contact for LAPs caused many to default to almost exclusive focus on contract delivery.
- Difficulties with technology. Some LAP members struggled to access WEA's systems despite ongoing support from the governance and IT teams.

Following a period of consultation with LAP volunteers and WEA Council, the Board of Trustees agreed at a meeting on 11 December 2025 that Local Advisory Panels, as constituted, would be wound down in favour of developing new volunteer roles (i.e., Ambassadors, Champions, Friends) to influence local decision-makers and organise grassroots initiatives and events. We will continue to convene advisory panels as time-limited groups to work in collaboration with the executive in support of our new strategy.

External review

In accordance with new DfE requirements, WEA undertook an external review of governance effectiveness. The external review was conducted by Stone King who were commissioned in November 2023 and delivered a report to Trustees in July 2024.

Work to ensure full embedding of the changes to the Articles and Regulations, and to work through the action plan agreed by Trustees in consideration of the recommendations made in Stone King's report on governance effectiveness has formed the basis for governance development and improvement in 2024/25. Key improvements and developments following the effectiveness review have included:

- The agreement of a comprehensive scheme of delegation, clarifying responsibilities across board-level committees, Leadership Team, and Senior Post-Holders, as well as matters reserved for the Board of Trustees.
- Standardisation of meeting agendas and executive reports to Board and committees, including explicit consideration of impact and risk management.
- Explicit alignment of committee and Board work plans and terms of reference with the relevant principles of the Charity Governance Code.

WEA will continue to prioritise governance development work in 2025/26 according to the agreed actions set out in the external review action plan. During the 2025/26 financial year, the Board of Trustees will consider how they wish to approach commissioning the next external review of governance to take place in 2026/27.

All areas of governance are supported by a professionalized governance team focused on enabling adherence to best practice and ensuring effectiveness. Additional information on governance development and improvement appears as part of the report on Structure, Governance & Management beginning on page 24.

Equality, diversity & inclusion

WEA aims to create conditions that ensure colleagues, volunteers and learners are treated solely based on their merits, abilities and potential regardless of their gender, race, religious/political beliefs, ethnic or national origin, disability, family background, age, sexual orientation, or other irrelevant distinctions.

2024/2025 saw the move towards colleague led EDI groups with the formation of WEA Represents. Designed to build on the progress made with the Black Leadership Group and expand our EDI focus to include all protected characteristics. It's part of our ongoing journey to become a truly diverse, equitable, and inclusive organisation – where everyone feels they belong and are represented as individuals.

Born from shared hopes and expectations identified by colleagues, WEA Represents will:

- Be shaped by lived experience
- Be action-focused, with visible and meaningful outcomes
- Provide tools and language to support colleagues in being upstanders – confidently challenging 'anti'

behaviours and language

- Celebrating uniqueness and creating space to share and learn from each other's lived experiences

WEA's Board of Trustees will continue to monitor, scrutinize, and constructively challenge WEA leadership on its effective support and development of WEA colleagues at all levels, and to ensure WEA remains an inclusive employer. WEA's Board of Trustees has also recognised that it has work to do to improve the diversity profile of its own membership and that of its committees and continues to make progress toward greater diversity among its own numbers. Recent updates to WEA's governance structure and procedures – e.g., increasing the size of the Board, increased focus on external recruitment, etc. – have supported the Board in diversifying its membership and that of the Board's committees. The Governance & Nominations Committee continues its commitment to take into consideration the diversity profile of the Board and its committees in recommending the appointment of new trustees and committee members, and in succession planning for Board and committee leadership roles.

Within WEA's education provision, EDI learner data demonstrates that WEA courses engage a significantly higher number of learners from disadvantaged background and/or with protected characteristics compared to the national demographic profile, including learners from minority ethnic backgrounds, refugees, those with low incomes and qualifications, and those who are older and/or disabled.

WEA seeks to welcome and accommodate all learners, volunteers and colleagues, and is therefore working towards the highest standards of accommodation through its property strategy. Priority continues to be placed on ensuring full accessibility for teaching and learning spaces.

WEA recognises the importance of good mental health support and is committed to improving mental health through its curriculum and learner-centred teaching. According to WEA's Impact Report ("Beyond Skills: Healthy Minds and Connected Lives," June 2025):

- 86% of learners reported their course helped them to make new friends
- 84% of learners were influenced by their course to do more free-time activities (e.g., 88% reported taking up reading or research; 73% engaging in cultural activities such as creative writing, music, or visiting museums; 29% spending more time outdoors and connecting with nature; and 18% living a more active lifestyle)
- 40% of learners described future-focused aspirations such as aiming to work when health allows or taking a first step after completing a WEA course
- 29% of learners felt their course gave them a greater sense of community belonging.

WEA encourages colleagues to be kind to each other and to talk openly about mental health. Across the UK, WEA maintains a network of 14 colleagues who are certified mental health first aiders. WEA's mental health first aiders are a point of support for anyone experiencing emotional or mental distress and provide a means of confidential colleague to colleague support. More generally, all colleagues are encouraged to have regular one-to-one meetings where open conversations can take place. WEA's People, Strategy & Culture team also run several learning and development initiatives including equipping managers with a mental health toolkit, HR drop-in sessions and regular timetabled sessions supporting mental health awareness and management, stress management, and related issues.

OH-One provides occupational health support to support colleagues to remain in work, return to work, and to advise on ill health incapacity. WEA has until October 2025 engaged Westfield Healthcare as our Employee Assistance Programme, providing colleagues and their families with confidential support, advice, and guidance covering health and well-being, and legal and financial well-being. In October 2025, a decision was taken to transition our Employee Assistance Programme to Wellness Cloud, which offers a more comprehensive and accessible service. These organisations keep WEA colleagues well at work and support them in looking after their physical and mental wellbeing using clinical professionals to offer health checks and specialist support from qualified specialists offering practical advice and support.

Financial review

The WEA has had a strong year in terms of its finances and delivered an operational surplus that exceeded budget expectations.

Despite the strong financial results, performance on MCA contracts was disappointing, which resulted in significant amounts of contractual income not being achieved. This remains the key focus for 2025/26, and a structural realignment was carried out in August to support this area of the business.

The financial statements show total income for 2024/25 of £27.4m (2023/24: £32.7m) with expenditure of £26.7m (2023/24: £28.7m). Operational income has increased by circa £1m largely due to an increase in the Greater Manchester Community Grants programme. We recognised £6.9m of capital grant money in 2023/24 to develop the Estate, and this programme is coming to an end in March 2026.

In 2024/25 income received from the DfE for education delivery reduced to £10.5m (2023/24: £11.9m) due to the devolution of the North East Combined Authority (NECA).

The total income received from MCA areas in 2024/25 is £6.2m (2023/24: £6.2m). This has remained steady despite the addition of the NECA contract and reflects a number of operational challenges that have impacted performance across various contracts this year. MCA contracts are performance based, so failure to hit contractual targets means the full amount of income cannot be claimed.

Income received from fees reduced to £434k (2023/24: £591k). This reduction is primarily driven by the continued shift in MCA priorities away from tailored learning (where most fee income is generated) towards skills.

In 2022/23 the WEA secured 3 capital grants totaling £9.6m to improve and develop its estate. This money has been used to refurbish properties in Bristol, Scunthorpe and Nottingham, and to purchase and refurbish a property in Brighton, turning them into vibrant community learning hubs. The remaining £1.6m of grant money will be spent next year.

Total spend on charitable activities decreased to £25.5m (2023/24: £27.4m) largely due to the restructure at the end of 2023/24 that reduced overheads by over £2m.

The WEA's net movement in funds for 2024/25 is £0.7m (2023/24: £3.6m) after transfers and pension adjustments. There is a surplus of £3.4m on unrestricted funds, £0.9m of which represents operational surplus and increases 'free' unrestricted funds to £5.1m (2023/24: £4.1m).

Designated reserves increased by £2.4m to £11.3m, and restricted reserves decreased by £2.7m to £2.3m as we continued to spend the capital grant on the Estate.

Reserves Policy

Total funds at 31 July 2025 were £19.1m (2023/24: £18.5m). This is represented by unrestricted funds of £16.4m and restricted funds of £2.7m.

For the purposes of this policy, the WEA has defined free reserves as being its unrestricted funds, excluding the designated fixed asset fund and any pension deficit, should it arise. The free reserves balance as at 31 July 2025 is £5.1m.

When considering the minimum free reserves balance the Trustees considered the amount that would be required to cover the resulting costs if the WEA were to lose varying amounts of income and has also ensured that the level of reserves will be sufficient to cover known outstanding payments on the TPT pension scheme. In all scenarios a range of between £3.5m and £4m was considered to be sufficient.

The WEA Reserves Policy is subject to regular review considering new risks and circumstances faced by the WEA. The policy is therefore reviewed by Trustees at least annually or more frequently upon advice of senior management in the event of a material change occurring that warrants any earlier or additional review.

The level of free reserves is a Key Performance Indicator set out in the organisation's Business Plan and, as such, progress is monitored regularly at Committee and Trustee meetings.

Investments & Treasury Management

As set out in its Articles of Association, WEA has absolute discretion to invest money not immediately required for expenditure. The responsibility for the performance of investments rests with the Finance & Capital Resources Committee, which reports to the Board of Trustees. The objective of WEA's Treasury Management Policy is to optimise returns consistent with cash flow requirements and with an overriding need to protect the capital value of WEA's funds. The policy was reviewed in 2025.

Treasury management is carried out within the context of WEA's statutory requirements, its Financial Regulations, guidance set by the Charity Commission (CC14) and guidance set by the DfE principally through the College Financial Handbook. WEA funds are deposited only with UK banks that meet the criteria stated in the Treasury Management Policy. Investments are not made in any other financial instruments. It is important to note that, as in previous years, WEA has had no exposure to any known financial institution at risk.

Principal Funding Sources

WEA receives its principal funding from DfE, which provided 41% of WEA's income from all sources and activities for the year, excluding one-off capital grants. There are no outstanding loans against WEA.

Pensions

The WEA's defined benefit pension scheme at 31 July 2025 (under FRS102 principles) is an asset that is capped at a 'nil balance' on the Balance Sheet as the asset is not recognised in line with accounting practice. Estimates used by the actuary in the calculation of this accounting valuation have been benchmarked by the Trustees and are considered appropriate.

Further details relating to the pension schemes operated by the WEA are shown at Note 18 to the accounts.

Cash Flow & Capital Expenditure

In line with the Treasury Management Policy, WEA aims to maintain a healthy cash position, and its cash reserves are sufficient to ensure that balances are not overdrawn. Based on the two-year cash flow projections to July 2027 returned to DfE in July 2025, WEA does not anticipate any liquidity problems.

Cash and short-term deposits for the year ended 31 July 2025 were £9.8m (2023/24: £13.6m).

Funds held as Custodian Trustees on behalf of others

WEA does not hold funds as Custodian Trustees on behalf of others.

Commercial Activities

WEA does not currently engage in any substantial commercial activities. The trading company, WEA Trading Limited, a wholly owned subsidiary of WEA, has not traded to date.

Fundraising Statement

Although WEA does not raise substantial amounts of private funds, it is nevertheless dedicated to ensuring that any fundraising remains closely aligned with the Association's mission and values, and to ensuring efficiency in its approach. A guiding principle in its fundraising efforts is to work with a range of partners

from corporate organisations to a range of charities and associations across the UK. WEA performs due diligence on all corporate donors including any gifts in kind. WEA does not use professional fundraisers or commercial participators to conduct any fundraising activities and so no monitoring activities are required.

WEA volunteers are supported and stewarded by the Volunteering Manager. In 2024/25, WEA did not receive any complaints regarding its fundraising activities (2023/24: 0). WEA is a member of the Fundraising Regulator and as such follows the Code of Fundraising Practice.

To ensure compliance with the Charities Act 2022, WEA follows the guidelines set out by the Institute of Fundraising on all donors with the four guiding principles of respect, fairness, responsiveness and accountability applied for all donors and members of the Association.

Risk management

The Board of Trustees monitors WEA's risk profile as recorded in WEA's corporate risk register. The risk register is informed by operational risk registers maintained for discrete projects (e.g., digital transformation) and business areas (e.g., business development, contracts). Leadership Team have a collective responsibility for reviewing and updating the corporate risk register. The systems and procedures established to manage risk are regularly reviewed by the Audit & Risk Committee and reported to the Board of Trustees. The Board of Trustees has also reviewed the adequacy of WEA's internal controls.

The corporate risk register includes action plans for each of WEA's key risks and a summary highlighting the current and changing status of those risks against a target risk score. The Audit & Risk Committee reviews the risk register at each quarterly meeting, receives summary updates on risk management activity, and invites members of WEA management to present on significant issues.

The Audit & Risk Committee and Leadership Team have worked in partnership throughout 2024/25 to substantively update WEA's statement of risk appetite and its risk register in line with its post-Reshape activities and priorities. This work has included extensive individual and collective consultation with WEA's Leadership Team and with committees of the Board of Trustees to enhance Board and committee oversight, sharpen strategic focus and clarify management accountability for the proper and thorough identification, assessment, and management of risks.

In 2025/26, further work will be undertaken to develop a fully refreshed risk register aligned to the goals and objectives set out in the Meeting the Future strategy. A new format risk register including indicative scoring of all key risks was accepted by the Audit & Risk Committee at a meeting on 26 November 2025 for implementation from January 2026. Further development and refinement of the risk register will be ongoing throughout the remainder of the 2025/26 financial year.

The Board of Trustees currently receives the corporate risk register at least annually and receives reports from the Audit & Risk Committee on a quarterly basis.

The risks deemed to have the most significant impact on WEA should they manifest are set out below as WEA’s principal risks:

Top five risks with mitigating actions taken:

Risk	Mitigating actions taken
Insufficient tutor base to support curriculum	Like many education providers, WEA has experienced persistent difficulties with tutor recruitment over the last two years, particularly in high-demand specialist areas such as Maths and English. Recruitment difficulties have negatively impacted on our ability to deliver fully against contracts in some MCA areas. In 2024/25, we successfully increased our core tutor base, and this continues to grow with recruitment nationally strong. Specific geographies remain challenging, however, particularly in rural areas in England.
Negative judgment by regulator	Although WEA was recently inspected by Ofsted and received an overall grading of “good,” this risk has been elevated following the circulation of the new Ofsted inspection framework, which includes a number of significant changes. Recognising that an Ofsted inspection can happen at any time, and given the number of current unknowns in terms of how the new framework might be applied, WEA is working actively to understand and apply the new framework to all relevant areas of our teaching and learning provision, and to ensure we meet a minimum standard of “secure” in all areas of the new five-point grading scale. While this risk is specific to England, any negative judgment by a regulator has the potential to impact our eligibility for funding in England as well as in Scotland.
Loss of income	Performance against MCA contracts was poor in 2024/25. Adjustment to leadership portfolios and some further reorganisation of teams was undertaken in early 2025/26 to ensure adequate resourcing for all contract areas. Monthly monitoring of individual and collective contract performance is now routine, and improvements in data reporting have been made. Contract delivery is now stable, but close monitoring will continue to ensure we demonstrate the ability to deliver MCA contracts across the board in 2025/26. Contract performance in Scotland is largely positive, however increasing competition for shrinking pots of funding in Scotland also contributes to this risk.
Failure to grow and diversify income	New business of £1.3m has been budgeted for 2025/26 and this will be monitored closely. The External Relationships team is committed to developing two new commercial income streams and to bring in £1m+ of statutory income across England and Scotland. As this is a new area of endeavour for the organisation, progress has been slow but is building momentum.
Failure to meet or demonstrate compliance with funder requirements	The nature of WEA’s funding and commissioning environment means that this is an area of higher inherent risk than others. However, over the 2024/25 financial year the assessment of risk has been elevated as a series of events and interactions with MCA commissioners have uncovered blind spots and slow response to changes in the funding environment as providers and MCAs themselves are under increasing pressure to meet demand while dealing with a rapidly shrinking funding pot. We have addressed this risk through greater rationalisation and rigour in the WEA curriculum planning for subsidized learning provision, with courses falling outside the scope of MCA or DfE funding now removed to the unsubsidized “WEA Learn” curriculum. Most MCA contracts are on target in 2025/26, and where enrolments are lagging contracts are being actively managed in collaboration with the relevant combined authority.

Fraud Risk Assessment

The risk of financial fraud at WEA is low. On behalf of the Board of Trustees, the Finance & Capital Resources Committee receives a quarterly financial report, which includes management accounts. The committee also has oversight of capital projects and receives regular reports on procurement and performance against project budgets. A separate Audit & Risk Committee receives a quarterly risk register, including an assessment of financial risks. The full Board receives the management accounts (quarterly), consolidated risk reports (quarterly), and the risk register (at least annually).

WEA maintains strong internal controls supported by Financial Regulations and policies which have been recently updated and are regularly reviewed. Financial controls are routinely tested through internal and external audits. Auditors consistently confirm a high level of assurance that these are robust.

Financial policies, including Fraud Prevention, Anti-Bribery & Corruption, and Whistleblowing were updated in 2024 and are scheduled for the next review in 2027. Information security and fraud awareness are addressed through induction training modules offered to colleagues and volunteers as part of onboarding and refresher training.

Going concern

The trustees have assessed WEA's ability to continue as a going concern. The trustees have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. This has included a review of budgets and cash flow forecasts through to July 2027 and consideration of the key risks, including devolution and forecast changes in the split between restricted and unrestricted income. WEA has prepared a number of financial scenarios and the trustees consider that the WEA is well positioned to manage its business risks successfully. After consideration and enquiry, the Trustees have a reasonable expectation that the WEA has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing these financial statements.

Structure, governance and management

Status

WEA is a charitable company limited by guarantee (number 2806910), incorporated on 5 April 1993 and registered as a charity in England and Wales (number 1112775) and Scotland (number 2806910).

Governing documents

WEA is governed in accordance with the object and powers set out in its governing documents, the Articles of Association and Regulations (last amended 11 July 2024). The governing documents are available to the public through the WEA website at: [Our Ref: \(wea.org.uk\)](https://wea.org.uk)

Object of WEA

The object for which WEA was established is to promote adult and general education for the benefit of the community, regionally, nationally, and internationally based on democratic principles in its organisation and practice, through the participation of its voluntary members. In pursuit of this object, WEA has the following aims:

- Stimulating and responding to the demand for liberal education, through the direct provision of courses and other activities
- Relieving poverty and providing for the needs of working-class people and of those who are socially, economically or educationally disadvantaged and in particular (but without limitation) by providing education and teaching skills for employment, voluntary work and social inclusion.
- Providing educational programmes for appropriate organisations concerned with collective educational needs in the community and in the workplace
- Generally furthering the advancement of education to the end that all people in England, Scotland and other parts of the world may have full access to the education needed for their complete individual and social development
- Promoting the efficiency and effectiveness of charities with similar purposes and the efficient and effective application of resources for such purposes.

WEA operates at local, regional and national levels, providing lifelong learning online and in-venue across England and Scotland. Courses are created and delivered in response to local need, often in partnership with local community groups and organisations. There is a proud tradition of voluntary and democratic process within WEA. Association Members are involved in the planning and provision of courses – in 2024/25, there were 75 active Branches and four Local Associations through which courses were delivered to self-selecting groups of learners – as well as in the local and national governance of WEA.

WEA maintains staffed offices across England and Scotland. The largest of these offices is in Leeds. WEA's registered office is in London.

Public benefit

WEA is a public benefit entity, the charitable object of which is to promote adult and general education for the benefit of the community regionally, nationally and internationally based on democratic principles in its organization and practice, through the participation of its volunteers and members.

WEA's Trustees confirm that they have due regard for Charity Commission's guidance on public benefit and believe it to have been consistently applied, that the requirements of section 17 of the Charities Act 2011, and the requirements related to annual reporting within the Protection & Social Investments (Charities) Bill 2016 have been fully met when exercising any powers of duties to which the guidance relates.

Board of Trustees

The Board of Trustees is WEA's governing body, comprising fifteen Trustees. The Board of Trustees has ultimate responsibility for the strategic direction of WEA. Trustees are also the Directors and Members of the Company.

Per its Articles of Association as updated 11 July 2024, the composition of the Board of Trustees is as follows:

- at least four Trustees elected in accordance with Regulations and thereafter appointed by the Trustees
- at least four Trustees co-opted by the Trustees. Co-opted Trustees may serve for such periods as are specified in the resolutions appointing them, subject to Regulations
- up to two Funder Trustees who may be appointed by a funder of the Association should such appointment of the Funder Trustee(s) be a statutory or legal requirement (Article 18)

WEA has not appointed any Funder Trustees.

In consideration of guidance from DfE, and the Charity Governance Code (larger charities), the Board of Trustees has within the last four years recruited and appointed Trustees having qualifications in accounting, human resources and organisational development, and knowledge of the public sector and public funding.

The Board of Trustees meets at least four times a year to ensure that WEA's activities carry into effect the charity's object. Their work includes providing strategic oversight, scrutinising WEA's financial performance and the performance of its management, agreeing budgets, monitoring the quality of educational provision and the safeguarding of beneficiaries and stakeholders, and reviewing current policies, initiatives, activities, and plans. The Board of Trustees is supported by six committees which meet termly or quarterly, according to terms of reference agreed by the Board. A further two committees meet on an as-needed basis to deal with succession planning and appointments to the Board and/or committees (Governance & Nominations Committee) and the remuneration of senior post holders (Remuneration Committee).

The Board of Trustees is currently chaired by a co-opted Trustee. In accordance with Article 10, a Deputy Chair of Trustees, appointed from among the sitting members of the Board of Trustees, chairs meetings of the Board of Trustees in the event of the Chair's unavailability. The Deputy Chair also supervises the annual performance review of the Chair of Trustees. Trustees, whether appointed or elected, serve on the Board for a term of four years, renewable subject to re-election (in the case of elected trustees) or re-appointment.

Committees of the Board of Trustees

WEA Trustees implemented its current scheme of committees in August 2021. The committee scheme was agreed with the aim of improving WEA's demonstrated adherence to the Charity Governance Code (adopted by Trustees as the WEA's code of governance in 2018). Trustees understand the role of the committees to be to apply detailed, specialist scrutiny to matters within their remit, and to support the Board of Trustees in performing specific duties or oversight more thoroughly and effectively than it could otherwise do acting together as a full board.

All committees of the Board of Trustees remain non-executive. Save for the Audit & Risk Committee, the committees do not have delegated authority to undertake investigations or to take independent professional advice without prior authorisation from the Board of Trustees.

Committees of the Board of Trustees generally meet on a quarterly basis to receive detailed reports and make detailed enquiries on strategic organisational matters, reporting back to the full board at each subsequent meeting.

During the 2024/25 financial year there were eight delegated committees of the Board of Trustees. These were:

Audit & Risk Committee – The Audit & Risk Committee assisted the Trustees in discharging its oversight responsibilities by reviewing the effectiveness of WEA's internal controls and compliance systems and, on behalf of the Trustees, reviewed the performance and results of external and internal auditors' work, and reviewed and monitored the preparation and production of the Trustees' Annual Report. On an annual basis, it recommended the appointment of auditors to the Board of Trustees and, on their behalf, approved the auditors' terms of engagement.

Education Committee – The Education Committee supported the Board of Trustees in meeting its responsibilities for strategic leadership of educational provision in England and took assurances on their behalf regarding the development, monitoring and application of education policies, learner welfare (including safeguarding) and the learner experience, the quality of education offered and adherence to relevant regulatory and inspection standards.

Finance & Capital Resources Committee – The Finance & Capital Resources Committee supported the Board of Trustees in discharging their responsibilities to ensure sound business planning and budgeting in the interests of WEA's long-term financial health and sustainability, in part through quarterly review of management accounts and financial forecasts. The Committee takes responsibility for overseeing the production of the year-end financial statements. The Committee advised Trustees on the application of WEA's funds and other assets in accordance with its charitable purposes and the public benefit duty, and on compliance with the requirements and expectations of its funders.

People Committee – The People Committee focused on WEA's HR strategy, volunteering strategy, EDI, and health and safety. It ensured ongoing review of organisational effectiveness, and the maintenance of an organised and clear management structure, with well-understood delegations. Regular reports were received from the executive on the outcome of meetings with the recognised trade union (Unite). The Committee supported WEA in its aim to exceed its statutory responsibilities for equality and diversity. The Committee also received regular reports on employee health, safety, and well-being at work.

Scotland Board – The Scotland Board promoted the profile of WEA in Scotland by supporting and facilitating the communication, engagement and consultation with WEA Scotland's members, learners and stakeholder groups. It supported the Board of Trustees in meeting its responsibilities for strategic leadership of educational provision in Scotland, including providing assurances on adherence to relevant regulatory and inspection standards in Scotland. Scotland Board also supported and promoted the Association-wide understanding of Scotland-specific educational policy, legislation, and funding relating to adult education, making recommendations to the Board of Trustees as appropriate.

WEA Council – WEA Council's purpose and remit are set out in WEA's Articles of Association. Its principal function was and continues to be to promote the democratic involvement of all Association Members, and effective communication between the Association's stakeholders and the Board of Trustees. In practice, WEA Council is an important forum for discussion of shared interests across communities across England and Scotland. At any time, there are at least four Trustees who are members of WEA Council, two of whom must be trustees elected by the Association Members. The President (an elected trustee) chairs the WEA Council.

Remuneration Committee – The Remuneration Committee determined the pay and conditions for WEA's senior post holders – i.e., CEO/GS, CFO, and Director of Governance & Purpose (Company Secretary).

Governance & Nominations Committee – The Governance & Nominations Committee oversaw the recruitment and ongoing support and development for Trustees and the non-Trustee members of the committees of the Board of Trustees, considering the diversity and skills profiles and needs of each group.

Each committee of the Board of Trustees includes at least two and ideally three Trustees as members of the committee. Other committee members are drawn from the Association Membership. Where appropriate skills are not found within the Association Membership, committee members may be externally co-opted. An exception is the Remuneration Committee, which includes only Trustee

members.

Trustee attendance figures for Board and Committee meetings can be found on page 34.

Election of association officers & the Annual conference

Members of the Association make direct contributions to the governance of WEA through the election of Association Officers and the Annual Conference. In accordance with the governing documents, Association Officers are elected to office by the Association Members and subsequently appointed as Trustees, subject to assurance of their statutory eligibility.

The Annual Conference, organised by the WEA Council, provides opportunity for Association Members to receive reports from Trustees and the WEA Council on the year's activities, and to influence the overall direction of WEA through bringing forward motions for consideration.

Trustee recruitment, induction & training

WEA seeks to encourage diversity in its widest sense within the governance structure. The WEA's Articles of Association set out the categories from which Trustees are elected and appointed.

Co-opted Trustees: Trustees who are co-opted to the Board are sought through advertisement and/or recruitment search agencies. Current practice is to seek suitable co-opted trustee candidates first from within the Association Membership, and then through external recruitment if suitable internal candidates are not found. As part of the process for appointment, the Governance & Nominations Committee convenes a panel to oversee the shortlisting and interviewing of candidates prior to a recommendation to the full Board for approval. Co-opted Trustees are required to undertake a DBS check and to confirm their statutory eligibility to serve as a Trustee and Company Director ahead of any appointment.

Association Officers: Following election by the Association Members to the role of President, Deputy President or Treasurer, an Association Officer is appointed a Trustee *ex officio*, subject to interview with members of Governance & Nominations Committee (in accordance with Article 19), DBS clearance, and confirmation of their statutory eligibility to serve as a Trustee and Company Director.

Once appointed to the Board, Trustees are supported by a comprehensive programme of induction arranged by the Head of Corporate Governance. In addition to induction, new Trustees are encouraged to meet colleagues, and to take part in local and national activities. All Trustees are encouraged to undertake governance development training offered by the Education Training Foundation ("ETF").

Chief Executive & General Secretary

In accordance with the Articles of Association, the CEO/GS is appointed by the Board of Trustees to manage the day-to-day operations of WEA and is accountable to the Board of Trustees via the Chair. The CEO/GS is WEA's Accounting Officer for DfE reporting purposes.

Powers delegated to the CEO/GS include the implementation of policy and strategy adopted by the Trustees, to be carried out within a budget approved by them from time to time. The CEO/GS has a duty to report back to Trustees regularly. In practical terms, this means that the CEO/GS is a regular attendee at meetings of the Board of Trustees and has a standing reporting item on each agenda. To support the effective coordination of business between Trustees and Council, the CEO/GS also meets regularly with the WEA Council to ensure its members are adequately informed of WEA activities.

The CEO/GS works with the Leadership Team as identified in the Reference and Administrative Details on page 4.

Leadership team

Leadership Team meets least monthly over two to three days and reviews the quality and effectiveness of teaching and learning activity, organisational performance against the strategy and budget agreed by Trustees, performance against grants and contracts, current and future resourcing needs, emerging risks, and forward planning.

Bidding activity for new or renewed contracts and the success rate of bids is regularly reported to Leadership Team and reported on to Trustees by the CEO/GS on their behalf.

Review & remuneration of senior employees

A Remuneration Committee ("RemCo") was constituted in 2021 to consider and agree the remuneration of senior post holders (in 2024/25, senior post holders were: the CEO/GS, CFO, and Director of Governance & Purpose/Company Secretary). 2025/2026 has seen a change to RemCo's terms of reference and procedures for the recommendation of Senior Post Holders' remuneration to the Board for approval. The committee's terms of reference and procedures have been amended to ensure clear alignment with Senior Post Holder effective appraisal guidance and the Weston College intervention assessment recommendations.

Salaries for other Leadership Team posts are in principle set by the CEO/GS within the salary structures laid out and aligned to the WEA Colleague Pay Review agreement and within the scope of budget constraints agreed annually by the Board of Trustees. There were no senior appointments made during 2023/24 or 2024/25.

Performance objectives of the CEO/GS and members of the Leadership Team are aligned to the strategic deliverables as set out by the Board of Trustees and reflected in the Business Plan and Budget which is approved by the board annually in July for the next financial year.

Remuneration details are set out in Note 6 to the financial statements.

Engagement with employees (CA2006 Section 172 Disclosure)

This report on WEA's compliance with Companies Act 2006, section 172 ("CA2006 s.172") should be read in conjunction with the Strategic Report on pages 11 – 17. CA2006 s.172 as applicable to incorporated charities requires Trustees (who are the Directors of the Company under CA2006) to take into consideration the interests of employees and other stakeholders in their decision-making. Trustees continue to have regard to the interests of WEA's employees and other stakeholders, including the impact of its activities on the community, the environment and WEA's reputation, when making decisions. Acting in good faith and fairly between members, the trustees consider what is most likely to promote WEA's success for its learners, volunteers, and Association Members in the long term. Whilst the importance of giving due consideration to stakeholders is not new, WEA is explaining in more detail how the Board engages with stakeholders, thus seeking to comply with the requirement to include a statement setting out how Trustees have discharged this duty.

Trustees are fully aware of their responsibilities to promote WEA's success in accordance with CA2006 s.172. Ongoing support and periodic training from WEA's legal advisors, Bates Wells, is provided to ensure the Board continues to operate in line with good corporate practice and to respond to changes within the sector. In January 2023, Trustees received updated training and detailed legal advice on their duties and obligations following reclassification as a public sector body.

The Board has overseen the development and launch of a new three-year strategy that confronts the reality of shrinking public funding, and the impact increasing restrictions funders are placing on the use of funds has on our ability to deliver fully against our charitable mission. The "Meeting the Future" strategy responds not only to the material changes in the permissible use of funding from the Department for Education (directly and via devolved authorities) but also addresses the reality that the communities WEA serves have different needs requiring tailored solutions, not all of which remain fundable per new restrictions on the use of statutory funding. The Board has therefore begun to work closely with the CEO/GS to develop and implement a plan for income diversification, and to build capacity in teams responsible for campaigning and fundraising activity to ensure that our learners and volunteers can continue to benefit from our provision and have influence on decision-making within the Association.

The Board continues to enhance its methods of engagement with the workforce. WEA seeks to engage all employees and volunteers in its activities and achievements, and to this end the ongoing review of WEA governance has resulted in changes to the composition of WEA Council to ensure there are elected seats available to representatives from teaching and non-teaching colleagues and learners, to sit alongside the volunteers who have constituted the majority on this direct committee of the Board of Trustees.

Through these activities, Trustees reflect (*inter alia*) on how WEA engages with its stakeholders and opportunities for enhancement in future.

There continues to be a range of regular communication methods including management meetings, team meetings and newsletters to ensure that all colleagues are kept informed of WEA activities and achievements. There is a monthly “town hall” for colleagues held online, led by the CEO/GS, and focused on communicating key changes and developments in how we work, or external issues impacting on our education delivery. The “WEA Communities” newsletter is circulated at the end of each month to the wider community of volunteers and Association Members and includes an update from the CEO/GS as well as an update from the President alongside spotlight reports on learner and volunteer activity and upcoming events.

WEA’s recognised trade union is engaged in consultations of terms and conditions, including pay awards, through the Joint Negotiating Consultative Committee.

WEA aims to work responsibly with its subcontractors, particularly those involved with the delivery of provision and other services relating to WEA’s contracts with devolved combined authorities. Throughout the year, WEA has offered support in the on-boarding of its subcontractors by sharing its delivery needs and the support available within WEA to enable effective relationships.

Streamlined Energy and Carbon Report (SECR) Statement

As WEA is classified as a large unquoted company under the definitions set in Section 465 and 466, Chapter 15 of Companies Act 2006, it needs to comply with the new government legislation implemented by The Companies (Directors’ Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 (“the 2018 Regulations”) on Streamlined Energy and Carbon Reporting (SECR).

To fulfil this, we have measured our UK energy and greenhouse gas emissions as classified within Scope 1, Scope 2 and the mandatory element of Scope 3 of the Streamlined Energy and Carbon Reporting (SECR) regulations, which are presented in tables 1, 2 and 3 as these are material to our organisation’s activities.

Organisational and operational boundaries of WEA

WEA’s structural and operational boundaries are the same. During the reporting period, the Company operated from multiple locations within the UK. The company’s registered head office is located at 4 Luke Street, London, EC2A 4XW.

Environmental Performance

Workers’ Educational Association decided to follow and adapt, for SECR reporting, a widely recognised “The GHG Protocol Corporate Accounting and Reporting Standard” methodology.

As at 31 July 2025 the Group’s energy usage and associated carbon emissions for the SECR Year 1, 1 August 2024 to 31 July 2025 were as follows:

Energy Type:		Energy Use (kWh)	Greenhouse Gas Emissions (GHG)	
			Location-Based Methodology (tCO ₂ e)	Market- Based Methodology (tCO ₂ e)
Combustion of Gas	(Scope 1)	379,447	69.4	39.3
Electricity	(Scope 2)	517,225	91.5	65.6
Transport	(Scope 3)	371,989	90.5	90.5
Total	(Scope 1,2 & 3)	1,268,661	251.4	195.4*

Table 1: Total energy consumption and associated greenhouse gas emissions from Scope 1, 2 and Scope 3 for SECR Year 1 reporting period

*As we are directly responsible for procuring the electricity and gas used across our offices, and where this energy is sourced from renewable suppliers, we have chosen to report on our greenhouse gas (GHG) emissions using both the location-based and market-based methodologies. This approach demonstrates our commitment to reducing GHG emissions while maintaining full compliance with Streamlined Energy and Carbon Reporting (SECR) requirements through the inclusion of the location-based methodology.

Intensity ratio

Intensity ratios compare emissions data against a relevant business metric or financial indicator, enabling performance comparisons over time and with similar organisations. For this report, we have chosen to express overall energy consumption and associated GHG emissions in relation to our annual turnover for the reporting period. This provides a meaningful measure of energy efficiency and carbon performance relative to business activity.

SECR Reporting Period:	Intensity Ratio	Intensity Ratio
	(kWh /£100,000 turnover)	(tCO ₂ e /£100,000 turnover)
2024-25	4,630.0	3.43

Table 2: Energy consumption and associated greenhouse gas emissions per £100,000 of annual turnover. Energy intensity ratios are calculated and presented as advised by the Department for Energy Security and Net Zero (DESNZ).

Energy Efficiency Actions

During the 2024–25 reporting period, WEA continued to proactively review its property portfolio and identify opportunities to improve energy performance. We have replaced outdated, energy-inefficient lighting with modern LED fittings and enhanced automatic lighting controls across six of our offices. We are delivering colleague awareness training to promote energy efficiency and sustainable working practices.

We plan to develop on-site renewable energy generation through the installation of photovoltaic (PV) solar panels to produce electricity. We continue to encourage the use of video conferencing and online meetings as an alternative to car-based business travel.

Additionally, we procure electricity and gas for all properties under our responsibility from 100% renewable sources, supported by Renewable Energy Guarantees of Origin (REGOs). This approach reduces our overall carbon footprint by more than 20% and lowers building-related GHG emissions by nearly 35%.

Methodology

WEA decided to follow and adapt, for SECR reporting, a widely recognised GHG Reporting Protocol – Corporate Standard methodology.

Total annual energy consumption within Scope 1, Scope 2 and the mandatory element of Scope 3 were calculated based on recorded consumption data for the financial year 2024-25 (1 August 2024 to 31 July 2025). Therefore, this period complies with the legislation and is deemed the compliant SECR Year 1 reporting period.

Energy consumption data have been collected and aggregated for all WEA sites using verifiable sources. Where direct data were unavailable, such as for service-charged premises, energy usage was estimated using relevant industry benchmarks published by CIBSE and BEIS.

For the calculation of carbon emissions associated with the audited properties, the UK Government’s approved conversion factors, as published by the Department for Energy Security and Net Zero in the “Conversion Factors – Energy and Carbon Conversion” dataset, have been applied in line with recognised company reporting standards.

Activity	Fuel	Unit	Year	kg CO ₂ e
Electricity generated	Electricity: UK	kWh	2025	0.177
Gaseous Fuels	Natural gas	kWh	2025	0.18296

Table 3 – Energy and Carbon Conversion Factors (Scope 1 & 2)

As we do not operate any company vehicles, all transport-related energy use and associated GHG emissions arise solely from the use of grey fleet vehicles (privately owned cars used for business purposes). The transport analysis has been based on financial records (mileage claims) provided by the Accounts Department. The relevant DESNZ conversion factors for “unknown fuel – average car” have been applied.

Vehicle Type	Fuel	Year	kWh/mile	kgCO ₂ e/mile
Average car	Unknown Fuel	2025	1.10679	0.26915

Table 4 – Energy and Carbon Conversion Factors (Scope 3)

Charity Governance Code

The Board of Trustees adopted the Charity Governance Code (larger charities) in 2018 and have discussed and assessed the organisation’s performance against the Code’s main principles and recommended practices since that time, and as updated in 2020. WEA’s adherence to the Code and its principles formed a significant part of the external review of governance effectiveness carried out between January and July 2024, and which judged WEA’s governance as effective.

Following updates to the Charity Governance Code in 2020, Trustees have considered their approach to putting into practice the Code’s EDI principles across WEA, and how Trustees and others involved in governance can demonstrate adherence to the enhanced integrity principle.

Principles of Equality, Diversity, and Inclusion – WEA received provisional IID accreditation in March 2022. Through the process of governance review, Trustees and members of Council identified certain provisions in WEA’s Articles & Regulations which were felt to inadvertently impede greater diversity within the formal governance structure. Such provisions were modified or removed when updating the Articles and Regulations in July 2024. Significant modifications made with the explicit aim of improving diversity included amendments to the composition of the WEA Council, expansion and modification to the Board’s composition, and the constitution of a Nominations Committee (now Governance & Nominations Committee).

Principle of Integrity – Trustees have sought to address power imbalances within and across WEA’s governance structure by introducing term limits on non-trustee appointments. Non-trustee members of committees and Advisory Panels are now limited to two terms of three years’ service on any one committee or panel. In December 2022, the Articles were changed to introduce absolute term limits on Trustee appointments, closing a loophole in the Articles which created potential opportunities for certain individuals to remain on the Board of Trustees for as long as six terms of four years. Such provisions were retained in the new Articles brought into effect in July 2024.

WEA continues to work toward greater and explicit adherence to the Charity Governance Code. It continues to make significant improvements in areas where weaknesses have been previously identified.

Leadership – Succession planning on the Board of Trustees has been addressed through the appointment of a Deputy Chair and agreement of a clear role description for the Deputy Chair. The Board has also agreed a Succession Planning Policy and convened a Governance & Nominations Committee to oversee the recruitment of new Trustees, anticipate upcoming vacancies on the Board and on committees of the Board, and to ensure the conduct of periodic skills audits.

Decision-making, risk, and control – Decision-making and delegation has been refined through clarifications in the designation of senior post holders having direct responsibility to the Board of Trustees, and to whom the Board may delegate directly. Delegation to committees is now clearly documented in up-to-date terms of reference. The Audit & Risk Committee maintains oversight of WEA’s risk appetite and the overall scoring and assessment of high-level risk. Frameworks for the identification and assessment of risk are being strengthened through implementation of clearer, more rigorous programmes of review at operational level, with Leadership Team taking a more active role in overall risk management.

Board effectiveness – WEA has progressively updated and reformed its governance structure, practices and procedures over the course of the previous five years. In 2023/24, in accordance with DfE guidance on

strengthening governance and conditions of funding, WEA undertook an external review of its governance effectiveness, commencing in January 2024. The law firm Stone King was engaged for this purpose. In the judgment of Stone King:

taking account of meeting observations, discussions and documentation available, [the] review recognises that the governing of the WEA Board of Trustees is committed, positive, challenging and demonstrates ambition. There is a supportive and enquiring governing culture. Significant development of the governance framework undertaken over recent years has positively impacted governing effectiveness.

Following formal receipt and acceptance of Stone King's report on WEA governance effectiveness at a meeting on 11 July 2024, the Board of Trustees has agreed an action plan which has guided further governance development and improvement over the course of the 2024/25 financial year. A summary of Stone King's report is available on the WEA website.

The Board of Trustees has received an update on the new iteration of the Charity Governance Code published in November 2025, including a review of key changes. Work will be undertaken in early 2026 to ensure WEA governance adheres to all relevant provisions of the new Code as applicable to larger charities.

Governance review

During the 2023/24 financial year, WEA adopted new Articles & Regulations which updated and simplified language throughout and reformatted the Articles to broadly follow the format of model articles for "foundation" type charitable companies. The charity's objects, aims and principles were unchanged. Other changes to the Articles & Regulations included:

- Simplifying provisions regarding the composition of the Board of Trustees, with allowances made for a Board of up to 15 Trustees.
- Amending provisions on winding up to ensure consistency with charity law in Scotland as well as in England. Charity Commission consent was sought and received in advance of this change being made.
- Amending the quorum for Trustees' meetings so that this is a simple majority. Provisions requiring that certain classifications of Trustees form the majority were removed.
- Clarifying provisions relating to the conduct of electronic meetings and adding provisions relating to decision-making by circulation.
- Updating provisions regarding the management of conflicts of interest to ensure compliance with the higher standards in Scottish law – i.e., where there is a conflict of interest, the conflicted member may not participate in any vote, even where the other trustees may consent to the member's participation.

Provisions in the Articles allowing the appointment of funder trustees were retained in accordance with requirements of WEA's funding agreements with DfE and MCAs in England. There are currently no funder trustees on WEA's Board of Trustees.

The adoption of new Articles & Regulations was the last stage in the governance review of WEA which commenced in 2018. The Board and committee arrangements enabled by the new Articles, the local governance arrangements set out in Regulations, and an expanded, professionalised governance team mean that WEA is structured and resourced to ensure its governance structures, procedures and practices are kept up to date and remain aligned with the guidance set out in the Charity Governance Code (larger charities) as updated in 2020, and with DfE's statutory guidance on supporting governance.

Trustees are aware that the funding and regulatory world outside of WEA is changing rapidly, and that WEA is obliged to respond to these changes to secure its future. Together with WEA Council, Trustees have worked to build and maintain clear lines of sight from the Board to the local communities WEA serves, placing priority on the following areas:

- Safeguarding (including learners, colleagues, and volunteers)
- Equality and inclusion
- Health, safety, and wellbeing
- Education quality
- Learner engagement and voice
- Application of financial resources
- Environmental sustainability and social value.

Local Advisory Panels, implemented in 2022/23, worked throughout the year to provide assurances to the Board of Trustees and other stakeholders that WEA is meeting local need (as defined by funders, and needs identified outside the scope of funding agreements), surfacing and responding effectively to learner feedback, and identifying opportunities for WEA to extend its charitable reach. WEA's network of Local Advisory Panels was initially aligned to areas of devolved funding in England with provision for additional Local Advisory Panels to be constituted in non-devolved areas on the recommendation of Association Members. Local Advisory Panels were paused to work in June 2025 to enable an assessment of effectiveness, and for consideration to be given to the sustainability of the local governance model considering the rapid acceleration of devolution, and devolution to county level in some areas.

Attendance at Board and Committee Meetings during 2024/25

Abbreviations:

A&R	Audit & Risk Committee	PC	People Committee
EC	Education Committee	RC	Remuneration Committee
F&CR	Finance & Capital Resources Committee	SB	Scotland Board
GNC	Governance & Nominations Committee	T/WEAC	Joint meeting of the Trustees & WEA Council
		WEAC	WEA Council

Trustee	Board/ Committee	2024/25 Meetings	Attendance
John Widdowson	Board (Chair)	4/4	100%
	T/WEAC	1/1	100%
	RC	1/1	100%
	GNC	4/4	100%
Catherine Armor	Board	3/4	75%
	T/WEAC	1/1	100%
	PC (Chair)	4/4	100%
	EC	3/5	60%
	RC	1/1	100%
Robin Cook	Board	3/4	75%
	T/WEAC	1/1	100%
	A&R	4/4	100%
	SB	3/3	100%
	WEAC	2/3	67%
Kevin Doyle	Board	4/4	100%
	T/WEAC	1/1	100%
	F&CR (Chair)	4/4	100%
	RC	1/1	100%
Colin Finlay#	No Attendance in 2024/25		
Malcolm Grady	Board	3/4	75%
	T/WEAC	1/1	100%
	EC (Chair)	5/5	100%
Christine Grant	Board	4/4	100%
	T/WEAC	1/1	100%
	A&R (Chair)	4/4	100%
	GNC	3/4	75%
Tracey Irving	Board	2/4	50%
	T/WEAC	1/1	100%
	SB (Chair)	3/3	100%
+ Term ended before 31 July 2025.			
# Term began after 1 August 2024.			

Trustee	Board/ Committee	2024/25 Meetings	Attendance
Jamey Johnson	Board	3/4	75%
	T/WEAC	1/1	100%
	F&CR	2/4	50%
Abda Khan+	Board	2/2	100%
	T/WEAC	1/1	100%
Amanda Woodvine#	Board	1/1	100%
Geoff Layer	Board	4/4	100%
	T/WEAC	1/1	100%
	EC	3/5	60%
	RC (Chair)	1/1	100%
	GNC (Chair)	4/4	100%
Stephanie Mason	Board	4/4	100%
	T/WEAC	1/1	100%
	F&CR	4/4	100%
Ronald Marks	Board	4/4	100%
	T/WEAC	1/1	100%
	PC	4/4	100%
	WEAC	2/3	67%
Matthew Pointon	Board	4/4	100%
	T/WEAC	1/1	100%
	PC	4/4	100%
	WEAC (Chair)	3/3	100%
	RC	1/1	100%
	GNC	2/4	50%

WEA's Board of Trustees and its committees normally meet on a quarterly cycle of meetings so that each group meets four times per year. Termly joint meetings of the Board of Trustees and WEA Council have been reduced from three to one per year, following the conclusion of WEA's internal review of governance. The practice of the Council meeting jointly with the Board of Trustees once per year has been retained in order to facilitate discussion of shared priorities at the start of each academic year.

Average attendance at meetings of the Board of Trustees in 2024/25, excluding the joint meeting with Council, was 88% (2023/24: 88%). Including the joint meeting with WEA Council, overall Trustee attendance was 96% (2023/24: 87%). Average Trustee attendance at the joint meeting of the Board of Trustees and WEA Council was 95% (2023/24: 83%).

Average attendance at all Board and Committee meetings in 2024/25 was 88% (2023/24: 86%).

Trustees' declaration

Statement of trustees' responsibilities

The Trustees (who are also Directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice ("UK accounting standards").

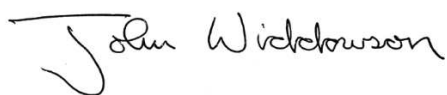
Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Trustees of the charitable company at the date of approval of this report is aware, there is no relevant audit information (information needed by the charitable company's auditor in connection with preparing the audit report) of which the charitable company's auditor is unaware. Each trustee has taken all the steps that they should have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Approved on behalf of Trustees on 11 December 2025.



Signed: John Widdowson, CBE
Chair of Trustees

Statement of corporate governance & internal control

The following statement is provided to enable readers of the Annual Report and Accounts of the Charity to obtain a better understanding of its governance and legal structure. This statement covers the period from 1 August 2024 to 31 July 2025 and up to the date of approval of the Annual Report and Financial Statements.

The Charity endeavours to conduct its business:

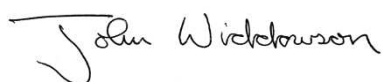
- i. In accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
- ii. In accordance with the governance requirements in the Companies Act 2006 and the Charities Act 2011; and
- iii. With due regard to the guidance and principles set out in the UK Corporate Governance Code 2018.

The Charity is committed to exhibiting best practice in all aspects of corporate governance and, as a registered charity, follows compliance guidelines set by the Charity Commission. We have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code we consider to be relevant to the further education sector and best practice.

The Board of Trustees 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 Board of Trustees confirm that they have due regard for the Charity Commission's guidance on public benefit and that the required statements appear elsewhere in these financial statements.

Approved by order of the Board of Trustees on 11 December 2025 and signed on its behalf by:



John Widdowson, CBE
Chair of Trustees



Simon Parkinson
CEO/GS

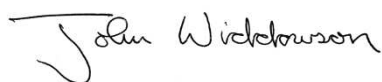
Governing body's statement on the regularity, propriety and compliance with funding body terms and conditions of funding

The Charity has considered its responsibility to notify the Department of Education ("DfE") of material irregularity, impropriety and non-compliance with the DfE terms and conditions of funding.

We confirm, on behalf of the Charity, that after due enquiry, and to the best of our knowledge, we are not able to identify any material irregular or improper use of funds by the Charity, or material non-compliance with the DfE's terms and conditions of funding.

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

Approved by order of the Board of Trustees on 11 December 2025 and signed on its behalf by:



John Widdowson, CBE
Chair of Trustees



Simon Parkinson
CEO/GS

Independent auditor's report to the members and trustees of the Workers' Educational Association ("WEA")

Opinion

We have audited the financial statements of WEA ('the charitable company') for the year ended 31 July 2025 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2025 and of its income and expenditure, 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 Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006(amended).

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken during our audit:

- the information given in the trustees' report, which includes the directors' report, and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

Considering the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement [set out on page 36], the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, The Charities and Trustee Investment (Scotland) Act 2005, Further and Higher Education Act 1992 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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 might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Health and Safety legislation, Ofsted Education Inspection Framework, taxation legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

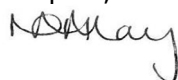
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Nicola May
Senior Statutory Auditor For and on behalf of Crowe U.K. LLP
Statutory Auditor London

Date 17 December 2025

Independent reporting accountant's report on regularity 31 July 2025

To the Trustees of the Workers' Educational Association (the WEA) and Secretary of State for Education, acting through Department for Education (the DfE) and the Greater Manchester Combined Authority, Liverpool City Region Combined Authority, West of England Combined Authority, West Midlands Combined Authority, North East Combined Authority, Greater London Authority, West Yorkshire Combined Authority, South Yorkshire Mayoral Combined Authority and Cambridge and Peterborough Combined Authority (referred to as "the Authorities" below).

In accordance with the terms of our engagement letter dated 17 November 2025 and further to the requirements and conditions of funding in the DfE's grant funding agreements and contracts, or those of any other public funder, including the Authorities we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by the WEA during the period 1 August 2024 to 31 July 2025 have not been applied to the purposes identified by Parliament and the financial transactions do not conform to the authorities which govern them.

The framework that has been applied is set out in the post-16 audit code of practice (the Code) issued by the DfE and in any relevant conditions of funding concerning adult education notified by a relevant funder.

This report is made solely to the trustees of WEA and the DfE and the Authorities in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Trustees of the WEA and the DfE and the Authorities 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 WEA and the DfE and the Authorities for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the WEA and the reporting accountant

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

Our responsibilities for this engagement are established in the United Kingdom by 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 2024 to 31 July 2025 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Code issued by the DfE and in accordance with any guidance provided by the Authorities. We performed a limited assurance engagement as defined in that framework.

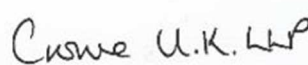
The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity of the WEA's income and expenditure. The work undertaken to draw to our conclusion includes a review of the design and implementation of WEA's internal controls and review processes on regularity, supported by detailed tests on sample of costs incurred by the college and specific transactions identified from our review.

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 2024 to 31 July 2025 has not been applied to purposes intended by Parliament, and the financial transactions do not conform to the authorities that govern them.



Crowe U.K. LLP

Date: 17 December 2025

Financial statements

Statement of financial activities for the year ended 31 July 2025

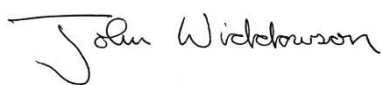
	Notes	2024/25 Unrestricted funds £'000	2024/25 Restricted funds £'000	2024/25 Total funds £'000	2023/24 Unrestricted funds £'000	2023/24 Restricted funds £'000	2023/24 Total funds £'000
Income from:							
Donations and legacies		48	-	48	39	-	39
Charitable activities	2	11,539	13,588	25,127	12,553	18,338	30,891
Investment income	19	1,665	-	1,665	1,727	-	1,727
Other		109	464	573	45	3	48
Total income		13,361	14,052	27,413	14,364	18,341	32,705
Expenditure on:							
Charitable activities	3	11,796	13,662	25,458	15,850	11,624	27,474
Other	18b	1,217	-	1,217	1,272	-	1,272
Total expenditure		13,013	13,662	26,675	17,122	11,624	28,746
Net income/(expenditure)		348	390	738	(2,758)	6,717	3,959
Transfers between funds	13	3,110	(3,110)	-	3,234	(3,234)	-
Other recognised losses:							
Adjustment for defined benefit pension scheme	18e	(60)	-	(60)	(398)	-	(398)
Net movement in funds		3,398	(2,720)	678	78	3,483	3,561
Reconciliation of funds:							
Total funds brought forward		13,032	5,429	18,461	12,954	1,946	14,900
Total funds carried forward		16,430	2,709	19,139	13,032	5,429	18,461

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities. The notes on pages 46 to 76 form part of these accounts.

Balance sheet as at 31 July 2025

		2024/25	2023/24
	Notes	£'000	£'000
Fixed assets			
Tangible assets	8	9,678	7,003
Intangible assets	8	1,608	1,811
Total fixed assets		11,286	8,814
Current assets			
Debtors	9	2,646	2,300
Investments	16	9,285	6,980
Cash at bank and in hand	16	571	6,656
Total current assets		12,502	15,936
Liabilities			
Creditors: amounts falling due within one year	10	(4,453)	(6,034)
Net current assets		8,049	9,902
Total assets less current liabilities		19,335	18,716
Creditors: amounts falling due after one year	10	-	-
Provisions for liabilities	22	(197)	(255)
Total net assets		19,139	18,461
Funds of the Charity			
Unrestricted funds	13	5,144	4,218
Designated funds	13	11,286	8,814
Total unrestricted funds	13	16,430	13,032
Restricted funds	13	2,709	5,429
Total charity funds		19,139	18,461

The financial statements on pages 46 to 76 were approved by the Board of Trustees and authorised for issue on 11 December 2025, and are signed on its behalf by:



John Widdowson, CBE
Chair of Trustees



Simon Parkinson
CEO/GS

Cash flow statement for the year ended 31 July 2025

	Notes	2024/25 £'000	2024/25 £'000	2023/24 £'000	2023/24 £'000
Cash flows from operating activities:					
Net cash provided by operating activities	14		(679)		4,829
Cash flows from investing activities:					
Interest received	19	439		418	
Purchase of tangible and intangible assets	8	(3,615)		(4,257)	
Net cash used in investing activities			(3,176)		(3,839)
Cash flows from financing activities:					
Sale of Fixed Assets		76		19	
Net cash provided by / (used in) financing activities			76		19
Change in cash and cash equivalents in the reporting period			(3,779)		1,009
Cash and cash equivalents at the beginning of the reporting period			13,635		12,627
Cash and cash equivalents at the end of the reporting period			9,856		13,636
Notes to the cash flow statement					
			2024/25 £'000		2023/24 £'000
Analysis of cash and cash equivalents					
Investments			9,285		6,980
Bank and cash			571		6,656
Total cash and cash equivalents			9,856		13,636

Notes to the financial statements for the year ended 31 July 2025

1. Accounting policies**Basis of preparation****Basis of preparation**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Companies Act 2006, Charities: Statement of Recommended Practice (FRS102) applicable in the UK and Republic of Ireland, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. We believe this is the most appropriate basis of accounts preparation.

The Trustees have assessed WEA's ability to continue as a going concern. The Trustees have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. This has included a review of budgets and cash flow forecasts through to July 2027 and consideration of the key risks, namely losing income through poor contract performance or a poor devolution outcomes in certain areas. The WEA has prepared a number of financial scenarios to manage this risk and they also dictate the target minimum reserves level as set out in the reserves policy.

Cash management and working capital controls are in place to ensure restricted and unrestricted assets and reserves are appropriately managed.

The Trustees are confident the organisation has adequate resources to operate for the foreseeable future as a going concern and has prepared its financial statements on this basis.

The WEA's charitable objective is to promote adult and general education. The WEA meets the definition of a public benefit entity.

Fund accounting:

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity, and which have not been designated for other purposes.

Designated funds represent the Associations funds relating to fixed assets.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The funds are maintained on a project by project basis or in accordance with the agreed restrictions on their use.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the Association is entitled to the income, its receipt is probable and the amounts can be measured reliably.

Voluntary income is received by way of donations and gifts and is recognised on a receivable basis where the receipt is probable and the amount can be reliably measured.

Volunteer time

WEA benefits from the active participation of volunteers, as referred to in the Trustees' Report. The financial statements do not quantify any financial value on this contribution.

Grants are included in the SOFA on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds in the balance sheet. Where income is received in advance of meeting any performance-related conditions, there is no unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

Service level agreements are recognised in line with performance. These relate to fees and contract income.

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

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Governance costs comprise management of the Charity's assets, organisational management and compliance with constitutional and statutory requirements.

Cost allocation

The Association has considered that it has just one activity, which is Education Provision, to which the majority of costs are directly attributable. Where costs cannot be directly attributed to particular headings, they have all been allocated to activities on a basis consistent with their use.

Branches

The Charity carries out activities through a national network of non-autonomous branches which operate under the Charity's registration number. These run courses for the Charity locally and receive support from the Charity through advice, publicity and meeting tutor costs. Branch activities are included in the Charity's accounts.

Notes to the financial statements for the year ended 31 July 2025

1. Accounting policies (continued)

Fixed assets and depreciation

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental costs of acquisition. Computers regardless of cost are capitalised.

Capital project items are capitalised and depreciated over 3 years from the time when the project commenced or in line with the life of the project.

Software costs (excluding maintenance costs), costing £1,000 or more are capitalised over 3 years in line with the Association’s policies.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land	Nil
Freehold buildings	over 50 years
Improvement to buildings	over 10 years
Grant funded building improvements	over the life of the project
Grant funded equipment	over the life of the project
Other equipment	over 3 years
Computer software	over 3 years

Investments and management of liquid resources

Cash includes cash in hand and at bank. Investments are short-term deposits of up to 95 days’ notice, held as part of the Association’s treasury management activities. Movements in all short-term investments, deposits and cash repayable at the end of the investment periods are reported under cash and cash equivalents in the cash flow statement.

Pension costs

At 31 July 2025 retirement benefits to employees are provided by the People’s Pension, the Teachers’ Pension (TP), the Scottish Public Pensions Agency (SPPA) and the Charity’s own Workers’ Educational Association pension scheme (WEA Scheme) whose Trustee and Administrator is The Pensions Trust.

The People’s Pension is a defined contribution scheme.

The TP, SPPA and WEA pension schemes are defined benefit schemes.

The TP and SPPA are multi-employer schemes. It is not possible to identify the Association’s share of the underlying assets and liabilities of the schemes on a consistent and reliable basis and therefore, as required by FRS 102, the WEA accounts for the schemes as if they were defined contribution schemes. The Association’s contributions are charged in the period in which the salaries they relate to are payable, in accordance with the recommendations of the Government Actuary.

For the WEA Scheme, the difference between the fair value of the assets held in the Association’s defined benefit pension scheme and the scheme’s liabilities measured on an actuarial basis using the projected unit method are recognised in the Association’s balance sheet as a pension scheme asset or liability as appropriate. Changes in the defined benefit pension scheme asset or liability arising from factors other than cash contribution by the Association are charged to the SOFA in accordance with Financial Reporting Standards (FRS 102) - Retirement Benefits. The deficit arising from the adoption of FRS 102 is recognised as a reduction in the general reserves.

Surpluses are not recognised unless they are considered recoverable.

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the SOFA in the year in which they fall due.

Notes to the financial statements for the year ended 31 July 2025

1. Accounting policies (continued)

Provisions and contingencies are recognised when the following three conditions are met: the Association has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economical benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. The amount of the provision represents the best estimate of the expenditure required to settle the obligation at the end of the reporting period.

Contingent liabilities, including liabilities that are not probable, or which cannot be reliably measured, are not recognised but are disclosed unless the possibility of settlement is considered remote. Contingent Assets are not recognised, but are disclosed where an inflow of economic benefit is probable.

Financial instruments

WEA has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transition value, and subsequently measured at the settlement value.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due, or discount offered.

Creditors

Creditors and provisions are recognised where the Association has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and investments available within twenty-four hours.

Investments

Investments are short-term highly liquid investments with a short maturity of 95 days or less.

Key judgements and assumptions

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

Details of the two main accounting estimates can be found in the notes to the accounts. The valuation of the freehold property is detailed in note 8 and the accounting valuation of the defined benefit pension scheme in note 18.

Redundancy

The WEA recognises a provision for redundancy costs when they are committed to a programme of redundancy at the balance sheet date. This can be recognised while a consultation process is underway as long as the redundancy programme has been announced. The provision is measured at the best estimate of the redundancy liability accrued to the end of the accounting period.

Dilapidations Provision

Provisions are made when a legal or constructive obligation is identified and the liability can be reasonably qualified. The provision is based on an estimate provided by the landlord of the property or a benchmarked market rate per square foot of the leased property.

Notes to the financial statements for the year ended 31 July 2025

2. Incoming resources from charitable activities

Educational provision	Unrestricted 2024/25 £'000	Restricted 2024/25 £'000	Total 2024/25 £'000	Total 2023/24 £'000
Fees and contracts	403	4,220	4,623	4,149
Education and Skills Funding Agency (ESFA) grant	11,123	-	11,123	11,902
Other grants receivable	13	9,368	9,381	14,836
Other income from activities	-	-	-	4
Total incoming resources from charitable activities	11,539	13,588	25,127	30,891

2a. Analysis of income from charitable activities

	Total 2024/25 £'000	Total 2023/24 £'000

ESFA unrestricted grants

ESFA contract	10,452	11,502
Other ESFA grants and contracts	671	400

Total ESFA unrestricted grants	11,123	11,902

Total ESFA restricted grants	-	-

Total ESFA contracts & grants	11,123	11,902

Other unrestricted grants

Total other unrestricted grants	13	11

Total other restricted grants	9,368	14,825

Total other grants	9,381	14,836

3. Resources expended on charitable activities

	Unrestricted 2024/25 £'000	Restricted 2024/25 £'000	Total 2024/25 £'000	Total 2023/24 £'000

Educational activity costs

Direct costs - staff	2,399	1,638	4,037	4,616
Direct costs - travel & subsistence	63	79	142	255
Direct costs - course related	309	475	784	8,862
Grants and subcontractor payments	-	6,126	6,126	3,602

Total educational activity costs	2,771	8,318	11,089	17,335

Governance costs (note 4)	511	6	517	355

Support costs (note 5)	8,514	5,338	13,852	9,784

Total resources expended on charitable activities	11,796	13,662	25,458	27,474

Notes to the financial statements for the year ended 31 July 2025

4. Governance costs

	Total 2024/25 £'000	Total 2023/24 £'000
External audit fees		
Crowe U.K. LLP (note 7)	62	59
Other Assurance fees		
Crowe U.K. LLP (note 7)	6	4
Internal Audit Fees	20	20
Legal and professional fees	233	80
Trustees meetings and other costs (note 17)	4	10
Support costs - staff	192	182
Total governance costs	517	355

5. Support costs

	Total 2024/25 £'000	Total 2023/24 £'000
Support costs - staff	10,581	5,743
Support costs - other	1,602	1,948
Facilities management	862	795
IT & communications	807	1,298
Total support costs	13,852	9,784

Notes to the financial statements for the year ended 31 July 2025

6. Staff costs

	Total 2024/25 £'000	Total 2023/24 £'000
Wages and salaries	11,141	13,914
Social security costs	1,168	1,283
Pension costs	1,113	1,412
Redundancy costs	262	1,174
Total staff costs	13,684	17,783

The above figure does not include agency staff employed by the Association at a cost of £607,764 (2023/24: £305,557)
At the year-end £65,782 (2023/24: £1,007,442) of the redundancy costs remained unpaid.

The average number of employees during the year was as follows:

	2024/25	2023/24
Staff	301	387
Tutors	227	349
Total average number of employees	528	736

Number of employees earning £60,000 per annum and above are as follows:

£60,001 - £70,000	4	13
£70,001 - £80,000	3	7
£80,001 - £90,000	4	5
£90,001 - £100,000	1	4
£100,001 - £110,000	1	1
£110,001 - £120,000	1	-
£140,000 - £150,000	-	1
	14	31

2 members of staff (2023/24: 1) received redundancy payments in 2024/25 which took their earnings into the above brackets. Pension benefits are accruing for the other 12 (2023/24: 10) higher paid employees. Total employer pension contributions of £81,033 (2023/24: £127,904) have been made in relation to higher paid employees.

The key management personnel of the Charity comprise the Board of Trustees (14) and the Leadership Team (9) (2023/24: 8). The emoluments payable to key management personnel and higher earners are detailed below:

	Total 2024/25 £'000	Total 2023/24 £'000
Salary	1,104	1,908
Redundancy	28	314
PILON	12	138
Ex-Gratia	-	23
Pension contributions paid by the WEA	81	173
Total emoluments paid	1,225	2,556

The emoluments paid to the Accounting Officer consist of salary payments of £139k (2023/24: 140k), and pension contributions of £38k (2023/24: £33k), totaling £177k (2023/24: £173k).

7. Analysis of charitable expenditure

Charitable expenditure includes:

	Total 2024/25 £'000	Total 2023/24 £'000
External auditors’ remuneration	62	59
Other assurance services performed by external auditors*	6	4
Depreciation	750	725
Profit/(loss) on disposal of tangible assets	(76)	-
Operating lease charges	247	186

* Other assurance services performed by the external auditors include regularity audits to meet the conditions of DfE/MCA contracts.

Notes to the financial statements for the year ended 31 July 2025

8. Fixed asset schedule

	Land and Buildings £'000	Education Equipment £'000	Other Equipment £'000	Assets in the course of construction £'000	Total 2024/25 £'000

Tangible fixed assets

Cost

At 1 August 2024	5,991	114	261	3,269	9,635
Additions	-	6	-	3,437	3,443
Transfers	939	-	162	(1,101)	-
Disposals	(623)	-	-	-	(623)
At 31 July 2025	6,307	120	423	5,605	12,455

Depreciation

At 1 August 2024	2,385	109	138	-	2,632
Charge for the year	303	5	67	-	375
Disposals	(230)	-	-	-	(230)
At 31 July 2025	2,458	114	205	-	2,777

Net book value

At 31 July 2025	3,849	6	218	5,605	9,678
At 1 August 2024	3,606	5	123	3,269	7,003

There is a charge granted over the freehold property 4 Luke Street, London, EC2A 4XW in favour of The Pensions Trust. At 31 July 2025 the charge is capped at £2,500,000.

	Software £'000	Assets in the Course of Construction £'000	Total 2024/25 £'000

Intangible fixed assets

Cost

At 1 August 2024	1,125	1,154	2,279
Additions	-	172	172
Transfers	1,306	(1,306)	-
At 31 July 2025	2,431	20	2,451

Depreciation

As 1 August 2024	468	-	468
Charge for the year	375	-	375
At 31 July 2025	843	-	843

Net book value

At 31 July 2025	1,588	20	1608
At 1 August 2024	657	1,154	1,811

Notes to the financial statements for the year ended 31 July 2025

9. Debtors: amounts falling due within one year

	2024/25 £'000	2023/24 £'000
Trade debtors	88	254
Other debtors	3	19
Prepayments	310	379
Accrued Income	2,245	1,648
Total	2,646	2,300

10. Creditors: amounts falling due within one year

Amounts falling due within one year	2024/25 £'000	2023/24 £'000
Trade creditors	983	868
Accruals	917	2,143
Social security & other taxes	447	514
Deferred income	2,106	2,509
Total	4,453	6,034

Notes to the financial statements for the year ended 31 July 2025

10a. Deferred income

	2024/25 £'000	2023/24 £'000
Opening balance	2,509	2,503
Amounts released	(2,509)	(2,503)
Amounts deferred	2,106	2,509
Closing balance	2,106	2,509

Income received during the year is deferred when the conditions for income recognition have not been fully met. All income deferred in the previous year has been released.

11. Financial commitments

There were capital commitments of £1.7m as at 31st July 2025 (2024: £1m) relating to the purchase of property and fixtures. As at 31 July 2025, the charity has annual commitments under non-cancellable leases as follows:

Expiry date:	Land and building leasehold £'000	Total 2024/25 £'000	Total 2023/24 £'000
Within one year	274	274	181
One to five years	952	952	473
Over five years	304	304	306
Total financial commitments - leases	1,530	1,530	960

12. Analysis of net assets by fund

	Unrestricted funds 2024/25 £'000	Restricted funds 2024/25 £'000	Total Funds 2024/25 £'000	Unrestricted funds 2023/24 £'000	Restricted funds 2023/24 £'000	Total funds 2023/24 £'000
Net assets						
Fixed Assets	11,286	-	11,286	8,814	-	8,814
Net current assets	5,399	2,708	8,107	4,473	5,428	9,901
Long term liabilities	(255)	-	(255)	(255)	-	(255)
Net assets	16,430	2,708	19,138	13,032	5,428	18,460

Notes to the financial statements for the year ended 31 July 2025

13. Statement of funds

	At 1 August 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Pension adjustment £'000	At 31 July 2025 £'000
General funds	2,525	8,417	(7,520)	1,722	-	5,144
Branch funds	201	102	(73)	(230)	-	-
Regional branch reserve fund	1,492	-	-	(1,492)	-	-
	4,218	8,519	(7,593)	-	-	5,144
Designated funds	8,814	3,615	(4,253)	3,110	-	11,286
Pension deficit	-	1,226	(1,166)	-	(60)	-
Total unrestricted funds	13,032	13,360	(13,012)	3,110	(60)	16,430
Restricted funds:						
Revenue	399	13,629	(13,662)	-	-	366
Capital	5,030	423	-	(3,110)	-	2,343
Total restricted funds	5,429	14,052	(13,662)	(3,110)	-	2,709
Total funds	18,461	27,412	(26,674)	-	(60)	19,139

Designated funds represent the part of the Association's funds balance represented by fixed assets.

Regional branch reserve fund represents the balance of accumulated funds transferred from branches to regions in line with the Association's policy of ensuring balances of funds at branches are kept at levels that are sufficient, but not excessive. This reserve may also be used, at trustees' discretion, to address funding gaps where use of ESFA funds is not permitted.

Transfers between unrestricted and restricted funds:

Fixed asset funds: the transfer of £3,110,000 from restricted funds to the designated fund reflects the capital expenditure from capital grants and restricted capital funds.

Prior year statement of funds

	At 1 August 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Pension adjustment £'000	At 31 July 2025 £'000
General funds	5,871	8,782	(12,130)	2	-	2,525
Branch funds	421	15	(121)	(114)	-	201
Regional branch reserve fund	1,379	-	-	113	-	1,492
	7,671	8,797	(12,251)	1	-	4,218
Designated funds	5,283	4,258	(3,960)	3,233	-	8,814
Pension deficit	-	1,309	(911)	-	(398)	-
Total unrestricted funds	12,954	14,364	(17,122)	3,234	(398)	13,032
Revenue	639	11,384	(11,624)	-	-	399
Fixed asset fund	1,307	6,957	-	(3,234)	-	5,030
Total restricted funds	1,946	18,341	(11,624)	(3,234)	-	5,429
Total funds	14,900	32,705	(28,746)	-	(398)	18,461

Notes to the financial statements for the year ended 31 July 2025

13a. Statement of funds (continued)**Lottery funded projects**

	At 1 August 2024 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2025 £
BBO BLF Routes	7,808	-	-	-	-	7,808
Big Lottery Fund and ESF Building Better Opportunities Grant - Cumbria, Carlisle & Eden	300	-	-	-	-	300
UKSPF Liverpool	-	49,123	(21,776)	(27,347)	-	-
Big Lottery Fund and ESF Building Better Opportunities Grant-Aspire - Family Learning Surrey	(4,399)	-	-	-	-	(4,399)
Big Lottery Fund and ESF Building Better Opportunities Grant - Building Family Bridges	809	-	-	-	-	809
Slough Borough Council - Ways Into Work	618	-	-	-	-	618
BLF Men's Health Lounge	927	-	-	-	-	927
ATI	(1,155)	-	-	-	-	(1,155)
Big Lottery Fund - Reach Out Project	-	-	-	-	-	-
Total lottery fund projects	4,908	49,123	(21,776)	(27,347)	-	4,908
Other projects						
ESF (note 13b)	13,182	-	-	(8,620)	-	4,562
Other (note 13c)	381,339	11,670,003	1,932,144	(13,626,503)	(1)	356,982
Total restricted revenue funds	399,429	11,719,126	1,910,368	(13,662,470)	(1)	366,452

Notes to the financial statements for the year ended 31 July 2025

13b. Statement of funds (continued)
European Social Funds (ESF) and other European funding

	At 1 August 2024 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2025 £
Scottish Refugee Council - EU Asylum, Migration and Integration Fund: Sharing Lives Sharing Languages	4,562	-	-	-	-	4,562
Aberdeen University - LEADER - Elphinstone Home Project	8,620	-	-	(8,620)	-	-
Total European restricted funds (note 13a)	13,182	-	-	(8,620)	-	4,562

Notes to the financial statements for the year ended 31 July 2025

13c. Statement of funds (continued)**Other restricted funds**

	At 1 August 2024 £	Received income £	Accrued/ deferred income £	Funded expenditure £	Transfer from General Fund £	At 31 July 2025 £
Olive Cordell	4,142	-	-	-	-	4,142
Pearl Ryall Restricted Gift	500	-	-	-	-	500
Digital Lifeline Campaign	673	-	-	-	-	673
Lloyds	10,153	-	-	(10,153)	-	-
Cumbria LA - Multiply	-	2,465	-	(2,465)	-	-
Algy Beaven Legacy	1,375	-	-	-	-	1,375
John Rhodes Fund	9,581	-	-	-	-	9,581
Public Health Northamptonshire - Northants Weight Management	4,455	-	-	-	-	4,455
LLEP Digital Poverty	5,296	-	-	(5,296)	-	-
West Midlands Combined Authority	-	772,141	1,386	(773,526)	(1)	-
Recovery College	651	-	-	-	-	651
Dolphin Centre	1,528	-	-	-	-	1,528
WMCA Multiply	(19,448)	67,453	-	(48,005)	-	-
Lester John Desmond Legacy	1,352	-	-	-	-	1,352
East of England Local Government Association (EELGA)	-	-	-	315	-	315
Multiply Norfolk	25,611	(1,756)	-	(23,854)	(1)	-
CPCA	-	160,410	-	(160,410)	-	-
West Sussex Multiply	14,217	28,637	-	(42,853)	(1)	-
Joan Taylor Legacy	812	-	-	-	-	812
Multiply Essex	(6,710)	8,960	-	(2,250)	-	-
Inspire Sussex	3,644	-	-	-	-	3,644
Stanley Jones - Ilford Legacy	13,347	-	-	(686)	-	12,661
Margaret Cottier Legacy	3,753	-	-	-	-	3,753
GLA - National Skills Fund	-	31,940	-	(31,940)	-	-
GLA - Adult Education Budget	-	1,343,233	(4,288)	(1,338,945)	-	-
GLA - Multiply	-	72,674	-	(72,674)	-	-
MJT Restricted - Branch	1,958	-	-	-	-	1,958
Fred Adler Legacy	38,957	-	-	-	-	38,957
Balance carried forward	115,847	2,486,157	(2,902)	(2,512,742)	(3)	86,357

Notes to the financial statements for the year ended 31 July 2025

13c. Statement of funds (continued)**Other restricted funds** (continued)

	At 1 August 2024 £	Received income £	Accrued/ deferred income £	Funded expenditure £	Transfer from General Fund £	At 31 July 2025 £
Balance brought forward	115,847	2,486,157	(2,902)	(2,512,742)	(3)	86,357
100 Club	1,836	-	-	-	-	1,836
North of Tyne MCA	-	-	(1,344)	1,344	-	-
Routes of Social Change	-	-	799	(799)	-	-
Durham Multiply	-	36,650	2,109	(38,759)	-	-
RSC - Any Old Ions	10,908	-	-	-	-	10,908
RAS - Look Up to the Skies	6,280	-	-	-	-	6,280
Greater Manchester Combined Authority	-	665,559	50,735	(716,294)	-	-
GMCA L3 Local	-	(314)	-	314	-	-
GMCA Community Grants	-	3,617,581	1,886,728	(5,440,923)	1	63,387
Liverpool City Region Combined Authority	-	737,485	61,563	(799,048)	-	-
LCRCA L3 National	-	37,530	(449)	(37,081)	-	-
Trafford - BNO	-	8,043	-	(8,043)	-	-
Liverpool - Multiply	-	340,397	-	(340,397)	-	-
Lancashire - Multiply	-	314,710	-	(314,710)	-	-
West of England Combined Authority - AEB	-	447,001	-	(447,001)	-	-
West of England Combined Authority - Multiply	-	46,810	(7,109)	(40,169)	-	(468)
Southampton City Council - Multiply	-	24,570	(14,400)	(10,170)	-	-
Portsmouth City Council - Multiply	-	48,576	36,888	(85,464)	-	-
K Smith Legacy	20,875	-	-	-	-	20,875
Basil Slaughter Trust (Essex)	-	1,500	-	-	-	1,500
East Midlands MCA	-	160	(160)	-	-	-
Balance carried forward	155,746	8,812,415	2,012,458	(10,789,942)	(2)	190,675

Notes to the financial statements for the year ended 31 July 2025

13c. Statement of funds (continued)**Other restricted funds** (continued)

	At 1 August 2024 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2025 £
Balance brought forward	155,746	8,812,415	2,012,458	(10,789,942)	(2)	190,675
Mike Haywood Fund	896	-	-	-	-	896
Yorkshire Adult Schools Union	8,300	-	-	-	-	8,300
Leeds University	3,008	-	-	-	1	3,009
NHS Confidence to study	7,911	-	-	(58)	-	7,853
Heritage Fund - Women on the Land	-	-	-	3,814	-	3,814
South Yorks MCA	-	332,880	(117,691)	(215,189)	-	-
West Yorks MCA	-	723,785	-	(723,785)	-	-
Digital Inclusion	-	-	-	40	-	40
WAMT - Green Growth	91,622	-	-	(29)	-	91,593
Multiply York & North Yorkshire	-	-	-	-	-	-
Multiply North Lincs	-	4,078	-	(4,078)	-	-
NECA	-	1,013,468	54,073	(1,067,541)	-	-
UKSPF Chesterfield	-	1,260	-	(1,260)	-	-
Allpay Ltd	-	3,000	(3,000)	-	-	-
Balance carried forward	267,456	10,890,886	1,945,840	(12,798,028)	(1)	306,153

Notes to the financial statements for the year ended 31 July 2025

13c. Statement of funds (continued)**Other restricted funds** (continued)

	At 1 August 2024 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2025 £
Balance brought forward	267,456	10,890,886	1,945,840	(12,798,028)	(1)	306,153
Scottish Government - Health and Social Care - Self Directed Support Project 2018-2020	744	-	-	(744)	-	
Edinburgh College - Edinburgh CBAL	1,690	-	-		-	1,690
Aberdeenshire Council - Adult Education Programme	12,585	-	-	(5,034)	-	7,551
Fife Council - Teaching Grant	5,434	14,480	957	(20,726)	-	145
Highland Council - Syrian Re-settlement Project	5,061	3,958	-	(9,019)	-	-
Adult Learning & Empowering Communities Fund (ALEC)	-	304,500		(304,500)	-	-
Fife Council - Revenue Grant	-	32,231	(159)	(32,072)	-	-
North East College - Aberdeenshire ESOL		2,015	-	(2,015)	-	-
Aberdeenshire Council - Resettlement Programme	10,000	23,430	-	(21,920)	-	11,510
Aberdeen Council of Voluntary Organisations (ACVO)	1,780	-	-	(1,780)	-	-
Highlife Highland - Open Programme	2,860	-	-	-	-	2,860
Highland Multiply	-	30,809		(30,809)	-	-
Edinburgh College - ESOL Programme	-		9,600	(9,570)	-	30
Glasgow Clyde College - ESOL Strategy	-	12,250	-	(12,250)	-	-
-Fife Multiply	35,618	53,474		(89,092)	-	
Aberdeenshire Council - Multiply	-	68,355	(23,285)	(45,070)	-	-
Highland Council - Employability Partnership	459	4,925		(5,384)	-	
Edinburgh Multiply	-	5,820		(5,820)	-	-
Glasgow Multiply	25,781	34,277		(60,058)	-	
Glasgow Scot Gov ESOL	-	91,000		(75,054)	-	15,946
Kincardine stained glass project	-	4,000		(4,000)		
Scottish Government - Directorate for Mental Health & Social Care Support	11,871	93,593	(809)	(93,558)	-	11,097
Balance carried forward	381,339	11,670,003	1,932,144	(13,626,503)	(1)	356,982

Notes to the financial statements for the year ended 31 July 2025

13c. Statement of funds (continued)
Other restricted funds (continued)

	At 1 August 2024 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2025 £
Capital Grants						
ESFA Capital Grant-Energy Efficiencies	188,367	-	-	-	(188,367)	-
ESFA Capital Grant- FE Reclassification	542,098	-	-	-	(542,098)	-
ESFA Capital Grant - Transformation	4,110,015		(216,418)		(2,274,452)	1,619,145
Restricted Capital Proceeds	181,524	(76,432)	-	-	(105,092)	-
College conditions grant		715,821				715,821
Liverpool City Region	7,536	-	-	-	-	7,536
Total restricted capital funds (note 13)	5,029,540	639,389	(216,418)	-	(3,110,009)	2.342,502

Notes to the financial statements for the year ended 31 July 2025

13d. Statement of funds (continued)**Prior year statement of funds** (continued)**Lottery funded projects** (continued)

	At 1 August 2023 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2024 £
BBO BLF Routes	7,808	-	-	-	-	7,808
Big Lottery Fund and ESF Building Better Opportunities Grant - Cumbria, Carlisle & Eden	37,534	-	-	(37,234)	-	300
UKSPF Liverpool	-	62,508	21,776	(84,284)	-	-
Big Lottery Fund and ESF Building Better Opportunities Grant-Aspire - Family Learning Surrey	(4,399)	-	-	-	-	(4,399)
Big Lottery Fund and ESF Building Better Opportunities Grant - Building Family Bridges	809	-	-	-	-	809
Slough Borough Council - Ways Into Work	618	-	-	-	-	618
BLF Men's Health Lounge	927	-	-	-	-	927
ATI	(1,155)	-	-	-	-	(1,155)
Big Lottery Fund - Reach Out Project	37,415	-	-	(37,415)	-	-
Total lottery fund projects	79,557	62,508	21,776	(158,933)	-	4,908
Other projects						
ESF (note 13b)	33,414	39,206	-	(59,438)	-	13,182
Other (note 13c)	526,428	11,990,028	(729,136)	(11,405,981)	-	381,339
Total restricted revenue funds	639,399	12,091,742	(707,360)	(11,624,352)	-	399,429

Notes to the financial statements for the year ended 31 July 2025

13e. Statement of funds (continued)
Prior Year Statement of funds (continued)
European Social Funds (ESF) and other European funding

	At 1 August 2023 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2024 £
Scottish Refugee Council - EU Asylum, Migration and Integration Fund: Sharing Lives Sharing Languages	4,562	-	-	-	-	4,562
Scottish Refugee Council - EU Asylum, Mitigation & Integration Fund: New Scots Integration- A Pathway to Social and Economic Inclusion	20,232	39,206	-	(59,438)	-	-
Aberdeen University - LEADER - Elphinstone Home Project	8,620	-	-	-	-	8,620
Total European restricted funds (note 13a)	33,414	39,206	-	(59,438)	-	13,182

Notes to the financial statements for the year ended 31 July 2025

13f. Statement of funds (continued)**Prior year statement of funds** (continued)**Other restricted funds**

	At 1 August 2023 £	Received income £	Accrued/ deferred income £	Funded expenditure £	Transfer from General Fund £	At 31 July 2024 £
Olive Cordell	4,142	-	-	-	-	4,142
Restricted Gift	500	-	-	-	-	500
Digital Lifeline Campaign	673	-	-	-	-	673
Lloyds	10,153	-	-	-	-	10,153
Cumbria LA - Multiply	211	-	(18,588)	18,377	-	-
Algy Beaven Legacy	1,375	-	-	-	-	1,375
John Rhodes Fund	9,581	-	-	-	-	9,581
Public Health Northamptonshire - Northants Weight Management	4,455	-	-	-	-	4,455
LLEP Digital Poverty	(1,574)	33,923	-	(27,053)	-	5,296
West Midlands Combined Authority	-	794,976	-	(794,976)	-	-
Recovery College	51	-	600	-	-	651
Dolphin Centre	1,528	-	-	-	-	1,528
LCC Multiply	-	18,000	-	(18,000)	-	-
NCC Dig Skills	-	9,250	-	(9,250)	-	-
BBO Vista – Leic BLF	-	2	-	(2)	-	-
WMCA Multiply	-	6,187	-	(25,635)	-	(19,448)
Community First	600	-	-	(600)	-	-
Lester John Desmond Legacy	1,352	-	-	-	-	1,352
East of England Local Government Association (EELGA)	(1,159)	10,404	-	(9,245)	-	-
Multiply Norfolk	3,111	46,946	-	(24,446)	-	25,611
CPCA 2022-23	-	173,227	-	(173,227)	-	-
West Sussex Multiply	12,189	35,000	-	(32,971)	-	14,217
Multiply Brighton and Hove	(31)	4,667	-	(4,636)	-	-
Joan Taylor Legacy	812	-	-	-	-	812
Multiply Essex	-	17,920	-	(24,630)	-	(6,710)
Inspire Sussex	-	3,644	-	-	-	3,644
Stanley Jones - Ilford Legacy	13,347	-	-	-	-	13,347
Margaret Cottier Legacy	3,753	-	-	-	-	3,753
GLA - National Skills Fund	-	72,107	(31,010)	(41,097)	-	-
GLA - Adult Education Budget	-	1,579,254	(19,350)	(1,559,904)	-	-
GLA - Good Work for All	-	52,781	-	(52,781)	-	-
GLA - Multiply	17,311	114,890	(8,554)	(123,647)	-	-
NDY Restricted - Branch	13,424	-	-	(13,424)	-	-
MJT Restricted - Branch	8,534	-	-	(6,576)	-	1,958
Fred Adler Legacy	38,957	-	-	-	-	38,957
Balance carried forward	143,295	2,973,178	(76,902)	(2,923,724)	-	115,847

Notes to the financial statements for the year ended 31 July 2025

13f. Statement of funds (continued)**Prior year statement of funds** (continued)**Other restricted funds**

	At 1 August 2023 £	Received income £	Accrued/ deferred income £	Funded expenditure £	Transfer from General Fund £	At 31 July 2024 £
Balance brought forward	143,295	2,973,178	(76,902)	(2,923,724)	-	115,847
100 Club	1,836	-	-	-	-	1,836
North of Tyne MCA	-	347,647	15,801	(363,448)	-	-
Routes of Social Change	-	31,583	(12,544)	(19,039)	-	-
Durham Multiply	-	29,750	(2,109)	(27,641)	-	-
RSC - Any Old Ions	10,908	-	-	-	-	10,908
RAS - Look Up to the Skies	6,280	-	-	-	-	6,280
Greater Manchester Combined Authority	-	704,855	128,416	(833,271)	-	-
GMCA L3 Local	-	17,070	2,086	(19,156)	-	-
GMCA L3 National	-	10,069	16,080	(26,149)	-	-
GMCA Community Grants	-	2,545,204	(318,451)	(2,226,753)	-	-
Liverpool City Region Combined Authority Lot 1	-	629,291	66,549	(695,840)	-	-
Liverpool City Region Combined Authority Lot 2	-	3,112	-	(3,112)	-	-
LCRCA L3 National	-	33,506	(2,320)	(31,186)	-	-
ESIF - CSI	-	7,500	-	(7,500)	-	-
Trafford - BNO	-	940	-	(940)	-	-
Liverpool - Multiply	-	836,498	(243,906)	(592,592)	-	-
Lancashire - Multiply	-	524,633	6,670	(531,303)	-	-
West of England Combined Authority - AEB	-	526,319	-	(526,319)	-	-
West of England Combined Authority - Multiply	1,782	108,600	8,276	(118,658)	-	-
West of England Combined Authority - Multiply - Bristol	-	4,920	-	(4,920)	-	-
West of England Combined Authority - Multiply - Somerset	-	2,913	-	(2,913)	-	-
Pollinator Fund	-	5,134	-	(5,134)	-	-
Southampton City Council - Multiply	11,699	37,300	14,400	(63,399)	-	-
Portsmouth City Council - Multiply	(64)	132,224	(36,888)	(95,272)	-	-
K Smith Legacy	20,875	-	-	-	-	20,875
Southampton City Council - Innovation Fund	(76)	10,000	-	(9,924)	-	-
Balance carried forward	196,535	9,522,246	(434,842)	(9,128,193)	-	155,746

Notes to the financial statements for the year ended 31 July 2025

13f. Statement of funds (continued)**Prior year statement of funds** (continued)**Other restricted funds**

	At 1 August 2023 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2024 £
Balance brought forward	196,535	9,522,246	(434,842)	(9,128,193)	-	155,746
Mike Haywood Fund	896	-	-	-	-	896
Yorkshire Adult Schools Union	8,300	-	-	-	-	8,300
Leeds University	3,008	-	-	-	-	3,008
NHS Confidence to study	7,911	-	-	-	-	7,911
Heritage Fund - Women on the Land	2,149	9,750	-	(11,899)	-	-
South Yorks MCA	-	335,821	39,819	(375,640)	-	-
West Yorks MCA	-	1,117,680	(344,756)	(772,924)	-	-
Digital Inclusion	(68)	-	-	68	-	-
WAMT - Green Growth	129,165	-	-	(37,543)	-	91,622
Multiply York & North Yorkshire	(308)	-	-	308	-	-
Multiply Rotherham	-	2,139	-	(2,139)	-	-
UKSPF RISE	(28)	5,519	-	(5,491)	-	-
Families Get Active	2,614	-	-	(2,614)	-	-
Balance carried forward	350,147	10,993,155	(739,779)	(10,336,067)	-	267,456

Notes to the financial statements for the year ended 31 July 2025

13f. Statement of funds (continued)**Prior year statement of funds** (continued)**Other restricted funds**

	At 1 August 2023 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2024 £
Balance brought forward	350,147	10,993,155	(739,779)	(10,336,067)	-	267,456
Scottish Government - Health and Social Care - Self Directed Support Project 2018-2020	4,341	-	-	(3,597)	-	744
Edinburgh College - Edinburgh CBAL	3,125	-	-	(1,435)	-	1,690
Aberdeenshire Council - Adult Education Programme	12,585	-	-	-	-	12,585
Aberdeen City Council - Parenting Project	4,610	-	-	(4,610)	-	-
Reach Out Project - General	7,456	-	-	(7,456)	-	-
Fife Council - Teaching Grant	18,534	16,367	-	(29,467)	-	5,434
Highland Council - Syrian Re-settlement Project	10,123	27,290	-	(32,352)	-	5,061
North East Scotland Colleges - Reach Out 22/24	63,820	1,000	-	(64,820)	-	-
Garden Project	266	-	-	(266)	-	-
Adult Learning & Empowering Communities Fund (ALEC)	-	355,249	(50,749)	(304,500)	-	-
Fife Council - Revenue Grant	-	36,430	(5,292)	(31,138)	-	-
North East College - Aberdeenshire ESOL	-	25,851	-	(25,851)	-	-
Aberdeenshire Council - Resettlement Programme	-	19,950	-	(9,950)	-	10,000
Aberdeenshire Council - Fairer Aberdeenshire Fund - Reminiscence Project	388	3,400	-	(3,788)	-	-
Aberdeen Council of Voluntary Organisations (ACVO)	8,484	-	-	(6,704)	-	1,780
Highlife Highland - Open Programme	192	10,000	-	(7,332)	-	2,860
Highland Multiply	6,098	52,133	6,466	(64,697)	-	-
Edinburgh College - ESOL Programme	-	9,600	-	(9,600)	-	-
Hong Kong BNO ESOL Project	10,155	-	-	(10,155)	-	-
Glasgow Clyde College - ESOL Strategy	-	12,250	-	(12,250)	-	-
Borders Multiply	-	2,310	-	(2,310)	-	-
-Fife Multiply	-	172,308	-	(136,690)	-	35,618
Aberdeenshire Council - Multiply	-	-	31,843	(31,843)	-	-
Highland Council - Employability Partnership	-	7,811	-	(7,352)	-	459
Edinburgh Multiply	-	4,620	(720)	(3,900)	-	-
Glasgow Multiply	-	151,028	-	(125,247)	-	25,781
Glasgow Multiply Phase 2	-	28,615	-	(28,615)	-	-
Scottish Government - Directorate for Mental Health & Social Care Support	26,104	60,661	29,095	(103,989)	-	11,871
Balance carried forward	526,428	11,990,028	(729,136)	(11,405,981)	-	381,339

Notes to the financial statements for the year ended 31 July 2025

13f. Statement of funds (continued)**Prior year statement of funds** (continued)**Other restricted funds**

	At 1 August 2023 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2024 £
Capital Grants						
ESFA Capital Grant-Energy Efficiencies	272,442	-	-	-	(84,075)	188,367
ESFA Capital Grant- FE Reclassification	677,115	-	-	-	(135,017)	542,098
ESFA Capital Grant - Transformation	-	8,645,560	(1,688,679)		(2,846,866)	4,110,015
Restricted Capital Proceeds	349,557	-	-	-	(168,033)	181,524
Liverpool City Region	7,536	-	-	-	-	7,536
Total restricted capital funds (note 13)	1,306,650	8,645,560	(1,688,679)	-	(3,233,991)	5,029,540

Notes to the financial statements for the year ended 31 July 2025

14. Reconciliation of change in resources to net cash inflows from operating activities

	2024/25 £'000	2023/24 £'000
Net incoming resources	737	3,958
(Gain)/loss on disposal of fixed assets	317	(17)
Depreciation	750	725
Other finance charges	1,217	1,272
Decrease/(Increase) in debtors	(345)	(250)
Increase in creditors and provisions	(1,639)	1,229
Interest received	(439)	(418)
Other finance income	(1,226)	(1,309)
Non cash movements in respect of FRS 102 s.28	(51)	(361)
Net cash inflow from operating activities	(679)	4,829

15. Return on investments and servicing of finance

	2024/25 £'000	2023/24 £'000
Income from investments and interest receivable	439	418
Net cash inflow for return on investments and servicing of finance	439	418

16. Analysis of change in net funds

Net cash	At 1 August 2024 £'000	Cash flow £'000	At 31 July 2025 £'000
Short term deposits	6,980	2,305	9,285
Bank and cash	6,656	(6,085)	571
Total net funds	13,636	(3,780)	9,856

17. Trustees' expenses and remuneration

The Trustees neither received nor waived any emoluments during the year.

Trustees' expenses	2024/25 £'000	2023/24 £'000
Trustee meeting	4	8
Trustee travel		3
Trustee Recruitment	-	-
Total net funds	4	11

The number of trustees reimbursed out of pocket travel and subsistence expenses was 6 (2023/24:3).

Notes to the financial statements for the year ended 31 July 2025

18. Pension schemes

At 31 July 2021 the pension schemes operated by the Association are the Teachers' Pensions scheme (TPS), the Scottish Public Pension Agency scheme (SPPA) and The People's Pension. Staff are auto-enrolled into these schemes based on job roles and eligibility.

The WEA pension scheme closed to new accruals at 31 August 2019. The existing scheme funds continue to be managed by The Pensions Trust (TPT) who act as trustee and administrator. Contributors were transferred to the People's Pension scheme.

The TP and SPPA schemes are unfunded multi-employer defined benefit schemes for teaching staff.

The pension charge for the year includes contributions payable to the TPS of £901,255 (2023/24 £1,157,657) and at the year-end £164,614 (2023/24 £114,414) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report was published in October 2023. The Valuation Report shows notional assets of £222.2bn and liabilities of £262bn, resulting in a scheme deficit of £39.8bn.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

The pension charge for the year includes contributions payable to the SPPA of £62,672 (2023/24: £84,406) and at the year-end £6,115 (2023/24: £6,347) was accrued in respect of contributions to this scheme.

The employer SPPA contribution rate is 26%. This is a single level contribution and not tiered the same way as employee contributions which attract rates of between 7.35% and 12.14%.

The People's Pension scheme is a defined contribution scheme. The lowest permitted employee contributions are 3.5% with the employer contributing 4.5%. This meets the new Government requirements of a workplace pension scheme with minimum contributions of 8% with an employer funding at least 3%. Employees can still choose to make higher contributions but the employer contribution remains at 4.5%.

The WEA Scheme is a defined benefit scheme in the UK and provides benefits on a final remuneration basis for service up to 31 July 2016 and on Career Average Revalued Earnings (CARE) basis for service from 1 August 2016. The scheme is funded and is contracted out of the State scheme. A full actuarial valuation was carried out at 30 September 2017, and was updated to 31 July 2020 and updated again to September 2023 by a qualified actuary independent of the scheme's sponsoring employer. This scheme was closed to new contributions at 31 August 2019.

This provisional triannual actuarial valuation for September 2023 shows a deficit of £605,000. The WEA agreed with the Trustee that the payment of £403k per year will cease at the end of November 2024 as the deficit will be eliminated. The scheme expenses are paid at £8,833 per month.

The group is aware of the Virgin Media v NTL Pension Trustees II Limited Court of Appeal judgement which may give rise to adjustments to the WEA scheme. At present the legal process is incomplete and therefore we are unable to quantify any potential liabilities.

Last year The Pensions Trust (TPT) advised us that due to uncertainty about the benefits that have been paid to members of the WEA pension scheme, the trustees have received legal advice that it should ask the court to provide clarity. If the court case goes against TPT there will be a potential additional liability at an estimated [10%] of total liabilities. Therefore, in the case of WEA this is estimated at circa £4.4m.

The principal assumptions used by the actuary in accordance with FRS 102 s.28 are shown below. The Trustees have relied upon advice from the Pensions Trust in determining the financial assumptions.

Notes to the financial statements for the year ended 31 July 2025

18. Pension schemes (continued)

	2024/25	2023/24
Discount rate	5.71%	4.90%
Inflation (RPI)	2.93%	3.14%
Inflation (CPI)	2.58%	2.72%
Deferred Revaluation: RPI max 5%	2.93%	3.14%
Deferred Revaluation: RPI max 2.5%	2.50%	2.50%
Salary Increases	3.00%	2.00%
Allowance for pension in payment increases of CPI, max 5% p.a.	2.56%	2.68%
Allowance for pension in payment increases of CPI, max 3% p.a.	2.11%	2.18%
Allowance for pension in payment increases of CPI, max 2.5% p.a. using notional commutation factors 75% of maximum	1.88%	1.94%
The mortality assumptions adopted imply the following life expectancies (in years):		
Male retiring at age 65 in 2024	21.7	21.4
Female retiring at age 65 in 2024	23.9	23.7
Male retiring at age 65 in 2044	23.3	22.9
Female retiring at age 65 in 2044	25.3	25.1

a) Fair value

	2024/25 £'000	2023/24 £'000
Present value of scheme liabilities	(23,082)	(25,548)
Fair value of scheme assets	23,561	25,718
Effect of asset ceiling	(479)	(170)
Surplus	-	-
Amounts in the balance sheet		
Liabilities	-	-
Assets	-	-
Net surplus to be recognised	-	-

b) Change in liabilities during the period

	2024/25 £'000	2023/24 £'000
Opening scheme liabilities	25,548	24,844
Current service cost	-	-
Interest cost	1,217	1,272
Contributions by employees	-	-
Loss due to benefit changes	-	-
Actuarial loss	(2,230)	661
Benefits paid	(1,453)	(1,229)
Closing liabilities	23,082	25,548

Notes to the financial statements for the year ended 31 July 2025

18. Pension schemes (continued)

c) Change in assets during the period

	2024/25 £'000	2023/24 £'000
Opening fair value of the scheme assets	25,718	25,352
Interest income	1,226	1,309
Expenses	(189)	(144)
Return on assets excluding interest income	(1,981)	(75)
Contributions by employer	240	505
Contributions by employees	-	-
Benefits paid	(1,453)	(1,229)
Closing assets	23,561	25,718

d) Analysis of amount charged to the income statement

	2024/25 £'000	2023/24 £'000
Current service cost	-	-
Expenses	189	144
Benefit changes	-	-
Net interest cost	-	-
Total amount recognised in the income statement	189	144

e) Statement of other comprehensive income

	2024/25 £'000	2023/24 £'000
Return on assets excluding interest income	(1,981)	(75)
Experience (losses) on liabilities	(234)	8
Gain for change of assumptions	2,464	(669)
Effect of change in non-recoverable surplus	(300)	375
Net cumulative actuarial loss	(51)	(361)

The loss for change in assumptions is further analysed below:

Gain/(Loss) from change of demographic assumptions	(119)	109
Gain from change of financial assumptions	2,583	(778)
	2,464	(669)

Amount recognised in the SOFA

Amount recognised in the SOFA to bring the pension surplus to nil	(60)	(398)

Notes to the financial statements for the year ended 31 July 2025

18. Pension schemes (continued)

f) Fair value of assets

	Value at 31 July 2025 £'000	Proportion	Value at 31 July 2024 £'000	Proportion
Equity type assets	1,336	5.7%	2,286	8.9%
Bonds	13,370	56.7%	12,900	50.1%
Property	1,356	5.8%	1,411	5.5%
Other	7,499	31.8%	9,121	35.5%
Total value of assets	23,561	100.0%	25,718	100.0%

h) Amounts for the current and previous periods are as follows:

	2024/25 £'000	2023/24 £'000	2022/23 £'000	2021/22 £'000	2020/21 £'000
Present value of scheme liabilities	(23,082)	(25,548)	(24,844)	(31,964)	(39,935)
Scheme Assets	23,082	25,548	24,844	31,964	39,935
Surplus (deficit)	-	-	-	-	-

* adjusted for asset ceiling £479,000 (2023/24: £170,000, 2022/23: £508,000) to bring surplus to zero.

Experience adjustments on scheme liabilities	(234)	8	(1,137)	(2,140)	98
Percentage of the present value of scheme liabilities	1.0%	0.0%	6.7%	-0.2%	-0.5%
Experience adjustments on scheme assets	(1,981)	(75)	(9,418)	(8,080)	2,046
Percentage of the fair value of scheme assets	-8.6%	-0.3%	-25.3%	-4.5%	7.1%

i) Additional information for The Pensions Trust - WEA Pension Scheme

The scheme is a defined benefit (final salary) funded pension scheme. The scheme was closed to further contributions at 31 August 2019. At the time all contributors were transferred to the People's Pension.

The scheme assets do not include investments issued by the sponsoring employer, nor any property occupied by the sponsoring employer.

The overall expected rate of return on the scheme assets has been based on the average expected return for each asset class, weighted by the amount of assets in each class.

The scheme holds Contingent Assets in the form of a security in favour of the Trustee over the office property situated at 4 Luke Street, London, EC2A 4XW which was valued at £3,550,000 on 31 March 2019, in respect of all sums which are, or may become due and payable by the sponsoring employer to the Scheme. At 31st July 2022 the charge is capped at £2,500,000.

The scheme holds quoted securities, and these have been valued at bid-price.

Notes to the financial statements for the year ended 31 July 2025

19. Investment income

	2024/25 £'000	2023/24 £'000
Interest on cash deposits	439	418
Interest on pension scheme assets	1,226	1,309
	1,665	1,727

20. Investments in subsidiaries

At 31st July 2025 the Association owned the entire issued share capital of 1 ordinary shares (2023/24: 1 share) of WEA Trading Ltd. At 31st July 2024 the aggregate of share capital and reserves of WEA Enterprises Limited was £1. (2023/24: £1)

The company has not traded during the period and has nil assets at 2024/25 (2023/24: nil). Consolidated accounts have not been prepared given that the results of the company and its aggregate reserves and capital are immaterial in the opinion of the trustees.

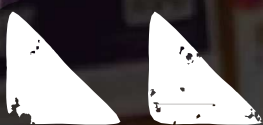
21. Related party transactions

Owing to the nature of the Association's operations and the composition of the Board of Trustees, being drawn from local, public and private sector organisations, it is likely that transactions will take place from time to time with organisations in which a member of the Board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Association's Financial Regulations and normal procurement procedures. During the year there were related party transactions of £0 (2023/24: £0).

22. Provisions

	2024/25 £'000	2023/24 £'000
Leased property dilapidation	£'000	£'000
At 1 August	255	326
Provisions charged	50	-
Provisions released	(108)	(71)
At 31 July	197	255

Provisions are made when a legal or constructive obligation is identified and the liability can be reasonably quantified. These provisions are reviewed annually as at the year-end date and are adjusted to reflect the latest best estimate of the present obligation concerned. These adjustments are reflected in the statement of financial activities for the year.



**In my eyes, real
success is based
on personal
relationships,
making a difference
in the community
and going to sleep
with a smile on your
face.**

Jamie
WEA learner

The WEA
4 Luke Street
London
EC24 4XW

The WEA is a charity registered in England and Wales
(no. 1112775) and in Scotland (no. SC039239).

Accounts

Year ended 31 July 2024

WEA statutory annual report and financial statements



WEA

Adult Learning
Within Reach

Workers' Educational Association

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The Workers' Educational Association ("WEA") is a charitable company limited by guarantee (number 2806910), incorporated on 5 April 1993 and registered as a charity in England and Wales (number 1112775) and Scotland (number 2806910).

Registered office:
4 Luke Street, London, EC2A 4XW

Introduction

The members of the Board of Trustees of the Workers' Educational Association ("WEA"), who are the Trustees of the charity, and Directors and Members of the Company, have pleasure in submitting the report and accounts for the year ended 31 July 2024.

The financial statements have been prepared in accordance with the accounting policies set out in the attached financial statements and comply with the charitable company's Articles of Association, applicable law and regulations, and:

- ▶ Have been properly prepared in accordance with UK accounting standards, including FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland and with the 2019 Statement of Recommended Practice: Accounting and Reporting for Charities; and
- ▶ Meet the requirements of the ESFA funding agreement and College Accounts Direction published in March 2024.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and also constitutes a directors' report as required by section 418 of the Companies Act 2006.

The Governance arrangements are explained in more detail in the Structure, Governance & Management section beginning on page 25.

Further information on WEA's activities during the year and the impact these activities have had on the communities it serves is available in the Impact Report, separately published in January 2024 and available on the WEA website.

Reference and administrative details

Trustees

The following trustees served on the Board during the year and to date:

John Widdowson (Chair)	Pat Kynaston (resigned 31/07/2024)
Catherine Armor (appointed 01/11/2023)	Geoff Layer (Vice Chair)
Robin Cook	Ronald Marks (appointed 01/08/2024)
Tracey Irving Craib (appointed 01/11/2023)	Stephanie Mason (appointed 01/11/2023)
Kevin Doyle	Karen McArdle (resigned 10/06/2024)
Malcolm Grady	Lindsay Pearson (resigned 31/07/2024)
Christine Grant	Matthew Pointon (appointed 01/08/2024)
Jamey Johnson (appointed 01/11/2023)	Peter Threadkell (resigned 31/07/2024)
Abda Khan (appointed 01/11/2023)	

Company Secretary

Kathleen Formosa

Leadership team (to 31 July 2024)

Chief Executive & General Secretary	Simon Parkinson
Director of Finance & IT	Shaun Tyndall
Director for Quality & Learner Services	Preeya Buckley
Director for Scotland	Ray McCowan
Director of Education (Community Learning)	Katie Easey
Director of Education (Skills & Employability)	Chris Morgan
Director for Marketing, Membership & Income Growth	James Ward (resigned 24/05/2024)
Director of Governance	Kathleen Formosa
Director of People & Culture	Angie Evans

Leadership team (from 1 August 2024)

Chief Executive & General Secretary	Simon Parkinson
Chief Financial Officer	Shaun Tyndall
Director of Quality & Curriculum	Preeya Buckley
Director of Scotland & Contract Management	Ray McCowan
Director of Learning	Navjot Johal
Director of External Relationships	Chris Morgan
Director of Governance & Purpose	Kathleen Formosa
Director of People, Strategy & Culture	Angie Evans

Auditor

Crowe U.K. LLP55
Ludgate Hill
London EC4M 7JW

Bankers

Royal Bank of Scotland
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Registered Charity Number
(England and Wales): 1112775
(Scotland): SC039239

Registered Company Number
(England and Wales): 2806910

Objectives and activities

In fulfilment of its charitable objects, to promote adult and general education for the benefit of the community regionally, nationally and internationally based on democratic principles in its organisation and practice, through the participation of its voluntary members, WEA built on its successes from previous years in its achievements during 2023/24 and addressed some of its areas of development.

WEA embraces the principle that individuals and their communities have the knowledge, skills and desire to drive positive change at the local, regional, national (England and Scotland), and international level. The Association thus recognises that its role is to celebrate local variation and variety whilst serving and supporting local and regional activity.

Throughout 2023/24, WEA's objectives and activities were aligned with the 2025 Strategy as refreshed in March 2020, demonstrating a commitment to delivering broad adult education across three strategic pillars – Learning for Life; Learning for Work; and Learning that Builds Communities.

2023/24 was a busy and pivotal year for WEA, during which the organisation:

- Underwent full inspection by Ofsted in England, retaining an overall judgment of "good," with learners' attitudes and behaviours and personal development both judged as "outstanding";
- Consulted staff on a root and branch restructure of the Association's management and staffing, receiving agreement of the Board of Trustees to proceed with implementing the "Reshaping the Way We Work" project from 1 August 2024;
- Consulted the WEA Council and Association membership, and sought Charity Commission consent, on changes to WEA's Articles & Regulations; and
- Undertook an external review of governance effectiveness in accordance with DfE requirements and received assurance of effective governance.

Our learners & learning

An informed, needs-based approach to curriculum planning has enabled our learners to achieve positive outcomes that:

- Build confidence for life and work;
- Support them into work and progression at work;
- Promote mental health, physical health, and wellbeing;
- Broaden horizons; and
- Encourage active citizenship and vibrant communities.

These outcomes have underpinned our continuing process to embed a systematized, rigorous approach to curriculum planning, and a whole-Association response to emerging opportunities and leveraging specific, successful initiatives developed across England and Scotland. With attention to local needs and to learner interests and aspirations, WEA has sought throughout the year to encourage and support learners in the completion of their learning programmes and to progress into higher level courses or into employment. Targeted interventions to increase participation and reduce drop-out of courses and qualification pathways continued to be prioritised this year.

Ofsted inspection

Following a full Ofsted inspection of provision in England in May 2024, Ofsted judged WEA as a "good" provider of adult education. Across the five separate areas inspected by Ofsted, WEA received the following judgments:

- Quality of education: Good
- Behaviour and attitudes: Outstanding
- Personal development: Outstanding
- Leadership and management: Good
- Adult learning programmes: Good

WEA were judged as making a reasonable contribution to meeting skills needs. Safeguarding arrangements were judged as effective.

WEA's previous inspection by Ofsted was a short inspection in 2017. Its last full inspection was in 2013. In all cases, WEA was judged as a "good" provider.

Funding challenges

WEA has acknowledged continued, significant shifts in public funding toward skills and employability, and away from WEA's historic strength in delivering community learning, arts/crafts, health and wellbeing, and cultural learning. It has responded by building a curriculum offer that includes both accredited and non-accredited skills provision, and that is supported by a growing range of provision in maths, English, and ESOL. WEA continues to build its capabilities in the employability training arena as it builds a longer track record of successful skills provision.

WEA has and will continue to ensure that a positive learner experience remains at the centre of all activities and initiatives. WEA continues to develop and to refine its programme of peer-reviewed class visits and proactive support for learner progression through WEA programmes.

Leveraging the significant investments in technology WEA has made over the last two years, progressive improvements have been made to embedding approaches to blended and digitally enabled learning for all provision. All learners are supported in the use of Canvas (WEA's virtual learning environment) to enhance their classroom experience, whether they are taught fully online or in venue. At minimum, all learners use Canvas to complete their learning plans and evaluations for each course. WEA also continued to develop asynchronous learning tools in support of Multiply provision in England and Scotland, and to expand and improve its numeracy curriculum generally.

Each of the strategic priorities identified during the year regarding learners and learning were underpinned by distinct priorities for Scotland and throughout England. Balancing uniform quality standards while inflecting provision to respond to local variation has supported a positive learner experience alongside increased efficiency and effectiveness in delivering education contracts.

England: Across England, objectives were set in relation to improving the quality of the learner experience and increasing the use of digital technologies to support teaching and learning. Curricula were developed in response to local need.

Scotland: In Scotland, headline subject areas were broadly the same as in England, and as in England are aligned to WEA's overall strategy and strategic priorities. There was a significant focus on employability provision to progress people at various stages along the skills pipeline and in some cases into work. Literacy, numeracy, and digital literacy also accounted for significant amounts of the provision in Scotland, both to help people into work but also for those who are in work but in low skill, low wage sectors of the economy.

ESOL provision accounted for the largest number of learners in WEA Scotland. ESOL was delivered in all areas of Scotland to a broad range of learners with hugely varying backgrounds and capabilities. As a result, ESOL provision has become increasingly less focused on generic language training and much more about the language delivery being tailored to the context of the individuals and class groups. Examples include ESOL and financial literacy, ESOL for employability and ESOL for family learning and engaging with schools.

In addition to these core areas of provision, a wide range of personal development programmes to assist learners with particularly challenging life circumstances – e.g., long-term unemployed, ex-offenders, those recovering from substance or alcohol addiction, and young adults moving on from looked-after settings – were introduced and developed.

WEA Scotland also has an active membership education programme, notably in Edinburgh, Fife and the Northeast, which looks to prevent loneliness, isolation and dependency through a varied programme of activity that facilitates community engagement and empowers independent individuals.

Our members & volunteers

WEA is constitutionally an Association of members and views an engaged membership as critical to its long-term success and sustainability. WEA has sought to deepen the engagement with the Association Membership during the year to ensure the Association's reach, to grow its profile, and amplify its voice not only as a provider of adult education, but also as a thought leader and champion of adult education generally.

Many Association Members are also volunteers for WEA. Most WEA volunteers engage with the Association through its governance, either as lay members of committees of the Board of Trustees, or as members of one of WEA's fourteen Local Advisory Panels working across England to expand WEA's charitable reach, to ensure WEA is meeting and responsive to local need, and to hear and respond to the learner voice. WEA volunteers also support and contribute to Association-wide events and communications throughout the year.

Recent investment in new IT systems has enabled improvement in the onboarding experience for new volunteers, and in the ongoing training offer for new and continuing volunteers. Following WEA's staff restructuring, the placement of the Volunteering Manager within the People, Strategy & Culture Directorate has enabled closer alignment of volunteering and HR functions and supported a more rigorous and regular volunteer recruitment and vetting process, and improved communication with volunteers.

Our voice

WEA has used its position as the leading organisation in the UK for adult learning to demonstrate the positive difference that adult learning makes. In 2023/24, WEA continued to grow its network of like-minded organisations in the UK and internationally. WEA has strong and established relationships with national and international organisations in the sector (e.g., Hoxex, SOLIDAR, IFWEA) and engages these allied organisations in ways that build WEA's profile within the sector, that builds enthusiasm for WEA's mission and values, and that advances the cause of individual access to lifelong learning generally.

Our people

WEA recognises that its people are its greatest asset. In 2023/24, WEA began consultation with staff on a root and branch reorganisation of its staffing structure. Approval for the restructure was sought from the Board of Trustees and received following an extraordinary meeting held for the purpose of considering the proposal at a meeting on 28 March 2024. The new structure, as approved, was implemented from 1 August 2024.

Reshaping the Way We Work

With the aim of refreshing and reinforcing what WEA has been historically, and what it aims to be in future – i.e., a member-led charity with a proud legacy of support for thousands of learners across the UK – WEA sought through the "Reshaping the Way We Work" project to increase support for and responsiveness to learners, maximise the impact on the communities where WEA works, and improve organizational agility and efficiency. WEA did not seek to change its strategic objectives through the "Reshape" project.

WEA dispensed with regional arrangements, which often duplicated efforts and sometimes impeded effective working across geographies, in favour of an organisation based on specialist teams. WEA staff continue to be spread across England and Scotland but reporting lines have been shifted to support and enable transparency and accountability. Following 52 days of consultation (inclusive of a five day pause during the period of Ofsted inspection) with staff, WEA's new structure took effect from 1 August 2024.

WEA tutors were not affected by “Reshaping the Way We Work” and were out of scope for the restructure. WEA continues to work toward maximizing opportunities for its part-time and sessional tutor workforce. In line with curriculum development efforts, WEA continues to develop a strategic workforce planning framework to analyse, manage and prepare its current and future tutor workforce requirement.

- WEA continues its commitment to supporting its paid and voluntary workforce by:
- Progressing the work of the Equality, Diversity & Inclusion (“EDI”) Working Group to build institutional understanding of where staff and volunteer colleagues may be facing exclusion or marginalization, and to shift organizational culture toward greater recognition of empathetic and inclusive working practices and attitudes;
 - Refining its approach to succession planning, particularly in governance and senior leadership roles; and
 - Continuing to develop the skills of WEA volunteers.

WEA achieved Investors in People (“IIP”) silver accreditation in November 2021. WEA’s next IIP accreditation review is anticipated to take place in 2024/25.

WEA also continues to work toward Investors in Diversity (“IID”) accreditation, having achieved provisional IID accreditation in 2021/22.

WEA continues to be a living wage employer.

Our systems & processes

Phase one of WEA’s digital transformation and infrastructure project concluded in 2022/23, following agreement by the Board of Trustees to invest c. £3.4 million in digital infrastructure, new systems, and corresponding operations. Phase two of this investment was carried out over the course of 2023/24 and is now substantially complete.

Expenditure on digital transformation and digital infrastructure stood at £2.3 million at 31 July 2024. There will be a further £500K spent in 2024/25 to finish the project and launch the new finance and HR systems, and to complete the IT refresh. Overall, the digital transformation project will end c. £600K below budget.

WEA has maintained CyberEssentials+ accreditation in 2023/24.

Our finances

WEA continues to face challenges in the funding environment as devolution continues in England, and government priorities in England and Scotland shift ever increasingly toward skills provision and employability. The growing imbalance between restricted and unrestricted income continues to be a risk that WEA Trustees carefully monitor, as shrinking unrestricted income threatens WEA’s ability to sustain the learner-driven courses and programmes on which much of its reputation has been built.

WEA continues to make efforts to pursue funding wherever it devolves and recognises that the ability to secure renewed funding beyond initial contracts depends on its ability to deliver against specific funding commitments. WEA has initiated efforts to improve its overall approach to bidding for contracts, ensuring that the commerciality of bidding opportunities is rigorously assessed in advance of submitting any bid for funding, and overall contract monitoring.

The balance of unrestricted vs. restricted income continues to hover around 50/50 and this is likely to remain the case until the next tranche of devolution.

	2021/22	2022/23	2023/24
Unrestricted Income	49%	52%	52%
Restricted Income	51%	48%	48%

As in previous years, WEA engaged mayoral authorities throughout 2023/24 to protect its position as a grant funded provider. WEA also sought to explore alternative funding routes outside of funds available from DfE (e.g., through UKSPF) in the interest of growing its reach and ensuring adult learners continue to have access to the supportive learning WEA provides.

At the same time as it continues to pursue and deliver against publicly funded grants and education contracts, WEA is increasing its efforts to diversify its income, and particularly to find other ways of rebuilding unrestricted income streams to enable greater freedom to invest in its core mission. Anticipating that the current direction of travel in public funding will continue, WEA introduced through "Reshape" a new External Relationships Directorate to focus on finding and responding to new funding streams, and to develop bespoke education and training programmes. In the year ahead, WEA will seek to leverage its position as a national provider of adult education to partner with public and private sector agencies across England and Scotland.

WEA has continued to maintain a strong cash flow profile. It ends the 2023/24 financial year with a self-assessed ESFA financial health rating of "good."

Impact

WEA continues to support its learners to improve their confidence, develop their skills, get into work, and become healthier. Full details of the impact learning opportunities provided by WEA have had on learners, and the real measurable differences WEA has made to individual learners, their communities and society are included in the latest WEA Impact Report, published in January 2024.

Strategic report

WEA is a leading adult education charity with a legacy stretching back over 120 years. WEA empowers adults through learning at all stages of life, reaching approximately 35,000 learners annually across England and Scotland.

WEA's purpose is to bring adult education within reach of everyone who needs it, fighting inequality and promoting social justice. WEA empowers adults by bringing great teaching to local communities across England and Scotland with a mission of providing access to education for adults right on their doorstep. WEA believes that the opportunity for a better future is too often made inaccessible for reasons including cost, location, and a lack of information. WEA is committed to removing barriers to education so that individuals can improve their own life chances and have a positive impact on their communities and society as a whole.

WEA differentiates itself from further education colleges by reaching into communities where learners live and work to deliver learning in surroundings where they are familiar and comfortable. WEA emphasizes smaller class sizes so that learners receive more personal care, attention, and support from tutors. To achieve this, WEA works in partnership with over 800 community-based venues and local networks across the UK and with like-minded partners internationally.

Long-term strategic plan

The overarching priority of WEA's long-term strategic plan is to maximise learners' chances of success by providing an outstanding level of teaching and learning, and by providing additional support to help learners overcome any barriers to learning.

WEA is committed to supporting all learners through exceptional service and high professional standards that result in an excellent quality learning experience that caters to learners' needs. WEA's aspirations are to surpass compliance and strive continually to improve teaching. To this end, WEA has invested significantly in new digital systems and infrastructure improvements to introduce best-in-class systems for learner records management and all aspects of curriculum development and planning. This digital transformation project was rolled out over two years (2022-2024) and has enabled more robust data reporting, enabling speedier and clearer decision-making around curriculum and resourcing for education delivery based on transparent, objective evidence and attention to emerging trends.

Following more than six months of planning among Leadership Team and eight weeks of consultation with staff, WEA implemented its new staffing structure on 1 August 2024. The new staffing arrangements and leadership structure reinforce the improvements made through technology and digital infrastructure investment by rationalising staff roles, workloads, and pay grades, and by clarifying chains of accountability. As with all large-scale change programmes, it will take time to embed and realise the full benefits of the staff restructure.

WEA will continue to focus attention and resources on the use of technology to improve learner engagement and to make learning more accessible wherever its learners live. It will also continue to support staff teams to deliver the best possible learner experience, to improve learners' understanding of the outcomes they can achieve, and to support them to track and celebrate their achievements. WEA has made a commitment to providing tailored and timely advice, guidance and support for learners throughout their learning journey.

Based on current performance, WEA estimates that by 2025/26 it can realistically achieve:

- 98% of learners reporting they are satisfied with their WEA learning experience;
- 96% of learners attending their first session going on to complete their course; and
- 96% of teaching sessions meeting or exceeding learners' expectations.

WEA will seek to leverage the positive outcome of its 2024 Ofsted inspection to be recognised within the sector as visionary and innovative in its teaching of skills, and deeply committed to the support and success of its learners. WEA continues its commitment to reaching the hardest to reach learners and supporting learners experiencing challenging life circumstances. How WEA balances this commitment

alongside its ambitions to achieve an Ofsted grading of "outstanding" will, alongside other big questions, form part of its next three-year strategy.

2024/25 priorities

WEA's priorities for 2024/25 will continue to be aligned to the Creating Opportunities Strategy agreed by the Board of Trustees in July 2022, which places learner success at the heart of all WEA's activities. Work has already begun on the development of the next three-year strategy. It is anticipated that this will be put forward to the Board of Trustees for approval in July 2025, for implementation from 1 August 2025.

WEA will continue to demonstrate its commitment to quality and learner success through encouraging and achieving high levels of learner attendance, retention, achievement, and enhancement of personal development, and will maintain ambitious internal targets in these areas accordingly.

Recognising that learner success is tied to tutor engagement and the quality of professional support provided to the tutor base, WEA will continue to build upon the programme of continuous professional development to tutors implemented in 2022/23 including:

- Regular performance reviews, informed by class reviews and other performance data;
- Encouraging the sharing of best practice within WEA; and
- Providing training and development focused on emerging priorities, and teaching and learning best practice.

It will also continue its work to embed improved course planning and recognizing and recording progress and achievement ("RARPA"), and encourage inspiring and innovative teaching, learning, and assessment practice to ensure that learners achieve their goals and receive recognition for their achievements.

WEA continues its commitment to maximising learners' chances of success by providing an outstanding level of teaching and learning, and by providing additional support to help learners overcome any barriers to learning. To this end, WEA continues to work to the three strategic objectives agreed in the previous year:

- Learning for Life;
- Learning for Work; and
- Learning that Builds Communities.

The strategic objectives are supported by four enabling objectives:

- Improving systems, processes and infrastructure;
- Building income and ensuring sustainability;
- Engaging effectively with key stakeholders; and
- Developing WEA's people and culture.

Learning for life

WEA believes that open access to adult education creates a more equal and just society and improves the home lives of our learners and their families. WEA is mindful that 25% of the UK population are likely to struggle with online services¹. WEA accepts estimates that 9 million adults have low levels of literacy or numeracy² and that 5.1 million UK residents cannot speak English well³. WEA delivers a curriculum that helps learners to develop essential skills, improves their everyday life, and gives them confidence to achieve their personal goals. WEA offers a broad and balanced Learning for Life curriculum spanning courses to improve learners' numeracy, literacy, and digital skills, to courses designed to improved confidence, physical and mental wellbeing, communication, nutrition, budgeting and financial knowledge.

¹ UK Consumer Digital Index, 2023.

² Learning for Work Institute, 2022.

³ ONS, 2023.

To enable this work, WEA will:

- Continue to drive the case for public funding at national level, and seek to secure funding from new and current sources aligned with our overall mission and values;
- Build and share a specific evidence-based case to convince policy and funding decision-makers at a national and local level; and
- Continue to improve the WEA website and technology supporting teaching and learning to ensure the WEA offer is accessible to all.

As government funding priorities continue to shift their focus to investment in Skills for Jobs and higher-level qualifications, WEA will seek to bid successfully for funding to deliver skills for employment provision while also seeking to diversify its funding streams to ensure that community learning, arts and crafts, health and wellbeing, and cultural provision can continue to be supported. Support for provision outside the scope of Skills for Jobs will be sought through effective bidding for the public funding that does remain available, while also looking to alternative funders (e.g., government departments beyond DfE, trusts, foundations) and full-cost options for those learners who can afford to pay more for their courses.

WEA will evidence its effectiveness in delivering against its aims in 2024/25 by delivering:

- A curriculum determined by national and regional needs analysis;
- Specific analysis of performance against plan, including reach to learners with protected characteristics of from areas of multiple deprivation;
- Development of new partner relationships to expand reach to new learners with a focus on the most disadvantaged;
- A baseline understanding of teaching effectiveness and impact for Learning for Life provision; and
- In Scotland, increased breadth in the curriculum offer and development of staff and tutor capabilities to enable additional options for learning in line with Scottish Government's strategic priorities.

Learning for work

WEA believes that everyone deserves a fulfilling and sustainable place to work, where they can maximise their potential and contribution to society. WEA enables its learners to flourish through a needs-based curriculum, and innovative and learner-driven approach to teaching, learning, and assessment, and individualized personal support.

WEA is mindful that 13 million people in the UK were living in poverty in 2020/21⁴ and that 57% of 16- to 64-year-olds without qualifications are unemployed⁵. WEA accepts estimates that 90% of the UK workforce (c. 30 million people) may need to reskill by 2030⁶. In support of learners seeking to enter or re-enter the workforce, or to change or advance in their careers, WEA proactively supports learners to progress. The Learning for Work curriculum supports current and aspiring workers in fields such as health and social care, education, childcare, and community interpreting. Learners pursuing self-employment or volunteering are also supported. Digital and other functional skills (e.g., administration, management) and ESOL for work comprise a significant portion of this offer.

WEA has designed a dynamic skills and employability offer, matched to local and national need, and shaped by working in partnership with employers and employer groups. To enable this work, WEA will continue to:

- Develop new tutor recruitment and retention strategies to get the highest possible quality teachers and support staff who bring the best and most up-to-date industry knowledge;
- Build and improve its use of technology to deliver education that is accessible to learners around their work and life commitments as well as removing other barriers to learning; and
- Improve its approach to easing the transitions into and out of learning.

WEA has and will continue to endeavour to recruit specialist tutors at scale in a market where competition with other organisations for in-demand experience is significant. Initial efforts to recruit specialist tutors in specific subject areas where it did not have notable existing strength (e.g., maths) has been successful. WEA will continue to review its existing tutor base, with attention focused on improving organisational knowledge of the expertise and teaching interests of its existing tutors, offering full-time or near full-time appointments where it makes strategic sense to do so.

⁴ Joseph Rowntree Foundation, 2023.

⁵ Gov.UK, 2023.

⁶ CBI/McKinsey, 2021.

In 2024/25, WEA will evidence its effectiveness in delivering against its Learning for Work aims by committing to:

- Delivering a curriculum determined by local, regional and national needs analysis and focused on subject sector pathways aligned to national priority subject areas;
- Continuing to build strong relationships with employers in specific target sectors;
- Evaluating performance against plan, including specific analysis to employment outcomes;
- Continuing to develop guided online learning modules for level two and level three learners, recognising the need to progress learners to develop independent study skills;
- Increasing capacity for evening and weekend delivery; and
- In Scotland, continuing to grow the breadth and depth of the skills offer to enable learners to increase their salary, improve employment prospects, or start their own business.

Feedback from unemployed learners enrolled in WEA's skills-based courses in 2023/24 confirmed that among this cohort of learners:

- 42% found work or progressed to further education after their skills course; and
- 43% reported improvement in their communication skills.

Of learners who were employed during their course, 24% reported increased earnings or promotion after taking their skills course.

Learning that builds communities

WEA believes that vibrant and inclusive communities promote health, happiness, and success at the individual and community level. WEA networks can help bring communities together and foster the creation of a WEA family with reciprocal benefits for the individual and their community. In other words, WEA networks can deliver a social contract, creating a responsibility to others and a desire to promote social justice. To enable this work, WEA will:

- Build an awareness and evidence of the value and impact of community and the role learning plays within it; and
- Clarify and diversify volunteering opportunities within WEA to harness volunteer support and enable volunteers to build and support their own networks and communities.

With 26% of adults reporting that they do not speak to their neighbours or members of the community on a regular (monthly) basis⁷, and nearly 4 million adults claiming that they endure chronic loneliness⁸, WEA aims to design and deliver learning networks which inspire passions, ignite friendships and bring communities together, enhancing their purpose and providing them with the skills and knowledge to make them self-sufficient.

WEA is confident in its position that learning builds communities. Feedback from learners enrolled in WEA's community learning and cultural programmes in 2023/24 confirmed that among this cohort of learners:

- 39% reported that their course had helped them to make new friends;
- 70% met people they would not normally mix with in their course; and
- 83% reported improvements of their overall wellbeing as a result of their course, with 74% reporting their course helped them to keep their minds active.

Acknowledging that the number of learners who may be able to pay for provision may be suppressed due to economic factors (e.g., increases in the cost of living and inflation), and that funding to enable those who cannot afford to pay to participate will need to be secured, WEA has committed to developing a programme of full-cost provision of arts and cultural learning that may no longer be supported by tailored learning funds in future.

WEA is keenly aware that public funding support for certain provision that WEA has historically offered is under threat from 2025. A priority in 2024/25 therefore will be to determine the full direct cost of delivering a particular course. We will continue to support learners who do not have means to pay, but the intention is to ask each learner with the means to pay to pay a proportionate contribution toward the cost of their course, and to pay it forward by supporting a learner who may not have the means to bear the cost. In other words, WEA will adhere to the principle that any learner, regardless of their means, should be enabled to join a full cost course.

⁷ UK Gov, 2021.

⁸ ONS, 2023.

To achieve its aims for full-cost provision, WEA will:

- Develop relationships with new partners and existing interest groups to create a holistic approach to community provision; and
- Consider new ways of engaging existing learners, volunteers, and Association Members to foster organic development of self-organising learning communities; and
- Deliver high quality culture and community learning courses to new audiences at competitive prices.

The priorities detailed above are underpinned by distinct priorities for England and Scotland.

England

Across England, curricula are developed in response to local needs. Objectives are set in relation to improving ongoing quality and the learner experience, increasing the use of digital technologies in learning, supporting employment, economic growth, and productivity, and responding to the cost-of-living crisis. The priorities of Learning for Life, Learning for Work, and Learning that Builds Communities are supported by four enabling priorities to facilitate the full delivery for the benefit of learners as well as to the satisfaction of stakeholders.

Scotland

While headline subject areas are broadly the same as in England, provision in Scotland is focused primarily on creating access to education for under-represented groups and those with low or no qualifications. In 2024/25, WEA Scotland will deliver a lifetime upskilling and retraining offer, including for jobs in green industries, concentrating on working-age people living in poverty. As in previous years, ESOL, readiness for employment, building confidence, enhancing social integration, mental health and wellbeing, and civic involvement will also continue to account for significant amounts of the provision in Scotland.

Improving systems, processes and infrastructure

WEA believes that its systems, working methods and practices, and estate should enable learner success. Improvements to digital systems and infrastructure has helped WEA to improve the experience of its learners and make its back-office ways of working more efficient. WEA will continue its work from the previous year to simplify and smooth the way it works and engages with learners through intelligent use of data, integration between systems, and automation, with the intention of freeing resources to deliver the human touch where and when it will be most impactful.

Over the last two years, WEA has made significant progress in modernizing its IT infrastructure to ensure its reliability, resilience and future proofing. It has resolved several issues relating to technical debt and transformed its digital environment by (among other things) replacing its legacy student record system and rebuilding its website. WEA has restructured its operating model, in part to leverage the capabilities now available to the organisation following systems and infrastructure improvements.

WEA will continue to evolve its estate plan as improvements to digital infrastructure and the new operating model are embedded. WEA will use recent grant funding from DfE to invest in the existing estate, and to establish firm anchors in communities where it can make the greatest impact. WEA has partnered with MyCarbon to support its efforts to evidence social value and achieve a carbon neutral target.

In 2024/25, WEA aims to:

- Fully realise the benefit of its investment in new digital systems and infrastructure to ensure robust data security and to work efficiently across teams;
- Maintain CyberEssentials+ accreditation; and
- Continue planning the future WEA estate with a focus on learning centres and sustainable buildings.

Building income & ensuring sustainability

WEA believes that it is essential to build a portfolio of income and a balance of expenditure that ensures the long-term sustainability of its three strategic priorities (Learning for Life, Learning for Work, and Learning that Builds Communities) in an ever-changing and more complex funding environment. To remain true to its mission and charitable purpose, WEA must grow and diversify its income streams whilst controlling and monitoring expenditure with the aim of delivering maximum impact in terms of reach and quality of the learner experience.

As all current forecasts in both Scotland and England predict increasing pressure on the public purse, it is

increasingly important that the WEA continues to look for new ways to diversify its income streams. In the interest of building sustainable income streams, WEA will seek to engage with a variety of funders to understand their needs, and to leverage its strengths and track record to create strong proposals to effectively bid for contracts, retain grants, apply for charitable funding, and to develop self-financing programmes of full cost provision. At the same time, WEA will work to determine an achievable balance between direct and indirect operational costs and central overheads, adapting its business plans accordingly.

WEA acknowledges the inherent challenges in seeking to grow and diversify income in a period of increasing constraints on public finances and rising costs of living. To meet and overcome these challenges in 2024/25, WEA aims to:

- Retain grants and contracts from ESFA and MCAs and achieve grant status or win contracts with newly devolved authorities;
- Develop new employer sponsor relationships and trade union partnerships;
- Develop innovative education products for local authorities, employers, and partners;
- Create a service and cost model that grows WEA's reach and empowers self-organising learner groups to deliver programmes and organise their work in ways that make sense for them.

Engaging effectively with stakeholders

WEA believes that it offers adults a life-changing opportunity, but that too few are aware of WEA and its impact. WEA will therefore seek to build visibility, awareness and understanding of its offer among adults who could benefit from its provision and make a strong case for grant funding from public policy and funding decision-makers.

WEA will seek to embrace the passion of its members, learners, and volunteers to support the WEA mission and to help WEA achieve the full breadth of its charitable aims. WEA will seek to improve its methods of engagement with members and volunteers at the same time as it seeks to broaden its outreach to a more comprehensive range of stakeholders. In the interest of increasing its effectiveness in stakeholder engagement, WEA has committed in 2024/25 to:

- Improving the marketing of its courses and rationalising provision to ensure learners are able to find the courses they want or need;
- Effectively targeting diverse learner cohorts through focused learner attraction efforts;
- Implementing an enhanced volunteer stewardship programme; and
- Expanding stakeholder engagement with devolved authorities.

Developing WEA people & culture

WEA believes that its mission can unite and motivate employees and volunteers to deliver life-changing learning to those who need it, and that it can do so in an efficient and effective way to reach as many learners as possible.

WEA seeks to develop its people and build a resilient and responsive culture to embrace the opportunities and the challenges that it knows lie ahead. Focused work will be done to ensure thorough embedding of its new staff structure and operating model. This work will be supported through training and development experiences to equip employees to deliver against agreed strategies, and to deliver and respond to change in a way that is caring, innovative, and respectful. WEA will also ensure volunteers and trustees are equipped to participate in continuous improvement and effectiveness in governance, nationally and locally.

WEA increased the size of its Board of Trustees from 12 to 15 members alongside other changes to the Articles and Regulations in 2023/24. Increasing the size of the Board has helped to ensure a robust collective skill set covering all areas of trustee duties and responsibilities and supports a committee structure that provides specialist scrutiny and advice on matters of strategic importance. At local level, Regional Committees were wound down in favour of implementing Local Advisory Panels that advise on local need, the quality of the learner experience, and opportunities for WEA to extend its charitable reach. At all levels of governance, a professionalised governance team supports to enable adherence to best practice and to ensure effectiveness.

WEA is aware of the risk to employee and volunteer engagement arising from the significant level of change that has been implemented progressively across the Association over the last few years. With an eye toward achieving what it perceives to be a balance between the risks and the benefits of large-scale organisational change, WEA seeks to achieve the following in 2024/25:

- Structured and progressive programmes of induction, training and support for staff and volunteers at all levels to ensure they receive the information, guidance and support to perform their roles effectively and operate at all times in accordance with WEA's values and culture;
- Review of the current pay and grading scheme for staff and of contractual terms and conditions, including benchmarking these against the sector to inform future remuneration decisions and/or develop alternative approaches to support WEA's strategic priorities;
- Provide innovative wellbeing initiatives that contribute to a positive, productive and rewarding environment; and
- Deliver a professional development programme, including leadership and line management, contract management, and IT training.

Governance review

WEA completed the final year of its internal programme of governance review in 2023/24. Beginning in 2018/19 and for the four years following, WEA sought to progressively update and develop its governance structures, standards, and procedures to ensure these aligned with the Charity Governance Code (larger charities), DfE guidance, and the expectations of funders.

Governance development during the year included clarifying WEA's overall governance model, which now includes three levels of formal governance – i.e., the Board of Trustees, committees of the Board, and Local Advisory Panels – with branches and local associations placed outside the curtilage of the formal governance structure. WEA also articulated a clearer purpose and remit for the WEA Council, with the aim of establishing this committee of the Board of Trustees as WEA's chief stakeholder body.

Finally, WEA concluded its review of the Articles and Regulations to remove outdated provisions and unnecessary procedural detail, and to ensure provisions in the Articles aligned with charity law in England and Wales, as well as in Scotland. Changes were required to the winding down provisions in WEA's Articles to align these with the laws of Scotland, and thus Charity Commission consent was sought. This was received, and a special resolution of Trustees agreed, bringing the new Articles and Regulations into effect from 11 July 2024.

In accordance with new DfE requirements, WEA undertook an external review of governance effectiveness. The external review was conducted by Stone King who were commissioned in November 2023 and delivered a report to Trustees in July 2024.

Work to ensure full embedding of the changes to the Articles and Regulations, and to work through the action plan agreed by Trustees in consideration of the recommendations made in Stone King's report on governance effectiveness will form the basis for governance development and improvement in 2024/25.

Additional information on governance development and improvement appears as part of the report on Structure, Governance & Management beginning on page 25.

Equality, diversity & inclusion

WEA aims to create conditions that ensure staff, volunteers and learners are treated solely based on their merits, abilities and potential regardless of their gender, race, religious/political beliefs, ethnic or national origin, disability, family background, age, sexual orientation, or other irrelevant distinction.

WEA has held an IIP accreditation of Silver since November 2021. WEA considers the achievement of IIP Silver as significant, noting that IIP awards silver status to only 20% of the organisations it accredits.

WEA has also held provisional IID accreditation since 2022. Through its People, Strategy & Culture team, WEA continues to work through its action plan to review, develop and embed the FREDIE (i.e., fairness, respect, equality, diversity, inclusion, and engagement) principles in line with the latest Ofsted inspection framework, and to ensure that these principles are fully integrated through all aspects of business planning. While progress against the plan was put on hold during the Reshaping the Way We Work project, WEA has returned to efforts to progress the action plan. Significant progress against the FREDIE action plan is anticipated in 2024/25. WEA will also re-engage with the FE Black Leadership Group to support its work on EDI.

WEA's Board of Trustees will continue to monitor, scrutinise, and constructively challenge WEA leadership on its effective support and development of WEA staff at all levels, and to ensure WEA remains an inclusive employer. WEA's Board of Trustees has also recognised that it has work to do to improve the diversity profile of its own membership and that of its committees and continues to make progress toward greater diversity among its own numbers. Recent updates to WEA's governance structure and procedures – e.g., increasing the size of the Board, increased focus on external recruitment, etc. – have supported the Board in diversifying its membership and that of the Board's committees. The Nominations Committee continues its commitment to take into consideration the diversity profile of the Board and its committees in recommending the appointment of new trustees and committee members, and in succession planning for Board and committee leadership roles. Recruitment onto the new Local Advisory Panels is undertaken with the aim of ensuring that the membership of each Advisory Panel reflects the diversity of its own locality. In due course, it is hoped that Local Advisory Panels will support greater diversity at other levels of governance as WEA seeks to support and develop new Advisory Panel members.

Within WEA's education provision, EDI learner data demonstrates that WEA courses engage a significantly higher number of learners from disadvantaged background and/or with protected characteristics compared to the national demographic profile, including learners from minority ethnic backgrounds, refugees, those with low incomes and qualifications, and those who are older and/or disabled.

WEA seeks to welcome and accommodate all learners, volunteers and staff, and is therefore working towards the highest standards of accommodation through its property strategy. Priority continues to be placed on ensuring full accessibility for teaching and learning spaces.

WEA recognises the importance of good mental health support and is committed to improving mental health through its curriculum and learner-centred teaching. According to WEA's Impact Report (January 2024):

- 83% of learners reported improved well-being;
- 51% reported an increase in their self-confidence;
- 91% of WEA learners reported making fewer visits to the GP compared to the national average.

WEA encourages staff to be kind to each other and to talk openly about mental health. Across the UK, WEA maintains a network of 13 staff who are trained mental health first aiders. WEA's mental health first aiders are a point of support for anyone experiencing emotional or mental distress and provide a means of confidential colleague to colleague support for WEA staff. More generally, managers and staff are encouraged to have regular one-to-one meetings where open conversations can take place. WEA's People, Strategy & Culture team also run several learning and development initiatives including equipping managers with a mental health toolkit, HR drop-in sessions and regular timetabled sessions supporting mental health awareness and management, stress management, and related issues.

As a benefit to employees, WEA has teamed up with BUPA and Westfield Health Care who offer well-being support to colleagues. BUPA provides occupational health support to support colleagues to remain in work, return to work, and to advise on ill health incapacity. Westfield Healthcare is our Employee Assistance Programme which provides colleagues and their families with confidential support, advice, and guidance covering health and well-being, and legal and financial well-being. Both organisations keep WEA colleagues well at work and support them in looking after their physical and mental well-being using clinical professionals to offer health checks and specialist support from qualified specialists offering practical advice and support.

Financial review

This year has been financially challenging for the WEA with income falling significantly short of expectations resulting in a significant operational loss in 2023/24. Performance on MCA contracts was particularly poor, and this led to significant amounts of contractual income not being achieved. A restructure was carried out at the end of the year to fundamentally change how the WEA delivers education to meet the challenge on MCA contracts which are more skills focused and where funding is performance based. The cost of the restructure was circa £1m, and this will reduce the cost base by £2m per year from 2024/25 onwards. A robust budget is in place for 2045/25 which will return the WEA to an operational surplus.

The financial statements show total income for 2023/24 of £32.7m (2022/23: £27.5m) with expenditure of £28.7m (2022/23: £26.1m). The increase in income was largely due to receiving a capital grant of £9.6m to develop our estate, with £6.9m recognised in 2023/24.

In 2023/24 income received from the ESFA for education delivery remained steady at £11.9m. There were no new devolution deals in year, so the core grant remained the same, and adult skills delivery overachieved in line with 2022/23 performance.

The total income received from MCA areas in 2023/24 is £6.2m (2022/23: £7.5m). This is a reduction of £1.3m compared to last year and reflects a number of operational challenges that have impacted performance across various contracts this year. MCA contracts are performance based, so failure to hit contractual targets means the full amount of income cannot be claimed.

Income received from fees is £591k (2022/23: £859k). This is a circa £250k reduction compared to last year and was due to the knock-on impact of poor MCA performance and a reduction in active branches across the country.

Other grant and charitable income received is £5.4m (2022/23: £4.5m). The increase is due to securing a £5m contract to deliver Manchester Community Grants (£2.5m recognised in 2023/24) which offset the loss of ESF funding (£824k) as this programme has now ended. Multiply funding has slightly increased to £1.63m in 2023/24 however this programme is due to wind down in 2024/25.

We secured 3 capital grants in 2022/23 totaling £9.6m to improve and develop our estate. Income is recognised when the DfE signs off individual works and we have recognised £6.9m of income in our 2023/24 accounts. A further £1.7m has been deferred until it is signed off by the DfE, although plans are in place to allocate the funds.

Educational activity costs were £17.3m in 2023/24 (2022/23: £15.6m). The increase is largely due to the cost of the restructure which was required to rebalance the business and reduce overhead costs; this cost circa £1m and will save £2m going forward. The other key factor was utilising subcontractors for a larger portion of our delivery in the North West, and also the distribution of the grants as part of the Manchester Community Grants programme.

The WEA's net movement in funds for 2023/24 is £3.6m (2022/23: £0.9m) after transfers and pension adjustments. There is a surplus of £78k on unrestricted funds, however this masks a significant shift between unrestricted funds and designated funds (also classed as unrestricted). 'Free' unrestricted reserves reduced by £3.5m to £4.2m, £1.2m of which was planned spend to finish the Digital Transformation Project. Operational loss contributed £1.3m of the reduction, and the cost of the restructure contributed to a further £1m. The restructure was a direct response to the operational performance issues described above.

Designated reserves increased by £3.5m to £8.8m as result of investments to finish the Digital Transformation Project (£1.2m) and spending the Grant money to invest in the Estate (£3m) less the Depreciation charge.

The surplus on restricted funds of £3.5m is mostly due to the timing difference between receiving (and getting sign-off) for the Estates grants spend, and actually spending the money. This balance will reduce throughout 2024/25.

Reserves Policy

Total funds at 31 July 2024 were £18.5m (2023/24: £14.9m). This is represented by unrestricted funds of £13m and restricted funds of £5.4m

For the purposes of this policy, the WEA has defined free reserves as being its unrestricted funds, excluding the designated fixed asset fund and any pension deficit, should it arise. The free reserves balance as at 31 July 2024 is £4.2m.

When considering the minimum free reserves balance the Trustees considered the amount that would be required to cover the resulting costs if the WEA were to lose varying amounts of income and has also ensured that the level of reserves will be sufficient to cover known outstanding payments on the TPT pension scheme. In all scenarios a range of between £3.5m and £4m was considered to be sufficient.

The WEA Reserves Policy is subject to regular review considering new risks and circumstances faced by the WEA. The policy is therefore reviewed by Trustees at least annually or more frequently upon advice of senior management in the event of a material change occurring that warrants any earlier or additional review.

The level of free reserves is a Key Performance Indicator set out in the organisation's Business Plan and, as such, progress is monitored regularly at Committee and Trustee meetings.

Investments & Treasury Management

As set out in its Articles of Association, WEA has absolute discretion to invest money not immediately required for expenditure. The responsibility for the performance of investments rests with the Finance & Capital Resources Committee, which reports to the Board of Trustees. The objective of WEA's Treasury Management Policy is to optimise returns consistent with cash flow requirements and with an overriding need to protect the capital value of WEA's funds.

Treasury management is carried out within the context of WEA's statutory requirements, its Articles of Association and the Financial Memorandum with the Education and Skills Funding Agency (ESFA). WEA funds are deposited only with UK banks that meet the criteria stated in the Treasury Management Policy. Investments are not made in any other financial instruments. It is important to note that, as in previous years, WEA has had no exposure to any known financial institution at risk.

Principal Funding Sources

WEA receives its principal funding from ESFA, which provided 50% of WEA's income from all sources and activities for the year, excluding one-off capital grants. There are no outstanding loans against WEA.

Pensions

The WEA's defined benefit pension scheme at 31 July 2024 (under FRS102 principles) is an asset that is capped at a 'nil balance' on the Balance Sheet as the asset is not recognised in line with accounting practice. Estimates used by the actuary in the calculation of this accounting valuation have been benchmarked by the Trustees and are considered appropriate.

Further details relating to the pension schemes operated by the WEA are shown at Note 18 to the accounts.

Cash Flow & Capital Expenditure

In line with the Treasury Management Policy, WEA aims to maintain a healthy cash position, and its cash reserves are sufficient to ensure that balances are not overdrawn. Based on the two-year cash flow projections to July 2026 returned to ESFA in July 2024, WEA does not anticipate any liquidity problems.

Cash and short-term deposits for the year ended 31 July 2024 were £13.6m (2022/23: £12.6m).

Funds held as Custodian Trustees on behalf of others

WEA does not hold funds as Custodian Trustees on behalf of others.

Commercial Activities

WEA does not currently engage in any substantial commercial activities. The trading company, WEA Trading Limited, a wholly owned subsidiary of WEA has not traded to date.

Fundraising Statement

Although WEA does not raise substantial amounts of private funds, it is nevertheless dedicated to ensuring that any fundraising remains closely aligned with the Association's mission and values, and to ensuring efficiency in its approach. A guiding principle in its fundraising efforts is to work with a range of partners from corporate organisations to a range of charities and associations across the UK. WEA performs due diligence on all corporate donors including any gifts in kind. WEA does not use professional fundraisers or commercial participators to conduct any fundraising activities and so no monitoring activities are required.

WEA volunteers are supported and stewarded by the Volunteering Manager. In 2023/24, WEA did not receive any complaints regarding its fundraising activities (2022/23: 0). WEA is a member of the Fundraising Regulator and as such follows the Code of Fundraising Practice.

To ensure compliance with the Charities Act 2022, WEA follows the guidelines set out by the Institute of Fundraising on all donors with the four guiding principles of respect, fairness, responsiveness and accountability applied for all donors and members of the Association.

Risk management

The Board of Trustees monitors WEA's risk profile as recorded in WEA's corporate risk register. The risk register is informed by operational risk registers maintained for discrete projects (e.g., digital transformation) and business areas (e.g., business development, contracts). Leadership Team have a collective responsibility for reviewing and updating the corporate risk register. The systems and procedures established to manage risk are regularly reviewed by the Audit & Risk Committee and reported to the Board of Trustees. The Board of Trustees has also reviewed the adequacy of WEA's internal controls.

The corporate risk register includes action plans for each of WEA's key risks and a summary highlighting the current and changing status of those risks against a target risk score. The Audit & Risk Committee reviews the risk register at each quarterly meeting, receives summary updates on risk management activity, and invites members of WEA management to present on significant issues. The Audit & Risk Committee and Leadership Team will work in partnership in 2024/25 to substantively update WEA's statement of risk appetite and its risk register in line with its post-Reshape activities and priorities, and in anticipation of a new strategy to be agreed near the end of the 2024/25 financial year.

The Board of Trustees currently receives the corporate risk register at least annually and receives reports from the Audit & Risk Committee on a quarterly basis.

Work continues with Leadership Team to support greater seamlessness between the operational and corporate risk registers.

The risks deemed to have the most significant impact on WEA should they manifest are set out below as WEA's principal risks:

Top five risks with mitigating actions taken:

Risk	Mitigating actions taken
Culture not aligned to the level of performance and change resilience we need to meet our mission and strategic objectives.	"Reshaping the Way We Work" is a programme of change and organisational development planned through the second half of 2023/24 and implemented from 1 August 2024. Although the programme was carefully planned and thorough consultation undertaken with all affected staff, the changes brought in through Reshape are still embedding. WEA are confident that the new operating model aligns with sector best practice and meets the expectations of funders and regulators. The Leadership Team, under advice from the Director of People, Strategy & Culture will regularly update committees and the Board of Trustees on issues arising as the new structure embeds, the degree to which Reshaping is enabling full delivery against strategic objectives, and how organisational resilience is being built at a time of rapid external change.
Poor contract / sub-contractor management.	The use of subcontractors to support WEA's education delivery is limited and reducing. Where contracts enable or require the use of subcontractors, the relevant Contract Relationship Manager will manage these relationships within their portfolio.
Detrimental change in government policy, regulation, or funding policy	WEA is dependent on funding from central and local governments which are increasingly restricting how the funding they provide may be applied. The resulting imbalance of restricted and unrestricted income is limiting WEA's ability to deliver the type of provision on which it has built its positive reputation, and that speaks directly to its core mission. WEA is keenly aware of Government's plans to wind down ESFA and the priorities to consolidate and streamline support for skills provision. WEA is anticipating increasing restrictions on education funding and a need to pursue alternative funding streams. In restructuring, a new Directorate – External Relationships – has been constituted to pursue funding arrangements with departmental agencies other than DfE, and partnerships with industry, trusts, and foundations in order to diversify its income.
Loss of income	Failure to meet contract terms, or to deliver fully against education contracts carries a risk of either not earning the full amount of contractual income or income being clawed back, and a risk that funding contracts are not renewed. WEA is actively working to improve its monitoring of contract performance and has reorganised staff teams to enable closer monitoring and greater accountability for delivery.
Data corruption, loss of data, hacking or infiltration	WEA holds a CyberEssentials+ accreditation and is annually re-accredited to ensure the standard continues to be met. Nevertheless, WEA is keenly aware of recent ransomware and other cyber-attacks of education providers and cultural institutions and therefore remains vigilant in maintaining a high standard of security for its systems. Recent systems, policy, and procedural improvements have helped to mitigate this risk.

Fraud Risk Assessment

The risk of financial fraud at WEA is low. On behalf of the Board of Trustees, the Finance & Capital Resources Committee receives a quarterly financial report, which includes management accounts. The committee also has oversight of capital projects and receives regular reports on procurement and performance against project budgets. A separate Audit & Risk Committee receives a quarterly risk register, including an assessment of financial risks. The full Board receives the management accounts (quarterly), consolidated risk reports (quarterly), and the risk register (at least annually).

WEA maintains strong internal controls supported by Financial Regulations and policies which have been recently updated and are regularly reviewed. Financial controls are routinely tested through internal and external audits. Auditors consistently confirm a high level of assurance that these are robust.

Financial policies, including Fraud Prevention, Anti-Bribery & Corruption, and Whistleblowing were updated in 2024 and are scheduled for the next review in 2027. Internal auditors confirmed adequate assurance of fraud awareness across the Association through an internal audit conducted in 2022/23. Information security and fraud awareness are addressed through induction training modules offered to staff and volunteers as part of onboarding and refresher training.

Going concern

The trustees have assessed WEA's ability to continue as a going concern. The trustees have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. This has included a review of budgets and cash flow forecasts and consideration of the key risks, including devolution and forecast changes in the split between restricted and unrestricted income. WEA has prepared a number of financial scenarios and the trustees consider that the WEA is well positioned to manage its business risks successfully. After consideration and enquiry, the Trustees have a reasonable expectation that the WEA has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing these financial statements.

Structure, governance and management

Status

WEA is a charitable company limited by guarantee (number 2806910), incorporated on 5 April 1993 and registered as a charity in England and Wales (number 1112775) and Scotland (number 2806910).

Governing documents

WEA is governed in accordance with the object and powers set out in its governing documents, the Articles of Association and Regulations (last amended 11 July 2024). The governing documents are available to the public through the WEA website at: [Our Ref: \(wea.org.uk\)](https://www.wea.org.uk)

Object of WEA

The object for which WEA was established is to promote adult and general education for the benefit of the community, regionally, nationally, and internationally based on democratic principles in its organisation and practice, through the participation of its voluntary members. In pursuit of this object, WEA has the following aims:

- Stimulating and responding to the demand for liberal education, through the direct provision of courses and other activities;
- Relieving poverty and providing for the needs of working-class people and of those who are socially, economically or educationally disadvantaged and in particular (but without limitation) by providing education and teaching skills for employment, voluntary work and social inclusion;
- Providing educational programmes for appropriate organisations concerned with collective educational needs in the community and in the workplace;
- Generally furthering the advancement of education to the end that all people in England, Scotland and other parts of the world may have full access to the education needed for their complete individual and social development; and
- Promoting the efficiency and effectiveness of charities with similar purposes and the efficient and effective application of resources for such purposes.

WEA operates at local, regional and national levels, providing adult education online and in-venue across England and Scotland. Courses are created and delivered in response to local need, often in partnership with local community groups and organisations. There is a proud tradition of voluntary and democratic process within WEA. Association Members are involved in the planning and provision of courses – in 2023/24, there were 122 Branches and six Local Associations through which courses were delivered to self-selecting groups of learners – as well as in the local and national governance of WEA.

WEA maintains staffed offices across England and Scotland. The largest of these offices is in Leeds. WEA's registered office is in London.

Public benefit

WEA is a public benefit entity, the charitable object of which is to promote adult and general education for the benefit of the community regionally, nationally and internationally based on democratic principles in its organisation and practice, through the participation of its volunteers and members.

WEA's Trustees confirm that they have due regard for Charity Commission's guidance on public benefit and believe it to have been consistently applied, that the requirements of section 17 of the Charities Act 2011, and the new requirements related to annual reporting within the Protection & Social Investments (Charities) Bill 2016 have been fully met when exercising any powers or duties to which the guidance relates.

Board of Trustees

The Board of Trustees is WEA's governing body, comprising fifteen Trustees. The Board of Trustees has ultimate responsibility for the strategic direction of WEA. Trustees are also the Directors and Members of the Company.

Per its Articles of Association as updated 11 July 2024, the composition of the Board of Trustees is as follows:

- at least four Trustees elected in accordance with Regulations and thereafter appointed by the Trustees;
- at least four Trustees co-opted by the Trustees. Co-opted Trustees may serve for such periods as are specified in the resolutions appointing them, subject to Regulations; and
- up to two Funder Trustees who may be appointed by a funder of the Association should such appointment of the Funder Trustee(s) be a statutory or legal requirement (Article 18).

WEA has not appointed any Funder Trustees.

In consideration of guidance from ESFA, and the Charity Governance Code (larger charities), the Board of Trustees has within the last two years recruited and appointed Trustees having qualifications in accounting, human resources and organisational development, and knowledge of the public sector and public funding.

The Board of Trustees meets at least four times a year to ensure that WEA's activities carry into effect the charity's object. Their work includes providing strategic oversight, scrutinising WEA's financial performance and the performance of its management, agreeing budgets, monitoring the quality of educational provision and the safeguarding of beneficiaries and stakeholders, and reviewing current policies, initiatives, activities, and plans. The Board of Trustees is supported by six committees which meet termly or quarterly, according to terms of reference agreed by the Board.

The Board of Trustees is currently chaired by a co-opted Trustee. In accordance with Article 10, a Deputy Chair of Trustees, appointed from among the sitting members of the Board of Trustees, chairs meetings of the Board of Trustees in the event of the Chair's unavailability. The Deputy Chair also supervises the annual performance review of the Chair of Trustees. Trustees, whether appointed or elected, serve on the Board for a term of four years, renewable subject to re-election (in the case of Association Officers) or re-appointment.

Committees of the Board of Trustees

WEA Trustees implemented a new scheme of committees from 1 August 2021. The new scheme of committees was agreed with the aim of improving WEA's demonstrated adherence to the Charity Governance Code (adopted by Trustees as WEA's code of governance in 2018). Trustees understand the role of committees to be to apply detailed, specialist scrutiny to matters within their remit, and to support the Board of Trustees in performing specific duties or oversight more thoroughly and effectively than it could otherwise do acting together as a full board.

All committees of the Board of Trustees remain non-executive. Save for the Audit & Risk Committee, the committees do not have delegated authority to undertake investigations or to take independent professional advice without prior authorisation from the Board of Trustees.

Committees of the Board of Trustees generally meet on a quarterly basis to receive detailed reports and make detailed enquiries on strategic organisational matters, reporting back to the Board of

Trustees at each subsequent meeting.

During the 2023/24 financial year there were six delegated committees of the Board of Trustees. These were:

Audit & Risk Committee – The Audit & Risk Committee assisted the Trustees in discharging its oversight responsibilities by reviewing the effectiveness of WEA's internal controls and compliance systems and, on behalf of the Trustees, reviewed the performance and results of external and internal auditors' work, and reviewed and monitored the preparation and production of the Trustees' Annual Report. On an annual basis, it recommended the appointment of auditors to the Board of Trustees and, on their behalf, approved the auditors' terms of engagement.

Education Committee – The Education Committee supported the Board of Trustees in meeting its responsibilities for strategic leadership of educational provision in England and took assurances on their behalf regarding the development, monitoring and application of education policies, learner welfare (including safeguarding) and the learner experience, the quality of education offered and adherence to relevant regulatory and inspection standards.

Finance & Capital Resources Committee – The Finance & Capital Resources Committee supported the Board of Trustees in discharging their responsibilities to ensure sound business planning and budgeting in the interests of WEA's long-term financial health and sustainability, in part through quarterly review of management accounts and financial forecasts. The Committee takes responsibility for overseeing the production of the year-end financial statements. The Committee advised Trustees on the application of WEA's funds and other assets in accordance with its charitable purposes and the public benefit duty, and on compliance with the requirements and expectations of its funders.

People Committee – The People Committee focused on WEA's HR strategy, volunteering strategy, EDI, and health and safety. It ensured ongoing review of organisational effectiveness, and the maintenance of an organised and clear management structure, with well-understood delegations. The Committee supported WEA in its aim to exceed its statutory responsibilities for equality and diversity.

A strategic Health & Safety Committee was implemented in the first half of the 2023/24 financial year as a bridge between Trustees' duties and responsibilities in relation to health and safety, and the managerial and operational policies and procedures within which the executive manages health and safety responsibilities. The People Committee receive quarterly reports on any health and safety incidents, accidents, or near misses, and a consolidated annual report for consideration and recommendation to the Board of Trustees.

Scotland Board – The Scotland Board promoted the profile of WEA in Scotland by supporting and facilitating the communication, engagement and consultation with WEA Scotland's members, learners and stakeholder groups. It supported the Board of Trustees in meeting its responsibilities for strategic leadership of educational provision in Scotland, including providing assurances on adherence to relevant regulatory and inspection standards in Scotland. Scotland Board also supported and promoted the Association-wide understanding of Scotland-specific educational policy, legislation, and funding relating to adult education, making recommendations to the Board of Trustees as appropriate.

WEA Council – WEA Council's purpose and remit are set out in WEA's Articles of Association. Its principal function was and continues to be to promote the democratic involvement of all Association Members and effective communication between the Association's stakeholders and the Board of Trustees. In practice, WEA Council is an important forum for discussion of shared interests across communities across England and Scotland. At any time, there are at least four Trustees who are members of WEA Council, two of whom must be Association Officers elected by the Association Members. The President (an Association Officer) chairs the WEA Council.

During the 2023/24 financial year there were two additional committees of the Board of Trustees convened for specific advisory purposes. These were:

Remuneration Committee – The Remuneration Committee determined the pay and conditions for WEA's senior post holders (i.e., CEO/GS, Director of Finance & IT, and Director of Governance & Company Secretary).

Nominations Committee – The Nominations Committee oversaw the recruitment and ongoing support and development for Trustees and the non-Trustee members of the committees of the Board of Trustees, considering the diversity and skills profiles and needs of each group.

Each committee of the Board of Trustees includes at least two and ideally three Trustees as members of the committee. Other committee members are drawn from the Association Membership. Where appropriate skills are not found within the Association Membership, committee members may be externally co-opted. An exception is the Remuneration Committee, which includes only Trustee members. Trustee attendance figures of Board and Committee meetings can be found on page 33.

Election of association officers & the Annual conference

Members of the Association make direct contributions to the governance of WEA through the election of Association Officers and the Annual Conference. In accordance with the governing documents, Association Officers are elected to office by the Association Members and subsequently appointed as Trustees, subject to assurance of their statutory eligibility.

The Annual Conference, organised by the WEA Council, provides opportunity for Association Members to receive reports from Trustees and the WEA Council on the year's activities, and to influence the overall direction of WEA through bringing forward motions for consideration.

Trustee recruitment, induction & training

WEA seeks to encourage diversity in its widest sense within the governance structure. The WEA's Articles of Association set out the categories from which Trustees are elected and appointed.

Co-opted Trustees: Trustees who are co-opted to the Board are sought through advertisement and/or recruitment search agencies. Current practice is to seek suitable co-opted trustee candidates first from within the Association Membership, and then through external recruitment if suitable internal candidates are not found. As part of the process for appointment, the Nominations Committee convenes a panel to oversee the shortlisting and interviewing of candidates prior to a recommendation to the full Board for approval. Co-opted Trustees are required to undertake a DBS check and to confirm their statutory eligibility to serve as a Trustee and Company Director ahead of any appointment.

Association Officers: Following election by the Association Members to the role of President, Deputy President or Treasurer, an Association Officer is appointed a Trustee *ex officio*, subject to interview with members of Nominations Committee (in accordance with Article 19), DBS clearance, and confirmation of their statutory eligibility to serve as a Trustee and Company Director.

Once appointed to the Board, Trustees are supported by a comprehensive programme of induction arranged by the Head of Corporate Governance. In addition to induction, new Trustees are encouraged to meet members of staff, and to take part in local and national activities. All Trustees are encouraged to undertake governance development training offered by the Education Training Foundation ("ETF").

Chief Executive & General Secretary

In accordance with the Articles of Association, the CEO/GS is appointed by the Board of Trustees to manage the day-to-day operations of WEA and is accountable to the Board of Trustees via the Chair. The CEO/GS is WEA's Accounting Officer for ESFA reporting purposes.

Powers delegated to the CEO/GS include the implementation of policy and strategy adopted by the Trustees, to be carried out within a budget approved by them from time to time. The CEO/GS has a duty to report back to Trustees regularly. In practical terms, this means that the CEO/GS is a regular attendee at meetings of the Board of Trustees and has a standing reporting item on each agenda. To support the effective coordination of business between Trustees and Council, the CEO/GS also meets regularly with the WEA Council to ensure its members are adequately informed of WEA activities.

The CEO/GS works with the Leadership Team as identified in the Reference and Administrative Details on page 4.

Leadership team

Leadership Team meets least monthly over two to three days and reviews the quality and effectiveness of teaching and learning activity, organisational performance against the strategy and budget agreed by Trustees, performance against contracts (including the ESFA contract), current and future staffing needs, emerging risks, and forward planning.

Bidding activity for new or renewed contracts and the success rate of bids is regularly reported to Leadership Team and reported on to Trustees by the CEO/GS on their behalf.

Review & remuneration of senior employees

Under the new scheme of committees taking effect from 1 August 2021, a Remuneration Committee has been constituted to consider and agree the remuneration of senior post holders (in 2023/24, senior post holders were: the CEO/GS, Director of Finance & IT, and Director of Governance & Company Secretary).

Salaries for other Leadership Team posts are in principle set by the CEO/GS within the salary structures laid out from time to time by the People Committee and approved by the Board of Trustees, and within the scope of budget constraints agreed annually by the Board of Trustees. In practice, spot salaries for senior roles appointed to in 2023 were agreed in advance of recruitment with limited scope for negotiation at the time of offer. There were two senior appointments made during 2022/23.

Performance objectives of the CEO/GS and members of the Leadership Team are agreed each year as part of the appraisal process determined by the Board of Trustees and reflected in the Business Plan and Budget which is approved by the Board of Trustees annually in July for the next financial year.

Remuneration details are set out in Note 6 to the financial statements.

Engagement with employees (CA2006 Section 172 Disclosure)

This report on WEA's compliance with Companies Act 2006, section 172 ("CA2006 s.172") should be read in conjunction with the Strategic Report on pages 11 – 18. CA2006 s.172 as applicable to incorporated charities requires Trustees (who are the Directors of the Company under CA2006) to take into consideration the interests of employees and other stakeholders in their decision-making. Trustees continue to have regard to the interests of WEA's employees and other stakeholders, including the impact of its activities on the community, the environment and WEA's reputation, when making decisions. Acting in good faith and fairly between members, the trustees consider what is most likely to promote WEA's success for its learners, volunteers, and Association Members in the long term. Whilst the importance of giving due consideration to stakeholders is not new, WEA is explaining in more detail how the Board engages with stakeholders, thus seeking to comply with the requirement to include a statement setting out how Trustees have discharged this duty.

Trustees are fully aware of their responsibilities to promote WEA's success in accordance with CA2006 s.172. Ongoing support and periodic training from WEA's legal advisors, Bates Wells, is provided to ensure the Board continues to operate in line with good corporate practice and to respond to changes within the sector (e.g., reclassification as part of the public sector). In January 2023, Trustees received updated training and detailed legal advice on their duties and obligations following reclassification as a public sector body.

The Board has overseen the implementation of a new three-year strategy that ensures stakeholder interests, and particularly the interests of learners, are considered. The "Creating Opportunities" Strategy responds not only to material changes in the way that WEA receives its funding, but also addresses the reality that the communities WEA serves have different needs requiring tailored solutions. To this end, the Board has worked closely with the CEO/GS to implement a progressive programme of operational change to ensure that regional and national communities and academic expertise have greater influence on decision-making.

The Board continues to enhance its methods of engagement with the workforce. WEA seeks to engage all employees and volunteers in its activities and achievements, and to this end the "Creating Opportunities" Strategy has emphasised the development and improvement of technologies and systems to ensure WEA employees, volunteers, and learners, dispersed as they are across the whole of England and Scotland, are able to work together easily and efficiently.

Through these activities, Trustees reflect (inter alia) on how WEA engages with its stakeholders and opportunities for enhancement in future.

There continues to be a range of regular communication methods including management meetings, team meetings and newsletters to ensure that all staff are kept informed of WEA activities and achievements. There is also a monthly e-briefing from the CEO/GS that is distributed as part of the usual monthly newsletters to all staff as well as to the wider community of volunteers and Association Members.

WEA's recognised trade union is engaged in consultation on staff terms and conditions, including pay awards, through the Joint Negotiating Consultative Committee.

WEA aims to work responsibly with its subcontractors, particularly those involved with the delivery of provision and other services relating to WEA's contracts with devolved combined authorities. Throughout the year, WEA has offered support in the on-boarding of its subcontractors by sharing its delivery needs and the support available within WEA to enable effective relationships.

Charity Governance Code

The Board of Trustees adopted the Charity Governance Code (larger charities) in 2018 and have discussed and assessed the organisation's performance against the Code's main principles and recommended practices since that time, and as updated in 2020. WEA's adherence to the Code and its principles formed a significant part of the external review of governance effectiveness carried out between January and July 2024, and which judged WEA's governance as effective.

Following updates to the Charity Governance Code in 2020, Trustees have considered their approach to putting into practice the Code's EDI principles across WEA, and how Trustees and others involved in governance can demonstrate adherence to the enhanced integrity principle.

Principles of Equality, Diversity, and Inclusion – WEA received provisional IID accreditation in March 2022. Through the process of governance review, Trustees and members of Council identified certain provisions in WEA's Articles & Regulations which were felt to inadvertently impede greater diversity within the formal governance structure. Such provisions were modified or removed when updating the Articles and Regulations in July 2024. Significant modifications made with the explicit aim of improving diversity included amendments to the composition of the WEA Council, expansion and modification to the Board's composition, and the constitution of a Nominations Committee.

Principle of Integrity – Trustees have sought to address power imbalances within WEA's structure of Board, Board committees, and Local Advisory Panels by introducing term limits on non-trustee appointments. Non-trustee members of committees and Advisory Panels are now limited to two terms of three years' service on any one committee or panel. In December 2022, the Articles were changed to introduce absolute term limits on Trustee appointments, closing a loophole in the Articles which created potential opportunities for certain individuals to remain on the Board of Trustees for as long as six terms of four years. Absolute term limits were retained in the new Articles brought into effect in July 2024.

WEA continues to work toward greater and explicit adherence to the Charity Governance Code. It continues to make significant improvements in areas where weaknesses have been previously identified.

Leadership – Succession planning on the Board of Trustees has been addressed through the appointment of a Deputy Chair and agreement of a clear role description for the Deputy Chair. The Board has also agreed a Succession Planning Policy and convened a Nominations Committee to oversee the recruitment of new Trustees, anticipate upcoming vacancies on the Board and on committees of the Board, and to ensure the conduct of periodic skills audits.

Decision-making, risk, and control – Decision-making and delegation has been refined through clarifications in the designation of senior post holders having direct responsibility to the Board of Trustees, and to whom the Board may delegate directly. Delegation to committees is now clearly documented in up-to-date terms of reference. The Audit & Risk Committee maintains oversight of WEA's risk appetite and the overall scoring and assessment of high-level risk. Frameworks for the identification and assessment of risk are being strengthened through implementation of clearer, more rigorous programmes of review at operational level, with Leadership Team taking a more active role in overall risk management.

Board effectiveness – WEA has progressively updated and reformed its governance structure, practices and procedures over the course of the previous four years. In 2023/24, in accordance with DfE guidance on strengthening governance and ESFA conditions of funding, WEA undertook an external review of its governance effectiveness, commencing in January 2024. The law firm Stone King was engaged for this purpose. In the judgment of Stone King:

taking account of meeting observations, discussions and documentation available, [the] review recognises that the governing of the WEA Board of Trustees is committed, positive, challenging and demonstrates ambition. There is a supportive and enquiring governing culture. Significant development of the governance framework undertaken over recent years has positively impacted governing effectiveness.

Following formal receipt and acceptance of Stone King's report on WEA governance effectiveness at a meeting on 11 July 2024, the Board of Trustees has agreed an action plan which will guide further governance development and improvement over the course of the 2024/25 financial year. A summary of Stone King's report is available on the WEA website.

Governance review

During the 2023/24 financial year, WEA adopted new Articles & Regulations which updated and simplified language throughout and reformatted the Articles to broadly follow the format of model articles for "foundation" type charitable companies. The charity's objects, aims and principles were unchanged. Other changes to the Articles & Regulations included:

- Simplifying provisions regarding the composition of the Board of Trustees, with allowances made for a Board of up to 15 Trustees.
- Amending provisions on winding up to ensure consistency with charity law in Scotland as well as in England. Charity Commission consent was sought and received in advance of this change being made.
- Amending the quorum for Trustees' meetings so that this is a simple majority. Provisions requiring that certain classifications of Trustees form the majority were removed.
- Clarifying provisions relating to the conduct of electronic meetings and adding provisions relating to decision-making by circulation.
- Updating provisions regarding the management of conflicts of interest to ensure compliance with the higher standards in Scottish law – i.e., where there is a conflict of interest, the conflicted member may not participate in any vote, even where the other trustees may consent to the member's participation.

Provisions in the Articles allowing the appointment of funder trustees were retained in accordance with requirements of WEA's funding agreements with ESFA and MCAs in England. There are currently no funder trustees on WEA's Board of Trustees.

The adoption of new Articles & Regulations was the last stage in the governance review of WEA which commenced in 2018. The Board and committee arrangements enabled by the new Articles, the local governance arrangements set out in Regulations, and an expanded, professionalised governance team mean that WEA is structured and resourced to ensure its governance structures, procedures and practices are kept up to date and remain aligned with the guidance set out in the Charity Governance Code (larger charities) as updated in 2020, and with DfE's statutory guidance on supporting governance.

Trustees are aware that the funding and regulatory world outside of WEA is changing rapidly, and that WEA is obliged to respond to these changes to secure its future. Together with WEA Council, Trustees have worked to build and maintain clear lines of sight from the Board to the local communities WEA serves, placing priority on the following areas:

- Safeguarding (including learners, staff, and volunteers);
- Equality and inclusion;
- Health, safety, and wellbeing;
- Education quality;
- Learner engagement and voice;
- Application of financial resources;
- Environmental sustainability and social value.

Local Advisory Panels, implemented in 2022/23, are instrumental in providing assurances to the Board of Trustees and other stakeholders that WEA is meeting local need (as defined by funders, and needs identified outside the scope of funding agreements), surfacing and responding effectively to learner feedback, and identifying opportunities for WEA to extend its charitable reach. WEA's network of Local Advisory Panels

currently aligns to areas of devolved funding in England and will continue to expand in response to ongoing devolution in England. Consideration will be given by Trustees to constituting Local Advisory Panels in non-devolved areas where it is in the interest of WEA to do so.

Attendance at Board and Committee Meetings during 2023/24

Abbreviations:

A&R	Audit & Risk Committee	PC	People Committee
EC	Education Committee	RC	Remuneration Committee
F&CR	Finance & Capital Resources Committee	SB	Scotland Board
NomCo	Nominations Committee	T/WEAC	Joint meeting of the Trustees & WEA Council
		WEAC	WEA Council

Trustee	Board/ Committee	2023/24 meetings	Attendance	Trustee	Board/ Committee	2023/24 meetings	Attendance
John Widdowson	Board* (Chair)	5/5	100%	Jamey Johnson#	Board	3/4	75%
	T/WEAC	3/3	100%		T/WEAC	2/2	100%
	RC	1/1	100%		F&CR	1/2	50%
	NomCo	2/3	67%				
Cathy Armor#	Board	5/5	100%	Abda Khan#	Board	3/4	75%
	T/WEAC	2/3	67%		T/WEAC	1/2	50%
	PC	2/2	100%		EC	2/3	67%
Robin Cook	Board	5/5	100%	Pat Kynaston	Board	4/5	80%
	T/WEAC	2/3	67%		T/WEAC	3/3	100%
	A&R	4/4	100%		F&CR	4/4	100%
	SB	4/4	100%		WEAC (Chair)	4/4	100%
	WEAC	4/4	100%		RC	0/1	0%
Kevin Doyle	Board	5/5	100%	Geoff Layer	Board	4/5	80%
	T/WEAC	3/3	100%		T/WEAC	3/3	100%
	F&CR (Chair)	4/4	100%		EC	4/5	80%
	RC	1/1	100%		RC (Chair)	1/1	100%
Marion Flett+	Board	1/1	100%		NomCo (Chair)	3/3	100%
	T/WEAC	1/1	100%	Stephanie Mason#	Board	4/4	100%
	SB	1/1	100%		T/WEAC	2/2	100%
Malcolm Grady	Board	4/5	80%		F&CR	2/2	100%
	T/WEAC	2/3	67%	Karen McArdle+	Board	3/4	75%
	EC	4/5	80%		T/WEAC	1/3	33%
Christine Grant	Board	5/5	100%		PC	3/4	75%
	T/WEAC	2/3	67%		SB (Chair)	3/4	75%
	A&R (Chair)	4/4	100%	Lindsay Pearson	Board	5/5	100%
	NomCo	3/3	100%		T/WEAC	3/3	100%
Tracey Irving#	Board*	2/4	50%		A&R	3/4	75%
	T/WEAC	1/2	50%		EC (Chair)	5/5	100%
	SB	1/1	100%		WEAC	3/4	75%
				Peter Threadkell	Board	5/5	100%
					T/WEAC	3/3	100%
					PC (Chair)	4/4	100%
					EC	4/5	80%
					RC	1/1	100%
					NomCo	2/3	67%

+ Term ended before 31 July 2024.

Term began after 1 August 2023.

WEA's Board of Trustees and its committees normally meet on a quarterly cycle of meetings so that each group would meet four times per year. Termly joint meetings of the Board of Trustees and WEA Council were implemented from the start of the 2021/22 financial year as part of efforts to support effective communication between trustees and local governing bodies.

Average attendance at meetings of the Board of Trustees in 2023/24 was 88%, including one extraordinary meeting and excluding the three joint meetings between the Board of Trustees and WEA Council (2022/23: 85%). Including the joint meetings with WEA Council, overall Trustee attendance was 87% (2022/23: 76%). Average Trustee attendance at joint meetings of the Board of Trustees and WEA Council was 83% (2022/23: 80%).

Average attendance at all Board and Committee meetings in 2023/24 was 86% (2022/23: 84%).

Trustees' declaration

Statement of trustees' responsibilities

The Trustees (who are also Directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice ("UK accounting standards").

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Trustees of the charitable company at the date of approval of this report is aware, there is no relevant audit information (information needed by the charitable company's auditor in connection with preparing the audit report) of which the charitable company's auditor is unaware. Each trustee has taken all the steps that they should have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Approved on behalf of Trustees on 12 December 2024.



Signed: John Widdowson, CBE
Chair of Trustees

Statement of corporate governance & internal control

The following statement is provided to enable readers of the Annual Report and Accounts of the Charity to obtain a better understanding of its governance and legal structure. This statement covers the period from 1 August 2022 to 31 July 2023 and up to the date of approval of the Annual Report and Financial Statements.

The Charity endeavours to conduct its business:

- i. In accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
- ii. In accordance with the governance requirements in the Companies Act 2006 and the Charities Act 2011; and
- iii. With due regard to the guidance and principles set out in the UK Corporate Governance Code 2018.

The Charity is committed to exhibiting best practice in all aspects of corporate governance and, as a registered charity, follows compliance guidelines set by the Charity Commission. We have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code we consider to be relevant to the further education sector and best practice.

The Board of Trustees 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 Board of Trustees confirm that they have due regard for the Charity Commission's guidance on public benefit and that the required statements appear elsewhere in these financial statements.

Approved by order of the Board of Trustees on 12 December 2024 and signed on its behalf by:

John Widdowson, CBE
Chair of Trustees

Simon Parkinson
CEO/GS

Governing body's statement on the regularity, propriety and compliance with funding body terms and conditions of funding

The Charity has considered its responsibility to notify the Education and Skills Funding Agency ("ESFA") of material irregularity, impropriety and non-compliance with the ESFA terms and conditions of funding, under the financial memorandum in place between the Charity and the ESFA. As part of our consideration, we have had due regard to the requirements of the financial memorandum.

We confirm, on behalf of the Charity, that after due enquiry, and to the best of our knowledge, we are not able to identify any material irregular or improper use of funds by the Charity, or material non-compliance with the ESFA's terms and conditions of funding under the Charity's financial memorandum.

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

Approved by order of the Board of Trustees on 12 December 2024 and signed on its behalf by:

John Widdowson, CBE
Chair of Trustees

Simon Parkinson
CEO/GS

Independent auditor's report to the members and trustees of the Workers' Educational Association ("WEA")

Opinion

We have audited the financial statements of WEA ('the charitable company') for the year ended 31 July 2024 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2024 and of its income and expenditure, 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 Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006(amended).

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material

misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken during our audit:

- the information given in the trustees' report, which includes the directors' report, and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

Considering the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement [set out on page 35], the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, The Charities and Trustee Investment (Scotland) Act 2005, Further and Higher Education Act 1992 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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 might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Health and Safety legislation, Ofsted Education Inspection Framework, taxation legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

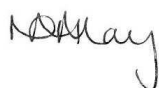
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Nicola May
Senior Statutory Auditor For and on behalf of Crowe U.K. LLP Statutory
Auditor London
19 December 2024

Independent reporting accountant's report on regularity 31 July 2024

To the Trustees of the Workers' Educational Association (the WEA) and Secretary of State for Education, acting through Education and Skills Funding Agency (the ESFA) and the Greater Manchester Combined Authority, Liverpool City Region Combined Authority, West of England Combined Authority, West Midlands Combined Authority, North of Tyne Combined Authority, Greater London Authority, West Yorkshire Combined Authority, South Yorkshire Mayoral Combined Authority and Cambridge and Peterborough Combined Authority (referred to as "the Authorities" below).

In accordance with the terms of our engagement letter dated 15 November 2024 and further to the requirements and conditions of funding in the ESFA's grant funding agreements and contracts, or those of any other public funder, including the Authorities we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by the WEA during the period 1 August 2023 to 31 July 2024 have not been applied to the purposes identified by Parliament and the financial transactions do not conform to the authorities which govern them.

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

This report is made solely to the trustees of WEA and the ESFA and the Authorities in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Trustees of the WEA and the ESFA and the Authorities 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 WEA and the ESFA and the Authorities for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the WEA and the reporting accountant

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

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

Approach

We conducted our engagement in accordance with the Code issued by the ESFA and in accordance with any guidance provided by the Authorities. We performed a limited assurance engagement as defined in that framework.

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity of the WEA's income and expenditure. The work undertaken to draw to our conclusion includes a review of the design and implementation of WEA's internal controls and review processes on regularity, supported by detailed tests on sample of costs incurred by the college and specific transactions identified from our review.

Conclusion

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

Crowe U.K. LLP

Crowe U.K. LLP

19 December 2024

Financial statements

Statement of financial activities for the year ended 31 July 2024

	Notes	2023/24 Unrestricted funds £'000	2023/24 Restricted funds £'000	2023/24 Total funds £'000	2022/23 Unrestricted funds £'000	2022/23 Restricted funds £'000	2022/23 Total funds £'000
Income from:							
Donations and legacies		39	-	39	41	148	189
Charitable activities	2	12,553	18,338	30,891	13,119	12,425	25,544
Investment income	19	1,727	-	1,727	1,343	-	1,343
Other		45	3	48	37	362	399
Total income		14,364	18,341	32,705	14,540	12,935	27,475
Expenditure on:							
Charitable activities	3	15,850	11,624	27,474	13,547	11,485	25,032
Other	18b	1,272	-	1,272	1,089	-	1,089
Total expenditure		17,122	11,624	28,746	14,636	11,485	26,121
Net income/(expenditure)		(2,758)	6,717	3,959	(96)	1,450	1,354
Transfers between funds	13	3,234	(3,234)	-	138	(138)	-
Other recognised losses:							
Adjustment for defined benefit pension scheme	18e	(398)	-	(398)	(448)	-	(448)
Net movement in funds		78	3,483	3,561	(406)	1,312	906
Reconciliation of funds:							
Total funds brought forward		12,954	1,946	14,900	13,360	634	13,994
Total funds carried forward		13,032	5,429	18,461	12,954	1,946	14,900

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities. The notes on pages 45 to 75 form part of these accounts.

Balance sheet as at 31 July 2024

		2023/24	2022/23
	Notes	£'000	£'000
Fixed assets			
Tangible assets	8	7,003	4,070
Intangible assets	8	1,811	1,213
Total fixed assets		8,814	5,283
Current assets			
Debtors	9	2,300	2,050
Investments	16	6,980	6,693
Cash at bank and in hand	16	6,656	5,934
Total current assets		15,936	14,677
Liabilities			
Creditors: amounts falling due within one year	10	(6,034)	(4,696)
Net current assets		9,902	9,981
Total assets less current liabilities		18,716	15,264
Creditors: amounts falling due after one year	10	-	(38)
Provisions for liabilities	22	(255)	(326)
Total net assets		18,461	14,900
Funds of the Charity			
Unrestricted funds	13	4,218	7,671
Designated funds	13	8,814	5,283
Total unrestricted funds	13	13,032	12,954
Restricted funds	13	5,429	1,946
Total charity funds		18,461	14,900

The financial statements on pages 45 to 75 were approved by the Board of Trustees and authorised for issue on 14 December 2024, and are signed on its behalf by:



John Widdowson, CBE
Chair of Trustees



Simon Parkinson
CEO/GS

Cash flow statement for the year ended 31 July 2024

	Notes	2023/24 £'000	2023/24 £'000	2022/23 £'000	2022/23 £'000
Cash flows from operating activities:					
Net cash provided by operating activities	14		4,829		3,164
Cash flows from investing activities:					
Interest received	19	418		156	
Purchase of tangible and intangible assets	8	(4,257)		(1,404)	
Net cash used in investing activities			(3,839)		(1,248)
Cash flows from financing activities:					
Sale of Fixed Assets		19		445	
Net cash provided by / (used in) financing activities			19		445
Change in cash and cash equivalents in the reporting period			1,009		2,361
Cash and cash equivalents at the beginning of the reporting period			12,627		10,266
Cash and cash equivalents at the end of the reporting period			13,636		12,627
Notes to the cash flow statement					
			2023/24 £'000		2022/23 £'000
Analysis of cash and cash equivalents					
Investments			6,980		6,693
Bank and cash			6,656		5,934
Total cash and cash equivalents			13,636		12,627

Notes to the financial statements for the year ended 31 July 2024

1. Accounting policies**Basis of preparation****Basis of preparation**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Companies Act 2006, Charities: Statement of Recommended Practice (FRS102) applicable in the UK and Republic of Ireland, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. We believe this is the most appropriate basis of accounts preparation.

The Trustees have assessed WEA's ability to continue as a going concern. The Trustees have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. This has included a review of budgets and cash flow forecasts through to July 2026 and consideration of the key risks, namely losing income through poor contract performance or a poor devolution outcomes in certain areas. The WEA has prepared a number of financial scenarios to manage this risk and they also dictate the target minimum reserves level as set out in the reserves policy.

Cash management and working capital controls are in place to ensure restricted and unrestricted assets and reserves are appropriately managed.

The Trustees are confident the organisation has adequate resources to operate for the foreseeable future as a going concern and has prepared its financial statements on this basis.

The WEA's charitable objective is to promote adult and general education. The WEA meets the definition of a public benefit entity.

Fund accounting:

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity, and which have not been designated for other purposes.

Designated funds represent the Associations funds relating to fixed assets.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The funds are maintained on a project by project basis or in accordance with the agreed restrictions on their use. The restricted funds reserves and movements on them are shown on a region by region basis in the notes to the accounts.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the Association is entitled to the income, its receipt is probable and the amounts can be measured reliably.

Voluntary income is received by way of donations and gifts and is recognised on a receivable basis where the receipt is probable and the amount can be reliably measured.

Volunteer time

WEA benefits from the active participation of volunteers, as referred to in the Trustees' Report. The financial statements do not quantify any financial value on this contribution.

Grants are included in the SOFA on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds in the balance sheet. Where income is received in advance of meeting any performance-related conditions, there is no unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

Service level agreements are recognised in line with performance. These relate to fees and contract income.

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

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Governance costs comprise management of the Charity's assets, organisational management and compliance with constitutional and statutory requirements.

Cost allocation

The Association has considered that it has just one activity, which is Education Provision, to which the majority of costs are directly attributable. Where costs cannot be directly attributed to particular headings, they have all been allocated to activities on a basis consistent with their use.

Branches

The Charity carries out activities through a national network of non-autonomous branches which operate under the Charity's registration number. These run courses for the Charity locally and receive support from the Charity through advice, publicity and meeting tutor costs. Branch activities are included in the Charity's accounts.

Notes to the financial statements for the year ended 31 July 2024

1. Accounting policies (continued)

Fixed assets and depreciation

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental costs of acquisition. Computers regardless of cost are capitalised.

Capital project items are capitalised and depreciated over 3 years from the time when the project commenced or in line with the life of the project.

Software costs (excluding maintenance costs), costing £1,000 or more are capitalised over 3 years in line with the Association's policies.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land	Nil
Freehold buildings	over 50 years
Improvement to buildings	over 10 years
Grant funded building improvements	over the life of the project
Grant funded equipment	over the life of the project
Other equipment	over 3 years
Computer software	over 3 years

Investments and management of liquid resources

Cash includes cash in hand and at bank. Investments are short-term deposits of up to 95 days' notice, held as part of the Association's treasury management activities. Movements in all short-term investments, deposits and cash repayable at the end of the investment periods are reported under cash and cash equivalents in the cash flow statement.

Pension costs

At 31 July 2024 retirement benefits to employees are provided by the People's Pension, the Teachers' Pension (TP), the Scottish Public Pensions Agency (SPPA) and the Charity's own Workers' Educational Association pension scheme (WEA Scheme) whose Trustee and Administrator is The Pensions Trust.

The People's Pension is a defined contribution scheme.

The TP, SPPA and WEA pension schemes are defined benefit schemes.

The TP and SPPA are multi-employer schemes. It is not possible to identify the Association's share of the underlying assets and liabilities of the schemes on a consistent and reliable basis and therefore, as required by FRS 102, the WEA accounts for the schemes

as if they were defined contribution schemes. The Association's contributions are charged in the period in which the salaries they relate to are payable, in accordance with the recommendations of the Government Actuary.

For the WEA Scheme, the difference between the fair value of the assets held in the Association's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the Association's balance sheet as a pension scheme asset or liability as appropriate. Changes in the defined benefit pension scheme asset or liability arising from factors other than cash contribution by the Association are charged to the SOFA in accordance with Financial Reporting Standards (FRS 102) - Retirement Benefits. The deficit arising from the adoption of FRS 102 is recognised as a reduction in the general reserves.

Surpluses are not recognised unless they are considered recoverable.

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the SOFA in the year in which they fall due.

Notes to the financial statements for the year ended 31 July 2024

1. Accounting policies (continued)

Provisions and contingencies are recognised when the following three conditions are met: the Association has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economical benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. The amount of the provision represents the best estimate of the expenditure required to settle the obligation at the end of the reporting period.

Contingent liabilities, including liabilities that are not probable, or which cannot be reliably measured, are not recognised but are disclosed unless the possibility of settlement is considered remote. Contingent Assets are not recognised, but are disclosed where an inflow of economic benefit is probable.

Financial instruments

WEA has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transition value, and subsequently measured at the settlement value.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due, or discount offered.

Creditors

Creditors and provisions are recognised where the Association has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and investments available within twenty-four hours.

Investments

Investments are short-term highly liquid investments with a short maturity of 95 days or less.

Key judgements and assumptions

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

Details of the two main accounting estimates can be found in the notes to the accounts. The valuation of the freehold property is detailed in note 8 and the accounting valuation of the defined benefit pension scheme in note 18.

Redundancy

The WEA recognises a provision for redundancy costs when they are committed to a programme of redundancy at the balance sheet date. This can be recognised while a consultation process is underway as long as the redundancy programme has been announced. The provision is measured at the best estimate of the redundancy liability accrued to the end of the accounting period.

Dilapidations Provision

Provisions are made when a legal or constructive obligation is identified and the liability can be reasonably qualified. The provision is based on an estimate provided by the landlord of the property or a benchmarked market rate per square foot of the leased property.

Notes to the financial statements for the year ended 31 July 2024

2. Incoming resources from charitable activities

Educational provision	Unrestricted 2023/24 £'000	Restricted 2023/24 £'000	Total 2023/24 £'000	Total 2022/23 £'000
Fees and contracts	640	3,509	4,149	5,544
Education and Skills Funding Agency (ESFA) grant	11,902	-	11,902	12,905
Other grants receivable	11	14,825	14,836	7,084
Other income from activities	-	4	4	11
Total incoming resources from charitable activities	12,553	18,338	30,891	25,544

2a. Analysis of income from charitable activities

	Total 2023/24 £'000	Total 2022/23 £'000
ESFA unrestricted grants		
ESFA contract	11,502	11,615
Other ESFA grants and contracts	400	304
Total ESFA unrestricted grants	11,902	11,919
Total ESFA restricted grants	-	986
Total ESFA contracts & grants	11,902	12,905
Other unrestricted grants		
Total other unrestricted grants	11	17
Total other restricted grants	14,825	7,067
Total other grants	14,836	7,084

3. Resources expended on charitable activities

	Unrestricted 2023/24 £'000	Restricted 2023/24 £'000	Total 2023/24 £'000	Total 2022/23 £'000
Educational activity costs				
Tutor costs - staff	2,627	1,989	4,616	4,276
Tutor costs - travel & subsistence	153	102	255	184
Regional costs - staff	4,425	2,816	7,241	6,430
Regional costs - other	1,095	526	1,621	1,332
Grants and subcontractor payments	1	3,601	3,602	3,366
Total educational activity costs	8,301	9,034	17,335	15,588
Governance costs (note 4)	351	4	355	353
Support costs (note 5)	7,198	2,586	9,784	9,091
Total resources expended on charitable activities	15,850	11,624	27,474	25,032

Notes to the financial statements for the year ended 31 July 2024

4. Governance costs

	Total 2023/24 £'000	Total 2022/23 £'000
External audit fees		
Crowe U.K. LLP (note 7)	59	56
Other Assurance fees		
Crowe U.K. LLP (note 7)	4	20
Internal Audit Fees	20	12
Legal and professional fees	80	85
Trustees meetings and other costs (note 17)	10	11
Support costs - staff	182	169
Total governance costs	355	353

5. Support costs

	Total 2023/24 £'000	Total 2022/23 £'000
Support costs - staff	5,743	5,273
Support costs - other	1,948	1,806
Facilities management	795	661
IT & communications	1,298	1,351
Total support costs	9,784	9,091

Notes to the financial statements for the year ended 31 July 2024

6. Staff costs

	Total 2023/24 £'000	Total 2022/23 £'000
Wages and salaries	13,914	13,433
Social security costs	1,283	1,153
Pension costs	1,412	1,364
Redundancy costs	1,174	198
Total staff costs	17,783	16,148

The above figure does not include agency staff employed by the Association at a cost of £305,557 (2022/23: £123,084)
At the year-end £1,007,442 (2022/23: £34,469) of the redundancy costs remained unpaid.

The average number of employees during the year was as follows:

	2023/24	2022/23
Staff	387	353
Tutors	349	506
Total average number of employees	736	859

Number of employees earning £60,000 per annum and above are as follows:

£60,001 - £70,000	13	5
£70,001 - £80,000	7	5
£80,001 - £90,000	5	-
£90,001 - £100,000	4	-
£110,001 - £120,000	1	-
£140,000 - £150,000	1	1
	31	11

One member of staff (2022/23: One member) received redundancy payments in 2023/24 which took their earnings into the above brackets. Pension benefits are accruing for the other 10 (2022/23: 10) higher paid employees. Total employer pension contributions of £127,904 (2022/23: £63,884) have been made in relation to higher paid employees.

The key management personnel of the Charity comprise the Board of Trustees (13) and the Leadership Team 8 (2022/23:9).
The total employee remuneration and benefits, employer NI and pension contributions of the key management personnel were £981,675 (2022/23: £852,443).

7. Analysis of charitable expenditure

	Total 2023/24 £'000	Total 2022/23 £'000
Charitable expenditure includes:		
External auditors' remuneration	59	56
Other assurance services performed by external auditors*	4	20
Depreciation	725	526
Profit/(loss) on disposal of tangible assets	-	359
Operating lease charges	186	182

* Other assurance services performed by the external auditors include regularity audits to meet the conditions of ESFA/MCA contracts.

Notes to the financial statements for the year ended 31 July 2024

8. Fixed asset schedule

	Land and Buildings £'000	Education Equipment £'000	Other Equipment £'000	Assets in the course of construction £'000	Total 2023/24 £'000
Tangible fixed assets					
Cost					
At 1 August 2023	5,991	458	1,456	37	7,942
Additions	-	1	51	3,232	3,284
Transfers	-	-	-	-	-
Disposals	-	(345)	(1,246)	-	(1,591)
At 31 July 2024	5,991	114	261	3,269	9,635
Depreciation					
At 1 August 2023	2,147	425	1,300	-	3,872
Charge for the year	238	29	82	-	349
Disposals	-	(345)	(1,244)	-	(1,589)
At 31 July 2024	2,385	109	138	-	2,632
Net book value					
At 31 July 2024	3,606	5	123	3,269	7,003
At 1 August 2023	3,844	33	156	37	4,070

There is a charge granted over the freehold property 4 Luke Street, London, EC2A 4XW in favour of The Pensions Trust. At 31 July 2024 the charge is capped at £2,500,000.

	Software £'000	Assets in the Course of Construction £'000	Total 2022/24 £'000
Intangible fixed assets			
Cost			
At 1 August 2023	1,125	181	1,306
Additions	-	973	973
Transfers	-	-	-
At 31 July 2024	1,125	1,154	2,279
Depreciation			
As 1 August 2023	93	-	93
Charge for the year	375	-	375
At 31 July 2024	468	-	468
Net book value			
At 31 July 2024	657	1,154	1,811
At 1 August 2023	1,032	181	1,213

Notes to the financial statements for the year ended 31 July 2024

9. Debtors: amounts falling due within one year

	2023/24 £'000	2022/23 £'000
Trade debtors	254	348
Other debtors	19	20
Prepayments	379	246
Accrued Income	1,648	1,436
Total	2,300	2,050

10. Creditors: amounts falling due within one year

Amounts falling due within one year	2023/24 £'000	2022/23 £'000
Trade creditors	868	733
Accruals	2,143	983
Social security & other taxes	514	477
Deferred income	2,509	2,503
Total	6,034	4,696

Notes to the financial statements for the year ended 31 July 2024

10a. Deferred income

	2023/24 £'000	2022/23 £'000
Opening balance	2,503	251
Amounts released	(2,503)	(250)
Amounts deferred	2,509	2,502
Closing balance	2,509	2,503

Income received during the year is deferred when the conditions for income recognition have not been fully met. All income deferred in the previous year has been released.

11. Financial commitments - leases

As at 31 July 2024, the charity has annual commitments under non-cancellable leases as follows:

Expiry date:	Land and building leasehold £'000	Total 2023/24 £'000	Total 2022/23 £'000
Within one year	181	181	115
One to five years	473	473	498
Over five years	306	306	405
Total financial commitments - leases	960	960	1,018

12. Analysis of net assets by fund

	Unrestricted funds 2023/24 £'000	Restricted funds 2023/24 £'000	Total Funds 2023/24 £'000	Unrestricted funds 2022/23 £'000	Restricted funds 2022/23 £'000	Total funds 2022/23 £'000
Net assets						
Fixed Assets	8,814	-	8,814	5,283	-	5,283
Net current assets	4,473	5,428	9,901	7,997	1,946	9,943
Long term liabilities	(255)	-	(255)	(326)	-	(326)
Net assets	13,032	5,428	18,460	12,954	1,946	14,900

Notes to the financial statements for the year ended 31 July 2024

13. Statement of funds

	At 1 August 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Pension adjustment £'000	At 31 July 2024 £'000
General funds	5,871	8,782	(12,130)	2	-	2,525
Branch funds	421	15	(121)	(114)	-	201
Regional branch reserve fund	1,379	-	-	113	-	1,492
	7,671	8,797	(12,251)	1	-	4,218
Designated funds	5,283	4,258	(3,960)	3,233	-	8,814
Pension deficit	-	1,309	(911)	-	(398)	-
Total unrestricted funds	12,954	14,364	(17,122)	3,234	(398)	13,032
Restricted funds:						
Revenue	639	11,384	(11,624)	-	-	399
Capital	1,307	6,957	-	(3,234)	-	5,030
Total restricted funds	1,946	18,341	(11,624)	(3,234)	-	5,429
Total funds	14,900	32,705	(28,746)	-	(398)	18,461

Designated funds represent the part of the Association's funds balance represented by fixed assets.

Regional branch reserve fund represents the balance of accumulated funds transferred from branches to regions in line with the Association's policy of ensuring balances of funds at branches are kept at levels that are sufficient, but not excessive. This reserve may also be used, at trustees' discretion, to address funding gaps where use of ESFA funds is not permitted.

Transfers between unrestricted and restricted funds:

Fixed asset funds: the transfer of £3,234,000 from restricted funds to the designated fund reflects the capital expenditure from capital grants and restricted capital funds.

Prior year statement of funds

	At 1 August 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Pension adjustment £'000	At 31 July 2023 £'000
General funds	7,172	11,510	(12,811)	-	-	5,871
Branch funds	485	439	(456)	(47)	-	421
Regional branch reserve fund	1,332	-	-	47	-	1,379
	8,989	11,949	(13,267)	-	-	7,671
Designated funds	4,371	1,404	(630)	138	-	5,283
Pension deficit	-	1,187	(739)	-	(448)	-
Total unrestricted funds	13,360	14,540	(14,636)	138	(448)	12,954
Revenue	514	11,599	(11,474)	-	-	639
Fixed asset fund	120	1,336	(11)	(138)	-	1,307
Total restricted funds	634	12,935	(11,485)	(138)	-	1,946
Total funds	13,994	27,475	(26,121)	-	(448)	14,900

Notes to the financial statements for the year ended 31 July 2024

13a. Statement of funds (continued)**Lottery funded projects**

	At 1 August 2023 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2024 £
South East						
BBO BLF Routes	7,808	-	-	-	-	7,808
North West						
Big Lottery Fund and ESF Building Better Opportunities Grant - Cumbria, Carlisle & Eden	37,534	-	-	(37,234)	-	300
UKSPF Liverpool	-	62,508	21,776	(84,284)	-	-
Southern						
Big Lottery Fund and ESF Building Better Opportunities Grant-Aspire - Family Learning Surrey	(4,399)	-	-	-	-	(4,399)
Big Lottery Fund and ESF Building Better Opportunities Grant - Building Family Bridges	809	-	-	-	-	809
Slough Borough Council - Ways Into Work	618	-	-	-	-	618
Yorkshire & Humber						
BLF Men's Health Lounge	927	-	-	-	-	927
ATI	(1,155)	-	-	-	-	(1,155)
Scotland						
Big Lottery Fund - Reach Out Project	37,415	-	-	(37,415)	-	-
Total lottery fund projects	79,557	62,508	21,776	(158,933)	-	4,908
Other projects						
ESF (note 13b)	33,414	39,206	-	(59,438)	-	13,182
Other (note 13c)	526,428	11,990,028	(729,136)	(11,405,981)	-	381,339
Total restricted revenue funds	639,399	12,091,742	(707,360)	(11,624,352)	-	399,429

Notes to the financial statements for the year ended 31 July 2024

13b. Statement of funds (continued)**European Social Funds (ESF) and other European funding**

	At 1 August 2023 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2024 £
Scotland						
Scottish Refugee Council - EU Asylum, Migration and Integration Fund: Sharing Lives Sharing Languages	4,562	-	-	-	-	4,562
Scottish Refugee Council - EU Asylum, Mitigation & Integration Fund: New Scots Integration- A Pathway to Social and Economic Inclusion	20,232	39,206	-	(59,438)	-	-
Aberdeen University - LEADER - Elphinstone Home Project	8,620	-	-	-	-	8,620
Total European restricted funds (note 13a)	33,414	39,206	-	(59,438)	-	13,182

Notes to the financial statements for the year ended 31 July 2024

13c. Statement of funds (continued)**Other restricted funds**

	At 1 August 2023 £	Received income £	Accrued/ deferred income £	Funded expenditure £	Transfer from General Fund £	At 31 July 2024 £
Association Services						
Olive Cordell	4,142	-	-	-	-	4,142
Restricted Gift	500	-	-	-	-	500
Digital Lifeline Campaign	673	-	-	-	-	673
Lloyds	10,153	-	-	-	-	10,153
Cumbria LA - Multiply	211	-	(18,588)	18,377	-	-
Midlands						
Algy Beaven Legacy	1,375	-	-	-	-	1,375
John Rhodes Fund	9,581	-	-	-	-	9,581
Public Health Northamptonshire - Northants Weight Management	4,455	-	-	-	-	4,455
LLEP Digital Poverty	(1,574)	33,923	-	(27,053)	-	5,296
West Midlands Combined Authority	-	794,976	-	(794,976)	-	-
Recovery College	51	-	600	-	-	651
Dolphin Centre	1,528	-	-	-	-	1,528
LCC Multiply	-	18,000	-	(18,000)	-	-
NCC Dig Skills	-	9,250	-	(9,250)	-	-
BBO Vista - Leic BLF	-	2	-	(2)	-	-
WMCA Multiply	-	6,187	-	(25,635)	-	(19,448)
Community First	600	-	-	(600)	-	-
South East						
Lester John Desmond Legacy	1,352	-	-	-	-	1,352
East of England Local Government Association (EELGA)	(1,159)	10,404	-	(9,245)	-	-
Multiply Norfolk	3,111	46,946	-	(24,446)	-	25,611
CPCA 2022-23	-	173,227	-	(173,227)	-	-
West Sussex Multiply	12,189	35,000	-	(32,972)	-	14,217
Multiply Brighton and Hove	(31)	4,667	-	(4,636)	-	-
Joan Taylor Legacy	812	-	-	-	-	812
Multiply Essex	-	17,920	-	(24,630)	-	(6,710)
Inspire Sussex	-	3,644	-	-	-	3,644
London						
Stanley Jones - Ilford Legacy	13,347	-	-	-	-	13,347
Margaret Cottier Legacy	3,753	-	-	-	-	3,753
GLA - National Skills Fund	-	72,107	(31,010)	(41,097)	-	-
GLA - Adult Education Budget	-	1,579,254	(19,350)	(1,559,904)	-	-
GLA - Good Work for All	-	52,781	-	(52,781)	-	-
GLA - Multiply	17,311	114,890	(8,554)	(123,647)	-	-
NDY Restricted - Branch	13,424	-	-	(13,424)	-	-
MJT Restricted - Branch	8,534	-	-	(6,576)	-	1,958
Fred Adler Legacy	38,957	-	-	-	-	38,957
Balance carried forward	143,295	2,973,178	(76,902)	(2,923,724)	-	115,847

Notes to the financial statements for the year ended 31 July 2024

13c. Statement of funds (continued)**Other restricted funds** (continued)

	At 1 August 2023 £	Received income £	Accrued/ deferred income £	Funded expenditure £	Transfer from General Fund £	At 31 July 2024 £
Balance brought forward	143,295	2,973,178	(76,902)	(2,923,724)	-	115,847
North East						
100 Club	1,836	-	-	-	-	1,836
North of Tyne MCA	-	347,647	15,801	(363,448)	-	-
Routes of Social Change	-	31,583	(12,544)	(19,039)	-	-
Durham Multiply	-	29,750	(2,109)	(27,641)	-	-
North West						
RSC - Any Old Ions	10,908	-	-	-	-	10,908
RAS - Look Up to the Skies	6,280	-	-	-	-	6,280
Greater Manchester Combined Authority	-	704,855	128,416	(833,271)	-	-
GMCA L3 Local	-	17,070	2,086	(19,156)	-	-
GMCA L3 National	-	10,069	16,080	(26,149)	-	-
GMCA Community Grants	-	2,545,204	(318,451)	(2,226,753)	-	-
Liverpool City Region Combined Authority Lot 1	-	629,291	66,549	(695,840)	-	-
Liverpool City Region Combined Authority Lot 2	-	3,112	-	(3,112)	-	-
LCRCA L3 National	-	33,506	(2,320)	(31,186)	-	-
ESIF - CSI	-	7,500	-	(7,500)	-	-
Trafford - BNO	-	940	-	(940)	-	-
Liverpool - Multiply	-	836,498	(243,906)	(592,592)	-	-
Lancashire - Multiply	-	524,633	6,670	(531,303)	-	-
South West						
West of England Combined Authority - AEB	-	526,319	-	(526,319)	-	-
West of England Combined Authority - Multiply	1,782	108,600	8,276	(118,658)	-	-
West of England Combined Authority - Multiply - Bristol	-	4,920	-	(4,920)	-	-
West of England Combined Authority - Multiply - Somerset	-	2,913	-	(2,913)	-	-
Pollinator Fund	-	5,134	-	(5,134)	-	-
Southampton City Council - Multiply	11,699	37,300	14,400	(63,399)	-	-
Portsmouth City Council - Multiply	(64)	132,224	(36,888)	(95,272)	-	-
K Smith Legacy	20,875	-	-	-	-	20,875
Southampton City Council - Innovation Fund	(76)	10,000	-	(9,924)	-	-
Balance carried forward	196,535	9,522,246	(434,842)	(9,128,193)	-	155,746

Notes to the financial statements for the year ended 31 July 2024

13c. Statement of funds (continued)**Other restricted funds** (continued)

	At 1 August 2023 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2024 £
Balance brought forward	196,535	9,522,246	(434,842)	(9,128,193)	-	155,746
Yorkshire & Humber						
Mike Haywood Fund	869	-	-	-	-	869
Yorkshire Adult Schools Union	8,300	-	-	-	-	8,300
Leeds University	3,008	-	-	-	-	3,008
NHS Confidence to study	7,911	-	-	-	-	7,911
Heritage Fund - Women on the Land	2,149	9,750	-	(11,899)	-	-
South Yorks MCA	-	335,821	39,819	(375,640)	-	-
West Yorks MCA	-	1,117,680	(344,756)	(772,924)	-	-
Digital Inclusion	(68)	-	-	68	-	-
WAMT - Green Growth	129,165	-	-	(37,543)	-	91,622
Multiply York & North Yorkshire	(308)	-	-	308	-	-
Multiply Rotherham	-	2,139	-	(2,139)	-	-
UKSPF RISE	(28)	5,519	-	(5,491)	-	-
Families Get Active	2,614	-	-	(2,614)	-	-
Balance carried forward	350,147	10,993,155	(739,779)	(10,336,067)	-	267,456

Notes to the financial statements for the year ended 31 July 2024

13c. Statement of funds (continued)**Other restricted funds** (continued)

	At 1 August 2023 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2024 £
Balance brought forward	350,147	10,993,155	(739,779)	(10,336,067)	-	267,456
Scotland						
Scottish Government - Health and Social Care - Self Directed Support Project 2018-2020	4,341	-	-	(3,597)	-	744
Edinburgh College - Edinburgh CBAL	3,125	-	-	(1,435)	-	1,690
Aberdeenshire Council - Adult Education Programme	12,585	-	-	-	-	12,585
Aberdeen City Council - Parenting Project	4,610	-	-	(4,610)	-	-
Reach Out Project - General	7,456	-	-	(7,456)	-	-
Fife Council - Teaching Grant	18,534	16,367	-	(29,467)	-	5,434
Highland Council - Syrian Re-settlement Project	10,123	27,290	-	(32,352)	-	5,061
North East Scotland Colleges - Reach Out 22/24	63,820	1,000	-	(64,820)	-	-
Garden Project	266	-	-	(266)	-	-
Adult Learning & Empowering Communities Fund (ALEC)	-	355,249	(50,749)	(304,500)	-	-
Fife Council - Revenue Grant	-	36,430	(5,292)	(31,138)	-	-
North East College - Aberdeenshire ESOL	-	25,851	-	(25,851)	-	-
Aberdeenshire Council - Resettlement Programme	-	19,950	-	(9,950)	-	10,000
Aberdeenshire Council - Fairer Aberdeenshire Fund - Reminiscence Project	388	3,400	-	(3,788)	-	-
Aberdeen Council of Voluntary Organisations (ACVO)	8,484	-	-	(6,704)	-	1,780
Highlife Highland - Open Programme	192	10,000	-	(7,332)	-	2,860
Highland Multiply	6,098	52,133	6,466	(64,697)	-	-
Edinburgh College - ESOL Programme	-	9,600	-	(9,600)	-	-
Hong Kong BNO ESOL Project	10,155	-	-	(10,155)	-	-
Glasgow Clyde College - ESOL Strategy	-	12,250	-	(12,250)	-	-
Borders Multiply	-	2,310	-	(2,310)	-	-
-Fife Multiply	-	172,308	-	(136,690)	-	35,618
Aberdeenshire Council - Multiply	-	-	31,843	(31,843)	-	-
Highland Council - Employability Partnership	-	7,811	-	(7,352)	-	459
Edinburgh Multiply	-	4,620	(720)	(3,900)	-	-
Glasgow Multiply	-	151,028	-	(125,247)	-	25,781
Glasgow Multiply Phase 2	-	28,615	-	(28,615)	-	-
Scottish Government - Directorate for Mental Health & Social Care Support	26,104	60,661	29,095	(103,989)	-	11,871
Balance carried forward	526,428	11,990,028	(729,136)	(11,405,981)	-	381,339

Notes to the financial statements for the year ended 31 July 2024

13c. Statement of funds (continued)**Other restricted funds** (continued)

	At 1 August 2023 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2024 £
Capital Grants						
ESFA Capital Grant-Energy Efficiencies	272,442	-	-	-	(84,075)	188,367
ESFA Capital Grant- FE Reclassification	677,115	-	-	-	(135,017)	542,098
ESFA Capital Grant - Transformation	-	8,645,560	(1,688,679)		(2,846,866)	4,110,015
Restricted Capital Proceeds	349,557	-	-	-	(168,033)	181,524
Liverpool City Region	7,536	-	-	-	-	7,536
Total restricted capital funds (note 13)	1,306,650	8,645,560	(1,688,679)	-	(3,233,991)	5,029,540

Notes to the financial statements for the year ended 31 July 2024

13d. Statement of funds (continued)**Prior year statement of funds** (continued)**Lottery funded projects** (continued)

	At 1 August 2022 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2023 £
South East						
Big Lottery Fund and ESF Building Better Opportunities Grant - Papworth Community Connections Essex	(6,411)	28,597	-	(22,186)	-	-
BBO BLF Wk Tog.	-	5,329	-	(5,329)	-	-
BBO BLF Routes	7,808	3,956	-	(3,956)	-	7,808
Midlands						
Big Lottery Fund and ESF Building Better Opportunities Grant - Vista Will	17,819	52,147	-	(69,966)	-	-
Big Lottery Fund St Ann's Advice Centre - D2N2 Money Sorted	502	2,528	-	(3,030)	-	-
North West						
Big Lottery Fund and ESF Building Better Opportunities Grant - Sefton Liverpool Digital Inclusion	(798)	49,049	13,740	(61,991)	-	-
Big Lottery Fund and ESF Building Better Opportunities Grant - Halton Liverpool Digital inclusion	10,522	12,703	20,028	(43,253)	-	-
Big Lottery Fund and ESF Building Better Opportunities Grant - Cumbria, Carlisle & Eden	42,271	(4,737)	-	-	-	37,534
UKSPF Liverpool	-	17,188	(508)	(16,680)	-	-
Southern						
Big Lottery Fund and ESF Building Better Opportunities Grant-Aspire - Family Learning Surrey	(4,399)	-	-	-	-	(4,399)
Big Lottery Fund and ESF Building Better Opportunities Grant - Building Family Bridges	809	-	-	-	-	809
Slough Borough Council - Ways Into Work	618	-	-	-	-	618
Yorkshire & Humber						
BLF Men's Health Lounge	927	-	-	-	-	927
ATI	-	18,696	-	(19,851)	-	(1,155)
Scotland						
Big Lottery Fund - Reach Out Project	37,415	-	-	-	-	37,415
Total lottery fund projects	107,083	185,456	33,260	(246,242)	-	79,557
Other projects						
ESF (note 13b)	7,643	892,094	30,065	(896,388)	-	33,414
Other (note 13c)	398,481	10,129,773	329,058	(10,330,884)	-	526,428
Total restricted revenue funds	513,207	11,207,323	392,383	(11,473,514)	-	639,399

Notes to the financial statements for the year ended 31 July 2023

13e. Statement of funds (continued)**Prior Year Statement of funds** (continued)**European Social Funds (ESF) and other European funding**

	At 1 August 2022 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2023 £
Scotland						
Scottish Refugee Council - EU Asylum, Migration and Integration Fund: Sharing Lives Sharing Languages	4,562	-	-	-	-	4,562
Scottish Refugee Council - EU Asylum, Mitigation & Integration Fund: New Scots Integration- A Pathway to Social and Economic Inclusion	31,342	82,827	30,065	(124,002)	-	20,232
Aberdeen University - LEADER - Elphinstone Home Project	9,878	-	-	(1,258)	-	8,620
Midlands						
ESF Nottingham Trent University	(4,327)	909	-	3,418	-	-
North West						
ESF 19-21 Community Grants Manchester	(1,425)	403,065	-	(401,640)	-	-
ESF 19-21 Community Grants Lancashire	(21,734)	140,051	-	(118,317)	-	-
ESF 19-21 Community Grants Halton	(432)	37,366	-	(36,934)	-	-
ESF 19-21 Community Grants Liverpool	(10,221)	227,876	-	(217,655)	-	-
Total European restricted funds (note 13a)	7,643	892,094	30,065	(896,388)	-	33,414

Notes to the financial statements for the year ended 31 July 2023

13f. Statement of funds (continued)**Prior year statement of funds** (continued)**Other restricted funds**

	At 1 August 2022 £	Received income £	Accrued/ deferred income £	Funded expenditure £	Transfer from General Fund £	At 31 July 2023 £
Association Services						
Olive Cordell	4,142	-	-	-	-	4,142
Restricted Gift	500	-	-	-	-	500
Digital Lifeline Campaign	673	-	-	-	-	673
Lloyds	10,153	-	-	-	-	10,153
Cumbria LA - Multiply	-	27,869	-	(27,658)	-	211
Midlands						
Algy Beaven Legacy	1,375	-	-	-	-	1,375
John Rhodes Fund	9,581	-	-	-	-	9,581
Public Health Northamptonshire - Northants Weight Management	4,455	-	-	-	-	4,455
LLEP Digital Poverty	(4,481)	31,754	-	(28,847)	-	(1,574)
West Midlands Combined Authority	-	754,081	-	(754,081)	-	-
Recovery College	51	-	-	-	-	51
Dolphin Centre	1,528	-	-	-	-	1,528
LCC Multiply	-	16,822	-	(16,822)	-	-
Northants Weight Management	-	3,000	-	(3,000)	-	-
CRF - Wolverhampton VCS	-	184	-	(184)	-	-
Community First	-	600	-	-	-	600
South East						
Lester John Desmond Legacy	1,466	160	-	(274)	-	1,352
East of England Local Government Association (EELGA)	31,397	25,257	-	(57,813)	-	(1,159)
Cambridgeshire County Council - Cambridgeshire Skills 21-22	-	(11,564)	-	11,564	-	-
Multiply Norfolk	-	21,832	(3,897)	(14,824)	-	3,111
West Sussex Council - HKBNO Migration	23,393	41,250	-	(64,643)	-	-
CPCA 2021-22	-	10,538	-	(10,538)	-	-
CPCA 2022-23	-	249,490	25,519	(275,009)	-	-
West Sussex Multiply	-	41,628	(6,364)	(23,075)	-	12,189
Multiply Brighton and Hove	-	-	-	(31)	-	(31)
Joan Taylor Legacy	812	-	-	-	-	812
London						
Stanley Jones - Ilford Legacy	14,294	-	-	(947)	-	13,347
Margaret Cottier Legacy	3,753	-	-	-	-	3,753
ICELP Together We Learn	32,481	-	-	(32,481)	-	-
GLA - National Skills Fund	-	97,500	(53,921)	(43,579)	-	-
GLA - Adult Education Budget	-	1,384,101	(84,157)	(1,299,944)	-	-
GLA - Good Work for All	(62,420)	230,461	102,519	(270,560)	-	-
GLA - Multiply	-	128,760	(41,836)	(69,613)	-	17,311
GLA - Community Grants	-	140,000	-	(140,000)	-	-
NHS England - NHS ESOL London Hospitals	-	28,608	-	(28,608)	-	-
NDY Restricted - Branch	15,000	(202)	-	(1,374)	-	13,424
MJT Restricted - Branch	8,929	-	-	(395)	-	8,534
Fred Adler Legacy	39,004	-	-	(47)	-	38,957
Balance carried forward	136,086	3,222,129	(62,137)	(3,152,783)	-	143,295

Notes to the financial statements for the year ended 31 July 2023

13f. Statement of funds (continued)**Prior year statement of funds** (continued)**Other restricted funds**

	At 1 August 2022 £	Received income £	Accrued/ deferred income £	Funded expenditure £	Transfer from General Fund £	At 31 July 2023 £
Balance brought forward	136,086	3,222,129	(62,137)	(3,152,783)	-	143,295
North East						
100 Club	1,836	-	-	-	-	1,836
North of Tyne MCA	-	345,068	792	(345,860)	-	-
North West						
RSC - Any Old Ions	14,959	-	-	(4,051)	-	10,908
RAS - Look Up to the Skies	6,280	-	-	-	-	6,280
Greater Manchester Combined Authority	-	990,777	330,212	(1,320,989)	-	-
GMCA L3 Local	-	12,561	-	(12,561)	-	-
GMCA L3 National	-	12,580	23,656	(36,236)	-	-
Liverpool City Region Combined Authority Lot 1	-	834,928	176,548	(1,011,476)	-	-
Liverpool City Region Combined Authority Lot 2	-	62,082	-	(62,082)	-	-
LCRCA T&L	-	(468)	-	468	-	-
LivCRCA Lot 3	-	(2,567)	18,643	(16,076)	-	-
Liv NHS - Maternity Support work	-	17,041	-	(17,041)	-	-
ESIF - CSI	-	11,250	3,750	(15,000)	-	-
Trafford - BNO	-	450	-	(450)	-	-
Burnley - BNO	-	810	-	(810)	-	-
BooHoo	-	1,400	-	(1,400)	-	-
Liverpool - Multiply	-	844,727	(277,043)	(567,684)	-	-
Lancashire - Multiply	-	675,933	6,676	(682,609)	-	-
Manchester - Multiply	-	8,140	-	(8,140)	-	-
South West						
West of England Combined Authority - AEB	-	445,006	-	(445,006)	-	-
West of England Combined Authority - Multiply	-	57,600	-	(55,818)	-	1,782
Bristol City Council - Bristol ESOL	-	24,328	-	(24,328)	-	-
Southampton City Council - Multiply	-	43,965	-	(32,266)	-	11,699
Portsmouth City Council - Multiply	-	32,519	-	(32,583)	-	(64)
K Smith Legacy	20,875	-	-	-	-	20,875
Southampton City Council - Innovation Fund	-	-	-	(76)	-	(76)
Balance carried forward	180,036	7,640,259	221,097	(7,844,857)	-	196,535

Notes to the financial statements for the year ended 31 July 2023

13f. Statement of funds (continued)**Prior year statement of funds** (continued)**Other restricted funds**

	At 1 August 2022 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2023 £
Balance brought forward	180,036	7,640,259	221,097	(7,844,857)	-	196,535
Yorkshire & Humber						
Mike Haywood Fund	869	-	-	-	-	869
Yorkshire Adult Schools Union	8,300	-	-	-	-	8,300
Leeds University	3,008	-	-	-	-	3,008
NHS Confidence to study	7,911	-	-	-	-	7,911
Heritage Fund - Women on the Land	25,853	39,000	-	(62,704)	-	2,149
Sheffield City Council	-	(6,151)	-	6,151	-	-
South Yorks MCA	-	312,245	102,976	(415,221)	-	-
West Yorks MCA	-	1,033,086	-	(1,033,086)	-	-
Digital Inclusion	-	-	-	(68)	-	(68)
Sheffield Refugee Council	-	5,216	-	(5,216)	-	-
CRF- VAR	-	6,929	-	(6,929)	-	-
WAMT - Green Growth	-	139,455	-	(10,290)	-	129,165
Multiply York & North Yorkshire	-	8,225	-	(8,533)	-	(308)
Multiply Rotherham	-	10,000	-	(10,000)	-	-
Multiply North Lincolnshire	-	6,679	-	(6,679)	-	-
UKSPF RISE	-	-	-	(28)	-	(28)
Families Get Active	-	17,165	-	(14,551)	-	2,614
Balance carried forward	225,977	9,212,108	324,073	(9,412,011)	-	350,147

Notes to the financial statements for the year ended 31 July 2023

13f. Statement of funds (continued)**Prior year statement of funds** (continued)**Other restricted funds**

	At 1 August 2022 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2023 £
Balance brought forward	225,977	9,212,108	324,073	(9,412,011)	-	350,147
Scotland						
Scottish Government - Health and Social Care - Self Directed Support Project 2018-2020	10,842	11,638	-	(18,139)	-	4,341
Edinburgh College - EU Dundee AMIF	4,815	7,434	-	(12,249)	-	-
Edinburgh College - Edinburgh CBAL	525	5,000	-	(2,400)	-	3,125
Falkirk Council - Job Clubs	14,853	(9,283)-	-	(5,570)	-	-
North Glasgow Housing Association - Thriving Places - 'Possibilities Project'	119	-	-	(119)	-	-
Aberdeenshire Council - Adult Education Programme	17,207	3,113	-	(7,735)	-	12,585
Aberdeen City Council - Parenting Project	12,260	-	-	(7,650)	-	4,610
Reach Out Project - General	7,456	-	-	-	-	7,456
Fife Council - Teaching Grant	25,800	15,720	(2,309)	(20,677)	-	18,534
Aberdeen City Council - Teaching Grant	5,198	7,520	-	(12,718)	-	-
Highland Council - Syrian Re-settlement Project	7,243	36,508	-	(33,628)	-	10,123
North East Scotland Colleges - Reach Out 22/24	58,522	91,619	-	(86,321)	-	63,820
Aberdeenshire Council - Home Office - ESOL Project	4,212	-	-	(4,212)	-	-
Glasgow Life AMIF	2,720	1,269	-	(3,989)	-	-
Garden Project	466	-	-	(200)	-	266
Lipman Miliband Trust	266	-	-	(266)	-	-
Adult Learning & Empowering Communities Fund (ALEC)	-	355,250	(50,750)	(304,500)	-	-
Fife Council - Revenue Grant	-	34,988	(5,138)	(29,850)	-	-
Fife Council - Teaching Grant	-	-	28,545	(28,545)	-	-
Aberdeen City Council - Revenue Grant	-	15,000	-	(15,000)	-	-
North East College - Aberdeenshire ESOL	-	17,424	28,738	(46,162)	-	-
Aberdeenshire Council - Resettlement Programme	-	9,950	(9,950)	-	-	-
Aberdeenshire Council - Fairer Aberdeenshire Fund - Reminiscence Project	-	3,400	-	(3,012)	-	388
Aberdeen Council of Voluntary Organisations (ACVO)	-	10,000	-	(1,516)	-	8,484
Highland Cares - Digital Families	-	9,975	-	(9,975)	-	-
Highlife Highland - Open Programme	-	5,000	-	(4,808)	-	192
Highland Multiply	-	19,254	-	(13,156)	-	6,098
Edinburgh College - ESOL Programme	-	-	9,600	(9,600)	-	-
Hong Kong BNO ESOL Project	-	42,115	-	(31,960)	-	10,155
Glasgow Clyde College - ESOL Strategy	-	12,250	-	(12,250)	-	-
Falkirk Council - Falkirk ETU Literacies Programme	-	3,650	-	(3,650)	-	-
Glasgow City Council - Glasgow Communities Fund	-	86,477	-	(86,477)	-	-
North Ayrshire Council - ESOL for Employability	-	35,038	-	(35,038)	-	-
Scottish Government - Directorate for Mental Health & Social Care Support	-	87,356	6,249	(67,501)	-	26,104
Total other restricted funds (note 13)	398,481	10,129,773	329,058	(10,330,884)	-	526,428

Notes to the financial statements for the year ended 31 July 2023

13f. Statement of funds (continued)**Prior year statement of funds** (continued)**Other restricted funds**

	At 1 August 2022 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2023 £
Capital Grants						
ESFA Capital Grant-Energy Efficiencies	-	281,457	-	-	(9,015)	272,442
ESFA Capital Grant- FE Reclassification	-	704,637	-	-	(27,522)	677,115
Restricted Capital Proceeds	-	349,557	-	-	-	349,557
Liverpool City Region	15,568	-	-	(8,032)	-	7,536
Big Lottery Fund - Sheffield Learning Centre	61,923	-	-	(1,436)	(60,487)	-
Big Lottery Fund - Clare House	42,707	-	-	(1,637)	(41,070)	-
Total restricted capital funds (note 13)	120,198	1,335,651	-	(11,105)	(138,094)	1,306,650

Notes to the financial statements for the year ended 31 July 2024

14. Reconciliation of change in resources to net cash inflows from operating activities

	2023/24 £'000	2022/23 £'000
Net incoming resources	3,958	1,354
(Gain)/loss on disposal of fixed assets	(17)	(359)
Depreciation	725	526
Other finance charges	1,272	1,089
Decrease/(Increase) in debtors	(250)	21
Increase in creditors and provisions	1,229	2,226
Interest received	(418)	(156)
Other finance income	(1,309)	(1,187)
Non cash movements in respect of FRS 102 s.28	(361)	(350)
Net cash inflow from operating activities	4,829	3,164

15. Return on investments and servicing of finance

	2023/24 £'000	2022/23 £'000
Income from investments and interest receivable	418	156
Net cash inflow for return on investments and servicing of finance	418	156

16. Analysis of change in net funds

Net cash	At 1 August 2023 £'000	Cash flow £'000	At 31 July 2024 £'000
Short term deposits	6,693	287	6,980
Bank and cash	5,934	732	6,656
Total net funds	12,627	1,009	13,636

17. Trustees' expenses and remuneration

The Trustees neither received nor waived any emoluments during the year.

Trustees' expenses	2023/24 £'000	2022/23 £'000
Trustee meeting	8	3
Trustee travel	3	1
Trustee Recruitment	-	7
Total net funds	11	11

The number of trustees reimbursed out of pocket travel and subsistence expenses was 3 (2022/23:3).

Notes to the financial statements for the year ended 31 July 2023

18. Pension schemes

At 31 July 2021 the pension schemes operated by the Association are the Teachers' Pensions scheme (TPS), the Scottish Public Pension Agency scheme (SPPA) and The People's Pension. Staff are auto-enrolled into these schemes based on job roles and eligibility.

The WEA pension scheme closed to new accruals at 31 August 2019. The existing scheme funds continue to be managed by The Pensions Trust (TPT) who act as trustee and administrator. Contributors were transferred to the People's Pension scheme.

The TP and SPPA schemes are unfunded multi-employer defined benefit schemes for teaching staff.

The pension charge for the year includes contributions payable to the TPS of £1,157,657 (2022/23 £1,179,451) and at the year-end £114,414 (2022/23 £115,576) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and following a public consultation in 2021 the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations were completed in January 2022, and the results indicated that there would be no changes to benefits or member contribution required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has indicated that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

The pension charge for the year includes contributions payable to the SPPA of £84,406 (2022/23: £68,061) and at the year-end £6,347 (2022/23: £6,589) was accrued in respect of contributions to this scheme.

The employer SPPA contribution rate is 26%. This is a single level contribution and not tiered the same way as employee contributions which attract rates of between 7.35% and 12.14%.

The People's Pension scheme is a defined contribution scheme. The lowest permitted employee contributions are 3.5% with the employer contributing 4.5%. This meets the new Government requirements of a workplace pension scheme with minimum contributions of 8% with an employer funding at least 3%. Employees can still choose to make higher contributions but the employer contribution remains at 4.5%.

The WEA Scheme is a defined benefit scheme in the UK and provides benefits on a final remuneration basis for service up to 31 July 2016 and on Career Average Revalued Earnings (CARE) basis for service from 1 August 2016. The scheme is funded and is contracted out of the State scheme. A full actuarial valuation was carried out at 30 September 2017, and was updated to 31 July 2020 and updated again to September 2023 by a qualified actuary independent of the scheme's sponsoring employer.

This scheme was closed to new contributions at 31 August 2019.

This provisional triannual actuarial valuation for September 2023 shows a deficit of £605,000. The WEA has agreed with the Trustee that the payment of £403k per year will cease at the end of November 2024 as the deficit will be eliminated. The scheme expenses are paid at £8,833 per month.

The group is aware of the Virgin Media v NTL Pension Trustees II Limited Court of Appeal judgement which may give rise to adjustments to the WEA scheme. At present the legal process is incomplete and therefore we are unable to quantify any potential liabilities.

Last year The Pensions Trust (TPT) advised us that due to uncertainty about the benefits that have been paid to members of the WEA pension scheme, the trustees have received legal advice that it should ask the court to provide clarity. If the court case goes against TPT there will be a potential additional liability at an estimated [10%] of total liabilities. Therefore, in the case of WEA this is estimated at circa £4.4m.

The principal assumptions used by the actuary in accordance with FRS 102 s.28 are shown below. The Trustees have relied upon advice from the Pensions Trust in determining the financial assumptions.

Notes to the financial statements for the year ended 31 July 2024

18. Pension schemes (continued)

	2023/24	2022/23
Discount rate	4.90%	5.25%
Inflation (RPI)	3.14%	3.17%
Inflation (CPI)	2.72%	2.85%
Deferred Revaluation: RPI max 5%	3.14%	3.17%
Deferred Revaluation: RPI max 2.5%	2.50%	2.50%
Salary Increases	2.00%	4% in year, 4% thereafter
Allowance for pension in payment increases of CPI, max 5% p.a.	2.68%	2.78%
Allowance for pension in payment increases of CPI, max 3% p.a.	2.18%	2.24%
Allowance for pension in payment increases of CPI, max 2.5% p.a. using notional commutation factors 75% of maximum	1.94%	1.99%
The mortality assumptions adopted imply the following life expectancies (in years):		
Male retiring at age 65 in 2024	21.4	21.3
Female retiring at age 65 in 2024	23.7	23.8
Male retiring at age 65 in 2044	22.9	22.9
Female retiring at age 65 in 2044	25.1	23.4

a) Fair value

	2023/24 £'000	2022/23 £'000
Present value of scheme liabilities	(25,548)	(24,844)
Fair value of scheme assets	25,718	25,352
Effect of asset ceiling	(170)	(508)
Surplus	-	-
Amounts in the balance sheet		
Liabilities	-	-
Assets	-	-
Net surplus to be recognised	-	-

b) Change in liabilities during the period

	2023/24 £'000	2022/23 £'000
Opening scheme liabilities	24,844	31,964
Current service cost	-	-
Interest cost	1,272	1,089
Contributions by employees	-	-
Loss due to benefit changes	-	-
Actuarial loss	661	(6,836)
Benefits paid	(1,229)	(1,373)
Closing liabilities	25,548	24,844

Notes to the financial statements for the year ended 31 July 2024

18. Pension schemes (continued)

c) Change in assets during the period

	2023/24 £'000	2022/23 £'000
Opening fair value of the scheme assets	25,352	34,606
Interest income	1,309	1,187
Expenses	(144)	(144)
Return on assets excluding interest income	(75)	(9,418)
Contributions by employer	505	494
Contributions by employees	-	-
Benefits paid	(1,229)	(1,373)
Closing assets	25,718	25,352

d) Analysis of amount charged to the income statement

	2023/24 £'000	2022/23 £'000
Current service cost	-	-
Expenses	144	144
Benefit changes	-	-
Net interest cost	-	-
Total amount recognised in the income statement	144	144

e) Statement of other comprehensive income

	2023/24 £'000	2022/23 £'000
Return on assets excluding interest income	(75)	(9,418)
Experience (losses) on liabilities	8	(1,137)
Gain for change of assumptions	(669)	7,973
Effect of change in non-recoverable surplus	375	2,232
Net cumulative actuarial loss	(361)	(350)

The loss for change in assumptions is further analysed below:

Gain/(Loss) from change of demographic assumptions	109	1,013
Gain from change of financial assumptions	(778)	6,960
	(669)	7,973

Amount recognised in the SOFA

Amount recognised in the SOFA to bring the pension surplus to nil	(398)	(448)

Notes to the financial statements for the year ended 31 July 2024

18. Pension schemes (continued)

f) Fair value of assets

	Value at 31 July 2024 £'000	Proportion	Value at 31 July 2023 £'000	Proportion
Equity type assets	2,286	8.9%	1,137	4.5%
Bonds	12,900	50.2%	12,880	50.8%
Property	1,411	5.5%	2,380	9.4%
Other	9,121	35.5%	8,955	35.3%
Total value of assets	25,718	100.0%	25,352	100.0%

h) Amounts for the current and previous periods are as follows:

	2023/24 £'000	2022/23 £'000	2021/22 £'000	2020/21 £'000	2019/20 £'000
Present value of scheme liabilities	(25,548)	(24,844)	(31,964)	(39,935)	(40,484)
Scheme Assets	25,548	24,844	31,964	39,935	40,484
Surplus (deficit)	-	-	-	-	-
* adjusted for asset ceiling £170,000 (2022/23: £508,000, 2021/22: £2,642,000, 2020/21: £ 2,798,000, 2019/20: £524,000) to bring surplus to zero.					
Experience adjustments on scheme liabilities	8	(1,137)	(2,140)	98	199
Percentage of the present value of scheme liabilities	0.0%	4.6%	6.7%	-0.2%	-0.5%
Experience adjustments on scheme assets	(75)	(9,418)	(8,080)	2,046	2,869
Percentage of the fair value of scheme assets	-0.3%	-37.9%	-25.3%	-4.5%	7.1%

i) Additional information for The Pensions Trust - WEA Pension Scheme

The scheme is a defined benefit (final salary) funded pension scheme. The scheme was closed to further contributions at 31 August 2019. At the time all contributors were transferred to the People's Pension.

The scheme assets do not include investments issued by the sponsoring employer, nor any property occupied by the sponsoring employer.

The overall expected rate of return on the scheme assets has been based on the average expected return for each asset class, weighted by the amount of assets in each class.

The scheme holds Contingent Assets in the form of a security in favour of the Trustee over the office property situated at 4 Luke Street, London, EC2A 4XW which was valued at £3,550,000 on 31 March 2019, in respect of all sums which are, or may become due and payable by the sponsoring employer to the Scheme. At 31st July 2022 the charge is capped at £2,500,000.

The scheme holds quoted securities, and these have been valued at bid-price.

Notes to the financial statements for the year ended 31 July 2024

19. Investment income

	2023/24 £'000	2022/23 £'000
Interest on cash deposits	418	156
Interest on pension scheme assets	1,309	1,187
	1,727	1,343

20. Investments in subsidiaries

At 31st July 2024 the Association owned the entire issued share capital of 1 ordinary shares (2022/23: 1 share) of WEA Trading Ltd. At 31st July 2024 the aggregate of share capital and reserves of WEA Enterprises Limited was £1. (2022/23: £1)

The company has not traded during the period and has nil assets at 2023/24 (2022/23: nil). Consolidated accounts have not been prepared given that the results of the company and its aggregate reserves and capital are immaterial in the opinion of the trustees.

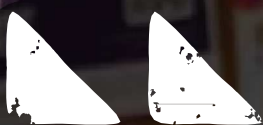
21. Related party transactions

Owing to the nature of the Association's operations and the composition of the Board of Trustees, being drawn from local, public and private sector organisations, it is likely that transactions will take place from time to time with organisations in which a member of the Board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Association's Financial Regulations and normal procurement procedures. During the year there were related party transactions of £0 (2022/23: £54,450).

22. Provisions

	2023/24 £'000	2022/23 £'000
Leased property dilapidation	£'000	£'000
At 1 August	326	422
Provisions charged	-	-
Provisions released	(71)	(96)
At 31 July	255	326

Provisions are made when a legal or constructive obligation is identified and the liability can be reasonably quantified. These provisions are reviewed annually as at the year end date and are adjusted to reflect the latest best estimate of the present obligation concerned. These adjustments are reflected in the statement of financial activities for the year.

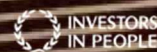


**In my eyes, real
success is based
on personal
relationships,
making a difference
in the community
and going to sleep
with a smile on your
face.**

Jamie
WEA learner

The WEA
4 Luke Street
London
EC24 4XW

The WEA is a charity registered in England and Wales
(no. 1112775) and in Scotland (no. SC039239).



Accounts

Year ended 31 July 2023

WEA statutory annual report and financial statements



WEA

Adult Learning
Within Reach

Workers' Educational Association

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The Workers' Educational Association ("WEA") is a charitable company limited by guarantee (number 2806910), incorporated on 5 April 1993 and registered as a charity in England and Wales (number 1112775) and Scotland (number 2806910).

Registered office:
4 Luke Street, London, EC2A 4XW

Introduction

The members of the Board of Trustees of the WEA, who are the Trustees of the charity, and Directors and Members of the Company, have pleasure in submitting the report and accounts for the year ended 31 July 2023.

The financial statements have been prepared in accordance with the accounting policies set out in the attached financial statements and comply with the charitable company's Articles of Association, applicable law and regulations, and:

- ▶ Have been properly prepared in accordance with UK accounting standards, including FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland and with the 2019 Statement of Recommended Practice: Accounting and Reporting for Charities; and
- ▶ Meet the requirements of the ESFA funding agreement and financial memorandum dated 31 August 2022 and issued by the ESFA.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and also constitutes a directors' report as required by section 418 of the Companies Act 2006.

The Governance arrangements are explained in more detail in the Structure, Governance & Management section on page 26.

Further information on WEA's activities during the year and the impact these activities have had on the communities it serves is available in the Impact Report, separately published in October 2022 and available on the WEA website.

Reference and administrative details

Trustees

The following trustees served on the Board during the year and to date:

John Widdowson (Chair)

Catherine Armor (appointed 01/11/2023)

Robin Cook

Tracey Irving Craib (appointed 01/11/2023)

Kevin Doyle (appointed 01/10/2022)

Marion Flett (resigned 12/10/2023)

Jon Gamble (resigned 31/07/2023)

Malcolm Grady

Christine Grant

Jamey Johnson (appointed 01/11/2023)

Abda Khan (appointed 01/11/2023)

Pat Kynaston

Geoff Layer (Vice Chair)

Stephanie Mason (appointed 01/11/2023)

Karen McArdle (appointed 01/10/2022)

Lindsay Pearson

Marc Sherland (resigned 30/09/2022)

Peter Threadkell

Narinder Uppal (resigned 31/07/2023)

Company Secretary

Kathleen Formosa

Leadership team

Chief Executive & General Secretary

Director of Finance & IT

Director of Finance & IT

Director for Quality & Learner Services

Director for WEA Scotland

Director of Education (Community Learning)

Director of Education (Skills & Employability)

Director for Marketing,
Membership & Income Growth

Director of Governance

Director of People & Culture

Head of Human Resources &
Organisational Development

Simon Parkinson

Dympna McCoy (resigned 14/04/2023)

Shaun Tyndall (appointed 28/08/2023)

Preeya Buckley

Ray McCowan

Katie Easey

Chris Morgan

James Ward

Kathleen Formosa

Angie Evans (appointed 23/01/2023)

Margaret Johnson (resigned 31/08/2022)

Auditor

Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

Bankers

Royal Bank of Scotland
250 Bishopsgate
Spitalfields, London
EC2M 4AA

Bank of Scotland
300 Lawnmarket
Edinburgh EH1 2PH

Solicitors

Bates Wells
10 Queen Street Place
London EC4R 1BE

Balfour & Manson
54-66 Frederick
Edinburgh EN2 1LS

Pension fund trustees and administrators

Teachers' Pensions
11b Lingfield Point
Darlington
DL1 1AX

Scottish Public Pension Agency
7 Tweedside Park
Tweedbank
Galashiels
TD1 3TE

The People's Pension (B&CE Holdings Ltd.)
Manor Royal
Crawley RH10 9QP

The Pensions Trust
(closed to future accrual 31/08/2019)
Verity House
6 Canal Wharf
Leeds LS11 5BQ

WEA registered office

4 Luke Street
London EC2A 4XW

T. +44 (0) 20 7426 3450
W. wea.org.uk

Registered Charity Number
(England and Wales): 1112775
(Scotland): SC039239

Registered Company Number
(England and Wales): 2806910

Objectives and activities

In fulfilment of its charitable objects, to promote adult and general education for the benefit of the community regionally, nationally and internationally based on democratic principles in its organisation and practice, through the participation of its voluntary members, WEA built on its successes from previous years in its achievements during 2022/23, and also addressed some of its areas of development.

WEA embraces the principle that individuals and their communities have the knowledge, skills and desire to drive positive change at the local, regional, national (England and Scotland), and international level. The Association thus recognises that its role is to celebrate local variation and variety whilst serving and supporting local and regional activity.

Throughout 2022/23, WEA's objectives and activities were aligned with the 2025 Strategy as refreshed in March 2020, demonstrating a commitment to delivering broad adult education across three strategic pillars – Learning for Life; Learning for Work; and Learning that Builds Communities.

WEA continues to negotiate the ongoing impact of Covid-19 on the public purse, and on the individuals and communities it serves. The need to build organisational agility and resilience in response to a rapidly shifting public funding landscape in England and in Scotland, and to respond to the needs and interests of learners has been recognised and has resulted in significant adjustments in WEA's approach to budgeting, staffing, and governance (particularly local governance). In all areas, the priority has been to ensure that resources were available and in place to give WEA the best chance of achieving its strategic priorities and serving the best interests of learners.

Our learners & learning

An informed, needs-based approach to curriculum planning has enabled our learners to achieve positive outcomes that:

- ▶ Build confidence for life and work;
- ▶ Support them into work and progression at work;
- ▶ Promote mental health, physical health, and well-being;
- ▶ Broaden horizons; and
- ▶ Encourage active citizenship and vibrant communities.

These outcomes have underpinned a systematised, more rigorous approach to curriculum planning during the year, and a whole-Association response to emerging opportunities and leveraging specific, successful initiatives developed across England and Scotland. With attention to local needs and to learner interests and aspirations, WEA has sought throughout the year to encourage and support learners in the completion of their learning programmes and to progress into higher level courses or into employment. To this end, the design and implementation of targeted interventions to increase participation and reduce drop-out of courses and qualification pathways was prioritised this year.

WEA has acknowledged the significant shift in public funding toward skills and employability, and away from WEA's historic strength in delivering community learning, arts/crafts, health and wellbeing, and cultural learning. It has responded by building a skills for work offer that includes both accredited and non-accredited provision, and that is supported by a growing range of provision in maths, English, and ESOL. As a relatively new entrant to the employability training arena, WEA has worked to build awareness of its capabilities and manage with less of a track record than more established providers.

WEA has and will continue to ensure that a positive learner experience remains at the centre of all activities and initiatives. Increased focus was placed on the quality of the learner experience throughout 2022/23 in the continued development and refinement of a peer-reviewed class visits programme, and pro-active support for learner progression through WEA programmes.

WEA continued to develop its use of technology to support teaching and learning and has improved its approaches to blended and digitally enabled learning for all provision. The use of Canvas is now embedded into most WEA classes so that learners can, at minimum, complete their learning plans and evaluations online. WEA has also begun to develop asynchronous learning tools in support of its Multiply provision. Consideration will be given to expanding the use of asynchronous learning tools where it makes sense to do so.

Each of the strategic priorities identified during the year regarding learners and learning were underpinned by distinct priorities for Scotland and throughout England. Balancing uniform quality standards while inflecting provision to respond to local variation has supported a positive learner experience alongside increased efficiency and effectiveness in delivering education contracts.

Scotland: In Scotland, headline subject areas were broadly the same as in England, and as in England are aligned to WEA's overall strategy and strategic priorities. There was a significant focus on employability provision to progress people at various stages along the skills pipeline and in some cases into work. Literacy, numeracy, and digital literacy also accounted for significant amounts of the provision in Scotland, both to help people into work but also for those who are in work but in low skill, low wage sectors of the economy.

ESOL provision accounted for the largest number of learners in WEA Scotland. ESOL was delivered in all areas of Scotland to a broad range of learners with hugely varying backgrounds and capabilities. As a result, ESOL provision has become increasingly less focused on generic language training and much more about the language delivery being tailored to the context of the individuals and class groups. Examples include ESOL and financial literacy, ESOL for employability and ESOL for family learning and engaging with schools.

In addition to these core areas of provision, a wide range of personal development programmes to assist learners with particularly challenging life circumstances – e.g., long-term unemployed, ex-offenders, those recovering from substance or alcohol addiction, and young adults moving on from looked-after settings – were introduced and developed.

WEA Scotland also has an active membership education programme, notably in Edinburgh, Fife and the Northeast, which looks to prevent loneliness, isolation and dependency through a varied programme of activity that facilitates community engagement and empowers independent individuals.

England: Across England, objectives were set in relation to improving the quality of the learner experience and increasing the use of digital technologies to support teaching and learning. Curricula were developed in response to local need.

Our members & volunteers

WEA is constitutionally an Association of members and views an engaged membership as critical to its long-term success and sustainability. WEA has sought to deepen the engagement with its membership during the year to ensure the Association's reach, to grow its profile, and amplify its voice as a leading adult education organisation.

Many of WEA's members are also volunteers for the organisation. Through the year, WEA continued to build on the priorities emerging from the comprehensive volunteer survey undertaken in 2021, including developing and embedding a comprehensive volunteer induction and training programme and automating volunteer recruitment through the HR Amris system.

Our voice

WEA has used its position as the leading organisation in the UK for adult learning to demonstrate the positive difference that adult learning makes. In 2022/23, WEA continued to grow its network of like-minded organisations in the UK and internationally. WEA has strengthened its relationships with national and international organisations in the sector (e.g., Hoxley, SOLIDAR, IFWEA) engaging them in ways that builds WEA's profile within the sector, that builds enthusiasm for WEA's mission and values, and that advances the cause of individual access to lifelong learning generally. WEA also continued to support and engage the All-Party Parliamentary Group on Adult Learning.

Our people

WEA recognises that its people are its greatest asset. In 2022/23, WEA continued its commitment to supporting its paid and voluntary workforce by:

- ▶ Progressing the work of the Equality, Diversity & Inclusion ("EDI") Working Group to build institutional understanding of where staff and volunteer colleagues may be facing exclusion or marginalisation, and to shift organisational culture toward greater recognition of empathetic and inclusive working practices and attitudes;
- ▶ Developing a strategic workforce planning framework to effectively analyse, manage and prepare WEA's current and future workforce requirement, with a particular focus on tutors;
- ▶ Refining its approach to succession planning, particularly in governance and senior leadership roles; and
- ▶ Continuing to develop the skills of WEA volunteers.

WEA continues to work toward Investors in People ("IIP") Gold accreditation, following the award of IIP silver accreditation in November 2021. The next IIP accreditation review is anticipated in 2024.

WEA also continues to work toward Investors in Diversity ("IID") accreditation, having achieved provisional IID accreditation in 2021/22.

WEA continues to be a living wage employer.

Our systems & processes

WEA Trustees agreed an investment of c. £3.4 million in WEA's digital infrastructure, new systems, and corresponding operations. Whereas the scope of work for this project focused on procurement and scoping in the previous financial year, work on the implementation of digital transformation and digital infrastructure projects began in earnest in 2022/23. Expenditure on digital transformation and digital infrastructure stood at £1.3m at 31 July 2023. Phase one of digital transformation and infrastructure work concluded in 2022/23. Phase two of investment will be carried out over the course of 2023/24.

WEA has maintained CyberEssentials+ accreditation throughout the year and to date.

Our finances

WEA continues to face challenges in the funding environment as devolution continues in England, and government priorities in England and Scotland shift ever increasingly toward skills provision and post-pandemic economic recovery. The growing imbalance between restricted and unrestricted income continues to be a risk that WEA Trustees carefully monitor, as shrinking unrestricted income threatens WEA's ability to sustain the learner-driven courses and programmes on which much of its reputation has been built.

Throughout 2022/23 WEA has engaged in ongoing dialogue with mayoral authorities to protect its position through grant funding, particularly in areas where it has deep and long-term connections with local communities. WEA has also sought to explore alternative funding routes outside of funds available from the Department for Education (e.g., through UKSPF) in the interest of growing its reach and ensuring adult learners continue to have access to the supportive learning WEA provides.

WEA continues to make efforts to pursue funding wherever it devolves and recognises that the ability to secure renewed funding beyond initial contracts depends on its ability to deliver against specific funding commitments. WEA has initiated efforts to improve its overall approach to bidding for contracts, ensuring that the commerciality of bidding opportunities is rigorously assessed in advance of submitting any bid for funding, and to overall contract monitoring. At the same time, WEA is increasing its efforts to diversify its income, and particularly to find other ways of rebuilding unrestricted income streams to enable greater freedom to invest in its core mission.

The balance of unrestricted vs. restricted income continues to stay around 50/50 and this is likely to remain the case until the next tranche of devolution.

	2020/21	2021/22	2022/23
Unrestricted Income	56%	49%	53%
Restricted Income	44%	51%	47%

WEA has continued to maintain a strong cash flow profile. It ends the 2022/23 financial year with a self-assessed ESFA financial health rating of "good."

Covid-19 recovery

WEA responded positively to the Covid-19 pandemic crisis and was commended by various funders and other organisations for its demonstrated agility in quickly converting to high-quality online learning. From the start of the pandemic, WEA was first and foremost focused on the safety of learners, volunteers, and employees. In all decision-making, people safety and government advice were taken into account in decisions to re-open teaching and learning spaces, and to return to offices.

WEA continues to emphasise a return to communities rather than a return to offices. Staff and volunteers involved in teaching and otherwise on the frontlines of supporting learners have now returned to teaching in-venue, and to other community-based activity. All WEA offices have reopened but return to office working for back-office staff has been led by the needs and preferences of staff teams. Most staff have opted for some form of hybrid-working, of a few days in office, and other days working at home.

The Board of Trustees and its committees continue to conduct their quarterly business meetings by videoconference. On a termly basis, the Board meets jointly and in-person with the WEA Council for discussion of matters relating to ongoing governance review and development, and advancement of the agreed strategy. In consideration of WEA's commitment to EDI, all meetings of the Board and its committees now include the option of remote attendance for those members who are unable to travel, or who find it difficult to do so.

Impact

WEA continues to support its learners to improve their confidence, develop their skills, get into work and become healthier. Full details of the impact opportunities provided by WEA have had on its learners, and the real and measurable differences WEA has made to individual learners, their communities and society are included in the latest WEA Impact Report, published in October 2022.

Strategic report

WEA is a leading adult education charity with a legacy stretching back over 120 years. WEA empowers adults through learning at all stages of life, reaching approximately 25,000 learners annually across England and Scotland.

WEA's purpose is to bring adult education within reach of everyone who needs it, fighting inequality and promoting social justice. WEA empowers adults by bringing great teaching to local communities across England and Scotland with a mission of providing access to education for adults right on their doorstep. WEA believes that the opportunity for a better future is too often made inaccessible for reasons including cost, location, and a lack

of information. WEA is committed to removing barriers to education so that individuals can improve their own life chances and have a positive impact on their communities and society as a whole.

WEA differentiates itself from further education colleges by reaching into communities where learners live and work to deliver learning in surroundings where they are familiar and comfortable. WEA emphasises smaller class sizes so that learners receive more personal care, attention, and support from tutors. To achieve this, WEA works in partnership with over 800 community-based venues and local networks across the UK and with like-minded partners internationally.

Long-term strategic plan

The overarching priority of WEA's long-term strategic plan is to maximise learners' chances of success by providing an outstanding level of teaching and learning, and by providing additional support to help learners overcome any barriers to learning.

WEA is committed to supporting all learners through exceptional service and high professional standards that result in an excellent quality learning experience that caters to learners' needs. WEA's aspirations are to surpass compliance and strive continually to improve teaching. To this end, WEA has implemented the largest organisational change project in recent memory – i.e., digital transformation – which has introduced best-in-class systems for learner records management, and all aspects of curriculum development and planning. Enabling more robust data reporting, WEA's new systems ensure that future decision-making around curriculum and resourcing for education delivery are based on clear, objective evidence and attention to emerging trends. As with all large-scale technology change programmes it will take time to embed and realise the full benefits. In the years ahead, WEA will continue to focus attention and resources on the use of technology to improve learner engagement and to make learning more accessible wherever its learners live. WEA will also aim to improve learners' understanding of the outcomes they can achieve and to support them to

track and celebrate their achievements. WEA has made a commitment to providing tailored and timely advice, guidance and support for learners throughout their learning journey.

Based on current performance, WEA estimates that by 2025/26 it can realistically achieve:

- ▶ 98% of learners reporting they are satisfied with their WEA learning experience;
- ▶ 96% of learners attending their first session going on to complete their course; and
- ▶ 96% of teaching sessions meeting or exceeding learners' expectations.

WEA's last Ofsted inspection of provision in England was in 2017. It has therefore prepared for its next Ofsted inspection in the near term. WEA seeks at minimum to maintain its Ofsted grading of "good" and aims to be "outstanding." WEA aims to be recognised within the sector as visionary and innovative in its teaching of skills, and to ensure quality and performance improvement initiatives are applied to every element of its work in order to continually review and improve upon its provision and other services.

2023/24 priorities

WEA's priorities for 2023/24 are aligned to the Creating Opportunities Strategy agreed by the Board of Trustees in July 2022, which places learner success at the heart of all WEA's activities. WEA aims to demonstrate its commitment to quality and learner success through encouraging and achieving high levels of learner attendance, retention, achievement, and enhancement of personal development, and accordingly has set ambitious internal targets in these areas.

Recognising that learner success is tied to tutor engagement and the quality of professional support provided to the tutor base, WEA will continue to build upon the programme of continuous professional development to tutors implemented in 2022/23 including

- ▶ Regular performance reviews, informed by class reviews and other performance data;
- ▶ Encouraging the sharing of best practice within WEA; and
- ▶ Providing training and development focused on emerging priorities, and teaching and learning best practice.

WEA will continue working to embed the practice of benchmarking performance against providers with an Ofsted grading of "outstanding" to identify best practice in others which can be embraced by WEA. It will also continue its work to embed improved course planning and recognising and recording progress and achievement ("RARPA"), and encourage inspiring and innovative teaching, learning, and assessment practice to ensure that learners achieve their goals and receive recognition for their achievements.

WEA continues its commitment to maximising learners' chances of success by providing an outstanding level of teaching and learning, and by providing additional support to help learners overcome any barriers to learning. To this end, WEA continues to work to the three strategic objectives agreed in the previous year:

- ▶ Learning for Life;
- ▶ Learning for Work; and
- ▶ Learning that Builds Communities.

The strategic objectives are supported by four enabling objectives:

- ▶ Improving systems, processes and infrastructure;
- ▶ Building income and ensuring sustainability;
- ▶ Engaging effectively with key stakeholders; and
- ▶ Developing WEA's people and culture.

Learning for life

WEA believes that open access to adult education creates a more equal and just society and improves outcomes for learners in terms of health, well-being, and independence. It helps individuals to meet challenges such as social isolation, lack of confidence, and low self-esteem. WEA is mindful that 43% of unemployed people in the UK report poor mental health¹. Whether in work or not, 7.1 million people in the UK have very poor literacy skills², and 9 million people report that they cannot use the internet without help³. WEA accepts estimates that 4 in 5 adults in the UK have a low level of numeracy⁴.

WEA aims to deliver a curriculum that will engage adults to develop skills, improve their everyday lives, and gain the knowledge and confidence to achieve their personal goals and connect with their communities. To enable this work, WEA will:

- ▶ Continue to drive the case for public funding at national level, and seek to secure funding from new and current sources aligned with our overall mission and values; and
- ▶ Build and share a specific evidence-based case to convince policy and funding decision-makers at a national and local level; and
- ▶ Continue to improve the WEA website and technology supporting teaching and learning to ensure the WEA offer is accessible to all.

As government funding priorities continue to shift their focus to investment in Skills for Jobs and higher-level qualifications, WEA will seek to bid successfully for funding to deliver skills for employment provision while also seeking to diversify its funding streams to ensure that community learning, arts/crafts, health and wellbeing, and cultural provision can continue to be supported. Support for provision outside the scope of Skills for Jobs will be sought through effective bidding for the public funding that does remain available, while also looking to alternative funders (e.g., government departments beyond DfE, trusts, foundations) and full-cost options for those learners who can afford to pay more for their courses.

WEA will evidence its effectiveness in delivering against its aims in 2023/24 by delivering:

- ▶ A curriculum determined by national and regional needs analysis;
- ▶ Specific analysis of performance against plan, including reach to learners with protected characteristics or from areas of multiple deprivation;
- ▶ Development of new partner relationships to expand reach to new learners with a focus on the most disadvantaged;
- ▶ A baseline understanding of teaching effectiveness and impact for Learning for Life provision; and
- ▶ In Scotland, increased breadth in the curriculum offer and development of staff and tutor capabilities to enable additional options for learning in line with Scottish Government's new strategic priorities.

¹ Health Foundation, 2021.

² National Literacy Trust, 2022.

³ Good Things Foundation, 2020.

⁴ National Numeracy, 2022.

Learning for work

WEA believes that all people deserve good, sustainable work, and the opportunity to maximise their personal potential and contribution to society. WEA enables its learners to flourish through a needs-based curriculum, an innovative and learner-driven approach to teaching, learning, and assessment, and individualised personal support.

WEA is mindful that four in 10 working age adults in the UK who have no qualifications live in poverty (compared to one in 10 with a degree or more)⁵, and accepts estimates that over 7 million working age adults in the UK do not have a level 2 (GCSE or equivalent) qualification⁶. WEA recognises that one in five members of the labour market (an estimated 6.2 million workers) in the last year experienced severely insecure work⁷, that 62% of UK unemployed adults are long-term unemployed⁸, and that by 2030, over 30 million people will need to be re-skilled⁹.

Since the Covid-19 pandemic, the over-50 workforce has been significantly impacted. The Office for National Statistics estimates that economic inactivity among the over-50 workforce has increased by 250,000 individuals¹⁰. Younger people too have been affected, with 43% (1.7 million) of unemployed workers between the ages of 16-64 reporting they would like to be in work¹¹. WEA accepts estimates that an extra 1.2 million people would receive training if those with low qualifications participated in learning as much as those with degrees¹².

WEA aims to design and deliver a dynamic skills and employability offer, matched to local and national need that is shaped by working in partnership with employers and employer groups. To enable this work, WEA will:

- ▶ Develop new tutor recruitment and retention strategies to get the highest possible quality teachers and support staff who bring the best and most up-to-date industry knowledge; and
- ▶ Build and improve its use of technology to deliver education that is accessible to learners around their work and life commitments, as well as removing other barriers to learning; and
- ▶ Improve its approach to easing the transitions into and out of learning

WEA recognised last year that growing a skills curriculum will require recruitment of specialist tutors at scale in a market where competition with other organisations for in-demand experience will be significant. This was made harder by the Government's decision not to extend the 6.5% salary increase awarded to teachers and College lecturers to those teaching in the post 19 arena. In 2022/23, WEA initiated a programme of recruiting specialist tutors in specific subject areas where it did not have notable strengths previously (e.g., maths). In 2023/24, WEA will continue to review its education offer against its strategy, and to consolidate and rationalise its regional and national offer. A review of the existing tutor base has commenced, with attention focused on improving organisational knowledge of the expertise and teaching interests of its existing tutors, offering full-time or near full-time appointments where it makes strategic sense to do so.

In 2023/24, WEA will evidence its effectiveness in delivering against its Learning for Work aims by committing to:

- ▶ Delivering a curriculum determined by local, regional and national needs analysis and focused on subject sector pathways aligned to national priority subject areas;
- ▶ Continuing to build strong relationships with employers in specific target sectors;
- ▶ Evaluating performance against plan, including specific analysis to employment outcomes;
- ▶ Continuing to develop guided online learning modules for level two and level three learners, recognising the need to progress learners to develop independent study skills;
- ▶ Increasing capacity for evening and weekend delivery; and
- ▶ In Scotland, continuing to grow the breadth and depth of the skills offer to enable learners to increase their salary, improve employment prospects, or start their own business.

⁵ Joseph Rowntree Foundation, 2022.

⁶ ONS, 2021.

⁷ The Work Foundation, 2022.

⁸ CBI/McKinsey, 2020.

⁹ ONS, 2022.

¹⁰ Learning & Work Institute, 2022.

¹¹ Learning & Work Institute, 2021.

¹² UK Gov, 2021.

Learning that builds communities

WEA believes that vibrant and inclusive communities promote health, happiness, and success at the individual and community level. WEA networks can help bring communities together and foster the creation of a WEA family with reciprocal benefits for the individual and their community. In other words, WEA networks can deliver a social contract, creating a responsibility to others and a desire to promote social justice. To enable this work, WEA will:

- ▶ Clarify and diversify volunteering opportunities within WEA to harness volunteer support and enable volunteers to build and support their own networks and communities;
- ▶ Build an awareness and evidence of the value and impact of community, and the role learning plays within it; and
- ▶ Create campaigns which WEA networks can support.

With 26% of adults reporting that they do not speak to their neighbours or members of the community on a regular (monthly) basis¹³, and 5% of adults claiming that they feel lonely often or always¹⁴, WEA aims to design and deliver learning networks which inspire passions, ignite friendships and bring communities together, enhancing their purpose and providing them with the skills and knowledge to make them self-sufficient.

WEA is confident in its position that learning builds communities. Feedback from learners enrolled in WEA's community learning and cultural programmes in 2022/23 confirmed that among this cohort of learners:

- ▶ 43% reported that their course had helped them to make new friends;
- ▶ 51% reported an increase in their self-confidence; and
- ▶ 84% reported improvements to their wellbeing after their course.

Acknowledging that the number of learners who may be able to pay for provision may be suppressed due to economic factors (e.g., increases in the cost of living and inflation), and that funding to enable those who cannot afford to pay to participate will need to be secured, WEA has committed to developing and delivering a pilot programme of full-cost provision of arts and cultural learning that may no longer be supported by tailored learning funds by 2025.

The aim of the full cost provision WEA intends to develop in 2023/24 will be to determine the full direct cost of delivering a particular course and to ask each learner with means to pay to pay a proportionate contribution toward that cost. Provision will be made for subsidising costs for any learner wishing to enrol who does not have means to pay. WEA will adhere to the principle that any learner, regardless of their means, should be enabled to join a full cost course. That said, WEA is keenly aware that public funding support for certain provision that WEA has historically offered is under threat from 2025.

To achieve its aims for full-cost provision in 2023/24, WEA will:

- ▶ Use best marketing practice and popular course information to help branches self-promote and appeal to a wider audience;
- ▶ Develop relationships with new partners and existing interest groups to create a holistic approach to community provision; and
- ▶ Deliver high quality culture and community learning courses to new audiences at competitive prices.

The three priorities detailed above are underpinned by distinct priorities for Scotland and England.

¹³ UK Gov, 2021.

¹⁴ ONS, 2021.

Scotland

While headline subject areas are broadly the same as in England, provision in Scotland is focused primarily on creating access to education for under-represented groups and those with low or no qualifications. In 2023/24 WEA Scotland will deliver a lifetime upskilling and retraining offer, including for jobs in green industries, concentrating on working-age people living in poverty. As in previous years, ESOL, readiness for employment, building confidence, enhancing social integration, mental health and well-being, and civic involvement will also continue to account for significant amounts of the provision in Scotland.

England

Across England, curricula are developed in response to local needs. Objectives are set in relation to improving ongoing quality and the learner experience, increasing the use of digital technologies in learning, recovery from the economic and social impact of lockdowns, and responding to the cost-of-living crisis.

The priorities of Learning for Life, Learning for Work, and Learning that Builds Communities are supported by four enabling priorities to facilitate the full delivery for the benefit of learners as well as to the satisfaction of stakeholders.

Improving systems, processes and infrastructure

WEA believes that its systems, working methods and practices, and estate should enable learner success. Improving digital systems will help WEA to improve the experience of its learners and make its back-office ways of working more efficient. Intelligent use of data, integration between systems, and automation will simplify and smooth the way WEA works and engages with learners. It will also free resources to deliver the human touch where and when it will be most impactful.

Over the last two years, WEA has made significant progress in modernising its IT infrastructure to ensure its reliability, resilience and futureproofing. It has transformed its digital environment, replaced its legacy student record system, and rebuilt its website. This has required a large change to business process, as well as adaptability from staff and learners. It will take time to embed and for WEA to fully realise the benefits. In 2023/24 WEA will continue to build on these changes and continue to strengthen digital infrastructure to ensure effective resolution of technical debt and using best-in-class technology to support a positive learner experience and to drive clear, data-driven decision making.

The evolution of an estate plan alongside developments in digital infrastructure and systems will enable WEA to more clearly evidence social value and achieve a carbon neutral target. WEA will use recent grant funding from DfE to invest in the existing estate, and to establish firm anchors in communities where it can make the greatest impact.

In 2023/24, WEA aims to:

- ▶ Continue its investment in systems to strengthen its digital infrastructure;
- ▶ Continue to realign skills and capabilities within its IT service to make best use of new systems and ensure robust data security;
- ▶ Maintain CyberEssentials+ accreditation; and
- ▶ Plan the future WEA estate with a focus on learning centres and sustainable buildings.

Building income & ensuring sustainability

WEA believes that it is essential to build a portfolio of income and a balance of expenditure that ensures the long-term sustainability of its three strategic priorities (Learning for Life, Learning for Work, and Learning that Builds Communities) in an ever-changing and more complex funding environment. To remain true to its mission and charitable purpose, WEA must grow and diversify its income streams whilst controlling and monitoring expenditure with the aim of delivering maximum impact in terms of reach and quality of the learner experience.

As all current forecasts in both Scotland and England predict increasing pressure on the public purse, it is increasingly important that the WEA continues to look for new ways to diversify its income streams. In the interest of building sustainable income streams, WEA will seek to engage with a variety of funders to understand their needs, and to leverage its strengths and track record to create strong proposals to effectively bid for contracts, retain grants, apply for charitable funding, and to develop self-financing programmes of full cost provision. At the same time, WEA will work to determine an achievable balance between direct and indirect operational costs and central overheads, adapting its business plans accordingly.

Current market conditions suggest that these more reactive sources of income where WEA responds to tenders or bids, are likely to continue to see relatively small rates of return. If the WEA is to find more lucrative sources of income, a strategy to deliver this will be needed. Such a strategy is currently in development and will form a significant part of WEA's work in 2023/24.

In the interest of building sustainable income streams, WEA will seek to engage with a variety of funders to understand their needs, and to leverage its strengths and track record to create strong proposals to effectively bid for contracts, retain grants, apply for charitable funding, and to develop self-financing programmes of full-cost provision. At the same time, WEA will work to determine an achievable balance between direct and indirect operational costs and central overheads, adapting its business plans accordingly.

WEA acknowledges the inherent challenges in seeking to grow and diversify income in a period of increasing constraints on public finances and rising costs of living. To meet and overcome these challenges in 2023/24, WEA aims to:

- ▶ Retain grants and contracts from ESFA and MCAs and achieve grant status or win contracts with newly devolved authorities;
- ▶ Develop new employer sponsor relationships and trade union partnerships;
- ▶ Continue to pursue Multiply funding and build on successful initiatives in this area;
- ▶ Create a service and cost model that grows WEA's reach and empowers branches to deliver programmes and organise their work in ways that make sense for them;
- ▶ Continue to scrutinise costs to ensure clarification and the correct balance of direct teaching costs, support costs, and other operational costs.

Engaging effectively with stakeholders

WEA believes that it offers adults a life-changing opportunity, but that too few are aware of WEA and its impact. WEA will therefore seek to build visibility, awareness and understanding of its offer among adults who could benefit from its provision and make a strong case for grant funding from public policy and funding decision-makers.

WEA will seek to embrace the passion of its members, learners, and volunteers to support the WEA mission and to help WEA achieve the full breadth of its charitable aims. WEA will seek to improve its methods of engagement with members and volunteers at the same time as it seeks to broaden its outreach to a more comprehensive range of stakeholders. In the interest of increasing its effectiveness in stakeholder engagement, WEA has committed in 2023/24 to:

- ▶ Improving the marketing of its courses and rationalising provision to ensure learners are able to find the courses they want or need;
- ▶ Increasing the understanding of marketing leads and WEA learners to more effectively target diverse learner and member cohorts;
- ▶ Implementing an enhanced volunteer stewardship programme; and
- ▶ Expanding stakeholder engagement with devolved authorities.

Developing WEA people & culture

WEA believes that its mission can unite and motivate employees and volunteers to deliver life-changing learning to those who need it, and that it can do so in an efficient and effective way to reach as many learners as possible. WEA will continue to work toward the “good work plan reforms,” ensuring greater transparency and protection for staff working under more flexible working arrangements.

WEA seeks to develop its people and build a resilient and responsive culture to embrace the opportunities and the challenges that it knows lie ahead. Through training and development experiences, WEA will aim to ensure employees and volunteers are equipped to deliver the strategy, and to deliver and respond to change in a way that is caring, innovative, and respectful. Included in this endeavour are updates and reforms to WEA's governance structures and practices nationally and locally.

In 2023/24, WEA will increase the size of its Board of Trustees from 12 to 15 members to ensure a robust collective skill set covering all areas of trustee duties and responsibilities, and to support a committee structure that can ensure the Board receives detailed specialist scrutiny and advice on matters of strategic importance. At local level, Regional Committees will be wound down in favour of implementing Local Advisory Panels who will advise on local need, the quality of the learner experience, and opportunities for WEA to extend its charitable reach. At all levels, WEA governance will embrace best practice and be supported by a professionalised governance team.

Recognising the importance of professionalised governance support, and in response to the DfE's Strengthening Governance White Paper (2021), WEA invested in its corporate governance team. Over the course of 2022/23, the governance team increased from a team of one governance professional to three corporate governance professionals (Head of Corporate Governance, and two Governance Officers) and one subject specialist in information governance, working under the supervision of a Director of Governance. The strength of governance procedures implemented by the governance team was confirmed by an internal audit in June 2023, returning adequate assurance.

WEA is aware of the risk to employee and volunteer engagement arising from the significant level of change that has been implemented progressively across the Association over the last few years. At the same time, the risk that the pace of change that has to date been tolerable to employees and volunteers may not be sufficient to satisfy external bodies' expectations is also acknowledged. With an eye toward achieving what it perceives to be a balance between these risks and the benefits of progressive change, WEA seeks to achieve the following in 2023/24:

- ▶ A structured induction of staff and volunteers at all levels to ensure they receive the information, guidance and support to perform their roles effectively and operate at all times in accordance with WEA's values and culture;
- ▶ Completion of a succession planning, talent management and external scanning programme and flexible, agile processes to reflect changing needs internally and externally;
- ▶ Review of the current pay and grading scheme for staff and contractual terms and conditions, and benchmark these against the sector to inform future remuneration decisions and/or develop alternative approaches to support WEA's strategic priorities;
- ▶ Provide innovative well-being initiatives that contribute to a positive, productive and rewarding environment;
- ▶ Deliver a professional development programme, including leadership and line management, contract management, and IT training; and
- ▶ Progress the approval of new Articles & Regulations to ensure up-to-date and fit for purpose governance of a high standard.

Governance review

WEA's governance review began in 2018/19 and continues to the present. WEA has moved from a programme of "quick fixes" in 2020/21 to a programme of deeper governance reform, starting with the refresh of the committees of the Board of Trustees, and determining clearer remits for the Chair of Trustees, Vice Chair of Trustees, and Association officers, and clarifying terms of office for lay members of committees. Phase 2 of the governance review concluded in July 2022 and focused on the reform of the Board's scheme of committees and clarification of governance leadership roles.

Phase 3 of the governance review, which has focused on a comprehensive update to the Articles of Association & Regulations, and on reforming local governance, commenced at the start of the 2022/23 financial year and is now nearing completion.

Following the changes made to WEA's Articles & Regulations in December 2022 concerning the composition of the WEA Council, and the introduction of clear term limits on trustee service, it was agreed that a working group of trustees and non-trustee members of Council should be convened to oversee a thorough review and redrafting of the practical aspects of the Articles & Regulations – i.e., not the objects and principles elements. Considering that the Articles define WEA's mission, and the scope of its work as an organisation, it was agreed that redrafting work should begin with the Regulations to enable the working group to consider how WEA wished to carry out the work that it does before considering any updates to the scope of its work. A set of fully redrafted Regulations were supported by the Council and accepted in principle by the Board of Trustees (subject to legal advice, and changes to the Articles) in July 2023. It is anticipated that new Articles of Association will be considered in 2023/2024.

The project of redrafting the Articles & Regulations has been guided by the following agreed aims:

- ▶ To preserve the current objects and principles of the Association (including the specific wording that WEA provides for the educational needs of the working class);
- ▶ To conform to current sector guidance and to funders' and regulators' expectations;
- ▶ To be drafted in clear, easily understood language; and
- ▶ To avoid being overly prescriptive or operationally detailed.

Work on Phase 3 also included clarifying WEA's overall governance model, which now includes three levels of formal governance – i.e., the Board of Trustees, committees of the Board, and Local Advisory Panels – with branches and local associations placed outside the curtilage of the formal governance structure. Implementation of Local Advisory Panels is expected to continue through the first half of 2023/24. Phase 3 of the governance review also included consideration of the role of Regional Committees, and ultimately agreement that these should be wound down. This decision has impacted on the role of WEA Council (which is, formally, a committee of the Board of Trustees and WEA's chief stakeholder body) which continues to be considered with resolution anticipated in early 2024.

It is expected that 2023/24 will be the final year of the formal programme of governance review, although the development of governance to ensure WEA keeps pace with governance best practice and the expectation of funders and regulators will continue. Priorities for governance in 2023/24 will include:

- ▶ Articulation of a clearer purpose and remit for the WEA Council, and its development as WEA's chief stakeholder body;
- ▶ Concluding the review of WEA's Articles & Regulations to ensure these are clear, understandable, simplified as much as possible, and up to date; and
- ▶ Implementing a process for ensuring the governing documents are regularly reviewed and refreshed.

Additional information on the governance review appears as part of the report on Structure, Governance & Management on page 26.

Equality, diversity & inclusion

WEA aims to create conditions that ensure staff, volunteers and learners are treated solely on the basis of their merits, abilities and potential regardless of their gender, race, religious/political beliefs, ethnic or national origin, disability, family background, age, sexual orientation, or other irrelevant distinction.

WEA has held an IIP accreditation of Silver since November 2021. WEA considers the achievement of IIP Silver as significant, noting that IIP awards silver status to only 20% of the organisations it accredits.

WEA has also held provisional IID accreditation since 2022. Through its Human Resources team, WEA continues to work through its action plan to review, develop and embed the FREDIE (i.e., fairness, respect, equality, diversity, inclusion and engagement) principles in line with the latest Ofsted inspection framework, and to ensure that these principles are fully integrated through all aspects of business planning.

WEA's Board of Trustees will continue to monitor, scrutinise and constructively challenge WEA leadership on its effective support and development of WEA staff at all levels, and to ensure WEA remains an inclusive employer. WEA's Board of Trustees has also recognised that it has work to do to improve the diversity profile of its own membership and that of its committees and has made some recent progress toward greater diversity among its own numbers, partially through increasing the size of the Board, and partially through a greater focus on external recruitment. The Nominations Committee has made a commitment to take into consideration the diversity profile of the Board and its committees in recommending the appointment of new trustees and committee members, and in succession planning for Board and Committee leadership roles. Recruitment onto the new Local Advisory Panels has been undertaken with the aim of ensuring that the membership of each Advisory Panel reflects the diversity of its own locality. In due course, it is hoped that Local Advisory Panels will support greater diversity at other levels of governance as WEA seeks to support and develop new Advisory Panel members.

During 2022 the WEA engaged with the FE Black Leadership Group to support its work on EDI and this engagement will continue going forward.

Within WEA's education provision, EDI learner data demonstrates that WEA courses engage a significantly higher number of learners from disadvantaged backgrounds and/or with protected characteristics

compared to the national demographic profile, including learners from minority ethnic backgrounds, refugees, those with low incomes and qualifications, and those who are older and/or disabled.

WEA seeks to welcome and accommodate all learners, volunteers and staff, and is therefore working towards the highest standards of accommodation through its property strategy. Priority has been placed on ensuring full accessibility for teaching and learning spaces.

WEA recognises the importance of good mental health support and is committed to improving mental health through its curriculum and learner-centred teaching. According to WEA's Impact Report (October 2022):

- 84% of learners reported improvements in their overall well-being (91% with a mental health condition);
- 51% reported an increase in their self-confidence;
- 92% of WEA learners reported making fewer visits to the GP compared to the national average.

WEA encourages staff to be kind to each other and to talk openly about mental health. In 2022/23, WEA partnered with the Mental Health Foundation to invest in the development and training of a network of 12 mental health first-aiders across the Association. WEA's mental health first aiders are a point of support for anyone experiencing emotional or mental distress and provide a means of confidential colleague to colleague support for WEA staff. More generally, managers and staff are encouraged to have regular one-to-one meetings where open conversations can take place. WEA's Human Resources team also run a number of learning and development initiatives including equipping managers with a mental health toolkit, HR drop-in sessions and regular timetabled sessions supporting mental health awareness and management, stress management, and related issues.

As a benefit to employees, WEA has teamed up with BUPA and Westfield Health Care who offer well-being support to colleagues. BUPA provides occupational health support in order to support colleagues to remain in work, return to work, and to advise on ill health incapacity. Westfield Healthcare is our Employee Assistance Programme which provides colleagues with confidential support, advice, and guidance covering health and well-being, but also legal and financial well-being. Both organisations keep WEA colleagues well at work and support them in looking after their physical and mental well-being using clinical professionals to offer health checks and specialist support from qualified specialists offering practical advice and support.

Financial review

The financial statements show total income for 2022/2023 of £27.5m (2021/22: £28.5m) with expenditure of £26.1m (2021/22: £27.7m).

In 2022/23 income received from the ESFA increased to £12.9 from £11.5m in the prior year. The main recurrent grant increased in the year by £0.5m as a result of additional Adult Skills teaching but a larger increase is due to WEA being awarded two capital grants totalling £1m for energy efficiency measures and building improvements. A further grant of £8.6m for capital transformation has been awarded but requires submission and approval of an Estates Plan. This procedure was not complete at the 31 July 2023, therefore the funds received to date have been deferred until full approval is received.

The total income received from MCA areas in 2022/23 is £7.5m (2021/22: £7.2m). There were no new devolved areas in the year, however, delivery was increased and widened in some of the existing areas.

ESF grant income dropped to £0.9m (2021/22: £5.4m) following the completion of the North West Community Grant programmes in March 2023. The WEA has been successful in replacing this European income stream with funding from the UK Shared Prosperity Fund including Multiply grants which are aimed at improving basic maths skills for adults. In 2022/23 the WEA recognised income of £1.6m of Multiply funding in 16 different areas. Many of these grants are two-year programmes with further funding to come in future years. The WEA has also been selected to deliver Community Grants by Greater Manchester Combined Authority, a programme of £5.1m over two years will begin in 2023/24.

Income from Lottery funded projects has continued to reduce £0.2m (2021/22: £0.4m) as the projects wind down. Restricted grants from sources other than those mentioned above have fallen by £0.4m to £1.2m (2020/21: £1.6m).

Overall income from unrestricted fees and contracts has continued to decline, £1.2m (2021/22: £1.4m). Branch and regional tuition fees have reduced due to a fall in Community Learning delivery, with fewer active branches and teething issues with the new student records system.

Educational activity costs were £15.6m in 2022/23 (2021/22: £18.0m). The reduction can mainly be explained by the £4.1m reduction in grants awarded under the ESF programme which ended in the year. However, this was offset by higher levels of payments to tutors, sub-contractors, venues and other course costs due to increased activity, particularly face to face classes in the first academic year not to be affected by covid restrictions since 2019/20.

Governance and support costs rose to £9.4m (2021/22: £9.0m). The rise was due to increased legal costs, around contracts and the estates, and refurbishment of several offices.

The WEA's net movement in funds for 2022/23 is £0.9m (2021/22: £0.4m) after transfers and pension adjustments. There is a deficit of £0.4m on unrestricted funds, and although a deficit, it is smaller deficit than anticipated in the 2022/23 budget. The surplus on restricted funds of £1.3m is due to timing differences between income and related expenditure, in particular in 2022/23 it is due to the ESFA capital grants.

Reserves policy

The funds at 31 July 2023 were £14.9m (2022/23: £14.0m). This is represented by unrestricted funds of £13.0m and restricted funds of £1.9m.

The closing 2022/23 free reserves balance of £7.7m is made up as follows:

- ▶ General funds: £5.9m
- ▶ Branch funds: £0.4m
- ▶ Regional branch reserve fund: £1.4m

For the purposes of this policy, the WEA has defined free reserves as being its unrestricted funds, excluding the designated fixed asset fund and any pension deficit, should it arise.

The free reserves balance as at 31 July 2023, being £7.7m, exceeds the free reserves target which was reviewed during 2021/22 and is currently set at £4.3m.

During 2020/21 the Trustees took the decision to spend some of the excess reserve funds investing in IT systems across the organisation. The Digital Transformation programme began in 2021/22 and the new student system and website went live in April 2023. Procurement of new systems for HR, Payroll and Finance is underway. There is also an ongoing programme of IT infrastructure projects.

In setting the free reserves at £4.3m the Trustees considered the amount that would be required to cover the resulting costs if the WEA were to lose varying amounts of income and has also ensured that the level of reserves will be sufficient to cover known outstanding payments on the TPT pension scheme. In all scenarios this figure was considered to be sufficient. The policy will be reviewed again during 2023/24.

The WEA Reserves Policy is subject to regular review considering new risks and circumstances faced by the WEA. The policy is therefore reviewed by Trustees at least annually or more frequently upon advice of senior management in the event of a material change occurring that warrants any earlier or additional review.

The level of free reserves is a Key Performance Indicator set out in the organisation's Business Plan and, as such, progress is monitored regularly at Committee and Trustee meetings.

Investments & treasury management

As set out in its Articles of Association, WEA has absolute discretion to invest money not immediately required for expenditure. The responsibility for the performance of investments rests with the Finance & Capital Resources Committee, which reports to the Board of Trustees. The objective of WEA's Treasury Management Policy is to optimise returns consistent with cash flow requirements and with an overriding need to protect the capital value of WEA's funds.

Treasury management is carried out within the context of WEA's statutory requirements, its Articles of Association and the Financial Memorandum with the Education and Skills Funding Agency (ESFA). WEA funds are deposited only with UK banks that meet the criteria stated in the Treasury Management Policy. Investments are not made in any other financial instruments. It is important to note that, as in previous years, WEA has had no exposure to any known financial institution at risk.

Trustees reviewed WEA's Investment Policy in 2022/23.

Principal funding sources

WEA receives its principal funding from ESFA, which provided 45% of WEA's income from all sources and activities for the year, excluding one-off capital grants. There are no outstanding loans against WEA.

Pensions

The valuation of WEA's defined benefit pension scheme at 31 July 2023 (under FRS102 principles) continues to be a nil balance. Estimates used by the actuary in the calculation of this accounting valuation have been benchmarked by the Trustees and are considered appropriate.

Further details relating to the pension schemes operated by the WEA are shown at Note 18 to the accounts.

Cash flow & capital expenditure

In line with the Treasury Management Policy, WEA aims to maintain a healthy cash position, and its cash reserves are sufficient to ensure that balances are not overdrawn. Based on the two-year cash flow projections to July 2025 returned to ESFA in July 2023, WEA does not anticipate any liquidity problems.

Cash and short-term deposits for the year ended 31 July 2023 were £12.6m (2021/22: £10.3m).

Funds held as custodian trustees on behalf of others

WEA does not hold funds as a Custodian Trustee on behalf of others.

Commercial activities

WEA does not currently engage in any substantial commercial activities. The trading company, WEA Trading Limited, a wholly owned subsidiary of WEA has not traded to date.

Fundraising statement

Although WEA does not raise substantial amounts of private funds, it is nevertheless dedicated to ensuring that any fundraising remains closely aligned with the Association's mission and values, and to ensuring efficiency in its approach. A guiding principle in its fundraising efforts is to work with a range of partners from corporate organisations to a range of charities and associations across the UK. WEA performs due diligence on all corporate donors including any gifts in kind. WEA does not use professional fundraisers or commercial participators to conduct any fundraising activities and so no monitoring activities are required.

WEA volunteers are supported and stewarded by the Fundraising, Membership and Volunteering Team. In 2022/23, WEA did not receive any complaints regarding its fundraising activities (2021/22: 0). As of September 2020, WEA is a member of the Fundraising Regulator and as such follows the Code of Fundraising Practice.

To ensure compliance with the Charities Act 2022, WEA follows the guidelines set out by the Institute of Fundraising on all donors with the four guiding principles of respect, fairness, responsiveness and accountability applied for all donors and members of the Association.

Risk management

The Board of Trustees monitors WEA's risk profile as recorded in WEA's corporate risk. The risk register is informed by operational risk registers maintained for discrete projects (e.g., digital transformation) and business areas (e.g., business development, contracts). Leadership Team have a collective responsibility for reviewing and updating the corporate risk register. The systems and procedures established to manage risk are regularly reviewed by the Audit & Risk Committee and reported to the Board of Trustees. The Board of Trustees has also reviewed the adequacy of WEA's internal controls.

The corporate risk register includes action plans for each of WEA's key risks and a summary highlighting the current and changing status of those risks against a target risk score. The Audit & Risk Committee reviews the risk register at each quarterly meeting, receives summary updates on risk management activity, and invites members of WEA management to present on significant issues. The Audit & Risk Committee has recently reviewed WEA's risk appetite and maintains a commitment to risk awareness in all WEA's undertakings.

The Board of Trustees currently receives the corporate risk register at least annually and receives reports from the Audit & Risk Committee on a quarterly basis.

The format and approach to risk scoring on the corporate risk register were substantially updated during the 2020/21 financial year. Further refinements to the corporate risk register format and scoring approach are ongoing, taking into account internal audit advice and developments in the funding and regulatory landscape.

Work continues with Leadership Team to support greater seamlessness between the operational and corporate risk registers.

As at 31 July 2023 there were 43 risks identified across five categories of risk on the corporate risk register. The level of risk posed by each matter reported in the risk register is assessed by attributing a score based on both the likelihood and impact of the respective risks.

The risks deemed to have the most significant impact on WEA should they manifest are set out below as WEA's principal risks:

Top five risks with mitigating actions taken:

Risk	Mitigating actions taken
Negative judgment by regulator (e.g., Ofsted NI judgment, ESFA financial notice to improve).	While WEA has previously received an Ofsted rating of “good,” the new inspection framework places increased scrutiny on the provider’s intent, implementation and impact of its curriculum rather than on data. This presents a greater challenge for WEA as traditionally (and especially in branch provision) there has been no set curriculum or any detailed articulation of intent. There is also a new requirement in inspection for providers to demonstrate how they are meeting local need. This is untested for a national provider like WEA. Failure to achieve a minimum rating of “good” in the next inspection could result in loss of funding and/or in the FE Commissioner’s exercise of intervention powers. This risk will remain elevated until the outcome of any inspection is known.
Diversity of the Trustee body does not reflect the diversity of WEA’s beneficiaries.	WEA’s trustees have acknowledged and are seeking to proactively address the lack of diversity on the Board of Trustees and elsewhere within the formal governance structure of WEA. This risk has been persistently elevated pending changes to the Articles which would allow trustees greater control over the composition of the Board. Currently, the Articles require two-thirds of the trustee body be appointed from within the Association Membership, which has a marked diversity deficit. Changes to the Articles and corresponding Regulations have been accepted in principle by the Board of Trustees, pending legal advice. Proactive steps are also being taken to encourage applications from a diverse pool of candidates for vacancies at all levels of governance, and to recruit externally for Trustees where the Articles allow.
Unmanaged “technical debt”	WEA has historically underinvested in its technology infrastructure over many years. The significant investment made in new technology over the last 18 months has uncovered significant technical debt across the Association, which leaves WEA exposed to greater risks of hacking and malware. If left unaddressed technical debt has the potential to affect the future performance, reliability, and maintainability of new software and systems.
Lack of diversity in voluntary income.	Leadership Team have begun work to develop an income strategy collectively, and to address shrinking unrestricted income. It is anticipated that a draft income strategy will be available for review by the Finance & Capital Resources Committee before the end of the 2023/24 financial year.
Culture not aligned to performance and resilience needed to meet strategic objectives	A programme of change and organisational development is currently under way to ensure that WEA’s business practices keep pace with sector best practice and the expectations of funders and regulators. WEA’s Director of People & Culture is supporting WEA through an organised programme of change to enable it to fully deliver against the full breadth of its mission and strategy, and to build organisational resilience at a time of rapid internal and external change.

Fraud Risk Assessment

The risk of financial fraud at WEA is considered to be low. On behalf of the Board of Trustees, the Finance & Capital Resources Committee receives a quarterly financial report, which includes management accounts. The committee also has oversight of capital projects and receives regular reports on procurement and performance against project budgets. A separate Audit & Risk Committee receives a quarterly risk register, including an assessment of financial risks. The full Board receives the management accounts (quarterly), consolidated risk reports (quarterly), and the risk register (at least annually).

WEA maintains strong internal controls supported by Financial Regulations and policies which have been recently updated and are regularly reviewed. Financial controls have recently been tested through internal audit, with auditors confirming a high level of assurance that these are robust.

Financial policies, including Fraud Prevention, Anti-Bribery & Corruption, and Whistleblowing were updated in 2021 and are scheduled for next review in 2024. Internal auditors confirmed adequate assurance of fraud awareness across the Association through an internal audit conducted in 2022/23. WEA will seek to build greater awareness of fraud awareness through induction and training programmes for staff and volunteers in the 2023/24 financial year.

Going concern

The trustees have assessed WEA's ability to continue as a going concern. The trustees have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. This has included a review of budgets and cash flow forecasts through to July 2026 and consideration of the key risks, including devolution and forecast changes in the split between restricted and unrestricted income. WEA has prepared a number of financial scenarios and the trustees consider that the WEA is well positioned to manage its business risks successfully. After consideration and enquiry, the Trustees have a reasonable expectation that the WEA has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing these financial statements.

Structure, governance and management

Status

WEA is a charitable company limited by guarantee (number 2806910), incorporated on 5 April 1993 and registered as a charity in England and Wales (number 1112775) and Scotland (number 2806910).

Governing documents

WEA is governed in accordance with the object and powers set out in its governing documents, the Articles of Association (last amended 8 December 2022) and Regulations (last amended 8 December 2022). The governing documents are available to the public through the WEA website at: **WEA Articles and Regulations (amended December 2022) (1).pdf**

Object of WEA

The object for which WEA was established is to promote adult and general education for the benefit of the community, regionally, nationally, and internationally based on democratic principles in its organisation and practice, through the participation of its voluntary members. In pursuit of this object, WEA has the following aims:

- ▶ Stimulating and responding to the demand for liberal education, through the direct provision of courses and other activities;
- ▶ Relieving poverty and providing for the needs of working-class people and of those who are socially, economically or educationally disadvantaged and in particular (but without limitation) by providing education and teaching skills for employment, voluntary work and social inclusion;
- ▶ Providing educational programmes for appropriate organisations concerned with collective educational needs in the community and in the workplace;
- ▶ Generally furthering the advancement of education to the end that all people in England, Scotland and other parts of the world may have full access to the education needed for their complete individual and social development; and
- ▶ Promoting the efficiency and effectiveness of charities with similar purposes and the efficient and effective application of resources for such purposes.

WEA operates at local, regional and national levels, providing adult education through its network of six English regions and Scotland, and with 153 branches and six Local Associations. Courses are created and delivered in response to local need, often in partnership with local community groups and organisations. There is a proud tradition of voluntary and democratic process within WEA. Association Members are involved in the planning and provision of courses as well as in the local and national governance of WEA.

WEA maintains staffed offices in Scotland and the English regions, the largest of which is in Leeds. WEA's registered office is in London.

Public benefit

WEA is a public benefit entity, the charitable object of which is to promote adult and general education for the benefit of the community regionally, nationally and internationally based on democratic principles in its organisation and practice, through the participation of its volunteers and members.

WEA's Trustees confirm that they have due regard for Charity Commission's guidance on public benefit and believe it to have been consistently applied, that the requirements of section 17 of the Charities Act 2011, and the new requirements related to annual reporting within the Protection & Social Investments (Charities) Bill 2016 have been fully met when exercising any powers or duties to which the guidance relates.

Board of Trustees

The Board of Trustees is WEA's governing body, comprising fifteen Trustees. The Board of Trustees has ultimate responsibility for the strategic direction of WEA. Trustees are also the Directors and Members of the Company.

Per its Articles of Association, the composition of the Board of Trustees is as follows:

- ▶ Four Association Officers (who are the President, two Deputy Presidents, and the Treasurer) elected by the Association Membership in accordance with the Regulations;
- ▶ Four Association Members nominated by the WEA Council and appointed by Trustees, comprising one Association Member from WEA Scotland and three Association Members from different English Regions; and
- ▶ Four Co-opted Trustees appointed by the Trustees.

In consideration of guidance from ESFA, and the Charity Governance Code, the Board of Trustees has sought to appoint additional Trustees having qualifications in accounting and/or financial management, human resources and organisational development, and knowledge of the public sector and/or public funding. Recruitment of five new trustees was completed in November 2023.

The Board of Trustees meets at least four times a year to ensure that WEA's activities carry into effect the charity's object. Their work includes providing strategic oversight, scrutinising WEA's financial performance and the performance of its management, agreeing budgets, monitoring the quality of educational provision and the safeguarding of beneficiaries and stakeholders, and reviewing current policies, initiatives, activities, and plans. The Board of Trustees is supported by six committees which also meet quarterly.

The Board of Trustees is currently chaired by a co-opted Trustee. In accordance with Article 55, a Deputy Chair of Trustees, appointed from among the sitting members of the Board of Trustees, chairs meetings of the Board of Trustees in the event of the Chair's unavailability. The Deputy Chair also supervises the annual performance review of the Chair of Trustees, conducted by an external consultant. Trustees, whether appointed or elected, serve on the Board for a term of four years, renewable subject to re-election (in the case of Association Officers) or re-appointment.

Committees of the Board of Trustees

WEA Trustees implemented a new scheme of committees from 1 August 2021. The new scheme of committees was agreed with the aim of improving WEA's demonstrated adherence to the Charity Governance Code (adopted by Trustees as WEA's code of governance in 2018). Trustees understand the role of committees to be to apply detailed, specialist scrutiny to matters within their remit, and to support the Board of Trustees in performing specific duties or oversight more thoroughly and effectively than it could otherwise do acting together as a full board.

All committees of the Board of Trustees remain non-executive. Save for the Audit & Risk Committee, the committees do not have delegated authority to undertake investigations or to take independent professional advice without prior authorisation from the Board of Trustees.

Committees of the Board of Trustees generally meet on a quarterly basis to receive detailed reports and make detailed enquiries on strategic organisational matters, reporting back to the Board of Trustees at each subsequent meeting.

During the 2022/23 financial year there were six delegated committees of the Board of Trustees. These were:

Audit & Risk Committee – The Audit & Risk Committee assisted the Trustees in discharging its oversight responsibilities by reviewing the effectiveness of WEA's internal controls and compliance systems and, on behalf of the Trustees, reviewed the performance and results of external and internal auditors' work, and reviewed and monitored the preparation and production of the Trustees' Annual Report. On an annual basis, it recommended the appointment of auditors to the Board of Trustees and, on their behalf, approved the auditors' terms of engagement.

Education Committee – The Education Committee supported the Board of Trustees in meeting its responsibilities for strategic leadership of educational provision in England and took assurances on their behalf regarding the development, monitoring and application of education policies, learner welfare (including safeguarding) and the learner experience, the quality of education offered and adherence to relevant regulatory and inspection standards.

Finance & Capital Resources Committee – The Finance & Capital Resources Committee supported the Board of Trustees in discharging their responsibilities to ensure sound business planning and budgeting in the interests of WEA's long-term financial health and sustainability. The Committee advised Trustees on the application of WEA's funds and other assets in accordance with its charitable purposes and the public benefit duty, and on compliance with the requirements and expectations of its funders.

People Committee – The People Committee focused on WEA's HR strategy, volunteering strategy, EDI, safeguarding and Prevent policies and procedures, and health and safety. It ensured ongoing review of organisational effectiveness, and the maintenance of an organised and clear management structure, with well-understood delegations. The Committee supported WEA in its aim to exceed its statutory responsibilities for equality and diversity.

A strategic Health & Safety Committee was implemented in the first half of the 2023/24 financial year as a bridge between Trustees' duties and responsibilities in relation to health and safety, and the managerial and operational policies and procedures within which the executive manages health and safety responsibilities. The People Committee receive quarterly reports on any health and safety incidents, accidents, or near misses, and a consolidated annual report for consideration and recommendation to the Board of Trustees.

Scotland Board – The Scotland Board promoted the profile of WEA in Scotland by supporting and facilitating the communication, engagement and consultation with WEA Scotland's members, learners and stakeholder groups. It supported the Board of Trustees in meeting its responsibilities for strategic leadership of educational provision in Scotland, including providing assurances on adherence to relevant regulatory and inspection standards in Scotland. Scotland Board also supported and promoted the Association-wide understanding of Scotland-specific educational policy, legislation, and funding relating to adult education, making recommendations to the Board of Trustees as appropriate.

WEA Council – WEA Council's purpose and remit are set out in WEA's Articles of Association. Its principal function was and continues to be to promote the democratic involvement of all Association Members and effective communication between all levels of governance within the Association. In practice, WEA Council is an important stakeholder group and a forum for discussion of shared interests across the English regions and Scotland, making representations on their behalf to the Board of Trustees from time to time. At any time, there are at least four Trustees who are members of WEA Council, two of whom must be Association Officers elected by the Association Members. The President (an Association Officer) chairs the WEA Council.

During the 2022/23 financial year there were two additional committees of the Board of Trustees convened for specific advisory purposes. These were:

Remuneration Committee – The Remuneration Committee determined the pay and conditions for WEA's senior post holders (i.e., CEO/GS, Director of Finance & IT, and Director of Governance & Company Secretary).

Nominations Committee – The Nominations Committee oversaw the recruitment and ongoing support and development for Trustees and the non-Trustee members of the committees of the Board of Trustees, taking into account the diversity and skills profiles and needs of each group.

Each committee of the Board of Trustees includes at least two and ideally three Trustees as members of the committee. Other committee members are drawn from the Association Membership. Where appropriate skills are not found within the Association Membership, committee members may be externally co-opted. An exception is the Remuneration Committee, which includes only Trustee members.

Trustee attendance figures of Board and Committee meetings can be found on page 33.

Election of association officers & the Annual conference

Members of the Association make direct contributions to the governance of WEA through the election of Association Officers and the Annual Conference. In accordance with the governing documents, Association Officers are elected to office by the Association Members and subsequently appointed as Trustees, subject to assurance of their statutory eligibility.

The Annual Conference, organised by the WEA Council, provides opportunity for Association Members to receive reports from Trustees and the WEA Council on the year's activities, and to influence the overall direction of WEA through bringing forward motions for consideration.

Trustee recruitment, induction & training

WEA seeks to encourage diversity in its widest sense within the governance structure. The WEA's Articles of Association set out the categories from which Trustees are elected and appointed.

Co-opted Trustees: Trustees who are co-opted to the Board are sought through advertisement and/or recruitment search agencies. As part of the process for appointment, the Nominations Committee convenes a panel to oversee the shortlisting and interviewing of candidates prior to a recommendation to the full Board for approval. Co-opted Trustees are required to undertake a DBS check and to confirm their statutory eligibility to serve as a Trustee and Company Director ahead of any appointment.

Association Officers: Following election by the Association Members to the role of President, Deputy President or Treasurer, an Association Officer is appointed a Trustee ex officio, subject to interview with members of Nominations Committee (in accordance with Article 17), DBS clearance, and confirmation of their statutory eligibility to serve as a Trustee and Company Director.

Council nominees: Those Trustees who are appointed from Council are nominated by the Council. Council nominee vacancies are open to all members of WEA's Council (apart from the Association Officers, who are ex officio Trustees). Like all other Trustees, Council nominees are appointed subject to interview with members of Nominations Committee (in accordance with Article 17), DBS clearance, and confirmation of their statutory eligibility to serve as a Trustee and Company Director.

Once appointed to the Board, Trustees are supported by a comprehensive programme of induction arranged by the Head of Corporate Governance. In addition to induction, new Trustees are encouraged to meet members of staff, and to take part in regional activities. A Trustee Handbook is currently in development.

Chief Executive & General Secretary

In accordance with the Articles of Association, the CEO/GS is appointed by the Board of Trustees to manage the day-to-day operations of WEA and is accountable to the Board of Trustees via the Chair. The CEO/GS is WEA's Accounting Officer for ESFA reporting purposes.

Powers delegated to the CEO/GS include the implementation of policy and strategy adopted by the Trustees, to be carried out within a budget approved by them from time to time. The CEO/GS has a duty to report back to Trustees regularly. In practical terms, this means that the CEO/GS is a regular attendee at meetings of the Board of Trustees and has a standing reporting item on each agenda. To support the effective coordination of business between Trustees and Council, the CEO/GS also meets regularly with the WEA Council to ensure its members are adequately informed of WEA activities.

The CEO/GS works with the Leadership Team as identified in the Reference and Administrative Details on page 4.

Leadership team

Leadership Team meets at least monthly and reviews the quality and effectiveness of teaching and learning activity, organisational performance against the strategy and budget agreed by Trustees, current and future staffing needs, emerging risks, and forward planning.

The role of reviewing and monitoring WEA's contracts and projects (including the ESFA contract) is performed by a Contracts Management Board overseen by Leadership Team. Bidding activity for new or renewed contracts and the success rate of bids is regularly reported to Leadership Team and reported on to Trustees by the CEO/GS on their behalf.

Review & remuneration of senior employees

Under the new scheme of committees taking effect from 1 August 2021, a Remuneration Committee has been constituted to consider and agree the remuneration of senior post holders (i.e., the CEO/GS, Director of Finance & IT, and Director of Governance & Company Secretary).

Salaries for other Leadership Team posts are in principle set by the CEO/GS within the salary structures laid out from time to time by the People Committee and approved by the Board of Trustees, and within the scope of budget constraints agreed annually by the Board of Trustees. In practice, spot salaries for senior roles appointed to in 2023 were agreed in advance of recruitment with limited scope for negotiation at the time of offer. There were two senior appointments made during 2022/23.

Performance objectives of the CEO/GS and members of the Leadership Team are agreed each year as part of the appraisal process determined by the Board of Trustees and reflected in the Business Plan and Budget which is approved by the Board of Trustees annually in July for the next financial year.

Remuneration details are set out in Note 6 to the financial statements.

Engagement with employees (CA2006 Section 172 Disclosure)

This report on WEA's compliance with Companies Act 2006, section 172 ("CA2006 s.172") should be read in conjunction with the Strategic Report on pages 10 - 19. CA2006 s.172 as applicable to incorporated charities requires Trustees (who are the Directors of the Company under CA2006) to take into consideration the interests of employees and other stakeholders in their decision-making. Trustees continue to have regard to the interests of WEA's employees and other stakeholders, including the impact of its activities on the community, the environment and WEA's reputation, when making decisions. Acting in good faith and fairly between members, the Trustees consider what is most likely to promote WEA's success for its learners, volunteers, and Association Members in the long term. Whilst the importance of giving due consideration to stakeholders is not new, WEA is explaining in more detail how the Board engages with stakeholders, thus seeking to comply with the requirement to include a statement setting out how Trustees have discharged this duty.

Trustees are fully aware of their responsibilities to promote WEA's success in accordance with CA2006 s.172. Ongoing support and periodic training from WEA's legal advisors, Bates Wells, is provided to ensure the Board continues to operate in line with good corporate practice and to respond to changes within the sector (e.g., reclassification as part of the public sector). In January 2023, Trustees received updated training and detailed legal advice on their duties and obligations following reclassification as a public sector body.

The Board has overseen the implementation of a new three-year strategy that ensures stakeholder interests, and particularly the interests of learners, are taken into account. The "Creating Opportunities" Strategy responds not only to material changes in the way that WEA receives its funding, but also addresses the reality that the communities WEA serves have different needs requiring tailored solutions. To this end, the Board has worked closely with the CEO/GS to implement a progressive programme of operational change to ensure that regional and national communities and academic expertise have greater influence on decision-making.

The Board continues to enhance its methods of engagement with the workforce. WEA seeks to engage all employees and volunteers in its activities and achievements, and to this end the "Creating Opportunities" Strategy has emphasised the development and improvement of technologies and systems to ensure WEA employees, volunteers, and learners, dispersed as they are across the whole of England and Scotland, are able to work together easily and efficiently.

Through these activities, Trustees reflect (inter alia) on how WEA engages with its stakeholders and opportunities for enhancement in future.

There continue to be a range of regular communication methods including management meetings, team meetings and newsletters to ensure that all staff are kept informed of WEA activities and achievements. There is also a monthly e-briefing from the CEO/GS that is distributed as part of the usual monthly newsletters to all staff as well as to the wider community of volunteers and Association Members.

WEA's recognised trade union is engaged in consultations on staff terms and conditions, including pay awards, through the Joint Negotiating Consultative Committee.

WEA aims to work responsibly with its sub-contractors, particularly those involved with the delivery of provision and other services relating to WEA's contracts with devolved combined authorities. Throughout the year, WEA has offered support in the on-boarding of its sub-contractors by sharing its delivery needs and the support available within WEA to enable effective relationships.

Charity Governance Code

The Board of Trustees adopted the Charity Governance Code (larger charities) in 2018 and have discussed and assessed the organisation's performance against the Code's main principles and recommended practices since that time, and as updated in 2020.

Following updates to the Charity Governance Code in 2020, Trustees have considered their approach to putting into practice the Code's EDI principles across WEA, and how Trustees and others involved in governance can demonstrate adherence to the enhanced integrity principle.

Principles of Equality, Diversity, and Inclusion – WEA received provisional IID accreditation in March 2022. Through the ongoing process of governance review, Trustees and members of Council have identified certain provisions in WEA's Articles & Regulations which may be inadvertently discouraging diversity within the formal governance structure and is in the process of updating these provisions, starting with amendments to the composition of WEA Council in December 2022, and additional changes to the Board's composition, nomination and recruitment procedures anticipated for agreement and implementation in 2023/24.

Principle of Integrity – Trustees have sought to address power imbalances within WEA's structure of Board and local governance committees by introducing term limits on non-trustee appointments. Non-trustee members of committees are now limited to two terms of three years' service on any one committee. In December 2022, the Articles were changed to introduce absolute term limits on Trustee appointments, closing a loophole in the Articles which created potential opportunities for certain individuals to remain on the Board of Trustees for as long as six terms of four years.

The ongoing process of governance review has continued to improve WEA's adherence to the Charity Governance Code. WEA has made significant improvements in a number of areas where weaknesses had been previously identified:

Leadership – Succession planning on the Board of Trustees has been addressed through the agreement of a role description for a Vice Chair of Trustees and successful appointment of a sitting Trustee to that role. The Board has also agreed a Succession Planning Policy and convened a Nominations Committee to oversee the recruitment of new Trustees, anticipate upcoming vacancies on the Board and on committees of the Board, and to ensure the conduct of periodic skills audits.

Decision-making, risk, and control – Decision-making and delegation has been refined through clarifications in the designation of senior post holders having direct responsibility to the Board of Trustees, and to whom the Board may delegate directly. Delegation to committees is now clearly documented in up-to-date terms of reference. Through the Audit & Risk Committee, WEA has updated and reformed WEA's risk appetite and the overall scoring and assessment of high-level risk. Frameworks for the identification and assessment of risk are being strengthened through implementation of clearer, more rigorous programmes of review at operational level, with Leadership Team taking a more active role in overall risk management.

Board effectiveness – The Board of Trustees has successfully filled the skills gap identified in a recent skills audit through the recruitment of five additional Trustees, adding greater depth of financial expertise among the Board, and also adding expertise in law, human resources and organisational development, and knowledge of the public sector.

The Vice Chair of Trustees has a clear role description which includes acting as a sounding board for the Chair of Trustees for matters arising on the Board, and acting as an intermediary for other Trustees, if needed. The Vice Chair of Trustees has also taken responsibility for ensuring a performance review of the Chair of Trustees and overseeing the implementation of an annual process for Trustee self-assessment.

The constitution of a Nominations Committee means that there is now a clear route for nominations to the Board of Trustees and any of its committees to be considered. In addition to each committee regularly reviewing the terms of service for each of its members, the Nominations Committee also reviews vacancies arising in relation to clear skills and diversity profiles for each committee. This allows for vacancies arising to be anticipated and advertised well in advance to generate interest, and ensures clear and consistent recruitment procedures. At committee level, recruitment of new committee members is undertaken with priority placed on recruitment from within the Association Membership, and opening recruitment externally only if requisite skills and experience are not found within the Association Membership.

In accordance with DfE guidance on strengthening governance and ESFA conditions of funding, WEA will undertake an external review of its governance effectiveness to commence in January 2024. The law firm Stone King has been engaged for this purpose.

Governance review

WEA has continued to progress the review of its governance to ensure that its governance structures, procedures and practices are brought up to date and aligned with the guidance set out in the Charity Governance Code (larger charities) as updated in 2020, and with DfE's statutory guidance on supporting governance. Key milestones during the year were:

- ▶ Adopting new Articles & Regulations which clarified the role and remit of WEA Council (including the inclusion of learner voice), and introduced absolute term limits for trustees;
- ▶ Removing branches and local associations from within the curtilage of WEA's formal governance, enabling their greater focus on education delivery and learner support and outreach;
- ▶ Winding down Regional Committees and planning for implementation of Local Advisory Panels ("LAPs") from 2023/24;
- ▶ Continuing to refine and embed the practice of termly joint meetings between WEA Council and the Board of Trustees, which are used for deliberation and debate on matters relating to ongoing governance development and support for delivery against the agreed strategy.

Throughout 2022/23, WEA Council continued to take an active role in the governance review and provide an important conduit for communication and feedback to and from Trustees and local governance committees. During the year, Trustees and Council agreed together that areas of focus would include:

- ▶ Clarification of the overall governance model, with specific consideration given to local governance structures and practices;
- ▶ Consideration of the learner voice, and appropriate methods for ensuring learner voice is heard within formal governance; and
- ▶ Continuing the review of WEA's Articles & Regulations to ensure these reflect current regulation and guidance, and that they are clear, understandable, and simplified as much as possible.

Trustees and members of Council have together acknowledged that the funding and regulatory world outside of WEA is changing rapidly, and that WEA is obliged to respond to these changes to secure its future. In consideration of recent statutory guidance from DfE, WEA must ensure there are clear lines of sight from the Board to the local communities WEA serves. The Board and Council have agreed that clear lines of sight be built in the following areas as a matter of priority:

- ▶ Safeguarding (including learners, staff, and volunteers);
- ▶ Equality and inclusion;
- ▶ Health, safety, and well-being;
- ▶ Education quality;
- ▶ Learner engagement and voice;
- ▶ Application of financial resources;
- ▶ Environmental sustainability and social value.

It has been acknowledged previously by Trustees and Council that additional changes to the Articles and/or Regulations should be considered and agreed to increase WEA's alignment with provisions in the Charity Governance Code, and the expectations of funders and regulators. With support from a working group of trustees and members of Council, new Regulations – streamlined and simplified – have been drafted and accepted in principle. Subject to legal advice and any permissions that may be required from Charity Commission and/or ESFA, the Articles will also be updated. New Articles & Regulations are anticipated to be presented to the Board of Trustees for formal approval and adoption at the end of the 2023 calendar year, or in early 2024.

Attendance at Board and Committee Meetings during 2022/23

Abbreviations:

- ▶ **A&R** Audit & Risk Committee
- ▶ **EC** Education Committee
- ▶ **F&CR** Finance & Capital Resources Committee
- ▶ **NomCo** Nominations Committee

- ▶ **PC** People Committee
- ▶ **SB** Scotland Board
- ▶ **T/WEAC** Joint meeting of the Board of Trustees & WEA Council
- ▶ **WEAC** WEA Council

Trustee	Board/ Committee	2022/23 meetings	Attendance
John Widdowson	Board* (Chair)	4/4	100%
	T/WEAC	2/3	67%
Cliff Allum+	BoardT/WEAC	1/1	100%
	F&CR	1/1	100%
Robin Cook	Board*	4/4	100%
	T/WEAC	2/3	67%
	A&R	4/4	100%
	SB	4/4	100%
	WEAC	3/3	100%
Kevin Doyle	Board*	4/4	100%
	T/WEAC	3/3	100%
	F&CR (Chair)	3/3	100%
Marion Flett	Board*	3/4	75%
	T/WEAC	3/3	100%
	SB (Chair)	4/4	100%
Jon Gamble	Board*	4/4	100%
	T/WEAC	2/3	67%
	F&CR	4/4	100%
Malcolm Grady	Board*	4/4	100%
	T/WEAC	2/3	67%
	EC	4/4	100%
Christine Grant	Board*	4/4	100%
	T/WEAC	2/3	67%
	A&R (Chair)	4/4	100%
	NomCo	2/2	100%

Trustee	Board/ Committee	2022/23 meetings	Attendance
Pat Kynaston	Board*	3/4	75%
	T/WEAC	3/3	100%
	F&CR	2/4	50%
	WEAC (Chair)	3/3	100%
Geoff Layer	Board*	3/4	75%
	T/WEAC	2/3	67%
	EC	4/4	100%
Karen McArdle	Board*	3/4	75%
	T/WEAC	3/3	100%
	People	4/4	100%
	SB	3/4	75%
Lindsay Pearson	Board*	2/4	50%
	T/WEAC	3/3	100%
	A&R	3/4	75%
	EC (Chair)	4/4	100%
	WEAC	2/3	67%
Marc Sherland+	BoardT/WEAC	1/1	100%
	People	1/1	100%
Peter Threadkell	Board*	3/4	75%
	T/WEAC	3/3	100%
	People (Chair)	3/4	75%
	EC	4/4	100%
	NomCo	1/2	50%
Narinder Uppal	Board*	3/4	75%
	T/WEAC	0/3	0%
	People (Chair)	2/4	50%
	NomCo (Chair)	2/2	100%

+ Term ended during 2022/23.

WEA's Board of Trustees and its committees normally meet on a quarterly cycle of meetings so that each group would meet four times per year. Termly joint meetings of the Board of Trustees and WEA Council were implemented from the start of the 2021/22 financial year as part of efforts to support effective communication between trustees and local governing bodies.

Average attendance at meetings of the Board of Trustees in 2022/23 was 85%, excluding the three joint meetings between the Board of Trustees and WEA Council. Including these meetings, overall Trustee attendance was 76% (2021/22: 82%).

Average Trustee attendance at joint meetings of the Board of Trustees and WEA Council was 80%.

Average attendance at all Board and Committee meetings in 2022/23 was 84% (2021/22: 84%).

Trustees' declaration

Statement of trustees' responsibilities

The Trustees (who are also Directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice ("UK accounting standards").

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Trustees of the charitable company at the date of approval of this report is aware, there is no relevant audit information (information needed by the charitable company's auditor in connection with preparing the audit report) of which the charitable company's auditor is unaware. Each trustee has taken all of the steps that they should have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Approved on behalf of Trustees on 14 December 2023.

Signed: John Widdowson, CBE
Chair of Trustees

Statement of corporate governance & internal control

The following statement is provided to enable readers of the Annual Report and Accounts of the Charity to obtain a better understanding of its governance and legal structure. This statement covers the period from 1 August 2022 to 31 July 2023 and up to the date of approval of the Annual Report and Financial Statements.

The Charity endeavours to conduct its business:

- i. In accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
- ii. In accordance with the governance requirements in the Companies Act 2006 and the Charities Act 2011; and
- iii. With due regard to the guidance and principles set out in the UK Corporate Governance Code 2018.

The Charity is committed to exhibiting best practice in all aspects of corporate governance and, as a registered charity, follows compliance guidelines set by the Charity Commission. We have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code we consider to be relevant to the further education sector and best practice.

The Board of Trustees 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 Board of Trustees confirm that they have due regard for the Charity Commission's guidance on public benefit and that the required statements appear elsewhere in these financial statements.

Approved by order of the Board of Trustees on 14 December 2023 and signed on its behalf by:

John Widdowson, CBE
Chair of Trustees

Simon Parkinson
CEO/GS

Governing body's statement on the regularity, propriety and compliance with funding body terms and conditions of funding

The Charity has considered its responsibility to notify the Education and Skills Funding Agency ("ESFA") of material irregularity, impropriety and non-compliance with the ESFA terms and conditions of funding, under the financial memorandum in place between the Charity and the ESFA. As part of our consideration we have had due regard to the requirements of the financial memorandum.

We confirm, on behalf of the Charity, that after due enquiry, and to the best of our knowledge, we are not able to identify any material irregular or improper use of funds by the Charity, or material non-compliance with the ESFA's terms and conditions of funding under the Charity's financial memorandum.

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

Approved by order of the Board of Trustees on 14 December 2023 and signed on its behalf by:

John Widdowson, CBE
Chair of Trustees

Simon Parkinson
CEO/GS

Independent auditor's report to the members and trustees of the Workers' Educational Association ("WEA")

Opinion

We have audited the financial statements of WEA ('the charitable company') for the year ended 31 July 2023 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- ▶ give a true and fair view of the state of the charitable company's affairs as at 31 July 2023 and of its income and expenditure, 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 Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- ▶ the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ▶ the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement [set out on page 34], the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, The Charities and Trustee Investment (Scotland) Act 2005, Further and Higher Education Act 1992 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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 might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Health and safety legislation, Ofsted Education Inspection Framework, Taxation legislation and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

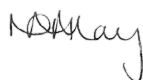
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals,

reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Nicola May
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date 15th December 2023

Independent reporting accountant's report on regularity 31 July 2023

To the Trustees of the Workers' Educational Association (the WEA) and Secretary of State for Education, acting through Education and Skills Funding Agency (the ESFA) and the Greater Manchester Combined Authority, Liverpool City Region Combined Authority, West of England Combined Authority, West Midlands Combined Authority, North of Tyne Combined Authority, Greater London Authority, West Yorkshire Combined Authority, South Yorkshire Mayoral Combined Authority and Cambridge and Peterborough Combined Authority (referred to as "the Authorities" below).

In accordance with the terms of our engagement letter dated 6 May 2021 and further to the requirements and conditions of funding in the ESFA's grant funding agreements and contracts, or those of any other public funder, including the Authorities we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by the WEA during the period 1 August 2022 to 31 July 2023 have not been applied to the purposes identified by Parliament and the financial transactions do not conform to the authorities which govern them.

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

This report is made solely to the trustees of WEA and the ESFA and the Authorities in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Trustees of the WEA and the ESFA and the Authorities 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 WEA and the ESFA and the Authorities for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the WEA and the reporting accountant

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

Our responsibilities for this engagement are established in the United Kingdom by 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 2022 to 31 July 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Code issued by the ESFA and in accordance with any guidance provided by the Authorities. We performed a limited assurance engagement as defined in that framework.

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity of the WEA's income and expenditure. The work undertaken to draw to our conclusion includes a review of the design and implementation of WEA's internal controls and review processes on regularity, supported by detailed tests on sample of costs incurred by the college and specific transactions identified from our review.

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 2022 to 31 July 2023 has not been applied to purposes intended by Parliament, and the financial transactions do not conform to the authorities that govern them.

Crowe U.K. LLP

Crowe U.K. LLP

Date: 15th December 2023

Financial statements

Statement of financial activities for the year ended 31 July 2023

	Notes	2022/23 Unrestricted funds £'000	2022/23 Restricted funds £'000	2022/23 Total funds £'000	2021/22 Unrestricted funds £'000	2021/22 Restricted funds £'000	2021/22 Total funds £'000
Income from:							
Donations and legacies		41	148	189	46	2	48
Charitable activities	2	13,119	12,425	25,544	12,928	14,628	27,556
Investment income	19	1,343	-	1,343	712	-	712
Other		37	362	399	157	14	171
Total income		14,540	12,935	27,475	13,843	14,644	28,487
Expenditure on:							
Charitable activities	3	13,547	11,485	25,032	12,243	14,767	27,010
Other	18b	1,089	-	1,089	650	-	650
Total expenditure		14,636	11,485	26,121	12,893	14,767	27,660
Net income/(expenditure)		(96)	1,450	1,354	950	(123)	827
Transfers between funds	13	138	(138)	-	(30)	30	-
Other recognised losses:							
Adjustment for defined benefit pension scheme	18e	(448)	-	(448)	(433)	-	(433)
Net movement in funds		(406)	1,312	906	487	(93)	394
Reconciliation of funds:							
Total funds brought forward		13,360	634	13,994	12,873	727	13,600
Total funds carried forward		12,954	1,946	14,900	13,360	634	13,994

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities. The notes on pages 45 to 75 form part of these accounts.

Balance sheet as at 31 July 2023

		2022/23	2021/22
	Notes	£'000	£'000
Fixed assets			
Tangible assets	8	4,070	4,210
Intangible assets	8	1,213	281
Total fixed assets		5,283	4,491
Current assets			
Debtors	9	2,050	2,071
Investments	16	6,693	2,602
Cash at bank and in hand	16	5,934	7,664
Total current assets		14,677	12,337
Liabilities			
Creditors: amounts falling due within one year	10	(4,696)	(2,412)
Net current assets		9,981	9,925
Total assets less current liabilities		15,264	14,416
Creditors: amounts falling due after one year	10	(38)	-
Provisions for liabilities	22	(326)	(422)
Total net assets		14,900	13,994
Funds of the Charity			
Unrestricted funds	13	7,671	8,989
Designated funds	13	5,283	4,371
Total unrestricted funds	13	12,954	13,360
Restricted funds	13	1,946	634
Total charity funds		14,900	13,994

The financial statements on pages 42 to 75 were approved by the Board of Trustees and authorised for issue on 14 December 2023, and are signed on its behalf by:



John Widdowson, CBE
Chair of Trustees



Simon Parkinson
CEO/GS

Cash flow statement for the year ended 31 July 2023

	Notes	2022/23 £'000	2022/23 £'000	2021/22 £'000	2021/22 £'000

Cash flows from operating activities:

Net cash provided by operating activities	14		3,164		684

Cash flows from investing activities:

Interest received	19	156		13	
Purchase of tangible and intangible assets	8	(1,404)		(463)	

Net cash used in investing activities			(1,248)		(450)

Cash flows from financing activities:

Sale of Fixed Assets		445		-	

Net cash provided by / (used in) financing activities			445		-

Change in cash and cash equivalents in the reporting period			2,361		234

Cash and cash equivalents at the beginning of the reporting period			10,266		10,032

Cash and cash equivalents at the end of the reporting period			12,627		10,266

	2022/23 £'000	2021/22 £'000
Notes to the cash flow statement		

Analysis of cash and cash equivalents

Investments	6,693	2,602
Bank and cash	5,934	7,664

Total cash and cash equivalents	12,627	10,266

Notes to the financial statements for the year ended 31 July 2023

1. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Companies Act 2006, Charities: Statement of Recommended Practice (FRS102) applicable in the UK and Republic of Ireland, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. We believe this is the most appropriate basis of accounts preparation.

The Trustees have assessed WEA's ability to continue as a going concern. The Trustees have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. This has included a review of budgets and cash flow forecasts through to July 2026 and consideration of the key risks, including devolution and forecast changes in the split between restricted and unrestricted income.

WEA has prepared a number of financial scenarios and the trustees consider that the WEA is well positioned to manage its business risks successfully. After consideration and enquiry, the Trustees have a reasonable expectation that the WEA has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing these financial statements.

Cash management and working capital controls are in place to ensure restricted and unrestricted assets and reserves are appropriately managed.

Accordingly, the accounts have been prepared on the basis that the Charity is a going concern.

The WEA's charitable objective is to promote adult and general education. The WEA meets the definition of a public benefit entity.

Fund accounting:

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity, and which have not been designated for other purposes.

Designated funds represent the Associations funds relating to fixed assets.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The funds are maintained on a project by project basis or in accordance with the agreed restrictions on their use. The restricted funds reserves and movements on them are shown on a region by region basis in the notes to the accounts.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the Association is entitled to the income, its receipt is probable and the amounts can be measured reliably.

Voluntary income is received by way of donations and gifts and is recognised on a receivable basis where the receipt is probable and the amount can be reliably measured.

Volunteer time

WEA benefits from the active participation of volunteers, as referred to in the Trustees' Report. The financial statements do not quantify any financial value on this contribution.

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

Service level agreements are recognised in line with performance. These relate to fees and contract income.

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

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Governance costs comprise management of the Charity's assets, organisational management and compliance with constitutional and statutory requirements.

Cost allocation

The Association has considered that it has just one activity, which is Education Provision, to which the majority of costs are directly attributable. Where costs cannot be directly attributed to particular headings they have all been allocated to activities on a basis consistent with their use.

Branches

The Charity carries out activities through a national network of non-autonomous branches which operate under the Charity's registration number. These run courses for the Charity locally and receive support from the Charity through advice, publicity and meeting tutor costs. Branch activities are included in the Charity's accounts.

15th December 2023

Cuswe U.K. LLP

Notes to the financial statements for the year ended 31 July 2023

1. Accounting policies (continued)

Fixed assets and depreciation

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental costs of acquisition. Computers regardless of cost are capitalised.

Capital project items are capitalised and depreciated over 3 years from the time when the project commenced or in line with the life of the project.

Software costs (excluding maintenance costs), costing £1,000 or more are capitalised over 3 years in line with the Association's policies.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land	Nil
Freehold buildings	over 50 years
Improvement to buildings	over 10 years
Grant funded building improvements	over the life of the project
Grant funded equipment	over the life of the project
Other equipment	over 3 years
Computer software	over 3 years

Investments and management of liquid resources

Cash includes cash in hand and at bank. Investments are short term deposits of up to 95 days notice, held as part of the Association's treasury management activities. Movements in all short term investments, deposits and cash repayable at the end of the investment periods are reported under cash and cash equivalents in the cash flow statement.

Pension costs

At 31 July 2023 retirement benefits to employees are provided by the People's Pension, the Teachers Pension (TP), the Scottish Public Pensions Agency (SPPA) and the Charity's own Workers' Educational Association pension scheme (WEA Scheme) whose Trustee and Administrator is The Pensions Trust.

The People's Pension is a defined contribution scheme.

The TP, SPPA and WEA pension schemes are defined benefit schemes.

THE TP and SPPA are multi-employer schemes. It is not possible to identify the Association's share of the underlying assets and liabilities of the schemes on a consistent and reliable basis and therefore, as required by FRS 102, the WEA accounts for the schemes as if they were defined contribution schemes. The Association's contributions are charged in the period in which the salaries they relate to are payable, in accordance with the recommendations of the Government Actuary.

For the WEA Scheme, the difference between the fair value of the assets held in the Association's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the Association's balance sheet as a pension scheme asset or liability as appropriate. Changes in the defined benefit pension scheme asset or liability arising from factors other than cash contribution by the Association are charged to the SOFA in accordance with Financial Reporting Standards (FRS 102) - Retirement Benefits. The deficit arising from the adoption of FRS 102 is recognised as a reduction in the general reserves.

Surpluses are not recognised unless they are considered recoverable.

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the SOFA in the year in which they fall due.

Notes to the financial statements for the year ended 31 July 2023

1. Accounting policies (continued)

Provisions and contingencies are recognised when the following three conditions are met: the Association has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economical benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. The amount of the provision represents the best estimate of the expenditure required to settle the obligation at the end of the reporting period.

Contingent liabilities, including liabilities that are not probable or which cannot be reliably measured, are not recognised but are disclosed unless the possibility of settlement is considered remote. Contingent Assets are not recognised, but are disclosed where an inflow of economic benefit is probable.

Financial instruments

WEA has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transition value, and subsequently measured at the settlement value.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due, or discount offered.

Creditors

Creditors and provisions are recognised where the Association has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and investments available within twenty-four hours.

Investments

Investments are short-term highly liquid investments with a short maturity of 95 days or less.

Key judgements and assumptions

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

Details of the two main accounting estimates can be found in the notes to the accounts. The valuation of the freehold property is detailed in note 8 and the accounting valuation of the defined benefit pension scheme in note 18.

Redundancy

The WEA recognises a provision for redundancy costs when they are committed to a programme of redundancy at the balance sheet date. This can be recognised while a consultation process is underway as long as the redundancy programme has been announced. The provision is measured at the best estimate of the redundancy liability accrued to the end of the accounting period. No provision is made for the cost of salary and notice periods that will need to be worked after the end of the accounting period.

Dilapidations Provision

Provisions are made when a legal or constructive obligation, is identified and the liability can be reasonably qualified. The provision is based on an estimate provided by the landlord of the property or a benchmarked market rate per square foot of the leased property.

Notes to the financial statements for the year ended 31 July 2023

2. Incoming resources from charitable activities

	Unrestricted 2022/23 £'000	Restricted 2022/23 £'000	Total 2022/23 £'000	Total 2021/22 £'000
Educational provision				
Fees and contracts	1,172	4,372	5,544	4,811
Education and Skills Funding Agency (ESFA) grant	11,919	986	12,905	11,464
Other grants receivable	17	7,067	7,084	11,282
Other income from activities	11	-	11	(1)
Total incoming resources from charitable activities	13,119	12,425	25,544	27,556

2a. Analysis of income from charitable activities

	Total 2022/23 £'000	Total 2021/22 £'000

ESFA unrestricted grants

ESFA contract	11,615	11,121
Other ESFA grants and contracts	304	343
Total ESFA unrestricted grants	11,919	11,464

Total ESFA restricted grants	986	-
Total ESFA contracts & grants	12,905	11,464

Other unrestricted grants

Total other unrestricted grants	17	52
Total other restricted grants	7,067	11,230
Total other grants	7,084	11,282

3. Resources expended on charitable activities

	Unrestricted 2022/23 £'000	Restricted 2022/23 £'000	Total 2022/23 £'000	Total 2021/22 £'000
Educational activity costs				
Tutor costs - staff	2,410	1,866	4,276	3,808
Tutor costs - travel & subsistence	141	43	184	117
Regional costs - staff	3,561	2,869	6,430	6,953
Regional costs - other	882	450	1,332	1,095
Grants and subcontractor payments	-	3,366	3,366	6,051
Total educational activity costs	6,994	8,594	15,588	18,024
Governance costs (note 4)	332	21	353	278
Support costs (note 5)	6,221	2,870	9,091	8,708
Total resources expended on charitable activities	13,547	11,485	25,032	27,010

Notes to the financial statements for the year ended 31 July 2023

4. Governance costs

	Total 2022/23 £'000	Total 2021/22 £'000
External audit fees		
Crowe U.K. LLP (note 7)	56	51
Other Assurance fees		
Crowe U.K. LLP (note 7)	20	19
Internal Audit Fees	12	11
Legal and professional fees	85	34
Trustees meetings and other costs (note 17)	11	1
Support costs - staff	169	162
Total governance costs	353	278

5. Support costs

	Total 2022/23 £'000	Total 2021/22 £'000
Support costs - staff	5,273	5,370
Support costs - other	1,806	1,492
Facilities management	661	545
IT & communications	1,351	1,301
Total support costs	9,091	8,708

Notes to the financial statements for the year ended 31 July 2023

6. Staff costs

	Total 2022/23 £'000	Total 2021/22 £'000
Wages and salaries	13,433	13,436
Social security costs	1,153	1,136
Pension costs	1,364	1,263
Redundancy costs	198	459
Total staff costs	16,148	16,294

The above figure does not include agency staff employed by the Association at a cost of £123,084 (2021/22: £28,391) At the year end £34,469 (2021/22: £nil) of the redundancy costs remained unpaid.

The average number of employees during the year was as follows:	2022/23	2021/22
Staff	353	369
Tutors	506	597
Total average number of employees	859	966

Number of employees earning £60,000 per annum and above are as follows:

£60,001 - £70,000	5	3
£70,001 - £80,000	5	4
£80,001 - £90,000	-	5
£90,001 - £100,000	-	2
£100,001 - £110,000	-	1
£130,000 - £140,000	1	1
	11	16

One member of staff (2021/22: Seven members) received redundancy payments in 2022/23 which took their earnings into the above brackets. Pension benefits are accruing for the other 10 (2021/22: 9) higher paid employees. Total employer pension contributions of £63,884 (2021/22: £105,460) have been made in relation to higher paid employees.

The key management personnel of the Charity comprise the Board of Trustees (12) and the Leadership Team 9 (2021/22:9). The total employee remuneration and benefits, employer NI and pension contributions of the key management personnel were £852,443 (2021/22: £887,756).

7. Analysis of charitable expenditure

Charitable expenditure includes:	Total 2022/23 £'000	Total 2021/22 £'000
External auditors' remuneration	56	51
Other assurance services performed by external auditors*	20	19
Depreciation	526	487
Profit/(loss) on disposal of tangible assets	359	40
Operating lease charges	182	179

* Other assurance services performed by the external auditors include regularity audits to meet the conditions of ESFA/MCA contracts.

Notes to the financial statements for the year ended 31 July 2023

8. Fixed asset schedule

	Land and Buildings £'000	Education Equipment £'000	Other Equipment £'000	Assets in the course of construction £'000	Total 2022/23 £'000
Tangible fixed assets					
Cost					
At 1 August 2022	6,069	1,927	4,351	121	12,468
Additions	240	4	128	7	379
Transfers	91	-	-	(91)	-
Disposals	(409)	(1,473)	(3,023)	-	(4,905)
At 31 July 2023	5,991	458	1,456	37	7,942
Depreciation					
At 1 August 2022	2,244	1,809	4,205	-	8,258
Charge for the year	239	89	105	-	433
Disposals	(336)	(1,473)	(3,010)	-	(4,819)
At 31 July 2023	2,147	425	1,300	-	3,872
Net book value					
At 31 July 2023	3,844	33	156	37	4,070
At 1 August 2022	3,825	118	146	121	4,210

There is a charge granted over the freehold property 4 Luke Street, London, EC2A 4XW in favour of The Pensions Trust. At 31 July 2023 the charge is capped at £2,500,000.

	Software £'000	Assets in the Course of Construction £'000	Total 2022/23 £'000
Intangible fixed assets			
Cost			
At 1 August 2022	-	281	281
Additions	-	1,025	1,025
Transfers	1,125	(1,125)	-
At	1,125	181	1,306
Depreciation			
Charge for the year	93	-	93
Net book value			
At 31 July 2023	1,032	181	1,213
At 1 August 2022	-	281	281

Notes to the financial statements for the year ended 31 July 2023

9. Debtors: amounts falling due within one year

	2022/23 £'000	2021/22 £'000
Trade debtors	348	361
Other debtors	20	76
Prepayments	246	151
Accrued Income	1,436	1,483
Total	2,050	2,071

10. Creditors: amounts falling due within one year

Amounts falling due within one year	2022/23 £'000	2021/22 £'000
Trade creditors	733	634
Accruals	983	944
Social security & other taxes	477	541
Deferred income	2,503	293
Total	4,696	2,412

Creditors falling due after one year represents a rent accrual due to a rent free period on the lease of the new Leeds office.

Notes to the financial statements for the year ended 31 July 2023

10a. Deferred income

	2022/23 £'000	2021/22 £'000
Opening balance	251	285
Amounts released	(250)	(284)
Amounts deferred	2,502	292
Closing balance	2,503	293

Income received during the year is deferred when the conditions for income recognition have not been fully met. All income deferred in the previous year has been released with the exception of £1,164 of student credit notes.

11. Financial commitments - leases

As at 31 July 2023, the charity has annual commitments under non-cancellable leases as follows:

Expiry date:	Land and building leasehold £'000	Total 2022/23 £'000	Total 2021/22 £'000
Within one year	115	115	90
One to five years	498	498	123
Over five years	405	405	19
Total financial commitments - leases	1,018	1,018	232

12. Analysis of net assets by fund

	Unrestricted funds 2022/23 £'000	Restricted funds 2022/23 £'000	Total Funds 2022/23 £'000	Unrestricted funds 2021/22 £'000	Restricted funds 2021/22 £'000	Total funds 2021/22 £'000
Net assets						
Fixed Assets	5,283	-	5,283	4,371	120	4,491
Net current assets	7,997	1,946	9,943	9,411	514	9,925
Long term liabilities	(326)	-	(326)	(422)	-	(422)
Net assets	12,954	1,946	14,900	13,360	634	13,994

Notes to the financial statements for the year ended 31 July 2023

13. Statement of funds

	At 1 August 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Pension adjustment £'000	At 31 July 2023 £'000
General funds	7,172	11,510	(12,811)	-	-	5,871
Branch funds	485	439	(456)	(47)	-	421
Regional branch reserve fund	1,332	-	-	47	-	1,379
	8,989	11,949	(13,267)	-	-	7,671
Designated funds	4,371	1,404	(630)	138	-	5,283
Pension deficit	-	1,187	(739)	-	(448)	-
Total unrestricted funds	13,360	14,540	(14,636)	138	(448)	12,954
Restricted funds:						
Revenue	514	11,599	(11,474)	-	-	639
Capital Grants	120	1,336	(11)	(138)	-	1,307
Total restricted funds	634	12,935	(11,485)	(138)	-	1,946
Total funds	13,994	27,475	(26,121)	-	(448)	14,900

Designated funds represents the part of the Association's funds balance represented by fixed assets.

Regional branch reserve fund represents the balance of accumulated funds transferred from branches to regions in line with the Association's policy of ensuring balances of funds at branches are kept at levels that are sufficient, but not excessive. Part of the balance on this fund is made available each year for branches to bid into for the development of local activities supporting the WEA and the Association's regional priorities. This reserve may also be used, at trustees' discretion, to address funding gaps where use of ESFA funds is not permitted.

Transfers between unrestricted and restricted funds:

Fixed asset funds: the transfer of £138,094 from restricted funds to the designated fund reflects the capital expenditure from capital grants.

Prior year statement of funds

	At 1 August 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Pension adjustment £'000	At 31 July 2022 £'000
General funds	6,515	12,182	(11,527)	2	-	7,172
Branch funds	636	499	(582)	(68)	-	485
Regional branch reserve fund	1,296	-	-	36	-	1,332
	8,447	12,681	(12,109)	(30)	-	8,989
Designated funds	4,426	463	(518)	-	-	4,371
Pension deficit	-	699	(266)	-	(433)	-
Total unrestricted funds	12,873	13,843	(12,893)	(30)	(433)	13,360
Revenue	598	14,644	(14,753)	25	-	514
Fixed asset fund	129	-	(14)	5	-	120
Total restricted funds	727	14,644	(14,767)	30	-	634
Total funds	13,600	28,487	(27,660)	-	(433)	13,994

Notes to the financial statements for the year ended 31 July 2023

13a. Statement of funds (continued)**Lottery funded projects**

	At 1 August 2022 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2023 £
South East						
Big Lottery Fund and ESF Building Better Opportunities Grant - Papworth Community Connections Essex	(6,411)	28,597	-	(22,186)	-	-
BBO BLF Wk Tog.	-	5,329	-	(5,329)	-	-
BBO BLF Routes	7,808	3,956	-	(3,956)	-	7,808
Midlands						
Big Lottery Fund and ESF Building Better Opportunities Grant - Vista Will	17,819	52,147	-	(69,966)	-	-
Big Lottery Fund St Ann's Advice Centre - D2N2 Money Sorted	502	2,528	-	(3,030)	-	-
North West						
Big Lottery Fund and ESF Building Better Opportunities Grant - Sefton Liverpool Digital Inclusion	(798)	49,049	13,740	(61,991)	-	-
Big Lottery Fund and ESF Building Better Opportunities Grant - Halton Liverpool Digital inclusion	10,522	12,703	20,028	(43,253)	-	-
Big Lottery Fund and ESF Building Better Opportunities Grant - Cumbria, Carlisle & Eden	42,271	(4,737)	-	-	-	37,534
UKSPF Liverpool	-	17,188	(508)	(16,680)	-	-
Southern						
Big Lottery Fund and ESF Building Better Opportunities Grant-Aspire - Family Learning Surrey	(4,399)	-	-	-	-	(4,399)
Big Lottery Fund and ESF Building Better Opportunities Grant - Building Family Bridges	809	-	-	-	-	809
Slough Borough Council - Ways Into Work	618	-	-	-	-	618
Yorkshire & Humber						
BLF Men's Health Lounge	927	-	-	-	-	927
ATI	-	18,696	-	(19,851)	-	(1,155)
Scotland						
Big Lottery Fund - Reach Out Project	37,415	-	-	-	-	37,415
Total lottery fund projects	107,083	185,456	33,260	(246,242)	-	79,557
Other projects						
ESF (note 13b)	7,643	892,094	30,065	(896,388)	-	33,414
Other (note 13c)	398,481	10,129,773	329,058	(10,330,884)	-	526,428
Total restricted revenue funds	513,207	11,207,323	392,383	(11,473,514)	-	639,399

Notes to the financial statements for the year ended 31 July 2023

13b. Statement of funds (continued)**European Social Funds (ESF) and other European funding**

	At 1 August 2022 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2023 £
Scotland						
Scottish Refugee Council - EU Asylum, Migration and Integration Fund: Sharing Lives Sharing Languages	4,562	-	-	-	-	4,562
Scottish Refugee Council - EU Asylum, Mitigation & Integration Fund: New Scots Integration- A Pathway to Social and Economic Inclusion	31,342	82,827	30,065	(124,002)	-	20,232
Aberdeen University - LEADER - Elphinstone Home Project	9,878	-	-	(1,258)	-	8,620
Midlands						
ESF Nottingham Trent University	(4,327)	909	-	3,418	-	-
North West						
ESF 19-21 Community Grants Manchester	(1,425)	403,065	-	(401,640)	-	-
ESF 19-21 Community Grants Lancashire	(21,734)	140,051	-	(118,317)	-	-
ESF 19-21 Community Grants Halton	(432)	37,366	-	(36,934)	-	-
ESF 19-21 Community Grants Liverpool	(10,221)	227,876	-	(217,655)	-	-
Total European restricted funds (note 13a)	7,643	892,094	30,065	(896,388)	-	33,414

Notes to the financial statements for the year ended 31 July 2023

13c. Statement of funds (continued)

Other restricted funds

	At 1 August 2022 £	Received income £	Accrued/ deferred income £	Funded expenditure £	Transfer from General Fund £	At 31 July 2023 £
Association Services						
Olive Cordell	4,142	-	-	-	-	4,142
Restricted Gift	500	-	-	-	-	500
Digital Lifeline Campaign	673	-	-	-	-	673
Lloyds	10,153	-	-	-	-	10,153
Cumbria LA - Multiply	-	27,869	-	(27,658)	-	211
Midlands						
Algy Beaven Legacy	1,375	-	-	-	-	1,375
John Rhodes Fund	9,581	-	-	-	-	9,581
Public Health Northamptonshire - Northants Weight Management	4,455	-	-	-	-	4,455
LLEP Digital Poverty	(4,481)	31,754	-	(28,847)	-	(1,574)
West Midlands Combined Authority	-	754,081	-	(754,081)	-	-
Recovery College	51	-	-	-	-	51
Dolphin Centre	1,528	-	-	-	-	1,528
LCC Multiply	-	16,822	-	(16,822)	-	-
Northants Weight Management	-	3,000	-	(3,000)	-	-
CRF - Wolverhampton VCS	-	184	-	(184)	-	-
Community First	-	600	-	-	-	600
South East						
Lester John Desmond Legacy	1,466	160	-	(274)	-	1,352
East of England Local Government Association (EELGA)	31,397	25,257	-	(57,813)	-	(1,159)
Cambridgeshire County Council - Cambridgeshire Skills 21-22	-	(11,564)	-	11,564	-	-
Multiply Norfolk	-	21,832	(3,897)	(14,824)	-	3,111
West Sussex Council - HKBNO Migration	23,393	41,250	-	(64,643)	-	-
CPCA 2021-22	-	10,538	-	(10,538)	-	-
CPCA 2022-23	-	249,490	25,519	(275,009)	-	-
West Sussex Multiply	-	41,628	(6,364)	(23,075)	-	12,189
Multiply Brighton and Hove	-	-	-	(31)	-	(31)
Joan Taylor Legacy	812	-	-	-	-	812
London						
Stanley Jones - Ilford Legacy	14,294	-	-	(947)	-	13,347
Margaret Cottier Legacy	3,753	-	-	-	-	3,753
ICELP Together We Learn	32,481	-	-	(32,481)	-	-
GLA - National Skills Fund	-	97,500	(53,921)	(43,579)	-	-
GLA - Adult Education Budget	-	1,384,101	(84,157)	(1,299,944)	-	-
GLA - Good Work for All	(62,420)	230,461	102,519	(270,560)	-	-
GLA - Multiply	-	128,760	(41,836)	(69,613)	-	17,311
GLA - Community Grants	-	140,000	-	(140,000)	-	-
NHS England - NHS ESOL London Hospitals	-	28,608	-	(28,608)	-	-
NDY Restricted - Branch	15,000	(202)	-	(1,374)	-	13,424
MJT Restricted - Branch	8,929	-	-	(395)	-	8,534
Fred Adler Legacy	39,004	-	-	(47)	-	38,957
Balance carried forward	136,086	3,222,129	(62,137)	(3,152,783)	-	143,295

Notes to the financial statements for the year ended 31 July 2023

13c. Statement of funds (continued)

Other restricted funds (continued)

	At 1 August 2022 £	Received income £	Accrued/ deferred income £	Funded expenditure £	Transfer from General Fund £	At 31 July 2023 £
Balance brought forward	136,086	3,222,129	(62,137)	(3,152,783)	-	143,295
North East						
100 Club	1,836	-	-	-	-	1,836
North of Tyne MCA	-	345,068	792	(345,860)	-	-
North West						
RSC - Any Old Ions	14,959	-	-	(4,051)	-	10,908
RAS - Look Up to the Skies	6,280	-	-	-	-	6,280
Greater Manchester Combined Authority	-	990,777	330,212	(1,320,989)	-	-
GMCA L3 Local	-	12,561	-	(12,561)	-	-
GMCA L3 National	-	12,580	23,656	(36,236)	-	-
Liverpool City Region Combined Authority Lot 1	-	834,928	176,548	(1,011,476)	-	-
Liverpool City Region Combined Authority Lot 2	-	62,082	-	(62,082)	-	-
LCRCA T&L	-	(468)	-	468	-	-
LivCRCA Lot 3	-	(2,567)	18,643	(16,076)	-	-
Liv NHS - Maternity Support work	-	17,041	-	(17,041)	-	-
ESIF - CSI	-	11,250	3,750	(15,000)	-	-
Trafford - BNO	-	450	-	(450)	-	-
Burnley - BNO	-	810	-	(810)	-	-
BooHoo	-	1,400	-	(1,400)	-	-
Liverpool - Multiply	-	844,727	(277,043)	(567,684)	-	-
Lancashire - Multiply	-	675,933	6,676	(682,609)	-	-
Manchester - Multiply	-	8,140	-	(8,140)	-	-
South West						
West of England Combined Authority - AEB	-	445,006	-	(445,006)	-	-
West of England Combined Authority - Multiply	-	57,600	-	(55,818)	-	1,782
Bristol City Council - Bristol ESOL	-	24,328	-	(24,328)	-	-
Southampton City Council - Multiply	-	43,965	-	(32,266)	-	11,699
Portsmouth City Council - Multiply	-	32,519	-	(32,583)	-	(64)
K Smith Legacy	20,875	-	-	-	-	20,875
Southampton City Council - Innovation Fund	-	-	-	(76)	-	(76)
Balance carried forward	180,036	7,640,259	221,097	(7,844,857)	-	196,535

Notes to the financial statements for the year ended 31 July 2023

13c. Statement of funds (continued)**Other restricted funds** (continued)

	At 1 August 2022 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2023 £
Balance brought forward	180,036	7,640,259	221,097	(7,844,857)	-	196,535
Yorkshire & Humber						
Mike Haywood Fund	869	-	-	-	-	869
Yorkshire Adult Schools Union	8,300	-	-	-	-	8,300
Leeds University	3,008	-	-	-	-	3,008
NHS Confidence to study	7,911	-	-	-	-	7,911
Heritage Fund - Women on the Land	25,853	39,000	-	(62,704)	-	2,149
Sheffield City Council	-	(6,151)	-	6,151	-	-
South Yorks MCA	-	312,245	102,976	(415,221)	-	-
West Yorks MCA	-	1,033,086	-	(1,033,086)	-	-
Digital Inclusion	-	-	-	(68)	-	(68)
Sheffield Refugee Council	-	5,216	-	(5,216)	-	-
CRF- VAR	-	6,929	-	(6,929)	-	-
WAMT - Green Growth	-	139,455	-	(10,290)	-	129,165
Multiply York & North Yorkshire	-	8,225	-	(8,533)	-	(308)
Multiply Rotherham	-	10,000	-	(10,000)	-	-
Multiply North Lincolnshire	-	6,679	-	(6,679)	-	-
UKSPF RISE	-	-	-	(28)	-	(28)
Families Get Active	-	17,165	-	(14,551)	-	2,614
Balance carried forward	225,977	9,212,108	324,073	(9,412,011)	-	350,147

Notes to the financial statements for the year ended 31 July 2023

13c. Statement of funds (continued)

Other restricted funds (continued)

	At 1 August 2022 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2023 £
Balance brought forward	225,977	9,212,108	324,073	(9,412,011)	-	350,147
Scotland						
Scottish Government - Health and Social Care - Self Directed Support Project 2018-2020	10,842	11,638	-	(18,139)	-	4,341
Edinburgh College - EU Dundee AMIF	4,815	7,434	-	(12,249)	-	-
Edinburgh College - Edinburgh CBAL	525	5,000	-	(2,400)	-	3,125
Falkirk Council - Job Clubs	14,853	(9,283)	(5,570)	-	-	-
North Glasgow Housing Association - Thriving Places - 'Possibilities Project'	119	-	-	(119)	-	-
Aberdeenshire Council - Adult Education Programme	17,207	3,113	-	(7,735)	-	12,585
Aberdeen City Council - Parenting Project	12,260	-	-	(7,650)	-	4,610
Reach Out Project - General	7,456	-	-	-	-	7,456
Fife Council - Teaching Grant	25,800	15,720	(2,309)	(20,677)	-	18,534
Aberdeen City Council - Teaching Grant	5,198	7,520	-	(12,718)	-	-
Highland Council - Syrian Re-settlement Project	7,243	36,508	-	(33,628)	-	10,123
North East Scotland Colleges - Reach Out 22/24	58,522	91,619	-	(86,321)	-	63,820
Aberdeenshire Council - Home Office - ESOL Project	4,212	-	-	(4,212)	-	-
Glasgow Life AMIF	2,720	1,269	-	(3,989)	-	-
Garden Project	466	-	-	(200)	-	266
Lipman Miliband Trust	266	-	-	(266)	-	-
Adult Learning & Empowering Communities Fund (ALEC)	-	355,250	(50,750)	(304,500)	-	-
Fife Council - Revenue Grant	-	34,988	(5,138)	(29,850)	-	-
Fife Council - Teaching Grant	-	-	28,545	(28,545)	-	-
Aberdeen City Council - Revenue Grant	-	15,000	-	(15,000)	-	-
North East College - Aberdeenshire ESOL	-	17,424	28,738	(46,162)	-	-
Aberdeenshire Council - Resettlement Programme	-	9,950	(9,950)	-	-	-
Aberdeenshire Council - Fairer Aberdeenshire Fund - Reminiscence Project	-	3,400	-	(3,012)	-	388
Aberdeen Council of Voluntary Organisations (ACVO)	-	10,000	-	(1,516)	-	8,484
Highland Cares - Digital Families	-	9,975	-	(9,975)	-	-
Highlife Highland - Open Programme	-	5,000	-	(4,808)	-	192
Highland Multiply	-	19,254	-	(13,156)	-	6,098
Edinburgh College - ESOL Programme	-	-	9,600	(9,600)	-	-
Hong Kong BNO ESOL Project	-	42,115	-	(31,960)	-	10,155
Glasgow Clyde College - ESOL Strategy	-	12,250	-	(12,250)	-	-
Falkirk Council - Falkirk ETU Literacies Programme	-	3,650	-	(3,650)	-	-
Glasgow City Council - Glasgow Communities Fund	-	86,477	-	(86,477)	-	-
North Ayrshire Council - ESOL for Employability	-	35,038	-	(35,038)	-	-
Scottish Government - Directorate for Mental Health & Social Care Support	-	87,356	6,249	(67,501)	-	26,104
Total other restricted funds (note 13)	398,481	10,129,773	329,058	(10,330,884)	-	526,428

Notes to the financial statements for the year ended 31 July 2023

13c. Statement of funds (continued)**Other restricted funds** (continued)

	At 1 August 2022 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2023 £
Capital Grants						
ESFA Capital Grant-Energy Efficiencies	-	281,457	-	-	(9,015)	272,442
ESFA Capital Grant- FE Reclassification	-	704,637	-	-	(27,522)	677,115
Restricted Capital Proceeds	-	349,557	-	-	-	349,557
Liverpool City Region	15,568	-	-	(8,032)	-	7,536
Big Lottery Fund - Sheffield Learning Centre	61,923	-	-	(1,436)	(60,487)	-
Big Lottery Fund - Clare House	42,707	-	-	(1,637)	(41,070)	-
Total restricted capital funds (note 13)	120,198	1,335,651	-	(11,105)	(138,094)	1,306,650

Notes to the financial statements for the year ended 31 July 2023

13d. Statement of funds (continued)**Prior year statement of funds** (continued)**Lottery funded projects** (continued)

	At 1 August 2021 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2022 £
Eastern						
Big Lottery Fund and ESF Building Better Opportunities Grant - Papworth Community Connections South	3,084	12,127	-	(15,211)	-	-
Big Lottery Fund and ESF Building Better Opportunities Grant - Papworth Community Connections Essex	-	36,184	-	(42,595)	-	(6,411)
East Midlands						
Big Lottery Fund and ESF Building Better Opportunities Grant - Vista Will	-	113,555	-	(95,736)	-	17,819
Big Lottery Fund St Ann's Advice Centre - D2N2 Money Sorted	-	38,140	3,444	(41,082)	-	502
North West						
Big Lottery Fund and ESF Building Better Opportunities Grant - Sefton Liverpool Digital Inclusion	2,884	34,660	2,792	(41,134)	-	(798)
Big Lottery Fund and ESF Building Better Opportunities Grant - Halton Liverpool Digital inclusion	778	55,978	33,201	(79,435)	-	10,522
Big Lottery Fund and ESF Building Better Opportunities Grant - Cumbria, Carlisle & Eden	43,915	-	-	(1,644)	-	42,271
Southern						
Big Lottery Fund and ESF Building Better Opportunities Grant - Routes Community Works	8,267	39,200	-	(39,659)	-	7,808
Big Lottery Fund and ESF Building Better Opportunities Grant - Aspire - Family Learning Surrey	-	28,188	(4,242)	(28,345)	-	(4,399)
Big Lottery Fund and ESF Building Better Opportunities Grant - Building Family Bridges	92	309	-	408	-	809
Slough Borough Council - Ways Into Work	-	29,217	(5,298)	(23,301)	-	618
Midlands						
BBO Community Mat	-	3,264	-	(3,264)	-	-
Yorkshire & Humber						
BLF Men's Health Lounge	927	-	-	-	-	927
Scotland						
Big Lottery Fund - Reach Out Project	133,317	5,360	(500)	(100,762)	-	37,415
Total lottery fund projects	193,264	396,182	29,397	(511,760)	-	107,083
Other projects						
ESF (note 13e)	(68,418)	4,741,800	683,928	(5,349,667)	-	7,643
Other (note 13f)	472,879	8,503,662	288,990	(8,892,010)	25,000	398,481
Total restricted revenue funds	597,725	13,641,604	1,002,315	(14,753,436)	25,000	513,207

Notes to the financial statements for the year ended 31 July 2023

13e. Statement of funds (continued)**Prior Year Statement of funds** (continued)**European Social Funds (ESF) and other European funding**

	At 1 August 2021 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2022 £
Scotland						
Scottish Refugee Council - EU Asylum, Migration and Integration Fund: Sharing Lives Sharing Languages	4,562	-	-	-	-	4,562
Scottish Refugee Council - EU Asylum, Mitigation & Integration Fund: New Scots Integration- A Pathway to Social and Economic Inclusion	18,294	132,767	679	(120,398)	-	31,342
Aberdeen University - LEADER - Elphinstone Home Project	10,010	-	-	(132)	-	9,878
Midlands						
ESF Nottingham Trent University	-	-	10,217	(14,544)	-	(4,327)
North West						
ESF 19-21 Community Grants Manchester	(38,963)	2,791,182	343,269	(3,096,913)	-	(1,425)
ESF 19-21 Community Grants Lancashire	(37,928)	368,888	47,524	(400,218)	-	(21,734)
ESF 19-21 Community Grants Halton	4,613	137,958	-	(143,003)	-	(432)
ESF 19-21 Community Grants Liverpool	(29,006)	1,311,005	282,239	(1,574,459)	-	(10,221)
Total European restricted funds (note 13d)	(68,418)	4,741,800	683,928	(5,349,667)	-	7,643

Notes to the financial statements for the year ended 31 July 2023

13f. Statement of funds (continued)**Prior year statement of funds** (continued)**Other restricted funds**

	At 1 August 2021 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from General Fund £	At 31 July 2022 £
Association Services						
Olive Cordell	4,142	-	-	-	-	4,142
Restricted Gift	500	-	-	-	-	500
Digital Lifeline Campaign	1,027	(354)	-	-	-	673
SERO Consulting - EDS Champions	-	8,000	-	(8,000)	-	-
Lloyds	-	41,190	-	(31,037)	-	10,153
Midlands						
Joan Freeman Legacy	2,339	-	-	(2,339)	-	-
Algy Beaven Legacy	1,375	-	-	-	-	1,375
John Rhodes Fund	9,581	-	-	-	-	9,581
Bishop Grosseteste University LinchHigher Raising Aspirations	4,179	-	-	(4,179)	-	-
Nottingham City Council Restart Grant	13,624	-	-	(13,624)	-	-
Leicestershire County Council SHIRE Community Grant Fund	425	3,840	-	(4,265)	-	-
Public Health Northamptonshire - Northants Weight Management	-	9,938	-	(5,483)	-	4,455
Lincolnshire ASFL	-	-	4,674	(4,674)	-	-
ESOL for Intergration	-	24,594	24,594	(49,188)	-	-
LLEP Digital Poverty	-	-	-	(4,481)	-	(4,481)
Derby Adult Learning Service	-	-	12,275	(12,275)	-	-
Eastern						
Lester John Desmond Legacy	1,466	-	-	-	-	1,466
Clarion Housing - Digital Skills	4,528	4,000	-	(8,528)	-	-
East of England Local Government Association (EELGA)	10,051	52,991	-	(31,645)	-	31,397
Cambridgeshire County Council	-	10,234	-	(10,234)	-	-
Cambridgeshire County Council - Cambridgeshire Skills 21-22	-	74,117	-	(74,117)	-	-
Cambridge and Peterborough Combined Authority - CPCA MCA 21-22	-	12,200	-	(12,200)	-	-
London						
Stanley Jones - Ilford Legacy	15,125	-	-	(831)	-	14,294
Margaret Cottier Legacy	3,753	-	-	-	-	3,753
ICELP Together We Learn	37,349	-	-	(4,868)	-	32,481
GLA - National Skills Fund	-	1,416,035	(100,000)	(1,316,035)	-	-
GLA - Adult Education Budget	-	75,000	(25,000)	(50,000)	-	-
GLA - Good Work for All	-	243,604	7,761	(313,785)	-	(62,420)
North East						
100 Club	1,830	6	-	-	-	1,836
Tees Valley Combined Authority	-	51,156	-	(51,156)	-	-
North of Tyne Combined Authority	10,000	340,161	-	(350,161)	-	-
Lipman-Miliban Grant - Lipman Trust	1,613	-	-	(1,613)	-	-
MCA - 20-21 Underspend	-	10,691	-	(10,691)	-	-
Balance carried forward	122,907	2,377,403	(75,696)	(2,375,409)	-	49,205

Notes to the financial statements for the year ended 31 July 2023

13f. Statement of funds (continued)**Prior year statement of funds** (continued)**Other restricted funds** (continued)

	At 1 August 2021 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from General Fund £	At 31 July 2022 £
Balance brought forward	122,907	2,377,403	(75,696)	(2,375,409)	-	49,205
North West						
RSC - Any Old Ions	14,871	-	-	88	-	14,959
RAS - Look Up to the Skies	6,737	-	-	(457)	-	6,280
Community Foundation- OneCom	-	-	-	-	-	-
Greater Manchester Combined Authority	-	1,671,568	351,706	(2,023,274)	-	-
GMCA L3 Local	-	36,356	(11,716)	(24,640)	-	-
GMCA L3 National	-	1,961	30,901	(32,862)	-	-
Liverpool City Region Combined Authority Lot 1	-	545,716	114,961	(660,677)	-	-
Liverpool City Region Combined Authority Lot 2	-	50,046	(19,017)	(31,029)	-	-
LCRCA T&L	-	9,772	468	(10,240)	-	-
LivCRCA Lot 3	-	-	2,567	(2,567)	-	-
Liverpool NHS Maternity Support Work	-	24,098	(17,041)	(7,057)	-	-
ESIF - CSI	-	18,750	3,750	(22,500)	-	-
BNO Trafford	-	-	19,750	(19,750)	-	-
WRRF Trafford	-	40,500	-	(40,500)	-	-
South West						
West of England Combined Authority	-	322,750	-	(322,750)	-	-
Southern						
Fred Adler Legacy	38,868	-	-	136	-	39,004
Joan Taylor Legacy	812	-	-	-	-	812
K Smith Legacy	21,393	-	-	(518)	-	20,875
Santander	277	-	-	(277)	-	-
West Sussex Council - HKBNO Migration	-	75,000	(41,250)	(10,357)	-	23,393
Southampton CC - Quilt of Hope	-	4,510	-	(4,510)	-	-
MJT Restricted - Branch	-	-	-	(1,071)	10,000	8,929
NDY Restricted - Branch	-	-	-	-	15,000	15,000
Balance carried forward	205,865	5,178,430	359,383	(5,590,221)	25,000	178,457

Notes to the financial statements for the year ended 31 July 2023

13f. Statement of funds (continued)**Prior year statement of funds** (continued)**Other restricted funds** (continued)

	At 1 August 2021 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from General Fund £	At 31 July 2022 £
Balance brought forward	205,865	5,178,430	359,383	(5,590,221)	25,000	178,457
West Midlands						
Dudley MBC - Healthy Towns	27,584	38,600	-	(66,184)	-	-
West Midlands Combined Authority	-	835,160	(102,858)	(732,302)	-	-
Recovery College	2,682	686	-	(3,317)	-	51
Dolphin Centre	-	2,000	-	(472)	-	1,528
CRF Wolverhampton	-	3,739	-	(3,739)	-	-
Yorkshire & Humber						
Mike Haywood Fund	869	-	-	-	-	869
Yorkshire Adult Schools Union	8,300	-	-	-	-	8,300
Leeds University	3,000	-	-	8	-	3,008
Sheffield City Council	1,374	1,276	-	(2,650)	-	-
Refugee Council	1,953	1,953	-	(3,906)	-	-
NHS Confidence to study	21,345	-	-	(13,434)	-	7,911
Sport England	15,880	78,596	3,168	(97,644)	-	-
Your Consortium - Action Towards Inclusion	-	19,738	-	(19,738)	-	-
Heritage Fund - Women on the Land	48,750	-	-	(22,897)	-	25,853
Eastfield Employment - Scarborough Borough Council	2,446	6,955	-	(9,401)	-	-
Leeds City Council	-	225	-	(225)	-	-
Sheffield Lakeland Landscape Partnership - Heritage Weekend	-	4,900	-	(4,900)	-	-
Sheffield City Council	-	-	6,151	(6,151)	-	-
Rotherham - Rotherham RF	-	16,995	8,764	(25,759)	-	-
South Yorks MCA - Transition Project	-	210,000	-	(210,000)	-	-
West Yorks MCA	-	1,076,102	1,677	(1,077,779)	-	-
Balance carried forward	340,048	7,475,355	276,285	(7,890,711)	25,000	225,977

Notes to the financial statements for the year ended 31 July 2023

13f. Statement of funds (continued)**Prior year statement of funds** (continued)**Other restricted funds** (continued)

	At 1 August 2021 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from General Fund £	At 31 July 2022 £
Balance brought forward	340,048	7,475,355	276,285	(7,890,711)	25,000	225,977
Scotland						
Scottish Government - Adult Learning and Empowering Communities Fund HQ Scot Govt	-	319,000	(24,170)	(294,830)	-	-
Scottish Government - Adult Learning and Empowering Communities Fund - HQ NTTf	-	92,662		(92,662)	-	-
Scottish Government - Impact Funding Partners - PEC Fund - Women in the Highlands Project	14,583	5,168	(7,083)	(12,668)	-	-
Scottish Government - Health and Social Care - Self Directed Support Project 2018-2020	26,499	49,874	(1,330)	(64,201)	-	10,842
Highlife Highland - Open Programme	5,869	-	-	(5,869)	-	-
Edinburgh College - SE Edin ESOL	-	9,600	-	(9,600)	-	-
Edinburgh College - EU Dundee AMIF	-	21,462	-	(16,647)	-	4,815
Edinburgh College - Edinburgh CBAL	-	13,899	(5,000)	(8,374)	-	525
Falkirk Council - Job Clubs	14,853	22,280		(22,280)	-	14,853
North Glasgow Housing Association - Thriving Places - 'Possibilities Project'	119	-	-	-	-	119
Aberdeenshire Council - Adult Education Programme	21,499	9,337		(13,629)	-	17,207
Aberdeen City Council - Parenting Project	12,260				-	12,260
Glasgow City Council - Glasgow Communities Fund - Glasgow CF 20/2	-	108,196	12,346	(120,542)	-	-
Reach Out Project - General	7,456				-	7,456
Fife Council - Fife Cnl TEACH	-	36,701	(7,340)	(29,361)	-	-
Fife Council - Teaching Grant	17,538	16,489	(3,298)	(4,929)	-	25,800
Aberdeen City Council - Revenue Grant	-	28,125	(5,625)	(22,500)	-	-
Aberdeen City Council - Teaching Grant	3,812	14,100	(2,820)	(9,894)	-	5,198
Highland Council - Syrian Re-settlement Project	-	47,914	6,354	(47,025)	-	7,243
North East Scotland Colleges - NE Shire ESOL	-	27,213	14,641	(41,854)	-	-
North East Scotland Colleges - A'shire CBAL	-	12,870	-	(12,870)	-	-
North East Scotland Colleges - ACC-Afghan ESOL	-	-	5,108	(5,108)	-	-
North East Scotland Colleges - Reach Out 22/24	-	78,000	(1,000)	(18,478)	-	58,522
Aberdeenshire Council - Home Office - ESOL Project	5,535	-	-	(1,323)	-	4,212
Glasgow Clyde College	-	12,250	-	(12,250)	-	-
Falkirk Council - Employment & Training Unit	-	12,975	(1,050)	(11,925)	-	-
Foundation Scotland - Response, Recovery, Resilience -	-	204	-	(204)	-	-
Scot Book Trust	-	675	-	(675)	-	-
Glasg Life AMIF	-	-	12,676	(9,956)	-	2,720
Glasgow CBAL	-	30,165	-	(30,165)	-	-
Garden Project	-	5,930	-	(5,464)	-	466
PA Network22/23	-	-	20,359	(20,359)	-	-
North Ayrshire Council - ESOL 2020-2022	818	53,178	(63)	(53,933)	-	-
Lipman Miliband Trust	1,990	-	-	(1,724)	-	266
Total other restricted funds (note 13)	472,879	8,503,622	288,990	(8,892,010)	25,000	398,481

Notes to the financial statements for the year ended 31 July 2023

13f. Statement of funds (continued)**Prior year statement of funds** (continued)**Other restricted funds** (continued)

	At 1 August 2021 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from General Fund £	At 31 July 2022 £
Capital Grants						
Greater Manchester Combined Authority	89	-	-	(89)	-	-
Liverpool City Region	13,931	-	-	1,637	-	15,568
Big Lottery Fund - Sheffield Learning Centre	63,316	-	-	(2,785)	1,392	61,923
Big Lottery Fund - Clare House	43,961	-	-	(2,507)	1,253	42,707
Big Lottery Fund - East Midlands Learning Centre	7,447	-	-	(9,646)	2,199	-
Total restricted capital funds (note 13)	128,744	-	-	(13,390)	4,844	120,198

Notes to the financial statements for the year ended 31 July 2023

14. Reconciliation of change in resources to net cash inflows from operating activities

	2022/23 £'000	2021/22 £'000
Net incoming resources	1,354	827
(Gain)/loss on disposal of fixed assets	(359)	40
Depreciation	526	487
Other finance charges	1,089	650
Decrease/(Increase) in debtors	21	(241)
Increase in creditors and provisions	2,226	17
Interest received	(156)	(13)
Other finance income	(1,187)	(699)
Non cash movements in respect of FRS 102 s.28	(350)	(384)
Net cash inflow from operating activities	3,164	684

15. Return on investments and servicing of finance

	2022/23 £'000	2021/22 £'000
Income from investments and interest receivable	156	13
Net cash inflow for return on investments and servicing of finance	156	13

16. Analysis of change in net funds

Net cash	At 1 August 2022 £'000	Cash flow £'000	At 31 July 2023 £'000
Short term deposits	2,602	4,091	6,693
Bank and cash	7,664	(1,730)	5,934
Total net funds	10,266	2,361	12,627

17. Trustees' expenses and remuneration

The Trustees neither received nor waived any emoluments during the year.

Trustees' expenses	2022/23 £'000	2021/22 £'000
Trustee meeting	3	-
Trustee travel	1	1
Trustee Recruitment	7	-
	11	1

The number of trustees reimbursed out of pocket travel and subsistence expenses was 3 (2021/22:2).

The Trustees hold indemnity insurance. During the year, the Association spent £3,528 (2021/22: £2,423), to purchase this indemnity insurance policy.

Notes to the financial statements for the year ended 31 July 2023

18. Pension schemes

At 31 July 2023 the pension schemes operated by the Association are the Teachers' Pensions scheme (TPS), the Scottish Public Pension Agency scheme (SPPA) and The People's Pension. Staff are auto-enrolled into these schemes based on job roles and eligibility.

The WEA pension scheme closed to new accruals at 31 August 2019. The existing scheme funds continue to be managed by The Pensions Trust (TPT) who act as trustee and administrator. Contributors were transferred to the People's Pension scheme.

The TP and SPPA schemes are unfunded multi-employer defined benefit schemes for teaching staff.

The pension charge for the year includes contributions payable to the TPS of £1,179,451 (2021/22 £1,112,823) and at the year-end £115,576 (2021/22 £105,799) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and following a public consultation in 2021 the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations were completed in January 2022, and the results indicated that there would be no changes to benefits or member contribution required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has indicated that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

The pension charge for the year includes contributions payable to the SPPA of £68,061 (2020/21: £48,285) and at the year-end £6,589 (2021/22: £5,691) was accrued in respect of contributions to this scheme.

The employer SPPA contribution rate is 23.00%. This is a single level contribution and not tiered the same way as employee contributions which attract rates of between 7.2% and 11.9%.

The People's Pension scheme is a defined contribution scheme. The lowest permitted employee contributions are 3.5% with the employer contributing 4.5%. This meets the new Government requirements of a workplace pension scheme with minimum contributions of 8% with an employer funding at least 3%. Employees can still choose to make higher contributions but the employer contribution remains at 4.5%.

The WEA Scheme is a defined benefit scheme in the UK and provides benefits on a final remuneration basis for service up to 31 July 2016 and on Career Average Revalued Earnings (CARE) basis for service from 1 August 2016. The scheme is funded and is contracted out of the State scheme. A full actuarial valuation was carried out at 30 September 2017 and has been updated to 31 July 2023 by a qualified actuary independent of the scheme's sponsoring employer. This scheme was closed to new contributions at 31 August 2019.

The triennial actuarial valuation for September 2020 shows a deficit of £3,646,000. The WEA agreed with the Trustee that they will aim to eliminate the deficit over a period of 8 years and 10 months by the payment of annual contributions of £493,000 per annum until 1 December 2018 and then £347,000 per annum (increasing by 3% each December). The scheme expenses are paid at £8,200 per month. The September 2023 triennial actuarial valuation is not yet complete.

The principal assumptions used by the actuary in accordance with FRS 102 s.28 are shown below. The Trustees have relied upon advice from the Pensions Trust in determining the financial assumptions.

Notes to the financial statements for the year ended 31 July 2023

18. Pension schemes (continued)

	2022/23	2021/22
Discount rate	5.25%	3.48%
Inflation (RPI)	3.17%	3.20%
Inflation (CPI)	2.85%	2.84%
Deferred Revaluation: RPI max 5%	3.17%	3.20%
Deferred Revaluation: RPI max 2.5%	2.50%	2.50%
Salary Increases	4% in year, 4% thereafter	3% in year, 2% thereafter
Allowance for pension in payment increases of CPI, max 5% p.a.	2.78%	2.78%
Allowance for pension in payment increases of CPI, max 3% p.a.	2.24%	2.24%
Allowance for pension in payment increases of CPI, max 2.5% p.a. using notional commutation factors 75% of maximum	1.99%	1.98%
The mortality assumptions adopted at 31 July 2020 (2019) imply the following life expectancies (in years):		
Male retiring at age 65 in 2022 (2021)	21.3	21.8
Female retiring at age 65 in 2022 (2021)	23.8	24.2
Male retiring at age 65 in 2042 (2041)	22.9	23.4
Female retiring at age 65 in 2042 (2041)	23.4	25.7

a) Fair value

	2022/23 £'000	2021/22 £'000
Present value of scheme liabilities	(24,844)	(31,964)
Fair value of scheme assets	25,352	34,606
Effect of asset ceiling	(508)	(2,642)
Surplus	-	-
Amounts in the balance sheet		
Liabilities	-	-
Assets	-	-
Net surplus to be recognised	-	-

The surplus in 2021/22 and prior years is not considered a recoverable amount and therefore has not been recognised in the financial statements in accordance with FRS102.

b) Change in liabilities during the period

	2022/23 £'000	2021/22 £'000
Opening scheme liabilities	31,964	39,935
Current service cost	-	-
Interest cost	1,089	650
Contributions by employees	-	-
Loss due to benefit changes	-	-
Actuarial loss	(6,836)	(7,491)
Benefits paid	(1,373)	(1,130)
Closing liabilities	24,844	31,964

Notes to the financial statements for the year ended 31 July 2023

18. Pension schemes (continued)

c) Change in assets during the period

	2022/23 £'000	2021/22 £'000
Opening fair value of the scheme assets	34,606	42,733
Interest income	1,187	699
Expenses	(144)	(101)
Return on assets excluding interest income	(9,418)	(8,080)
Contributions by employer	494	485
Contributions by employees	-	-
Benefits paid	(1,373)	(1,130)
Closing assets	25,352	34,606

d) Analysis of amount charged to the income statement

	2022/23 £'000	2021/22 £'000
Current service cost	-	-
Expenses	144	101
Benefit changes	-	-
Net interest cost	-	-
Total amount recognised in the income statement	144	101

e) Statement of other comprehensive income

	2022/23 £'000	2021/22 £'000
Return on assets excluding interest income	(9,418)	(8,080)
Experience (losses) on liabilities	(1,137)	(2,140)
Gain for change of assumptions	7,973	9,631
Effect of change in non-recoverable surplus	2,232	205
Net cumulative actuarial loss	(350)	(384)

The loss for change in assumptions is further analysed below:

Gain/(Loss) from change of demographic assumptions	1,013	(913)
Gain from change of financial assumptions	6,960	10,544
	7,973	9,631

Amount recognised in the SOFA

Amount recognised in the SOFA to bring the pension surplus to nil	(448)	(433)

Notes to the financial statements for the year ended 31 July 2023

18. Pension schemes (continued)

f) Fair value of assets

	Value at 31 July 2023 £'000	Proportion	Value at 31 July 2022 £'000	Proportion
Equity type assets	1,137	4.5%	3,397	9.8%
Bonds	12,880	50.8%	16,843	48.7%
Property	2,380	9.4%	3,007	8.7%
Other	8,955	35.3%	11,359	32.8%
Total value of assets	25,352	100.0%	34,606	100.0%

h) Amounts for the current and previous periods are as follows:

	2022/23 £'000	2021/22 £'000	2020/21 £'000	2019/20 £'000	2018/19 £'000
Present value of scheme liabilities	(24,844)	(31,964)	(39,935)	(40,484)	(35,089)
Scheme Assets	24,844	31,964	39,935	40,484	37,911
Surplus (deficit)	-	-	-	-	2,822

* adjusted for asset ceiling, £2,642,000 (2020/21 £ 2,798,000, 2019/20 £524,000) to bring surplus to zero.

Experience adjustments on scheme liabilities	(1,137)	(2,140)	98	199	92
Percentage of the present value of scheme liabilities	4.6%	6.7%	-0.2%	-0.5%	-0.3%
Experience adjustments on scheme assets	(9,418)	(8,080)	2,046	2,869	3,711
Percentage of the fair value of scheme assets	-37.9%	-25.3%	-4.5%	7.1%	9.8%

i) Additional information for The Pensions Trust - WEA Pension Scheme

The scheme is a defined benefit (final salary) funded pension scheme. The scheme was closed to further contributions at 31 August 2019. At the time all contributors were transferred to the People's Pension.

The scheme assets do not include investments issued by the sponsoring employer, nor any property occupied by the sponsoring employer.

The overall expected rate of return on the scheme assets has been based on the average expected return for each asset class, weighted by the amount of asset in each class.

The scheme holds Contingent Assets in the form of a security in favour of the Trustee over the office property situated at 4 Luke Street, London, EC2A 4XW which was valued at £3,550,000 on 31 March 2019, in respect of all sums which are, or may become due and payable by the sponsoring employer to the Scheme. At 31st July 2022 the charge is capped at £2,500,000.

The scheme holds quoted securities and these have been valued at bid-price.

Notes to the financial statements for the year ended 31 July 2023

19. Investment income

	2022/23 £'000	2021/22 £'000
Interest on cash deposits	156	13
Interest on pension scheme assets	1,187	699
	1,343	712

20. Investments in subsidiaries

At 31st July 2023 the Association owned the entire issued share capital of 1 ordinary shares (2021/22: 1 share) of WEA Trading Ltd. At 31st July 2023 the aggregate of share capital and reserves of WEA Enterprises Limited was £1. (2021/22: £1)

The company has not traded during the period and has nil assets at 2022/23 (2021/22: nil). Consolidated accounts have not been prepared given that the results of the company and its aggregate reserves and capital are immaterial in the opinion of the trustees.

21. Related party transactions

Owing to the nature of the Association's operations and the composition of the Board of Trustees, being drawn from local, public and private sector organisations, it is likely that transactions will take place from time to time with organisations in which a member of the Board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Association's Financial Regulations and normal procurement procedures. During the year there were related party transactions of £54,450 (2021/22: £23,314).

Odgers Berndtson have charged the Association £54,450 in 2022/23 which is part payment of a contract to recruit a Director of People and Culture and a Director of Finance and IT. Narinder Uppal, a WEA trustee, is an employee of a company within the Odgers financial group. Transactions with ESFA are detailed in notes 2 and 2a.

22. Provisions

	2022/23 £'000	2021/22 £'000
Leased property dilapidation	£'000	£'000
At 1 August	422	472
Provisions charged	-	12
Provisions released	(96)	(62)
At 31 July	326	422

Provisions are made when a legal or constructive obligation is identified and the liability can be reasonably quantified. These provisions are reviewed annually as at the year end date and are adjusted to reflect the latest best estimate of the present obligation concerned. These adjustments are reflected in the statement of financial activities for the year.



In my eyes, real success is based on personal relationships, making a difference in the community and going to sleep with a smile on your face.

Jamie
WEA learner

The WEA
4 Luke Street
London
EC2A 4XW

The WEA is a charity registered in England and Wales (no. 1112775) and in Scotland (no. SC039239).

 Education & Skills
Funding Agency



European Union
European
Social Fund

 INVESTORS
IN PEOPLE

 matrix

Accounts

WEA statutory annual report and financial statements

Year ended 31 July 2022



WEA

Adult Learning
Within Reach

Workers' Educational Association

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The Workers Educational Association ("WEA") is a charitable company limited by guarantee (number 2806910), incorporated on 5 April 1993 and registered as a charity in England and Wales (number 1112775) and Scotland (number 2806910).

Registered office:
4 Luke Street, London, EC2A 4XW

Introduction

The members of the Board of Trustees of the WEA, who are the Trustees of the charity, and Directors and Members of the Company, have pleasure in submitting the report and accounts for the year ended 31 July 2022.

The financial statements have been prepared in accordance with the accounting policies set out in the attached financial statements and comply with the charitable company's Articles of Association, applicable law and regulations, and:

- ▶ Have been properly prepared in accordance with UK accounting standards, including FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland and with the 2019 Statement of Recommended Practice: Accounting and Reporting for Charities; and
- ▶ Meet the requirements of the ESFA funding agreement and financial memorandum dated 30 July 2021 and issued by the ESFA.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and also constitutes a directors' report as required by section 418 of the Companies Act 2006.

The governance arrangements are explained in more detail in the Structure, governance & management section on page 25.

Further information on WEA's activities during the year and the impact these activities have had on the communities it serves is available in the Impact Report, separately published in October 2022 and available on the WEA website.

Reference and administrative details

Trustees

The following trustees served on the Board during the year and to date:

John Widdowson (Chair)

Cliff Allum (resigned 30/09/2022)

Robin Cook

Michael Crilly (resigned 17/07/2022)

Kevin Doyle (appointed 01/10/2022)

Marion Flett

Jon Gamble

Malcolm Grady (appointed 18/07/2022)

Christine Grant (appointed 14/07/2022)

Pat Kynaston

Geoff Layer

Karen McArdle (appointed 01/10/2022)

Lindsay Pearson

Marc Sherland (resigned 30/09/2022)

Peter Threadkell

Narinder Uppal

Company Secretary

Kathleen Formosa

Leadership team

Chief Executive & General Secretary

Director of Finance & IT

Director for Quality & Learner Services

Director for WEA Scotland

Director of Education (Community Learning)

Director of Education (Skills & Employability)

Director for Marketing, Membership & Income Growth

Head of Corporate Governance

Head of Human Resources & Organisational Development

Simon Parkinson

Dympna McCoy

Preeya Buckley

Ray McCowan

Katie Easey

Chris Morgan

James Ward

Kathleen Formosa

Margaret Johnson (resigned 31/08/2022)

Auditor

Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

Bankers

Royal Bank of Scotland
9th Floor
280 Bishopsgate
London EC2M 4RB

Bank of Scotland
300 Lawnmarket
Edinburgh EH1 2PH

Solicitors

Bates Wells
10 Queen Street Place
London EC4R 1BE

Balfour & Manson
54-66 Frederick
Edinburgh EN2 1LS

Pension fund trustees and administrators

Teachers' Pensions
11b Lingfield Point
Darlington
DL1 1AX

Scottish Public Pension Agency
7 Tweedside Park
Tweedbank
Galashiels
TD1 3TE

The People's Pension (B&CE Holdings Ltd.)
Manor Royal
Crawley RH10 9QP

The Pensions Trust (scheme closed to
future accrual 31/08/2019)
Verity House
6 Canal Wharf
Leeds LS11 5BQ

WEA registered office

4 Luke Street
London EC2A 4XW

T. +44 (0) 20 7426 3450
W. wea.org.uk

Registered Charity Number
(England and Wales): 1112775

Registered Charity Number
(Scotland): SC039239

Registered Company Number
(England and Wales): 2806910

Objectives and activities

In fulfilment of its charitable objects, to promote adult and general education for the benefit of the community regionally, nationally and internationally based on democratic principles in its organisation and practice, through the participation of its voluntary members, WEA built on its successes from previous years in its achievements during 2021/22, and also addressed some of its areas of development.

WEA embraces the principle that individuals and their communities have the knowledge, skills and desire to drive positive change at the local, regional, national (England and Scotland), and international level. The Association thus recognises that its role is to celebrate local variation and variety whilst serving and supporting local and regional activity.

Throughout 2021/22, WEA's objectives and activities were aligned with the 2025 Strategy as refreshed in March 2020, demonstrating a commitment to delivering broad adult education across the four themes of employability, health and well-being, community engagement and culture.

Given the impact Covid-19 has had on the public purse, and the continuing shift of priorities in government funding toward employment, WEA has recognised the need to be flexible and able to adapt quickly in order to have the best chance of working with more learners and increasing its income. For this reason, WEA adjusted its approach to budgeting in 2021/22 to ensure that resources were available and in place to give the best chance of achieving agreed priorities.

Our learners & learning

An informed, needs-based approach to curriculum planning has enabled our learners to achieve positive outcomes that:

- ▶ Build confidence for life and work;
- ▶ Support them into work and progression at work;
- ▶ Promote mental health, physical health, and well-being;
- ▶ Broaden horizons; and
- ▶ Encourage active citizenship and vibrant communities.

These outcomes have underpinned a systematised, more rigorous approach to curriculum planning during the year, driven by the specific requirements of regions as

articulated in regional plans, and a whole-Association response to emerging opportunities and leveraging specific, successful initiatives developed in the English regions and across Scotland.

WEA has and will continue to ensure that a positive learner experience remains at the centre of all activities and initiatives. Increased focus was placed on the quality of the learner experience throughout 2021/22 in the development of a peer-reviewed class visits programme, and support for learner progression through WEA programmes.

WEA has increased the use of technology support in teaching and learning and has improved its approaches to blended and digitally enabled learning for all provision. The objective to ensure that Canvas is embedded into most WEA classes so that learners can, at minimum, complete their learning plans and evaluations online, has been met.

Each of the strategic priorities identified during the year regarding learners and learning were underpinned by distinct priorities for Scotland and each of the English Regions. Balancing uniform quality standards while inflecting provision to respond to regional variation has supported the positive learner experience alongside increased efficiency and effectiveness in delivering education contracts.

Scotland: In Scotland, headline subject areas were broadly the same as in England, and as in England are aligned to WEA's overall strategy and strategic priorities. There was a significant focus on employability provision to progress people at various stages along the skills pipeline and in some cases into work. Literacy, numeracy, and digital literacy also accounted for significant amounts of the provision in Scotland, both to help people into work but also for those who are in work but also for those in work but in low skill, low wage sectors of the economy.

ESOL provision accounted for the largest number of learners in WEA Scotland. ESOL was delivered in all areas of Scotland to a broad range of learners with hugely varying backgrounds and capabilities. As a result, ESOL provision has become increasingly less focused on generic language training and much more about the language delivery being tailored to the context of the individuals and class groups. Examples include ESOL and financial literacy, ESOL for employability and ESOL for family learning and engaging with schools.

In addition to these core areas of provision, a wide range of personal development programmes to assist learners with particularly challenging life circumstances – e.g., long-term unemployed, ex-offenders, those recovering from substance or alcohol addiction, and young adults moving on from looked-after settings.

WEA Scotland also has an active membership education programme, notably in Edinburgh, Fife and the North East, which looks to prevent loneliness, isolation and dependency through a varied programme of activity that facilitates community engagement and empowers independent individuals.

England: Across the English regions, objectives were set in relation to improving the quality of the learner experience and increasing the use of digital technologies to support teaching and learning. Curricula were developed in response to local need.

Our members & volunteers

Members and volunteers are the bedrock of the Association, forming the foundations of its long-term success and sustainability. WEA sought to deepen its engagement with members and volunteers during the year to ensure the Association's reach, to grow its profile, and amplify its voice as a leading adult education organisation.

WEA developed its membership programme during the year through new initiatives and campaigns to engage and integrate new members across the UK. Building on a comprehensive volunteer survey undertaken in 2020/21, WEA focused its 2021/22 priorities for membership and volunteering on:

- ▶ Developing and embedding a new volunteer induction and training programme;
- ▶ Benchmarking WEA's volunteering experience against similar organisations;
- ▶ Automating volunteer recruitment through the HR Amris system;
- ▶ Developing its member offer while maintaining excellent value for money; and
- ▶ Encouraging volunteers to become paying members of the Association.

Our voice

WEA has used its position as the leading organisation in the UK for adult learning to demonstrate the positive difference that adult learning makes. In 2021/22, WEA continued to grow its network of like-minded organisations in the UK and internationally. It expanded its programme of Fellows and Ambassadors, and sought to engage them in new ways to build enthusiasm for WEA's mission and its values, and to build a case for support. WEA also continued to support and engage the All-Party Parliamentary Group on Adult Learning.

Our people

WEA recognises that its people are its greatest asset. In 2021/22, WEA continued its commitment to supporting its paid and voluntary workforce by:

- ▶ Progressing the work of the Equality, Diversity & Inclusion ("EDI") Working Group to build institutional understanding of where staff and/or volunteer colleagues may be facing exclusion or marginalisation, and to shift organisational culture toward greater recognition of empathetic and inclusive working practices and attitudes;
- ▶ Developing a strategic workforce planning framework to effectively analyse, manage and prepare WEA's current and future workforce requirement, with a particular focus on tutors;
- ▶ Establishing a new approach to succession planning, particularly in governance and senior leadership roles; and
- ▶ Continuing to develop the skills of WEA volunteers.

In November 2021, WEA was re-accredited by Investors in People ("IIP") and awarded IIP Silver accreditation, exceeding the standard of its previous award of IIP Bronze (2018). Only 20% of organisations with which IIP works are awarded IIP Silver. WEA will be working toward IIP Gold accreditation at its next re-accreditation review expected in 2024.

WEA also achieved provisional Investors in Diversity ("IID") accreditation during 2021/22, and was recognised as one of the UK's top 50 most inclusive workplaces in the National Centre for Diversity's FREDIE Awards 2022.

WEA continues to be a living wage employer.

Our systems & processes

During the year, WEA Trustees agreed a £1.8 million investment in WEA's digital infrastructure, new systems, and corresponding operations. Work on the digital transformation and digital infrastructure projects began in 2021/22 and will continue through 2022/23.

In reviewing and investing in its digital systems and infrastructure, WEA's overarching aim has been to enable the best learner experience WEA can provide. To date, completed and ongoing work includes:

- ▶ A full systems review;
- ▶ Integration of systems across England and Scotland;
- ▶ Building in systems resilience and security;
- ▶ Automating processes, especially those that will support and improve the learner experience; and
- ▶ Resolving and improving the approach to GDPR compliance.

WEA has maintained CyberEssentials+ accreditation throughout the year and to date.

Our finances

WEA continues to face challenges in the funding environment as devolution continues in England, and government priorities in England and Scotland shift increasingly toward skills provision and post-pandemic economic recovery. The growing imbalance between restricted and unrestricted income continues to be a risk that WEA Trustees carefully monitor, as shrinking unrestricted income threatens WEA's ability to sustain the learner-driven courses and programmes on which much of its reputation has been built.

WEA began the 2021/22 financial year with the unfortunate news that it had been unsuccessful in its funding bid for South Yorkshire MCA. In South Yorkshire, WEA had had a significant presence for many years, and established networks in these local communities. In response to the result WEA established ongoing dialogue with the mayoral authority to explore alternative funding routes in the interest of ensuring adult learners in the area could access the supportive learning WEA provides. WEA was pleased that as a result of ongoing dialogue with South Yorkshire grant funding was secured during the year and renewal funding has been secured for 2022/23. WEA has also had similar success in securing funding from the Cambridge and Peterborough Combined Authority.

WEA continues to make efforts to pursue funding wherever it devolves, and recognises that the ability to secure renewed funding beyond initial contracts depends on its ability to deliver against specific funding commitments. WEA has initiated efforts to improve its overall approach to bidding for contracts, ensuring that the commerciality of bidding opportunities is rigorously assessed in advance of submitting any bid for funding, and to overall contract monitoring. At the same time, WEA is increasing its efforts to diversify its income, and particularly to find other ways of rebuilding unrestricted income streams to enable greater freedom to invest in its core mission.

The shift in the balance of unrestricted vs. restricted income reached an approximate 50/50 split in 2021/22.

	2019/20	2020/21	2021/22
Unrestricted Income	62%	56%	49%
Restricted Income	38%	44%	51%

WEA has continued to grow its free reserves over the year and to maintain a strong cash flow profile. It ends the 2021/22 financial year with a self-assessed ESFA financial health rating of "outstanding."

Covid-19 recovery

WEA responded positively to the Covid-19 pandemic crisis and was commended by various funders and other organisations for its demonstrated agility in quickly converting to high-quality online learning. ESFA have held up WEA as a role model in terms of its response to the pandemic.

From the start of the pandemic, WEA was first and foremost focused on the safety of learners, volunteers, and employees. In all decision-making, people safety and government advice were taken into account in decisions to re-open teaching and learning spaces, and to return to offices.

The impact of Covid-19 continued to be felt through the first term of 2021/22, with the vast majority of provision continuing to be conducted online. From the second term of the 2021/22 financial year, and as WEA's teaching and learning spaces and other community venues were reopened, efforts were made to return to in-venue teaching and learning wherever there was learner demand. Moving on from the pandemic, all WEA courses however they are delivered will include some form of digital support by way of Canvas.

For staff and volunteers, WEA has emphasised a return to communities rather than a return to offices. Staff and volunteers involved in teaching and otherwise on the front-lines of supporting learners have now returned to teaching in-venue, and to other community-based activity. All WEA offices have reopened, but return to office working for back-office staff has been led by the needs and preferences of staff teams. Most staff have opted for some form of hybrid-working, of a few days in office, and other days working at home.

The Board of Trustees and its committees continue to conduct their quarterly business meetings by video-conference. On a termly basis, the Board meets jointly and in-person with the WEA Council for discussion of matters relating to the governance review, and advancement of the agreed strategy. In consideration of WEA's commitment to EDI, all meetings of the Board and its committees now include the option of remote attendance for those members who are unable to travel, or who find it difficult to do so.

Impact

WEA continues to support its learners to improve their confidence, develop their skills, get into work and become healthier. Full details of the impact opportunities provided by WEA have had on its learners, and the real and measurable differences WEA has made to individual learners, their communities and society throughout 2021/22, are included in the WEA Impact Report, published in October 2022.

Strategic report

WEA is a leading adult education charity with a legacy stretching back nearly 120 years. WEA empowers adults through learning at all stages of life, reaching over 36,000 learners in 2021/22 across England and Scotland.

WEA's purpose is to bring adult education within reach of everyone who needs it, fighting inequality and promoting social justice. WEA empowers adults by bringing great teaching to local communities across England and Scotland with a mission of providing access to education for adults right on their doorstep. WEA believes that the opportunity for a better future is too often made inaccessible for reasons including cost, location, and a lack of information. WEA is committed to removing barriers to education so that individuals can improve their own life chances and have a positive impact on their communities and society as a whole.

WEA differentiates itself from further education colleges by reaching into communities where learners live and work to deliver learning in surroundings where they are familiar and comfortable. WEA emphasises smaller class sizes so that learners receive more personal care, attention and support from tutors. To achieve this, WEA works in partnership with over 100 community-based venues and local networks across the UK and with like-minded partners internationally.

Long-term strategic plan

The overarching priority of WEA's long-term strategic plan is to maximise learners' chances of success by providing an outstanding level of teaching and learning, and by providing additional support to help learners overcome any barriers to learning.

WEA is committed to supporting all learners through exceptional service and high professional standards that result in an excellent quality learning experience that caters to learners' needs. WEA's aspirations are to surpass compliance and strive continually to improve teaching. In the years ahead, WEA will focus attention and resources on embracing technology to improve learner engagement and make learning more accessible wherever its learners live. WEA will also aim to improve learners' understanding of the outcomes they can achieve and to support them to track and celebrate their achievements. WEA will also provide tailored and timely advice, guidance and support for learners throughout their learning journey.

- ▶ 98% of learners reporting they are satisfied with their WEA learning experience;
- ▶ 96% of learners attending their first session going on to complete their course; and
- ▶ 96% of teaching sessions meeting or exceeding learners' expectations.

WEA seeks at minimum to maintain its Ofsted grading of "good" and aims to be "outstanding." WEA aims to be recognised within the sector as visionary and innovative in its teaching of skills, and to ensure quality and performance improvement initiatives are applied to every element of its work in order to continually review and improve upon its provision and other services.

2022/23 priorities

WEA's priorities for 2022/23 are aligned to the Creating Opportunities Strategy agreed by the Board of Trustees in July 2022, which places learner success at the heart of all WEA's activities. WEA aims to demonstrate its commitment to quality and learner success through encouraging and achieving high levels of learner attendance, retention, achievement, and enhancement of personal development, and accordingly has set ambitious internal targets in these areas. WEA also seeks to encourage and support a larger majority of learners completing their learning programmes and progressing into higher level courses or into employment that meets local and national needs. To this end, the design and implementation of targeted interventions to increase participation and reduce drop-out of courses and qualification pathways will be prioritised.

Recognising that learner success is tied to tutor engagement and the quality of professional support provided to the tutor base, WEA will seek to deliver a programme of continuous professional development to tutors including:

- ▶ Regular performance reviews, informed by class reviews and other performance data;
- ▶ Encouraging the sharing of best practice within WEA; and
- ▶ Providing training and development focused on emerging priorities, and teaching and learning best practice.

WEA will continue working to embed the practice of benchmarking performance against providers with an Ofsted grading of "outstanding" to identify best practice

in others which can be embraced by WEA. It will also continue its work to embed improved course planning and recognising and recording progress and achievement ("RARPA"), and encourage inspiring and innovative teaching, learning, and assessment practice to ensure that learners achieve their goals and receive praise for their achievements.

In support of its overarching priority to maximise learners' chances of success by providing an outstanding level of teaching and learning, and by providing additional support to help learners overcome any barriers to learning, WEA will work to three strategic objectives:

- ▶ Learning for Life;
- ▶ Learning for Work; and
- ▶ Learning that Builds Communities.

The strategic objectives are supported by four enabling objectives:

- ▶ Improving systems, processes and infrastructure;
- ▶ Building income and ensuring sustainability;
- ▶ Engaging effectively with key stakeholders; and
- ▶ Developing WEA's people and culture.

Learning for life

WEA believes that open access to adult education creates a more equal and just society and improves outcomes for learners in terms of health, well-being, and independence. It helps individuals to meet challenges such as social isolation, lack of confidence, and low self-esteem. WEA is mindful that 61% of local authority districts contain a deprived neighbourhood¹, and 43% of unemployed people in the UK report poor mental health². Whether in work or not, 7.1 million people in the UK have very poor literacy skills³, and 9 million people report that they cannot use the internet without help⁴. WEA accepts estimates that 4 in 5 adults in the UK have a low level of numeracy⁵.

WEA aims to deliver a curriculum that will engage adults to develop skills, improve their everyday lives, and gain the knowledge and confidence to achieve their personal goals and connect with their communities. To enable this work, WEA will:

- ▶ Continue to drive the case for public funding at national level, and seek to secure funding from new and current sources aligned with our overall mission and values; and
- ▶ Build and share a specific evidence-based case to convince policy and funding decision-makers at a national and local level; and
- ▶ Make the WEA offer more accessible through the website and by enabling connection with translation and disability support apps.

Acknowledging that funding for this type of learning may become harder to find as government funding priorities shift their focus to investment in Skills for Jobs and higher-level qualifications, WEA aims to effectively bid for the funding that remains available and to diversify its funding streams to support and enable this work. In the interest of evidencing its effectiveness in delivering against its aims, over the course of 2022/23 WEA has committed to delivering:

- ▶ A curriculum determined by national and regional needs analysis;
- ▶ Specific analysis of performance against plan, including reach to learners with protected characteristics or from areas of multiple deprivation;
- ▶ Development of new partner relationships to expand reach to new learners with a focus on the most disadvantaged;
- ▶ A baseline understanding of teaching effectiveness and impact for Learning for Life provision; and
- ▶ In Scotland, increased breadth in the curriculum offer and development of staff and tutor capabilities to enable additional options for learning in line with Scottish Government's new strategic priorities.

1. Ministry of Housing, Communities, Local Government, 2019.
 2. Health Foundation, 2021.
 3. National Literacy Trust, 2021.
 4. Good Things Foundation, 2020.
 5. National Numeracy, 2022.

Learning for work

WEA believes that all people deserve good, sustainable work, and the opportunity to maximise their personal potential and contribution to society. WEA enables its learners to flourish through a needs-based curriculum, an innovative and learner-driven approach to teaching, learning, and assessment, and individualised personal support.

WEA is mindful that four in 10 working age adults in the UK who have no qualifications live in poverty (compared to one in 10 with a degree or more)⁶, and accepts estimates that over 7 million working age adults in the UK do not have a level 2 (GCSE or equivalent) qualification⁷. WEA recognises that one in five members of the labour market (an estimated 6.2 million workers) in the last year experienced severely insecure work⁸, and that by 2030, over 30 million people will need to be re-skilled⁹.

Since the Covid-19 pandemic, the over-50 workforce has been significantly impacted. The Office for National Statistics estimates that economic inactivity among the over-50 workforce has increased by 250,000 individuals¹⁰. Younger people too have been affected, with 43% (1.7 million) of unemployed workers between the ages of 16-64 reporting they would like to be in work¹¹. WEA accepts estimates that an extra 1.2 million people would receive training if those with low qualifications participated in learning as much as those with degrees¹².

WEA aims to design and deliver a dynamic skills and employability offer, matched to local and national need that is shaped by working in partnership with employers and employer groups. To enable this work, WEA will:

- ▶ Develop new tutor recruitment and retention strategies to get the highest possible quality teachers and support staff who bring the best and most up-to-date industry knowledge; and

- ▶ Use technology to deliver education that is accessible to learners around their work and life commitments, as well as removing other barriers to learning; and
- ▶ Continue to develop and improve an approach that eases the transitions into and out of learning.

As a relatively new entrant to the employability training arena, WEA will need to build awareness of its capabilities and manage with less of a track record than more established providers if it wishes to attract new learners and employer sponsors. WEA also recognises that growing a skills curriculum will require recruitment of specialist tutors at scale in a market where competition with other organisations for in-demand experience will be significant. In the interest of evidencing its effectiveness in delivering against its aims, over the course of 2022/23 WEA has committed to delivering:

- ▶ A curriculum determined by local, regional and national needs analysis and focused on subject sector pathways aligned to national priority subject areas;
- ▶ Strong relationships with employers in specific target sectors;
- ▶ Evaluation of performance against plan, including specific analysis to employment outcomes;
- ▶ Guided online learning modules for level two and level three learners, recognising the need to progress learners to develop independent study skills;
- ▶ Increased capacity for evening and weekend delivery; and
- ▶ In Scotland, growth in the breadth and depth of the skills offer to enable learners to increase their salary, improve employment prospects, or start their own business.

6. Joseph Rowntree Foundation, 2022.

7. ONS, 2021.

8. The Work Foundation, 2022.

9. CBI/McKinsey, 2020.

10. ONS, 2022.

11. Learning & Work Institute, 2022.

12. Learning & Work Institute, 2021.

13. UK Gov, 2021.

14. ONS, 2021.

Learning that builds communities

WEA believes that vibrant and inclusive communities promote health, happiness, and success at the individual and community level. WEA networks can help bring communities together, and foster the creation of a WEA family with reciprocal benefits for the individual and their community. In other words, WEA networks can deliver a social contract, creating a responsibility to others and a desire to promote social justice. To enable this work, WEA will:

- ▶ Efficiently harness the support of volunteers to enable their work to build and support their own networks and communities;
- ▶ Build an awareness and evidence of the value and impact of community, and the role learning plays within it; and
- ▶ Create campaigns which WEA networks can support.

With 26% of adults reporting that they do not speak to their neighbours or members of the community on a regular (monthly) basis¹³, and 5% of adults claiming that they feel lonely often or always¹⁴, WEA aims to design and deliver learning networks which inspire passions, ignite friendships and bring communities together, enhancing their purpose and providing them with the skills and knowledge to make them self-sufficient. Acknowledging that the number of learners who may be able to pay for provision may be suppressed due to economic factors (e.g., increases in the cost of living and inflation), and that funding to enable those who cannot afford to pay to participate will need to be secured, WEA has committed in 2022/23 to:

- ▶ Using best marketing practice and popular course information to help branches self-promote and appeal to a wider audience;
- ▶ Developing relationships with new partners and existing interest groups to create a holistic approach to community provision; and
- ▶ Delivering high quality culture and community learning courses to new audiences at competitive prices.

The three priorities detailed above are underpinned by distinct priorities for Scotland and each of the English regions.

13. UK Gov, 2021.

14. ONS, 2021.

Scotland

In Scotland, focus is on providing support and increasing education opportunities for disadvantaged people. While headline subject areas are broadly the same as England and provision in Scotland is also aligned to the WEA themes and overall strategy, the overall focus is on creating access to education for under-represented groups and those with low or no qualifications. In 2022/23 WEA Scotland will deliver a lifetime upskilling and retraining offer, including for jobs in green industries, concentrating on working age people living in poverty. As in previous years, readiness for employment, building confidence, enhancing social integration, mental health and well-being, and civic involvement will also continue to account for significant amounts of the provision in Scotland.

ESOL provision accounts for the largest number of learners in WEA Scotland each year. It is delivered in all areas of Scotland to a broad range of learners with hugely varying backgrounds and capabilities. As a result, it is becoming increasingly less focussed on generic language training and much more about the language delivery being tailored to the context of the individuals and class groups. Examples include ESOL and financial literacy, ESOL for employability and ESOL for family learning and engaging with schools.

Finally, WEA Scotland has an active membership education programme notably in Edinburgh, Fife and the North East which looks to prevent loneliness, isolation and dependency through a varied programme of activity that facilitates community engagement and empowers independent individuals.

English regions

Objectives in each of the English regions focus on the strategic relationships and curriculum response to local needs. Every region has set objectives in relation to improving ongoing quality and the learner experience, increasing the use of digital technologies in learning, recovery from the economic and social impact of lockdowns, and responding to the cost of living crisis.

The priorities of Learning for Life, Learning for Work, and Learning that Builds Communities are supported by four enabling priorities to facilitate the full delivery for the benefit of learners as well as to the satisfaction of stakeholders.

Improving systems, processes and infrastructure

WEA believes that its systems, working methods and practices, and estate should enable learner success. Improving digital systems will help WEA to improve the experience of its learners, and make its back-office ways of working more efficient. Intelligent use of data, integration between systems, and automation will simplify and smooth the way WEA works and engages with learners. It will also free resources to deliver the human touch where and when it will be most impactful.

WEA has already begun the process of modernising its IT infrastructure to ensure its reliability, resilience and future-proofing. It has also begun the process of transforming its digital environment to lay the groundwork for replacing its legacy student record system and rebuilding its website. The evolution of an estate plan alongside developments in digital infrastructure and systems will enable WEA to more clearly evidence social value and achieve a carbon neutral target.

In 2022/23, WEA aims to:

- ▶ Deliver a new student records system and a new website;
- ▶ Restructure its IT service to realign skills and capabilities with new systems and infrastructure;
- ▶ Accommodate new security guidelines and implement significant infrastructure changes to achieve CyberEssentials+; and
- ▶ Plan the future WEA estate with a focus on learning centres and sustainable buildings.

Building income & ensuring sustainability

WEA believes that it is essential to build a portfolio of income and a balance of expenditure that ensures the long-term sustainability of its three strategic priorities (Learning for Life, Learning for Work, and Learning that Builds Communities) in an ever-changing and more complex funding environment. To remain true to its mission and charitable purpose, WEA must grow and diversify its income streams whilst controlling and monitoring expenditure with the aim of delivering maximum impact in terms of reach and quality of the learner experience.

In the interest of building sustainable income streams, WEA will seek to engage with a variety of funders to understand their needs, and to leverage its strengths and track record to create strong proposals to effectively bid for contracts, retain grants, apply for charitable funding, and to fundraise. At the same time, WEA will work to determine an achievable balance between direct and indirect operational costs and central overheads, adapting its business plans accordingly.

Continuous process improvement and developing a more strategic, learner-led approach to income generation in regions will support building on current capacities and capabilities. However, WEA acknowledges the inherent challenges in seeking to grow and diversify income in a period of increasing constraints on public finances and rising costs of living. To meet and overcome these challenges in 2022/23, WEA aims to:

- ▶ Retain grants and contracts from ESFA and MCAs and achieve grant status or win contracts with newly devolved authorities;
- ▶ Develop new employer sponsor relationships and trade union partnerships;
- ▶ Realise capital, philanthropic, and Multiply funding;
- ▶ Create a service and cost model that grows WEA's reach and empowers branches to deliver the programmes and organise their work in ways that make sense for them;
- ▶ Continue close scrutiny of costs to ensure the correct balance of direct teaching costs, support costs, and other operational costs.

Engaging effectively with stakeholders

WEA believes that it offers adults a life-changing opportunity, but that too few are aware of WEA and its impact. WEA will therefore seek to build visibility, awareness and understanding of its offer among adults who could benefit from its provision, and make a strong case for subsidy funding from public policy and funding decision-makers.

WEA will seek to embrace the passion of its members, branches, donors, fundraisers, and volunteers to support the WEA mission and to help WEA achieve the full breadth of its charitable aims. A recent survey of WEA branches has indicated there is room for improvement in how WEA engages with its volunteers, and WEA will seek to improve its methods of engagement at the same time as it seeks to broaden its outreach to a more comprehensive range of stakeholders. In the interest of increasing its effectiveness in stakeholder engagement, WEA has committed in 2022/23 to:

- ▶ Improving the marketing of its courses and its search engine optimising ("SEO") quality control to ensure learners are able to find the courses they need;
- ▶ Increasing understanding of marketing leads and WEA learners to more effectively target diverse learner and member cohorts;
- ▶ Designing an enhanced stewardship programme for learners and members that encourages learners to become members and members to become donors;
- ▶ Implementing an enhanced volunteer stewardship programme;
- ▶ Developing a philanthropic case for support for each of the three strategic priorities and commencing campaigns; and
- ▶ Expanding stakeholder engagement with devolved authorities.

Developing WEA people & culture

WEA believes that its mission can unite and motivate employees and volunteers to deliver life-changing learning to those who need it, and that it can do so in an efficient and effective way to reach as many learners as possible.

WEA seeks to develop its people and build a proactive, responsive culture to embrace the opportunities and the challenges that it knows lie ahead. Through training and development experiences, WEA will aim to ensure employees and volunteers are equipped to deliver the strategy, and to deliver and respond to change in a way that is caring, innovative, and respectful. Included in this endeavour are plans to reform and update WEA's governance structures and practices, to embrace best practice, and to professionalise governance support nationally and regionally. WEA will also continue to work toward the "good work plan reforms," ensuring greater transparency and protection for staff working under more flexible working arrangements.

Acknowledging the significant level of change implanted progressively across the Association over the last few years, WEA is aware that there is a risk to employee and volunteer engagement as a result. At the same time, the risk that the pace of change that has to date been tolerable to employees and volunteers may not be sufficient to satisfy external bodies' expectations is also acknowledged. With an eye toward achieving what it perceives to be a balance between these risks and the benefits of progressive change, WEA seeks to achieve the following in 2022/23:

- ▶ A structured induction of staff and volunteers at all levels to ensure they receive the information, guidance and support to perform their roles effectively and operate at all times in accordance with WEA's values and culture;
- ▶ Completion of a succession planning, talent management and external scanning programme and flexible, agile processes to reflect changing needs internally and externally;
- ▶ Review of the current pay and grading scheme for staff and contractual terms and conditions, and benchmark these against the sector to inform future remuneration decisions and/or develop alternative approaches to support WEA's strategic priorities;
- ▶ Provide innovative well-being initiatives that contribute to a positive, productive and rewarding environment;
- ▶ Deliver a professional development programme, including leadership and line management, contract management, and IT training;
- ▶ Develop a unified governance support team; and
- ▶ Continuing progress on governance improvements as identified through the governance review, including a review of the Articles & Regulations.

Governance review

WEA's governance review began in 2018/19 and continues to the present. WEA has moved from a programme of "quick fixes" in 2020/21 to a programme of deeper governance reform, starting with the refresh of the committees of the Board of Trustees, and determining clearer remits for the Chair of Trustees, Vice Chair of Trustees, and Association officers, and clarifying terms of office for lay members of committees. The conclusion of Phase 2 of the governance review, which focused on the reform of the Board's scheme of committees and clarification of governance leadership roles, concluded in July 2022.

At a joint meeting of the Board of Trustees and Council in May 2022, Trustees and Council members agreed that Phase 3 of the governance review should focus on local governance. Planning for Phase 3 of the governance review commenced shortly after the joint meeting, with a programme of work beginning in August 2022. Work on Phase 3 is expected to continue through the 2022/23 financial year and into the first quarter of 2023/24. This will include:

- ▶ Clarification of WEA's overall governance model, with consideration given to the role of branches/ local associations, Regional Committees and Council;
- ▶ Articulation of a clear purpose and remit for the English Regional Committees;
- ▶ Amendment to the membership and composition of WEA Council to broaden inclusion of the learner voice within WEA's formal governance structure;
- ▶ Reviewing WEA's Articles & Regulations to ensure these are clear, understandable, simplified as much as possible, and up to date; and
- ▶ Implementing a process for ensuring the governing documents are regularly reviewed and refreshed.

Additional information on the governance review appears as part of the report on Structure, governance & management on page 25.

Equality, diversity & inclusion

WEA aims to create conditions that ensure staff, volunteers and learners are treated solely on the basis of their merits, abilities and potential regardless of their sex, race, religious/political beliefs, ethnic or national origin, disability, family background, age, sexual orientation, or other irrelevant distinction.

An IIP re-accreditation review of WEA began in 2021/22, resulting in an award of IIP Silver in November 2021. WEA previously held IIP's standard award, awarded in 2018. The award of IIP Silver comes after a rigorous assessment process, which included an all-staff survey, one-to-one interviews, and desk research carried out by IIP. WEA has marked the IIP Silver award as a significant achievement, noting that IIP has awarded silver status to only 20% of the organisations it accredits.

WEA also commenced work during the 2020/21 financial year toward accreditation through IID, and received provisional IID accreditation in 2022. Through its Human Resources team, WEA will continue to work through its action plan to review, develop and embed the FREDIE (i.e., fairness, respect, equality, diversity, inclusion and engagement) principles in line with the latest Ofsted inspection framework, and to ensure that these principles are fully integrated through all aspects of business planning.

WEA's Board of Trustees will continue to monitor, scrutinise and constructively challenge WEA leadership on its effective support and development of WEA staff at all levels, and to ensure WEA remains an inclusive employer. WEA's Board of Trustees has also recognised that it has work to do to improve the diversity profile of its own membership and that of its committees. The new Nominations Committee has made a commitment to take into consideration the diversity profile of the Board and its committees in recommending the appointment of new trustees and committee members, and in succession planning for Board and Committee leadership roles.

EDI learner data demonstrates that WEA courses engage a significantly higher number of learners from disadvantaged backgrounds and/or with protected characteristics compared to the national demographic profile, including learners from diverse backgrounds, those with low incomes and qualifications, and those who are older and/or disabled.

WEA seeks to welcome and accommodate all learners, volunteers and staff, and is therefore working towards the highest standards of accommodation through implementation of a property strategy. Priority has been placed on ensuring full accessibility for teaching and learning spaces.

WEA recognises the importance of good mental health support, and is committed to improving mental health through its curriculum and learner-centred teaching. According to WEA's Impact Report (October 2022):

- ▶ 84% of learners reported improvements in their overall well-being (91% with a mental health condition);
- ▶ 51% reported an increase in their self-confidence;
- ▶ 92% of WEA learners reported making fewer visits to the GP compared to the national average.

WEA encourages staff to be kind to each other and to talk openly about mental health. Managers and staff are therefore encouraged to have regular one-to-one meetings where open conversations can take place. WEA's Human Resources team also run a number of learning and development initiatives including equipping managers with a mental health toolkit, HR drop in sessions and regular timetabled sessions supporting mental health awareness and management, stress management, and related issues.

As a benefit to employees, WEA has teamed up with BUPA and Westfield Health Care who offer general well-being support. BUPA helps to keep WEA staff well at work, and supports them in looking after their physical wellbeing using clinical professionals to offer health checks and specialist support from qualified specialists offering practical advice and support. Westfield Health Care enables staff to obtain advice from a team of qualified counsellors, medical advisors and lawyers any time of day or night. They offer health and well-being advice and support, telephone and face-to-face counselling, and legal advice for home, work or life issues that can be the cause of stress and anxiety.

Financial review

The financial statements show total income for 2021/2022 is £28.5m (2020/21: £30.3m) with expenditure of £27.7m (2020/21: £25.5m).

In 2021/22 ESFA income decreased to £11.5 from £15.5m in the prior year. There was a fall of £3.0m in unrestricted income as a result of devolution in West and South Yorkshire and of £1.0m in restricted funds due to WEA receiving a one-off capital grant for building improvements in 2020/21.

The total income received from MCA areas in 2021/22 is £7.2m (2020/21: £5.9m). The rise is due to income from the new devolved areas of West Yorkshire (£1.1m) and South Yorkshire (£0.2m) and an additional programme of 'Good Work for All' in Greater London (£0.2m). The increase is offset in part by smaller reductions in Liverpool, West Midlands and Tees Valley regions. By continuing to build relationships within South Yorkshire and the Cambridge and Peterborough devolved area funding was achieved in both regions for the final term of 2021/22 and for the full 2022/23 year.

ESF grant income has risen to £5.4m (2020/21: £4.3m) mainly as a result of the increase in the level of grants being awarded as part of the North West Community Grant programmes. Income is based on the reimbursement of funds distributed as grants to local organisations, along with administration fees. This programme will end in 2022/23 but the WEA is aiming to replace this European income stream with funding from the UK Shared Prosperity Fund including Multiply grants which are aimed at improving basic maths skills for adults.

Income from Lottery funded projects has continued to reduce £0.4m (2020/21: £0.6m) as the projects have finished or are due to finish in 2022/23. Restricted grants from sources other than those mentioned above have fallen by £0.1m to £1.6m (2020/21: £1.7m).

Overall income from unrestricted fees and contracts has continued to decline, £1.4m (2020/21: £1.7m). The level of tuition fees in most regions has risen in 2021/22 showing some recovery following the lifting of Covid restrictions since last year, however, this has been offset by a decline in Yorkshire and Humber fee income where the uncertainty over future funding has been particularly difficult to contend with. The decline in unrestricted contracts is mainly due to the loss of the East Surrey College contract.

Educational activity costs were £18.0m in 2021/22 (2020/21: £15.8m). The first two terms of 2021/22 continued to be badly affected by Covid but the number of face-to-face classes gradually increased and the WEA offices were reopened during the year. This gave rise to more tutor costs, sessional rents, building running costs and administrative costs. Grant payments for the ESF

Community Grant programmes in the North West account for £1.0m of the total rise.

There is a small saving in governance and support costs, £9.0m (2020/21: £9.1m).

The WEA's net movement in funds for 2021/22 is £0.4m (2020/21: £4.5m) after transfers and pension adjustments. There is a surplus of £0.5m on unrestricted funds and a deficit of £0.1m on restricted funds. The deficit on restricted funds is due to timing differences between income and related expenditure. This is a better position than the anticipated deficit in the original budget for 2021/22.

Reserves policy

The funds at 31 July 2022 were £14.0m (2020/21: £13.6m). This is represented by unrestricted funds of £13.4m and restricted funds of £0.6m.

The closing 2021/22 free reserves balance of £9.0m is made up as follows:

- ▶ General funds: £7.2m
- ▶ Branch funds: £0.5m
- ▶ Regional branch reserve fund: £1.3m

For the purposes of this policy, the WEA has defined free reserves as being its unrestricted funds, excluding the designated fixed asset fund and any pension deficit, should it arise.

The free reserves balance as at 31 July 2022, being £9.0m, exceeds the free reserves target which was reviewed during 2021/22 and is currently set at £4.3m. During 2020/21 the Trustees took the decision to spend some of the excess reserve funds investing in IT systems across the organisation. The Digital Information programme began in 2021/22 with an initial capital budget of £1.1m for that year, the project has suffered a delay but is now underway. Further capital spend of £0.7m has been approved in 2021/22 for IT infrastructure to satisfy the requirements of Cyber Essentials certification which is a requirement of some WEA funders and new HR and finance systems. Capital spend for buildings has also been approved, £0.1m on the lift in the Bristol building and £0.2m on set-up costs for the new office in Leeds.

In setting the free reserves at £4.3m the Trustees considered the amount that would be required to cover the resulting costs if the WEA were to lose varying amounts of income and has also ensured that the level of reserves will be sufficient to cover known outstanding payments on the TPT pension scheme. In all scenarios this figure was considered to be sufficient for 2021/22. The policy will be reviewed again during 2022/23.

The WEA Reserves Policy is subject to regular review considering new risks and circumstances faced by the WEA. The policy is therefore reviewed by Trustees at least annually or more frequently upon advice of senior management in the event of a material change occurring that warrants any earlier or additional review.

The level of free reserves is a Key Performance Indicator set out in the organisation's Business Plan and, as such, progress is monitored regularly at Committee and Trustee meetings.

Investments & treasury management

As set out in its Articles of Association, WEA has absolute discretion to invest money not immediately required for expenditure. The responsibility for the performance of investments rests with the Finance & Capital Resources Committee, which reports to the Board of Trustees. The objective of WEA's Treasury Management Policy is to optimise returns consistent with cash flow requirements and with an overriding need to protect the capital value of WEA's funds.

Treasury management is carried out within the context of WEA's statutory requirements, its Articles of Association and the Financial Memorandum with the Education and Skills Funding Agency (ESFA). WEA funds are deposited only with UK banks that meet the criteria stated in the Treasury Management Policy. Investments are not made in any other financial instruments. It is important to note that, as in previous years, WEA has had no exposure to any known financial institution at risk.

WEA's Investment Policy is scheduled for review by Trustees in 2022/23.

Principal funding sources

WEA receives its principal funding from ESFA, which provided 40% of WEA's income from all sources and activities for the year (2020/21: 48% excluding a one-off capital grant in the year). There are no outstanding loans against WEA.

Pensions

The valuation of WEA's defined benefit pension scheme at 31 July 2022 (under FRS102 principles) continues to be a nil balance. Estimates used by the actuary in the calculation of this accounting valuation have been benchmarked by the Trustees and are considered appropriate.

Further details relating to the pension schemes operated by the WEA are shown at Note 18 to the accounts.

Cash flow & capital expenditure

In line with the Treasury Management Policy, WEA aims to maintain a healthy cash position, and its cash reserves are sufficient to ensure that balances are not overdrawn. Based on the two-year cash flow projections to July 2024 returned to ESFA in July 2022, WEA does not anticipate any liquidity problems.

Cash and short-term deposits for the year ended 31 July 2022 were £10.3m (2020/21: £10.0m).

Funds held as custodian trustees on behalf of others

WEA does not hold funds as a Custodian Trustee on behalf of others.

Commercial activities

WEA does not currently engage in any substantial commercial activities. The trading company, WEA Trading Limited, a wholly owned subsidiary of WEA has not traded to date.

Fundraising statement

Fundraising is forming an ever more important part of WEA's work. WEA is dedicated to ensuring its fundraising remains closely aligned with the Association's mission and values, and to ensuring efficiency in its approach. A guiding principle in its fundraising efforts is to work with a range of partners from corporate organisations to a range of charities and associations across the UK. WEA performs due diligence on all corporate donors including any gifts in kind. WEA does not use professional fundraisers or commercial participators to carry out any fundraising activities and so no monitoring activities are required.

WEA volunteers are supported and stewarded by the Fundraising, Membership and Volunteering Team. In 2021/22, WEA did not receive any complaints regarding its fundraising activities (2020/21: 0). As of September 2020, WEA is a member of the Fundraising Regulator and as such follows the Code of Fundraising Practice.

To ensure compliance with the Charities Act 2016, WEA follows the guidelines set out by the Institute of Fundraising on all donors with the four guiding principles of respect, fairness, responsiveness and accountability applied for all donors and members of the Association.

Risk management

The Board of Trustees monitors WEA's risk profile as recorded in WEA's corporate risk. The risk register is informed by operational risk registers maintained for discrete projects (e.g., digital transformation) and business areas (e.g., business development, contracts). Leadership Team have a collective responsibility for reviewing and updating the corporate risk register. The systems and procedures established to manage risk are regularly reviewed by the Audit & Risk Committee and reported to the Board of Trustees. The Board of Trustees has also reviewed the adequacy of WEA's internal controls.

The corporate risk register includes action plans for each of WEA's key risks and a summary highlighting the current and changing status of those risks against a target risk score. The Audit & Risk Committee reviews the risk register at each quarterly meeting, receives summary updates on risk management activity, and invites members of WEA management to present on significant issues. The Audit & Risk Committee has recently reviewed WEA's risk appetite and maintains a commitment to risk awareness in all WEA's undertakings.

The Board of Trustees currently receives the corporate risk register on an annual basis and receives reports from the Audit & Risk Committee on a quarterly basis.

The format and approach to risk scoring on the corporate risk register were substantially updated during the 2020/21 financial year. Further refinements to the corporate risk register format and scoring approach will continue through to the end of the 2022 calendar year, following internal audit advice.

Work continues with Leadership Team to support greater seamlessness between the operational and corporate risk registers.

As at 31 July 2022 there were 39 risks identified across five categories of risk on the corporate risk register. The level of risk posed by each matter reported in the risk register is assessed by attributing a score based on both the likelihood and impact of the respective risks.

The risks deemed to have the most significant impact on WEA should they manifest are set out on page 23 as WEA's principal risks:

Top five risks with mitigating actions taken:

Risk	Mitigating actions taken
Negative judgment by regulator (e.g., Ofsted NI judgment, ESFA financial notice to improve).	Budget and cash flow are regularly reviewed against ESFA criteria for "good" judgment. A rigorous Quality Improvement Plan has been put in place, and progress against the plan is reviewed at each meeting of the Education Committee. Quality is robustly monitored through a class visit programme led by the Education Team, and termly quality reviews led by the Quality Team. An Education Development Plan now guides the work of education teams nationally, and supports the articulation of clear statements of curriculum intent and outcomes measurements for learners. Canvas tools are used increasingly to monitor learner progress. Trustees receive regular reports on the quality of provision and outcomes for learners through the Education Committee (relating to provision in England) and Scotland Board (relating to provision in Scotland).
WEA becomes financially unsustainable.	WEA seeks to engage effectively with public policy and funding decision-makers and influencers. To this end, pro-active steps have been taken to raise WEA's profile and amplify its voice within the adult education and FE sectors, and before government in England and in Scotland. Trustees have approved significant investment in WEA's digital infrastructure to make it easier for learners to find courses, enrol and be supported throughout their learning journey, and to support greater efficiency of day-to-day working practices within WEA. Delivery of the Income, Finance, and Estates Strategies in 2022/23 will guide WEA in its efforts to streamline operational overheads, reduce costs and develop greater agility and ensure its stability as it faces funding challenges in the current environment.
WEA is unable to adapt to the needs of future learners or to innovate.	Shifting government funding priorities, particularly in the area of community learning, will require greater organisational agility and willingness to take risks, particularly with regard to new types of partnerships and pursuing funding with government departments beyond DfE. The collective ownership of the Education Development Plan by Leadership Team and work undertaken to prepare for education inspections have created a number of actions that may mitigate some future educational risks. However, resistance to change from within the Association could slow WEA's response or create internal instabilities. Re-organisation of the education teams over the last two years has improved management of the tutor base and the monitoring of provision.
WEA's reputation is tarnished.	External support from professional advisors, and enrolment of all Trustees in the Education Training Foundation's Governance Development Programme of self-directed governance training and support ensures that WEA's trustees clearly understand their duties and obligations. Induction programmes for new trustees, and for members of local governing bodies have been introduced in 2021/22 in the interest of supporting adherence to relevant sector guidance, including the Charity Governance Code and DfE guidance on supporting governance. Consultations to review and amend the Articles & Regulations to remove outdated provisions and support the ability of WEA to respond with agility to external challenge began during the year and will continue through 2022/23. Within management, improvements in the delivery and monitoring of staff training (e.g., GDPR, safeguarding/Prevent, etc.), development of line managers, and careful engagement around change will support adherence to sector best practice in all areas of operations.
WEA fails to deliver on its mission to bring education into reach of those who need it most.	Among the changes to the Articles & Regulations being consulted on are changes that would enable the inclusion of greater learner voice within WEA's formal governance structure, nationally and locally. WEA will continue to progress on its Investors in People and Investors in Diversity action plans, and to develop its teaching staff through the Quality Strategy. Proactive action will be taken to continuously improve the learner experience, specifically through listening and responding to learner feedback, and evaluating completion, attainment and life impact statistics.

Going concern

The trustees have assessed WEA's ability to continue as a going concern. The trustees have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. This has included a review of budgets and cash flow forecasts through to July 2024 and consideration of the key risks, including devolution, forecast changes in the split between restricted and unrestricted income and the impact of Covid-19. WEA has prepared a number of financial scenarios and the Trustees consider that the WEA is well

positioned to manage its business risks successfully. In all of the scenarios the free reserves remain well above the target of £4.3m. After careful consideration and enquiry, the Trustees have a reasonable expectation that the WEA has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing these financial statements.

Structure, governance and management

Status

WEA is a charitable company limited by guarantee (number 2806910), incorporated on 5 April 1993 and registered as a charity in England and Wales (number 1112775) and Scotland (number 2806910).

Governing documents

WEA is governed in accordance with the object and powers set out in its governing documents, the Articles of Association (last amended 14 December 2017) and Regulations (last amended 8 May 2019). The governing documents are available to the public through the WEA website at: wea.org.uk/about-us/governance.

Object of WEA

The object for which WEA was established is to promote adult and general education for the benefit of the community, regionally, nationally and internationally based on democratic principles in its organisation and practice, through the participation of its voluntary members. In pursuit of this object, WEA has the following aims:

- ▶ Stimulating and responding to the demand for liberal education, through the direct provision of courses and other activities;
- ▶ Relieving poverty and providing for the needs of working class people and of those who are socially, economically or educationally disadvantaged and in particular (but without limitation) by providing education and teaching skills for employment, voluntary work and social inclusion;
- ▶ Providing educational programmes for appropriate organisations concerned with collective educational needs in the community and in the workplace;
- ▶ Generally furthering the advancement of education to the end that all people in England, Scotland and other parts of the world may have full access to the education needed for their complete individual and social development; and
- ▶ Promoting the efficiency and effectiveness of charities with similar purposes and the efficient and effective application of resources for such purposes.

WEA operates at local, regional and national levels, providing adult education through its network of nine English regions and Scotland, and with 177 branches and six Local Associations. Courses are created and delivered in response to local need, often in partnership with local community groups and organisations. There is a proud tradition of voluntary and democratic process within WEA. Association Members are involved in the planning and provision of courses as well as in the local and national governance of WEA.

WEA maintains staffed offices in Scotland and the English regions, the largest of which is in Leeds. WEA's registered office is in London.

Public benefit

WEA is a public benefit entity, the charitable object of which is to promote adult and general education for the benefit of the community regionally, nationally and internationally based on democratic principles in its organisation and practice, through the participation of its volunteers and members.

WEA's Trustees confirm that they have due regard for Charity Commission's guidance on public benefit and believe it to have been consistently applied, that the requirements of section 17 of the Charities Act 2011, and the new requirements related to annual reporting within the Protection & Social Investments (Charities) Bill 2016 have been fully met when exercising any powers or duties to which the guidance relates.

Board of Trustees

The Board of Trustees is WEA's governing body, comprising twelve Trustees. The Board of Trustees has ultimate responsibility for the strategic direction of WEA. Trustees are also the Directors and Members of the Company.

Per its Articles of Association, the composition of the Board of Trustees is as follows:

- ▶ Four Association Officers (who are the President, two Deputy Presidents, and the Treasurer) elected by the Association Membership in accordance with the Regulations;
- ▶ Four Association Members nominated by the WEA Council and appointed by Trustees, comprising one Association Member from WEA Scotland and three Association Members from different English Regions; and
- ▶ Four Co-opted Trustees appointed by the Trustees.

In consideration of guidance from ESFA, the Board of Trustees has sought to appoint an additional Trustee having a qualification in accounting and/or financial management. Recruitment of the additional trustee was completed in July 2022.

The Board of Trustees meets at least four times a year in order to ensure that WEA's activities carry into effect the charity's object. Their work includes providing strategic oversight, scrutinising WEA's financial performance and the performance of its management, agreeing budgets, monitoring the quality of educational provision and the safeguarding of beneficiaries and stakeholders, and reviewing current policies, initiatives, activities and plans. The Board of Trustees is supported by a number of committees which also meet quarterly.

The Board of Trustees is currently chaired by a co-opted Trustee. In accordance with Article 54, a Deputy Chair of Trustees, appointed from among the sitting members of the Board of Trustees, chairs meetings of the Board of Trustees in the event of the Chair's unavailability. The Deputy Chair also supervises the annual performance review of the Chair of Trustees, conducted by an external consultant. Trustees, whether appointed or elected, serve on the Board for a term of four years, renewable subject to re-election (in the case of Association Officers) or re-appointment.

Committees of the Board of Trustees

WEA Trustees implemented a new scheme of committees from 1 August 2021. The new scheme of committees was agreed with the aim of improving WEA's demonstrated adherence to the Charity Governance Code (adopted by Trustees as WEA's code of governance in 2018). Trustees understand the role of committees to be to apply detailed, specialist scrutiny to matters within their remit, and to support the Board of Trustees in carrying out specific duties or oversight more thoroughly and effectively than it could otherwise do acting together as a full board.

All committees of the Board of Trustees remain non-executive. Save for the Audit & Risk Committee, the committees do not have delegated authority to undertake investigations or to take independent professional advice without prior authorisation from the Board of Trustees.

Committees of the Board of Trustees generally meet on a quarterly basis to receive detailed reports and make detailed enquiries on strategic organisational matters, reporting back to the Board of Trustees at each subsequent meeting.

During the 2021/22 financial year there were six delegated committees of the Board of Trustees. These were:

Audit & Risk Committee – The Audit & Risk Committee assisted the Trustees in discharging its oversight responsibilities by reviewing the effectiveness of WEA's internal controls and compliance systems and, on behalf of the Trustees, reviewed the performance and results of external and internal auditors' work, and reviewed and monitored the preparation and production of the Trustees' Annual Report and Accounts. On an annual basis, it recommended the appointment of auditors to the Board of Trustees and, on their behalf, approved the auditors' terms of engagement.

Education Committee – The Education Committee supported the Board of Trustees in meeting its responsibilities for strategic leadership of educational provision in England and took assurances on their behalf regarding the development, monitoring and application of education policies, learner welfare (including safeguarding) and the learner experience, the quality of education offered and adherence to relevant regulatory and inspection standards.

Finance & Capital Resources Committee – The Finance & Capital Resources Committee supported the Board of Trustees in discharging their responsibilities to ensure sound business planning and budgeting in the interests of WEA's long-term financial health and sustainability. The Committee advised Trustees on the application of WEA's funds and other assets in accordance with its charitable purposes and the public benefit duty, and on compliance with the requirements and expectations of its funders.

People Committee – The People Committee focused on WEA's HR strategy, volunteering strategy, EDI, safeguarding and Prevent policies and procedures, and health and safety. It ensured ongoing review of organisational effectiveness, and the maintenance of an organised and clear management structure, with well-understood delegations. The Committee supported WEA in its aim to exceed its statutory responsibilities for equality and diversity.

Scotland Board – The Scotland Board promoted the profile of WEA in Scotland by supporting and facilitating the communication, engagement and consultation with WEA Scotland's members, learners and stakeholder groups. It supported the Board of Trustees in meeting its responsibilities for strategic leadership of educational provision in Scotland, including providing assurances on adherence to relevant regulatory and inspection standards in Scotland. Scotland Board also supported and promoted the Association-wide understanding of Scotland-specific educational policy, legislation, and funding relating to adult education, making recommendations to the Board of Trustees as appropriate.

WEA Council – WEA Council's purpose and remit are set out in WEA's Articles of Association. Its principal function was and continues to be to promote the democratic involvement of all Association Members and effective communication between all levels of governance within the Association. In practice, WEA Council is an important stakeholder group and a forum for discussion of shared interests across the English regions and Scotland, making representations on their behalf to the Board of Trustees from time to time. At any time there are at least four Trustees who are members of WEA Council, two of whom must be Association Officers elected by the Association Members. The President (an Association Officer) chairs the WEA Council.

During the 2021/22 financial year there were two additional committees of the Board of Trustees convened for specific advisory purposes. These were:

Remuneration Committee – The Remuneration Committee determined the pay and conditions for WEA's senior post holders (i.e., CEO/GS, Director of Finance & IT, and Head of Corporate Governance & Company Secretary).

Nominations Committee – The Nominations Committee oversaw the recruitment, appointment, and ongoing support and development for Trustees and the non-Trustee members of the committees of the Board of Trustees.

Each committee of the Board of Trustees includes at least two and ideally three Trustees as members of the committee. Other committee members are drawn from the English Regional Committees and/or Scotland Board. An exception is the Remuneration Committee, which includes only Trustee members.

Trustee attendance figures of Board and Committee meetings can be found on page 32.

Election of association officers & the Annual conference

Members of the Association make direct contributions to the governance of WEA through the election of Association Officers and the Annual Conference. In accordance with the governing documents, Association Officers are elected to office by the Association Members and subsequently appointed as Trustees, subject to assurance of their statutory eligibility.

The Annual Conference, organised by the WEA Council, provides opportunity for Association Members to receive reports from Trustees and the WEA Council on the year's activities, and to influence the overall direction of WEA through bringing forward motions for consideration.

Trustee recruitment, induction & training

WEA seeks to encourage diversity in its widest sense within the governance structure. The WEA's Articles of Association set out the categories from which Trustees are elected and appointed.

Co-opted Trustees: Trustees who are co-opted to the Board are sought through advertisement and/or recruitment search agencies. As part of the process for appointment, the Nominations Committee convenes a panel to oversee the shortlisting and interviewing of candidates prior to a recommendation to the full Board for approval. Co-opted Trustees are required to undertake a DBS check and to confirm their statutory eligibility to serve as a Trustee and Company Director ahead of any appointment.

Association Officers: Following election by the Association Members to the role of President, Deputy President or Treasurer, an Association Officer is appointed a Trustee ex officio, subject to interview with members of Nominations Committee (in accordance with Article 17), DBS clearance, and confirmation of their statutory eligibility to serve as a Trustee and Company Director.

Council nominees: Those Trustees who are appointed from Council are nominated by the Council. Council nominee vacancies are open to all members of WEA's Council (apart from the Association Officers, who are ex officio Trustees). Like all other Trustees, Council nominees are appointed subject to interview with members of Nominations Committee (in accordance with Article 17), DBS clearance, and confirmation of their statutory eligibility to serve as a Trustee and Company Director.

Once appointed to the Board, Trustees are supported by a comprehensive programme of induction arranged by the Head of Corporate Governance & Company Secretary. In addition to induction, new Trustees are encouraged to meet members of staff, and to take part in regional activities. A Trustee Handbook is currently in development.

Chief Executive & General Secretary

In accordance with the Articles of Association, the CEO/GS is appointed by the Board of Trustees to manage the day-to-day operations of WEA, and is accountable to the Board of Trustees via the Chair. The CEO/GS is WEA's Accounting Officer for ESFA reporting purposes.

Powers delegated to the CEO/GS include the implementation of policy and strategy adopted by the Trustees, to be carried out within a budget approved by them from time to time. The CEO/GS has a duty to report back to Trustees regularly. In practical terms, this means that the CEO/GS is a regular attendee at meetings of the Board of Trustees, and has a standing reporting item on each agenda. To support the effective coordination of business between Trustees and Council, the CEO/GS also meets regularly with the WEA Council to ensure its members, who are the Chairs of the English Regional Committees and Scotland Board, are adequately informed of WEA activities.

The CEO/GS works with the Leadership Team as identified in the Reference and Administrative Details on page 4.

Leadership team

Leadership Team meets at least monthly and reviews the quality and effectiveness of teaching and learning activity, organisational performance against the strategy and budget agreed by Trustees, current and future staffing needs, and forward planning.

The role of reviewing and monitoring WEA's contracts and projects (including the ESFA contract) is performed by Leadership Team, which via the CEO/GS, provides regular reports to Trustees.

Review & remuneration of senior employees

Under the new scheme of committees taking effect from 1 August 2021, a Remuneration Committee has been constituted to consider and agree the remuneration of senior post holders (i.e., the CEO/GS, Director of Finance & IT, and Head of Corporate Governance & Company Secretary).

Salaries for other Leadership Team posts are in principle set by the CEO/GS within the salary structures laid out from time to time by the People Committee and approved by the Board of Trustees, and within the scope of budget constraints agreed annually by the Board of Trustees. In practice, spot salaries for senior roles appointed to in 2020/21 were agreed in advance of recruitment with limited scope for negotiation at the time of offer. There were no senior appointments made during 2021/22.

Performance objectives of the CEO/GS and members of the Leadership Team are agreed each year as part of the appraisal process determined by the Board of Trustees and reflected in the Business Plan and Budget which is approved by the Board of Trustees annually in July for the next financial year.

Remuneration details are set out in Note 6 to the financial statements.

Engagement with employees (CA2006 Section 172 Disclosure)

This report on WEA's compliance with Companies Act 2006, section 172 ("CA2006 s.172") should be read in conjunction with the Strategic Report on pages 10 - 18. CA2006 s.172 as applicable to incorporated charities requires Trustees (who are the Directors of the Company under CA2006) to take into consideration the interests of employees and other stakeholders in their decision-making. Trustees continue to have regard to the interests of WEA's employees and other stakeholders, including the impact of its activities on the community, the environment and WEA's reputation, when making decisions. Acting in good faith and fairly between members, the Trustees consider what is most likely to promote WEA's success for its learners, volunteers and Association Members in the long term. Whilst the importance of giving due consideration to stakeholders is not new, WEA is explaining in more detail this year how the Board engages with stakeholders, thus seeking to comply with the requirement to include a statement setting out how Trustees have discharged this duty.

Trustees are fully aware of their responsibilities to promote WEA's success in accordance with CA2006 s.172. Ongoing support and periodic training from WEA's legal advisors, Bates Wells, is provided to ensure the Board continues to operate in line with good corporate practice. Trustees last received refresher training on their duties and obligations as Trustees and Company Directors on 23 September 2020. Through these activities, Trustees reflect (inter alia) on how WEA engages with its stakeholders and opportunities for enhancement in future.

The Board has overseen the implementation of a new three-year strategy that ensures stakeholder interests, and particularly the interests of learners, are taken into account. The "Creating Opportunities" Strategy responds not only to material changes in the way that WEA receives its funding, but also addresses the reality that the communities WEA serves have different needs requiring tailored solutions. To this end, the Board has worked closely with the CEO/GS to implement a programme of operational change to ensure that regional and national communities and academic expertise have greater influence on decision-making.

The Board continues to enhance its methods of engagement with the workforce.

WEA seeks to engage all employees and volunteers in its activities and achievements, and to this end the "Creating Opportunities" Strategy has emphasised the development and improvement of technologies and systems to ensure WEA employees, volunteers, and learners, dispersed as they are across the whole of England and Scotland, are able to work together easily and efficiently.

There continue to be a range of regular communication methods including management meetings, team meetings and newsletters to ensure that all staff are kept informed of WEA activities and achievements. There is also a monthly e-briefing from the CEO/GS that is distributed as part of the usual monthly newsletters to all staff as well as to the wider community of volunteers and Association Members.

WEA's recognised trade union is engaged in consultations on staff terms and conditions, including pay awards, through the Joint Negotiating Consultative Committee.

WEA aims to work responsibly with its sub-contractors, particularly those involved with the delivery of provision and other services relating to WEA's contracts with devolved combined authorities. Throughout the year, WEA has offered support in the on-boarding of its sub-contractors by sharing its delivery needs and the support available within WEA to enable effective relationships.

Charity Code of Governance

The Board of Trustees adopted the Charity Governance Code (larger charities) in 2018 and have discussed and assessed the organisation's performance against the Code's main principles and recommended practices since that time, and as updated in 2020.

Following updates to the Charity Governance Code in 2020, Trustees have considered their approach to putting into practice the Code's EDI principles across WEA, and how Trustees and others involved in governance can demonstrate adherence to the enhanced integrity principle.

Principles of Equality, Diversity, and Inclusion – During 2021/22, WEA initiated pursuit of an Investors in Diversity ("IID") accreditation and has agreed an action plan with its designated IID advisor. WEA received provisional IID accreditation in March 2022. Through the ongoing process of governance review, Trustees and members of Council have identified certain provisions in WEA's Articles & Regulations which may be inadvertently discouraging diversity within the formal governance structure and is in the process of updating these provisions, starting with amendments to the composition of WEA Council.

Principle of Integrity – Trustees have sought to address power imbalances within WEA's structure of Board and local governance committees by introducing term limits on non-trustee appointments. Non-trustee members of committees are now limited to two terms of three years' service on any one committee. Such imbalances are also in the course of being addressed through the introduction of absolute term limits on Trustee appointments and seeking to close loopholes in the Articles which created potential opportunities for certain individuals to remain on the Board of Trustees for as long as six terms of four years. Changes to the Articles that would bring into effect an absolute limit on trustee terms to two terms of four years have been agreed in principle and are expected to be formally adopted in 2023.

The ongoing process of governance review has continued to improve WEA's adherence to the Charity Governance Code. WEA has made significant improvements in a number of areas where weaknesses had been previously identified:

Leadership – Succession planning on the Board of Trustees has been addressed through the agreement of a role description for a Vice Chair of Trustees and successful appointment of a sitting Trustee to that role in July 2021. The Board has also agreed a Succession Planning Policy and convened a Nominations Committee to oversee the appointment of new Trustees, anticipate upcoming vacancies on the Board and on committees of the Board, and to ensure the conduct of periodic skills audits.

Decision-making, risk, and control – Decision-making and delegation has been refined through clarifications in the designation of senior post holders having direct responsibility to the Board of Trustees, and to whom the Board may delegate directly. Delegation to committees is now clearly documented in up-to-date terms of reference. Through the Audit & Risk Committee, WEA has updated and reformed WEA's risk appetite and the overall scoring and assessment of high-level risk. Frameworks for the identification and assessment of risk are being strengthened through implementation of clearer, more rigorous programmes of review at operational level, with Leadership Team taking a more active role in overall risk management.

Board effectiveness – The Board of Trustees has successfully filled the skills gap identified in the area of financial expertise through the recruitment of an additional Trustee having a formal financial qualification, as recommended by ESFA.

The appointment of a Vice Chair of Trustees in July 2021 means that the Chair of Trustees has had a sounding board for matters arising among the Board of Trustees, and an intermediary for other Trustees, if needed. The Vice Chair of Trustees has also taken responsibility for ensuring a performance review of the Chair of Trustees, and overseeing the implementation of an annual process for Trustee self-assessment.

The constitution of a Nominations Committee means that there is now a clear route for nominations to the Board of Trustees and any of its committees to be considered. Terms of service for the Board of Trustees and each of the committees, including clear appointment dates and term expiry dates, are now routinely monitored by the relevant Board or committee and shared with Nominations Committee. This allows for vacancies arising to be anticipated and advertised well in advance to generate interest. Alongside the agreement of new terms of reference for each committee, the principle of rotation for non-trustee members of committees of the Board of Trustees was agreed. Non-trustee members of committees of the Board of Trustees are now appointed to terms of three years, renewable once for a maximum of six years on any one committee. Trustee members of committees are limited per the trustee term limits as set out in the Articles.

Governance review

Throughout the whole of 2021/22 and into the current year, WEA has continued to progress the review of its governance to ensure that its governance structures, procedures and practices are brought up to date and aligned with the guidance set out in the Charity Governance Code (larger charities) as updated in 2021, and with DfE's statutory guidance on supporting governance. Key milestones during the year were:

- ▶ Implementing a rebalanced scheme of committees for the Board of Trustees, all with refreshed terms of reference and membership;
- ▶ Appointing a Vice Chair of Trustees and creating a specific written remit for this role;
- ▶ Agreeing clear role descriptions for elected Association Officer posts;
- ▶ Implementing a process of trustee self-assessment and performance evaluation for the Chair of Trustees; and
- ▶ Embedding the practice of termly joint meetings between WEA Council and the Board of Trustees, which are used for deliberation and debate on matters relating to ongoing governance development and support for delivery against the agreed strategy.

WEA Council continue to take an active role in the governance review, and provide an important conduit for communication and feedback to and from Trustees and local governance committees. Regarding Phase 3 of the Governance Review to be carried out in 2022/23, Trustees and Council agreed together that areas of focus would include:

- ▶ Clarification of the overall governance model, with consideration given to the purpose of branch/ local association committees, Regional Committees, and Council;
- ▶ Reviewing WEA's Articles & Regulations to ensure these reflect current regulation and guidance, and that they are clear, understandable, and simplified as much as possible; and
- ▶ Considering a process for ensuring the governing documents are regularly reviewed and kept up to date.

Trustees and members of Council have together acknowledged that the funding and regulatory world outside of WEA is changing rapidly, and that WEA is obliged to respond to these changes to secure its future. In consideration of recent statutory guidance from DfE, WEA must ensure there are clear lines of sight from Board to Region and Region to Board. The Board and Council have agreed that clear lines of sight be built in the following areas as a matter of priority:

- ▶ Safeguarding (including learners, staff, and volunteers);
- ▶ Equality and inclusion;
- ▶ Health, safety, and well-being;
- ▶ Education quality;
- ▶ Learner engagement and voice;
- ▶ Application of financial resources;
- ▶ Environmental sustainability and social value.

It has been acknowledged previously by Trustees and Council that some of the longer-term projects identified through the process of governance review would require changes to the Articles and/or Regulations. Trustees and Council have agreed that a first step toward updating WEA's Articles and Regulations should begin with amending the composition of WEA Council to broaden inclusion of the learner voice. With the support of advice from WEA's legal advisors, Bates Wells, the process of amending the relevant sections of the Articles & Regulations has begun and is expected to complete in early 2023. A task and finish group of Trustees and members of WEA Council will be convened to oversee the process of introducing further amendments to the Articles and Regulations. It is expected that the work of updating the Articles and Regulations will be completed in 2023.

Attendance at Board and Committee Meetings during 2021/22

Abbreviations:

▶ A&R - Audit & Risk Committee

▶ ESC - Education Strategy Committee

▶ F&GP - Finance & General Purposes Committee

▶ MVGM - Membership, Volunteering, Governance & Marketing Committee

▶ SB - Scotland Board

▶ WEAC - WEA Council

Trustee	Board/Committee	2021/22 meetings	Attendance
John Widdowson	Board* (Chair)	6/7	86%
Cliff Allum	Board*	7/7	100%
	F&CR** (Chair)	5/5	100%
	WEAC+	4/7	57%
Robin Cook	Board*	5/7	71%
	A&R	3/4	75%
	WEAC+	3/7	43%
Michael Crilly	Board*	5/7	71%
	A&R (Chair)	4/4	100%
	SB	4/4	100%
Marion Flett	Board*	5/7	71%
	SB (Chair)	4/4	100%
Jon Gamble	Board*	5/7	71%
	F&CR**	5/5	100%
Pat Kynaston	Board*	6/7	86%
	F&CR**	3/5	60%
	WEAC	7/7	100%
Geoff Layer	Board*	6/7	86%
	EC	2/4	50%
Lindsay Pearson	Board*	6/7	86%
	A&R	4/4	100%
	EC (Chair)	4/4	100%
	WEAC	3/7	43%
Marc Sherland	Board*	6/7	86%
	People (Chair)	4/4	100%
Peter Threadkell	Board	7/7	100%
	EC	4/4	100%
	People	4/4	100%
Narinder Uppal	Board*	5/7	71%
	People	4/4	100%

* Includes three joint meetings with WEAC.

** Includes attendance at one meeting of A&R with F&CR members in attendance.

+ Non-voting member.

WEA's Board of Trustees and its committees normally meet on a quarterly cycle of meetings so that each group would meet four times per year. Termly joint meetings of the Board of Trustees and WEA Council were implemented from the start of the 2021/22 financial year as part of efforts to support effective communication between trustees and local governing bodies. WEA Council held three extraordinary meetings during the year to support detailed discussion of matters relating to the governance review.

Average attendance at meetings of the Board of Trustees in 2021/22 was 82% (2020/21: 92%).

Average attendance at all Board and Committee meetings in 2021/22 was 84% (2020/21: 91%).

Trustees' declaration

Statement of trustees' responsibilities

The Trustees (who are also Directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice ("UK accounting standards").

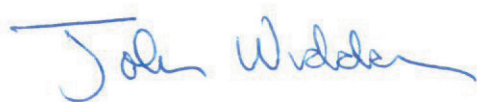
Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Trustees of the charitable company at the date of approval of this report is aware, there is no relevant audit information (information needed by the charitable company's auditor in connection with preparing the audit report) of which the charitable company's auditor is unaware. Each trustee has taken all of the steps that they should have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Approved on behalf of Trustees on 8 December 2022.



Signed: John Widdowson, CBE
Chair of Trustees

Statement of corporate governance & internal control

The following statement is provided to enable readers of the Annual Report and Accounts of the Charity to obtain a better understanding of its governance and legal structure. This statement covers the period from 1 August 2021 to 31 July 2022 and up to the date of approval of the Annual Report and Financial Statements.

The Charity endeavours to conduct its business:

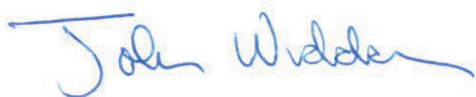
- i. In accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
- ii. In accordance with the governance requirements in the Companies Act 2006 and the Charities Act 2011; and
- iii. With due regard to the guidance and principles set out in the UK Corporate Governance Code 2018.

The Charity is committed to exhibiting best practice in all aspects of corporate governance and, as a registered charity, follows compliance guidelines set by the Charity Commission. We have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code we consider to be relevant to the further education sector and best practice.

The Board of Trustees 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 Board of Trustees confirm that they have due regard for the Charity Commission's guidance on public benefit and that the required statements appear elsewhere in these financial statements.

Approved by order of the Board of Trustees on 8 December 2022 and signed on its behalf by:



John Widdowson, CBE
Chair of Trustees



Simon Parkinson
CEO/GS

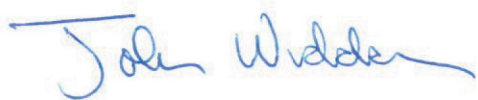
Governing body's statement on the regularity, propriety and compliance with funding body terms and conditions of funding

The Charity has considered its responsibility to notify the Education and Skills Funding Agency ("ESFA") of material irregularity, impropriety and non-compliance with the ESFA terms and conditions of funding, under the financial memorandum in place between the Charity and the ESFA. As part of our consideration we have had due regard to the requirements of the financial memorandum.

We confirm, on behalf of the Charity, that after due enquiry, and to the best of our knowledge, we are not able to identify any material irregular or improper use of funds by the Charity, or material non-compliance with the ESFA's terms and conditions of funding under the Charity's financial memorandum.

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

Approved by order of the Board of Trustees on 8 December 2022 and signed on its behalf by:



John Widdowson, CBE
Chair of Trustees



Simon Parkinson
CEO/GS

Independent auditor's report to the members and trustees of the Workers' Educational Association ("WEA")

Opinion

We have audited the financial statements of WEA ('the charitable company') for the year ended 31 July 2022 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- ▶ give a true and fair view of the state of the charitable company's affairs as at 31 July 2022 and of its income and expenditure, 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 Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- ▶ the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ▶ the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement, set out on page 34, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, The Charities and Trustee Investment (Scotland) Act 2005, Further and Higher Education Act 1992 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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 might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Health and safety legislation, Ofsted Education Inspection Framework, Taxation legislation and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

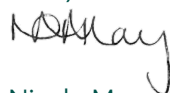
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit & Risk Committee about their own identification and assessment of the risks of

irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Nicola May
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: 21st December 2022

Independent reporting accountant's report on regularity 31 July 2022

To the Trustees of the Workers' Educational Association (the WEA) and Secretary of State for Education, acting through Education and Skills Funding Agency (the ESFA) and the Greater Manchester Combined Authority, Liverpool City Region Combined Authority, West of England Combined Authority, West Midlands Combined Authority, Tees Valley Combined Authority, North of Tyne Combined Authority, Greater London Authority, West Yorkshire Combined Authority, South Yorkshire Mayoral Combined Authority and Cambridge and Peterborough Combined Authority (referred to as "the Authorities" below).

In accordance with the terms of our engagement letter dated 6 May 2021 and further to the requirements and conditions of funding in the ESFA's grant funding agreements and contracts, or those of any other public funder, including the Authorities we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by the WEA during the period 1 August 2021 to 31 July 2022 have not been applied to the purposes identified by Parliament and the financial transactions do not conform to the authorities which govern them.

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

This report is made solely to the trustees of WEA and the ESFA and the Authorities in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Trustees of the WEA and the ESFA and the Authorities 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 WEA and the ESFA and the Authorities for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the WEA and the reporting accountant

The trustees of the WEA are responsible, under the requirements of the Further & Higher Education Act 1992, subsequent legislation and related regulations and guidance,

for ensuring that expenditure disbursed, and income received, are applied for the purposes intended by Parliament, and the financial transactions conform to the authorities that govern them.

Our responsibilities for this engagement are established in the United Kingdom by 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 2021 to 31 July 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Code issued by the ESFA and in accordance with any guidance provided by the Authorities. We performed a limited assurance engagement as defined in that framework.

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity of the WEA's income and expenditure. The work undertaken to draw to our conclusion includes a review of the design and implementation of WEA's internal controls and review processes on regularity, supported by detailed tests on sample of costs incurred by the college and specific transactions identified from our review.

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 2021 to 31 July 2022 has not been applied to purposes intended by Parliament, and the financial transactions do not conform to the authorities that govern them.

Crowe U.K. LLP

Crowe U.K. LLP

Date: 21st December 2022

Financial statements

Statement of financial activities for the year ended 31 July 2022

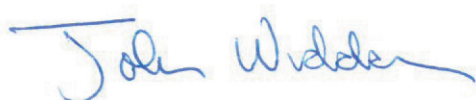
	Notes	2021/22 Unrestricted funds £'000	2021/22 Restricted funds £'000	2021/22 Total funds £'000	2020/21 Unrestricted funds £'000	2020/21 Restricted funds £'000	2020/21 Total funds £'000
Income from:							
Donations and legacies		46	2	48	77	1	78
Charitable activities	2	12,928	14,628	27,556	16,208	13,454	29,662
Investment income	19	712	-	712	552	-	552
Other		157	14	171	16	1	17
Total income		13,843	14,644	28,487	16,853	13,456	30,309
Expenditure on:							
Charitable activities	3	12,243	14,767	27,010	12,042	12,875	24,917
Other	18b	650	-	650	538	-	538
Total expenditure		12,893	14,767	27,660	12,580	12,875	25,455
Net income/(expenditure)		950	(123)	827	4,273	581	4,854
Transfers between funds	13	(30)	30	-	518	(518)	-
Other recognised losses:							
Adjustment for defined benefit pension scheme	18e	(433)	-	(433)	(356)	-	(356)
Net movement in funds		487	(93)	394	4,435	63	4,498
Reconciliation of funds:							
Total funds brought forward		12,873	727	13,600	8,438	664	9,102
Total funds carried forward		13,360	634	13,994	12,873	727	13,600

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities. The notes on pages 44 to 71 form part of these accounts.

Balance sheet as at 31 July 2022

		2021/22	2020/21
	Notes	£'000	£'000
Fixed assets			
Tangible and intangible assets	8	4,491	4,555
Total fixed assets		4,491	4,555
Current assets			
Debtors	9	2,071	1,829
Investments	16	2,602	2,593
Cash at bank and in hand	16	7,664	7,439
Total current assets		12,337	11,861
Liabilities			
Creditors: amounts falling due within one year	10	(2,412)	(2,344)
Net current assets		9,925	9,517
Total assets less current liabilities		14,416	14,072
Provisions for liabilities	22	(422)	(472)
Total net assets		13,994	13,600
Funds of the Charity			
Unrestricted funds	13	8,989	8,447
Designated funds	13	4,371	4,426
Total unrestricted funds	13	13,360	12,873
Restricted funds	13	634	727
Total charity funds		13,994	13,600

The financial statements on pages 41 to 71 were approved by the Board of Trustees and authorised for issue on 8 December 2022, and are signed on its behalf by:



John Widdowson, CBE
Chair of Trustees



Simon Parkinson
CEO/GS

Cash flow statement for the year ended 31 July 2021

	Notes	2021/22 £'000	2021/22 £'000	2020/21 £'000	2020/21 £'000

Cash flows from operating activities:

Net cash provided by operating activities	14		684		4,265

Cash flows from investing activities:

Interest received	19	13		4	
Purchase of tangible assets	8	(182)		(807)	
Purchase of intangible assets	8	(281)		-	

Net cash used in investing activities			(450)		(803)

Cash flows from financing activities:

Net cash provided by / (used in) financing activities			-		-

Change in cash and cash equivalents in the reporting period			234		3,462

Cash and cash equivalents at the beginning of the reporting period			10,032		6,570

Cash and cash equivalents at the end of the reporting period			10,266		10,032

	2021/22 £'000	2020/21 £'000
Notes to the cash flow statement		

Analysis of cash and cash equivalents

Investments - short term deposits	2,602	2,593
Bank and cash	7,664	7,439

Total cash and cash equivalents	10,266	10,032

Notes to the financial statements for the year ended 31 July 2022

1. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets, and in accordance with the Companies Act 2006, Charities: Statement of Recommended Practice (FRS102) applicable in the UK and Republic of Ireland, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. We believe this is the most appropriate basis of accounts preparation.

The Trustees have assessed WEA's ability to continue as a going concern. The Trustees have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. This has included a review of budgets and cash flow forecasts through to July 2025 and consideration of the key risks, including further devolution areas, forecast changes in the split between restricted and unrestricted income and the impact of the coronavirus.

The WEA secures a significant proportion of its income from service delivery contracts and grants awarded by the Education and Skills Funding Agency, MCAs, European Social Fund, Big Lottery, local authorities and other statutory bodies, however there are further devolution areas on the horizon which pose a further risk to WEA's income streams. In light of the risk to funding, WEA has prepared a number of financial scenarios which reflect potential loss of MCA funding from 1 August 2023. With this in mind and the fact that the WEA rigorously monitors its financials through robust financial internal controls, regular monitoring of budgets and cash management, the Trustees are confident the organisation has adequate resources to operate for the foreseeable future as a going concern and has prepared its financial statements on this basis.

Cash management and working capital controls are in place to ensure restricted and unrestricted assets and reserves are appropriately managed.

Accordingly, the accounts have been prepared on the basis that the Charity is a going concern.

The WEA's charitable objective is to promote adult and general education. The WEA meets the definition of a public benefit entity.

Fund accounting:

General funds are unrestricted funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity, and which have not been designated for other purposes.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors or have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The funds are maintained on a project by project basis or in accordance with the agreed restrictions on their use. The restricted funds reserves and movements on them are shown on a region by region basis in the notes to the accounts.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the Association is entitled to the income, its receipt is probable and the amounts can be quantified with reasonable accuracy.

Voluntary income is received by way of donations and gifts and is included in full in the SOFA when receivable.

Volunteer time

WEA benefits from the active participation of volunteers, as referred to in the Trustees' Report. The financial statements do not quantify any financial value on this contribution.

Grants receivable are recognised when the conditions for receipt have been met and there is reasonable assurance of receipt, unless these relate to a specific future period in which case they are deferred.

Service level agreements are recognised in line with performance. These relate to fees and contract income.

ESFA Grants are recognised on an accruals basis.

Capital grants received towards the cost of tangible fixed assets are credited to the SOFA in full in the year in which they are received and treated as restricted or designated funds according to the nature of the grant. A transfer is made annually to the General Fund in equal instalments on the same basis as the depreciation of the asset concerned.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Governance costs comprise management of the Charity's assets, organisational management and compliance with constitutional and statutory requirements.

Cost allocation

The Association has considered that it has just one activity, which is Education Provision, to which the majority of costs are directly attributable. Where costs cannot be directly attributed to particular headings they have all been allocated to activities on a basis consistent with their use.

Branches

The Charity carries out much of its activities through a national network of non-autonomous branches that operate under the Charity's registration number. These run courses for the Charity locally and receive support from the Charity through advice, publicity and meeting tutor costs. Branch activities are included in the Charity's accounts.

Fixed assets and depreciation

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental costs of acquisition.

Notes to the financial statements for the year ended 31 July 2022

1. Accounting policies (continued)

Computers regardless of cost are capitalised.

Capital project items are capitalised and depreciated over 3 years from the time when the project commenced or in line with the life of the project.

Software costs (excluding maintenance costs), costing £1,000 or more are capitalised over 3 years in line with the Association's policies.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land	Nil
Freehold buildings	over 50 years
Improvement to buildings	over 10 years
Grant funded building improvements	over the life of the project
Grant funded equipment	over the life of the project
Other equipment	over 3 years
Computer software	over 3 years

Pension costs

At 31 July 2022 retirement benefits to employees are provided by the People's Pension, the Teachers Pension (TP), the Scottish Public Pensions Agency (SPPA) and the Charity's own Workers' Educational Association pension scheme (WEA Scheme) whose Trustee and Administrator is The Pensions Trust. The WEA and the NOW: Pension schemes were closed to further contributions at 31 August 2019. The People's Pension and Now: Pension schemes are defined contribution schemes. The TP, SPPA and WEA pension schemes are defined benefit schemes.

The TP and SPPA are multi-employer schemes. It is not possible to identify the Association's share of the underlying assets and liabilities of the schemes on a consistent and reliable basis and therefore, as required by FRS 102, the WEA accounts for the schemes as if they were defined contribution schemes. The Association's contributions are charged in the period in which the salaries they relate to are payable, in accordance with the recommendations of the Government Actuary.

For the WEA Scheme, the difference between the fair value of the assets held in the Association's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the Association's balance sheet as a pension scheme asset or liability as appropriate. Changes in the defined benefit pension scheme asset or liability arising from factors other than cash contribution by the Association are charged to the SOFA in accordance with Financial Reporting Standards (FRS 102) - Retirement Benefits. The deficit arising from the adoption of FRS 102 is recognised as a reduction in the general reserves. Surpluses are not recognised unless they are considered recoverable.

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the SOFA in the year in which they fall due.

Notes to the financial statements for the year ended 31 July 2022

1. Accounting policies (continued)

Provisions and contingencies are recognised when the following three conditions are met: the Association has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economical benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. The amount of the provision represents the best estimate of the expenditure required to settle the obligation at the end of the reporting period.

Contingent liabilities, including liabilities that are not probable or which cannot be reliably measured, are not recognised but are disclosed unless the possibility of settlement is considered remote. Contingent Assets are not recognised, but are disclosed where an inflow of economic benefit is probable.

Financial instruments

WEA has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transition value, and subsequently measured at the settlement value. At the balance sheet date the WEA held financial assets at amortised cost of £12,185,496 (2020/21 £11,715,543) and financial liabilities at amortised cost of £2,119,339 (2020/21 £1,890,253).

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due, or discount offered.

Creditors

Creditors and provisions are recognised where the Association has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and investments available within twenty-four hours.

Investments

Investments are short-term highly liquid investments with a short maturity of 95 days or less.

Key judgements and assumptions

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

Details of the two main accounting estimates can be found in the notes to the accounts. The valuation of the freehold property is detailed in note 8 and the accounting valuation of the defined benefit pension scheme in note 18.

Redundancy

The WEA recognises a provision for redundancy costs when they are committed to a programme of redundancy at the balance sheet date. This can be recognised while a consultation process is underway as long as the redundancy programme has been announced. The provision is measured at the best estimate of the redundancy liability accrued to the end of the accounting period. No provision is made for the cost of salary and notice periods that will need to be worked after the end of the accounting period.

Dilapidations Provision

Provisions are made when a legal or constructive obligation, is identified and the liability can be reasonably qualified. The provision is based on an estimate provided by the landlord of the property or a benchmarked market rate per square foot of the leased property.

Notes to the financial statements for the year ended 31 July 2022

2. Incoming resources from charitable activities

	Unrestricted 2021/22 £'000	Restricted 2021/22 £'000	Total 2021/22 £'000	Total 2020/21 £'000
Educational provision				
Fees and contracts	1,413	3,398	4,811	5,068
Education and Skills Funding Agency (ESFA) grant	11,464	-	11,464	15,468
Other grants receivable	52	11,230	11,282	9,124
Other income from activities	(1)	-	(1)	2
Total incoming resources from charitable activities	12,928	14,628	27,556	29,662

2a. Analysis of income from charitable activities

	Total 2021/22 £'000	Total 2020/21 £'000

ESFA unrestricted grants

ESFA contract	11,121	14,138
Other ESFA grants and contracts	343	372

ESFA unrestricted grants	11,464	14,510

Total ESFA restricted grants	-	958

Total ESFA contracts & grants	11,464	15,468

Other grants

Other unrestricted grants	52	36

Other restricted grants	11,230	9,088

Total other grants	11,282	9,124

3. Resources expended on charitable activities

	Unrestricted 2021/22 £'000	Restricted 2021/22 £'000	Total 2021/22 £'000	Total 2020/21 £'000

Educational Provision

Tutor costs - staff	2,070	1,738	3,808	3,482
Tutor costs - travel & subsistence	91	26	117	23
Regional costs - staff	3,749	3,204	6,953	7,183
Regional costs - other	619	476	1,095	564
Grants and subcontractor payments	(3)	6,054	6,051	4,552

Total educational activity costs	6,526	11,498	18,024	15,804

Governance costs (note 4)	259	19	278	231

Support costs (note 5)	5,458	3,250	8,708	8,882

Total resources expended on charitable activities	12,243	14,767	27,010	24,917

Notes to the financial statements for the year ended 31 July 2022

4. Governance costs

	Total 2021/22 £'000	Total 2020/21 £'000
External audit fees		
Crowe U.K. LLP (note 7)	51	48
Other Assurance fees		
Crowe U.K. LLP (note 7)	19	14
Internal Audit Fees	11	-
Legal and professional fees	34	26
Trustees meetings and other costs (note 17)	1	-
Support costs	162	143
Total governance costs	278	231

5. Support costs

Educational

	Total 2021/22 £'000	Total 2020/21 £'000
Support costs - staff	5,370	4,863
Support costs - other	1,492	1,531
Facilities management	545	1,052
IT & communications	1,301	1,436
Total support costs	8,708	8,882

Notes to the financial statements for the year ended 31 July 2022

6. Staff costs

	Total 2021/22 £'000	Total 2020/21 £'000
Wages and salaries	13,436	13,319
Social security costs	1,136	1,077
Pension costs	1,263	1,276
Redundancy costs	459	300
Total staff costs	16,294	15,972

The above figure does not include agency staff employed by the Association at a cost of £49,450 (2020/21: £28,391).
At the year end £nil (2020/21: £nil) of the redundancy costs remained unpaid.

The average number of employees during the year was as follows:

	2021/22	2020/21
Staff	369	380
Tutors	597	624
Total average number of employees	966	1,004

Number of employees earning £60,000 per annum and above are as follows:

£60,001 - £70,000	3	2
£70,001 - £80,000	4	4
£80,001 - £90,000	5	2
£90,001 - £100,000	2	-
£100,001 - £110,000	1	-
£110,001 - £120,000	-	1
£130,001 - £140,000	1	-
	16	9

Seven members of staff received redundancy payments in 2021/22 which took their earnings into the above brackets.
Pension benefits are accruing for the other 9 (2020/21: 6) higher paid employees. Total employer pension contributions of £105,460 (2020/21: £49,300) have been made in relation to higher paid employees.

The key management personnel of the Charity comprise the Board of Trustees (12) and the Leadership Team 9 (2020/21:10).

7. Analysis of charitable expenditure

Charitable expenditure includes:	Total 2021/22 £'000	Total 2020/21 £'000
External auditors' remuneration	51	48
Other assurance services performed by external auditors*	19	14
Depreciation	487	554
Loss on disposal of tangible assets	40	118
Operating lease charges	179	209

* Other assurance services performed by the external auditors include regularity audits to meet the conditions of ESFA/MCA contracts.

Notes to the financial statements for the year ended 31 July 2022

8. Fixed asset schedule

	Land and Buildings £'000	Education Equipment £'000	Other Equipment £'000	Assets in the course of construction £'000	Total 2021/22 £'000
Tangible fixed assets					
Cost					
At 1 August 2021	6,126	1,924	4,307	50	12,407
Additions	19	22	70	71	182
Disposals	(75)	(18)	(27)	-	(120)
At 31 July 2022	6,070	1,928	4,350	121	12,469
Depreciation					
At 1 August 2021	2,045	1,731	4,076	-	7,852
Charge for the year	237	95	155	-	487
Disposals	(37)	(17)	(26)	-	(80)
At 31 July 2022	2,245	1,809	4,205	-	8,259
Net book value of tangible fixed assets					
At 31 July 2022	3,825	119	145	121	4,210
Intangible fixed assets	-	-	-	281	281
Total net book value at 31 July 2022	3,825	119	145	402	4,491
At 1 August 2021	4,081	193	231	50	4,555

There is a charge granted over the freehold property 4 Luke Street, London, EC2A 4XW in favour of The Pensions Trust.

At 31 July 2022 the charge is capped at £2,500,000.

At 31 July 2022 there were capital commitments relating to software contracts of £132,551 (2020/21 £nil).

9. Debtors: amounts falling due within one year

	2021/22 £'000	2020/21 £'000
Trade debtors	361	301
Other debtors	76	69
Prepayments	151	160
Accrued Income	1,483	1,299
Total	2,071	1,829

10. Creditors: amounts falling due within one year

Amounts falling due within one year	2021/22 £'000	2020/21 £'000
Trade creditors	634	624
Accruals	944	981
Social security & other taxes	541	454
Deferred income	293	285
Total	2,412	2,344

Notes to the financial statements for the year ended 31 July 2022

10a. Deferred income

	2021/22 £'000	2020/21 £'000
Opening balance	285	153
Amounts released	(284)	(152)
Amounts deferred	292	284
Closing balance	293	285

Income received during the year is deferred when the conditions for income recognition have not been fully met. All income deferred in the previous year has been released with the exception of £1,164 of student credit notes.

11. Financial commitments - leases

As at 31 July 2022, the charity has annual commitments under non-cancellable leases as follows:

Expiry date:	Land and building leasehold £'000	Total 2021/22 £'000	Total 2020/21 £'000
Within one year	90	90	128
One to five years	123	123	10
Over five years	19	19	-
Total financial commitments - leases	232	232	138

12. Analysis of net assets by fund

Net assets	Unrestricted funds 2021/22 £'000	Restricted funds 2021/22 £'000	Total Funds 2021/22 £'000	Unrestricted funds 2020/21 £'000	Restricted funds 2020/21 £'000	Total funds 2020/21 £'000
Tangible fixed assets	4,371	120	4,491	4,426	129	4,555
Net current assets	9,411	514	9,925	8,919	598	9,517
Long term liabilities	(422)	-	(422)	(472)	-	(472)
Pension liability	-	-	-	-	-	-
Net assets	13,360	634	13,994	12,873	727	13,600

Notes to the financial statements for the year ended 31 July 2022

13. Statement of funds

	At 1 August 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Pension adjustment £'000	At 31 July 2022 £'000
General funds	6,515	12,182	(11,527)	2	-	7,172
Branch funds	636	499	(582)	(68)	-	485
Regional branch reserve fund	1,296	-	-	36	-	1,332
	8,447	12,681	(12,109)	(30)	-	8,989
Fixed asset fund	4,426	463	(518)	-	-	4,371
Pension deficit	-	699	(266)	-	(433)	-
Total unrestricted funds	12,873	13,843	(12,893)	(30)	(433)	13,360
Restricted funds:						
Revenue	598	14,644	(14,753)	25	-	514
Fixed asset fund	129	-	(14)	5	-	120
Total restricted funds	727	14,644	(14,767)	30	-	634
Total funds	13,600	28,487	(27,660)	-	(433)	13,994

Regional branch reserve fund represents the balance of accumulated funds transferred from branches to regions in line with the Association's policy of ensuring balances of funds at branches are kept at levels that are sufficient, but not excessive. Part of the balance on this fund is made available each year for branches to bid into for the development of local activities supporting the WEA and the Association's regional priorities. This reserve may also be used, at trustees' discretion, to address funding gaps where use of ESFA funds is not permitted.

Transfers between unrestricted and restricted funds:

Restricted revenue: the transfer of £25,000 is due to a reclassification of funds.

Prior year statement of funds

	At 1 August 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Pension adjustment £'000	At 31 July 2021 £'000
General funds	2,268	15,641	(11,358)	(36)	-	6,515
Branch funds	819	402	(376)	(209)	-	636
Regional branch reserve fund	1,055	-	-	241	-	1,296
	4,142	16,043	(11,734)	(4)	-	8,447
Designated funds	4,296	262	(654)	522	-	4,426
Pension deficit	-	548	(192)	-	(356)	-
Total unrestricted funds	8,438	16,853	(12,580)	518	(356)	12,873
Restricted funds:						
Revenue	540	12,408	(12,354)	4	-	598
Fixed asset fund	124	1,048	(521)	(522)	-	129
Total restricted funds	664	13,456	(12,875)	(518)	-	727
Total funds	9,102	30,309	(25,455)	-	(356)	13,600

Notes to the financial statements for the year ended 31 July 2022

13a. Statement of funds (continued)**Lottery funded projects**

	At 1 August 2021 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2022 £
Eastern						
Big Lottery Fund and ESF Building Better Opportunities Grant - Papworth Community Connections South	3,084	12,127	-	(15,211)	-	-
Big Lottery Fund and ESF Building Better Opportunities Grant - Papworth Community Connections Essex	-	36,184	-	(42,595)	-	(6,411)
East Midlands						
Big Lottery Fund and ESF Building Better Opportunities Grant - Vista Will	-	113,555	-	(95,736)	-	17,819
Big Lottery Fund St Ann's Advice Centre - D2N2 Money Sorted	-	38,140	3,444	(41,082)	-	502
North West						
Big Lottery Fund and ESF Building Better Opportunities Grant - Sefton Liverpool Digital Inclusion	2,884	34,660	2,792	(41,134)	-	(798)
Big Lottery Fund and ESF Building Better Opportunities Grant - Halton Liverpool Digital inclusion	778	55,978	33,201	(79,435)	-	10,522
Big Lottery Fund and ESF Building Better Opportunities Grant - Cumbria, Carlisle & Eden	43,915	-	-	(1,644)	-	42,271
Southern						
Big Lottery Fund and ESF Building Better Opportunities Grant - Routes Community Works	8,267	39,200	-	(39,659)	-	7,808
Big Lottery Fund and ESF Building Better Opportunities Grant - Aspire - Family Learning Surrey	-	28,188	(4,242)	(28,345)	-	(4,399)
Big Lottery Fund and ESF Building Better Opportunities Grant - Building Family Bridges	92	309	-	408	-	809
Slough Borough Council - Ways Into Work	-	29,217	(5,298)	(23,301)	-	618
West Midlands						
BBO Community Matters	-	3,264	-	(3,264)	-	-
Yorkshire & Humber						
BLF Men's Health Lounge	927	-	-	-	-	927
Scotland						
Big Lottery Fund - Reach Out Project	133,317	5,360	(500)	(100,762)	-	37,415
Total lottery fund projects	193,264	396,182	29,397	(511,760)	-	107,083
Other projects						
ESF (note 13b)	(68,418)	4,741,800	683,928	(5,349,667)	-	7,643
Other (note 13c)	472,879	8,503,622	288,990	(8,892,010)	25,000	398,481
Total restricted revenue funds	597,725	13,641,604	1,002,315	(14,753,437)	25,000	513,207

Notes to the financial statements for the year ended 31 July 2022

13b. Statement of funds (continued)**European Social Funds (ESF) and other European funding**

	At 1 August 2021 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2022 £
Scotland						
Scottish Refugee Council - EU Asylum, Migration and Integration Fund: Sharing Lives Sharing Languages	4,562	-	-	-	-	4,562
Scottish Refugee Council - EU Asylum, Mitigation & Integration Fund: New Scots Integration- A Pathway to Social and Economic Inclusion	18,294	132,767	679	(120,398)	-	31,342
Aberdeen University - LEADER - Elphinstone Home Project	10,010	-	-	(132)	-	9,878
East Midlands						
ESF Nottingham Trent University	-	-	10,217	(14,544)	-	(4,327)
North West						
ESF 19-21 Community Grants Manchester	(38,963)	2,791,182	343,269	(3,096,913)		(1,425)
ESF 19-21 Community Grants Lancashire	(37,928)	368,888	47,524	(400,218)	-	(21,734)
ESF 19-21 Community Grants Halton	4,613	137,958	-	(143,003)	-	(432)
ESF 19-21 Community Grants Liverpool	(29,006)	1,311,005	282,239	(1,574,459)	-	(10,221)
Total European restricted funds (note 13a)	(68,418)	4,741,800	683,928	(5,349,667)	-	7,643

Notes to the financial statements for the year ended 31 July 2022

13c. Statement of funds (continued)

Other restricted funds

	At 1 August 2021 £	Received income £	Accrued/ deferred income £	Funded expenditure £	Transfer from General Fund £	At 31 July 2022 £
Association Services						
Olive Cordell	4,142	-	-	-	-	4,142
Pearl Ryall - Restricted Gift	500	-	-	-	-	500
Digital Lifeline Campaign	1,027	(354)	-	-	-	673
SERO Consulting - EDS Champions	-	8,000	-	(8,000)	-	-
Lloyds	-	41,190	-	(31,037)	-	10,153
East Midlands						
Joan Freeman Legacy	2,339	-	-	(2,339)	-	-
Algy Beaven Legacy	1,375	-	-	-	-	1,375
John Rhodes Fund	9,581	-	-	-	-	9,581
Bishop Grosseteste University LinchHigher Raising Aspirations	4,179	-	-	(4,179)	-	-
Nottingham City Council Restart Grant	13,624	-	-	(13,624)	-	-
Leicestershire County Council SHIRE Community Grant Fund	425	3,840	-	(4,265)	-	-
Public Health Northamptonshire - Northants Weight Management	-	9,938	-	(5,483)	-	4,455
Lincolnshire ASFL	-	-	4,674	(4,674)	-	-
ESOL for Intergration	-	24,594	24,594	(49,188)	-	-
LLEP Digital Poverty	-	-	-	(4,481)	-	(4,481)
Derby Adult Learning Service	-	-	12,275	(12,275)	-	-
Eastern						
Lester John Desmond Legacy	1,466	-	-	-	-	1,466
Clarion Housing - Digital Skills	4,528	4,000	-	(8,528)	-	-
East of England Local Government Association (EELGA)	10,051	52,991	-	(31,645)	-	31,397
Cambridgeshire County Council	-	10,234	-	(10,234)	-	-
Cambridgeshire County Council - Cambridgeshire Skills 21-22	-	74,117	-	(74,117)	-	-
Cambridge and Peterborough Combined Authority	-	12,200	-	(12,200)	-	-
London						
Stanley Jones - Ilford Legacy	15,125	-	-	(831)	-	14,294
Margaret Cottier Legacy	3,753	-	-	-	-	3,753
ICELP Together We Learn	37,349	-	-	(4,868)	-	32,481
GLA - National Skills Fund	-	1,416,035	(100,000)	(1,316,035)	-	-
GLA - Adult Education Budget	-	75,000	(25,000)	(50,000)	-	-
GLA - Good Work for All	-	243,604	7,761	(313,785)	-	(62,420)
Balance carried forward	109,464	1,975,389	(75,696)	(1,961,788)	-	47,369

Notes to the financial statements for the year ended 31 July 2022

13c. Statement of funds (continued)

Other restricted funds (continued)

	At 1 August 2021 £	Received income £	Accrued/ deferred income £	Funded expenditure £	Transfer from General Fund £	At 31 July 2022 £
Balance brought forward	109,464	1,975,389	(75,696)	(1,961,788)	-	47,369
North East						
100 Club	1,830	6	-	-	-	1,836
Tees Valley Combined Authority	-	51,156	-	(51,156)	-	-
North of Tyne Combined Authority	10,000	340,161	-	(350,161)	-	-
Lipman-Miliban Grant - Lipman Trust	1,613	-	-	(1,613)	-	-
North of Tyne Combined Authority (20/21)	-	10,691	-	(10,691)	-	-
North West						
RSC - Any Old Ions	14,871	-	-	88	-	14,959
RAS - Look Up to the Skies	6,737	-	-	(457)	-	6,280
Greater Manchester Combined Authority	-	1,671,568	351,706	(2,023,274)	-	-
GMCA L3 Local	-	36,356	(11,716)	(24,640)	-	-
GMCA L3 National	-	1,961	30,901	(32,862)	-	-
Liverpool City Region Combined Authority Lot 1	-	545,716	114,961	(660,677)	-	-
Liverpool City Region Combined Authority Lot 2	-	50,046	(19,017)	(31,029)	-	-
Liverpool City Region Combined Authority T&L	-	9,772	468	(10,240)	-	-
Liverpool City Region Combined Authority Lot 3	-	-	2,567	(2,567)	-	-
Liverpool NHS Maternity Support Work	-	24,098	(17,041)	(7,057)	-	-
ESIF - CSI	-	18,750	3,750	(22,500)	-	-
BNO Trafford	-	-	19,750	(19,750)	-	-
WRRF Trafford	-	40,500	-	(40,500)	-	-
South West						
West of England Combined Authority	-	322,750	-	(322,750)	-	-
Southern						
Fred Adler Legacy	38,868	-	-	136	-	39,004
Joan Taylor Legacy	812	-	-	-	-	812
K Smith Legacy	21,393	-	-	(518)	-	20,875
Santander	277	-	-	(277)	-	-
West Sussex Council - HKBNO Migration	-	75,000	(41,250)	(10,357)	-	23,393
Southampton CC - Quilt of Hope	-	4,510	-	(4,510)	-	-
Joan Taylor Fund - Reading Branch	-	-	-	(1,071)	10,000	8,929
Nicholas de Yong - Reading Branch	-	-	-	-	15,000	15,000
Balance carried forward	205,865	5,178,430	359,383	(5,590,221)	25,000	178,457

Notes to the financial statements for the year ended 31 July 2022

13c. Statement of funds (continued)**Other restricted funds** (continued)

	At 1 August 2021 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2022 £
Balance brought forward	205,865	5,178,430	359,383	(5,590,221)	25,000	178,457
West Midlands						
Dudley MBC - Healthy Towns	27,584	38,600	-	(66,184)	-	-
West Midlands Combined Authority	-	835,160	(102,858)	(732,302)	-	-
Recovery College	2,682	686	-	(3,317)	-	51
Dolphin Centre	-	2,000	-	(472)	-	1,528
CRF Wolverhampton	-	3,739	-	(3,739)	-	-
Yorkshire & Humber						
Mike Haywood Fund	869	-	-	-	-	869
Yorkshire Adult Schools Union	8,300	-	-	-	-	8,300
Leeds University	3,000	-	-	8	-	3,008
Sheffield City Council	1,374	1,276	-	(2,650)	-	-
Refugee Council	1,953	1,953	-	(3,906)	-	-
NHS Confidence to study	21,345	-	-	(13,434)	-	7,911
Sport England	15,880	78,596	3,168	(97,644)	-	-
Your Consortium - Action Towards Inclusion	-	19,738	-	(19,738)	-	-
Heritage Fund - Women on the Land	48,750	-	-	(22,897)	-	25,853
Eastfield Employment - Scarborough Borough Council	2,446	6,955	-	(9,401)	-	-
Leeds City Council	-	225	-	(225)	-	-
Sheffield Lakeland Landscape Partnership - Heritage Weekend	-	4,900	-	(4,900)	-	-
Sheffield City Council	-	-	6,151	(6,151)	-	-
Rotherham - Rotherham RF	-	16,995	8,764	(25,759)	-	-
South Yorks MCA - Transition Project	-	210,000	-	(210,000)	-	-
West Yorks MCA	-	1,076,102	1,677	(1,077,779)	-	-
Balance carried forward	340,048	7,475,355	276,285	(7,890,711)	25,000	225,977

Notes to the financial statements for the year ended 31 July 2022

13c. Statement of funds (continued)

Other restricted funds (continued)

	At 1 August 2021 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2022 £
Balance brought forward	340,048	7,475,355	276,285	(7,890,711)	25,000	225,977
Scotland						
Scottish Government - Adult Learning and Empowering Communities Fund	-	319,000	(24,170)	(294,830)	-	-
Scottish Government - Adult Learning and Empowering Communities Fund - HQ NTTF	-	92,662	-	(92,662)	-	-
Scottish Government - Impact Funding Partners - PEC Fund - Women in the Highlands Project	14,583	5,168	(7,083)	(12,668)	-	-
Scottish Government - Health and Social Care - Self Directed Support Project 2018-2020	26,499	49,874	(1,330)	(64,201)	-	10,842
Highlife Highland - Open Programme	5,869	-	-	(5,869)	-	-
Edinburgh College - SE Edinburgh ESOL	-	9,600	-	(9,600)	-	-
Dundee City Council - EU Dundee AMIF	-	21,462	-	(16,647)	-	4,815
Edinburgh Council - CBAL	-	13,899	(5,000)	(8,374)	-	525
Falkirk Council - Job Clubs	14,853	22,280	-	(22,280)	-	14,853
North Glasgow Housing Association - Thriving Places - 'Possibilities Project'	119	-	-	-	-	119
Aberdeenshire Council - Adult Education Programme	21,499	9,337	-	(13,629)	-	17,207
Aberdeen City Council - Parenting Project	12,260	-	-	-	-	12,260
Glasgow City Council - Glasgow Communities Fund	-	108,196	12,346	(120,542)	-	-
Reach Out Project - General	7,456	-	-	-	-	7,456
Fife Council - Revenue Grant	-	36,701	(7,340)	(29,361)	-	-
Fife Council - Teaching Grant	17,538	16,489	(3,298)	(4,929)	-	25,800
Aberdeen City Council - Revenue Grant	-	28,125	(5,625)	(22,500)	-	-
Aberdeen City Council - Teaching Grant	3,812	14,100	(2,820)	(9,894)	-	5,198
Highland Council - Syrian Re-settlement Project	-	47,914	6,354	(47,025)	-	7,243
North East Scotland Colleges - ESOL Programme	-	27,213	14,641	(41,854)	-	-
Aberdeenshire Council - Aberdeenshire CBAL	-	12,870	-	(12,870)	-	-
Aberdeen City Council - Afghan ESOL	-	-	5,108	(5,108)	-	-
Aberdeen City Council - Reach Out 22/24	-	78,000	(1,000)	(18,478)	-	58,522
Aberdeenshire Council - Home Office - ESOL Project	5,535	-	-	(1,323)	-	4,212
Glasgow Clyde College	-	12,250	-	(12,250)	-	-
Falkirk Council - Employment & Training Unit	-	12,975	(1,050)	(11,925)	-	-
Foundation Scotland - Response, Recovery, Resilience	-	204	-	(204)	-	-
Scottish Book Trust	-	675	-	(675)	-	-
Scottish Government - Glasgow Life AMIF	-	-	12,676	(9,956)	-	2,720
Glasgow City Council - Glasgow CBAL	-	30,165	-	(30,165)	-	-
Inspiring Scotland - Kilmarnock Garden Project	-	5,930	-	(5,464)	-	466
Scottish Government - PA Network	-	-	20,359	(20,359)	-	-
North Ayrshire Council - ESOL 2020-2022	818	53,178	(63)	(53,933)	-	-
Lipman Miliband Trust	1,990	-	-	(1,724)	-	266
Total other restricted funds (note 13)	472,879	8,503,622	288,990	(8,892,010)	25,000	398,481

Notes to the financial statements for the year ended 31 July 2022

13c. Statement of funds (continued)**Other restricted funds** (continued)

	At 1 August 2021 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2022 £
Capital Grants						
Greater Manchester Combined Authority	89	-	-	(89)	-	-
Liverpool City Region	13,931	-	-	1,637	-	15,568
Big Lottery Fund - Sheffield Learning Centre	63,316	-	-	(2,785)	1,392	61,923
Big Lottery Fund - Clare House	43,961	-	-	(2,507)	1,253	42,707
Big Lottery Fund - East Midlands Learning Centre	7,447	-	-	(9,646)	2,199	-
Total restricted capital funds (note 13)	128,744	-	-	(13,390)	4,844	120,198

Notes to the financial statements for the year ended 31 July 2022

13d. Statement of funds (continued)**Prior year statement of funds** (continued)**Lottery funded projects** (continued)

	At 1 August 2020 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2021 £
Eastern						
Big Lottery Fund and ESF Building Better Opportunities Grant - Papworth Community Connections	2,896	12,549	2,579	(14,940)	-	3,084
East Midlands						
Big Lottery Fund and ESF Building Better Opportunities Grant - Vista Will	15,240	58,530	31,447	(105,217)	-	-
Big Lottery Fund and ESF Building Better Opportunities Grant - Money Sorted in D2N2	-	34,995	14,467	(49,462)	-	-
North East						
Big Lottery Fund Grant - Greening Wingrove	835	-	-	(835)	-	-
North West						
Big Lottery Fund and ESF Building Better Opportunities Grant - Sefton Liverpool Digital Inclusion	5,746	16,853	-	(19,715)	-	2,884
Big Lottery Fund and ESF Building Better Opportunities Grant - Halton Liverpool Digital inclusion	10,986	65,534	-	(75,742)	-	778
Big Lottery Fund and ESF Building Better Opportunities Grant - Cumbria, Carlisle & Eden	-	115,040	(54,269)	(16,856)	-	43,915
Southern						
Big Lottery Fund and ESF Building Better Opportunities Grant - Routes Community Works	6,533	40,504	-	(38,770)	-	8,267
Big Lottery Fund and ESF Building Better Opportunities Grant - Aspire - Family Learning Surrey	-	31,965	(3,871)	(28,094)	-	-
Big Lottery Fund and ESF Building Better Opportunities Grant - Building Family Bridges	-	95,820	(53,891)	(45,561)	3,724	92
Yorkshire & Humber						
BLF Men's Health Lounge	927	-	-	-	-	927
Scotland						
Big Lottery Fund - Reach Out Project	99,406	149,618	-	(115,707)	-	133,317
Total lottery fund projects	142,569	621,408	(63,538)	(510,899)	3,724	193,264
Other projects						
ESF (note 13e)	(199,539)	3,972,818	343,082	(4,184,779)	-	(68,418)
Other (note 13f)	596,724	7,774,637	(240,330)	(7,658,152)	-	472,879
Total restricted revenue funds	539,754	12,368,863	39,214	(12,353,830)	3,724	597,725

Notes to the financial statements for the year ended 31 July 2022

13e. Statement of funds (continued)**Prior Year Statement of funds** (continued)**European Social Funds (ESF) and other European funding**

	At 1 August 2020 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2021 £
Scotland						
Scottish Refugee Council - EU Asylum, Migration and Integration Fund: Sharing Lives Sharing Languages	4,615	-	-	(53)	-	4,562
Scottish Refugee Council - EU Asylum, Mitigation & Integration Fund: New Scots Integration - A Pathway to Social and Economic Inclusion	-	55,711	49,204	(86,621)	-	18,294
Scottish Refugee Council - EU Asylum, Mitigation & Integration Fund - New Scots Integration: Rights & Communities	-	20,856	-	(20,856)	-	-
Aberdeen University - LEADER - Elphinstone Home Project	-	16,830	-	(6,820)	-	10,010
East Midlands						
ESF Nottingham Trent University	-	-	2,113	(2,113)	-	-
North West						
ESF 19-21 Community Grants Manchester	(108,561)	2,470,024	106,439	(2,506,865)	-	(38,963)
ESF 19-21 Community Grants Lancashire	(32,483)	293,762	49,727	(348,934)	-	(37,928)
ESF 19-21 Community Grants Halton	(7,645)	89,502	48,786	(126,030)	-	4,613
ESF 19-21 Community Grants Liverpool	(55,465)	1,026,133	86,813	(1,086,487)	-	(29,006)
Total European restricted funds (note 13d)	(199,539)	3,972,818	343,082	(4,184,779)	-	(68,418)

Notes to the financial statements for the year ended 31 July 2022

13f. Statement of funds (continued)**Prior year statement of funds** (continued)**Other restricted funds**

	At 1 August 2020 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from General Fund £	At 31 July 2021 £
Association Services						
Olive Cordell	4,742	-	-	(600)	-	4,142
Restricted Gift	500	-	-	-	-	500
Digital Lifeline Campaign	931	2,037	-	(1,941)	-	1,027
Holox Digital Ace	-	23,500	-	(23,500)	-	-
ETF Ed Tech	-	2,000	-	(2,000)	-	-
Lloyds Banking Group	-	37,810	-	(37,810)	-	-
East Midlands						
Joan Freeman Legacy	2,339	-	-	-	-	2,339
Algy Beaven Legacy	1,375	-	-	-	-	1,375
John Rhodes Fund	9,581	-	-	-	-	9,581
LinHigher - Raising Aspirations	4,179	-	-	-	-	4,179
Bailey Thomas Fund - Lets Grow Together	1,545	-	-	(1,545)	-	-
Leicestershire PCC - Starting Over!	5,365	-	-	(5,365)	-	-
Nottingham City Council ESOL for Integration Fund Project - Learn English Together	-	66,114	-	(66,114)	-	-
Nottingham City Council Restart Grant	-	13,624	-	-	-	13,624
Leicestershire County Council SHIRE Community Grant Fund	-	3,160	-	(2,735)	-	425
Eastern						
Lester John Desmond Legacy	1,466	-	-	-	-	1,466
Clarion Housing	3,788	4,000	-	(3,260)	-	4,528
East of England Local Government Association (EELGA)	-	65,244	-	(55,193)	-	10,051
Cambridgeshire County Council	-	26,200	1,243	(27,443)	-	-
London						
Ilford Legacy	15,125	-	-	-	-	15,125
Cottier Legacy	3,753	-	-	-	-	3,753
ICELP Together We Learn	152,972	-	-	(115,623)	-	37,349
GLA - Skills for Londoners Innovation Fund	24,941	62,628	-	(87,569)	-	-
GLA - Skills for Londoners Covid-19 Response Fund	12,176	(12,176)	-	-	-	-
GLA - Skills for Londoners COVID-19 Response Fund Strand 2	-	24,906	-	(24,906)	-	-
GLA - Adult Education Budget	-	1,343,461	(91,286)	(1,252,175)	-	-
London Borough of Enfield - All Things Being ESOL	-	73,500	-	(73,500)	-	-
London Borough of Tower Hamlets - ESOL for Integration	-	36,182	17,456	(53,638)	-	-
North East						
100 Club	1,824	6	-	-	-	1,830
Comic Relief- Active Ageing	3,574	4,210	-	(7,784)	-	-
Unison Bridges to Learn 9	-	78,428	-	(78,428)	-	-
Carers Trust - Active Ageing	674	-	-	(674)	-	-
Tees Valley Combined Authority	-	360,255	(145,284)	(214,971)	-	-
North of Tyne Combined Authority	-	350,852	-	(340,852)	-	10,000
Lipman-Miliban Grant - Lipman Trust	-	1,950	-	(337)	-	1,613
Balance carried forward	250,850	2,567,891	(217,871)	(2,477,963)	-	122,907

Notes to the financial statements for the year ended 31 July 2022

13f. Statement of funds (continued)**Prior year statement of funds** (continued)**Other restricted funds** (continued)

	At 1 August 2020 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from General Fund £	At 31 July 2021 £
Balance brought forward	250,850	2,567,891	(217,871)	(2,477,963)	-	122,907
North West						
RSC - Any Old Ions	14,871	-	-	-	-	14,871
RAS - Look Up to the Skies	8,447	-	-	(1,710)	-	6,737
Wellcome Trust	21,713	38,597	2,881	(63,191)	-	-
Community Foundation- OneCom	1,408	-	-	(1,408)	-	-
Greater Manchester Combined Authority	-	2,018,258	(8,260)	(2,009,998)	-	-
Liverpool City Region Combined Authority Lot 1	-	799,961	(57,297)	(742,664)	-	-
Liverpool City Region Combined Authority Lot 2	-	41,630	11,742	(53,372)	-	-
Liverpool NHS	-	1,500	-	(1,500)	-	-
ESIF - CSI	-	45,000	(23,467)	(21,533)	-	-
South West						
West of England Combined Authority	-	322,751	-	(322,751)	-	-
Southern						
Fred Adler Legacy	57,961	-	-	(19,093)	-	38,868
Joan Taylor Legacy	812	-	-	-	-	812
K Smith Legacy	31,893	-	-	(10,500)	-	21,393
Santander	610	-	-	(333)	-	277
Sport England	9,085	25,233	1,323	(35,641)	-	-
Slough Borough Council - Ways Into Work	-	30,222	(846)	(29,376)	-	-
West Midlands						
Dudley MBC - Healthy Towns	23,148	66,337	-	(61,901)	-	27,584
West Midlands Combined Authority	-	835,160	-	(835,160)	-	-
Recovery College	-	4,863	-	(2,181)	-	2,682
Yorkshire & Humber						
Mike Haywood Fund	869	-	-	-	-	869
Yorkshire Adult Schools Union	8,300	-	-	-	-	8,300
Leeds University	3,047	-	-	(47)	-	3,000
Sheffield City Council	2,366	(1,239)	2,000	(1,753)	-	1,374
Refugee Council	1,015	3,600	-	(2,662)	-	1,953
NHS Confidence to study	23,961	2,587	-	(5,203)	-	21,345
Sport England	2,818	91,805	5,367	(84,110)	-	15,880
Your Consortium - Action Towards Inclusion	-	19,853	2,324	(22,177)	-	-
Heritage Fund - Women on the Land	-	48,750	-	-	-	48,750
Eastfield Employment - Scarborough Borough Council	-	13,510	344	(11,408)	-	2,446
Leeds City Council	-	-	5,445	(5,445)	-	-
Balance carried forward	463,174	6,976,269	(276,315)	(6,823,080)	-	340,048

Notes to the financial statements for the year ended 31 July 2022

13f. Statement of funds (continued)**Prior year statement of funds** (continued)**Other restricted funds** (continued)

Balance brought forward	463,174	6,976,269	(276,315)	(6,823,080)	-	340,048
Scotland						
Scottish Government - Adult Learning and Empowering Communities Fund	-	290,000	-	(290,000)	-	-
Scottish Government - Impact Funding Partners - PEC Fund - Women in the Highlands Project	25,019	51,128	7,083	(68,647)	-	14,583
Scottish Government - Health and Social Care - Self Directed Support Project 2018-2020	17,562	72,155	-	(63,218)	-	26,499
Highlife Highland - Open Programme	12,287	2,500	-	(8,918)	-	5,869
Edinburgh Community Learning & Development Partnership - ESOL Programme	-	9,600	-	(9,600)	-	-
Falkirk Council - Job Clubs	14,853	22,280	-	(22,280)	-	14,853
North Glasgow Housing Association - Thriving Places - 'Possibilities Project'	119	-	-	-	-	119
Aberdeenshire Council - Adult Education Programme	940	31,125	-	(10,566)	-	21,499
Aberdeen City Council - Parenting Project	12,260	-	-	-	-	12,260
Glasgow City Council-Integrated Grant Fund - Adult Literacies and ESOL 2018-2019	18,894	(1,475)	-	(17,419)	-	-
Reach Out Project - General	7,456	-	-	-	-	7,456
Fife Council - Revenue Grant	-	26,914	2,447	(29,361)	-	-
Fife Council - Teaching Grant	10,483	12,092	1,099	(6,136)	-	17,538
Aberdeen City Council - Revenue Grant	-	20,625	1,875	(22,500)	-	-
Aberdeen City Council - Teaching Grant	3,116	10,340	940	(10,584)	-	3,812
Highland Council - Syrian Re-settlement Project	-	54,108	-	(54,108)	-	-
North East Scotland Colleges - National ESOL Programme	-	25,812	10,789	(36,601)	-	-
Aberdeenshire Council - Home Office - ESOL Project	10,561	-	-	(5,026)	-	5,535
Scottish Refugee Council	-	2,500	-	(2,500)	-	-
Glasgow Clyde College	-	12,250	-	(12,250)	-	-
Falkirk Council - Employment & Training Unit	-	4,200	2,050	(6,250)	-	-
Glasgow City Council - Glasgow Communities Fund	-	88,017	5,381	(93,398)	-	-
North Ayrshire Council - ESOL 2020-2022	-	41,833	4,525	(45,540)	-	818
Scottish Refugee Council - Improving Community Resilience	-	5,000	-	(5,000)	-	-
Foundation Scotland - Response, Recovery, Resilience	-	2,875	(204)	(2,671)	-	-
Highland Council - Syrian Resettlement Programme 2021-2023	-	12,499	-	(12,499)	-	-
Lipman Miliband Trust	-	1,990	-	-	-	1,990
Total other restricted funds (note 13d)	596,724	7,774,637	(240,330)	(7,658,152)	-	472,879
Capital Grants						
ESFA Capital Grant	-	957,932	-	(426,064)	(531,868)	-
Greater Manchester Combined Authority	-	50,000	-	(49,911)	-	89
Liverpool City Region	-	40,000	-	(26,069)	-	13,931
Big Lottery Fund - Sheffield Learning Centre	65,000	-	-	(3,368)	1,684	63,316
Big Lottery Fund - Clare House	46,266	-	-	(4,611)	2,306	43,961
Big Lottery Fund - East Midlands Learning Centre	13,050	-	-	(11,204)	5,601	7,447
Total restricted capital funds (note 13)	124,316	1,047,932	-	(521,227)	(522,277)	128,744

Notes to the financial statements for the year ended 31 July 2022

14. Reconciliation of change in resources to net cash inflows from operating activities

	2021/22 £'000	2020/21 £'000
Net incoming resources	827	4,854
Loss on disposal of fixed assets	40	118
Depreciation	487	554
Other finance charges	650	538
(Increase)/decrease in debtors	(241)	(298)
Increase/(decrease) in creditors and provisions	17	(603)
Interest received	(13)	(4)
Other finance income	(699)	(548)
Non cash movements in respect of FRS 102 s.28	(384)	(346)
Net cash inflow from operating activities	684	4,265

15. Return on investments and servicing of finance

	2021/22 £'000	2020/21 £'000
Income from investments and interest receivable	13	4
Net cash inflow for return on investments and servicing of finance	13	4

16. Analysis of change in net funds

	At 1 August 2021 £'000	Cash flow £'000	At 31 July 2022 £'000
Net cash			
Short term deposits	2,593	9	2,602
Bank and cash	7,439	225	7,664
Total net funds	10,032	234	10,266

17. Trustees' expenses and remuneration

The Trustees neither received nor waived any emoluments during the year.

	2021/22 £'000	2020/21 £'000
Trustees' expenses		
Trustee travel	1	-

The number of trustees reimbursed out of pocket travel and subsistence expenses was 2 (2020/21:0).

During 2020/21 all governance meetings were held via Zoom.

The Trustees hold indemnity insurance. During the year, the Association spent £2,423 (2020/21: £2,423), to purchase this indemnity insurance policy.

Notes to the financial statements for the year ended 31 July 2022

18. Pension schemes

At 31 July 2022 the pension schemes operated by the Association are the Teachers' Pensions scheme (TPS), the Scottish Public Pension Agency scheme (SPPA) and The People's Pension. Staff are auto-enrolled into these schemes based on job roles and eligibility. The WEA pension scheme closed to new accruals at 31 August 2019. The existing scheme funds continue to be managed by The Pensions Trust (TPT) who act as trustee and administrator. Contributors were transferred to the People's Pension scheme. The WEA also left the Now: Pension scheme at 31 August 2019 and contributors were transferred to the Peoples' Pension scheme. During the year all those who met the required criteria and had previously opted out of a pension scheme were re-enrolled in the relevant scheme under the rules of the Government's auto-enrolment scheme.

The TP and SPPA schemes are unfunded multi-employer defined benefit schemes for teaching staff.

The pension charge for the year includes contributions payable to the TPS of £1,112,823 (2020/21 £1,105,303) and at the year-end £105,799 (2020/21 £104,928) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation the Government have accepted 3 proposals recommended by the Government Actuary, and are aiming to implement these changes for the 2020 valuations.

The 2016 cost control valuations have since been completed in 2022 and the result indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of TPS. Accordingly, no provision for any additional past service pension costs is included in these financial statements.

The pension charge for the year includes contributions payable to the SPPA of £57,108 (2020/21: £48,285) and at the year-end £5,691 (2020/21: £4,206) was accrued in respect of contributions to this scheme.

The employer SPPA contribution rate was 17.20% until September 2019 and then rose to 23.00%. This is a single level contribution and not tiered the same way as employee contributions which attract rates of between 7.2% and 11.9%.

The People's Pension scheme is a defined contribution pension. The lowest permitted employee contributions are 3.5% with the employer contributing 4.5%. This meets the new Government requirements of a workplace pension scheme with minimum contributions of 8% with an employer funding at least 3%. Employees can still choose to make higher contributions but the employer contribution remains at 4.5%.

The WEA Scheme closed to accrual in August 2019. Although there is no pension liability under FRS 102 s.28 on the balance sheet using the technical provision actuarial valuation there is a deficit in the scheme at 30 September 2020 of £3,646,000. To meet this shortfall WEA have agreed to pay £380,000 per annum increasing at 3% per annum from 1 December 2021 to 30 November 2025.

The principal assumptions used by the actuary in accordance with FRS 102 s.28 are shown on page 68. The Trustees have relied upon advice from the Pensions Trust in determining the financial assumptions.

Notes to the financial statements for the year ended 31 July 2022

18. Pension schemes (continued)

	2021/22	2020/21
Discount rate	3.48%	1.65%
Inflation (RPI)	3.20%	3.25%
Inflation (CPI)	2.84%	2.85%
Deferred Revaluation: RPI max 5%	3.20%	3.25%
Deferred Revaluation: RPI max 2.5%	2.50%	2.50%
Deferred Revaluation: CPI max 2.5%	2.50%	2.50%
Salary Increases	3% in year, 2% thereafter	1% in year, 2% thereafter
Allowance for pension in payment increases of CPI, max 5% p.a.	2.78%	2.80%
Allowance for pension in payment increases of CPI, max 3% p.a.	1.98%	2.00%
Allowance for pension in payment increases of CPI, max 2.5% p.a.	2.24%	2.25%
Allowance for commutation of pension for cash at retirement using notional commutation factors	75% of maximum	75% of maximum

The mortality assumptions adopted at 31 July 2020 (2019) imply the following life expectancies (in years):

Male retiring at age 65 in 2022 (2021)	21.8	21.7
Female retiring at age 65 in 2022 (2021)	24.2	24.1
Male retiring at age 65 in 2042 (2041)	23.4	23.3
Female retiring at age 65 in 2042 (2041)	25.7	25.6

a) Fair value

	2021/22 £'000	2020/21 £'000
Present value of scheme liabilities	(31,964)	(39,935)
Fair value of scheme assets	34,606	42,733
Effect of asset ceiling	(2,642)	(2,798)
Surplus	-	-
Amounts in the balance sheet		
Liabilities	-	-
Assets	-	-
Net liability to be recognised	-	-

b) Change in liabilities during the period

	2021/22 £'000	2020/21 £'000
Opening scheme liabilities	39,935	40,484
Current service cost	-	-
Interest cost	650	538
Contributions by employees	-	-
Loss due to benefit changes	-	5
Actuarial loss	(7,491)	128
Benefits paid	(1,130)	(1,220)
Closing liabilities	31,964	39,935

Notes to the financial statements for the year ended 31 July 2022

18. Pension schemes (continued)

c) Change in assets during the period

	2021/22 £'000	2020/21 £'000
Opening fair value of the scheme assets	42,733	41,008
Interest income	699	548
Expenses	(101)	(112)
Return on assets excluding interest income	(8,080)	2,046
Contributions by employer	485	463
Benefits paid	(1,130)	(1,220)
Closing assets	34,606	42,733

d) Analysis of amount charged to the income statement

	2021/22 £'000	2020/21 £'000
Expenses	101	112
Past service cost	-	5
Total amount recognised in the income statement	101	117

e) Statement of other comprehensive income

	2021/22 £'000	2020/21 £'000
Return on assets excluding interest income	(8,080)	2,046
Experience (losses)/ gains on liabilities	(2,140)	98
Gain/ (Loss) for change of assumptions	9,631	(226)
Effect of change in non-recoverable surplus	205	(2,264)
Net cumulative actuarial loss	(384)	(346)

The loss for change in assumptions is further analysed below:

(Loss)/Gain from change of demographic assumptions	(913)	847
Gain/(Loss) from change of financial assumptions	10,544	(1,073)
	9,631	(226)

Amount recognised in the SOFA

Amount recognised in the SOFA to bring the pension surplus to nil	(433)	(356)

Notes to the financial statements for the year ended 31 July 2022

18. Pension schemes (continued)

f) Fair value of assets

	Value at 31 July 2022 £'000	Proportion	Value at 31 July 2021 £'000	Proportion
Equity type assets	3,397	9.8%	4,823	11.3%
Bonds	16,843	48.7%	22,739	53.2%
Property	3,007	8.7%	2,888	6.8%
Other	11,359	32.8%	12,283	28.7%
Total value of assets	34,606	100.0%	42,733	100.0%

h) Amounts for the current and previous periods are as follows:

	2021/22 £'000	2020/21 £'000	2019/20 £'000	2018/19 £'000	2017/18 £'000
Present value of scheme liabilities	(31,964)	(39,935)	(40,484)	(35,089)	(33,804)
Scheme Assets	31,964 *	39,935 *	40,484 *	37,911	33,698
Surplus(deficit)	-	-	-	2,822	(106)

* adjusted for asset ceiling, £2,642,000 (2020/21 £ 2,798,000, 2019/20 £524,000) to bring surplus to zero.

Experience adjustments on scheme liabilities	(2,140)	98	199	92	(630)
Percentage of the present value of scheme liabilities	6.7%	-0.2%	-0.5%	-0.3%	1.9%
Experience adjustments on scheme assets	(8,080)	2,046	2,869	3,711	1,218
Percentage of the fair value of scheme assets	-25.3%	-4.5%	7.1%	9.8%	3.6%

i) Additional information for The Pensions Trust - WEA Pension Scheme

The scheme is a defined benefit (final salary) funded pension scheme. The scheme was closed to further contributions at 31 August 2019. At the time all contributors were transferred to the People's Pension.

The scheme assets do not include investments issued by the sponsoring employer, nor any property occupied by the sponsoring employer.

The overall expected rate of return on the scheme assets has been based on the average expected return for each asset class, weighted by the amount of asset in each class.

The scheme holds Contingent Assets in the form of a security in favour of the Trustee over the office property situated at 4 Luke Street, London, EC2A 4XW which was valued at £3,500,000 in March 2022, in respect of all sums which are, or may become due and payable by the sponsoring employer to the Scheme. At 31st July 2022 the charge is capped at £2,500,000.

The scheme holds quoted securities and these have been valued at bid-price.

Notes to the financial statements for the year ended 31 July 2022

19. Investment income

	2021/22 £'000	2020/21 £'000
Interest on cash deposits	13	4
Interest on pension scheme assets	699	548
	712	552

20. Investments in subsidiaries

At 31st July 2022 the Association owned the entire issued share capital of 1 ordinary share (2020/21: 1 share) of WEA Trading Ltd. At 31st July 2022 the aggregate of share capital and reserves of WEA Enterprises Limited was £1 (2020/21: £1).

The company has not traded during the period and has nil assets at 2021/22 (2020/21: nil). Consolidated accounts have not been prepared given that the results of the company and its aggregate reserves and capital are immaterial in the opinion of the trustees.

21. Related party transactions

Owing to the nature of the Association's operations and the composition of the Board of Trustees, being drawn from local, public and private sector organisations, it is likely that transactions will take place from time to time with organisations in which a member of the Board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Association's Financial Regulations and normal procurement procedures.

During the year there were related party transactions of £23,314 (2020/21: £5,486).

Odgers Berndtson have charged the Association £23,314 in 2021/22 which is part payment of a contract to recruit a Finance Director.

Narinder Uppal, a WEA trustee, is an employee of a company within the Odgers financial group.

Transactions with ESFA are detailed in notes 2 and 2a.

22. Provisions

	2021/22 £'000	2021/22 £'000
Leased property dilapidation	£'000	£'000
At 1 August	472	582
Provisions charged	12	-
Provisions released	(62)	(110)
At 31 July	422	472

Provisions are made when a legal or constructive obligation is identified, and the liability can be reasonably quantified. These provisions are reviewed annually as at the year end date and are adjusted to reflect the latest best estimate of the present obligation concerned. These adjustments are reflected in the statement of financial activities for the year.

23. Post balance sheet events

On 29 November 2022 WEA was notified by the Department for Education that it would be classed by the Office for National Statistics as a public sector body along with colleges.

The WEA
4 Luke Street
London
EC2A 4XW

 @WEAadulted
 weaadulteducation



Education & Skills
Funding Agency



INVESTORS
IN PEOPLE

The WEA is a charity registered in England and Wales (no. 1112775)
and in Scotland (no. SC039239).

Accounts

WEA statutory annual report and financial statements

Year ended 31 July 2021



WEA

Adult Learning
Within Reach

Workers' Educational Association

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The Workers' Educational Association (WEA) is a company limited by guarantee in England and Wales (Number: 2806910) and a registered charity in England and Wales (Number: 1112775) and in Scotland (Number: SC039239)

Registered office:
4 Luke Street, London, EC2A 4XW

Introduction

The members of the Board of Trustees of the WEA, who are the Trustees of the charity, and Directors and Members of the Company, have pleasure in submitting the report and accounts for the year ended 31 July 2021.

The financial statements have been prepared in accordance with the accounting policies set out in the attached financial statements and comply with the charitable company's Articles of Association, applicable law and regulations, and:

- ▶ Have been properly prepared in accordance with UK accounting standards, including FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland and with the 2019 Statement of Recommended Practice: Accounting and Reporting for Charities; and
- ▶ Meet the requirements of the ESFA funding agreement and financial memorandum dated 14 August 2020 and issued by the ESFA.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and also constitutes a directors' report as required by section 418 of the Companies Act 2006.

The Governance arrangements are explained in more detail in the Structure, Governance & Management section on page 23.

Further information on WEA's activities during the year and the impact these activities have had on the communities it serves is available in the Impact Report, separately published in October 2021 and available on the WEA website.

Reference and administrative details

Trustees

The following trustees served on the Board during the year and to date:

John Widdowson (Chair)

Cliff Allum

Robin Cook

Michael Crilly

Marion Flett

Jon Gamble

Pat Kynaston

Geoff Layer

Lindsay Pearson

Marc Sherland

Lynne Smith (resigned 16/09/2020)

Peter Threadkell

Narinder Uppal

Company Secretary

Kathleen Formosa

Leadership team

Chief Executive &
General Secretary ("CEO/GS")

Finance Director

Director for Quality & Learner Services

Director for WEA Scotland

Director of Education (Community Learning)

Director of Education (Skills & Employability)

Director for Marketing, Membership
& Income Growth

Head of Corporate Governance

Head of Human Resources & Organisational
Development

Head of ICT

Director for Education & Deputy Chief Executive

Chief Operating Officer

Simon Parkinson

Dympna McCoy (appointed 26/04/2021)

Preeya Buckley

Ray McCowan

Katie Easey (appointed 07/06/2021)

Chris Morgan (appointed 04/03/2021)

James Ward

Kathleen Formosa

Margaret Johnson

Richard Wilkes (resigned 15/10/2021)

Joanna Cain (resigned 30/11/2020)

Jane Swift (resigned 30/11/2020)

Auditor

Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

Bankers

Royal Bank of Scotland
9th Floor
280 Bishopsgate
London EC2M 4RB

Bank of Scotland
300 Lawnmarket
Edinburgh EH1 2PH

Solicitors

Bates Wells
10 Queen Street Place
London EC4R 1BE

Balfour & Manson
54-66 Frederick
Edinburgh EN2 1LS

Pension fund trustees and administrators

Teachers' Pensions
11b Lingfield Point
Darlington
DL1 1AX

Scottish Public Pension Agency
7 Tweedside Park
Tweedbank
Galashiels
TD1 3TE

The People's Pension (B&CE Holdings Ltd.)
Manor Royal
Crawley RH10 9QP

The Pensions Trust (closed to future accrual
31/08/2019)
Verity House
6 Canal Wharf
Leeds LS11 5BQ

NOW: Pensions (contributions ceased 31/08/2019)
3rd Floor
164 Bishopsgate
London EC2M 4LX

WEA registered office

4 Luke Street
London EC2A 4XW

T. +44 (0) 20 7426 3450
W. wea.org.uk

Registered Charity Number
(England and Wales): 1112775

Registered Charity Number
(Scotland): SC039239

Registered Company Number
(England and Wales): 2806910

Objectives and activities

In fulfilment of its charitable objects, to promote adult and general education for the benefit of the community regionally, nationally and internationally based on democratic principles in its organisation and practice, through the participation of its voluntary members, WEA built on its successes from previous years in its achievements during 2020/21, and also addressed some of its areas of development.

Following the appointment of the new CEO/GS in December 2019, a refreshed 2025 Strategy, reflecting some adjustment to the outcomes and enablers of the 2025 Strategy's key priorities, was approved by Trustees at a meeting on 23 July 2020. The refreshed strategy set clear aims, priorities and enablers to ensure WEA's ongoing success. Its overarching aim reconfigured the Association, recognising and embracing the principle that individuals and their communities have the knowledge, skills and desire to drive positive change at the local, regional, national (England and Scotland) and international level. The Association thus recognised that its role is to celebrate local variation and variety whilst serving and supporting local and regional activity. WEA's objectives and activities throughout 2020/21 were aligned to the three agreed priorities set out in the refreshed 2025 Strategy:

- ▶ Our Learners & Learning
- ▶ Our Members & Volunteers
- ▶ Our Voice

Operational priorities throughout the year were aligned to the enablers supporting these strategic priorities:

- ▶ Our People
- ▶ Our Systems & Processes
- ▶ Our Finances

Work on these priorities and their enablers was guided by the uniting theme of "One WEA" recognising that for the English Regions and Scotland being connected to a national organisation offers reach and benefits which are difficult to achieve separately. WEA sought and will continue to seek to promote and support an environment in which ideas and outcomes delivered locally and regionally, and the impact of local and regional delivery, are shared and exchanged in furtherance of WEA's purpose to bring adult education within reach.

Our Learners & Learning

WEA has and will continue to provide learning opportunities to meet adult learners' needs and aspirations across England and Scotland. These learning opportunities vary to reflect the different needs and aspirations at the national, regional and local level. To this end, WEA has:

- ▶ Provided a wide range of learning opportunities that are relevant to individuals at the local, regional and national level, recognising the complexity which often goes alongside being an adult learner;
- ▶ Created a learning offer that meets the needs and aspirations of all learners, recognises their diversity (e.g., ethnicity, gender, age and disability) and understands social factors such as social isolation and loneliness, caring responsibilities and poverty; and
- ▶ Built on existing core funding from the Department for Education, devolved authorities in England and the Scottish Government by raising further charitable funds in the interest of maintaining agility and meeting the changing needs and aspirations of learners.

The Board of Trustees and WEA's Leadership Team made a commitment to delivering broad adult education across the four themes – employability, health and wellbeing, community engagement and culture – spanning each of the agreed strategic priorities.

2020/21 priorities to support WEA's learners and adult learning in general were:

- ▶ **Informed curriculum planning** to enable learners to achieve positive outcomes that build confidence for life and work, support adults into work and progression at work, promote mental and physical health and wellbeing, broaden horizons, and promote active citizenship and vibrant communities.
- ▶ **Putting the learner experience at the centre of WEA's approach to education** through an enhanced focus on the outcomes from class visits, measurement of learner experience and outcomes through the year, and a strong focus on learner progression through WEA programmes.
- ▶ **Embedding WEA's innovative approach to blended and digitally-enabled learning** to ensure the approach is a significant contributor to the learner experience and learning. The use of Canvas was embedded into most WEA classes during the period of lockdown. Canvas continues to be used at minimum to enable learners to complete their learning plans and evaluations online.

- ▶ **Efficiently and effectively delivering learning provision** through direct delivery of education contracts and through continued positive relationships with partners and subcontractors.

Each of these priorities are underpinned by specific plans and priorities in each English Region and in Scotland, and are supported by the Leadership Team. In support of the refreshed 2025 Strategy, the Board of Trustees and CEO/GS agreed to a new Leadership Team structure, reorganised in the best interest of delivering a wide variety of learner-focused provision that meets local and community interests and contractual agreements. Embedding of the new Leadership Team structure commenced in early 2021.

Our Members & Volunteers

WEA's approach to volunteering has seen a complete overhaul of processes and the implementation of an integrated approach aimed at ensuring that volunteering is fit for purpose going forward.

In the interest of its learners, WEA has supported members and volunteers by:

- ▶ Continuing to grow the network of volunteers, members and partners that support WEA and together with them provide a strong and unified voice to advocate for adult education in the UK and the benefits this creates for individuals, communities and society as a whole; and
- ▶ Supporting volunteers to ensure they are provided the tools and training needed to feel part of a unified organisation with a positive organisational culture.

The continued development of a simple membership offer based on what WEA members want at a valued price point has resulted in an increase in the number of members and importantly a higher level of engagement at a national and local level.

Our Voice

Through its learners, members and volunteers, WEA has campaigned on issues surrounding adult education and sought to influence policy across the UK. WEA has been working hard to achieve political change across the adult education landscape by lobbying both the English and Scottish Government, engaging with the All-Party Parliamentary Group (APPG) on Adult Education, submitting evidence to select committees, and working with a range of likeminded organisations.

WEA remains committed to growing its direct support to adult learners and to raising the profile of adult education in the UK. Over a quarter of working age adults in the UK have low or no qualifications. We know that in the UK:

- ▶ 9 million still cannot use the internet without help¹;
- ▶ 7.1 million have very poor literacy skills²;
- ▶ 3.7 million are in low-paid and insecure work³;
- ▶ 1 in 3 adults having no qualifications live in poverty⁴; and
- ▶ 5% of adults say they feel lonely often or always.⁵

WEA also know that access to adult learning helps bridge these inequalities and the divides they create in society and WEA is committed to tackling these issues.

1 Good Things Foundation, 2020.

2 National Literacy Trust, 2021.

3 Living Wage Foundation, 2021.

4 Joseph Rowntree Foundation, 2019.

5 ONS, 2021.

Our People

Members and volunteers are the lifeblood of WEA and critical to its long-term success and sustainability. WEA knows that growing an active membership is key to raising its profile and amplifying its voice as the leading adult education organisation. The WEA membership program continued to develop throughout the year, with new initiatives and campaigns to engage and integrate new members across the UK. To this end, WEA focused on increasing overall membership, committing to:

- ▶ Continuing the development of WEA's membership offer and the excellent value it provides;
- ▶ Exploring new ways of supporting members to self-organise; and
- ▶ Continuing to engage with volunteers, encouraging them to become paying members.

Building on a comprehensive volunteer survey completed at the end of 2019/20, WEA's membership and volunteering team focused on the following priorities during the 2020/21 financial year:

- ▶ Completing the end-to-end review of the volunteer journey, including new role descriptors and embedding of a new induction and training programme;
- ▶ Engaging in the external Volunteers Count survey to allow WEA to benchmark its volunteer experience against other similar organisations;
- ▶ Automating volunteer recruitment using the HR AMRIS system; and
- ▶ Ensuring that engagement with volunteers continues to improve and that volunteers play an active role across all areas of the Association.

WEA is a living wage employer, and held a standard Investors in People ("IIP") accreditation from 2018-2021. Following a rigorous re-accreditation review, WEA was awarded IIP Silver in November 2021.

Our Systems & Processes

During the year, WEA undertook a comprehensive review of its current systems and processes, taking stock in particular of whether these systems and processes enabled an optimal learner experience. To this end, a full systems review was undertaken with the following priorities in mind:

- ▶ Ensuring systems across England and Scotland could be fully integrated;
- ▶ Maintaining a high level of systems resilience and security;
- ▶ Examining ways of automating registration, enrolment and other learner-facing processes; and
- ▶ Resolving and improving the approach to ensuring GDPR compliance.

WEA achieved the aim to build the groundwork for embedding technology enhanced learning as a central strand of future work, and for making a significant investment in systems in 2021/22.

WEA maintained CyberEssentials+ accreditation throughout the reporting period and are currently in the process of re-accreditation (expect to complete Jan 2022).

Our Finances

Since 2019/20, WEA has seen a year-on-year increase in the portion of its funding being devolved to the Mayoral Combined Authorities ("MCAs"). Of the funds devolved in 2020/21, WEA was successful in securing seven out of eight (in comparison with 2019/20, where WEA was successful in securing six out of seven funds devolved). Whilst most of this came as grants and two were awarded as contracts through a procurement process, it has meant that unrestricted income from the ESFA moved into restricted pots of income with the associated funding obligations from the new MCA funders.

The shift in the balance of unrestricted vs. restricted income reached a near 50/50 split in 2020/21.

	2018/19	2019/20	2020/21
Unrestricted Income	85%	62%	56%
Restricted Income	15%	38%	44%

The erosion of unrestricted income, which has to date enabled WEA to deliver on its core mission of providing community-based learning responsive to local needs and interests, is among the key risks identified by WEA.

Despite a rapidly changing and increasingly volatile funding landscape, WEA has become more financially sustainable over the last few years due to its strong financial controls and prudent financial management. This has enabled WEA to meet the challenges presented by the pandemic. WEA has grown its free reserves over the year and continued to maintain a strong cash flow profile.

Covid-19 Recovery

The tough decisions that were taken in terms of cost control over the past few years enabled WEA to weather the immediate impact of Covid-19.

Throughout the crisis, WEA's focus has been:

- People safety** – WEA was clear from the start that government advice would be followed, and therefore began to implement business continuity plans weeks ahead of the lock-down announcements. The safety of learners, volunteers, members and employees was the first priority in all decision making.
- Employee support** – WEA quickly rolled out additional support to employees, including payment of a homeworking allowance, life insurance for those in the People's Pension scheme, extending EAP support through Westfield Health, and making funds available for hardship grants and loans. WEA's HR team also provided drop-in sessions and regular health and well-being activities throughout the pandemic.
- Continuity of service** – Ensuring that employees had the right digital kit to continue operating in the weeks leading up to lock-down meant that everyone was able to seamlessly transfer to home working. WEA also provided kit to tutors where needed and set-up a dedicated IT support desk for tutors.
- Converting to provision online** – An existing model for WEA online provision was quickly scaled up to over 1,000 courses, more than doubling initial aspirations. The effort to achieve this involved a whole WEA task force and the training of over 900 tutors in both Zoom and Canvas. The portfolio of additional services also included an informal programme of 420 activities to keep in touch with learners, involving over 2,000 adults from across the UK, and outreach by post for those learners who were not digitally connected.
- Cash flow** – Cash flow was closely monitored and reported to Trustees regularly throughout the year. Prudence over the previous two financial years and the accumulation of substantial reserve funds has put WEA in a strong position, and cash balances have grown further during the year due to the decrease in costs following the move to online provision and home working. Additional details are included in the Financial Review on page 17.

- ▶ **Financials** – WEA's Board of Trustees was provided with a Covid-19 impact overlay on financials each month between March and July 2020. Throughout 2020/21, Trustees regularly monitored WEA finances with attention to the continuing impact of the pandemic on costs and income. WEA has consistently met ESFA's financial health assessment of "good" throughout the period.
- ▶ **Income** – Nearly all of WEA's funders guaranteed their funding for 2020/21, which enabled WEA to stay strong financially. Working closely with funders has enabled WEA to get the most from its funding.
- ▶ **Subcontractors and partners** – WEA has worked closely with its subcontractors and partners, passing on the positive measures extended to it by funders and keeping close to subcontractors and partners through their challenges and helping them wherever possible.
- ▶ **Communications** – WEA maintained frequent, regular communication with all stakeholders throughout the pandemic so that all were clearly informed of WEA's activities and plans. WEA's CEO/ GS, Simon Parkinson, communicated personally with stakeholders and via regular video updates.

Impact

From the start of the 2020/21 financial year and through the Covid-19 pandemic, WEA supported its learners to improve their confidence, develop their skills, get into work and become healthier. Full details of the impact opportunities provided by WEA has had on its learners, and the real and measurable differences WEA has made to individual learners, their communities and society throughout 2019/20, are included in the WEA Impact Report, published in October 2021.

Strategic report

WEA is a leading adult education charity with a legacy stretching back over 115 years. WEA empowers adults through learning at all stages of life, reaching over 28,000 learners annually across England and Scotland.

WEA's purpose is to bring adult education within reach - because so often the opportunity for a better future is made inaccessible due to cost, location or lack of information. WEA recognises the responsibility and importance this brings in providing excellent teaching in local communities and that access to learning opportunities ensures individuals not only improve their own life chances, but have a positive impact within their communities and help change society for the better.

WEA believes all adults should have access to the opportunities of education, right on their doorstep.

Long-term strategic plan

WEA provides learning opportunities which meet learners' needs and aspirations across England and Scotland. These opportunities vary to reflect the different needs and aspirations at the national, regional and local level, and are grouped under and across six outcomes:

- 1 Supporting adults into work;
- 2 Improving confidence for life and work;
- 3 Supporting in-work progression;
- 4 Improving mental and physical health and well-being;
- 5 Broadening horizons and tackling social exclusion; and
- 6 Active citizens and vibrant communities.

To provide these opportunities to learners, WEA will ensure that it provides a wide range of learning opportunities. These opportunities need to be relevant to individuals at the local, regional and national level, and recognise the complexity which often goes alongside being an adult learner. From recognising diversity (such as ethnicity, gender, age, and disability) to understanding social factors (such as social isolation and loneliness, caring responsibilities, and poverty) WEA's offer must meet the needs and aspirations of all its learners.

WEA will continue to grow its network of volunteers, members and partners that can, together with WEA, speak with a unified voice advocating for the current need for adult education in the UK and the benefits this creates for individuals, communities and society as a whole.

WEA's long-term plans are facing significant challenge, however, as adult education funding continues to devolve. WEA will endeavour to build on its existing core funding from the Department for Education, devolved authorities in England, and the Scottish Government, and will continue to meet these funders' requirements. WEA has also made a commitment to raising further charitable funds to retain its ability to be agile and meet the changing needs and aspirations of its learners on their lifelong learning journey.

Covid-19 recovery

WEA responded positively to the Covid-19 crisis and was commended by various funders and other organisations for its demonstrated agility in quickly converting to high-quality online learning. ESFA have held up WEA as a role model in terms of its response to the pandemic.

During the recovery from the pandemic, WEA will pay particular attention to:

- ▶ **Returning to face-to-face learning & office working** - WEA will continue to follow Government guidance in England and in Scotland. Plans are in place to ensure a phased return to office working in those areas where Government have advised it is safe to do so. Currently, this means that WEA is managing a phased return to office working for all staff in England whilst colleagues in Scotland continue to mostly work from home.
- ▶ **People views** - WEA has received positive feedback from its staff in terms of the support provided to them through the lockdown. WEA will now work with them to manage the transition to new ways of working.
- ▶ **Enrolment launch** - WEA continues to implement various system developments to support online course registration. Priority bookings for WEA members has been established and systems are being improved to enable greater ease in searching for available courses.
- ▶ **Fee income** - Whilst WEA were successful in converting thousands of courses to online delivery, which supported tens of thousands of learners, fee income for the period was adversely affected. As the WEA returns to a blended model of learning going forward we will revisit the fee policy and ensure it is suitable for the new mix of delivery.
- ▶ **Funder obligations** - WEA continues to monitor its obligations to funders to ensure their requirements are met, and that any change in requirements is communicated to subcontractors and partners.

2020/21 priorities

WEA's priorities continue to be aligned to the 2025 Strategy as refreshed in March 2020. WEA remains committed to delivering broad adult education across the four themes of employability, health and well-being, community engagement and culture.

Given the impact Covid-19 has had on the public purse, WEA anticipates that government priorities will shift increasingly towards employment and thus it will need to be flexible and able to quickly adapt in order to have the best chance of working with more learners and increasing its income. For this reason, WEA has adjusted its approach to budgeting in order to ensure that resources are available and in place to give the best chance of achieving agreed priorities.

Our Learners & Learning

Informed curriculum planning will enable learners to achieve positive outcomes that:

- ▶ build confidence for life and work;
- ▶ support adults into work and progression at work;
- ▶ promote mental health, physical health and well-being;
- ▶ broaden horizons; and
- ▶ encourage active citizenship and vibrant communities.

These outcomes will underpin curriculum planning, evaluation and impact measurement during the year and are driven by the specific requirements of regions as articulated in regional plans, and according to the analysis of future opportunities, and successful initiatives developed in the English regions and across Scotland.

WEA will ensure that the learner experience remains at the centre of its approach. An enhanced focus will be placed on the quality of the learner experience through class visits, the measurement of learner outcomes, and learner progression through WEA programmes. Embedding WEA's innovative approaches to blended and digitally enabled learning will ensure technology is also a significant contributor to the learner experience and learning. The objective is to ensure that Canvas is embedded into most WEA classes so that learners can, at minimum, complete their learning plans and evaluations online.

WEA will also maintain its focus on the delivery of its learning provision, including efficient and effective delivery of education contracts.

These priorities are underpinned by distinct priorities for Scotland and each of the English regions.

Scotland

In Scotland, the headline subject areas are broadly the same as England and provision in Scotland is also aligned to the WEA themes and overall strategy. There is a significant focus on employability provision to progress people at various stages along the skills pipeline and in some cases into work. Literacy, numeracy and digital literacy also account for significant amounts of the provision in Scotland, both to help people into work but also for those who are in work but are in low skill, low wage sectors of the economy.

ESOL provision accounts for the largest number of learners in WEA Scotland each year. It is delivered in all areas of Scotland to a broad range of learners with hugely varying backgrounds and capabilities. As a result, it is becoming increasingly less focussed on generic language training and much more about the language delivery being tailored to the context of the individuals and class groups. Examples include ESOL and financial literacy, ESOL for employability and ESOL for family learning and engaging with schools.

In addition to these core areas of provision, there is a wide range of personal development programmes to assist those with particularly challenging life circumstances – e.g., long term unemployed, ex-offenders, those recovering from substance or alcohol addiction, young adults moving on from looked after settings, etc.

Finally, WEA Scotland has an active membership education programme notably in Edinburgh, Fife and the North East which looks to prevent loneliness, isolation and dependency through a varied programme of activity that facilitates community engagement and empowers independent individuals.

English regions

Objectives in each of the English regions focus on the strategic relationships and curriculum response to local needs. Every region has set objectives in relation to improving ongoing quality and the learner experience, and increasing the use of digital technologies in learning.

Our Members & Volunteers

Members and volunteers are the lifeblood of the Association and are critical to its long-term success and sustainability. To ensure the Association continues its programme of reach through education, it is vital that WEA continues to grow and deepen its engagement with members and volunteers.

Growing an active membership will help WEA to raise its profile and amplify its voice as a leading adult education organisation. WEA will continue to develop its membership programme through new initiatives and campaigns that will engage and integrate new members across the UK. WEA will:

- ▶ Continue to develop its offer and provide excellent value;
- ▶ Focus on increasing overall membership numbers;
- ▶ Explore new ways of supporting members to self-organise; and
- ▶ Continue to engage with volunteers and encourage them to be paying members.

Building on the comprehensive volunteer survey undertaken in 2020/21, WEA's priorities for membership and volunteering will be to:

- ▶ Complete the end-to-end review of the volunteer journey, including developing new role descriptors and embedding a new induction and training programme;
- ▶ Engage in the external Volunteers Count survey to allow benchmarking of WEA's volunteer experience against other similar organisations;
- ▶ Automate volunteer recruitment using the HR Amris system; and
- ▶ Ensure that engagement with volunteers continues to improve and that volunteers play an active role across all areas of the Association.

Our Voice

WEA is the leading organisation in the UK for adult learning. WEA will use its position and voice to demonstrate the positive difference that adult learning makes. In 2021/22 WEA will:

- ▶ Continue to grow its network of like-minded organisations both in the UK and internationally;
- ▶ Expand and engage with its Fellows and Ambassadors; and
- ▶ Continue to support and engage the All-Party Parliamentary Group on Adult Learning.

Our People

WEA recognises that its people are its greatest asset and in 2021/22 will continue its commitment to supporting its paid and voluntary workforce by:

- ▶ Embedding the Equality Diversity & Inclusion ("EDI") Working Group, continuing to build understanding of where staff and/or volunteer colleagues may be facing exclusion and marginalisation, and shifting organisational culture wherever issues may be identified. WEA will continue its work toward achieving Investors in Diversity ("IID") accreditation;
- ▶ Develop a strategic workforce planning framework that will effectively analyse, manage and prepare WEA's current and future workforce requirement with a particular focus on tutors;
- ▶ Establish a new approach to succession planning, focusing on employees and governance roles; and
- ▶ Develop the skills of WEA volunteers.

Systems & Processes

WEA has begun the process of reviewing its systems and has planned a major investment in this area of operations beginning in 2021/22. This will include a corresponding review of processes to ensure they are enabling the best learner experience WEA can provide.

In reviewing and investing in its systems, WEA will:

- ▶ Complete a full systems review;
- ▶ Ensure systems integration across England and Scotland;
- ▶ Maintain a high level of systems resilience and security;
- ▶ Examine ways of automating processes to provide the best possible learner experience; and
- ▶ Resolve and improve the approach to GDPR compliance.

Finances

In July 2021, WEA was unsuccessful in its funding bid in South Yorkshire MCA, and in September lost another competitive bid for funding in Tees Valley MCA. In both areas, WEA had had a significant presence for many years with established presence in these local communities. Dialogue is ongoing with both mayoral authorities and the WEA is exploring alternative funding routes to ensure that adult learners in these areas can continue to access the learning they need.

In 2021/22, WEA anticipates that additional areas of devolved funding will open up, and existing areas will enter their second or third years. WEA's ability to secure renewed funding beyond the second or third year will depend on its ability to demonstrate capability in delivering against specific funding commitments. Efforts will be made to pursue funding wherever it devolves. At the same time, WEA will increase its efforts to diversify its income, and particularly to find other ways of re-building unrestricted income streams to enable greater freedom to invest in its core mission.

WEA also anticipates the long-term effects of the Covid-19 pandemic to continue and the landscape of funding to shift in efforts to adapt to the national need. WEA has therefore adjusted its budget planning to ensure grant and contract income targets are realistic.

WEA will launch specific campaigns across new areas of fundraising in 2021/22 and will embed these as part of an integrated approach that will engage WEA members and support learners. WEA will also look to increase the level of funding from legacies and donations from individuals, charitable trusts and corporate partners.

Governance review

WEA's governance review began in 2018/19 and continues to the present. The focus in 2020/21 has been to implement the priorities agreed in March 2020, through consultation with Trustees and the Chairs of Regional Committees, WEA Council and Scotland Board. These priorities included a range of practical "quick fixes" as well as some medium-range and long-range recommendations for developing and strengthening WEA's governance.

Among the "quick fixes" identified were recommendations to:

- ▶ Formalise the President's reporting from Council to the Board of Trustees and vice versa – This has been completed, with a formal report of the President now a routine item on agendas for the Council's and the Board of Trustees' quarterly meeting agendas.
- ▶ Overhaul the Branch Financial Regulations to ensure they are user-friendly for branches – A working group was convened with a membership including two Association Officers, two Council representatives from the Finance & General Purposes Committee, and two Branch Treasurers. New Branch Financial Regulations have now been drafted and these await approval by the Board of Trustees, which is expected in 2021/22.
- ▶ Release funds held in the Branch Development Fund to support improvements in local governance and to support members and volunteers at local level – Branches were invited to submit proposals for funding to support projects and initiatives in their local area. In 2020/21, £26,759 was released to Branches from the Branch Development Fund, which funded 14 awards ranging in size from £132 to £9,306.

Among the medium- and long-range priorities identified were recommendations to:

- ▶ Support regional governance and cross-regional communication to enable Council to operate as the intermediary between the Association's grass roots and the Board of Trustees;
- ▶ Pro-actively work to build trust, shared knowledge, and support between the Regions and Council, and between Council and Trustees;
- ▶ Clarify the role of members on Council and whom they represent, acknowledging that a growing number of new Association members are not affiliated with any branch or region; and

- Ensure that “unaffiliated” Association members are given accurate, consistent information about WEA’s governance structure and provided with more opportunities to get involved.

Work on these medium- and long-range priorities has begun and will continue through 2021/22.

In addition to the work on these priorities, WEA’s key governance reform project during the year was to refresh and rebalance its Board committee structure. The six main committees of the Board of Trustees were rebalanced to ensure equitable workload, and that their terms of reference, membership and chairing arrangements were up to date and fit for purpose. Additionally, two new committees were introduced to replace the Officers Group, which convened from time to time to consider senior staff appointments and staff remuneration. The Board of Trustees wound down its existing committees effective 31 July 2021, and constituted its new scheme of committees from 1 August 2021.

Committees to 31 July 2021

- Audit & Risk Committee
- Education Strategy Committee
- Finance & General Purposes Committee
- Membership, Volunteering, Governance & Marketing Committee (“MVGGM”)
- Scotland Board
- WEA Council
- Officer’s Group

Committees from 1 August 2021

- Audit & Risk Committee
- Education Committee
- Finance & Capital Resources Committee
- People Committee
- Scotland Board
- WEA Council
- Nominations Committee
- Remuneration Committee

Additional information on the governance review appears as part of the report on Structure, Governance & Management on page 23.

Equality, Diversity & Inclusion

WEA aims to create conditions that ensure staff, volunteers and learners are treated solely on the basis of their merits, abilities and potential regardless of their gender, race, religious/political beliefs, ethnic or national origin, disability, family background, age, sexual orientation, or other irrelevant distinction.

An IIP re-accreditation review of WEA began in 2021/22, resulting in an award of IIP Silver in November 2021. WEA previously held IIP’s standard award, awarded in 2018. The award of IIP Silver comes after a rigorous assessment process, which included an all-staff survey, one-to-one interviews, and desk research carried out by IIP. WEA has marked the IIP Silver award as a significant achievement, noting that IIP has awarded silver status to only 20% of the organisations it accredits.

WEA also commenced work during the 2020/21 financial year toward accreditation through IID, and hopes to make substantial progress toward IID accreditation in 2021/22. Through its Human Resources team, WEA will continue to work through its action plan to review, develop and embed the FREDIE (i.e., fairness, respect, equality, diversity, inclusion and engagement) principles in line with the latest Ofsted inspection framework, and to ensure that these principles are fully integrated through all aspects of business planning.

WEA’s Board of Trustees will continue to monitor, scrutinise and constructively challenge WEA leadership on its effective support and development of WEA staff at all levels, and to ensure WEA remains an inclusive employer. WEA’s Board of Trustees has also recognised that it has work to do to improve the diversity profile of its own membership and that of its committees. The new Nominations Committee has made a commitment to take into consideration the diversity profile of the Board and its committees in recommending the appointment of new trustees and committee members, and in the development of succession plans for the Board and committees to commence in 2021/22.

EDI learner data demonstrates that WEA courses engage a significantly higher number of learners from disadvantaged backgrounds and/or with protected characteristics compared to the national demographic profile, including learners from BAMER backgrounds, those with low incomes and qualifications, and those who are older and/or disabled.

WEA seeks to welcome and accommodate all learners, volunteers and staff, and is therefore working towards the highest standards of accommodation through implementation of a property strategy. Priority has been placed on ensuring full accessibility for teaching and learning spaces.

WEA recognises the importance of good mental health support, and is committed to improving mental health through its curriculum and learner-centred teaching. According to WEA's Impact Report (October 2021):

- ▶ 98% of learners reported that their WEA course(s) helped to keep their mind active;
- ▶ 81% reported improvements in their overall well-being;
- ▶ 59% reported an increase in their self-confidence; and
- ▶ 54% reported their course made them feel more resilient.

WEA encourages staff to be kind to each other and to talk openly about mental health. Managers and staff are therefore encouraged to have regular one-to-one meetings where open conversations can take place. WEA's Human Resources team also run a number of learning and development initiatives including equipping managers with

a mental health toolkit, HR drop in sessions and regular timetabled sessions supporting mental health awareness and management, stress management, and related issues.

As a benefit to employees, WEA has teamed up with BUPA and Westfield Health Care who offer general well-being support. BUPA helps to keep WEA staff well at work, and supports them in looking after their physical wellbeing using clinical professionals to offer health checks and specialist support from qualified specialists offering practical advice and support. Westfield Health Care enables staff to obtain advice from a team of qualified counsellors, medical advisors and lawyers any time of day or night. They offer health and well-being advice and support, telephone and face-to-face counselling, and legal advice for home, work or life issues that can be the cause of stress and anxiety.

Financial review

The financial statements show total income for 2020/21 is £30.3m (2019/20: £28.8m) with expenditure of £25.5m (2019/20: £27.9m).

In 2020/21 the unrestricted ESFA grant income at £14.5m remained constant year on year, although a decrease in core grant was offset by an increase in the additional grant to cover Teachers' Pensions contributions. WEA also received a restricted capital grant of £1.0m from the ESFA to spend on refurbishments and repairs of its owned buildings.

The total income received from MCA areas this year is £5.9m (2019/20 £5.4m). The rise is due to an additional region, North of the Tyne, moving to a devolved status and additional grants for equipment from Manchester and Liverpool regions to support learners with equipment costs. ESF grant income has risen to £4.3m (2019/20 £2.3m) mainly as a result of the Community Grant programmes in the North West region seeing a rise in interest and applications for grants following lockdown. WEA income is based on the reimbursement of funds distributed as grants to local organisations. Income from Lottery funded projects has continued to reduce to £0.6m (2019/20 £1.1m), although a number of extensions have been agreed for 2021/22 and beyond. Restricted grants from sources other than those mentioned above have fallen by £0.4m to £1.7m (2019/20 £2.1m).

Income from unrestricted fees and contracts has continued to decline due to decreased activity as a result of Covid-19, £1.7m (2019/20: £2.4m). The impact of the pandemic has been felt across all three terms in 2020/21 and branch income has been particularly affected by the limitations on face-to-face provision.

Educational activity costs were £15.8m in 2020/21 (2019/20 £17.5). Due to the ongoing pandemic and most activity being delivered online there have been considerable savings on venue hire, other direct course costs, travel and administrative costs. These savings are offset by grant payments which mainly relate to ESF Community Grant programmes in the North West. As mentioned above, demand for grants has risen in 2020/21, however, the programmes remain behind schedule at the end of 2020/21. It is anticipated that the position will be fully recovered by the end of 2021/22 when the programmes are due to finish.

There are also savings in governance and support costs, £9.1m (2019/20 £9.5m). Staff have mainly continued to work from home resulting in savings on rent and property running costs, travel, stationery, and meeting costs. These reductions have been offset in part by additional IT purchases to enable online delivery and additional Covid-19 support measures, such as homeworker

allowances. In addition, there were increased property maintenance and project running costs of £513k and £118k of capital disposals relating to the ESFA capital grant. The reconfiguration of space in the Bristol and London properties and other enhancements totalling £532k were also funded by the ESFA capital grant and treated as fixed asset additions, in some cases these superseded some existing capital items necessitating their disposal.

The WEA's net movement in funds for 2020/21 is £4.5m (2019/20: £0.6m) after transfers and pension adjustments. There is a surplus of £4.4m on unrestricted funds and a surplus of £0.1m on restricted funds. The surplus on unrestricted is higher than the budgeted surplus as a result of the reduced expenditure on face to face course provision and office running costs. The surplus on the restricted funds is due to timing differences between income and related expenditure.

Reserves policy

The funds at 31 July 2021 were £13.6m (2019/20: £9.1m). This is represented by unrestricted funds of £12.9m and restricted funds of £0.7m.

The closing 2020/21 free reserves balance of £8.4m is as follows:

- ▶ General funds: £6.5m
- ▶ Branch funds: £0.6m
- ▶ Regional branch reserve fund: £1.3m

For the purposes of this policy, the WEA has defined free reserves as being its unrestricted funds, excluding the designated fixed asset fund and any pension deficit, should it arise.

The free reserve balance as at 31 July 2021, being £8.4m, exceeds the free reserves target which was reviewed during 2020/21 and is currently set at £3.3m. The Trustees have taken the decision to spend some of the excess reserve funds investing in IT systems across the organisation. The Digital Transformation programme will commence in 2021/22 with an initial capital budget of £1.1m for that year.

In setting the free reserves at £3.3m the Trustees considered the amount that would be required to cover the resulting costs if the WEA were to lose varying amounts of income. In all scenarios this figure was considered to be sufficient for 2020/21. The policy will be reviewed again during 2021/22.

The WEA Reserves Policy is subject to regular review considering new risks and circumstances faced by the

WEA. The policy is therefore reviewed by Trustees at least annually or more frequently upon advice of senior management in the event of a material change occurring that warrants any earlier or additional review.

The level of free reserves is a Key Performance Indicator set out in the organisation's Business Plan and, as such, progress is monitored regularly at Committee and Trustee meetings.

Investments & treasury management

As set out in its Articles of Association, WEA has absolute discretion to invest money not immediately required for expenditure. The responsibility for the performance of investments rests with the Finance & General Purposes Committee (Finance & Capital Resources Committee from 1 August 2021), which reports to the Board of Trustees. The objective of WEA's Treasury Management Policy is to optimise returns consistent with cash flow requirements and with an overriding need to protect the capital value of WEA's funds.

Treasury management is carried out within the context of WEA's statutory requirements, its Articles of Association and the Financial Memorandum with the Education and Skills Funding Agency (ESFA). WEA funds are deposited only with UK banks that meet the criteria stated in the Treasury Management Policy. Investments are not made in any other financial instruments. It is important to note that, as in previous years, WEA has had no exposure to any known financial institution at risk.

WEA's Investment Policy is scheduled for review by Trustees in 2021/22.

Principal funding sources

WEA receives its principal funding from ESFA, which provided 51% of WEA's income (48% excluding the capital grant) from all sources and activities for the year (2019/20: 50%). There are no outstanding loans against WEA.

Pensions

The valuation of WEA's defined benefit pension scheme at 31 July 2021 (under FRS102 principles) continues to be a nil balance. Estimates used by the actuary in the calculation of this accounting valuation have been benchmarked by the Trustees and are considered appropriate.

Further details relating to the pension schemes operated by the WEA are shown at Note 18 to the accounts.

Cash flow & capital expenditure

In line with the Treasury Management Policy, WEA aims to maintain a healthy cash position, and its cash reserves are sufficient to ensure that balances are not overdrawn. Based on the two-year cash flow projections to July 2023 returned to ESFA in July 2021, WEA does not anticipate any liquidity problems.

Cash and short-term deposits for the year ended 31 July 2021 were £10.0m (2019/20: £6.6m). The increase in cash available is mainly due to net reduction in expenditure as a result of Covid-19.

Funds held as custodian trustees on behalf of others

WEA does not hold funds as Custodian Trustees on behalf of others.

Commercial activities

WEA does not currently engage in any substantial commercial activities. The trading company, WEA Trading Limited, a wholly owned subsidiary of WEA has not traded to date

Fundraising statement

Fundraising is forming an ever more important part of WEA's work. WEA is dedicated to ensuring its fundraising remains closely aligned with the Association's mission and values, and to ensuring efficiency in its approach. A guiding principle in its fundraising efforts is to work with a range of partners from corporate organisations to a range of charities and associations across the UK. WEA performs due diligence on all corporate donors including any gifts in kind. An interim Ethical Fundraising Policy was agreed in 2019 by the Finance & General Purposes Committee. WEA does not use professional fundraisers or commercial participators to carry out any fundraising activities and so no monitoring activities are required.

WEA volunteers are supported and stewarded by the Fundraising, Membership and Volunteering Team. In 2020/21, WEA did not receive any complaints regarding its fundraising activities (2019/20: 0). As of September 2020, WEA is a member of the Fundraising Regulator and as such follows the Code of Fundraising Practice.

To ensure compliance with the Charities Act 2016, WEA follows the guidelines set out by the Institute of Fundraising on all donors with the four guiding principles of respect, fairness, responsiveness and accountability applied for all donors and members of the Association.

Risk management

The Board of Trustees monitors WEA's risk profile as recorded in WEA's corporate risk register ("the risk register"). The risk register is informed by departmental risk registers maintained by the individual members of the Leadership Team and is regularly reviewed and updated by Leadership Team as a whole. The systems and procedures established to manage risk are regularly reviewed by the Audit & Risk Committee and reported to the Board of Trustees. The Board of Trustees has also reviewed the adequacy of WEA's internal controls.

The risk register includes action plans for each of WEA's key risks and a summary highlighting the current and changing status of those risks against a target risk score. The Audit & Risk Committee reviews the risk register at each quarterly meeting, receives summary updates on risk management activity, and invites members of WEA management to present on significant issues. The Audit & Risk Committee has recently reviewed WEA's risk appetite and maintains a commitment to risk awareness in all WEA's undertakings.

The Board of Trustees currently receives the risk register on an annual basis and receives reports from the Audit & Risk Committee on a quarterly basis.

The Audit & Risk Committee oversaw a complete overhaul of the risk register format and scoring of risks at the start of the 2020 calendar year. This has resulted in a new risk register format that clarifies current risk scores and the actions being taken to meet target risk scores. The new format has

also removed areas of duplication between some identified risks. Perhaps most importantly, changes were made to the risk scoring approach on the new risk register. Whereas the previous risk register had used a four-point scale to measure the impact and likelihood of each risk, the new risk register uses a five-point scale, with the likelihood score multiplied by the impact score to arrive at a total risk score. Total risk scores are then RAG rated according to the level of risk. The effect of this is to create a broader range of amber risks so that red rated risks are those that are truly critical and require immediate attention.

Work continues with Leadership Team to support greater seamlessness between departmental and corporate risk registers.

As at 31 July 2021 there were 38 risks identified across five categories of risk on the risk register. Of these, there were 14 risks associated with responsibilities that Trustees are unable to delegate fully, and which are therefore monitored routinely by Audit & Risk Committee. Remaining risks are monitored routinely by Leadership Team, and flagged for review by the Audit & Risk Committee only if elevated to an amber or red RAG rating.

The level of risk posed by each matter reported in the risk register is assessed by attributing a score based on both the likelihood and impact of the respective risks. The risks with the highest attributed scores are set out below as WEA's principal risks:

Top five risks with mitigating actions taken:

Risk	Mitigating actions taken
Negative judgment by regulator (e.g., Ofsted NI judgment, ESFA financial notice to improve)	Budget and cash flow are regularly reviewed against ESFA criteria for “good” judgment. A rigorous Quality Improvement Plan has been put in place, and progress against the plan is reviewed at each meeting of the Education Committee. Quality is robustly monitored through a class visit programme led by the education teams. An Education Development Plan now guides the work of education teams nationally, and supports the articulation of clear statements of curriculum intent and outcomes measurements for learners. Canvas tools are used increasingly to monitor learner progress. Trustees receive regular reports on the quality of provision and outcomes for learners through the Education Committee (relating to provision in England) and Scotland Board (relating to provision in Scotland).
Detrimental change in government policy, regulation, or funding policy (including continued roll-out of devolution of adult education budget in England)	Pro-active steps have been taken to raise WEA's profile and amplify its voice within the adult education and FE sectors, and before government in England and in Scotland. WEA subscribes to the Parliamentary monitoring service and is represented on the All-Party Parliamentary Group (APPG) for adult education. Further support is provided through membership of Halex. The education teams and business development team undertake pro-active horizon scanning to identify emerging issues, closely monitor policy development at national level, and maintain contacts with local authorities and relevant sector bodies.
Misalignment of education offer	Aligning WEA's education offer and shifting government funding priorities, particularly in the area of community learning, will require greater organisational agility and willingness to take risks, particularly with regard to new types of partnerships and pursuing funding with government departments beyond DfE. The completion and collective ownership of the new Education Development Plan by Leadership Team has created a number of actions that may mitigate some future educational risks. However, resistance to change from within the Association membership could slow WEA's response or create internal instabilities. All education staff have been trained in the funding formula. Re-organisation of the education teams over the last two years has improved management of the tutor base and the monitoring of provision.
Loss of income or over-estimate of income targets	The recent failure to secure contracts in two MCA areas has underscored the need for WEA to adopt a more commercial outlook. Close analysis of areas of low scoring on competitive bids has been undertaken and it has been identified that demonstration of social value is an area needing serious attention at policy level and in business practices. Investments have been made on the marketing team to enhance branding and outreach efforts in the interest of diversifying income, and to address the increasing imbalances in the levels of restricted vs. unrestricted income.
IT failure / Systems failure / Loss of data	A digital transformation project was initiated in 2020/21 and will be implemented in 2021/22, and will address the historic disconnect between WEA's IT systems and its ambitions. To address this critical problem c. £1million will be invested in a complete overhaul of IT systems, beginning in 2021/22.

Going concern

The trustees have assessed WEA's ability to continue as a going concern. The trustees have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. This has included a review of budgets and cash flow forecasts through to July 2024 and consideration of the key risks, including devolution, forecast changes in the split between restricted and unrestricted income and the impact of covid-19. WEA has prepared a number of financial scenarios and the Trustees consider that the WEA is well

positioned to manage its business risks successfully. In all of the scenarios the free reserves remain well above the target of £3.3m. After careful consideration and enquiry, the Trustees have a reasonable expectation that the WEA has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing these financial statements.

Structure, governance and management

Status

WEA is a charitable company limited by guarantee (number 2806910), incorporated on 5 April 1993 and registered as a charity in England and Wales (number 1112775) and Scotland (number 2806910).

Governing documents

WEA is governed in accordance with the object and powers set out in its governing documents, the Articles of Association (last amended 14 December 2017) and Regulations (last amended 8 May 2019). The governing documents are available to the public through the WEA website at: wea.org.uk/about-us/governance.

Object of WEA

The object for which WEA was established is to promote adult and general education for the benefit of the community, regionally, nationally and internationally based on democratic principles in its organisation and practice, through the participation of its voluntary members. In pursuit of this object, WEA has the following aims:

- ▶ Stimulating and responding to the demand for liberal education, through the direct provision of courses and other activities;
- ▶ Relieving poverty and providing for the needs of working class people and of those who are socially, economically or educationally disadvantaged and in particular (but without limitation) by providing education and teaching skills for employment, voluntary work and social inclusion;
- ▶ Providing educational programmes for appropriate organisations concerned with collective educational needs in the community and in the workplace;
- ▶ Generally furthering the advancement of education to the end that all people in England, Scotland and other parts of the world may have full access to the education needed for their complete individual and social development; and
- ▶ Promoting the efficiency and effectiveness of charities with similar purposes and the efficient and effective application of resources for such purposes.

WEA operates at local, regional and national levels, providing adult education through its network of nine English regions and Scotland, and with 207 branches and six Local Associations in England and Scotland respectively. Courses are created and delivered in response to local need, often in partnership with local community groups and organisations. There is a proud tradition of voluntary and democratic process within WEA. Association Members are involved in the planning and provision of courses as well as in the local and national governance of WEA.

WEA maintains staffed offices in Scotland and the English regions, the largest of which is in Leeds. WEA's registered office is in London.

Public benefit

WEA is a public benefit entity, the charitable object of which is to promote adult and general education for the benefit of the community regionally, nationally and internationally based on democratic principles in its organisation and practice, through the participation of its volunteers and members.

WEA's Trustees confirm that they have due regard for Charity Commission's guidance on public benefit and believe it to have been consistently applied, that the requirements of section 17 of the Charities Act 2011, and the new requirements related to annual reporting within the Protection & Social Investments (Charities) Bill 2016 have been fully met when exercising any powers or duties to which the guidance relates.

Board of Trustees

The Board of Trustees is WEA's governing body, comprising twelve Trustees. The Board of Trustees has ultimate responsibility for the strategic direction of WEA. Trustees are also the Directors and Members of the Company.

Per its Articles of Association, the composition of the Board of Trustees is as follows:

- ▶ Four Association Officers (who are the President, two Deputy Presidents, and the Treasurer) elected by the Association Membership in accordance with the Regulations;
- ▶ Four Association Members nominated by the WEA Council and appointed by Trustees, comprising one Association Member from WEA Scotland and three Association Members from different English Regions; and
- ▶ Four Co-opted Trustees appointed by the Trustees.

In consideration of guidance from ESFA, the Board of Trustees is currently seeking to appoint an additional Trustee having a qualification in accounting and/or financial management. Recruitment of the additional trustee was first undertaken internally among the Association membership. The search having returned no suitable candidates, the Board will seek to recruit externally, with the aim of appointing as early as possible in the 2021/22 financial year.

The Board of Trustees meets at least four times a year in order to ensure that WEA's activities carry into effect the charity's object. Their work includes providing strategic oversight, scrutinising WEA's financial performance and the performance of its management, agreeing budgets, monitoring the quality of educational provision and the safeguarding of beneficiaries and stakeholders, and reviewing current policies, initiatives, activities and plans. The Board of Trustees is supported by a number of committees which also meet quarterly.

The Board of Trustees is currently chaired by a co-opted Trustee. In accordance with Article 54, a Deputy Chair of Trustees was appointed from among the sitting members of the Board of Trustees in July 2021. Trustees, whether appointed or elected, serve on the Board for a term of four years, renewable subject to re-election (in the case of Association Officers) or re-appointment.

Committees of the Board of Trustees

WEA Trustees undertook a thorough review of the Board of Trustees' scheme of committees during the year. This resulted in agreement to a new scheme of committees that would more equitably spread the workload across committees and improve WEA's demonstrated adherence to the Charity Governance Code (adopted by Trustees as WEA's code of governance in 2018). The work undertaken involved Trustees' reaffirmed understanding of their duties and responsibilities as trustees, and how these duties and responsibilities may be best discharged through a scheme of committees. Trustees reaffirmed their understanding of the role of committees to be to apply detailed, specialist scrutiny to matters within their remit, and to support the Board of Trustees in carrying out specific duties or oversight more thoroughly and effectively than it could otherwise do acting together as a full board. WEA Trustees dissolved each of their existing committees effective 31 July 2021. All committees under the new scheme of committees were constituted from 1 August 2021.

All committees of the Board of Trustees remain non-executive. Save for the Audit & Risk Committee, the committees do not have delegated authority to undertake investigations or to take independent professional advice without prior authorisation from the Board of Trustees.

Committees of the Board of Trustees generally meet on a quarterly basis to receive detailed reports and make detailed enquiries on strategic organisational matters, reporting back to the Board of Trustees at each subsequent meeting.

To 31 July 2021 there were six delegated committees of the Board of Trustees, which operated throughout the 2020/21 financial year. These were:

Audit & Risk Committee - The Audit & Risk Committee assisted the Trustees in discharging its oversight responsibilities by reviewing the effectiveness of WEA's internal controls and compliance systems and, on behalf of the Trustees, reviewed the performance and results of external and internal auditors' work, and reviewed and monitored the preparation and production of the Trustees' Annual Report and Accounts. On an annual basis, it recommended the appointment of auditors to the Board of Trustees and, on their behalf, approved the auditors' terms of engagement.

From 1 August 2021, the Audit & Risk Committee has continued with refreshed terms of reference. Its remit remains substantively the same as at 31 July 2021.

Education Strategy Committee - The Education Strategy Committee recommended the educational strategy for approval and adoption by the Board of Trustees and provided oversight of the quality of WEA's teaching, learning, assessment and curriculum development. The Education Strategy Committee also ensured that educational developments within WEA adhered to the charitable objects and WEA's strategic aims.

From 1 August 2021, the Education Committee has replaced the previous Education Strategy Committee. The purpose of the Education Committee is to support the Board of Trustees in meeting its responsibilities for strategic leadership of educational provision in England and to take assurances on their behalf regarding the development, monitoring and application of education policies, learner welfare and the learner experience, the quality of education offered and adherence to relevant regulatory and inspection standards.

Finance & General Purposes Committee - The Finance & General Purposes Committee oversaw the development of sustainable finance and resource strategies, and monitored on behalf of the Board of Trustees adherence to agreed annual budgets. The committee supported the development of policies and systems to ensure appropriate financial controls and other internal systems.

From 1 August 2021, the Finance & Capital Resources Committee has replaced the previous Finance & General Purposes Committee. The purpose of the Finance & Capital Resources Committee is to support the Board of Trustees in discharging their responsibilities to ensure sound business planning and budgeting in the interests of WEA's long-term financial health and sustainability. The Committee advises Trustees on the application of WEA's funds and other assets in accordance with its charitable purposes and the public benefit duty, and on compliance with the requirements and expectations of its funders.

Membership, Volunteering, Governance & Marketing Committee ("MVGM") - The MVGM Committee recommended the volunteering and membership strategies for approval and adoption by the Board of Trustees and provided oversight for the development of WEA's campaigning, public affairs and stakeholder engagement strategies. In this regard, it supported the WEA Council and alongside it promotes and supports good governance across the Association.

From 1 August 2021, the MVGM Committee has been wound down and a People Committee has been constituted. The purpose of the People Committee is to focus on WEA's HR strategy, volunteering strategy, EDI, safeguarding, and health and safety. It ensures regular review of organisational effectiveness, and that there is an organised and clear management structure, with well-understood delegations. The Committee supports WEA in its aim to exceed its statutory responsibilities for equality and diversity.

Scotland Board - The Scotland Board supported and promoted the sustainability, educational provision and profile of WEA in Scotland as part of the wider Association. The Scotland Board used its Scotland-specific knowledge and presence to enable an effective balance between Scotland-specific matters and support for the organisation as a whole.

From 1 August 2021, the Scotland Board has been reconstituted under a refreshed and refocused remit. The purpose of Scotland Board is to promote the profile of WEA in Scotland by supporting and facilitating the communication, engagement and consultation with WEA Scotland's members, learners and stakeholder groups. It supports the Board of Trustees in meeting its responsibilities for strategic leadership of educational provision in Scotland, including providing assurances on adherence to relevant regulatory and inspection standards in Scotland. Scotland Board also supports and promotes the Association-wide understanding of Scotland-specific educational policy, legislation, and funding relating to adult education, making recommendations to the Board of Trustees as appropriate.

WEA Council - WEA's ethos is strongly based in the collective engagement of the voluntary committees supporting the delivery of education in the English regions and Scotland. Enshrined in its governing documents, the WEA Council's principal function was and continues to be to promote the democratic involvement of all Association Members and effective communication between all levels of governance within the Association. In practice, WEA Council is an important stakeholder group and a forum for discussion of shared interests across the English regions and Scotland, making representations on their behalf to the Board of Trustees from time to time. At any time there are at least four Trustees who are members of WEA Council, two of whom must be Association Officers elected by the Association Members. The President (an Association Officer) chairs the WEA Council.

As WEA Council's purpose and remit are set out in WEA's Articles of Association and Regulations, the committee's terms of reference were not altered in the process of reviewing and refreshing the scheme of committees. However, the members of WEA Council have reaffirmed their commitment to championing the voice of the Association membership, and ensuring representation of their interests at the highest levels of governance.

Officer's Group - Until 31 July 2021, the four Association Officers (President, two Deputy Presidents, and Treasurer) together with the Chair of Trustees constituted a Remuneration Committee and an Appointments Committee. From 1 August 2021, a Remuneration Committee has been constituted to determine the pay and conditions for WEA's senior post holders (i.e., CEO/GS, Finance Director, and Head of Corporate Governance & Company Secretary); and a Nominations Committee has been constituted to oversee the recruitment, appointment, and ongoing support and development for Trustees and the non-Trustee members of the committees of the Board of Trustees. Appointments panels to oversee the recruitment and appointment to Leadership Team posts are convened as needed by agreement of the Board of Trustees.

Each committee of the Board of Trustees includes at least two and ideally three Trustees as members of the committee. Other committee members are drawn from the English Regional Committees and/or Scotland Board.

Trustee attendance figures of Board and Committee meetings can be found on page 30.

Election of association officers & the Annual conference

Members of the Association make direct contributions to the governance of WEA through the election of Association Officers and the Annual Conference. In accordance with the governing documents, Association Officers are elected to office by the Association Members and subsequently appointed as Trustees, subject to assurance of their statutory eligibility.

The Annual Conference, organised by the WEA Council, provides opportunity for Association Members to receive reports from Trustees and the WEA Council on the year's activities, and to influence the overall direction of WEA through bringing forward motions for consideration.

Trustee recruitment, induction & training

WEA seeks to encourage diversity in its widest sense within the governance structure. The WEA's Articles of Association set out the categories from which Trustees are elected and appointed.

Co-opted Trustees: Trustees who are co-opted to the Board are sought through advertisement and/or recruitment search agencies. As part of the process for appointment, the Board of Trustees approves from among themselves a panel to oversee the shortlisting and interviewing of candidates prior to a recommendation to the full Board for approval.

Association Officers: Following election by the Association Members to the role of President, Deputy President or Treasurer, an Association Officer is appointed a Trustee ex officio, subject to confirmation of their statutory eligibility to serve in that capacity.

Council nominees: Those Trustees who are appointed from Council are nominated by the Council. Council nominee vacancies are open to all members of WEA's Council (apart from the Association Officers, who are ex officio Trustees).

Once appointed to the Board, Trustees are encouraged to meet members of staff, take part in regional activities, and to undertake a range of online training. A comprehensive handbook for Trustees was developed in 2016, setting out the roles and responsibilities of WEA Trustees and providing an overview of the governance structure. The Trustee Handbook will be updated as part of the governance review currently in progress.

Chief Executive & General Secretary

In accordance with the Articles of Association, the CEO/GS is appointed by the Board of Trustees to manage the day-to-day operations of WEA, and is accountable to the Board of Trustees via the Chair. Powers delegated to the CEO/GS include the implementation of policy and strategy adopted by the Trustees, to be carried out within a budget approved by them from time to time. The CEO/GS has a duty to report back to Trustees regularly. In practical terms, this means that the CEO/GS is a regular attendee at meetings of the Board of Trustees, and has a standing reporting item on each agenda. To support the effective coordination of business between Trustees and Council, the CEO/GS also meets regularly with the WEA Council to ensure its members, who are the Chairs of the English Regional Committees and Scotland Board, are adequately informed of WEA activities.

The CEO/GS works with the Leadership Team as identified in the Reference and Administrative Details on page 4.

Leadership team

Leadership Team meets at least monthly and reviews the quality and effectiveness of teaching and learning activity, organisational performance against the strategy and budget agreed by Trustees, current and future staffing needs, and forward planning.

The role of reviewing and monitoring WEA's contracts and projects (including the ESFA contract) is performed by Leadership Team, which via the CEO/GS, provides regular reports to Trustees.

Review & remuneration of senior employees

Until 31 July 2021, review of the pay and conditions for the CEO/GS and members of Leadership Team was delegated to a subset of Trustees (normally the Association Officers and the Chair) who, from time to time, convened as a Remuneration Committee to consider relevant benchmarking information and evidence in considering remuneration proposals for those in leadership positions. In practice, spot salaries for senior roles appointed to in 2020/21 were agreed in advance of recruitment with limited scope for negotiation at the time of offer.

Under the new scheme of committees taking effect from 1 August 2021, a Remuneration Committee has been formally constituted to consider and agree the remuneration of senior post holders (i.e., the CEO/GS, Finance Director, and Head of Corporate Governance & Company Secretary). Salaries for other Leadership Team posts will be set by the CEO/GS within the salary structures laid out from time to time by the People Committee and approved by the Board of Trustees, and within the scope of budget constraints agreed annually by the Board of Trustees.

Performance objectives of the CEO/GS and members of the Leadership Team are agreed each year as part of the appraisal process determined by the Board of Trustees and reflected in the Business Plan and Budget which is approved by the Board of Trustees annually in July for the next financial year.

Remuneration details are set out in Note 6 to the financial statements.

Engagement with employees (CA2006 Section 172 Disclosure)

This report on WEA's compliance with Companies Act 2006, section 172 ("CA2006 s.172") should be read in conjunction with the Strategic Report on page 11. CA2006 s.172 as applicable to incorporated charities requires Trustees (who are the Directors of the Company under CA2006) to take into consideration the interests of employees and other stakeholders in their decision-making. Trustees continue to have regard to the interests of WEA's employees and other stakeholders, including the impact of its activities on the community, the environment and WEA's reputation, when making decisions. Acting in good faith and fairly between members, the Trustees consider what is most likely to promote WEA's success for its learners, volunteers and Association Members in the long term. Whilst the importance of giving due consideration to stakeholders is not new, WEA is explaining in more detail this year how the Board engages with stakeholders, thus seeking to comply with the requirement to include a statement setting out how Trustees have discharged this duty.

Trustees are fully aware of their responsibilities to promote WEA's success in accordance with CA2006 s.172. To ensure WEA continues to operate in line with good corporate practice, all Trustees received refresher training on their duties and responsibilities under the Charities Act 2011 and CA2006 from WEA's legal advisors, Bates Wells, on 23 September 2020.

This focused activity allowed Trustees to reflect (inter alia) on how WEA engages with its stakeholders and opportunities for enhancement in future.

The Board has overseen the implementation of a refreshed five-year strategy that ensures stakeholder interests, and particularly the interests of learners, are taken into account. The "We Are One WEA" Strategy responds not only to material changes in the way that WEA receives its funding, but also addresses the reality that the communities WEA serves have different needs requiring tailored solutions. To this end, the Board has worked closely with the CEO/GS to implement a programme of operational change to ensure that regional and national communities and academic expertise have greater influence on decision-making.

The Board continues to enhance its methods of engagement with the workforce.

WEA seeks to engage all employees and volunteers in its activities and achievements, and to this end the "We Are One WEA" Strategy has emphasised the development and improvement of technologies and systems to ensure WEA employees, volunteers, and learners, dispersed as they are across the whole of England and Scotland, are able to work together easily and efficiently.

There continue to be a range of regular communication methods including management meetings, team meetings and newsletters on the re-launched staff intranet to ensure that all staff are kept informed of WEA activities and achievements. There is also a monthly e-briefing from the CEO/GS that is distributed as part of the usual monthly newsletters to all staff as well as to the wider community of volunteers and Association Members.

WEA has a recognition agreement with UNITE, the union. UNITE is engaged in consultations on staff terms and conditions, including pay awards, through the Joint Negotiating Consultative Committee.

WEA aims to work responsibly with its sub-contractors, particularly those involved with the delivery of provision and other services relating to WEA's contracts with devolved combined authorities. Throughout the year, WEA has offered support in the on-boarding of its sub-contractors by sharing its delivery needs and the support available within WEA to enable effective relationships.

Charity Code of Governance

The Board of Trustees adopted the Charity Governance Code (larger charities) in 2018 and have discussed and assessed the organisation's performance against the Code's main principles and recommended practices since that time, and as updated in 2020.

As the Charity Governance Code has been recently updated, Trustees will consider an updated action plan which reflects the new emphasis placed on the demonstration of how EDI principles are applied and put into practice within WEA governance, and how Trustees and others involved in governance adhere to the enhanced integrity principle.

Through the process of governance review and, in particular the exercise of refreshing the Board of Trustees' scheme of committees in 2020/21, WEA has improved its adherence to the Charity Governance Code. Per the action plan in place up to 2020, WEA has made significant improvements in a number of areas where weaknesses had been identified:

Leadership – Trustees gave detailed consideration to their oversight functions in considering the remits and terms of reference for its committees during 2020/21. Each committee has a named Leadership Team lead to support the committee in addition to the support provided by the Head of Corporate Governance & Company Secretary. Taking into consideration the five-year strategy agreed by Trustees in March 2020, progress against the articulated strategic priorities and enablers are tracked by the committees and used to ensure supportive challenge to the executive.

Decision-making, risk, and control – Trustees gave detailed consideration to those matters it wished to retain for its own decision-making, and those it wished to delegate for committee consideration and recommendation. Decision-making and delegation was further refined through the designation of senior post holders having direct responsibility to the Board of Trustees, and to whom the Board may delegate directly. In keeping with usual practice in the charity and education sectors, WEA has defined its senior post holders as the CEO/GS, the Finance Director, and the Head of Corporate Governance & Company Secretary. Delegation to committees is now clearly documented in up-to-date terms of reference. A detailed scheme of delegation for Leadership Team and their corresponding directorates is in development, and good progress on this is anticipated in 2021/22.

Board effectiveness – The Board of Trustees undertook a comprehensive skills audit at the end of 2019/20, which assured the Board that it currently had a good range of skills and experience among Trustees. However, a skills gap was identified in that no Trustee reported having a formal qualification in accounting, as recommended by ESFA. WEA has sought a suitably qualified Trustee from within the Association membership in the first instance, but recruitment by this route was unsuccessful. External recruitment to the role will be pursued, with the recruitment process to be overseen by the newly constituted Nominations Committee.

The recent appointment of a Vice Chair of Trustees means that the Chair of Trustees now has a sounding board for matters arising among the Board of Trustees, and an intermediary for other Trustees, if needed.

The constitution of a Nominations Committee means that there is now a clear route for nominations to the Board of Trustees and any of its committees to be considered. Terms of service for the Board of Trustees and each of the committees, including clear appointment dates and term expiry dates, are now routinely monitored by the relevant Board or committee and shared with Nominations Committee. This allows for vacancies arising to be anticipated and advertised well in advance to generate interest. Alongside the agreement of new terms of reference for each committee, the principle of rotation for non-trustee members of committees of the Board of Trustees was agreed. Non-trustee members of committees of the Board of Trustees are now appointed to terms of three years, renewable once for a maximum of six years on any one committee. Trustee members of committees are limited per the trustee term limits as set out in the Articles.

Governance review

At a meeting on 26 March 2020, Trustees accepted the principle that WEA's governance should be more firmly positioned as an enabler of the organisation's ambitious, refreshed strategic plan.

The Board of Trustees began the work of rebalancing its schemes of committees in December 2020. Terms of reference for most of the committees were agreed at a meeting of the Board of Trustees on 25 March 2021, with a few needing further deliberation agreed at a meeting on 15 July 2021. In all cases, the new terms of reference and new scheme of committees were put into effect from 1 August 2021.

It was also agreed at the Board of Trustees meeting on 15 July 2021 to appoint a sitting Trustee to the role of Vice Chair of Trustees. Acknowledging that the Articles of Association included provision for a Vice Chair to be appointed, Trustees put the provision into effect through agreement of a clear role description and appointing one of their number to the role.

WEA Council have also taken an active role in the governance review, particularly through identifying priorities and supporting developments to clarify the role of Council and to strengthen governance within the English regions. During the 2020/21 financial year and to date, Council have recommended and overseen the implementation of:

- ▶ A more formalised programme of reporting between Trustees and Council via reports of the WEA President which now feature as regular agenda items at meetings of the Board of Trustees and meetings of WEA Council;
- ▶ A system of application and award of funds to support specific local initiatives and branch development through the Branch Development Fund; and
- ▶ Task and finish groups to oversee the redrafting of Branch Financial Regulations (work on which is nearing completion), input to the marketing strategy and communications with branch members and prospective members (newly implemented), and the drafting of detailed role descriptions for Association Officers (newly implemented).

It has been acknowledged by Trustees and Council that some of the longer-term projects identified through the process of governance review may require changes to the Articles and/or Regulations, and that while as much as possible would be done to advance these projects in the near term, ongoing legal advice would be needed to support the longer-term process. WEA will be supported by its legal advisors, Bates Wells, through this process.

Trustees and Council have continued the practice of termly joint meetings to ensure continued progress on priorities and projects identified in the governance review, and to support greater overall adherence to the Charity Governance Code (for larger charities).

Attendance at Board and Committee Meetings during 2020/21

Abbreviations:

▶ **A&R** - Audit & Risk Committee

▶ **ESC** - Education Strategy Committee

▶ **F&GP** - Finance & General Purposes Committee

▶ **MVGM** - Membership, Volunteering, Governance & Marketing Committee

▶ **SB** - Scotland Board

▶ **WEAC** - WEA Council

Trustee	Board/Committee	2020/21 meetings	Attendance
John Widdowson	Board* (Chair)	7/7	100%
Cliff Allum	Board*	7/7	100%
	F&GP** (Chair)	5/5	100%
	WEAC+	7/10	70%
Robin Cook	Board*	7/7	100%
	A&R**	4/6	67%
	WEAC+	7/10	70%
Michael Crilly	Board*	7/7	100%
	A&R** (Chair)	6/6	100%
	SB	5/5	100%
Marion Flett	Board*	6/7	86%
	A&R**	5/6	83%
	ESC (Chair)	4/5	80%
	SB	5/5	100%
Jon Gamble	Board*	7/7	100%
	F&GP	5/5	100%
Pat Kynaston	Board*	7/7	100%
	MVGM	4/4	100%
	WEAC	7/8	88%
Geoff Layer	Board*	5/7	71%
Lindsay Pearson	Board*	7/7	100%
	MVGM	4/4	100%
	F&GP**	5/5	100%
	WEAC	8/10	80%
Marc Sherland	Board*	7/7	100%
	ESC	2/3	67%
	MVGM	4/4	100%
Lynne Smith	ESC	1/1	100%
	SB	1/1	100%
	WEAC	2/2	100%
Peter Threadkell	Board	6/7	86%
	MVGM (Chair)	4/4	100%
Narinder Uppal	Board*	4/7	57%

* Includes two joint meetings with WEAC and one development day.

** Includes one joint meeting between F&GP and A&R.

+ Non-voting member.

WEA's Board of Trustees and its committees normally meet on a quarterly cycle of meetings so that each group would meet four times per year. The exception to this pattern has normally been the Council, which would hold a face-to-face meeting on a quarterly basis, interspersed with periodic Zoom videoconferences for catching-up business. Council therefore would normally meet eight to ten times during the year.

As a result of continuing concerns around Covid-19, all Board and committee meetings during the year were held by Zoom videoconference.

Average attendance at meetings of the Board of Trustees in 2020/21 was 92% (2019/20: 87%).

Average attendance at all Board and Committee meetings in 2020/21 was 91% (2019/20: 83%).

Trustees' declaration

Statement of trustees' responsibilities

The trustees (who are also Directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice ("UK accounting standards").

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

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the trustees of the charitable company at the date of approval of this report is aware, there is no relevant audit information (information needed by the charitable company's auditor in connection with preparing the audit report) of which the charitable company's auditor is unaware. Each trustee has taken all of the steps that they should have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Approved on behalf of Trustees on 9 December 2021



Signed: John Widdowson
Chair of Trustees

Statement of corporate governance & internal control

The following statement is provided to enable readers of the Annual Report and Accounts of the Charity to obtain a better understanding of its governance and legal structure. This statement covers the period from 1 August 2020 to 31 July 2021 and up to the date of approval of the Annual Report and Financial Statements.

The Charity endeavours to conduct its business:

- i. In accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
- ii. In accordance with the governance requirements in the Companies Act 2006 and the Charities Act 2011; and
- iii. With due regard to the guidance and principles set out in the UK Corporate Governance Code 2016.

The Charity is committed to exhibiting best practice in all aspects of corporate governance and, as a registered charity, follows compliance guidelines set by the Charity Commission. We have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code we consider to be relevant to the further education sector and best practice.

The Board of Trustees 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 Board of Trustees confirm that they have due regard for the Charity Commission's guidance on public benefit and that the required statements appear elsewhere in these financial statements.

Approved by order of the Board of Trustees on 9 December 2021 and signed on its behalf by:

John Widdowson, CBE
Chair of Trustees

Simon Parkinson
CEO/GS

Governing body's statement on the regularity, propriety and compliance with funding body terms and conditions of funding

The Charity has considered its responsibility to notify the Education and Skills Funding Agency ("ESFA") of material irregularity, impropriety and non-compliance with the ESFA terms and conditions of funding, under the financial memorandum in place between the Charity and the ESFA. As part of our consideration we have had due regard to the requirements of the financial memorandum.

We confirm, on behalf of the Charity, that after due enquiry, and to the best of our knowledge, we are not able to identify any material irregular or improper use of funds by the Charity, or material non-compliance with the ESFA's terms and conditions of funding under the Charity's financial memorandum.

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

Approved by order of the Board of Trustees on 9 December 2021 and signed on its behalf by:



John Widdowson, CBE
Chair of Trustees



Simon Parkinson
CEO/GS

Independent auditor's report to the members and trustees of the Workers' Educational Association ("WEA")

Opinion

We have audited the financial statements of WEA ('the charitable company') for the year ended 31 July 2021 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ▶ give a true and fair view of the state of the charitable company's affairs as at 31 July 2021 and of its income and expenditure, 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 Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- ▶ the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ▶ the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement [set out on page 32], the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, The Charities and Trustee Investment (Scotland) Act 2005, Further and Higher Education Act 1992 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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 might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Health and safety legislation, Ofsted Education Inspection Framework, Taxation legislation and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

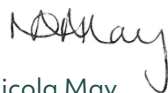
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit & Risk Committee about their own identification and assessment of the risks of

irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Nicola May
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date 17th December 2021

Independent reporting accountant's report on regularity 31 July 2021

To the Trustees of the Workers' Educational Association (the WEA) and Secretary of State for Education, acting through Education and Skills Funding Agency (the ESFA) and the Greater Manchester Combined Authority, Liverpool City Region Combined Authority, West of England Combined Authority, West Midlands Combined Authority, Tees Valley Combined Authority, North of Tyne Combined Authority and Greater London Authority (referred to as "the Authorities" below).

In accordance with the terms of our engagement letter dated 6 May 2021 and further to the requirements and conditions of funding in the ESFA's grant funding agreements and contracts, or those of any other public funder, including the Authorities we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by the WEA during the period 1 August 2020 to 31 July 2021 have not been applied to the purposes identified by Parliament and the financial transactions do not conform to the authorities which govern them.

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

This report is made solely to the trustees of WEA and the ESFA and the Authorities in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Trustees of the WEA and the ESFA and the Authorities 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 WEA and the ESFA and the Authorities for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the WEA and the reporting accountant

The trustees of the WEA are responsible, under the requirements of the Further & Higher Education Act 1992, subsequent legislation and related regulations and guidance, for ensuring that expenditure disbursed, and income received, are applied for the purposes intended by Parliament, and the

financial transactions conform to the authorities that govern them.

Our responsibilities for this engagement are established in the United Kingdom by 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 2020 to 31 July 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Code issued by the ESFA and in accordance with any guidance provided by the Authorities. We performed a limited assurance engagement as defined in that framework.

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity of the WEA's income and expenditure. The work undertaken to draw to our conclusion includes a review of the design and implementation of WEA's internal controls and review processes on regularity, supported by detailed tests on sample of costs incurred by the Association and specific transactions identified from our review.

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 2020 to 31 July 2021 has not been applied to purposes intended by Parliament, and the financial transactions do not conform to the authorities that govern them.

Crowe U.K. LLP
Crowe U.K. LLP

Date 17th December 2021

Financial statements

Statement of financial activities for the year ended 31 July 2021

	Notes	2020/21 Unrestricted funds £'000	2020/21 Restricted funds £'000	2020/21 Total funds £'000	2019/20 Unrestricted funds £'000	2019/20 Restricted funds £'000	2019/20 Total funds £'000
Income from:							
Donations and legacies		77	1	78	95	3	98
Charitable activities	2	16,208	13,454	29,662	16,861	10,914	27,775
Investment income	19	552	-	552	954	-	954
Other		16	1	17	14	1	15
Total income		16,853	13,456	30,309	17,924	10,918	28,842
Expenditure on:							
Charitable activities	3	12,042	12,875	24,917	15,900	11,117	27,017
Other	18b	538	-	538	864	-	864
Total expenditure		12,580	12,875	25,455	16,764	11,117	27,881
Net income/(expenditure)		4,273	581	4,854	1,160	(199)	961
Transfers between funds	13	518	(518)	-	(80)	80	-
Other recognised losses:							
Adjustment for defined benefit pension scheme	18e	(356)	-	(356)	(409)	-	(409)
Net movement in funds		4,435	63	4,498	671	(119)	552
Reconciliation of funds:							
Total funds brought forward		8,438	664	9,102	7,767	783	8,550
Total funds carried forward		12,873	727	13,600	8,438	664	9,102

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities. The notes on pages 42 to 67 form part of these accounts.

Balance sheet as at 31 July 2021

	Notes	2020/21 £'000	2019/20 £'000
Fixed assets			
Tangible assets	8	4,555	4,420
Total fixed assets		4,555	4,420
Current assets			
Debtors	9	1,829	1,531
Investments	16	2,593	1,590
Cash at bank and in hand	16	7,439	4,980
Total current assets		11,861	8,101
Liabilities			
Creditors: amounts falling due within one year	10	(2,344)	(2,828)
Net current assets		9,517	5,273
Total assets less current liabilities		14,072	9,693
Creditors: amounts falling due after more than one year	10	-	(9)
Provisions for liabilities	22	(472)	(582)
Total net assets		13,600	9,102
Funds of the Charity			
Unrestricted funds	13	8,447	4,142
Designated funds	13	4,426	4,296
Total unrestricted funds	13	12,873	8,438
Restricted funds	13	727	664
Total charity funds		13,600	9,102

The financial statements on pages 39 to 67 were approved by the Board of Trustees and authorised for issue on 9 December 2021, and are signed on its behalf by:



John Widdowson CBE
Chair of Trustees



Simon Parkinson
CEO/GS

Cash flow statement for the year ended 31 July 2021

	Notes	2020/21 £'000	2020/21 £'000	2019/20 £'000	2019/20 £'000
Cash flows from operating activities:					
Net cash provided by operating activities	14		4,265		1,395
Cash flows from investing activities:					
Interest received	19	4		15	
Purchase of tangible assets	8	(807)		(477)	
Net cash used in investing activities			(803)		(462)
Cash flows from financing activities:					
Net cash provided by / (used in) financing activities			-		-
Change in cash and cash equivalents in the reporting period			3,462		933
Cash and cash equivalents at the beginning of the reporting period			6,570		5,637
Cash and cash equivalents at the end of the reporting period			10,032		6,570

	2020/21 £'000	2019/20 £'000
Notes to the cash flow statement		

Analysis of cash and cash equivalents

Investments - short term deposits	2,593	1,590
Bank and cash	7,439	4,980
Total cash and cash equivalents	10,032	6,570

Notes to the financial statements for the year ended 31 July 2021

1. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Companies Act 2006, Charities: Statement of Recommended Practice (FRS102) applicable in the UK and Republic of Ireland, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. We believe this is the most appropriate basis of accounts preparation.

The trustees have assessed WEA's ability to continue as a going concern. The trustees have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. This has included a review of budgets and cash flow forecasts through to July 2024 and consideration of the key risks, including devolution, forecast changes in the split between restricted and unrestricted income and the impact of covid-19. WEA has prepared a number of financial scenarios and the Trustees consider that the WEA is well positioned to manage its business risks successfully. In all of the scenarios the free reserves remain well above the target of £3.3m. After careful consideration and enquiry, the Trustees have a reasonable expectation that the WEA has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing these financial statements.

Cash management and working capital controls are in place to ensure restricted and unrestricted assets and reserves are appropriately managed.

Accordingly, the accounts have been prepared on the basis that the Charity is a going concern.

The WEA's charitable objective is to promote adult and general education. The WEA meets the definition of a public benefit entity.

Fund accounting:

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity, and which have not been designated for other purposes.

Designated funds are unrestricted funds equating to unrestricted fixed assets.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

The funds are maintained on a project by project basis or in accordance with the agreed restrictions on their use. The restricted funds reserves and movements on them are shown on a region by region basis in the notes to the accounts.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the Association is entitled to the income, its receipt is probable and the amounts can be quantified with reasonable accuracy.

Voluntary income is received by way of donations and gifts and is included in full in the SOFA when receivable.

Volunteer time

WEA benefits from the active participation of volunteers, as referred to in the Trustees' Report. The financial statements do not quantify any financial value on this contribution.

Grants receivable are recognised when the conditions for receipt have been met and there is reasonable assurance of receipt, unless these relate to a specific future period in which case they are deferred.

Service level agreements are recognised in line with performance. These relate to fees and contract income.

ESFA Grants are recognised on an accruals basis.

Capital grants received towards the cost of tangible fixed assets are credited to the SOFA in full in the year in which they are received and treated as restricted or designated funds according to the nature of the grant. A transfer is made annually to the General Fund in equal instalments on the same basis as the depreciation of the asset concerned. For the ESFA capital grant received in 2020/21 the restriction of funds was fully satisfied in the year and a transfer was made to unrestricted funds for the capitalised value of new assets to cover future depreciation charges.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Governance costs comprise management of the Charity's assets, organisational management and compliance with constitutional and statutory requirements.

Cost allocation

The Association has considered that it has just one activity, which is Education Provision, to which the majority of costs are directly attributable. Where costs cannot be directly attributed to particular headings they have all been allocated to activities on a basis consistent with their use.

Notes to the financial statements for the year ended 31 July 2021

1. Accounting policies (continued)

Branches

The Charity carries out much of its activities through a national network of non-autonomous branches which operate under the Charity's registration number. These run courses for the Charity locally and receive support from the Charity through advice, publicity and meeting tutor costs. Branch activities are included in the Charity's accounts.

Fixed assets and depreciation

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental costs of acquisition. Computers regardless of cost are capitalised.

Capital project items are capitalised and depreciated over 3 years from the time when the project commenced or in line with the life of the project.

Software costs (excluding maintenance costs), costing £1,000 or more are capitalised over 3 years in line with the Association's policies.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land	Nil
Freehold buildings	over 50 years
Improvement to buildings	over 10 years
Grant funded building improvements	over the life of the project
Grant funded equipment	over the life of the project
Other equipment	over 3 years
Computer software	over 3 years

Pension costs

At 31 July 2021 retirement benefits to employees are provided by the People's Pension, the Teachers Pension (TP), the Scottish Public Pensions Agency (SPPA). The Charity's own Workers' Educational Association pension scheme (WEA Scheme) whose Trustee and Administrator is The Pensions Trust and NOW: Pension Scheme were closed to further contributions at 31 August 2019. The People's Pension and NOW: Pension schemes are defined contribution schemes. The TP, SPPA and WEA pension schemes are defined benefit schemes.

THE TP and SPPA are multi-employer schemes. It is not possible to identify the Association's share of the underlying assets and liabilities of the schemes on a consistent and reliable basis and therefore, as required by FRS 102, the WEA accounts for the schemes as if they were defined contribution schemes. The Association's contributions are charged in the period in which the salaries they relate to are payable, in accordance with the recommendations of the Government Actuary.

For the WEA Scheme, the difference between the fair value of the assets held in the Association's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the Association's balance sheet as a pension scheme asset or liability as appropriate. Changes in the defined benefit pension scheme asset or liability arising from factors other than cash contribution by the Association are charged to the SOFA in accordance with Financial Reporting Standards (FRS 102) - Retirement Benefits. The deficit arising from the adoption of FRS 102 is recognised as a reduction in the general reserves. Surpluses are not recognised unless they are considered recoverable.

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the SOFA in the year in which they fall due.

Notes to the financial statements for the year ended 31 July 2021

1. Accounting policies (continued)

Provisions and contingencies are recognised when the following three conditions are met: the Association has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economical benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. The amount of the provision represents the best estimate of the expenditure required to settle the obligation at the end of the reporting period.

Contingent liabilities, including liabilities that are not probable or which cannot be reliably measured, are not recognised but are disclosed unless the possibility of settlement is considered remote. Contingent Assets are not recognised, but are disclosed where an inflow of economic benefit is probable.

Financial instruments

WEA has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value, and subsequently measured at the settlement value. At the balance sheet date the WEA held financial assets at amortised cost of £11,715,543 (2019/20 £7,930,502) and financial liabilities at amortised cost of £1,890,253 (2019/20 £2,684,050).

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due, or discount offered.

Creditors

Creditors and provisions are recognised where the Association has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and investments available within twenty-four hours.

Investments

Investments are short-term highly liquid investments with a short maturity of 95 days or less.

Key judgements and assumptions

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

Details of the two main accounting estimates can be found in the notes to the accounts. The valuation of the freehold property is detailed in note 8 and the accounting valuation of the defined benefit pension scheme in note 18.

Redundancy

The WEA recognises a provision for redundancy costs when they are committed to a programme of redundancy at the balance sheet date. This can be recognised while a consultation process is underway as long as the redundancy programme has been announced. The provision is measured at the best estimate of the redundancy liability accrued to the end of the accounting period. No provision is made for the cost of salary and notice periods that will need to be worked after the end of the accounting period.

Dilapidations Provision

Provisions are made when a legal or constructive obligation, is identified and the liability can be reasonably qualified. The provision is based on an estimate provided by the landlord of the property or a benchmarked market rate per square foot of the leased property.

Notes to the financial statements for the year ended 31 July 2021

2. Incoming resources from charitable activities

	Unrestricted 2020/21 £'000	Restricted 2020/21 £'000	Total 2020/21 £'000	Total 2019/20 £'000
Educational provision				
Fees and contracts	1,660	3,408	5,068	7,165
Education and Skills Funding Agency (ESFA) grant	14,510	958	15,468	14,479
Other grants receivable	36	9,088	9,124	6,127
Other income from activities	2	-	2	4
Total incoming resources from charitable activities	16,208	13,454	29,662	27,775

2a. Analysis of income from charitable activities

	Total 2020/21 £'000	Total 2019/20 £'000
ESFA unrestricted grants		
ESFA contract	14,138	14,148
Other ESFA grants and contracts	372	331
ESFA unrestricted grants	14,510	14,479
Total ESFA restricted grants	958	-
Total ESFA contracts & grants	15,468	14,479
Other unrestricted grants		
Total other unrestricted grants	36	27
Total other restricted grants	9,088	6,100
Total other grants	9,124	6,127

3. Resources expended on charitable activities

	Unrestricted 2020/21 £'000	Restricted 2020/21 £'000	Total 2020/21 £'000	Total 2019/20 £'000
Educational Provision				
Tutor costs - staff	2,082	1,400	3,482	4,999
Tutor costs - travel & subsistence	7	16	23	298
Regional costs - staff	4,269	2,914	7,183	6,710
Regional costs - other	392	172	564	2,127
Grants and subcontractor payments	10	4,542	4,552	3,362
Total educational activity costs	6,760	9,044	15,804	17,496
Governance costs (note 4)	218	13	231	215
Support costs (note 5)	5,064	3,818	8,882	9,306
Total resources expended on charitable activities	12,042	12,875	24,917	27,017

Notes to the financial statements for the year ended 31 July 2021

4. Governance costs

	Total 2020/21 £'000	Total 2019/20 £'000
External audit fees		
Crowe U.K. LLP (note 7)	48	50
Other assurance fees		
Crowe U.K. LLP (note 7)	14	16
Legal and professional fees	26	2
Trustees meetings and other costs (note 17)	-	10
Governance costs - staff	143	137
Total governance costs	231	215

5. Support costs

Educational

	Total 2020/21 £'000	Total 2019/20 £'000
Support costs - staff	4,863	5,148
Support costs - other	1,531	1,741
Facilities management	1,052	1,133
IT & communications	1,436	1,284
Total support costs	8,882	9,306

Notes to the financial statements for the year ended 31 July 2021

6. Staff costs

	Total 2020/21 £'000	Total 2019/20 £'000
Wages and salaries	13,319	14,538
Social security costs	1,077	1,083
Pension costs	1,276	1,373
Redundancy costs	300	140
Total staff costs	15,972	17,134

The above figure does not include agency staff employed by the Association at a cost of £28,391 (2019/20: £106,967) At the year end £nil (2019/20: £nil) of the redundancy costs remained unpaid.

	2020/21	2019/20
The average number of employees during the year was as follows:		
Staff	380	382
Tutors	624	884
Total average number of employees	1,004	1,266

	2020/21	2019/20
Number of employees earning £60,000 per annum and above are as follows:		
£60,001 - £70,000	2	1
£70,001 - £80,000	4	3
£80,001 - £90,000	2	-
£90,001 - £100,000	-	1
£110,001 - £120,000	1	-
	9	5

Three members of staff received redundancy payments in 2020/21 which took their earnings into the above brackets. Pension benefits are accruing for the other 6 (2019/20: 5) higher paid employees. Total employer pension contributions of £49,300 (2019/20: £42,923) have been made in relation to higher paid employees.

The key management personnel of the Charity comprise the Board of Trustees (12) and the Leadership Team (10 (2019/20:6)). The total employee remuneration and benefits, employer NI and pension contributions of the key management personnel were £791,078 (2019/20: £577,025).

7. Analysis of charitable expenditure

	Total 2020/21 £'000	Total 2019/20 £'000
Charitable expenditure includes:		
External auditors' remuneration (note 4)	48	50
Other assurance services performed by external auditors*	14	16
Depreciation	554	746
Loss on disposal of tangible assets	118	3
Operating lease charges	209	262

* Other assurance services performed by the external auditors include regularity audits to meet the conditions of ESFA/MCA contracts.

Notes to the financial statements for the year ended 31 July 2021

8. Tangible fixed asset schedule

	Land and Buildings £'000	Education Equipment £'000	Other Equipment £'000	Assets in the course of construction £'000	Total 2020/21 £'000
Cost					
At 1 August 2020	5,873	1,806	4,200	-	11,879
Additions	532	118	107	50	807
Disposals	(279)	-	-	-	(279)
At 31 July 2021	6,126	1,924	4,307	50	12,407
Depreciation					
At 1 August 2020	2,000	1,624	3,835	-	7,459
Charge for the year	206	107	241	-	554
Disposals	(161)	-	-	-	(161)
At 31 July 2021	2,045	1,731	4,076	-	7,852
Net book value					
At 31 July 2021	4,081	193	231	50	4,555
At 1 August 2020	3,873	182	365	-	4,420

There is a charge granted over the freehold property 4 Luke Street, London, EC2A 4XW in favour of The Pensions Trust. At 31 July 2021 the charge is capped at £2,500,000.

9. Debtors: amounts falling due within one year

	2020/21 £'000	2019/20 £'000
Trade debtors	301	230
Other debtors	69	1,059
Prepayments	160	170
Other grant income receivable	1,299	72
Total	1,829	1,531

10. Creditors: amounts falling due within one year

Amounts falling due within one year	2020/21 £'000	2019/20 £'000
Trade creditors	624	535
Accruals	981	1,656
Social security & other taxes	454	484
Deferred income	285	153
Total	2,344	2,828

Creditors: amounts falling due after more than one year relate to a rent rebate for office accommodation.

Notes to the financial statements for the year ended 31 July 2021

10a. Deferred income

	2020/21 £'000	2019/20 £'000
Opening balance	153	633
Amounts released	(152)	(633)
Amounts deferred	284	153
Closing balance	285	153

Income received during the year is deferred when the conditions for income recognition have not been fully met. All income deferred in the previous year has been released with the exception of £1,164 of student credit notes.

11. Financial commitments - leases

As at 31 July 2021, the charity has annual commitments under non-cancellable leases as follows:

Expiry date:	Land and building leasehold £'000	Total 2020/21 £'000	Total 2019/20 £'000
Within one year	128	128	205
One to five years	10	10	160
Over five years	-	-	1
Total financial commitments - leases	138	138	366

12. Analysis of net assets by fund

	Unrestricted funds 2020/21 £'000	Restricted funds 2020/21 £'000	Total Funds 2020/21 £'000	Unrestricted funds 2019/20 £'000	Restricted funds 2019/20 £'000	Total funds 2019/20 £'000
Net assets						
Tangible fixed assets	4,426	129	4,555	4,296	124	4,420
Net current assets	8,919	598	9,517	4,733	540	5,273
Long term liabilities	(472)	-	(472)	(591)	-	(591)
Net assets	12,873	727	13,600	8,438	664	9,102

Notes to the financial statements for the year ended 31 July 2021

13. Statement of funds

	At 1 August 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Actuarial Loss £'000	At 31 July 2021 £'000
General funds	2,268	15,641	(11,358)	(36)	-	6,515
Branch funds	819	402	(376)	(209)	-	636
Regional branch reserve fund	1,055	-	-	241	-	1,296
	4,142	16,043	(11,734)	(4)	-	8,447
Designated funds	4,296	262	(654)	522	-	4,426
Pension deficit	-	548	(192)	-	(356)	-
	8,438	16,853	(12,580)	518	(356)	12,873
Restricted funds:						
Revenue	540	12,408	(12,354)	4	-	598
Fixed asset fund	124	1,048	(521)	(522)	-	129
	664	13,456	(12,875)	(518)	-	727
	9,102	30,309	(25,455)	-	(356)	13,600

Designated funds represents the part of the Association's funds balance represented by fixed assets.

Regional branch reserve fund represents the balance of accumulated funds transferred from branches to regions in line with the Association's policy of ensuring balances of funds at branches are kept at levels that are sufficient, but not excessive. Part of the balance on this fund is made available each year for branches to bid into for the development of local activities supporting the WEA and the Association's regional priorities. This reserve may also be used, at trustees' discretion, to address funding gaps where use of ESFA funds is not permitted.

Transfers between unrestricted and restricted funds:

Fixed asset funds: the transfer of £522,277 from restricted funds to the designated fund reflects the capital expenditure of £531,868 on the ESFA capital grant offset by £9,591 match funding that the WEA has provided during the year.

Restricted revenue: the transfer of £3,724 from unrestricted funds to restricted funds reflects match funding that the WEA has provided during the year.

Prior year statement of funds

	At 31 July 2019 £'000	Income £'000	Expenditure £'000	Transfers £'000	Pension adjustment £'000	At 31 July 2020 £'000
General funds	1,549	15,429	(14,641)	(69)	-	2,268
Branch funds	890	1,079	(866)	(284)	-	819
Regional branch reserve fund	771	-	-	284	-	1,055
	3,210	16,508	(15,507)	(69)	-	4,142
Designated fund	4,557	477	(727)	(11)	-	4,296
Pension deficit	-	939	(530)	-	(409)	-
	7,767	17,924	(16,764)	(80)	(409)	8,438
Restricted funds:						
Revenue	648	10,918	(11,095)	69	-	540
Fixed asset fund	135	-	(22)	11	-	124
	783	10,918	(11,117)	80	-	664
	8,550	28,842	(27,881)	-	(409)	9,102

Notes to the financial statements for the year ended 31 July 2021

13a. Statement of funds (continued)

Lottery funded projects

	At 1 August 2020 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2021 £
Eastern						
Big Lottery Fund and ESF Building Better Opportunities Grant - Papworth Community Connections	2,896	12,549	2,579	(14,940)	-	3,084
East Midlands						
Big Lottery Fund and ESF Building Better Opportunities Grant - Vista Will	15,240	58,530	31,447	(105,217)	-	-
Big Lottery Fund and ESF Building Better Opportunities Grant - Money Sorted in D2N2	-	34,995	14,467	(49,462)	-	-
North East						
Big Lottery Fund Grant - Greening Wingrove	835	-	-	(835)	-	-
North West						
Big Lottery Fund and ESF Building Better Opportunities Grant - Sefton Liverpool Digital Inclusion	5,746	16,853	-	(19,715)	-	2,884
Big Lottery Fund and ESF Building Better Opportunities Grant - Halton Liverpool Digital inclusion	10,986	65,534	-	(75,742)	-	778
Big Lottery Fund and ESF Building Better Opportunities Grant - Cumbria, Carlisle & Eden	-	115,040	(54,269)	(16,856)	-	43,915
Southern						
Big Lottery Fund and ESF Building Better Opportunities Grant - Routes Community Works	6,533	40,504	-	(38,770)	-	8,267
Big Lottery Fund and ESF Building Better Opportunities Grant - Aspire - Family Learning Surrey	-	31,965	(3,871)	(28,094)	-	-
Big Lottery Fund and ESF Building Better Opportunities Grant - Building Family Bridges	-	95,820	(53,891)	(45,561)	3,724	92
Yorkshire & Humber						
BLF Men's Health Lounge	927	-	-	-	-	927
Scotland						
Big Lottery Fund - Reach Out Project	99,406	149,618	-	(115,707)	-	133,317
Total lottery fund projects	142,569	621,408	(63,538)	(510,899)	3,724	193,264
Other projects						
ESF (note 13b)	(199,539)	3,972,818	343,082	(4,184,779)	-	(68,418)
Other (note 13c)	596,724	7,774,637	(240,330)	(7,658,152)	-	472,879
Total restricted revenue funds	539,754	12,368,863	39,214	(12,353,830)	3,724	597,725

Notes to the financial statements for the year ended 31 July 2021

13b. Statement of funds (continued)

European Social Funds (ESF) and other European funding

	At 1 August 2020 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2021 £
Scotland						
Scottish Refugee Council - EU Asylum, Migration and Integration Fund: Sharing Lives Sharing Languages	4,615	-	-	(53)	-	4,562
Scottish Refugee Council - EU Asylum, Mitigation & Integration Fund: New Scots Integration - A Pathway to Social and Economic Inclusion	-	55,711	49,204	(86,621)	-	18,294
Scottish Refugee Council - EU Asylum, Mitigation & Integration Fund - New Scots Integration: Rights & Communities	-	20,856	-	(20,856)	-	-
Aberdeen University - LEADER - Elphinstone Home Project	-	16,830	-	(6,820)	-	10,010
East Midlands						
ESF Nottingham Trent University	-	-	2,113	(2,113)	-	-
North West						
ESF 19-21 Community Grants Manchester	(108,561)	2,470,024	106,439	(2,506,865)	-	(38,963)
ESF 19-21 Community Grants Lancashire	(32,483)	293,762	49,727	(348,934)	-	(37,928)
ESF 19-21 Community Grants Halton	(7,645)	89,502	48,786	(126,030)	-	4,613
ESF 19-21 Community Grants Liverpool	(55,465)	1,026,133	86,813	(1,086,487)	-	(29,006)
Total European restricted funds (note 13a)	(199,539)	3,972,818	343,082	(4,184,779)	-	(68,418)

Notes to the financial statements for the year ended 31 July 2021

13c. Statement of funds (continued)

Other restricted funds

	At 1 August 2020 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from General Fund £	At 31 July 2021 £
Association Services						
Olive Cordell	4,742	-	-	(600)	-	4,142
Restricted Gift	500	-	-	-	-	500
Digital Lifeline Campaign	931	2,037	-	(1,941)	-	1,027
Holox Digital Ace	-	23,500	-	(23,500)	-	-
ETF Ed Tech	-	2,000	-	(2,000)	-	-
Lloyds Banking Group	-	37,810	-	(37,810)	-	-
East Midlands						
Joan Freeman Legacy	2,339	-	-	-	-	2,339
Algy Beaven Legacy	1,375	-	-	-	-	1,375
John Rhodes Fund	9,581	-	-	-	-	9,581
LinHigher - Raising Aspirations	4,179	-	-	-	-	4,179
Bailey Thomas Fund - Lets Grow Together	1,545	-	-	(1,545)	-	-
Leicestershire PCC - Starting Over!	5,365	-	-	(5,365)	-	-
Nottingham City Council ESOL for Integration Fund Project - Learn English Together	-	66,114	-	(66,114)	-	-
Nottingham City Council Restart Grant	-	13,624	-	-	-	13,624
Leicestershire County Council SHIRE Community Grant Fund	-	3,160	-	(2,735)	-	425
Eastern						
Lester John Desmond Legacy	1,466	-	-	-	-	1,466
Clarion Housing	3,788	4,000	-	(3,260)	-	4,528
East of England Local Government Association (EELGA)	-	65,244	-	(55,193)	-	10,051
Cambridgeshire County Council	-	26,200	1,243	(27,443)	-	-
London						
Ilford Legacy	15,125	-	-	-	-	15,125
Cottier Legacy	3,753	-	-	-	-	3,753
ICELP Together We Learn	152,972	-	-	(115,623)	-	37,349
GLA - Skills for Londoners Innovation Fund	24,941	62,628	-	(87,569)	-	-
GLA - Skills for Londoners Covid-19 Response Fund	12,176	(12,176)	-	-	-	-
GLA - Skills for Londoners COVID-19 Response Fund Strand 2	-	24,906	-	(24,906)	-	-
GLA - Adult Education Budget	-	1,343,461	(91,286)	(1,252,175)	-	-
London Borough of Enfield - All Things Being ESOL	-	73,500	-	(73,500)	-	-
London Borough of Tower Hamlets - ESOL for Integration	-	36,182	17,456	(53,638)	-	-
North East						
100 Club	1,824	6	-	-	-	1,830
Comic Relief- Active Ageing	3,574	4,210	-	(7,784)	-	-
Unison Bridges to Learn 9	-	78,428	-	(78,428)	-	-
Carers Trust - Active Ageing	674	-	-	(674)	-	-
Tees Valley Combined Authority	-	360,255	(145,284)	(214,971)	-	-
North of Tyne Combined Authority	-	350,852	-	(340,852)	-	10,000
Lipman-Miliban Grant - Lipman Trust	-	1,950	-	(337)	-	1,613
Balance carried forward	250,850	2,567,891	(217,871)	(2,477,963)	-	122,907

Notes to the financial statements for the year ended 31 July 2021

13c. Statement of funds (continued)

Other restricted funds (continued)

	At 1 August 2020 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from General Fund £	At 31 July 2021 £
Balance brought forward	250,850	2,567,891	(217,871)	(2,477,963)	-	122,907
North West						
RSC - Any Old Ions	14,871	-	-	-	-	14,871
RAS - Look Up to the Skies	8,447	-	-	(1,710)	-	6,737
Wellcome Trust	21,713	38,597	2,881	(63,191)	-	-
Community Foundation- OneCom	1,408	-	-	(1,408)	-	-
Greater Manchester Combined Authority	-	2,018,258	(8,260)	(2,009,998)	-	-
Liverpool City Region Combined Authority Lot 1	-	799,961	(57,297)	(742,664)	-	-
Liverpool City Region Combined Authority Lot 2	-	41,630	11,742	(53,372)	-	-
Liverpool NHS	-	1,500	-	(1,500)	-	-
ESIF - CSI	-	45,000	(23,467)	(21,533)	-	-
South West						
West of England Combined Authority	-	322,751	-	(322,751)	-	-
Southern						
Fred Adler Legacy	57,961	-	-	(19,093)	-	38,868
Joan Taylor Legacy	812	-	-	-	-	812
K Smith Legacy	31,893	-	-	(10,500)	-	21,393
Santander	610	-	-	(333)	-	277
Sport England	9,085	25,233	1,323	(35,641)	-	-
Slough Borough Council - Ways Into Work	-	30,222	(846)	(29,376)	-	-
West Midlands						
Dudley MBC - Healthy Towns	23,148	66,337	-	(61,901)	-	27,584
West Midlands Combined Authority	-	835,160	-	(835,160)	-	-
Recovery College	-	4,863	-	(2,181)	-	2,682
Yorkshire & Humber						
Mike Haywood Fund	869	-	-	-	-	869
Yorkshire Adult Schools Union	8,300	-	-	-	-	8,300
Leeds University	3,047	-	-	(47)	-	3,000
Sheffield City Council	2,366	(1,239)	2,000	(1,753)	-	1,374
Refugee Council	1,015	3,600	-	(2,662)	-	1,953
NHS Confidence to study	23,961	2,587	-	(5,203)	-	21,345
Sport England	2,818	91,805	5,367	(84,110)	-	15,880
Your Consortium - Action Towards Inclusion	-	19,853	2,324	(22,177)	-	-
Heritage Fund - Women on the Land	-	48,750	-	-	-	48,750
Eastfield Employment - Scarborough Borough Council	-	13,510	344	(11,408)	-	2,446
Leeds City Council	-	-	5,445	(5,445)	-	-
Balance carried forward	463,174	6,976,269	(276,315)	(6,823,080)	-	340,048

Notes to the financial statements for the year ended 31 July 2021

13c. Statement of funds (continued)

Other restricted funds (continued)

	At 1 August 2020 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2021 £
Balance brought forward	463,174	6,976,269	(276,315)	(6,823,080)	-	340,048
Scotland						
Scottish Government - Adult Learning and Empowering Communities Fund	-	290,000	-	(290,000)	-	-
Scottish Government - Impact Funding Partners - PEC Fund - Women in the Highlands Project	25,019	51,128	7,083	(68,647)	-	14,583
Scottish Government - Health and Social Care - Self Directed Support Project 2018-2020	17,562	72,155	-	(63,218)	-	26,499
Highlife Highland - Open Programme	12,287	2,500	-	(8,918)	-	5,869
Edinburgh Community Learning & Development Partnership - ESOL Programme	-	9,600	-	(9,600)	-	-
Falkirk Council - Job Clubs	14,853	22,280	-	(22,280)	-	14,853
North Glasgow Housing Association - Thriving Places - 'Possibilities Project'	119	-	-	-	-	119
Aberdeenshire Council - Adult Education Programme	940	31,125	-	(10,566)	-	21,499
Aberdeen City Council - Parenting Project	12,260	-	-	-	-	12,260
Glasgow City Council-Integrated Grant Fund - Adult Literacies and ESOL 2018-2019	18,894	(1,475)	-	(17,419)	-	-
Reach Out Project - General	7,456	-	-	-	-	7,456
Fife Council - Revenue Grant	-	26,914	2,447	(29,361)	-	-
Fife Council - Teaching Grant	10,483	12,092	1,099	(6,136)	-	17,538
Aberdeen City Council - Revenue Grant	-	20,625	1,875	(22,500)	-	-
Aberdeen City Council - Teaching Grant	3,116	10,340	940	(10,584)	-	3,812
Highland Council - Syrian Re-settlement Project	-	54,108	-	(54,108)	-	-
North East Scotland Colleges - National ESOL Programme	-	25,812	10,789	(36,601)	-	-
Aberdeenshire Council - Home Office - ESOL Project	10,561	-	-	(5,026)	-	5,535
Scottish Refugee Council	-	2,500	-	(2,500)	-	-
Glasgow Clyde College	-	12,250	-	(12,250)	-	-
Falkirk Council - Employment & Training Unit	-	4,200	2,050	(6,250)	-	-
Glasgow City Council - Glasgow Communities Fund	-	88,017	5,381	(93,398)	-	-
North Ayrshire Council - ESOL 2020-2022	-	41,833	4,525	(45,540)	-	818
Scottish Refugee Council - Improving Community Resilience	-	5,000	-	(5,000)	-	-
Foundation Scotland - Response, Recovery, Resilience	-	2,875	(204)	(2,671)	-	-
Highland Council - Syrian Resettlement Programme 2021-2023	-	12,499	-	(12,499)	-	-
Lipman Miliband Trust	-	1,990	-	-	-	1,990
Total other restricted funds (note 13a)	596,724	7,774,637	(240,330)	(7,658,152)	-	472,879
Capital Grants						
ESFA Capital Grant	-	957,932	-	(426,064)	(531,868)	-
Greater Manchester Combined Authority	-	50,000	-	(49,911)	-	89
Liverpool City Region	-	40,000	-	(26,069)	-	13,931
Big Lottery Fund - Sheffield Learning Centre	65,000	-	-	(3,368)	1,684	63,316
Big Lottery Fund - Clare House	46,266	-	-	(4,611)	2,306	43,961
Big Lottery Fund - East Midlands Learning Centre	13,050	-	-	(11,204)	5,601	7,447
Total restricted capital funds (note 13)	124,316	1,047,932	-	(521,227)	(522,277)	128,744

Notes to the financial statements for the year ended 31 July 2021

13d. Statement of funds (continued)

Prior year statement of funds (continued)

Lottery funded projects (continued)

	At 1 August 2019 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from/(to) General Fund £	At 31 July 2020 £
Eastern						
Big Lottery Fund and ESF Building Better Opportunities Grant - Papworth Community Connections	(12,339)	46,504	-	(31,269)	-	2,896
East Midlands						
Big Lottery Fund and ESF Building Better Opportunities Grant - Vista Will	18,731	122,928	(11,365)	(115,054)	-	15,240
Big Lottery Fund and ESF Building Better Opportunities Grant - Money Sorted in D2N2	(1,611)	52,251	(9,960)	(40,680)	-	-
Big Lottery Fund - Mental Health and Wellbeing	-	20,880	(16,531)	(4,349)	-	-
North East						
Big Lottery Fund Grant - Greening Wingrove	7,835	-	-	(7,000)	-	835
North West						
Big Lottery Fund and ESF Building Better Opportunities Grant - New Leaf Cheshire	2,164	1,922	-	(2,480)	(1,606)	-
Big Lottery Fund and ESF Building Better Opportunities Grant - Sefton Liverpool Digital Inclusion	(6,249)	53,317	-	(41,322)	-	5,746
Big Lottery Fund and ESF Building Better Opportunities Grant - Halton Liverpool Digital inclusion	(4,587)	51,762	-	(36,189)	-	10,986
Big Lottery Fund and ESF Building Better Opportunities Grant - Working Well in Carlisle & Eden Grant	45,065	205,155	55,269	(305,489)	-	-
Big Lottery Fund and ESF Building Better Opportunities Grant - Lancashire Digital Inclusion	-	(56,571)	-	37,969	18,602	-
The Womens' Organisation - ESIF ESCI	12,132	(18,086)	23,467	(17,513)	-	-
Southern						
Big Lottery Fund and ESF Building Better Opportunities Grant - Routes Community Works	13,285	35,432	-	(42,184)	-	6,533
Big Lottery Fund and ESF Building Better Opportunities Grant- Get Socially Active	4,087	11,507	(8,175)	(7,419)	-	-
Big Lottery Fund and ESF Building Better Opportunities Grant - Slough Borough Council-Ways into Work	(78)	25,798	(2,305)	(23,415)	-	-
Big Lottery Fund and ESF Building Better Opportunities Grant - Aspire - Family Learning Surrey	5,312	38,642	(7,978)	(35,976)	-	-
Big Lottery Fund and ESF Building Better Opportunities Grant - Building Family Bridges	(8,000)	347,833	37,213	(386,267)	9,221	-
West Midlands						
Big Lottery Fund and ESF Building Better Opportunities Grant - Accelerate	(10,300)	20,279	(21,227)	(22)	11,270	-
Big Lottery Fund and ESF Building Better Opportunities Grant - Community Matters	(16,907)	9,520	(14,708)	(178)	22,273	-
Yorkshire & Humber						
Big Lottery Fund and ESF Building Better Opportunities Grant - Action Towards Improvement	(698)	14,219	5,680	(19,201)	-	-
BLF Men's Health Lounge	1,884	-	-	(957)	-	927
Scotland						
Big Lottery Fund - Reach Out Project	67,425	135,499	(1,120)	(102,398)	-	99,406
Total lottery fund projects	117,151	1,118,791	28,260	(1,181,393)	59,760	142,569
Other projects						
ESF (note 13e)	4,915	1,820,749	497,573	(2,522,615)	(161)	(199,539)
Other (note 13f)	526,029	7,263,943	188,885	(7,390,725)	8,592	596,724
Total restricted revenue funds	648,095	10,203,483	714,718	(11,094,733)	68,191	539,754

Notes to the financial statements for the year ended 31 July 2021

13e. Statement of funds (continued)

Prior Year Statement of funds (continued)

European Social Funds (ESF) and other European funding

	At 1 August 2019 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from / (to) General Fund £	At 31 July 2020 £
Scotland						
Scottish Refugee Council - EU Asylum, Migration and Integration Fund: Rights and Communities Project	2,252	115,790	7,451	(125,493)	-	-
Scottish Refugee Council - EU Asylum, Migration and Integration Fund: Sharing Lives Sharing Language	2,663	9,562	-	(7,610)	-	4,615
North West						
ESF 19-21 Community Grants Manchester	-	801,806	382,432	(1,292,799)	-	(108,561)
ESF 19-21 Community Grants Lancashire	-	231,099	(3,576)	(260,006)	-	(32,483)
ESF 19-21 Community Grants Halton	-	75,092	7,150	(89,887)	-	(7,645)
ESF 19-21 Community Grants Liverpool	-	587,400	104,116	(746,820)	(161)	(55,465)
Total European restricted funds (note 13d)	4,915	1,820,749	497,573	(2,522,615)	(161)	(199,539)

Notes to the financial statements for the year ended 31 July 2021

13f. Statement of funds (continued)

Prior year statement of funds (continued)

Other restricted funds

	At 1 August 2019 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from / (to) General Fund £	At 31 July 2020 £
Association Services						
Olive Cordell	5,408	-	-	(666)	-	4,742
Restricted Gift	500	-	-	-	-	500
Digital Lifeline Campaign	-	941	-	(10)	-	931
East Midlands						
Joan Freeman Legacy	2,339	-	-	-	-	2,339
Algy Beaven Legacy	1,375	-	-	-	-	1,375
John Rhodes Fund	9,581	-	-	-	-	9,581
Leicester City Council - Shire Community grant	-	-	-	-	-	-
LincHigher - Raising Aspirations	4,332	-	-	(153)	-	4,179
Bailey Thomas Fund - Lets Grow Together	3,000	-	-	(1,455)	-	1,545
Nottinghamshire ACLS 18-19 Inspire Learning	-	-	-	-	-	-
Leicestershire PCC - Starting Over!	-	9,949	-	(4,584)	-	5,365
Nottingham City Council - Midlands Engine	-	87,106	(23,167)	(63,839)	(100)	-
Eastern						
The Basil Slaughter Trust for Adult Education	(143)	-	-	143	-	-
Orbit Housing	4,149	-	-	(4,149)	-	-
Lester John Desmond Legacy	1,466	-	-	-	-	1,466
Clarion Housing	4,000	8,000	-	(8,212)	-	3,788
London						
Ilford Legacy	15,386	-	-	(261)	-	15,125
Cottier Legacy	6,103	-	-	(2,350)	-	3,753
ICELP Together We Learn	94,168	635,417	-	(576,613)	-	152,972
GLA - Adult Education Budget	-	1,238,628	(8,714)	(1,229,914)	-	-
GLA - Skills for Londoners Innovation Fund	-	45,674	-	(20,733)	-	24,941
GLA - Skills for Londoners Covid-19 Response Fund	-	12,176	-	-	-	12,176
North East						
100 Club	1,818	6	-	-	-	1,824
Unison Bridges to Learn 7	-	(544)	-	-	544	-
Comic Relief- Active Ageing	6,689	37,892	-	(41,007)	-	3,574
NHS Newcastle Workshops	(124)	560	-	(553)	117	-
Unison Bridges to Learn 8	-	78,874	-	(78,861)	(13)	-
Achieving Further	2,221	2,073	-	(4,294)	-	-
Unison Bridges to Learn 9	-	34,791	355	(35,146)	-	-
Carers Trust - Active Ageing	-	1,197	-	(523)	-	674
Tees Valley Combined Authority	-	394,720	15,284	(410,004)	-	-
North West						
RSC - Any Old Ions	15,283	-	-	(412)	-	14,871
RAS - Look Up to the Skies	11,233	6,050	-	(8,836)	-	8,447
Wellcome Trust	(312)	95,108	52	(73,135)	-	21,713
Community Foundation- OneCom	-	5,000	-	(3,592)	-	1,408
Greater Manchester Combined Authority	-	1,603,119	170,521	(1,773,640)	-	-
Liverpool City Region Combined Authority	-	696,893	98,851	(795,744)	-	-
Balance carried forward	188,472	4,993,630	253,182	(5,138,543)	548	297,289

Notes to the financial statements for the year ended 31 July 2021

13f. Statement of funds (continued)

Prior year statement of funds (continued)

Other restricted funds (continued)

	At 1 August 2019 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from / (to) General Fund £	At 31 July 2020 £
Balance brought forward	188,472	4,993,630	253,182	(5,138,543)	548	297,289
South West						
Gloucestershire County Council - Growing Our Communities	2,132	-	-	(2,132)	-	-
West of England Combined Authority	-	300,717	-	(300,717)	-	-
Southern						
Southampton CC - Writing Courses	3,274	3,955	-	(7,229)	-	-
Fred Adler Legacy	78,880	-	-	(20,919)	-	57,961
Joan Taylor Legacy	812	-	-	-	-	812
K Smith Legacy	31,893	-	-	-	-	31,893
Santander	943	-	-	(333)	-	610
Sport England	13,252	29,419	-	(33,586)	-	9,085
West Midlands						
Dudley MBC - Healthy Towns	21,670	48,400	2,000	(48,922)	-	23,148
West Midlands Combined Authority	-	835,160	-	(835,160)	-	-
Nottingham City Council - Midlands Engine	(100)	-	-	-	100	-
Yorkshire & Humber						
Mike Haywood Fund	2,115	-	-	(1,246)	-	869
Yorkshire Adult Schools Union	8,300	-	-	-	-	8,300
Leeds University	-	(22)	-	(4,875)	7,944	3,047
Sheffield City Council	-	1,837	4,475	(3,946)	-	2,366
Refugee Council	-	7,200	-	(6,185)	-	1,015
NHS Confidence to study	25,181	18,109	-	(19,329)	-	23,961
Painted Fabrics	-	6,640	(6,640)	-	-	-
Sport England	20,596	74,651	(5,945)	(86,484)	-	2,818
Scotland						
Scottish Government - Adult Learning and Empowering Communities Fund	-	290,000	-	(290,000)	-	-
Scottish Government - Impact Funding Partners - PEC Fund - Women in the Highlands Project	15,380	77,320	7,680	(75,361)	-	25,019
Scottish Government - Inspiring Scotland - Self Directed Support Project 2015-2018	926	-	-	(926)	-	-
Scottish Government - Health and Social Care Self Directed Support Project 2018-2020	14,290	104,676	(34,299)	(67,105)	-	17,562
Highland Community Planning Partnership - ESOL Programme	18	-	-	(18)	-	-
Highlife Highland - Open Programme	9,340	7,500	-	(4,553)	-	12,287
Edinburgh Community Learning & Development Partnership - ESOL Programme	4,014	5,600	-	(9,614)	-	-
Falkirk Council - Job Clubs	17,120	22,280	-	(24,547)	-	14,853
Falkirk Council - Employment and Training Unit	-	5,850	450	(6,300)	-	-
Balance carried forward	458,508	6,832,922	220,903	(6,988,030)	8,592	532,895

Notes to the financial statements for the year ended 31 July 2021

13f. Statement of funds (continued)

Prior year statement of funds (continued)

Other restricted funds (continued)

	At 1 August 2019 £	Received income £	Accrued/ Deferred income £	Funded expenditure £	Transfer from / (to) General Fund £	At 31 July 2020 £
Balance brought forward	458,508	6,832,922	220,903	(6,988,030)	8,592	532,895
Scottish Government - Maths Week Scotland Small Grants Fund	-	800	-	(800)	-	-
North Glasgow Housing Association - Thriving Places - 'Possibilities Project'	-	808	-	(689)	-	119
Aberdeenshire Council - Adult Education Programme	10,272	24,900	(8,300)	(25,932)	-	940
Aberdeen City Council - Parenting Project	12,770	-	-	(510)	-	12,260
Endrick Trust	825	-	-	(825)	-	-
Glasgow City Council-Integrated Grant Fund - Adult Literacies and ESOL 2018-2019	3,877	129,503	-	(114,486)	-	18,894
Reach Out Project - General	6,616	840	-	-	-	7,456
Aberdeen City Council - Fairer Aberdeen Fund	-	4,500	1,500	(6,000)	-	-
North Ayrshire Council - ESOL Programme	1,230	37,080	(145)	(38,165)	-	-
Fife Council - Revenue Grant	-	29,361	-	(29,361)	-	-
Fife Council - Teaching Grant	13,554	13,642	-	(16,713)	-	10,483
Aberdeen City Council - Revenue Grant	-	16,875	5,625	(22,500)	-	-
Aberdeen City Council - Teaching Grant	11,330	8,460	2,820	(19,494)	-	3,116
Glasgow Literacy Partnership - National ESOL Programme	-	12,250	-	(12,250)	-	-
Highland Council - Syrian Re-settlement Project	-	60,507	-	(60,507)	-	-
North East Scotland Colleges - National ESOL Programme	-	67,325	(33,518)	(33,807)	-	-
Aberdeenshire Council - Home Office - ESOL Project	-	16,400	-	(5,839)	-	10,561
Aberdeen University - LEADER - Elphinstone Home Project	-	7,770	-	(7,770)	-	-
Bank of Scotland Foundation	7,047	-	-	(7,047)	-	-
Total other restricted funds (note 13d)	526,029	7,263,943	188,885	(7,390,725)	8,592	596,724

Notes to the financial statements for the year ended 31 July 2021

14. Reconciliation of change in resources to net cash inflows from operating activities

	2020/21 £'000	2019/20 £'000
Net incoming resources	4,854	961
Loss on disposal of fixed assets	118	3
Depreciation	554	746
Other finance charges	538	864
(Decrease)/increase in debtors	(298)	(562)
(Decrease)/increase in creditors and provisions	(603)	671
Interest received	(4)	(15)
Other finance income	(548)	(939)
Non cash movements in respect of FRS 102 s.28	(346)	(334)
Net cash inflow from operating activities	4,265	1,395

15. Return on investments and servicing of finance

	2020/21 £'000	2019/20 £'000
Income from investments and interest receivable	4	15
Net cash inflow for return on investments and servicing of finance	4	15

16. Analysis of change in net funds

	At 1 August 2020 £'000	Cash flow £'000	At 31 July 2021 £'000
Net cash			
Short term deposits	1,590	1,003	2,593
Bank and cash	4,980	2,459	7,439
Total net funds	6,570	3,462	10,032

17. Trustees' expenses and remuneration

The Trustees neither received nor waived any emoluments during the year.

	2020/21 £'000	2019/20 £'000
Trustees' expenses		
Trustee meetings	-	3
Trustee travel	-	6
Trustee subsistence and accommodation	-	1
	-	10

The number of trustees reimbursed out of pocket travel and subsistence expenses was 0 (2019/20:9).

During 2020/21 all governance meetings were held via Zoom.

The Trustees hold indemnity insurance. During the year, the Association spent £2,423 (2019/20: £1,680), to purchase this indemnity insurance policy.

Notes to the financial statements for the year ended 31 July 2021

18. Pension schemes

At 31 July 2021 the pension schemes operated by the Association are the Teachers' Pensions scheme (TPS), the Scottish Public Pension Agency scheme (SPPA) and The People's Pension. Staff are auto-enrolled into these schemes based on job roles and eligibility. The WEA pension scheme closed to new accruals at 31 August 2019. The existing scheme funds continue to be managed by The Pensions Trust (TPT) who act as Trustee and Administrator. Contributors were transferred to the People's Pension scheme. The WEA also left the Now: Pension scheme at 31 August 2019 and contributors were transferred to the Peoples' Pension scheme. During the year 2019/20 all those who met the required criteria and had previously opted out of a pension scheme were re-enrolled in the scheme under the rules of the Government's auto-enrolment scheme.

The TP and SPPA schemes are unfunded multi-employer defined benefit schemes for teaching staff.

The pension charge for the year includes contributions payable to the TPS of £1,105,303 (2019/20 £1,193,975) and at the year-end £104,928 (2018/19 £118,606) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following the public consultation, the Government have accepted 3 key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the cost cap mechanism review is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

The pension charge for the year includes contributions payable to the SPPA of £48,285 (2019/20: £37,870) and at the year-end £4,206 (2019/20: £3,103) was accrued in respect of contributions to this scheme. The employer SPPA contribution rate was 17.20% until September 2019 and then rose to 23.00%. This is a single level contribution and not tiered the same way as employee contributions which attract rates of between 7.2% and 11.9%.

Notes to the financial statements for the year ended 31 July 2021

18. Pension schemes (continued)

The People's Pension scheme replaced the Now: Pension scheme in the 2019/20. The lowest permitted employee contributions are 3.5% with the employer contributing 4.5%. This met the new Government requirements of a workplace pension scheme with minimum contributions of 8% with an employer funding at least 3%. Employees can still choose to make higher contributions but the employer contribution remains at 4.5%

The NOW: Pension (auto-enrolment) scheme is a defined contribution scheme contracted to NOW: Pension. The lowest permitted contributions were 2% from the employee and 3% from the WEA. The WEA contribution was set at 1% above that chosen by the employee but with an upper limit of 7%. Employees contributing more than 6% attract no further WEA contribution. This scheme was closed to new contributions at 31 August 2019.

The WEA Scheme is a defined benefit scheme in the UK and provides benefits on a final remuneration basis for service up to 31 July 2016 and on Career Average Revalued Earnings (CARE) basis for service from 1 August 2016. The scheme is funded and is contracted out of the State scheme. A full actuarial valuation was carried out at 30 September 2017 and has been updated to 31 July 2020 by a qualified actuary independent of the scheme's sponsoring employer. This scheme was closed to new contributions at 31 August 2019.

The employer paid contributions at the rate of 8.6% of members' earnings (11.6% for Northern Ireland and North Wales companies). Members contributed at the rate of 5.0% of members' earnings (rising to 7% of members' earnings on the 1 April following a member's 30th birthday. In addition, with effect from 1 August 2014, contributions of £33,475 per month (increasing by 3% each August) to fund the technical provisions deficit as at 30 September 2011 and £8,807 per month towards scheme running expenses was payable by the WEA. This provisional triannual actuarial valuation for September 2020 shows a deficit of £3,646,000. The WEA has agreed with the Trustee that they will aim to eliminate the deficit over a period of 8 years and 10 months by the payment of annual contributions of £493,000 per annum until 1 December 2018 and then £347,000 per annum (increasing by 3% each December). The scheme expenses are paid at £8,200 per month.

Employer contributions of 9.3% (CARE 100th members) and 9.1% (CARE 80th members) of pensionable earnings were payable in respect of the cost of accruing benefits up to 31 August 2019. The employer contributed £98,400 in 2020/21 towards the scheme expenses and PPF levies. Member contributions were payable in addition at the rate of 7.0% (CARE 100th members) and 8.5% (CARE 80th members) of pensionable earnings. Members below the age of 30 paid a reduced rate of 5% rising to the aforementioned rates on 1st April following the member's 30th birthday.

The principal assumptions used by the actuary in accordance with FRS 102 s.28 are shown below. The Trustees have relied upon advice from the Pensions Trust in determining the financial assumptions.

Notes to the financial statements for the year ended 31 July 2021

18. Pension schemes (continued)

	2020/21	2019/20
Principal assumptions		
Discount rate	1.65%	1.35%
Inflation (RPI)	3.25%	2.90%
Inflation (CPI)	2.85%	1.90%
Deferred Revaluation: RPI max 5%	3.25%	2.90%
Deferred Revaluation: RPI max 2.5%	2.50%	2.50%
Deferred Revaluation: CPI max 2.5%	2.50%	1.90%
Salary Increases	1% in year, 2% thereafter	1% in year, 2% thereafter
Allowance for pension in payment increases of CPI, max 5% p.a.	2.80%	2.00%
Allowance for pension in payment increases of CPI, max 3% p.a.	2.00%	1.75%
Allowance for pension in payment increases of CPI, max 2.5% p.a.	2.25%	1.55%
Allowance for commutation of pension for cash at retirement using notional commutation factors	75% of maximum	75% of maximum

The mortality assumptions adopted at 31 July 2020 (2019) imply the following life expectancies (in years):

Male retiring at age 65 in 2021 (2020)	21.7	22.6
Female retiring at age 65 in 2021 (2020)	24.1	24.3
Male retiring at age 65 in 2041 (2040)	23.3	23.9
Female retiring at age 65 in 2041 (2040)	25.6	25.6

a) Fair value

	2020/21 £'000	2019/20 £'000
Present value of scheme liabilities	(39,935)	(40,484)
Fair value of scheme assets	42,733	41,008
Effect of asset ceiling	(2,798)	(524)
Surplus	-	-
Amounts in the balance sheet		
Liabilities	-	-
Assets	-	-
Net liability to be recognised	-	-

b) Change in liabilities during the period

	2020/21 £'000	2019/20 £'000
Opening scheme liabilities	40,484	35,089
Current service cost	-	18
Interest cost	538	864
Contributions by employees	-	10
Loss due to benefit changes	5	-
Actuarial loss	128	5,576
Benefits paid	(1,220)	(1,073)
Closing liabilities	39,935	40,484

Notes to the financial statements for the year ended 31 July 2021

18. Pension schemes (continued)

c) Change in assets during the period

	2020/21 £'000	2019/20 £'000
Opening fair value of the scheme assets	41,008	37,911
Interest income	548	939
Expenses	(112)	(112)
Return on assets excluding interest income	2,046	2,869
Contributions by employer	463	464
Contributions by employees	-	10
Benefits paid	(1,220)	(1,073)
Closing assets	42,733	41,008

d) Analysis of amount charged to the income statement

	2020/21 £'000	2019/20 £'000
Current service cost	-	18
Expenses	112	112
Past service cost	5	-
Net interest cost	-	(75)
Total amount recognised in the income statement	117	55

e) Statement of other comprehensive income

	2020/21 £'000	2019/20 £'000
Return on assets excluding interest income	2,046	2,869
Experience gains on liabilities	98	199
Loss for change of assumptions	(226)	(5,775)
Effect of change in non-recoverable surplus	(2,264)	(524)
Net cumulative actuarial loss	(346)	(3,231)
The loss for change in assumptions is further analysed below:		
Gain/(loss) from change of demographic assumptions	847	(567)
Loss from change of financial assumptions	(1,073)	(5,208)
	(226)	(5,775)

Amount recognised in the SOFA

Amount recognised in the SOFA to bring the pension surplus to nil	(536)	(409)

Notes to the financial statements for the year ended 31 July 2021

18. Pension schemes (continued)

f) Fair value of assets

	Value at 31 July 2021 £'000	Proportion	Value at 31 July 2020 £'000	Proportion
Equity type assets	4,823	11.3%	4,391	10.7%
Bonds	22,739	53.2%	25,432	62.0%
Property	2,888	6.8%	1,699	4.2%
Other	12,283	28.7%	9,486	23.1%
Total value of assets	42,733	100.0%	41,008	100.0%

g) Amounts for the current and previous periods are as follows:

	2020/21 £'000	2019/20 £'000	2018/19 £'000	2017/18 £'000	2016/17 £'000
Present value of scheme liabilities	(39,935)	(40,484)	(35,089)	(33,804)	(34,630)
Scheme Assets	39,935*	40,484*	37,911	33,698	32,779
Surplus/(deficit)	-	-	2,822	(106)	(1,851)

* adjusted for asset ceiling, £2,798,000 (2019/20 £524,000) to bring surplus to zero.

Experience adjustments on scheme liabilities	98	199	92	(630)	783
Percentage of the present value of scheme liabilities	-0.2%	0.5%	0.3%	1.9%	2.2%
Experience adjustments on scheme assets	2,046	2,869	3,711	1,218	1,425
Percentage of the present value of scheme liabilities	5.1%	7.1%	9.8%	3.6%	4.3%

h) Additional information for The Pensions Trust - WEA Pension Scheme

The scheme is a defined benefit (final salary) funded pension scheme. The scheme was closed to further contributions at 31 August 2019. At the time all contributors were transferred to the People's Pension.

The scheme assets do not include investments issued by the sponsoring employer, nor any property occupied by the sponsoring employer.

The overall expected rate of return on the scheme assets has been based on the average expected return for each asset class, weighted by the amount of asset in each class.

The scheme holds Contingent Assets in the form of a security in favour of the Trustee over the office property situated at 4 Luke Street, London, EC2A 4XW which was valued at £3,550,000 on 31 March 2019, in respect of all sums which are, or may become due and payable by the sponsoring employer to the Scheme. At 31 July 2021 the charge is capped at £2,500,000.

The scheme holds quoted securities and these have been valued at bid-price.

Notes to the financial statements for the year ended 31 July 2021

19. Investment income

	2020/21 £'000	2019/20 £'000
Interest on cash deposits	4	15
Interest on pension scheme assets	548	939
	552	954

20. Investments in subsidiaries

At 31 July 2021 the Association owned the entire issued share capital of 1 ordinary share (2019/20: 1 share) of WEA Trading Ltd. At 31 July 2021 the aggregate of share capital and reserve of WEA Enterprises Limited was £1. (2019/20: £1).

The company has not traded during the period and has nil assets at 31 July 2020/21 (2019/20: nil). Consolidated accounts have not been prepared given that the results of the company and its aggregate reserves and capital are immaterial in the opinion of the trustees.

21. Related party transactions

Owing to the nature of the Association's operations and the composition of the Board of Trustees, being drawn from local, public and private sector organisations, it is likely that transactions will take place from time to time with organisations in which a member of the Board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Association's Financial Regulations and normal procurement procedures. During the year there were related party transactions of £5,486 (2019/20: £29,921).

Odgers Berndtson have charged the Association £5,486 in 2020/21 which is part payment of a contract to recruit a Finance Director, the prior year charge related to the replacement CEO recruitment.

Narinder Uppal, a WEA trustee, is an employee of a company within the Odgers financial group.

Transactions with ESFA are detailed in notes 2 and 2a.

22. Provisions

	2020/21 £'000	2019/20 £'000
Leased property dilapidation	£'000	£'000
At 1 August	582	140
Provisions charged	-	462
Provisions released	(110)	(20)
At 31 July	472	582

Provisions are made when a legal or constructive obligation is identified, and the liability can be reasonably quantified. These provisions are reviewed annually as at the year end date and are adjusted to reflect the latest best estimate of the present obligation concerned. These adjustments are reflected in the statement of financial activities for the year.

The WEA
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 @WEAadulted
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Education & Skills
Funding Agency



European Union
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INVESTORS
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The WEA is a charity registered in England and Wales (no. 1112775)
and in Scotland (no. SC039239).