



# **coleg**sirgâr

**COLEG SIR GÂR**  
**(a company limited by guarantee)**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31<sup>ST</sup> JULY 2023**

**Company registration no : 8539630**

**Charity registration no : 1152522**

# COLEG SIR GÂR

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# COLEG SIR GÂR

## PUBLIC BENEFIT STATEMENT

Coleg Sir Gâr is a registered charity (charity registration number: 1152522). The members of the Board of Directors, who are trustees of the charity, are disclosed in the Directors' Report on page 16.

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

### ***Charitable Objectives***

The College's objective is to provide, for the public benefit in the United Kingdom and elsewhere, further and higher education and (subject to any consultation with any relevant local authority) secondary education (as defined in each case in section 18(1) of the Further and Higher Education Act 1992 (or any replacement thereof).

The College is well aware of its public benefit responsibility and, therefore, ensures that this is at the heart of all its operations and services.

### ***Fulfilment of the charitable objectives***

#### **Beneficiaries**

The beneficiaries are appropriate to the aims as the students in the further, higher and secondary education sector (a sufficient sector of the public to meet the public benefit test) are the direct beneficiaries.

Coleg Sir Gâr is a college of further and higher education based in Carmarthenshire in South West Wales. The college has five campuses within the county: Llanelli (Graig campus); Ammanford; Llandeilo (Gelli Aur campus); and Carmarthen (Pibwrlwyd and Job's Well campuses). Currently the College has approximately 9,000 students enrolled on a range of courses including A Levels, Vocational Awards, Certificates and Diplomas, Higher National Certificates, Foundation Degrees and Degree programmes.

To deliver these courses, the College employs circa 650 teaching and support staff. The courses, students and staff are all located within one of 8 curriculum areas. The success of the College's students highlights the benefits of the range of effective partnerships maintained by the College.

The excellence of the College's partnership with the Carmarthenshire 14-19 Learning Network has been recognised with the achievement of a UK Beacon Award. The College's partnerships with industry are of significant importance and relationships with the construction industry have been recognised by an all Wales and UK Regional National Training Award.

In addition to College based provision, the College is also a significant work based learning provider with an extensive range of Traineeship and Apprenticeship programmes in a wide range of industrial sectors. The College has invested heavily over the last decade to provide students with the best possible learning environment. This has allowed the College's students to access excellent facilities and resources. The College also prides itself on being a caring and safe college, at all times putting the interests of the students first.

#### **Admissions policy**

The College operates a flexible and inclusive admissions policy, and provides for differentiation and individual needs in the design of its learning programmes. Some programmes have specific entry requirements which are reviewed annually and published in the College prospectus.

# COLEG SIR GÂR

## PUBLIC BENEFIT STATEMENT (continued)

### Student Support/Bursaries/Scholarships

Students at the College are entitled to apply for various packages of support and funding in the same way as anyone studying in further or higher education in Wales.

Further education students between the ages of 16 and 19 can apply for the Education Maintenance Allowance, and students who are aged 19 or older can apply for an Assembly Learning Grant. Other bursaries are also available within the College for higher education students subject to eligibility.

Financial Contingency Funds are also available within the College which students can apply for to support their studies.

### Widening Participation

The College has a comprehensive and broad range of academic and vocational education and training programmes. These range from pre-entry to graduate level, providing a service to the whole learning community. It offers further education, adult and community learning, higher education and work-based learning. It also provides for large numbers of 14-16 school pupils who attend the College or are taught by College staff at their schools. The College delivers across five campuses, at various community locations, in the workplace and online.

### Community Engagement

The College offers other facilities which are available to staff, students and members of the public.

By order of the Board



Signature .....

Date: 7<sup>th</sup> December 2023.....

Mrs Maria Stedman  
Director

# **COLEG SIR GÂR**

## **STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2023**

The directors present their strategic report for the year ended 31 July 2023.

### **Background**

In 1992, Parliament passed the Further and Higher Education Act as a result of which all former institutions of further education (where the total full-time, block release and part-time day release student enrolments in the 1990 FESR amounted to at least 15 per cent of the College's student load) and all existing sixth form institutions were incorporated into a new sector. The College was incorporated on 30 September 1992, although the Corporation did not become an independent Institution until 1 April 1993 (vesting day).

On 1 August 2013 the Coleg Sir Gâr Further Education Corporation (Dissolution) Order 2013 came into force. This order dissolved the further education corporation previously established and transferred all of its properties, rights and liabilities to the new Coleg Sir Gâr Company. The Coleg Sir Gâr (Designated Institutions in Further Education) Order 2013 came into force on the same day establishing a new College conducted by a registered company, limited by guarantee. This new Coleg Sir Gâr company is a wholly owned subsidiary of University of Wales: Trinity Saint David.

On the 1<sup>st</sup> August 2017, Coleg Ceredigion became a wholly owned subsidiary of Coleg Sir Gâr, having formerly been a direct subsidiary of the ultimate parent company University of Wales: Trinity Saint David.

### **Principal activities**

Coleg Sir Gâr is a large, multi-site, Further Education College based in South West Wales and has five main campuses at Llanelli (Graig), Carmarthen (Pibwrlwyd and Jobs Well), Ammanford and Llandeilo (Gelli Aur). It has approximately 9,000 learners of which some 2,900 are full time and over 6,000 are part time. There are approximately 650 higher education learners. The College has a comprehensive and broad range of academic and vocational education and training programmes that range from pre-entry to graduate level, providing a service to the whole learning community. The principal activities of the College are further education, higher education, work-based learning, 14-19 school provision, professional training, consultancy and the delivery of Government initiatives to industry. The College also offers its provision online, via partnerships at community locations and in the workplace.

Campuses vary in size and nature and offer a variety of subjects. The College has an annual turnover of around £47 m and employs circa 659 staff. Of these, 323 are directly involved in teaching and 336 in support and administrative functions

### **The County**

Carmarthenshire is a predominantly rural county with a chain of market towns providing the focus of activity. Carmarthen is the county town with a strong retail sector and relatively large local government, health and administration population.

The south east of the county has historically been associated with heavy industry and is the most densely populated part of the county, with Llanelli being the largest settlement. Whilst some large key employers remain in this part of the county, the economy has sought to diversify into light engineering and new technology industries.

The Index of Deprivation shows that there are concentrated areas of educational deprivation, employment deprivation and, consequently, multiple deprivation in South West Wales. Carmarthenshire has proportionally higher levels of inactive individuals in comparison to Wales and the UK.

# COLEG SIR GÂR

## STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2023

### Purpose



### Strategic Vision

#### VISION

##### We will:

- put the needs of the learner first;
- be safe, inclusive and caring;
- live by our values and behaviours;
- provide the best learner experience, enhanced by digital technology;
- facilitate personal development and progression for learners;
- encourage curiosity and creativity in teaching and learning;
- develop a flexible, employer informed, curriculum;
- champion the Welsh language and culture;
- implement an ambitious workforce development programme;
- develop partnerships that impact positively on learners and business performance;
- improve our financial resilience and efficiency;
- support regeneration and prosperity in our communities; and
- create a sustainable environment for learners to be successful

### Values and Behaviours

#### RESPECT

##### We will be:

- accepting of difference and provide opportunity for everyone to thrive;
- empathetic to each others' needs;
- courteous and kind to each other;
- supportive and care for each other;
- ready and willing to engage positively.

#### UNITY

##### We will be:

- one team with a set of common goals and unified direction;
- mindful of our behaviour and language, and its impact on others;
- bilingual in our communication and engagement;
- integrated with our community and partners;
- transparent in all aspects of our work.

#### PROFESSIONALISM

##### We will be:

- honest and act with integrity;
- driven to provide outstanding education and customer service;
- open to receiving different views that inform our decision making;
- a learning organisation with a curious nature;
- sustainable in our planning and delivery.

### Strategic Priorities



# COLEG SIR GÂR

## STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2023

### Financial Performance and Objectives

The College's financial objectives are:

- to achieve an annual operating surplus (defined as a surplus prior to FRS 102 non-cash pension costs) and positive cash flow
- to diversify income streams and reduce reliance on core funding
- to generate sufficient levels of cash to support the asset base of the College
- to ensure a healthy short-term liquidity position
- to fund continued capital investment

The Statement of Comprehensive Income for the period is set out on page 32. The highlights for the period in relation to these are detailed below.

- Total income for the period has remained stable at circa £47m (2022: £47m). Maintaining a significant level of turnover reflects the continued success of the College at delivering education. Fluctuations in turnover are inevitable, and can be greatly influenced by the level of project work undertaken.
- Staff costs (excluding exceptional costs) as a percentage of total income increased from 53.0 % to 54.0 % (driven in the main by pay increases of 8 % for the year). The average number of staff employed remained relatively constant. Other operating expenses increased as a percentage of total income from 38% to 39% - again, primarily driven by higher than normal inflationary pressures.
- The loss for the year was £ 437,000 (2022: £1,073,000 surplus) post FRS 102 non cash adjustments of £ 851,000 ( 2022 : £ 2,353,000 ) . The operating surplus ( pre FRS 102 non cash adjustments) was £ 414,000 ( 2022 : £ 3,426,000) .
- The liquidity position remains satisfactory, with the ratio of short-term assets to creditors falling due within one year standing at 2.3 (2022: 1.8).
- Net assets have improved from £ 21.67 million to a £ 36.70 million . Net assets, excluding defined benefit obligations have increased from £29.9 million to £30.29 million. For further details on the accounting standards under which these financial statements are prepared, see the Statement of Principal Accounting Policies and Estimation Techniques on page 37.
- Specific capital grants were applied in line with the College's Strategic Plan towards enhancing effectiveness and providing a quality learning environment.
- The provision for enhanced pensions was reviewed during the period and the balance required at 31 July 2023 has been estimated at £542,000 (2022: £592,000).

### Treasury policies and objectives

Treasury management is the management of the College's cash flows, banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

The College has a separate treasury management policy in place.

Short term borrowing for temporary revenue purposes is authorised by the Accounting Officer. All other borrowing requires the authorisation of the Corporation and shall comply with the requirements of the Financial Memorandum

# COLEG SIR GÂR

## STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2023

### Cash flows, liquidity and reserves policy

The college operating cashflow position for the year is a positive amount of £2.4 m. Overall cash balances decreased by £ 0.8 m (from £18.8 m to £18.0 m). The College wishes to continue to accumulate cash balances to fund future planned capital developments. To achieve this, the College has continued its drive for efficiency in the education and training it delivers. This has been, and will be, achieved by thoroughly reviewing its curriculum provision, effective deployment of resources, and best value procurement of goods and services. In addition, the College continues to seek and develop other sources of income. Significant re-investment into the College estate and plant and equipment ensures that learners have quality provision to aid in their educational process. The college aims to hold a minimum of 2 months expenditure ( £ 8 m) in cash reserves at all times.

### Curriculum Development and Enrichment

There is a wide-ranging curriculum that meets learners' aspirations. The curriculum is broad, flexible, coherent, and facilitates progression. It is offered in a variety of modes to suit learners' needs. There is a strong vocational focus and all Welsh Government's Sector Subject Areas are represented at the College.

The curriculum is formulated and reviewed in partnership with the College's stakeholders, the Regional Learning and Skills Partnership (RLSP), ssector representative bodies, Coleg Cymraeg Cenedlaethol, 14-19 networks, ACL colleagues, University of Wales: Trinity Saint David, industry, business and local employers. This is supplemented using skills observatory data provided through the RLSP.

The College Curriculum and Quality team report to the Board's Committee for Learners and Standards. This provides a focus for discussion on curriculum and quality policy and development matters.

A range of options are available at all levels which offer diversity and choice to learners. The County's Youth Access programme also provides a partial full-time alternative curriculum for learners at the College who have had challenges in local schools. Almost the entire curriculum offered by the College is accredited, providing opportunities for learners to attain formal qualifications.

A range of further accredited provision is provided to learners to support learning. Learners also engage in a wide range of activities that enrich their study including work-related experiences, live projects, educational visits, overseas visits, environmental work, visiting speakers, community arts, voluntary work and fundraising.

### Partnership and Transformation

The College has excellent partnership arrangements which contribute to an enhanced curriculum and learning experience.

- From 1 August 2013, the College became part of the University of Wales: Trinity Saint David Group, maximising opportunities for learners and sharing information, expertise and resources. In a similar vein, Coleg Ceredigion became a subsidiary of Coleg Sir Gar on the 1<sup>st</sup> August 2017.
- Through partnerships within the education authority and with local partner schools (over 16 schools), the breadth and volume of vocational opportunities for 14-19 school pupils is significant.
- Education and employer links are excellent and include the College's longstanding collaboration with Carmarthenshire Construction Training Association Ltd (CCTAL) and CYFLE.
- The college works extensively in delivering provision collaboratively with TLC - the training and learning company.



# COLEG SIR GÂR

## STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2023

- The college is working closely with a range of employers, eg, Dwr Cymru, Owens Group, Thermal Earth, COTS, TRJ, Prince's Gate, CM-Days, Ron Skinner & Son, Castell Howell, the AA, Marine Group, Serco, Remploy, Hywel Dda, e- Careers, 4DAcademy etc.
- The College has made a significant contribution to the South West Wales Regional Learning and Skills Partnership and to the Public Service Board.
- Very good partnerships exist with Pembrokeshire College, other FE colleges and a number of other private training providers in the delivery of Work Based Learning (WBL) through the B-WBL Consortium.
- Long standing relationships are continuing with Carmarthenshire County Council in the delivery of Adult and Community Learning.
- Close working relationships exist with the LEA Youth Service and local schools to offer support and courses to learners who are at risk of becoming NEET (Not in Employment, Education or Training).
- Excellent partnership working has been achieved with the Scarlets, National Botanical Gardens Wales and Aberglasney Gardens, some of which act as centres for delivery.
- The College is well represented by members of the executive and College management team on a range of national networks; Regional Learning and Skills Partnership; Adult and Community Learning; 14-19 Networks; Colegau Cymru and Welsh Government.
- Excellent sporting academies in rugby, football and netball provide opportunities for learners at elite levels. These opportunities have resulted from working partnerships with the Welsh Rugby Union; Scarlets; FAW; the Welsh Netball Association, etc.

## Quality and Standards

**Note that the next section of the report that deals with quality performance, measures and statistics that reflect the combined data for both Coleg Sir Gâr and its subsidiary company Coleg Ceredigion. Coleg Sir Gâr is by far the largest proportion in terms of weighting, with a turnover of circa £ 47 m against £7 m for Coleg Ceredigion (9000 students vs circa 1300 students respectively).**

The College welcomed Estyn in May 2022 who undertook an inspection of its further education provision. The inspection framework covered 5 key areas: Learning; Well-being & Attitudes to Learning; Teaching & Learning Experiences; Care, Support & Guidance; and Leadership & Management. Whilst graded outcomes are no longer provided by Estyn, the overall outcome for the College was very positive. Good features identified within the report include:

- *"Most learners feel safe and well supported during their time at the college".*
- *"The college has successfully embedded a positive ethos based on the values of respect, unity and professionalism".*
- *"Most learners speak positively about their experiences at the college".*
- *"Most learners develop competent practical skills and many relate theory to practice successfully".*
- *"The college has systems in place to support learners in their understanding of how to keep safe and safeguarding".*
- *"Nearly all teachers know their learners well and foster relationships that encourage and support learners to progress".*
- *"Most teachers skilfully develop learners' digital skills in their vocational or academic subjects".*
- *"Learners demonstrate high levels of competency using digital platforms to store, record, organise and track their own learning".*

# COLEG SIR GÂR

## STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2023

- “Where appropriate teachers support learners’ Welsh language skills by engaging them in conversation during classes”.
- “The College has developed strong partnerships with local schools for 14-16 provision”.
- “Across nearly all courses, learners benefit from clear progression routes to the next level or into work-based learning, higher education or employment”.
- “The principal has set a vision that informs the college’s strategic priorities well”.
- “Senior and middle managers show a clear understanding regarding how they support the college’s aim to deliver “inspirational learning experiences”.
- “During the pandemic, a particular strength of the college was its commitment to upskilling teaching and support staff to enable them to effectively support learners to develop strong digital skills and remain on their courses”.
- “The college senior management team has been effective in improving the learning experiences and outcomes at an underperforming campus. They reacted quickly and put in place robust quality improvement procedures”.
- “The college has comprehensive quality assurance systems and collects a wide range of data”.

Recommendations for continuous improvement include:

1. Make better use of the extensive data the college has to further refine the evaluation of the impact of provision and initiatives.
2. Strengthen strategies to improve learners’ understanding of radicalisation and extremism.
3. Ensure that learners’ numeracy skills and wider mathematical skills are developed fully to address their skills gaps.

Estyn Report May 2022

<https://www.estyn.gov.wales/provider/f0009005>

## Standards achieved by learners

### Further Education

In 2021/22, the Welsh Government published its first set of ‘national consistent performance measures’ for FE since the Covid pandemic, during which time contingency regulations were put in place. Completion rates in all levels of provision are at/or above the national comparator, with the exception of Level 3 Access. Successful completion in all levels of provision are at the national comparator, with the exception of Level 3 Access and Entry/Pre-entry levels.

2021/22	Completion	National Comparator	Successful Completion	National Comparator
Level 3 Vocational Programmes	87%	87%	74%	74%
Level 3 Access	71%	78%	69%	70%
Level 2 Vocational Programmes	86%	82%	72%	72%
Level 1 Vocational Programmes	84%	81%	76%	76%
Entry/Pre-entry	93%	84%	70%	76%

\*Outcomes for 2022/23 are yet to be validated and published by the Welsh Government.

Outcomes for academic qualifications are provided in the table below.

### AS Level Results (% of Grades Awarded)

Year		A	A-E
2023	CSG	24.7%	96.6%
	National Comparator	25.5%	90.9%
2022	CSG	23.6%	92.9%
	National Comparator	30.7%	92.7%
2021	CSG	24.7%	96.0%
	National Comparator	37.1%	96.7%

### A Level Results (% of Grades Awarded)

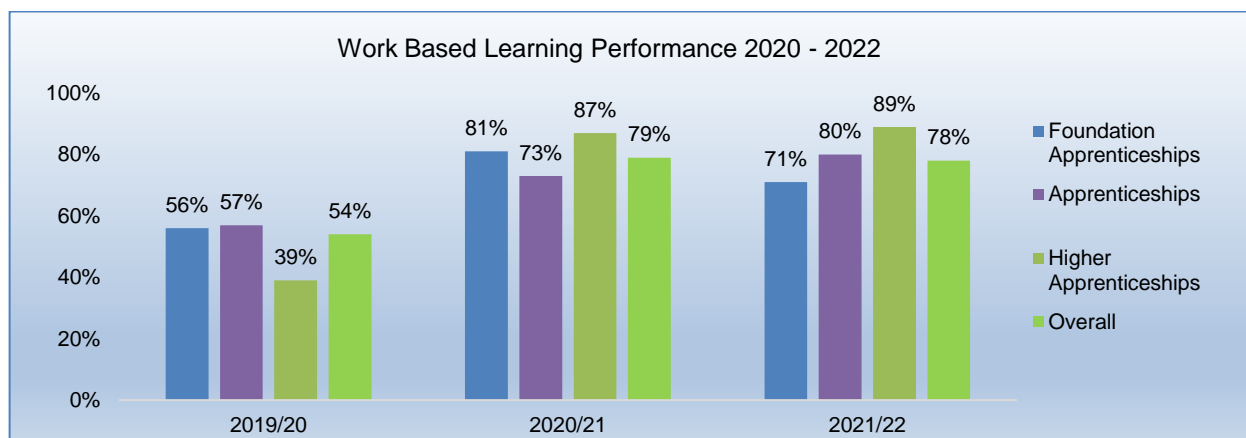
Year		A*	A*-A	A*-E
2023	CSG	12.7%	29.9%	98.6%
	National Comparator	13.5%	34.0%	97.5%
2022	CSG	9.9%	34.0%	97.6%
	National Comparator	17.1%	40.9%	98.0%
2021	CSG	13.1%	36.3%	100.0%
	National Comparator	21.3%	48.3%	99.1%

# COLEG SIR GÂR

## STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2023

In 2022/23, assessment in academic qualifications returned to fully normal procedures following the contingency regulations that were in place during the Covid pandemic. Overall outcomes for AS (A-E) and A level (A\*-E) were excellent and above the national comparator.

### Work-Based Learning

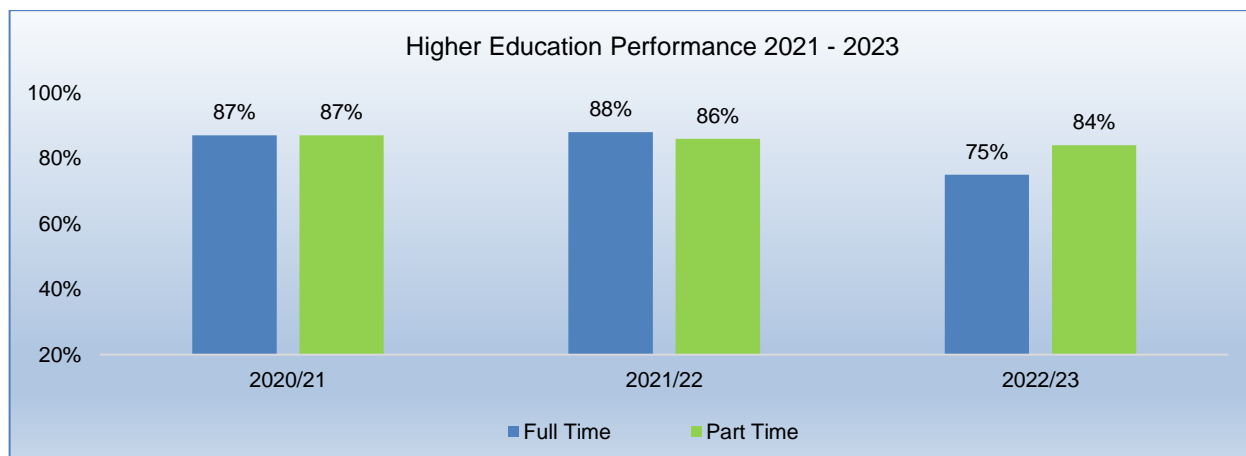


*\*Outcomes for 2022/23 are yet to be validated and published by the Welsh Government.*

Similarly, in WBL following the challenges in 2019/20, performance improved considerably in 2020/21 and 2021/22 with less disruption and improved outcomes. However, success in foundation apprenticeships fell considerably and has been a focus for improvement for 2022/23.

### Higher Education

Historically, higher education students have consistently performed very well, however, 2022/23 saw an unusual fall in successful completion particularly in full time provision. This will be subject to further investigation by the College's Quality Assurance Unit in 2023/24.



### Quality of Teaching and Learning

Despite the challenges faced by the College over the last three extraordinary years, continuous improvement of teaching and learning experiences and learner outcomes continues to be the College's primary aim in its pursuit of excellence. This has remained a focus during the pandemic as staff adapted swiftly and successfully to the sudden shift to remote and blended teaching, learning and assessment.

Policies have focused on helping the College move from good to excellent. The significant emphasis on training, motivating and supporting staff was recognised in 2017 when Coleg Sir Gâr was

# **COLEG SIR GÂR**

## **STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2023**

awarded the Association of Colleges Beacon Award for excellence in staff development; in 2019 when it received a Princess Royal Training Award and more recently in 2022 when it again received a Princess Royal Training Award.

Nearly all staff have engaged well and benefited from the college's strong commitment to continuous professional development and this positive impact is evident in the excellent learner success outcomes and improved learner survey results. Fundamental to the process is each teacher undertaking a self-assessment of their performance against key performance criteria. This in turn leads to a teaching profile that indicates bespoke areas for staff development. Attendance at staff development is high and after a period of implementation, self-assessment is undertaken once again.

The College's Teaching and Learning Team provide excellent support and tailored training to new members of staff, PGCE students and those teaching staff who need support with aspects of their work. Excellence in teaching is highly valued and celebrated through an annual teaching and learning award ceremony.

In the autumn of 2021, a total of 107 formal teaching and learning observations were carried out by members of the teaching and learning team and Estyn peer inspectors. Particular strengths (>90%) included: the delivery of learner centred lessons; and the support provided by teachers and their responsiveness to learners' needs. Furthermore, the management of learner behaviour; the progress learners make; teachers' subject and technical knowledge; and the provision of quality teaching and learning resources were also very good.

### **Health and Wellbeing of Learners**

The College is committed to providing a healthy environment to improve the wellbeing of all students and staff and has raised the profile of wellbeing and mental health in response to growing demands.

Induction, tutorial and promotional activities have been effective in raising learners understanding of wellbeing, and have reflected the priority given to keeping learners safe including online safety.

Personal wellbeing and mental health specialist support is excellent within the college. A new referral and assessment procedure has been implemented, with an emphasis on ensuring that learners receive the right support at the right time.

Learners who face considerable barriers to learning are referred to effective mentoring and counselling services, and they receive good support from college mentors and counsellors. Feedback from learners is positive and the support provided by the wellbeing team enables learners to remain in education and to succeed despite often very significant personal barriers.

A strong emphasis is placed on equality and diversity to ensure all learners and staff are treated with respect. Awareness has effectively been raised among learners and staff through a wide range of media and activities that are prominently displayed throughout the campuses.

Effective arrangements are in place to safeguard children and vulnerable adults underpinned by clear policies and procedures. The college's 'be safe' message extends to the promotion of the rights of all learners to be free from bullying and harassment and clear actions are taken to prevent such behaviour. Online safety is well supported through promotion and tutorial activity. Safeguarding contacts are in place across all campuses and staff and students are aware of referral processes.

### **Learner Voice (Further Education)**

In 2022/23, the focus of the further education annual learner voice survey was to gauge learner perception of teaching and learning. Overall, learners' perception in relation to their teaching and learning experiences is excellent.

# COLEG SIR GÂR

## STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2023

<b>Vocational Learner Voice Survey Result (Teaching &amp; Learning) 2022/23</b>	<b>85% or above</b>
	<b>75 – 84%</b>
	<b>65 – 74%</b>
	<b>Below 65%</b>
<b>Question</b>	<b>Satisfaction Rate</b>
My tutors use a range of ways and resources to engage my interest in my lessons in college.	97%
I believe that I am doing well on the course.	91%
I receive regular oral and written feedback from my tutor.	93%
My tutors help me to improve my literacy, numeracy and digital literacy skills.	87%
I enjoy my lessons.	93%
There are lots of opportunities in my lessons to answer and ask questions.	97%
I feel challenged and stretched in all of my lessons and am able to take opportunities to improve, learn, and be resilient.	92%
I feel like my voice is heard by all of my tutors and is used to shape our learning experiences.	92%
I feel like all my lessons develop my wider skills such as critical thinking, creativity, problem solving, independent study, social awareness.	94%
My lessons have a variety of tasks that help to keep me engaged, interested and active in the lesson.	92%
My tutors use technology to keep me motivated and engage in the class.	93%
I feel that my tutors believe in me and support me to work towards my potential.	96%
If I am absent from college, tutors make contact with me and ensure I know how to catch up on missed work.	86%
I am aware of my targets and what I need to do in order to work towards them.	95%

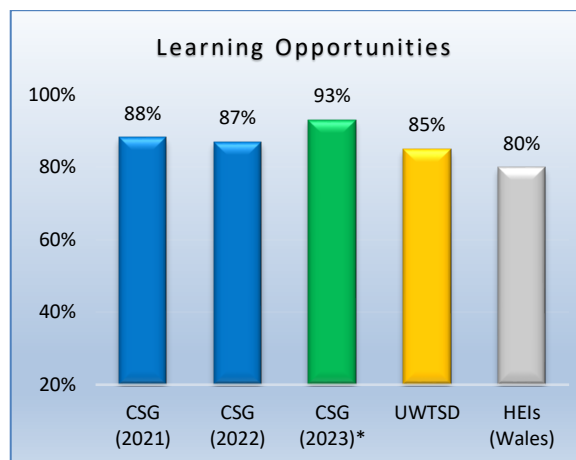
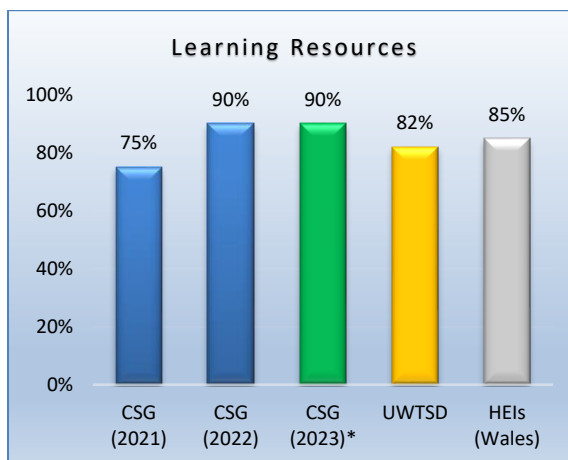
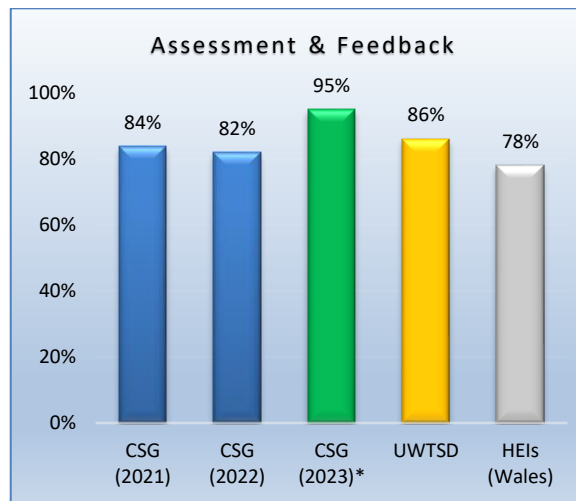
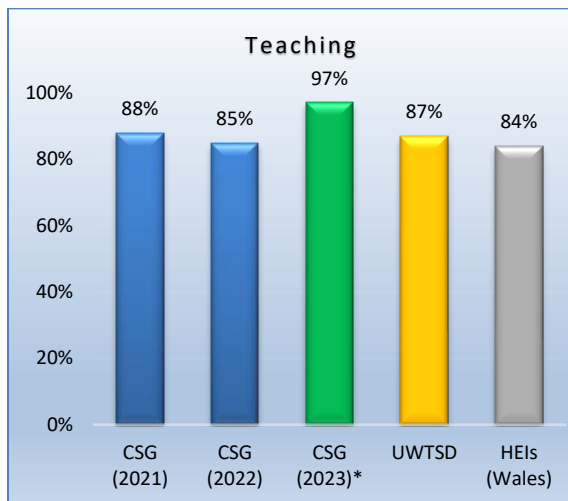
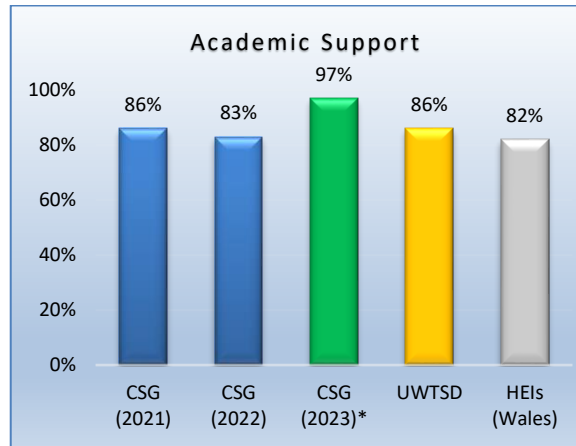
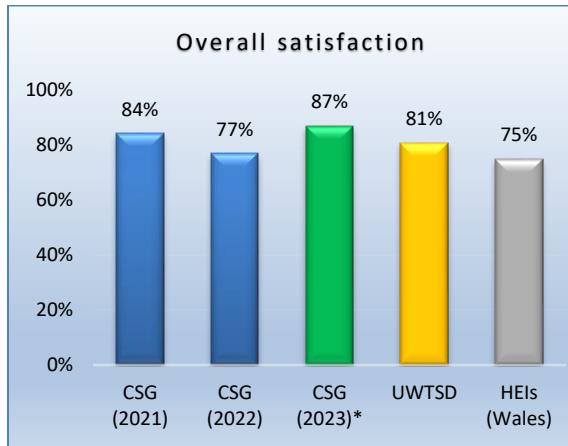
<b>AS &amp; A Level Learner Voice Survey Results (Teaching &amp; Learning) 2022/23</b>	<b>85% or above</b>
	<b>75 – 84%</b>
	<b>65 – 74%</b>
	<b>Below 65%</b>
<b>Question</b>	<b>Satisfaction Rate</b>
My lessons have a variety of tasks that help to keep me engaged, interested and active in the lesson.	92%
There are lots of opportunities in my lessons to answer and ask questions.	98%
I feel challenged and stretched in all of my lessons and am able to take opportunities to improve, learn, and be resilient.	95%
I am aware of my targets and what I need to do in order to work towards them.	95%
My tutors help me to improve my literacy, numeracy and digital literacy skills.	91%
I receive regular oral and written feedback from my tutor.	93%
I feel that my tutors believe in me and support me to work towards my potential.	96%
I feel like all my lessons develop my wider skills such as critical thinking, creativity, problem solving, independent study, social awareness.	93%
My tutors use technology to keep me motivated and engage in the class.	89%
I feel like my voice is heard by all of my tutors and is used to shape our learning experiences.	95%

# COLEG SIR GÂR

## STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2023

### Learner Voice (Higher Education)

Higher Education students in their final year of study have continued to respond well to the National Student Survey, and excellent student satisfaction scores have historically been achieved in teaching, learning and overall experiences in College. The results of the 2023 survey were no exception with an excellent set of results for the College.



# **COLEG SIR GÂR**

## **STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2023**

### **Capital Investment and Accommodation (Coleg Sir Gâr only)**

Although there were no major building projects or acquisitions during the year, there has been a significant amount capital investment in relation to buildings maintenance, plant, equipment and IT expedited at the college for during 2022/23.

### **The Future**

The College sees a strong future for itself as part of the merged University of Wales: Trinity Saint David ("UWTSD") group and has made a commitment to continuing to offer a strong further education provision across the county.

A number of key challenges face the College over the next few years, including:

- Improving in learner outcomes
- Developing the college as a centre of excellence for teaching and learning
- Meeting the challenges of 'Digital 2030'
- Meeting the requirements of the ALN Bill
- The development of the Welsh Baccalaureate Qualification at Level 3
- Developing more Welsh medium provision
- Maintaining a diversified curriculum portfolio across a range of sectors
- Developing more commercial training
- Developing strategies to cope with pressures in public funding
- Improving, rationalising and developing its estate in partnership with UWTSD and the County Council
- Driving the sustainability agenda on a limited budget

### **Principal Risks and Uncertainties**

The College operates a strong risk management and internal control framework as described in the corporate governance statement below. This is supported by a specific risk management programme.

The Audit and Risk Management committee undertakes a comprehensive review of all the potential risks facing the College, which are then recorded on the College's risk register and scored in accordance with a set matrix which identifies the likelihood or probability of these risks occurring, and the potential impact on the College if they materialise. The committee must then identify systems, procedures and controls which can be put in place to mitigate the risks in order to reduce the risks to a manageable or acceptable level.

Risk management is a topic covered at each meeting of the Audit and Risk Management committee, which reports its findings periodically to the Board.

An annual review is undertaken to ensure the effectiveness of the risk management system and any weaknesses identified are corrected.

Outlined below are some of the principal risks facing the College for the foreseeable future. Not all of the factors are within the College's control. Other factors besides those listed below may also adversely affect the College.

#### **1. Reduction in real terms of government funding**

The College relies on government funding, and the current climate is such that there are continuous pressures on this income stream.

This risk is mitigated in a number of ways:

- Concerted effort, drive and focus on creating a more diversified income base;
- Specific focus on quality to ensure a high standard of delivery in all education and training endeavours;



# COLEG SIR GÂR

## STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2023

- Maintaining the intake of higher education students. The College already offers a significant higher education provision;
- Working closely with the UWTSD group and Coleg Ceredigion to harmonise operations and remove duplication with a view to reducing costs;
- The operation of a Business Development Unit which has a primary objective of building a sustainable commercial income stream that is not reliant on government funding;
- Focusing on priority sectors which are likely to continue to attract public funds;
- Growing and developing the College's work-based learning provision; and
- Building partnerships with schools and business.

### 2. Failure to recruit and retain students

Demographics and a changing environment in which competition is perceived to be intensifying will invariably make it more difficult to recruit and maintain student numbers. This could have an impact on all areas of funding.

The risk is mitigated as follows:

- Partnership working with schools;
- Focused marketing effort;
- Diversified income streams;
- Partnership with local businesses and other relevant bodies;
- Ensuring high quality delivery of education and training;
- Learner support structures to ensure learners are supported for the whole journey;
- Focus on progression through the levels.

### 3. General Economic Conditions : Energy, The cost of living crisis, Ukraine War , Brexit & Covid-19 challenges

The college is actively addressing operations to ensure the smooth continuity of operations as well as working closely with Welsh Government during these continued challenging times.

### Key Performance Indicators

The College is pleased to confirm that the target of breakeven before defined benefit obligation costs has been more than achieved with an actual outturn before non-cash defined benefit obligation costs of £ 414,000 surplus (21/22: £3,246,000 surplus). The deficit for the year after defined benefit obligation costs is £(437,000) (surplus of 1,073,000 in 21/22), with non-cash adjustments being £851,000 (21/22: £2,353,000). Note the above figures for the current year include a charge of £ 853,000 for exceptional restructuring costs.

Student numbers remained relatively buoyant for the year, with total FE full time numbers roughly in line with prior year levels..

The College continues to achieve high standards of quality for its teaching and learning function, and received a good Estyn report in at the last inspection ( see Strategic Report ) . Similarly, National Student Survey reports normally indicate a high level of student satisfaction.

This report was approved by the board on the 8<sup>th</sup> December 2023 and was signed on behalf of the board by:

Signature .....



Date: 7<sup>th</sup> December 2023.....

**Maria Stedman**

**Director**



# COLEG SIR GÂR

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2023

The directors present their report and the audited financial statements of the Company for the year ended 31st July 2023.

### Results and future developments

The results for the year, strategy and future developments of the Company are set out in the Strategic Report on pages 4 to 15.

### Dividends

The Company is limited by guarantee. No dividends have been paid or are recommended for the year ended 31st July 2023.

### Professional advisers

External auditor:	KPMG LLP, Cardiff
Internal auditor :	Mazars LLP, Bristol
Banker:	Barclays Bank Plc, Llanelli
Solicitor:	Eversheds, Hepworth & Chadwick, Cardiff

### Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements, unless otherwise stated, were as follows:

<u>Directors</u>	<u>% attendance at meetings</u>
Mrs Maria Stedman *(Chair )	75 %
John Edge*	100%
Mr Huw Davies*	75 %
Mrs Jayne Woods *	100%
Mr Eifion Griffiths*	75 %
Mr Paul Jones* (resigned 31/07/23)	100 %
Mr Delwyn Jones*	100 %
Mr Alan Smith* (appointed 06/10/22)	100 %
Mr Eoghan Powell * (resigned 15/02/23)	50 %
Ms Erica Cassin *	100 %
Mrs Angharad Harding*	75 %
Mrs Abigail Salini* (appointed 23/03/23)	100 %
Mr Ben Francis* (appointed 23/03/ 23)	100 %
Mrs Jacqui Kedward* (appointed 23/03/23)	50 %
Mr Mike Theodoulou* ( appointed 23/03/23)	100%
Mrs Tracy Senchal* (appointed 23/03/23)	0 %
Mr John Williams* (appointed 06/10/22)	100%
Mr Louis Dare *(appointed 06/10/22)	100 %
Francesca Thomas* (appointed 06/10/22)	75 %
Andrew Cornish *(Principal)	100 %

(\* non – executive directors)

(# Trustees)

# COLEG SIR GÂR

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2023

### (continued)

#### Directors' indemnities

The directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year, and remains in force as at the date of signing of these financial statements.

#### Payment performance

The College follows the Better Payments Practice Code in dealing with its suppliers. The four key principles of the code are:

- agree payment terms at the outset of a deal and stick to them;
- explain the payment procedures to suppliers;
- pay bills in accordance with any contract agreed with the supplier, or as required by law; and
- inform suppliers without delay when an invoice is contested and settle quickly on receiving a satisfactory response.

The Late Payment of Commercial Debts (Interest) Act 1998, which came into force on 1 November 1998, requires Colleges, in the absence of agreement to the contrary, to make payments to suppliers within 30 days of either the provision of goods or services or the date on which the invoice was received. The target set by the Treasury for payment to suppliers within 30 days is 95 per cent. The College's performance in paying its suppliers during the year to 31 July 2023 was as follows:-

	<b>2023</b>	<b>2023</b>	2022	2022
	<b>No</b>	<b>£000</b>	No	£000
Total Invoices Received	<b>6,946</b>	<b>24,996</b>	<b>6,613</b>	<b>17,916</b>
Paid on time	<b>5,117</b>	<b>22,181</b>	<b>5,186</b>	<b>15,580</b>
% of total invoices received	<b>74%</b>	<b>89%</b>	<b>78%</b>	<b>87%</b>
Trade Creditors at 31 July - (Note 16)		<b>2,135</b>		<b>1,537</b>
		<b>31 days</b>		<b>31 days</b>

The College incurred no interest charges under The Late Payment of Commercial Debts (Interest) Act 1998.

#### Estate developments

The College regularly invests in the maintenance of the estate with planned annual programmes of maintenance carried out during the summer months. Annual budgets include an allocation for such works. No significant capital projects were undertaken in 22/23.

# **COLEG SIR GÂR**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2023**

### **(continued)**

#### **Equal opportunities**

The College is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positively differences in race, gender, sexual orientation, disability, religion or belief and age. We strive vigorously to remove conditions which place people at a disadvantage and we will actively combat bigotry. This policy is resourced, implemented and monitored on a planned basis.

The College's Strategic Equality Plan, although applying generally to employees, has equal relevance to disabled persons as the College would provide training, career development and opportunities for promotion which are, as far as possible, identical to those for other employees.

#### **Stakeholder relationships**

The College has many stakeholders. These include, but are not limited to:

- Students;
- Education sector funding bodies;
- Staff;
- Local employers (with specific links);
- Local authorities;
- Local Enterprise Partnerships (LEPs);
- The local community;
- Other FE institutions;
- Trade unions; and
- Professional bodies.

The College recognises the importance of these relationships and engages in regular communication with them through meetings and the College's internet site.

#### **Staff and student involvement**

The College systematically provides employees and staff with information on matters of concern to them, consulting them or their representatives regularly, so that their views can be taken into account when making decisions that are likely to affect their interests. The committee structure provides the formal communication links with representation as appropriate from different staff employment categories and students. Employee and student involvement in the College is encouraged, as achieving a common awareness on the part of all employees and students of the financial and economic factors affecting the College plays a major role in the decision making process.

#### **Statement of directors' responsibilities**

The Directors are required to present audited financial statements for each financial year under company law. The directors are responsible for preparing the Annual Report, the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Within the terms and conditions of the Financial Memorandum between the Welsh Government and the Directors are required to prepare financial statements and an operating and financial review for each financial year in accordance with the Statement of Recommended Practice – Accounting for Further and Higher Education, the Accounts Direction for Further Education Colleges in Wales and the UK's Generally Accepted Accounting Principles including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Directors 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 College and its profit or loss for that period.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent

# **COLEG SIR GÂR**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2023**

### **(continued)**

- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Assess the College's ability to continue as a going concern, noting the key supporting assumptions or mitigating actions, as appropriate (which must be consistent with other disclosures in the accounts)
- prepare financial statements on the going concern basis unless it is inappropriate to assume that the College will continue in operation.

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the College's transactions and which disclose, with reasonable accuracy at any time, the financial position of the College and which enable them to ensure that the financial statements are prepared in accordance with relevant legislation including the Companies Act 2006, the Further and Higher Education Act 1992 and Charities Act 2011, and relevant accounting standards. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. They are responsible for taking steps that are reasonably open to them to safeguard the College's assets and to prevent and detect fraud and other irregularities.

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

The Directors are responsible for ensuring that expenditure and income are applied for the purposes intended by the Welsh Government and that the financial transactions conform to the authorities that govern them. In addition, they are responsible for ensuring that funds from the Welsh Government, and any other public funds, are used only in accordance with the Financial Memorandum with the Welsh Government and any other conditions that may be prescribed from time to time by the Welsh Government or any other public funder. Members must ensure that there are appropriate financial and management controls in place to safeguard public and other funds and ensure they are used properly. In addition, Directors are responsible for securing economical, efficient, and effective management of the College's resources and expenditure so that the benefits that should be derived from the application of public funds from the Welsh Government and other public bodies are not put at risk.

# COLEG SIR GÂR

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 JULY 2023 (continued)

#### Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 1<sup>st</sup> August 2022 to 31<sup>st</sup> of July 2023 (and prior year) :

	<u>Current year</u>	<u>Prior year</u>
Energy consumption to calculate emissions (kwh)	4,465,514	4,563,515
<u>Scope 1 emissions in metric tonnes Co2e</u>		
Gas	612	647
Owned transport	45	40
<u>Total scope 1</u>	<u>657</u>	<u>687</u>
<u>Scope 2 emissions in metric tonnes Co2e</u>		
Electricity	300	264
<u>Scope 3 emissions metric tonnes Co2e</u>		
Business travel employee owned vehicles	39	32
<u>Total Gross emissions in tonnes Co2 e</u>	<u>996</u>	<u>983</u>
<u>Intensity ratio tonnes Co2e per student</u>	<u>0.166</u>	<u>0.146</u>

#### Qualification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2023 UK Government's conversion factors for Company Reporting

#### Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes Co2e per pupil, the recommended ratio for the sector.

#### Measures taken to improve energy efficiency

Smart metres are installed across all sites. Solar panels have been installed on 3 of our largest campuses which significantly reduces purchased electricity. Energy saving lightbulbs(LEDs) are installed wherever possible and staff travel is reduced due to a focus on conducting meetings virtually using software such as Teams or Google meet. The college has invested heavily in bicycle storage facilities and operates a Cycle to Work Scheme to encourage this cleaner and healthier means of travel to college. EV ( Electric Vehicle) charging points are also installed at all our campuses.

#### Directors statement of compliance with duty to promote the success of the College

##### Engaging with our stakeholders (section 172 (1) statement)

The Board of Directors have a duty to promote the success of the Group for the benefit of its members as a whole having regards to the interests of our stakeholders ( no shareholders as the company is limited by guarantee) , our students, Welsh Government, our clients, our employees, our relationships with our suppliers and the impact of our operations on the communities in which we operate, and to ensure that we maintain a reputation for high standards of quality, care and business conduct.

Our key stakeholders are our students, Welsh Government, our clients, local businesses, our employees and the communities within which we operate. Our suppliers and regulators are also important stakeholder groups. All key Board decisions consider the impact on relevant stakeholders. Increasingly, stakeholders are looking to understand our performance across multiple areas from performance to services, community engagement, innovation, governance,

# **COLEG SIR GÂR**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2023**

### **(continued)**

workplace practices and corporate citizenship. The Board endeavours to gain an understanding of the perceptions and attitudes of each stakeholder group and the weight they give to different issues. Where the views of different stakeholder groups do not align, the Board must decide on the best course of action to promote the company's long-term success.

#### **Our students**

Our students are at the heart of our business and operations. We aim to deliver the best possible standards of education and training as well as a safe, exciting and modern environment to study within coupled with the best possible experience during their time at the college.

#### **Employees**

As a service organisation, our employees are key to our business. We want our employees to feel engaged and empowered to deliver great outcomes for our students and indeed all our stakeholders. Staff wellbeing is particularly important to the college and as such we have a college wellbeing manager in post to specifically address both the student and staff wellbeing agenda. There are significant support mechanisms within the college to deal with any concerns that staff may have, and there is regular opportunity for supported professional development open to all who wish to apply. The college works closely with all staff unions to ensure the needs and concerns of staff are addressed and prides itself on having a very strong, collaborative and mutually beneficial relationship in this regard. Staff members also have a representative on the Board of Directors

#### **Regulators**

The college, being a Further Education Institution, works very closely with Welsh Government who are the principal funding body for the majority of the college grant income. Regular qualitative and financial reports are submitted regularly and success is dependent on an open, robust and reciprocal relationship.

The college as a company and charity, also reports via Companies House and the Charity commission.

#### **Suppliers**

A strong relationship with Suppliers is essential to ensure the continuity of our operations and thus our ability to service our stakeholders to the highest possible standards. This would include suppliers of product and services across our 5 campuses. We aim to treat our suppliers fairly and pay them within agreed timescales, if not sooner, and always conduct ourselves professionally and to the highest possible standards. We work closely with our suppliers to ensure that they have effective controls in place to protect our students (and stakeholders if applicable) 'health and safety' and the security and privacy of their data.

#### **Communities and environment**

We play an active role in the communities in which we operate and take care of the environment. We evaluate the business risks and opportunities associated with climate change, closely managing our environmental impact and actively promoting positive environmental practices.

#### **Employee Involvement and Disabled Employees**

The company continues to keep employees informed of matters affecting them and the financial and economic factors affecting the performance of the company. This is achieved through consultations/training sessions, a staff gateway which is continually updated, email, newsletters and social media. Applications for employment by disabled persons are given full and fair consideration.

# **COLEG SIR GÂR**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2023**

### **(continued)**

In the event of employees becoming disabled and being unable to continue within the existing role, every effort is made to retrain them in order that their employment with the college may continue. It

is the policy of the company that training, career development and promotion opportunities should be available to all employees at all times.

#### **Political contributions**

Neither the Company nor its subsidiary made any political donations or incurred any political expenditure during the period (2022 – donations £nil).

#### **Other Information**

An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on pages 4 – 15.

#### **Statement of disclosure of information to Auditor**

Each of the persons who were directors at the time when the Directors' Report was approved has confirmed that, so far as the directors are aware, there is no relevant audit information (i.e. information needed by the company's auditor in connection with preparing their report), of which the company's auditors are unaware, and the directors have taken all steps that they ought to have taken in order to make themselves aware of any relevant information and to establish that the company's auditor is aware of that information.

#### **Independent auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

This report was approved by the Board on the 7<sup>th</sup> December 2023 and was signed on behalf of the Board by:



.....

Mrs Maria Stedman  
Director

Registered Address: Graig Campus, Sandy Road, Pwll, Llanelli. SA15 4DN

Date: 7<sup>th</sup> December 2023



# **COLEG SIR GÂR**

## **STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL**

The Company is committed to exhibiting best practice in all aspects of corporate governance. This summary describes the manner in which the Company has applied the principles set out in the Code of Good Governance for Colleges in Wales, as issued by Colegau Cymru (Colleges Wales). Its purpose is to aid users of the financial statements to understand how the principles have been applied.

In the opinion of the directors, the Company complies with all of the mandatory provisions of the code so far as they apply to the further education sector, and it has complied throughout the year ended 31 July 2023 and up to the date of this report.

### ***The Board of Directors***

The members of the Board of Directors are listed on page 16. It is the responsibility of the directors to bring independent judgement to issues of strategy, performance, resources and standards of conduct. The Company 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 is provided with regular and timely information on the overall financial performance of the Company, together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel-related matters such as health and safety and environmental issues. The Board meets four times a year.

The Company conducts its business through a number of committees. Each committee has terms of reference which have been approved by the Board. These committees are Search and Governance; Remuneration; Learner Curriculum and Skills; Standards; Resources and Business Engagement; and Audit and Risk Management.

The committees are comprised of directors and co-opted members chosen via the search and governance committee which is comprised entirely of directors - for the knowledge, skills and experience that they bring to the respective committee. For the avoidance of doubt, the co-opted members are not directors of the Company. All decisions taken by the committees have to be subsequently formally approved by the Board.

The committees serve on an advisory basis and report directly to the Board of Directors. As a minimum, the chair of each committee will be a serving director. Details of the composition of each committee are noted under the respective heading below. Formal agendas, papers and reports are supplied to committee members and directors in a timely manner, prior to meetings. Briefings are also provided on an ad-hoc basis.

The Board has a strong and independent non-executive element and no individual or group dominates its decision making process. The Company considers that each of its non-executive members is independent of management and free from any business or other relationship, which could materially interfere with the exercise of their independent judgement.

There is a clear division of responsibility in that the roles of the Chairman (a non-executive director) and Principal (an executive director) are separate.

### ***Appointments to the Board of Directors***

Any new appointments to the Board are a matter for the consideration of the Board as a whole. The Search committee is responsible for the selection and nomination of any new member for the Board's consideration. The Board is responsible for ensuring that appropriate training is provided as required.

### ***Search and Governance committee***

Throughout the year ended 31 July 2023, the Institution's Search committee comprised four members of the Board of Directors. The committee's responsibilities are to make recommendations to the Board on the selection of directors and co-opted members, and on matters of governance.



# **COLEG SIR GÂR**

## **STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)**

### ***Remuneration Committee***

Made up of three Directors, the committee determines the remuneration and conditions of employment of senior post holders, including the Principal. Details of remuneration for the year ended 31 July 2023 are set out in note 6 to the financial statements.

### ***Audit and Risk Management committee***

The Audit and Risk Management committee is comprised of four members. The committee operates in accordance with written terms of reference approved by the Board.

The Audit and Risk Management committee meets on a termly basis and provides a forum for reporting by the Institution's internal and financial statement auditors, who have access to the committee for independent discussion without the presence of Institution management. The committee also receives and considers reports from WG as they affect the Institution's business.

The Company's internal auditor monitors the systems of internal control, risk management controls and governance processes in accordance with an agreed plan of input, and report their findings to management and the Audit and Risk Management committee. The external auditor undertakes the annual Financial Statements audit and reports findings back to the committee. Both the internal and external auditors are key components of the audit & risk management process and are key areas of responsibility for the committee.

Management is responsible for the implementation of agreed audit recommendations, and internal audit undertake periodic follow-up reviews to ensure such recommendations have been implemented. The Audit and Risk Management committee also advises the Company on the appointment of internal and financial statement auditors, and their remuneration for both audit and non-audit work.

### ***Resources and Business Development committee***

The Resources and Business Development committee is comprised of eight members. The committee operated in accordance with written terms of reference approved by the Board. The committee meets on a termly basis to review all aspects of planning and resource utilisation in the Company. This would include budgeting, management and financial accounts, treasury and investments, human resources, and estates development and maintenance.

### ***Learner, Curriculum and Skills (and Standards) committee.***

The Learner, Curriculum and Skills along with the Standards committee is comprised of eight members. The committees operated in accordance with written terms of reference approved by the Board.

The committees meets on a termly basis to review all aspects of curriculum provision, delivery and performance in the Company.

### ***Internal control***

#### ***Scope of responsibility***

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

The Board has delegated the day-to-day responsibility to the Principal for maintaining a sound system of internal control that supports the achievement of the Institution's policies, aims and objectives, whilst safeguarding the public funds and assets for which they are personally responsible, in accordance with the responsibilities assigned to them in the Financial Memorandum between Coleg Sir Gâr and WG. The Principal is also responsible for reporting to the Board any material weaknesses or breakdowns in internal control.

# **COLEG SIR GÂR**

## **STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)**

### ***Internal control (continued)***

#### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Institution policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Coleg Sir Gâr for the year ended 31 July 2023 and up to the date of approval of the annual report and financial statements.

#### **Capacity to handle risk**

The Board reviewed the key risks to which the Institution is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board is of the view that there is a formal ongoing process for identifying, evaluating and managing the Institution's significant risks that has been in place for the year ending 31 July 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board.

#### **The risk and control framework**

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

- Comprehensive budgeting systems with an annual budget, which is reviewed and agreed by the Board;
- Regular reviews by the advisory committee and board of periodic and annual financial reports, which indicate the financial performance against forecasts;
- Setting targets to measure financial and other performance;
- Clearly defined capital investment control guidelines; and
- The adoption of formal project management disciplines, where appropriate.

Coleg Sir Gâr engages a firm of professional auditors to provide an internal audit service, which operates in accordance with the requirements of WG. The work of the internal audit service is informed by an analysis of the risks to which the Institution is exposed and annual internal audit plans are based on this analysis. The analysis of risks and the internal audit plans are endorsed by the Board on the recommendation of the audit and risk management committee. The internal auditor provides the governing body with a report on internal audit activity in the institution at least once each year. The report includes the internal auditor's independent opinion on the adequacy and effectiveness of the Institution's system of risk management, controls and governance processes.

# **COLEG SIR GÂR**

## **STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)**

### **Review of effectiveness**

The Principal has responsibility for reviewing the effectiveness of the system of internal control. His review of the effectiveness of the system of internal control is informed by:

- the work of the internal auditor;
- the work of the executive managers within the Institution, who have responsibility for the development and maintenance of the internal control framework; and
- comments made by the Institution's financial statements auditor and WG's auditor in their management letters and other reports.

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

The senior management team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments and reinforced by risk awareness training. The senior management team and the Audit and Risk Management committee also receive regular reports from internal audit, which include recommendations for improvement. The Audit and Risk Management committee's role in this area is confined to a high level review of the arrangements for internal control. The Board's agenda includes a regular item for consideration of risk and control and receives reports thereon from the senior management team and the Audit and Risk Management committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its December 2023 meeting, the Board carried out the annual assessment for the year ended 31 July 2023 by considering documentation from the senior management team and internal audit, and taking account of events since 31 July 2023.

Based on the advice of the Audit and Risk Management Committee and the Principal, the Board is of the opinion that the Company has an adequate and effective framework for governance, risk management and control, and has fulfilled its statutory responsibility for "the effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets".

### **Statement on regularity, propriety and compliance**

The Governing Body has considered its responsibility to notify the Welsh Government of material irregularity, impropriety and non-compliance with the terms and conditions of funding, under the financial memorandum and contracts in place between the College and the Welsh Government. As part of our consideration we have had due regard to the requirements of the financial memorandum and contracts with the Welsh Government.

We confirm on behalf of the Governing Body, that after due enquiry, and to the best of our knowledge, we are able to identify any material irregular or improper use of funds by the College, or material non-compliance with the terms and conditions of funding under the college's financial memorandum and contracts with the Welsh Government.

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 Welsh Government.

# **COLEG SIR GÂR**

## **STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)**

### **Going concern**

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

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements. After reviewing these forecasts, the Directors are of the opinion that, taking account of severe but plausible downsides, including the anticipated impact of the energy & cost of living crisis, the College will have sufficient funds to meet its liabilities as they fall due over the period of 12 months from the date of approval of the financial statements (the going concern assessment period). Consequently, the Directors have prepared the financial statements on a going concern basis.

### **Training and Development – Board of Directors and Heads of Governance**

- In-house induction training was delivered to 5 new Directors in March
- All directors and the Clerk undertook on line training in : Safeguarding; Prevent and GDPR during the year

### **External Review – Governance**

An external review of Governance is undertaken at least once every 3 years. The last review was carried out by the Internal Audit Team – Mazars LLP - in May 2022.

By order of the Board



Mrs Maria Stedman

Director

Date: 7<sup>th</sup> December 2023

# **COLEG SIR GÂR**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COLEG SIR GÂR; REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

### **Opinion**

We have audited the financial statements of Coleg Sir Gar ("the College") for the year ended 31 July 2023 which comprise the Statement of Comprehensive Income, Statement of Changes in Reserves, Balance Sheet, Cash Flow Statement and related notes, including the Statement of Principal Accounting Policies and Estimation Techniques.

In our opinion the financial statements:

- give a true and fair view of the state of the College's affairs as at 31 July 2023 and of its surplus for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the College in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the College or to cease its operations, and as they have concluded that the College's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Directors' conclusions, we considered the inherent risks to the College's business model and analysed how those risks might affect the College's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the College's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the College will continue in operation.

### **Fraud and breaches of laws and regulations – ability to detect**

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the Audit Committee, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board of Directors and Audit and Risk Committee meeting minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

# COLEG SIR GÂR

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COLEG SIR GÂR; REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk that management may be in a position to make inappropriate accounting entries. On this audit we did not identify a fraud risk related to revenue recognition due to the non-complex revenue recognition criteria, which limits the opportunity to fraudulently manipulate revenue.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of some of the College-wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included journals posted by individuals who typically do not make journal entries, revenue or cash journals made to unrelated accounts and unbalanced journal entries.

### *Identifying and responding to risks of material misstatement related to compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the College is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation and further education related legislation, including the Accounts Direction for Further Education Colleges in Wales issued by Welsh Government), distributable profits legislation and pensions legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the College is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, employment law, recognising the nature of the College's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

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 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 fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.



# **COLEG SIR GÂR**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COLEG SIR GÂR; REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

### **Other information**

The Directors are responsible for the other information, which comprises the Strategic Report, Directors' Report, Public Benefit Statement and Statement of Corporate Governance and Internal Control. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Strategic Report and the Directors' Report for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 18, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the College or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

We are required to report on the following matters under the Further Education Audit Code of Practice 2015 (effective 1 August 2014) issued by the Welsh Government under the Learning and Skills Act 2000.

In our opinion, in all material respects:

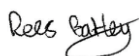
# **COLEG SIR GÂR**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COLEG SIR GÂR; REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

- monies expended out of Welsh Government grants and other funds from whatever source administered by the College for specific purposes have been properly applied to those purposes and, if appropriate, managed in compliance with all relevant legislation;
- funding received from the Welsh Government (and other bodies and restricted funds where appropriate) has been applied in accordance with the Financial Memorandum between the Welsh Government and further education institutions; and
- the financial statements meet the requirements of the Accounts Direction for Further Education Colleges in Wales 2022/23 issued by Welsh Government.

### **THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES**

This report is made solely to the College's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and paragraph 56(b) of the College's Articles of Association. Our audit work has been undertaken so that we might state to the College'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 College and the College's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Rees Batley (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

66 Queen Square

Bristol

BS1 4BE

Date :11 December 2023



## COLLEGE STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 JULY 2023

	Notes	2023 £000	2022 £000
<b>Income</b>			
Funding body grants	1	31,379	31,741
Tuition fees and education contracts	2	4,907	6,060
Other income	3	9,892	8,805
Investment income	4	468	34
<b>Total income</b>		<b>46,646</b>	<b>46,640</b>
<b>Expenditure</b>			
Staff costs	5	25,128	24,629
Fundamental restructuring costs	5	863	-
Other operating expenses	7	18,186	17,798
Depreciation	11	2,611	2,628
Interest and other finance costs	9	288	464
<b>Total expenditure</b>		<b>47,076</b>	<b>45,519</b>
Surplus/(Deficit) before other gains and losses		(430)	1,121
(Loss)/gain on disposal of fixed assets		0	1
Gain/(Loss) on investments		(7)	(49)
Surplus(Deficit) before tax		(437)	1,073
Taxation		-	-
<b>Surplus/(Deficit) for the year</b>		<b>(437)</b>	<b>1,073</b>
Actuarial gain/ (loss) in respect of pension schemes	21	15,475	21,820
<b>Total Comprehensive Income for the year</b>		<b>15,038</b>	<b>22,893</b>
Represented by :			
Unrestricted comprehensive income		15,038	22,893
Restricted comprehensive income		0	0
		<b>15,038</b>	<b>22,893</b>

All amounts are derived from continuing operations.

The accompanying notes are an integral part of the Financial Statements



# COLEG SIR GÂR

## STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDING 31 JULY 2023


	Income and Expenditure account	Revaluation reserve	Endowments	Total
		£000	£000	£000
<b>Balance at 31<sup>st</sup> July 2021</b>	<b>(9,401)</b>	<b>8,149</b>	<b>23</b>	<b>(1,229)</b>
(Deficit) from the income & expenditure account	1,073	-	(1)	1,072
Other comprehensive income	21,820	-	-	21,820
Transfers between revaluation and income & expenditure reserves	192	(192)	-	0
<b>Movement</b>	<b>23,085</b>	<b>(192)</b>	<b>(1)</b>	<b>22,892</b>
<b>Balance at 31<sup>st</sup> July 2022</b>	<b>13,684</b>	<b>7,957</b>	<b>22</b>	<b>21,663</b>
Surplus/(Deficit) from the income & expenditure account	(437)	-	-	(437)
Other comprehensive income	15,475	-	-	15,475
Transfers between revaluation and income & expenditure reserves	192	(192)	-	0
Pension Asset Ceiling	(6410)			(6,410)
<b>Movement</b>	<b>8,820</b>	<b>(192)</b>	<b>-</b>	<b>8,628</b>
<b>Balance at 31<sup>st</sup> July 2023</b>	<b>22,504</b>	<b>7,765</b>	<b>22</b>	<b>30,291</b>

# COLEG SIR GÂR

## BALANCE SHEET AS AT 31 JULY 2023

		2023	2022
	Notes	£000	£000
<b>Non-current assets</b>			
Intangible fixed assets	10	-	-
Tangible fixed assets	11	30,088	31,499
Investments	12	248	254
<b>Total fixed assets</b>		<b>30,336</b>	<b>31,753</b>
<b>Current assets</b>			
Stocks	14	155	235
Trade and other receivables	15	2,013	4,069
Investments	13	17	17
Cash and cash equivalents		18,038	18,826
<b>Total current assets</b>		<b>20,223</b>	<b>23,147</b>
<b>Less: Creditors: amounts falling due within one year</b>	16	<b>(8,697)</b>	<b>(12,576)</b>
<b>Net current assets</b>		<b>11,526</b>	<b>10,571</b>
<b>Total assets less current liabilities</b>		<b>41,862</b>	<b>42,324</b>
<b>Less: Creditors: amounts falling due after more than one year</b>	17	<b>(10,581)</b>	<b>(11,407)</b>
<b>Less: Provisions</b>			
Defined benefit (obligation)/asset	21	0	(8,214)
Other provisions	18	(990)	(1,040)
<b>Total net assets</b>		<b>30,291</b>	<b>21,663</b>
<b>Restricted reserves :</b>			
Income and expenditure reserve - Endowment reserve	20	22	22
<b>Unrestricted reserves :</b>			
Income and expenditure reserve - unrestricted		22,504	13,684
Revaluation reserve		7,765	7,957
<b>Total unrestricted reserves</b>		<b>30,269</b>	<b>21,641</b>
<b>Total reserves</b>		<b>30,291</b>	<b>21,663</b>

The financial statements on pages 32 to 62 were approved and authorised for issue by the Board on the 8<sup>th</sup> December 2022 and were signed on its behalf on that date by:

Chair:   
Date : 7<sup>th</sup> December 2023  
Mrs Maria Stedman

Director:   
Date: 7<sup>th</sup> December 2023  
Mr Andrew Cornish

Company registration no.: 8539630  
Charity registration no.: 1152522

# COLEG SIR GÂR

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JULY 2023

	Notes	<b>2023</b> <b>£000</b>	2022 £000
Net cash inflow/(outflow) from operating activities	22	<b>2,411</b>	3,266
Cash flows from financing activities	23	<b>215</b>	(171)
Cash flows from investing activities	24	<b>(3,414)</b>	2,918
(Decrease)/Increase in cash and cash equivalents in the period		<b>(788)</b>	6,013
Cash and cash equivalents at 1 August	25	<b>18,826</b>	12,813
Cash and cash equivalents at 31 July	25	<b>18,038</b>	18,826

# **COLEG SIR GÂR**

## **STATEMENT OF PRINCIPAL ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES FOR THE YEAR ENDED 31 JULY 2023**

### **Basis of preparation**

Coleg Sir Gâr is a company limited by guarantee and incorporated and domiciled in the United Kingdom.

These financial statements have been prepared in accordance with the Companies Act as adapted to the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (the 2019 FE HE SORP), in accordance with Financial Reporting Standard 102 – “The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland” (FRS 102), the Companies Act 2006 and with the applicable WG Circular (2022-23). Coleg Sir Gâr is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102.

The preparation of financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the College's accounting policies.

### **Basis of accounting**

The financial statements are prepared in accordance with the historical cost convention as modified by the use of previous valuations of certain fixed assets as deemed cost at transition to FRS 102 as at 1 August 2014. The accounting rules set out below have been applied consistently.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

### **Going concern**

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

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements. After reviewing these forecasts, the Directors are of the opinion that, taking account of severe but plausible downsides, including the anticipated impact of energy costs & the cost of living crisis, the College will have sufficient funds to meet its liabilities as they fall due over the period of 12 months from the date of approval of the financial statements (the going concern assessment period). Consequently, the Directors have prepared the financial statements on a going concern basis.

### **Recognition of income**

Government revenue grants include funding body recurrent grants and other grants and are accounted for under the accrual model as permitted by FRS 102. The recurrent grants from Welsh Government represent the funding allocations attributable to the current financial year and are credited direct to the income and expenditure account. Recurrent grants are recognised in line with planned activity. Any under-achievement against this planned activity is adjusted in-year and reflected in the level of recurrent grant recognised in the income and expenditure account.

Income from tuition fees is stated gross and recognised in the period for which it is received and includes all fees payable by students or their sponsors. Where the amount of tuition fee is reduced, by a discount for prompt payment, income receivable is shown net of discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income

# COLEG SIR GÂR

## STATEMENT OF PRINCIPAL ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES FOR THE YEAR 31 JULY 2023 (continued)

### Recognition of income (continued)

Income from Grants ,contracts and other services rendered is included to the extent of the completion of the contract or service concerned. This is generally equivalent to the sum of the relevant expenditure incurred during the year and any related contributions towards overhead costs.

Donations with restrictions are recognised when relevant conditions have been met; in many cases recognition is directly related to expenditure incurred on specific purposes. Donations which are to be retained for the benefit of the institution are recognised in endowments; other donations are recognised by inclusion as other income in the income and expenditure account.

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

Non-recurrent grants from the Welsh Government or other government bodies received in respect of the acquisition or construction of fixed assets are treated as deferred capital grants and amortised in line with depreciation over the life of the assets under the accrual method as permitted by FRS 102.

Income from the sale of goods or services is credited to the income and expenditure account when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

### Accounting for post-employment benefits

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

The TPS is an unfunded scheme. Contributions to the TPS are charged to the income and expenditure so as to spread the cost of pensions over employees' working lives with the College in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of quinquennial valuations using a prospective benefit method. The TPS is a multi-employer scheme and the College is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution plan and the contributions recognised as an expense in the income statement in the periods during which services are rendered by employees.

The LGPS is a funded scheme. The assets of the LGPS are measured using closing fair values. LGPS liabilities are measured using the projected unit credit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Comprehensive Income and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised as an actuarial movement in other comprehensive income. Actuarial gains and losses on liabilities are also recognised immediately in other comprehensive income. Where the calculation results in a net asset, recognition is limited to the extent to which the college is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

# COLEG SIR GÂR

## STATEMENT OF PRINCIPAL ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES FOR THE YEAR 31 JULY 2023 (continued)

### Short term employment benefits

Short term employment benefits such as salaries and compensated absences (holiday pay) are recognised as an expense in the year in which the employees render service to the College. Any unused benefits are accrued and measured as the additional amount the College expects to pay as a result of the unused entitlement.

### Enhanced pensions

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

### Tangible fixed assets

Tangible fixed assets are stated at cost / deemed cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets that had been revalued to fair value on or prior to the date of transition to the 2015 FE HE SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

#### (a) Land and buildings

Freehold buildings are depreciated over their expected useful economic life to the College of between ten and fifty years. Leasehold land and buildings are depreciated over 50 years or, if shorter, the period of the lease. Freehold land is not depreciated.

Where land and buildings are acquired with the aid of specific grants they are capitalised and depreciated as above. The related grants are credited to a deferred income account within creditors and are released to the income and expenditure account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy. The deferred income is allocated between creditors due within one year and those due after more than one year.

Assets in the course of construction are not depreciated until the College has full use of the asset, at which time they are depreciated in accordance with the policy stated above.

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

On adoption of FRS 102, the College followed the transitional provision to retain the book value of land and buildings, which were revalued in 1998, as deemed cost but not to adopt a policy of revaluations of these properties in the future.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of any fixed asset may not be recoverable. An annual review of impairment indicators is carried out annually at the financial statement reporting date.

#### (b) Equipment (including fixtures and fittings)

Equipment costing less than £3,000 per individual item is written off to the income and expenditure account in the period of acquisition. Grouped items, which are in aggregate above the threshold but individually under, will be reviewed specifically to determine the approach. All other equipment is capitalised at purchase cost. Equipment inherited from the Local Education Authority has not been included in the balance sheet, as it was their policy to charge the full purchase cost of the asset to the income and expenditure account in the year of acquisition.

Equipment is depreciated over its useful economic life as follows:

General equipment	5% - 25 % per annum
Computer equipment	20% - 33 % per annum
Fixtures and fittings	10% - 25 % per annum



# **COLEG SIR GÂR**

## **STATEMENT OF PRINCIPAL ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES FOR THE YEAR 31 JULY 2023 (continued)**

Where equipment is acquired with the aid of specific grants it is capitalised and depreciated in accordance with the above policy. The related grants are credited to a deferred income account within creditors and are released to the income and expenditure account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy. The deferred income is allocated between creditors due within one year and those due after more than one year.

### **Intangible fixed assets**

The College has acquired a number of milk quotas for use in conjunction with the College's farming activities. The cost of the milk quotas has been classified as an intangible fixed asset. Milk quotas are amortised over a 10 year period on a straight-line basis.

### **Leased assets**

Costs in respect of operating leases are charged on a straight line basis over the lease term. Any lease premiums or incentives relating to leases signed after 1<sup>st</sup> August 2014 are spread over the minimum lease term. The College has taken advantage of the transitional exemptions in FRS 102, and has retained the policy of spreading lease premiums and incentives to the date of the first market rent review for leases signed before 1<sup>st</sup> August 2014.

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

The finance charges are allocated over the period of the lease in proportion to the capital element outstanding. Where finance lease payments are funded in full from funding council capital equipment grants, the associated assets are designated as grant-funded assets.

### **Investments**

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

Listed investments held as non-current assets and current asset investments, are stated at fair value, with movements recognised in Comprehensive Income. Investments that are not listed on a recognised stock exchange are carried at historical cost less any provision for impairment in their value, estimated using a valuation technique.

### **Stocks**

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

### **Cash and cash equivalents**

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value. An investment qualifies as a cash equivalent when it has maturity of three months or less from the date of acquisition.

### **Maintenance of premises**

The College has a ten-year rolling long-term maintenance plan which forms the basis of the ongoing maintenance of the estate. The cost of long-term and routine corrective maintenance is charged to the income and expenditure account as incurred.

# **COLEG SIR GÂR**

## **STATEMENT OF PRINCIPAL ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES FOR THE YEAR 31 JULY 2023 (continued)**

### **Financial assets, liabilities and equity**

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

All loans, investments and short term deposits held by the College are classified as basic financial instruments in accordance with FRS 102. These instruments are initially recorded at the transaction price less any transaction costs (historical cost). FRS 102 requires that basic financial instruments are subsequently measured at amortised cost. Loans and investments that are payable or receivable within one year are not discounted.

### **Foreign currency translation**

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

### **Taxation**

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

The College receives no similar exemption in respect of Value Added Tax.

The College's subsidiary company CCTA Enterprises Ltd is subject to corporation tax and VAT in the same way as any commercial organisation.

### **Provisions**

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

### **Livestock**

Livestock is treated as a fixed asset where it is intended for use on a continuous basis for the College's activities. Livestock is revalued on an annual basis with no depreciation charge being made. The movement between successive valuations is charged or credited to the income and expenditure account.

### **Agency costs**

The College acts as an agent in the collection and payment of financial contingency funds and educational maintenance allowances. Related payments received from Welsh Government and subsequent disbursements to students and institutions are excluded from the income and expenditure of the College where the College is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

### **Accounting for charitable donations and endowments**

Non-exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised in income when the College is entitled to the funds.

# COLEG SIR GÂR

## STATEMENT OF PRINCIPAL ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES FOR THE YEAR 31 JULY 2023 (continued)

### Accounting for charitable donations (continued)

Income is retained within the restricted reserve until such time that any donor imposed restrictions attached to the donations and endowments are met at which time the income is released to general reserves through a reserves transfer. Donations with no restrictions are recognised in income when the College is entitled to the funds.

Investment income and movements in fair value of endowments are recorded in income in the year in which they arise and as either restricted or unrestricted income according to the terms of the restrictions applied to the individual endowment funds.

There are three main types:

1. Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the institution
2. Restricted expendable endowments – the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the institution can convert the donated sum into income
3. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective

### Judgements in applying accounting policies and key sources of estimation uncertainty

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

- Determine whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

#### *Other key sources of estimation uncertainty*

- **Local Government Pension Scheme**

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2023 has been used by the actuary in valuing the pensions liability at 31 July 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

# COLEG SIR GÂR

## NOTES TO THE FINANCIAL STATEMENTS

### 1 Funding body grants

	2023	2022
	£000	£000
Recurrent grant	24,313	24,588
Work based learning	3,858	4,461
Specific grants	1,735	1,101
Capital grants:		
Buildings	460	420
Equipment	1,013	1,171
	<b>31,379</b>	<b>31,741</b>

### 2 Tuition fees and education contracts

	2023	2022
	£000	£000
UK higher education students	3,598	3,733
UK further education students	33	84
Non-EU students	-	6
<b>Total tuition fees paid by or on behalf of individual students</b>	<b>3,631</b>	<b>3,823</b>
<b>Education contracts</b>		
Higher Education contracts	620	623
Other contracts	656	1,614
	<b>4,907</b>	<b>6,060</b>

### 3 Other income

	2023	2022
	£000	£000
Residencies and catering	849	587
Non-government capital grants	-	-
Farming activities	1,740	1,351
Other income-generating activities	1,661	1,439
Other grant income:		
European funds	2,515	2,270
Other funds	2,899	2,926
Other income	228	232
	<b>9,892</b>	<b>8,805</b>

### 4 Investment income

	2023	2022
	£000	£000
Interest receivable	468	34
	<b>468</b>	<b>34</b>

# COLEG SIR GÂR

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 5 Staff costs

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

	2023 Number	2022 Number
Teaching departments:		
Teaching staff	219	217
Other staff	21	22
	<b>240</b>	239
Teaching support services	15	14
Other support services	26	26
Administration and central services	95	94
Premises	19	17
Other income-generating activities	88	93
Catering and residences	-	-
Farm	10	10
	<b>493</b>	493
Based on an average Headcount basis : Teaching staff	323	319
Support Staff	336	334
Staff costs for the above persons:		
	2023 £000	2022 £000
Teaching departments		
Teaching staff	12,800	11,826
Other staff	655	631
	<b>13,455</b>	12,457
Teaching support services	563	518
Other support services	968	915
Administration and central services	4,725	4,273
Premises	640	565
Other income-generating activities	3,849	3,785
Catering and residences	-	-
Farm	314	270
Restructuring costs	863	-
Pension costs	12	(78)
FRS 102 (Section 28 –Pension Cost)	592	1,920
Holiday pay accrual	10	4
	<b>25,991</b>	24,629
	2023 £000	2022 £000
Wages and salaries	18,752	17,346
Social security costs	1,843	1,693
Other pension costs	4,533	5,590
	<b>25,128</b>	24,629
Restructuring costs	863	-
	<b>25,991</b>	24,629

# COLEG SIR GÂR

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 5 Staff costs (continued)

The number of staff, including key management personnel (as defined in note 6), who received emoluments in the following ranges were:

	2023 Number	2022 Number
£60,001 - £65,000	3	3
£65,001 - £70,000	4	-
£70,001 - £75,000	-	-
£75,001 - £80,000	-	3
£80,001 - £85,000	-	-
£85,001 - £90,000	2	2
£90,001 - £95,000	1	1
£95,000 - £100,000	2	-
£100,000 - £105,000	-	1
£105,000 - £110,000	-	-
£110,000 - £115,000	-	-
£115,000 - £120,000	-	-
£120,000 - £125,000	1	-
<b>Total</b>	<b>13</b>	<b>10</b>

A pay award of 6.5 % was approved by the Board and paid with effect from 1 August 2022 for all staff, including the Principal (2022: 1.87 %). In addition, a further "one off" payment of 1.5 % was agreed and paid to all staff in June 23. For these purposes, emoluments include taxable benefits in kind but not employer pension costs. There were no staff within the £ 100,000 - £ 165,000 range.

### 6 Key management personnel emoluments

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College and are represented by the College Leadership Team which comprises the Principal, and vice principals.

The number of key management personnel, including the Principal, was 4 (2022: 4).

	2023 Number	2022 Number
£85,001 - £90,000	-	2
£90,001 - £95,000	1	1
£95,000 - £100,00	2	-
£100,001 - £ 165,000	-	1
£165,000 - £ £180,000	1	-
<b>Total</b>	<b>4</b>	<b>4</b>

Key management personnel emoluments are made up as follows:

	2023 £	2022 £
Salaries	464,778	427,390
Benefits in kind	3,598	2,959
<b>Total</b>	<b>468,376</b>	<b>430,349</b>
Pension contributions	106,424	97,840
<b>Total emoluments</b>	<b>574,800</b>	<b>528,189</b>

The above emoluments include amounts payable to the Principal (who is also the highest paid member of the key management) of:

	2023 £	2022 £
Salaries	172,974	160,000
Benefits in kind	3,598	2,959
<b>Total</b>	<b>176,572</b>	<b>162,959</b>
Pension contributions	40,960	37,888
<b>Total emoluments</b>	<b>217,532</b>	<b>200,847</b>

# COLEG SIR GÂR

## NOTES TO THE FINANCIAL STATEMENTS (continued)

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

The Board members, other than the Principal and staff members, did not receive any payment from the College other than the reimbursement of travel and subsistence expenses of £497 (2022: £274) incurred in the course of their duties.

The Principal received a pay increase of circa 6.5 % (2022: 1.87 %), and other higher paid staff (including key management personnel), also received a pay increase of 6.5 % during the year (2022: 1.75%). No additional bonuses or other salary enhancements were awarded to key management personnel or other higher paid staff (2022: nil), other than the additional "one off" 1.5 % paid to all staff in the organisation as part of an agreed settlement. The Principal's salary, as a multiple of the median of all employees pay (all full and part time staff but excluding agency workers) was 5.4 in 2023 (2022 : 5.5). Similarly, the multiple based on all emoluments was 5.5 in 2023 (2022 : 5.7).

The remuneration of the Principal is benchmarked on typical Further Education institutions of a similar size and complexity and reflects the challenges and magnitude of the role. Coleg Sirgar, combined with its' subsidiary company, Coleg Ceredigion, is a large company with a combined turnover of over £ 46 m with a staff headcount of over a 650, spilt across a very diverse area; indeed, crossing 2 counties : Carmarthenshire and Ceredigion. The task of managing the 7 sites, so widely dispersed, is complicated and challenging.

Key performance measures would include achieving the highest possible standards of quality in terms of our teaching and learning operation whilst providing an exciting, innovative and inclusive environment for students and staff to work within, and at all times to do so within the resources provided.

A constant challenge is to achieve efficiency of operations, combined with a drive to seek out and secure new sources of income where possible. This can only be achieved by working with all the college stakeholders, of which there are many, and ensuring a harmonious, collaborative and fair environment to all.

In addition, since the college is part of a wider group as a subsidiary of the University of Wales : Trinity Saint David, the Principal plays an important role in terms of working closely with the university to achieve mutually beneficial planned and agreed objectives, designed to create the highest level of teaching quality and learner experience whilst facilitating a lifelong learning culture and environment.

The Principal reports directly to the Board of Directors who are ultimately responsible for the performance of the college. The Directors also evaluate and assess the Principal's effectiveness in terms of managing the college and similarly, the remuneration package for the role.

The Directors have carried out an assessment with regards the Principal's salary and believe, that the salary is commensurate with the role at the college. To derive this conclusion, an assessment of the size, complexity, challenges and responsibility would have been undertaken, along with a benchmarking exercise of other FE colleges of similar size and complexity.

# COLEG SIR GÂR

## 7 Other operating expenses

	2023 £000	2022 £000
Teaching departments	1,673	1,366
Teaching support services – libraries & resource centres	52	51
- examination fees	643	622
- student transport	1,038	823
Other support services	51	56
Administration and central services	7,186	8,788
General education expenditure	376	306
Premises:		
Running costs	1,252	1,180
Routine maintenance	1,366	764
Rents and leases	152	229
Planned maintenance	-	-
Other income generating activities	31	9
Catering and residence operations	893	666
Farming activities	1,135	817
Franchised provision	835	759
Irrecoverable value added tax	1,503	1,362
	<b>18,186</b>	<b>17,798</b>

Other operating expenses include:

	£000	£000
Auditor's remuneration:		
Financial statements audit	38	33
Other services provided by the financial statements auditor (regulatory return services)	6	10
Internal audit	22	22
Registration fees	83	67
Hire of other assets – operating leases	149	159



# COLEG SIR GÂR

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 8 Costs in respect of overseas activities

The following costs were incurred during 2022-2023 in respect of overseas activities, which were carried out in accordance with the strategy approved by the governing body:

	Travel and Accommodation £	Subsistence Hospitality £	Other Costs £	Number of Visits
Members	-	-	-	-
Key management personnel	-	-	-	-
Other staff	-	-	-	-
	-	-	-	-

### 9 Interest and other finance costs

	2023 £000	2022 £000
On finance leases	29	31
Pension finance costs (see note 21)	259	433
	288	464

### 10 Intangible fixed assets

	Milk quota £000
<b>Cost</b>	
At 1 August 2022 and 31 July 2023	302
<b>Accumulated Amortisation</b>	
At 1 August 2022	302
Charge for the year	-
<b>At 31 July 2023</b>	<b>302</b>
<b>Net book value</b>	
At 31 July 2023	-
At 31 July 2022	-

# COLEG SIR GÂR

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 11 Tangible fixed assets

	Freehold land and buildings £000	Equipment £000	Fixtures and fittings £000	Livestock £000	Total £000
<b>Cost or valuation</b>					
At 1 August 2022	43,861	9,385	3,443	386	57,075
Additions	66	599	541	-	1,206
Revaluation	-	-	-	-	-
Disposals	-	(33)	-	(5)	(38)
<b>At 31 July 2023</b>	<b>43,927</b>	<b>9,951</b>	<b>3,984</b>	<b>381</b>	<b>58,243</b>
<b>Accumulated Depreciation</b>					
At 1 August 2022	15,971	6,817	2,788	-	25,576
Charge for the year	921	1,068	622	-	2,611
Eliminated on disposal	-	(32)	-	-	(32)
<b>At 31 July 2023</b>	<b>16,892</b>	<b>7,853</b>	<b>3,410</b>	<b>-</b>	<b>28,155</b>
<b>Net book value</b>					
<b>At 31 July 2023</b>	<b>27,035</b>	<b>2,098</b>	<b>574</b>	<b>381</b>	<b>30,088</b>
At 31 July 2022	27,890	2,568	655	386	31,499

#### Analysis of net book value at 31 July 2023

Inherited	7,765	-	-	-	7,765
Financed by capital grant	10,389	1,463	-	-	11,852
Other	8,881	635	574	381	10,471
	<b>27,035</b>	<b>2,098</b>	<b>574</b>	<b>381</b>	<b>30,088</b>

Land and buildings were revalued in 1998 at depreciated replacement cost by Cooke & Arkwright, a firm of independent chartered surveyors. On adoption of FRS 102, revalued properties have been treated as deemed cost. The analysis of cost or valuation of the tangible fixed assets as at 31 July 2022 is as follows:

#### Cost or valuation at 31 July 2023 represented by:

Valuation in 1998 (see above)	19,716	-	-	381	20,097
Cost	24,211	9,951	3,984	-	38,146
	<b>43,927</b>	<b>9,951</b>	<b>3,984</b>	<b>381</b>	<b>58,243</b>

# COLEG SIR GÂR

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 11 Tangible assets (continued)

#### Freehold land and buildings

	Occupied for own use £000	Investment properties £000	Properties under development £000	Total £000
<b>Cost or valuation</b>				
At 1 August 2022	43,861	-	-	43,861
Transferred in the year	-	-	-	-
Additions	66	-	-	66
Disposals	-	-	-	-
<b>At 31 July 2023</b>	<b>43,927</b>	<b>-</b>	<b>-</b>	<b>43,927</b>
<b>Accumulated Depreciation</b>				
At 1 August 2022	15,971	-	-	15,971
Charge for the year	921	-	-	921
Disposals	-	-	-	-
<b>At 31 July 2023</b>	<b>16,892</b>	<b>-</b>	<b>-</b>	<b>16,892</b>
<b>Net book value</b>				
<b>At 31 July 2023</b>	<b>27,035</b>	<b>-</b>	<b>-</b>	<b>27,035</b>
At 31 July 2022	27,890	-	-	27,890
<b>Analysis of net book value at 31 July 2023</b>				
Inherited	7,765	-	-	7,765
Financed by capital grant	10,389	-	-	10,389
Other	8,881	-	-	8,881
	<b>27,035</b>	<b>-</b>	<b>-</b>	<b>27,035</b>

# COLEG SIR GÂR

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 12 Non-current investments

	2023 College £000	2022 College £000
Investment in subsidiary company	-	-
Other non-current asset investments	248	254
	<b>248</b>	<b>254</b>

The College's investments are in the following subsidiaries:

Name of company	Holding	Country of Incorporation	Activity
Coleg Ceredigion	Limited by Guarantee	Wales	Further Education College
CCTA Enterprises Limited	100%	Wales	Dormant
Rareblend Limited	100%	Wales	Dormant

### Other non-current asset investments

	Listed investments £000	Other investments £000	Total £000
<b>Cost or valuation</b>			
At 1 August 2022	51	203	254
Additions	-	-	-
Revaluation	(6)	-	(6)
<b>At 31 July 2023</b>	<b>45</b>	<b>203</b>	<b>248</b>
<b>Cost or valuation at 31 July 2023 represented by:</b>			
Valuation	45	-	45
Cost	-	203	203
	<b>45</b>	<b>203</b>	<b>248</b>

### 13 Current investments

	2023 £000	2022 £000
<b>Endowment assets</b>		
Balance at 1 August	17	18
Increase in value of investments	-	(1)
Income for the year	-	-
Expenditure for the year	-	-
<b>Balance at 31 July</b>	<b>17</b>	<b>17</b>
Represented by:		
COIF Charities Investment Fund Holdings	17	17
	<b>17</b>	<b>17</b>

### 14 Stock

	2023 £000	2022 £000
Livestock for resale	155	224
Other stock	-	11
	<b>155</b>	<b>235</b>

# COLEG SIR GÂR

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 15 Trade and other receivables

	2023 £000	2022 £000
<b>Amounts falling due within one year:</b>		
Trade debtors	301	351
Amounts owed by group undertakings : subsidiaries	-	-
other	104	14
Prepayments and accrued income	1,608	3,704
	<b>2,013</b>	<b>4,069</b>

Note: Amounts owed by group undertakings are repayable on demand and interest free. Other refers to the parent company UWTSD

### 16 Creditors: amounts falling due within one year

	2023 £000	2022 £000
Obligations under finance leases	152	176
Payments received in advance	2,593	6,430
Trade payables	1,340	1,025
Amount owed to group undertakings : subsidiary	14	654
Amount owed to group undertakings Other	106	86
Taxation and social security	689	426
Accruals and deferred income	2,330	2,188
Deferred income – government capital grants	1,473	1,591
	<b>8,697</b>	<b>12,576</b>

Note: Amounts owed to group undertakings are repayable on demand and do not accrue interest

### 17 Creditors: amounts falling due after more than one year

	2023 £000	2022 £000
Bank loans and overdrafts	-	-
Obligations under finance leases	202	163
Deferred income - government capital grants	10,379	11,244
<b>Total</b>	<b>10,581</b>	<b>11,407</b>

# COLEG SIR GÂR

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 17 Creditors: amounts falling due after more than one year (continued)

#### Finance leases

	2023 £000	2022 £000
The net finance lease obligations to which the institution is committed are :		
In one year or less	152	176
Between two and five years	202	163
In five years or more	-	-
	<b>354</b>	<b>343</b>

### 18 Other provisions

	Enhanced Pension Provision £000	HE Fees £000	ESF £000	Total £000
At 1 August 2022	592	229	219	1,040
Utilised in the period	(61)	-	-	(61)
Released in the period	-	-	-	-
Transferred from income and expenditure account	11	-	-	11
<b>At 31 July 2023</b>	<b>542</b>	<b>229</b>	<b>219</b>	<b>990</b>

The ESF provision relates to a potential repayment of European Funds in relation to the overhead methodology. The HE Fees is in relation to a potential reclaim of course fees by students. The enhanced pension provision relates to staff who have already left the College's employ and commitments for reorganisation costs from which the College cannot reasonably withdraw at the balance sheet date. The provision has been recalculated in accordance with the latest LSC circular. The principal assumptions for this calculation are:

	2023	2022
Interest rate	5.0 %	3.3 %
Net interest rate	2.8 %	2.9 %

# COLEG SIR GÂR

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 19 Deferred income – capital grants

	2023 £000	2022 £000
Amounts falling due within one year	1,473	1,591
Amounts falling due after more than one year	10,379	11,244
	<b>11,852</b>	<b>12,835</b>

The movement in capital grants is as follows:

	WG £000	Other grants £000	Total £000
At 1 August 2022			
Land and buildings	8,415	2,368	10,783
Equipment	1,718	334	2,052
<b>Cash received</b>			
Land and buildings	66	-	66
Equipment	423	-	423
<b>Released to income and expenditure account</b>			
Land and buildings	(354)	(105)	(459)
Equipment	(858)	(155)	(1,013)
<b>At 31 July 2023</b>			
Land and buildings	<b>8,127</b>	<b>2,263</b>	<b>10,390</b>
Equipment	<b>1,283</b>	<b>179</b>	<b>1,462</b>
	<b>9,410</b>	<b>2,442</b>	<b>11,852</b>

# COLEG SIR GÂR

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 20 Endowment reserves

Year ended 31<sup>st</sup> July 2023

	Unrestricted Permanent £000	Restricted Expendable £000	Restricted Permanent £000	Restricted Total £000	Total £000
Balance at 1 August 2022					
Capital	-	22	-	22	22
Accumulated interest	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>22</b>	<b>22</b>
Increase in market value of investments	-	1	-	1	1
Expenditure for the year	-	(1)	-	(1)	(1)
<b>Balance at 31 July 2023</b>					
<b>Capital</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>22</b>	<b>22</b>
<b>Accumulated interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>22</b>	<b>22</b>
Representing:					
Fellowship and scholarship funds	-	21	-	21	21
Prize funds	-	1	-	1	1
<b>Total</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>22</b>	<b>22</b>

Year ended 31<sup>st</sup> July 2022

	Unrestricted Permanent £000	Restricted Expendable £000	Restricted Permanent £000	Restricted Total £000	Total £000
Balance at 1 August 2021					
Capital	-	23	-	23	23
Accumulated interest	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>23</b>	<b>-</b>	<b>23</b>	<b>23</b>
Increase in market value of investments	-	(1)	-	(1)	(1)
Expenditure for the year	-	-	-	-	-
<b>Balance at 31 July 2022</b>					
<b>Capital</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>22</b>	<b>22</b>
<b>Accumulated interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>22</b>	<b>22</b>
Representing:					
Fellowship and scholarship funds	-	18	-	18	18
Prize funds	-	4	-	4	4
<b>Total</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>22</b>	<b>22</b>



# COLEG SIR GÂR

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 21 Pension and similar obligations

The College's employees belong to two principal pension schemes, the Teachers Pension Scheme (TPS) which is unfunded and the Local Government Pension Scheme (LGPS) which is funded. Both are multi-employer defined benefit plans, the assets of the schemes being held in separate trustee-administered funds.

The total pension cost for the College was:

	2023	2022
	£000	£000
TPS: Contributions paid	2,333	2,216
LGPS: Charge to the Statement of Comprehensive Income:		
Contributions paid	1,596	1,454
FRS 102 charge	592	2,353
Staff restructuring (see below)	12	(78)
<b>Total pension cost</b>	<b>4,533</b>	<b>5,945</b>
	2023	2022
	£000	£000
<b>Staff restructuring</b>		
Benefits recharged during the year by the LGPS	61	58
Other staff restructuring costs	(49)	(136)
	12	(78)
	2023	2022
	£000	£000
<b>Total Contributions to LGPS</b>		
Benefits recharged during the year by the LGPS	61	58
Employer normal contributions	1,596	1,454
	1,657	1,512

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

### LGPS (Local Government Pension Scheme)

The last full actuarial valuation was performed on 31 March 2022 at which date the market value of assets of the scheme was £3,243 million. The actuarial value of the assets represented 113 % of the fund's accrued liabilities after allowing for future increases in earnings. This equates to a surplus of £372 m.

The funding objective as set out by the FSS is to achieve and maintain a solvency funding level of 100 % of liabilities. In line with the FSS, where a shortfall exists at the effective date of the valuation a deficit recovery plan will be put in place which requires additional contributions to correct the shortfall. Equally, where there is a material surplus it is usually appropriate to offset this against contributions for future service, in which case contribution reductions will be put in place to allow for this. At this valuation, the average recovery period for employers in deficit is 9 years and for employers in surplus 14 years (subject to the surplus buffer).

The agreed contribution rate for the College year commencing 1 April 2023 is 20 % (2022: 20%), plus a fixed monthly payment of £0 (2022 : £0 per annum).

# COLEG SIR GÂR

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 21 Pension and similar obligations (continued)

An actuarial valuation of the scheme was also carried out at 31 July 2023, 31 July 2022 and at 31 July 2021 by a qualified independent actuary using the projected unit method. The major assumptions used by the actuary were:

	2023	2022	2021
Rate of inflation - CPI	<b>2.70%</b>	2.70%	2.60%
Rate of increase in salaries	<b>4.20%</b>	4.20%	4.10%
Rate of increase in pensions	<b>2.80%</b>	2.80%	2.70%
Discount rate	<b>5.10%</b>	3.50%	1.60%

Post Retirement Mortality assumptions

Beginning of period:

- Non-retired members S3PA CMI 2018 (1.75%) (100 % males,91 % females)
- Retired Members S3PA CMI 2018 (94%males,92% females)

End of period:

- Non-retired members S3PA CMI 2021 (1.75% (100% males ,91% females)
- Retired members S3PA CMI 2021 (1.75 % (94% males,92 % females)

Life expectancy	Years	Years	Years
Retiring Today - Males	<b>21.4</b>	23.0	23.1
Retiring Today - Females	<b>23.7</b>	24.9	25.0
Retiring in 20 years' time - Males	<b>22.8</b>	24.4	24.7
Retiring in 20 years' time – Females	<b>25.5</b>	27.1	27.2

Asset allocation:

	2023 Split %	2022 Split %	2021 Split %
Equities	<b>73.1</b>	70.4	75.0
Government bonds	<b>0.2</b>	1.4	1.8
Other bonds	<b>8.5</b>	7.3	8.2
Property	<b>13.2</b>	15.8	10.4
Cash/Other	<b>5.0</b>	5.1	4.6
	<b>100.0</b>	100.0	100.0

# COLEG SIR GÂR

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 21 Pension and similar obligations (continued)

The following amounts at 31 July 2023, 31 July 2022 and at 31 July 2021 were measured in accordance with the requirements of FRS 102 ( note that IAS 19 has been used to calculate the value of pension surplus to be recognised on the balance sheet which concluded that the surplus should be restricted to NIL – see LGPS Policy under policies on page 37 for more detail ):

	2023 £000	2022 £000	2021 £000
Fair value of plan assets	57,252	54,837	54,821
Liabilities	(50,842)	(63,051)	(82,502)
Surplus / (Deficit) in the scheme	6,410	(8,214)	(27,681)
Effect of the asset ceiling	(6,410)	-	-
Recognised pension asset / (liability)	-	(8,214)	(27,681)

The following components of the pension charge have been recognised in the Statement of Comprehensive Income for the years ended 31 July 2023 and 31 July 2022:

	2023 £000	2022 £000
<b>Amounts recognised in the statement of Comprehensive Income :</b>		
<b>Amounts included in staff costs</b>		
Current service cost	(2,192)	(3,403)
Administration cost	(32)	(29)
Curtailment cost	(25)	-
Operating cost	(2,249)	(3,432)
<b>Analysis of amounts charged to financing of provisions</b>		
Expected return on assets	1,936	881
Interest on pension liabilities	(2,195)	(1,314)
Net finance (cost)/income	(259)	(433)
<b>Amounts recognised in other Comprehensive Income</b>		
Difference between actual and expected return on scheme assets	(435)	(1,376)
Effects of changes in assumptions underlying the present value of scheme liabilities	15,910	23,196
Actuarial (loss)/gain	15,475	21,820
<b>Movement in the College's share of the scheme's deficit during the year</b>		
Deficit in scheme as at 1 August	(8,214)	(27,681)
Operating cost	(2,249)	(3,432)
Net finance (cost)/income	(259)	(433)
Actuarial (loss)/gain	15,475	21,820
Contributions	1,657	1,512
Deficit in scheme as at 31 July	6,410	(8,214)
Effect of asset ceiling	(6,410)	-
Recognised pension asset/(liability)	-	(8,214)

# COLEG SIR GÂR

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 21 Pension and similar obligations (continued)

#### Asset and Liability Reconciliations:

Reconciliation of Liabilities	2023 £000	2022 £000
<b>Liabilities at start of year</b>	<b>63,051</b>	<b>82,502</b>
Current service cost	2,192	3,403
Interest cost	2,195	1,314
Contribution by scheme participants	497	454
Changes in financial assumptions	(17,618)	(27,035)
Changes in demographic assumptions	(2,189)	(556)
Experience (gain)/loss	3,897	4,395
Benefits paid	(1,208)	(1,426)
Curtailments and settlements	25	-
<b>Liabilities at end of year</b>	<b>50,842</b>	<b>63,051</b>
<b>Reconciliation of Assets</b>	<b>2023 £000</b>	<b>2022 £000</b>
<b>Assets at start of year</b>	<b>54,837</b>	<b>54,821</b>
Expected return on assets	1,936	881
Actuarial gain/(loss)	(435)	(1,376)
Administration expenses	(32)	(29)
Contributions by the employer	1,657	1,512
Contributions by the scheme participant	497	454
Benefits paid	(1,208)	(1,426)
<b>Assets at end of year</b>	<b>57,252</b>	<b>54,837</b>
<b>Effect of the asset ceiling</b>	<b>(6,410)</b>	<b>-</b>
<b>Recognised value of scheme assets</b>	<b>50,842</b>	<b>54,837</b>

The expected return on assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields at the balance sheet date. Expected returns on equity investments reflect long-term rates of return experienced in the respective markets.

#### History of experience gains and losses

Difference between actual and expected return on scheme assets:

Amount (£000)	(435)	(1,376)
Percentage of scheme assets	-0.8%	-2.5%

Experience gains and losses arising on scheme liabilities:

Amount (£000)	-	-
Percentage of scheme liabilities	-	-

Effects of changes in assumptions underlying the present value of scheme:

Amount (£000)	15,910	23,196
Percentage of scheme liabilities	31.3%	36.8%

Total of amounts recognised in the statement of Comprehensive income:

Amount (£000)	15,475	21,820
Percentage of scheme liabilities	30.4%	34.6%

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 21 Pension and similar obligations (continued)

Recent changes in global and UK economic pressures and tightening of monetary policy have had a significant impact on asset markets and corporate bonds yields, which are key to the FRS 102 assessment to the net pension asset or liability. In particular, AA corporate bond yields, used to set the FRS 102 discount rate have increased significantly, with corresponding falls in asset value. The markets have been exceptionally volatile and therefore both gross BDO's and assets have fallen.

#### TPS (Teachers Pension Scheme)

This report sets out the results of the actuarial valuation of the combination of the Teachers' Pension Scheme ('pre 2015 Scheme') 6 and the 2015 Teachers' Pension Scheme ('2015 Scheme') 7 (Teachers' Pension Scheme or 'the Scheme'). The Scheme provides pensions and other benefits to teachers who have worked in schools or other educational establishments in England and Wales. The Scheme is an unfunded statutory public service pension scheme with the benefits underwritten by the Government. The Scheme is financed by payments from the employer and from those current employees who are members of the Scheme, who pay contributions at different rates based on pay and as specified in the regulations

The latest actuarial valuation of the scheme was carried out as at 31 March 2016 and in accordance with The Public Service Pensions (Valuations and Employers Cost Cap) Directions 2014. The Government Actuary (GA) reported on the valuation of the Teachers' Pension Scheme on 9 June 2014. The GA concluded that:

- at the date of the valuation, the liabilities in the scheme were £196.1 bn and the value of the assets was £218.1 bn giving a notional past service deficit of £22 bn;
- the total recommended rate of contribution payable by employers from 1 September 2019 is 23.6 % (previously 16.4%) of salary; and

The financial assumptions adopted for the current valuation and, for comparison, those adopted for the 2012 valuation, are shown below:

	2016 Valuation	2012 Valuation
Discount rate :		
Real	2.40%	3.00%
Nominal	4.45%	5.06%
Pensions increases	2.00%	2.00%
Long term salary growth	4.20%	4.75%
- In excess of assumed CPI	2.20%	2.75%

#### FRS 102 (28)

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension scheme.

The TPS is unable to provide for the College an identification of its share of the underlying (notional) assets and liabilities of the scheme. Accordingly, the College has taken advantage of the exemption of FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The College has set out above the information available on the scheme and the implication for the College in terms of the anticipated contribution rates.

# COLEG SIR GÂR

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 22 Reconciliation of consolidated operating surplus/(deficit) to net cash inflow/(outflow) from operating activities

	2023 £000	2022 £000
Surplus/(Deficit) for the year	(437)	1,073
<b>Adjustments for investing or financing activities:</b>		
Interest paid	29	31
Interest (received)	(468)	(34)
<b>Adjustments for non-cash items:</b>		
Depreciation (note 11)	2,611	2,628
Increase in provision for bad and doubtful debts	(31)	103
Surplus on disposals of fixed assets	-	(1)
Revaluation of investments	7	49
Deferred capital grants released to income:		
WG (note 1)	(1,473)	(1,591)
Specific grants released to income	(900)	(424)
Pension cost less contributions payable	851	2,353
(Increase)/Decrease in stocks	85	(95)
Decrease/ (Increase) in debtors	81	(166)
(Increase)/decrease in prepayments and accrued income	2,006	(1,038)
Increase/(decrease) in creditors	315	(435)
(Decrease)/increase in other taxation and social security	263	34
Increase/(decrease) in accruals	(478)	872
Increase/(decrease) in provisions	(50)	(93)
Net cash inflow/(outflow) from operating activities	2,411	3,266

### 23 Cash flows from financing activities

	2023 £000	2022 £000
Interest received	468	34
Interest element of finance lease rental payments	(29)	(31)
Capital element of finance lease payments	(224)	(174)
	215	(171)

### 24 Cash flows from investing activities

	2023 £000	2022 £000
Payments to acquire tangible fixed assets	(967)	(2,292)
Proceeds from disposal of tangible fixed assets	-	3
Proceeds from disposal of investments	-	-
Deferred capital grants received	490	2,003
Unspent specific grants released	(2,937)	3,204
	(3,414)	2,918

# COLEG SIR GÂR

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 25 Cash and cash equivalents

	2023	2022
	£000	£000
Cash in hand and at bank	17,814	18,610
Cash Equivalents	224	216
Net cash	18,038	18,826

### 26 Capital commitments

	2023	2022
	£000	£000
Commitments contracted for at 31 July	-	-

### 27 Financial commitments

At 31 July 2023 the College was committed to making the following minimum lease payments under non-cancellable operating leases:

	2023	2023	2022	2022
	Land and	Other	Land and	Other
	buildings		buildings	
	£000	£000	£000	£000
Not later than one year	42	14	30	41
Later than one year and not later than five years	16	116	16	94
Later than five years	-	-	-	-
	58	130	46	135

### 28 Related party transactions

The College maintains a register of its interests for Directors of the Company and key management personnel. The following were outstanding / carried out during the year ended 31<sup>st</sup> July 2023:

#### CCTA Enterprises Ltd

- £ 250 receivable (2022 : £250), £0 payable (2022 : £0)
- Total income for the year £0 (2022 : £ 0), total purchases £0 (2022 : £ 0)

#### Coleg Ceredigion - Group Member

- £0 receivable (2022: £0 ), £0 payable (2022 : £653,910)
- Total income for the year £0 (2022: £0), total purchases £13,669 (2022: £3,140)

#### UWTSD – Parent

- £104,068 receivable (2022: £14,108) , £106,616 payable (2022: £66,000)
- Total income for the year £3,759,092 (2022: £3,770,867), total purchases £954,887 (2022: £1,029,342)

#### Fforwm Services Limited

- £ 0 receivable ( 2022 : £ 0), £0 payable (2022: £0)
- Total Income £ 28,594 ( 2022 : £ 0),Total purchases £65,996 (2022: £59,232)

Note : Transactions amongst the group companies are for services rendered. FForwm, is the subscription cost for the Colleges Wales services provided to all Welsh FE colleges. Income is grant drawdown.

# COLEG SIR GÂR

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 29 Amounts dispersed as agents

The College acts as agent in the administration of learner support funds which are available solely for students. The grants and related disbursements are excluded from the income and expenditure account.

<b>Financial Contingency Funds</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
	<b>WG</b>	<b>HEFCW</b>	<b>Total</b>	<b>WG</b>	<b>HEFCW</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Balance unspent at 1 August	61	-	61	77	-	77
Grants received	431	-	431	370	-	370
Available for distribution	492	-	492	447	-	447
Disbursed to students	(410)	-	(410)	(375)	-	(375)
Administration costs	(11)	-	(11)	(11)	-	(11)
Balance unspent at 31 July	71	-	71	61	-	61

### 30 Ultimate parent undertaking

The ultimate parent undertaking and controlling party is the University of Wales: Trinity Saint David, a Higher Education Corporation. The results of the Company have been incorporated in the University of Wales: Trinity Saint David consolidated financial statements, which form the largest and smallest group for which the Company's statements are consolidated, copies of which are obtained from the following address:

University of Wales: Trinity Saint David  
Carmarthen  
SA31 3EP