

# PORTLAND COLLEGE

England & Wales · Charity number 214339

## Details

---

**Other names** PORTLAND TRAINING COLLEGE FOR THE DISABLED

**Status** Registered

**Legal form** Charitable company

**Company number** [00408340](#)

**Registered** 1963-03-22

**Register** [View on the Charity Commission register](#)

## Contact

---

**Address** Portland College  
Nottingham Road  
Mansfield  
NG18 4TJ

**Phone** 01623499101

**Email** [college@portland.ac.uk](mailto:college@portland.ac.uk)

**Website** [www.portland.ac.uk](http://www.portland.ac.uk)

## Activities

---

**Objects:** FOR THE PUBLIC BENEFIT TO ADVANCE THE EDUCATION OF AND PROMOTE THE RELIEF OF PERSONS WITH DISABILITIES BY ANY AND EVERY MEANS INCLUDING ANY OR ALL OF THE FOLLOWING: 1. ASSESSING THEIR SPECIFIC LEARNING AND SUPPORT NEEDS; 2. FACILITATING LEARNING AND TRAINING IN A SUPPORTIVE ENVIRONMENT IN ORDER TO IMPROVE THEIR QUALITY OF LIFE AND PROVIDE THEM WITH THE KNOWLEDGE AND SKILLS TO AID PROGRESS TO THE NEXT STAGE OF THEIR LIFE GOALS; 3. PROMOTING THEIR INDEPENDENCE, SELF-SUFFICIENCY AND THEIR CAPACITY FOR EMPLOYMENT AND SOCIAL ENTERPRISE OPPORTUNITIES; 4. PROVIDING APPROPRIATE RESIDENTIAL AND OTHER ACCOMMODATION TO MEET THEIR PERSONAL CARE NEEDS; 5. PROMOTING AND ORGANISING SPORTING, LEISURE AND RECREATIONAL ACTIVITIES AND EVENTS FOR THEM; 6. PROMOTING EQUALITY OF OPPORTUNITY FOR PEOPLE WITH DISABILITIES; AND 7. TO UNDERTAKE SUCH OTHER APPROPRIATE ACTIVITIES AS WILL SUPPORT AND FACILITATE THE ABOVE.

**Activities:** Portland College is a vibrant national college for people with a wide range of disabilities. It is one of the foremost Colleges of its type providing good learning opportunities for up to 300 students aged from 16. They who come from all over the country to take advantage of Portland's excellent facilities and wide

spectrum of programmes in an environment designed to meet their special needs.

## Classification

---

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, Disability
- **Who:** People With Disabilities

## Geography

---

- Nottinghamshire

## Finances

---

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£20,912,000	£18,465,000	£15,734,000	662
2023-08-31	£16,271,000	£16,058,000	£13,469,000	399
2022-08-31	£13,862,000	£13,251,000	£13,263,000	326
2021-08-31	£12,411,000	£11,757,000	£12,682,000	343
2020-08-31	£10,802,000	£10,425,000	£11,506,000	324

## Trustees

---

Name	Role	Appointed
<b>Dr Dawn Elizabeth Green</b>	Chair	2015-11-30
AMANDA MARGARET FARR		2018-07-09
Dianne Maureen Jackson		2023-01-25
Joe Butler		2021-01-26
Margaret June Murray		2022-11-02
Mark Briggs		2019-07-08
Peter Arthur Emerson		2017-01-30
Sarah Egley		2018-07-09
Stephen Jackson		2019-10-14

**PORTLAND COLLEGE**

England & Wales - Charity number 214339

---

# Accounts

---

Registered number: 00408340  
Charity number: 214339

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**



**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**CONTENTS**

	Page
<b>Reference and administrative details of the Company, its Trustees and advisers</b>	1
<b>Trustees' report</b>	2 - 13
<b>Independent auditors' report on the financial statements</b>	14 - 17
<b>Consolidated statement of financial activities</b>	18
<b>Consolidated balance sheet</b>	19
<b>Company balance sheet</b>	20 - 21
<b>Consolidated statement of cash flows</b>	22
<b>Notes to the financial statements</b>	23 - 50

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2024**

<b>Trustees</b>	Mr M Briggs, Vice Chair Ms J Butler Ms H Cooper (appointed 24 January 2024) Mr D Dowbenko Ms S Egley Mr P Emerson, Vice Chair Ms A Farr Mr D Fathers Dr D Green, Chair of Trustees Mr S Jackson Ms D Jackson Ms M Murray Councillor S Deakin, Co-opted member
<b>Company registered number</b>	00408340
<b>Charity registered number</b>	214339
<b>Registered office</b>	Nottingham Road Mansfield Nottinghamshire NG18 4TJ
<b>President</b>	Mrs A Swan Parente MBE DL
<b>Vice Presidents</b>	Mrs D McDonald Mr K DcDonald Mr H P Matheson DL Professor C O'Brien OBE
<b>Company secretary</b>	Mr I Cowin (until 3 December 2024) Mr D Stanway (from 3 December 2024)
<b>Chief executive officer</b>	Mr M Dale
<b>Independent auditors</b>	PKF Smith Cooper Audit Limited Statutory Auditors 2 Lace Market Square Nottingham NG1 1PB
<b>Bankers</b>	HSBC Bank plc 1 St. Peter's Street Derby DE1 2AE
<b>Solicitors</b>	Freeth's LLP Cardinal Square 2nd Floor, West Point 10 Nottingham Road Derby DE1 3QT

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

The Trustees present their annual report together with the audited financial statements of the Company for the year 1 September 2023 to 31 August 2024. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019). The strategic report required under company law is included in this report and covers the sections of achievement and performance, financial review and plans for future periods.

Portland College has three wholly owned subsidiaries, Portland College Enterprises Limited, Polly Teach Limited and Jumpstart AP Ltd (acquired on 12 August 2024). All income, expenditure and balance sheets have been consolidated into the Portland College accounts, with explanatory notes.

**Objectives and activities**

**a. Policies and objectives**

Portland College operates a vibrant, national college for people with a wide range of disabilities. It is one of the foremost Colleges of its type in the United Kingdom, providing good learning opportunities for well over 500 learners, residents and citizens aged from 9 upwards. The College's principal objectives, set out in Article 5 of its Articles of Association, are "For the public benefit to advance the education of and promote the relief of persons with disabilities by any and every means".

The vision statement of the Charity is that all people with disabilities will have a lifetime of opportunity. Our mission is to deliver excellent programmes to inspire and empower people with disabilities to live more independent and fulfilling lives. The Charity will achieve this ambition by concentrating on its three strategic goals:

- An increased number of beneficiaries will be able to access a wider, more diversified service offer and will achieve improved health and/or fitness through participation.
- An increased number of beneficiaries will be able to access a more diversified service offer and will achieve their core goals to lead a more independent life.
- An increased number of people benefitting from employability programmes, achieving and sustaining work (both waged and voluntary) or being enabled to access other provision.

The College focuses on supporting student achievement and progression, collaborating and co-operating with others. In particular the College has striven to produce clear evidence that the quality of the provision made for its students demonstrates the impact of these strategic themes. The Directors confirm that during their consideration of the college-wide philosophy, due regard of Charity Commission guidance on public benefit has been taken account of and acted upon, where necessary.

The main activities undertaken by the College are student teaching, learning and assessment carried out by the Further Education team supported by therapy teams and Residential Learning. In adult social care we provide residential and day services including short breaks/respice. The other activities in line with our Articles of Association objectives include an employment support programme, Portland Pathways and the fully inclusive Woodland Adventure Zone. In 2023-24, there were a number of commercial activities including lettings and hospitality functions.

Polly Teach Limited was established in 2014 and joined the Portland group in September 2020, providing high quality individual and group tuition for young people who are disengaged from mainstream education. Combining social work, with teaching practice and youth work, Polly Teach provides bespoke learning programmes to young people with a range of emotional, social, and behavioural difficulties that make it difficult for them to attend school. Polly Teach is an Ofsted registered school with full time on roll pupils as well as part time pupils referred by local authorities or through subcontract from schools providing core educational programmes (Maths, English and Science) and vocational programmes for pupils at Key Stages 2, 3 and 4.

Jumpstart AP Ltd was established in 2022 and was incorporated into the Portland group in August 2024.

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**Objectives and activities (continued)**

Jumpstart provides high quality vocational tuition and qualifications for young people (Key Stages 3 and 4) who are disengaged from mainstream education. Jumpstart AP is a registered Alternative Provision service with Nottinghamshire County Council offering part-time places to pupils referred by local authorities and schools offering engagement activities and vocational qualifications in motor vehicle maintenance, e-sports, gym instruction & personal fitness and hair & beauty.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

**b. Volunteers**

Portland College values the significant contributions from approximately 48 volunteers who support in a variety of roles, including learning and care support, catering, estates maintenance, minibus driving and fundraising. The Volunteer and CSR Coordinator also supports local businesses to meet their Corporate Social Responsibility objectives by promoting and facilitating charitable activities.

**Strategic report**

**Achievements and performance**

**a. Main achievements of the Company**

The principal activity of Portland College is to provide the appropriate level of learning & teaching and care support for people with disabilities and mental health conditions. Learners and citizens are funded principally by Local Authorities and the Education and Skills Funding Agency (ESFA) who cover the direct and support costs of the placement. The college fundraises to cover the cost of new facilities and equipment to enhance the experience and learning of learners and citizens.

Need, rather than ability to pay, is the key determinant of whether prospective learners access our learning and teaching programmes. The Trustees are therefore fully satisfied that our activities meet the legal public benefit requirement.

**Learning and teaching**

During 2023-24, High Needs Student funded learner numbers stabilised at around 250, a growth of 15% on the previous year. Success rates for these learners on accredited qualifications continued to show that good progress has been made in line with goals and aspirations.

The College was inspected by Ofsted in January 2023 and received an overall Outstanding assessment with an outstanding verdict in each category. The Trustees carefully monitor the quality of this provision with a view to sustaining quality at the highest level.

We have invested resources in new teaching facilities including significant upgrades to the popular small animal farm and donkey therapy activity and to the hair & beauty salon teaching area. In May 2024 the new Manufacturing Centre workshop building was handed over to the College providing a realistic manufacturing work experience opportunity as part of the supply chain for local manufacturing businesses. The Manufacturing Centre has been designed to be carbon negative in use. In February 2024 the Charity purchased the freehold of 22a Forest Road West, Nottingham – a substantial community building close to Nottingham City Centre which houses a branch of Pollyteach School and will be open to Further Education Learners from September 2024.

The Be Healthy Active and Courageous project supports our aim to improve health and wellbeing. We recognise that mental ill health is a growing challenge for our learners and this initiative, along with more traditional support such as counselling service, embeds support for learners in this area. Safeguarding arrangements are a strength of the College and we have implemented the government Prevent agenda effectively. Learners feel safe and

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**Strategic report (continued)**

**Achievements and performance (continued)**

staff are skilled in supporting learners who find transition into the college environment a challenge.

**Care**

Citizens access our care provision in a range of ways through the Day Service, Residential Learning, Short Breaks/Respite Service or the Independent Living programme. The Day Service provision is classed as non-regulated, whilst the others are all regulated by the Care Quality Commission. All care services are widely considered to be caring and person-centred with demonstrable outcomes. We have been able to build on the excellent reputation of the College, by improving and widening the impact of our offer to learners and citizens (the preferred term, rather than resident or service user). Regulated services are inspected by the Care Quality Commission and Portland Freedom was rated Good at the most recent inspection (May 2018).

In the Day Services, our market position as a quality provider has continued to strengthen and demand for places continues to be exceptionally high. We could not meet all demands for places in our campus-based provision so it was necessary to develop the service in the community hubs 5 days a week from 3 venues in Mansfield and Ravenshead.

We have expanded residential learner numbers and have consequently required additional care staff. In 2023-24 we have worked tirelessly to improve core staffing numbers and we successfully attained and implemented the Home Office Health Care Sponsor Visa Licence and through the appointment of an Operations Manager to implement more flexible staffing rotas. The Charity as an employer continues to pay above the local market median salaries for care roles in an effort to attract and retain the highest quality staff. We have applied to and are implementing a career development pathway for care staff. We continue to focus on the development of recording care delivery and impact and seeking to improve the co-ordination of management information. We believe our staff routinely demonstrate commitment above and beyond the expectation of normal service delivery and we need to find ways to capture and present data to demonstrate that. We are using an education framework to record progress by our Independent Living citizens but are hampered by the lack of suitable progression opportunities for these citizens outside the services we directly manage in the Charity group.

**Polly Teach Limited**

The school was last inspected by Ofsted in the summer of 2023 and achieved a 'Good' with areas of outstanding practice, including outstanding in personal development. Leaders have provided a bespoke curriculum for each individual and have designed a well-planned and structured curriculum; it sets out what pupils are expected to achieve across all subjects, including vocational subjects, and the curriculum is implemented well. The new KS2 programme has had limited success so far with insufficient referrals to justify significant allocation of resources (space and staffing) and competing demands for places at KS4. The increase in referrals of pupils with high SEND needs and particularly SEMH (social, emotional and mental health) needs noted in last year's report has continued. Pollyteach has responded with the development of accredited Forest School activity and training the entire staff cohort in trauma-informed practice. We anticipate Trauma-Informed School Status to be awarded during 2024-25.

**Portland Pathways**

2023-24 was another year of high achievement in this community-facing provision which received nearly 600 new referrals in-year (up 68% on 2022-23). Pathways supports mainly adults who are long-term recipients of welfare or disability benefits. During the year we opened further hub offices in Newark-on-Trent and Kirkby-in-Ashfield and received new funding from National Lotteries Community to support the service into 2026. All core performance targets for Pathways were exceeded with 108 job starts and 187 completions of our Rebuild Your Mental Health course.

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**Strategic report (continued)**

**Achievements and performance (continued)**

**Woodland Adventure Zone/Newstart Arts & Activities**

The Woodland Adventure Zone and Newstart facilities support both beneficiaries of the Charity's core services but also engage in significant outreach and delivery for other children and adults with disabilities. Participation numbers for both offers grew in 2023-24 with 840 external user interactions in the Woodland Adventure Zone and a total of 2190 internal/external user interaction for Newstart Arts and Activities programme.

**Jumpstart AP**

The Charity group acquired Jumpstart AP in August 2024 with a pre-acquisition phase of engagement to position the company for significant growth in 2024-25. Jumpstart has added new capability to the Charity group particularly with motor vehicle maintenance teaching facilities and qualification delivery.

**b. Fundraising activities and income generation**

The fundraising team continues to raise funds via applications to trusts, individuals, organisations, and by organising a number of countywide fundraising events throughout the year. Fundraising targets are project-based and change each year to align with the strategic plan. The team achieved target again this year, with charitable income grants totalling £1,140k during 2023-24 (£631k in 2022-23). Funding pledges for the Manufacturing Centre were fully realised in 2023-24 and other grant sources secured for the project. Other key projects included a new large accessible minibus, grant pledges toward the redevelopment of an accommodation block, funding for outdoor therapy and adventure activity equipment and Portland Pathways.

**Financial review**

**a. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

**b. Reserves policy**

Reserves are those funds available to the Group once it has met its commitments and covered planned expenditure. The Unrestricted Free Reserves retained as at 31 August 2024 were £13,719k (£12,042k in 2023).

The Group / College retain 'Free' Reserves at a level that would meet unforeseen shortfalls in short-term income streams. The basis of calculation of Free Reserves agreed by the Directors is three months expenditure. Free Reserves do not include Restricted or Designated Funds, or fixed assets. General funds of £13,719k (note 21) less fixed assets of £11,663k (notes 14 and 15) equates to Free Reserves of £2,056k. The Designated Funds as at 31 August 2024 total £1,000k (£1,000k in 2023) and are for future projects. They are listed in Note 21 of the Financial Statements. The Directors have approved a campus master plan which sets out a 10-year capital programme (to approximately 2027) to further develop our woodland campus into the premier further education destination for disabled people in the UK.

The level of Free Reserves required to cover 3 months expenditure is £4,616k as at 31 August 2024 (2023: £3,751k). The current level of Free Reserves is lower than 3 months expenditure, however the Directors undertake regular reviews of the level of Reserves and they are satisfied that the current level meets the Group's requirements.

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**c. Material investments policy**

The Directors require the best use to be made of available cash resources through the prudent placement of fixed-term investments. Fixed-term UK bank deposits totalled £250k as at the Balance Sheet date 31 August 2024 (£761k in 2023) and Cash at Bank on Deposit stood at £3,700k (£2,915k in 2023). As the fixed-term UK bank deposits have a fixed term of less than three months as at 31 August 2024, these are included within Cash at Bank on the balance sheet this year. Therefore total Cash at Bank in the Group stood at £3,950k this year, increasing by £1,035k during the year, mainly due to temporary working capital fluctuations. The annual return on investments and Cash at Bank was £63k (£68k in 2023).

**d. Principal risks and uncertainties**

A regular assessment of risk is carried out, covering financial and non-financial risks to which the College is exposed, with a particular emphasis on those risks which involve beneficiaries. This assessment is formally reviewed at every main Board meeting, with the Audit Committee able to scrutinise risk management in more detail where directed by the Board. Each identified risk is RAG rated, allocated to an individual senior manager and actions identified to minimise the overall risks. The risk register is an interactive document that is continually reviewed and updated by the senior management team who identify risks and manage mitigation activities.

The main areas of risk for the organisation are considered to be:

- Local authority financial insolvency (i.e. Section 114 notifications under the Local Government Finance Act 1988) leading to defunding of post-16 special transport provision and/or late payment or attempted education of placement fees.
- Reputational damage following a safeguarding or Prevent incident involving a learner or citizen.
- Cyber Security risk through virus and cyber-attack leading to loss of information's system controlling all areas of the College business and campus security.
- Price, wage and tax inflation leading to financial instability.

**e. Principal funding**

The primary sources of funding for Portland College are student fees and residential care fees. Student education and residential fees are funded via the ESFA and local authorities whilst residential and day service fees were received from adult social care and health authorities.

**f. Group operating results**

The net income before other recognised gains and losses for the year ended 31 August 2024 was a surplus of £2,447k (£213k in 2023). The College operated at a surplus of £3,498k (£1,266k in 2023) before the non-cash items of depreciation and amortisation. This, therefore, represents the College's EBITDA (Earnings before Interest, Taxes, Depreciation and Amortisation) result for the year.

**g. Fixed assets**

Changes in Fixed Assets are shown in Note 15 to the Financial Statements. In the opinion of the Directors the market value of the freehold property may differ from the book value, but as there is no intention of disposing of any premises, it is therefore not considered appropriate to quantify the difference.

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**Structure, governance and management**

**a. Constitution**

Portland College was founded as a company limited by guarantee (Company number 00408340) on 12 April 1946 and is governed in accordance with its Articles of Association. As a registered charity (charity number 214339), the College is also subject to the rules of the Charity Commission. The group results incorporate Portland College Enterprises Limited, Polly Teach Limited and Jumpstart AP Ltd (from acquisition on 12 August 2024), all companies registered in England and Wales.

The College is controlled by a Board of Governors (the Directors under Company Law), who bring a broad range of expertise to the College and are appointed by the Members of the College at a General Meeting. Under Article 25, the Governing Body must comprise not less than 10 Ordinary Governors and (if and only if appointed as Governors), the President and Vice-Presidents of the College. An Ordinary Governor is appointed for a term of four years, and normally would serve no more than two consecutive terms. The Ex-Officio Members i.e. President and Vice-Presidents are appointed annually. On appointment, new Directors are given a personal induction to the College, individual meetings with all senior managers and an information pack including the Governing Document and familiarising them with the work of the Board and their roles and responsibilities.

In accordance with the Articles of Association, the Trustees retire by rotation. The Board of Governors has an open recruitment policy.

**b. Methods of appointment or election of Trustees**

The management of the Group and the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

**c. Organisational structure and decision-making policies**

The College benefits from a governing body possessing a comprehensive range of skills and experience which allows detailed oversight of all facets of the business of the College. The Directors discharge their duties via Governing Body meetings, held at least four times per year and through a range of Committees which include: Audit Committee, Remuneration Committee, Oversight of Standards Group, Oversight of Finance Group, Enterprises Board, Estates Planning Group and Development Working Group. These committees, together with any other working parties that may at times be necessary, meet as and when required. The Principal and Chief Executive Officer is responsible to the Directors for the day-to-day running of the College and the execution of strategy and policies as decided by the Board of Governors. In 2023-24, the breadth of Board expertise available to the College is described below:

**Dawn Green BSc (Hons) PhD CertEd PGDip FSET – Chair of Governors**

Dawn joined the Board in 2015. She was previously Principal & CEO at Landmarks College and Vice Principal at Portland College. She is now the Karten Network Development Co-ordinator, Natspec's Quality Improvement Lead and also provides quality improvement consultancy services for specialist further education colleges.

**Mark Briggs - Vice Chair and Chair of Staff Council**

Mark joined the Board in 2019, has extensive experience in the public and cultural sectors, and has director level experience in business and transformation. Along with this, Mark is a former Paralympian with insight into sport, health and well-being.

**Peter Emerson DL – Vice Chair and Chair of Estates Planning Group**

Peter joined the Board in 2017. Peter retired as Chief Operating Officer of Severfield PLC and Managing Director of Watson Steel in 2013. Retired November 2023 from being a consultant in the construction industry and from Laing O'Rourke Limited.

**Joanne Butler**

Joanne joined the Board in 2021. She is an autism consultant working in education, workplaces, and other youth and adult organisations through her company SEND Support. Jo is the co-author of *Is That Clear? Effective*

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**Structure, governance and management (continued)**

Communication in a neuro-diverse world. She was previously the Head teacher of an autism specialist school, and now offers specialist teaching advice for Nottinghamshire County Council.

**Helen Cooper BA(Hons) BSC(Hons) - appointed 24th January 2024**

Helen has been on the Board of the Royal College of Occupational Therapists since 2019 and has been involved in several clinical reviews for the National Institute for Health Research. Over the years she has developed a comprehensive understanding of care best practices, regulatory compliance and risk management. Helen is a Director of Delphi Ltd providing expert consultancy, training and advisory services to the social care industry.

**David Dowbenko BSc(Hons) MSc**

David joined the Board in July 2023. He has over 30 years' experience of local government, across a number of functions. Much of this has been in management roles associated with change and modernisation, including the provision of school transport for pupils with special educational needs and disabilities. David is involved with the Ukrainian Cultural Centre in Nottingham, where he is Head of the Audit Committee. He is also Chair Elect of the North Staffordshire Community Rail Partnership.

**Sarah Egley RGN BA(Hons) Health Care Practice & MAML, Management and Leadership; Lead Governor for Safeguarding**

Sarah joined the Board in 2018. She is Assistant Director Quality Improvement, Innovation and Assurance for Derbyshire Community Health Services NHS Trust. Sarah also has held the position of interim Deputy Chief Nurse in 2023. Sarah brings a wide breadth of experience from operational nursing and leadership roles, within a variety of clinical services. Sarah, has taught in academic setting as an Associate Lecturer. She has worked in acute and community settings as well as supporting integration workstreams bringing services from health and social care together. Sarah leads on quality improvement, innovation and assurance as well as creating system resilience in local and organisational-wide development.

**Amanda Farr DL MSc (Oxon)**

Amanda joined the Board in 2018. She has worked in NHS rehabilitation and mental health services for most of her career, latterly leading county primary care mental health services. She has been a visiting lecturer at Nottingham and Oxford Universities. She is co-owner of Sweeney and Farr Associates offering mental health treatments and organisational well-being. Amanda is the Chair of Nottingham Playhouse Board and has extensive experience in the voluntary sector in the city and county of Nottinghamshire and is a former High Sheriff and current Deputy Lieutenant of the county.

**Professor Dean Fathers DL – Chair of Remuneration Committee**

Dean joined the Board in 2017 when he was Chair of NHS ULHT and Nottinghamshire Healthcare NHS Foundation Trust. He currently holds Non-Executive Board appointments with the Parliamentary and Health Services Ombudsman (where he is Chair of the Quality Committee) and the Academy for Health Care Science (where he is Chair of the Life Sciences Steering Group). He is also a Trustee of the Charity Care After Combat, Chair of the Midlands Engine's Health Care and Life Science Board and Independent Chair of Quality Safety and Risk at Voyage Care. In addition, Dean holds Honorary Visiting Professor roles with the Universities of Nottingham and Lincoln.

**Dianne Jackson FCCA Chair of Audit Committee**

Dianne joined the Board in January 2023 and has been an external advisor to the OFG since 2019. Dianne is an experienced Finance Director with extensive knowledge and experience from working in the Education Sector for over 25 years. Dianne is a non-executive director of a housing association and also Chair of Notts County Foundation who are the independent charitable arm of Notts County Football Club.

**Stephen Jackson – FCMA GCMA – Chair of Oversight of Finance Group**

Stephen joined the Board in 2019. He is a commercially focused Executive with global experience and Chairs the Audit Committee. He has over 30 years board level experience at both Executive and Non-Executive level.

**June Murray, Chair of Oversight of Standards Committee**

June joined the Board in November 2022 and has extensive experience working in specialist further education at RNIB College Loughborough (now known as Sense College Loughborough) for the past twenty-nine years as

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**Structure, governance and management (continued)**

both Assistant Principal and College Principal.

**Councillor Samantha Deakin – co-opted member**

Samantha joined the Board in 2021 as Nottinghamshire County Council's representative. She is the County Councillor for the Ward where Portland College is located and also a Cabinet Member for Ashfield District Council.

Whilst the Charity benefits from a very strong and pro-active Board, the Governors have been diligent in auditing the skill set of existing members, developing a formal succession plan based on anticipated retirement dates and reviewing the strategic direction of the Charity to ensure that we retain that strength and can provide effective governance of the wide and increasing range of activities.

**d. Policies adopted for the induction and training of Trustees**

All new proposed Governor Appointments follow a full recruitment process, including application and interview with College Principal, Chair and Governor Panel ensuring commitment, skills and discovering any potential conflict of interest. This is then followed by a structured induction programme with the Senior Management team and ongoing training including safeguarding.

**e. Financial risk management**

The Trustees have assessed the major risks to which the Group and the Company are exposed, in particular those related to the operations and finances of the Group and the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

**f. Trustees' indemnities**

During the year, the College purchased Executive, Professional and Fidelity Liability Insurance, which covered the Directors and Officers of the College, at a cost of £9,114 (2023: £9,114). In all cases, the insurance indemnifies the College against losses incurred from wrongful acts that result in claims by third parties. In addition, the individual Directors or Officers are covered under the Executive Liability insurance policy against personal loss, as a result of claims made upon them for actions taken whilst acting in their capacity as Directors or Officers of the College.

**g. Senior team remuneration statement and Senior post holders within the remit of Remuneration Committee**

This statement is published by the Board of Governors of Portland College for the financial year 2023-24, informed by the Association of Colleges' Senior Postholder Remuneration Code.

Principal & Chief Executive Officer	Mark Dale
Deputy Principal Quality & Further Education	Angela Newton-Soanes
Assistant Principal Care & Designated Safeguarding Lead	Ike Onwukwe
Assistant Principal Development	Edward Johnstone
Assistant Principal Finance & Compliance	Daniel Stanway (appointed February 2024)
Assistant Principal Schools	Shaun Pollard

**Policy on the remuneration of Senior post holders**

The Remuneration Committee seeks to recruit, retain and reward the best possible staff to deliver the College's strategic objectives and effectively lead operations. The Committee uses external benchmark information, notably the Association of Colleges Senior Pay Survey Report, and local labour market information to agree appropriate levels. All roles in the College are graded using an established market leader system of job evaluation, Croner Reward™. The objective is to implement equal pay for work of equal value.

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**Structure, governance and management (continued)**

The Board of Governors sets an Annual Cost of Living rise on 1st April each year and the Remuneration Committee takes account of the annual pay award when determining whether or not to apply a cost of living increase to senior post holders.

The College does not have a performance related pay scheme. The College does have an exceptional performance bonus procedure, which could be applied to a senior post holder on the recommendation of her or his line manager. Any recommendation would be subject to approval by the Remuneration Committee. Exceptional performance bonuses are non-consolidated and non-pensionable.

The College offers two pension schemes to employees: Teachers' Pension Scheme for eligible employees and a defined contribution scheme available to any employee.

Remuneration Committee approved a cost of living rise of 7.0% for senior post-holders from 1st April 2024. Cost of living rise for other staff was 9.78%. In 2023-24, no exceptional performance bonuses were paid to senior post-holders.

Pay multiple of the Principal & Chief Executive Officer in relation to the lowest paid full-time equivalent salary at the College.

Date	Pay multiple of the Principal & CEO	Lowest full-time equivalent salary
31st August 2024	5.27 (5.41 in 2023)	£22,306

**Policy on income derived from external activities**

Staff are supported to undertake external work in certain circumstances, e.g. service in the Reserve Armed Forces, acting as an Ofsted or CQC Inspector or CQC Expert, consultancy projects that would develop the skills of the staff member or enhance their knowledge and understanding in relation to their substantive role. Normally external work should not exceed 10 working days per annum. Special leave will be granted in approved circumstances. The staff member may retain any earnings from up to 10 days external work per annum.

In 2023-24, the Deputy Principal retained external earnings from 10 days work as an Ofsted Inspector.

**h. Employment policies**

It is the College's policy to have effective communication and consultation with its staff. We have a voluntary recognition agreement with the Trade Unions Unison and NASUWT for all staff. Under the terms of this agreement, and our Staff Council Constitution, we consult on a variety of issues affecting terms and conditions of employment, which are regularly discussed, at least three times per annum at Staff Council. We also communicate via performance management tools such as individual performance reviews and supervisions, Leadership forum, team briefings, staff training days, frequent news bulletins, Principal's Comms and the Senior Management Team's engagement meetings with groups of staff.

The College is fully committed to Equality, Diversity and Inclusion (EDI) and publishes its gender pay gap annually. Portland College is an equal opportunities employer and is accredited as a Disability Confident and Mindful Employer, along with being a member of the National Autistic Society.

The College employed an average of 382 full-time equivalent people during the year, compared with 381 in 2022-23.

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**Plans for future periods**

The Board of Governors has worked with the Senior Management Team to develop an ambitious 5-year plan, entitled A Lifetime of Opportunity which reflects the recent vision statement adopted by the Charity. The plan has been through an extensive period of stakeholder consultation and engagement and the Directors are confident that the investment and development will result in increased public benefit as defined through the Articles of Association. The plan anticipates that all current core programmes will also continue to operate, serving an increased number of beneficiaries during the plan period.

The plan contains significant ambitions to geographically extend the range and number of further and adult education opportunities through the creation of hub sites in Nottingham and a number of other towns. This will enable the Charity to benefit more individuals every year, following a period of successful expansion, 2017-20.

Building on the success of major refurbishment projects and the creation of the award-winning Woodland Adventure Zone, the Directors are supporting substantial new investment during the plan period:

- Redevelopment of a communal residential block to 15 modern en suite rooms with bespoke communal areas for additional residential students to meet higher demand (due to complete June 2025).
- Purchase of a community building in Nottingham as a site for expansion of activities for further education and Polly Teach (completed February 2024).
- Redevelopment of a redundant accommodation block into social housing for disabled people.
- Redesign of the small animal farm and horticulture areas. The current facilities range between 10 and 15 years old and are all but life-expired. Purposeful outdoor work remains a popular area for people with complex disabilities and also provides wider therapeutic and educational opportunities (e.g. education for sustainability linked to the United Nations sustainability goals). Partially completed 2023-24.
- Construction of a light manufacturing workshop. This project complements and completes the recent investment into construction trades and is carefully mapped on to the local jobs market where there is continuous demand for labour in furniture manufacturing. The investment will be substantially funded by the Government's Towns Fund (completed 2024).
- A renewal of the main campus core infrastructure including the water main, electricity main and campus data cable network (water main completed in 2024, electrical supply upgraded in 2024).
- Investment in energy generation and lower carbon heating technologies to support a drive toward Net Zero in Scope 1 emissions by 2035 (new Manufacturing Centre is carbon negative in use; all electricity is purchased from renewable generation sources).

We will continue to seek opportunities to open additional hubs across the local area closer to the homes and work opportunities for citizens. We will also look to collaborate with good quality organisations supporting disabled people.

In 2025 the Charity will continue to operate two public engagement programmes to capitalise on the significant investment in new and refurbished facilities such as the Woodland Adventure Zone and Newstart Theatre. These facilities will often be let, free of rent, to education and community groups whose core purpose aligns with the Charity's own objects. There will be other programmes of public benefit, open to all, operated by the College.

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**Engagement with employees and employment of the disabled**

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Group and the Company carry out exit interviews for all staff leaving the organisation and have adopted a procedure of upward feedback for senior management and the Trustees.

The Group have implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Group and the Company's equal opportunities policy, the Group and the Company have long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Company's offices.

**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report including the Strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

**Auditors**

The auditors, PKF Smith Cooper Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

**Dr D Green**  
Chair of Trustees

Date: 23-05-2025

*David Green*

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PORTLAND COLLEGE**

**Opinion**

We have audited the financial statements of Portland College (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2024 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 August 2024 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PORTLAND COLLEGE (CONTINUED)**

**Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

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

**Responsibilities of trustees**

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

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

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PORTLAND COLLEGE (CONTINUED)**

**Auditors' responsibilities for the audit of the financial statements**

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

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

Based on our understanding of the Group and industry, we identify the key laws and regulations affecting the Group. We identified that the principal risk of fraud or non compliance with laws and regulations related to:

- management bias in respect of accounting estimates and judgements made;
- management override of control;
- posting of unusual journals or transactions.

We focused on those areas that could give rise to a material misstatement in the Group financial statements. Our procedures included, but were not limited to:

- Enquiry of management and those charged with governance around actual and potential litigation and claims, including instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance where available;
- Reviewing legal expenditure in the year to identify instances of non-compliance with laws and regulations and fraud;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

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

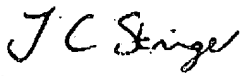
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PORTLAND COLLEGE (CONTINUED)**

**Use of our report**

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



**Julie Stringer (Senior statutory auditor)**  
for and on behalf of  
**PKF Smith Cooper Audit Limited**  
Statutory Auditors  
2 Lace Market Square  
Nottingham  
NG1 1PB

Date: 28 May 2025

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND  
EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2024**

	Note	Restricted funds 2024 £000	Unrestricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
<b>Income from:</b>					
Donations and legacies	4	1,113	27	1,140	631
Charitable activities	5	-	17,241	17,241	13,341
Other trading activities	6	-	2,434	2,434	2,193
Investments	7	-	97	97	106
<b>Total income</b>		<b>1,113</b>	<b>19,799</b>	<b>20,912</b>	<b>16,271</b>
<b>Expenditure on:</b>					
Raising funds		-	165	165	97
Charitable activities	8	524	15,862	16,386	13,535
Other trading activities	9	-	1,914	1,914	2,426
<b>Total expenditure</b>		<b>524</b>	<b>17,941</b>	<b>18,465</b>	<b>16,058</b>
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>589</b>	<b>1,858</b>	<b>2,447</b>	<b>213</b>
<b>Other recognised gains/(losses):</b>					
Actuarial gains/ (losses) on defined benefit pension schemes	27	-	178	178	(175)
Pension surplus not recognised	27	-	(360)	(360)	-
<b>Net movement in funds</b>		<b>589</b>	<b>1,676</b>	<b>2,265</b>	<b>38</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		427	13,042	13,469	13,431
Net movement in funds		589	1,676	2,265	38
<b>Total funds carried forward</b>		<b>1,016</b>	<b>14,718</b>	<b>15,734</b>	<b>13,469</b>

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 23 to 50 form part of these financial statements.

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 00408340**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 AUGUST 2024**

	Note	2024 £000	2023 £000
<b>Fixed assets</b>			
Intangible assets	14	356	383
Tangible assets	15	11,307	9,230
		11,663	9,613
<b>Current assets</b>			
Stocks	17	20	19
Debtors	18	2,198	2,348
Investments	19	-	761
Cash at bank and in hand	25	3,950	2,915
		6,168	6,043
Creditors: amounts falling due within one year	20	(2,097)	(2,187)
<b>Net current assets</b>		4,071	3,856
<b>Total assets less current liabilities</b>		15,734	13,469
Defined benefit pension scheme asset	27	-	-
<b>Total net assets</b>		15,734	13,469
<b>Charity funds</b>			
Restricted funds	21	1,015	427
Unrestricted funds			
Designated funds	21	1,000	1,000
General funds	21	13,719	12,042
Total unrestricted funds	21	14,719	13,042
<b>Total funds</b>		15,734	13,469

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Dr D Green  
Chair of Trustees  
Date: 23-05-2025

*David Green*

The notes on pages 23 to 50 form part of these financial statements.

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 00408340**

**COMPANY BALANCE SHEET**  
**AS AT 31 AUGUST 2024**

	Note	2024 £000	2023 £000
<b>Fixed assets</b>			
Tangible assets	15	11,122	9,136
Investments	16	450	450
		11,572	9,586
<b>Current assets</b>			
Stocks	17	12	12
Debtors	18	1,983	2,254
Investments	19	-	761
Cash at bank and in hand	25	3,514	2,571
		5,509	5,598
Creditors: amounts falling due within one year	20	(1,627)	(1,953)
		3,882	3,645
<b>Net current assets</b>			
		15,454	13,231
<b>Total assets less current liabilities</b>			
Defined benefit pension scheme asset	27	-	-
		15,454	13,231
<b>Total net assets</b>		15,454	13,231
<b>Charity funds</b>			
Restricted funds	21	1,048	427
Unrestricted funds			
Designated funds	21	1,000	1,000
General funds	21	13,406	11,804
Unrestricted funds	21	14,406	12,804
		14,406	12,804
<b>Total unrestricted funds</b>			
		15,454	13,231
<b>Total funds</b>		15,454	13,231

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 00408340**

**COMPANY BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2024**

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

**Dr D Green**  
Chair of Trustees



Date: *23-05-2025*

The notes on pages 23 to 50 form part of these financial statements.

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2024**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
<b>Cash flows from operating activities</b>		
Net cash used in operating activities (Note 24)	3,286	1,295
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	63	68
Purchase of tangible fixed assets	(3,022)	(685)
<b>Net cash used in investing activities</b>	<b>(2,959)</b>	<b>(617)</b>
<b>Cash flows from financing activities</b>		
Cash outflow on acquisition of subsidiary	(53)	-
<b>Net cash (used in)/provided by financing activities</b>	<b>(53)</b>	<b>-</b>
<b>Change in cash and cash equivalents in the year</b>	<b>274</b>	<b>678</b>
Cash and cash equivalents at the beginning of the year (Note 25)	3,676	2,998
<b>Cash and cash equivalents at the end of the year</b>	<b>3,950</b>	<b>3,676</b>

The notes on pages 23 to 50 form part of these financial statements

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**1. General information**

The College is a private company limited by guarantee and without share capital and registered charity, incorporated in the United Kingdom. The College's registered address is Nottingham Road, Mansfield, Nottinghamshire, NG18 4TJ.

The financial statements are prepared in Sterling which is the functional currency of the College and are rounded to the nearest £1,000.

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

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Portland College meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

**2.2 Going concern**

The group financial statements have been prepared on a going concern basis under the historical cost convention, modified to incorporate the inclusion of Fixed Asset Investments at fair value. The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Group to be able to continue as a going concern.

**2.3 Basis of consolidation**

The financial statements consolidate the accounts of Portland College and all of its subsidiary undertakings.

The company has taken advantage of the exemption under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

The charity has generated a surplus for the year of £2,221k (2023: £29k deficit).

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**2. Accounting policies (continued)**

**2.4 Business combinations and goodwill**

Business combinations are accounted for by applying the purchase method, with goodwill recognised if the excess of the fair value and directly attributable costs of the purchase consideration is over the fair value of the group's interest in the identifiable net assets, liabilities and contingent liabilities acquired.

Goodwill is amortised over its useful life, which is estimated to be 10 years. Goodwill is assessed for impairment annually. When there are indicators of impairment this is charged to the profit and loss in the period.

**2.5 Income**

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Company's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the Group. Income is received in exchange for the supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The Group recognises government grants from the Education and Skills Funding Agency (ESFA). Income from government and other grants is recognised at fair value when the Group has entitlement after any performance conditions have been met. It is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**2. Accounting policies (continued)**

**2.6 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Other expenditure represents those items not falling into the categories above.

All expenditure is inclusive of irrecoverable VAT.

**2.7 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.8 Taxation**

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**2.9 Intangible assets and amortisation**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Goodwill	- 10 % straight line
----------	----------------------

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**2. Accounting policies (continued)**

**2.10 Tangible fixed assets and depreciation**

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 10 - 40 years
Motor vehicles	- 5 years
Fixtures, fittings and equipment	- 5 - 7 years

Note that freehold property also includes the cost of building improvements and refurbishment projects. The life expectancy of each building is assessed individually.

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated statement of financial activities.

**2.11 Investments**

Investments in subsidiaries are valued at cost less provision for impairment.

Current asset investments are medium-term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of more than three months and less than one year.

**2.12 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**2.13 Debtors**

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

**2.14 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**2. Accounting policies (continued)**

**2.15 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**2.16 Financial instruments**

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**2.17 Operating leases**

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight-line basis over the lease term.

**2.18 Pensions**

The Group operates a defined contribution pension scheme for the benefit of its employees. The pension charge represents the amounts payable by the Group to the scheme in respect of the year.

The Group also provides retirement benefits to certain employees through the Teachers' Pension Scheme ("TPS"), which is a defined benefit scheme. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the charitable Company in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The Group also operates a defined benefit scheme for the benefit of certain of its employees. This scheme was closed to new members with effect from 1 January 1997. Where Group obligations exceed scheme assets, a liability for the Group's obligations under the scheme is recognised net of scheme assets. Where scheme assets exceed the Group's obligations, the asset value is restricted and the surplus is not recognised. The net change in the net defined benefit asset/ liability is recognised as the cost of the defined benefit scheme during the period and is charged to cost headings, on a pro rata basis based on full time equivalent employees, and actuarial gains/ losses. The total cost is recognised in unrestricted funds. The pension scheme assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date. Details of the Group's defined benefit scheme are shown in note 27.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**2. Accounting policies (continued)**

**2.19 Fund accounting**

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**3. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the defined benefit pension scheme 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 30, will impact the carrying amount of the pension scheme. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 December 2021 has been used by the actuary in valuing the pension scheme at 31 August 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension scheme.

To the extent there is a surplus in the Defined Benefit Pension Scheme at the Balance Sheet date, there is significant judgment needed in assessing whether the surplus should be recognised as a pension asset or whether the surplus should be restricted to some level or in total. This assessment will need to consider whether the Group, as the employer, has an unconditional right to a refund of the surplus in the scheme and whether there is an economic accounting benefit available to the Group as a contribution reduction. The impact of these assessments on the extent to which the scheme surplus has been recognised as a pension asset at the Balance Sheet date is set out in note 27.

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**4. Income from donations and legacies**

	Restricted funds 2024 £000	Unrestricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Donations	904	27	931	169
Grants	209	-	209	462
	1,113	27	1,140	631
<i>Total 2023</i>	<i>618</i>	<i>13</i>	<i>631</i>	

**5. Income from charitable activities**

	Unrestricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Educational fees	9,647	9,647	7,733
Residential fees	7,426	7,426	5,401
Other fees	168	168	207
	17,241	17,241	13,341
<i>Total 2023</i>	<i>13,341</i>	<i>13,341</i>	

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**6. Income from other trading activities**

**Income from non charitable trading activities**

	<b>Unrestricted funds 2024 £000</b>	<b>Total funds 2024 £000</b>	<b>Total funds 2023 £000</b>
Other trading income	333	333	579
Portland Print	-	-	1
Polly Teach Limited	2,088	2,088	1,613
JumpstartAP Limited	13	13	-
	<u>2,434</u>	<u>2,434</u>	<u>2,193</u>
<i>Total 2023</i>	<u>2,193</u>	<u>2,193</u>	

**7. Investment income**

	<b>Unrestricted funds 2024 £000</b>	<b>Total funds 2024 £000</b>	<b>Total funds 2023 £000</b>
Interest on cash deposits	63	63	68
Net pension interest income	34	34	38
	<u>97</u>	<u>97</u>	<u>106</u>
<i>Total 2023</i>	<u>106</u>	<u>106</u>	

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Restricted funds 2024 £000</b>	<b>Unrestricted funds 2024 £000</b>	<b>Total 2024 £000</b>	<b>Total 2023 £000</b>
Care and support	283	7,964	8,247	7,001
Administrative costs	-	190	190	165
Educational costs	241	7,708	7,949	6,369
	<u>524</u>	<u>15,862</u>	<u>16,386</u>	<u>13,535</u>
<i>Total 2023</i>	<u>84</u>	<u>13,451</u>	<u>13,535</u>	

**9. Other trading activities**

	<b>Unrestricted funds 2024 £000</b>	<b>Total funds 2024 £000</b>	<b>Total funds 2023 £000</b>
Other trading costs	357	357	1,087
Amortisation	55	55	55
Other trading - salaries	1,355	1,355	1,183
Other trading - NI	117	117	84
Other trading - pension costs	30	30	17
	<u>1,914</u>	<u>1,914</u>	<u>2,426</u>
<i>Total 2023</i>	<u>2,426</u>	<u>2,426</u>	

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**10. Analysis of expenditure by activities**

	Activities undertaken directly 2024 £000	Support costs 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Care & support	5,745	2,502	8,247	7,001
Administrative expenses	-	190	190	165
Education	4,584	3,365	7,949	6,369
	<u>10,329</u>	<u>6,057</u>	<u>16,386</u>	<u>13,535</u>
<i>Total 2023</i>	<u>8,612</u>	<u>4,923</u>	<u>13,535</u>	

**Analysis of support costs**

	Care & Support 2024 £000	Administrative expenses 2024 £000	Education 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Staff costs	1,063	41	1,373	2,477	1,811
Depreciation	399	90	479	968	982
Learner support	1,040	59	1,513	2,612	2,130
	<u>2,502</u>	<u>190</u>	<u>3,365</u>	<u>6,057</u>	<u>4,923</u>
<i>Total 2023</i>	<u>2,393</u>	<u>165</u>	<u>2,365</u>	<u>4,923</u>	

**11. Auditors' remuneration**

	2024 £000	2023 £000
Fees payable to the Group's auditor for the audit of the Group's annual accounts	32	32
Fees payable to the Company's auditor in respect of:		
All tax compliance services not included above	3	5
All assurance services not included above	-	1
All non-audit services not included above	1	5
	<u>36</u>	<u>43</u>

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**12. Staff costs**

	<b>Group 2024 £000</b>	<i>Group 2023 £000</i>	<b>Company 2024 £000</b>	<i>Company 2023 £000</i>
Wages and salaries	12,890	10,745	11,588	9,723
Social security costs	994	733	882	649
Contribution to defined contribution pension schemes	579	145	552	128
	<b>14,463</b>	<i>11,623</i>	<b>13,022</b>	<i>10,500</i>

During the year, redundancy and termination costs totalled £17.6k (2023: £87k). These costs were in respect of five former employees (2023: seven).

The average number of persons employed during the year was as follows:

	<b>Group 2024 No.</b>	<i>Group 2023 No.</i>	<b>Company 2024 No.</b>	<i>Company 2023 No.</i>
Education	288	240	242	203
Care & Support	246	152	246	152
General Learner Support	66	54	66	54
Corporate Services	28	21	28	21
Trading Activities	27	5	27	5
Fundraising	7	2	7	2
	<b>662</b>	<i>474</i>	<b>616</b>	<i>437</i>

In addition a total of 48 (2023: 37) volunteers made a contribution to the College in a variety of different ways.

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>Group 2024 No.</b>	<i>Group 2023 No.</i>
In the band £60,001 - £70,000	2	1
In the band £70,001 - £80,000	1	1
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	1	-

The College considers its key management personnel to comprise the Senior Management Team as detailed in the Trustees' report. The total employment benefits including employer pension contributions and employer national insurance of the key management personnel were £539k (2023: £552k).

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**13. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 August 2024, no Trustee expenses have been incurred (2023 - £NIL).

**14. Intangible assets**

**Group**

	<b>Goodwill £000</b>
<b>Cost</b>	
At 1 September 2023	547
Additions	28
At 31 August 2024	575
<b>Amortisation</b>	
At 1 September 2023	164
Charge for the year	55
At 31 August 2024	219
<b>Net book value</b>	
At 31 August 2024	356
At 31 August 2023	383

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**15. Tangible fixed assets**

**Group**

	Freehold property £000	Assets under construction £000	Motor vehicles £000	Fixtures, fittings and equipment £000	Total £000
<b>Cost or valuation</b>					
At 1 September 2023	20,409	184	309	2,761	23,663
Additions	1,682	895	160	285	3,022
On acquisition of subsidiaries	-	-	-	53	53
Transfers between classes	1,079	(1,079)	-	-	-
At 31 August 2024	<u>23,170</u>	<u>-</u>	<u>469</u>	<u>3,099</u>	<u>26,738</u>
<b>Depreciation</b>					
At 1 September 2023	12,192	-	246	1,995	14,433
Charge for the year	789	-	34	175	998
At 31 August 2024	<u>12,981</u>	<u>-</u>	<u>280</u>	<u>2,170</u>	<u>15,431</u>
<b>Net book value</b>					
At 31 August 2024	<u>10,189</u>	<u>-</u>	<u>189</u>	<u>929</u>	<u>11,307</u>
At 31 August 2023	<u>8,217</u>	<u>184</u>	<u>63</u>	<u>766</u>	<u>9,230</u>

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**15. Tangible fixed assets (continued)**

**Company**

	Freehold property £000	Assets under construction £000	Motor vehicles £000	Fixtures, fittings and equipment £000	Total £000
<b>Cost or valuation</b>					
At 1 September 2023	20,345	184	287	2,721	23,537
Additions	1,658	895	130	273	2,956
Transfers between classes	1,079	(1,079)	-	-	-
<b>At 31 August 2024</b>	<b>23,082</b>	<b>-</b>	<b>417</b>	<b>2,994</b>	<b>26,493</b>
<b>Depreciation</b>					
At 1 September 2023	12,183	-	241	1,975	14,399
Charge for the year	776	-	25	170	971
<b>At 31 August 2024</b>	<b>12,959</b>	<b>-</b>	<b>266</b>	<b>2,145</b>	<b>15,370</b>
<b>Net book value</b>					
<b>At 31 August 2024</b>	<b>10,123</b>	<b>-</b>	<b>151</b>	<b>849</b>	<b>11,123</b>
<i>At 31 August 2023</i>	<i>8,162</i>	<i>184</i>	<i>45</i>	<i>745</i>	<i>9,136</i>

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**16. Fixed asset investments**

<b>Company</b>	<b>Investments in subsidiary companies £000</b>
<b>Cost or valuation</b>	
At 1 September 2023	450
At 31 August 2024	450
<b>Net book value</b>	
At 31 August 2024	450
At 31 August 2023	450

**Principal subsidiaries**

The following were subsidiary undertakings of the Company:

<b>Names</b>	<b>Company number</b>	<b>Principal activity</b>	<b>Holding</b>	<b>Included in consolidation</b>
Portland College Enterprises Limited	06766855	Catering, functions and lettings	100%	Yes
Polly Teach Limited	09287766	Education	100%	Yes
JumpstartAP Limited	14051300	Education	100%	Yes

\*The investments in the above were indirectly held.

The financial results of the subsidiaries for the year were:

<b>Names</b>	<b>Income</b>	<b>Expenditure</b>	<b>Profit for the year</b>	<b>Net assets</b>
Portland College Enterprises Limited	366,725	259,850	106,875	648,188
Polly Teach Limited	2,087,990	1,942,734	145,256	447,754
JumpstartAP Limited	13,060	12,628	432	35,322

The income and expenditure for JumpstartAP Limited is included from the date of acquisition on 12 August 2024 to 31 August 2024.

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**17. Stocks**

	<b>Group 2024 £000</b>	<i>Group 2023 £000</i>	<b>Company 2024 £000</b>	<i>Company 2023 £000</i>
Finished goods and goods for resale	20	19	12	12

**18. Debtors**

	<b>Group 2024 £000</b>	<i>Group 2023 £000</i>	<b>Company 2024 £000</b>	<i>Company 2023 £000</i>
<b>Due within one year</b>				
Trade debtors	1,674	1,947	1,303	1,666
Amounts owed by group undertakings	-	-	199	211
Other debtors	38	25	24	4
Prepayments and accrued income	486	376	457	373
	<b>2,198</b>	<i>2,348</i>	<b>1,983</b>	<i>2,254</i>

**19. Current asset investments**

	<b>Group 2024 £000</b>	<i>Group 2023 £000</i>	<b>Company 2024 £000</b>	<i>Company 2023 £000</i>
Unlisted investments	-	761	-	761

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**20. Creditors: Amounts falling due within one year**

	<b>Group</b>	<i>Group</i>	<b>Company</b>	<i>Company</i>
	<b>2024</b>	<i>2023</i>	<b>2024</b>	<i>2023</i>
	<b>£000</b>	<i>£000</i>	<b>£000</b>	<i>£000</i>
Trade creditors	159	172	136	139
Corporation tax	5	-	-	-
Other taxation and social security	365	289	227	255
Other creditors	602	753	558	744
Accruals and deferred income	966	973	706	815
	<u>2,097</u>	<u>2,187</u>	<u>1,627</u>	<u>1,953</u>
			<b>Group</b>	<i>Group</i>
			<b>2024</b>	<i>2023</i>
			<b>£000</b>	<i>£000</i>
Deferred income at 1 September 2023			211	175
Resources deferred during the year			109	211
Amounts released from previous periods			(211)	(175)
			<u>109</u>	<u>211</u>

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**21. Statement of funds**

**Statement of funds - current year**

	Balance at 1 September 2023 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 August 2024 £000
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Campus Development Plan	1,000	-	-	-	1,000
<b>General funds</b>					
Unrestricted Funds	12,042	19,799	(18,122)	-	13,719
Designated Funds - Defined Benefit Pension Scheme	-	-	182	(182)	-
	<u>12,042</u>	<u>19,799</u>	<u>(17,940)</u>	<u>(182)</u>	<u>13,719</u>
<b>Total Unrestricted funds</b>	<u>13,042</u>	<u>19,799</u>	<u>(17,940)</u>	<u>(182)</u>	<u>14,719</u>
<b>Restricted funds</b>					
ESFA - SCA	-	154	(154)	-	-
ESFA - DFC	-	15	(15)	-	-
ESFA - TPS	-	40	(40)	-	-
Minibus	43	62	(6)	-	99
Woodlands Project	38	36	(5)	-	69
Trade Centre	228	301	(2)	-	527
Farm	-	10	-	-	10
Sensory Gardens	14	-	(14)	-	-
Scholarship Fund	95	-	-	-	95
Day Center Sensory Room	6	-	(4)	-	2
Pines	-	30	-	-	30
Forest Road West	-	150	(2)	-	148
Equipment / Other	3	38	(6)	-	35
WAZ Staffing	-	101	(101)	-	-
Pathways	-	51	(51)	-	-
NCS	-	125	(125)	-	-
	<u>427</u>	<u>1,113</u>	<u>(525)</u>	<u>-</u>	<u>1,015</u>
<b>Total of funds</b>	<u>13,469</u>	<u>20,912</u>	<u>(18,465)</u>	<u>(182)</u>	<u>15,734</u>

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**21. Statement of funds (continued)**

**Designated Funds:**

Designated funds have been held in relation to the defined benefit pension liability of £Nil (2023: £Nil) recognising the liability of the Scheme based on an alternative valuation method and the campus development plan of £1,000k based on a significant programme of infrastructure modernisation.

**Restricted Funds:**

Significant restricted fund balances are broken down as follows:

Minibus - Purchase of new College minibus for use by citizens and learners.

Woodlands Project - Fully accessible forest adventure zone for learner and the larger community.

Trade Centre - Educational area providing practical vocational skills.

Farm - Redevelopment of Farm area accessible by staff, learners and citizens.

Sensory Gardens - External area in Education facility providing calm area and general horticulture skills.

Scholarship Fund - Cash funds are held for the specific purpose of supporting students.

ESFA School Condition Allocations (SCA) - awarded by the ESFA to help maintain and improve the condition of the College buildings and grounds.

ESFA Devolved Formula Capital (DFC) - awarded by the ESFA for capital projects.

ESFA Teacher's Pension Scheme (TPS) - awarded by the ESFA for the teachers' pension scheme.

Pines Development - Renovating the Pines building to become FE Residential and expand that provision.

Forest Road West - Purchase, preparation, and furnishing of a new site for Education in Nottingham (including rooms for Polly Teach).

WAZ Staffing - Funds raised to partially cover the staffing costs of the Woodland Adventure Zone team.

Pathways - Funds raised for our Pathways provision which aims to improve employment opportunities for people with disabilities by providing courses and counselling (previously known as Recovery College).

NCS - Funding from the NCS for Woodlands Activities and food provided to the public.

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**21. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 September 2022 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2023 £000</i>
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Defined Benefit Pension Scheme Liability	580	-	137	(717)	-	-
Campus Development Plan	1,000	-	-	-	-	1,000
	<u>1,580</u>	<u>-</u>	<u>137</u>	<u>(717)</u>	<u>-</u>	<u>1,000</u>
<b>General funds</b>						
Unrestricted Funds	11,654	15,653	(15,964)	874	(175)	12,042
<b>Total Unrestricted funds</b>	<u>13,234</u>	<u>15,653</u>	<u>(15,827)</u>	<u>157</u>	<u>(175)</u>	<u>13,042</u>
<b>Restricted funds</b>						
Ian Karten Trust - ML	14	-	(14)	-	-	-
Minibus	41	2	-	-	-	43
Woodlands Project	17	35	(14)	-	-	38
Trade centre	14	225	(11)	-	-	228
Farm	1	42	(43)	-	-	-
Sensory gardens	15	-	(1)	-	-	14
Scholarship fund	95	-	-	-	-	95
ESFA - SCA	-	157	-	(157)	-	-
Recovery College	-	146	(146)	-	-	-
Day Centre Sensory Room	-	6	-	-	-	6
Equipment / other	-	5	(2)	-	-	3
	<u>197</u>	<u>618</u>	<u>(231)</u>	<u>(157)</u>	<u>-</u>	<u>427</u>
<b>Total of funds</b>	<u>13,431</u>	<u>16,271</u>	<u>(16,058)</u>	<u>-</u>	<u>(175)</u>	<u>13,469</u>

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**22. Summary of funds**

**Summary of funds - current year**

	<b>Balance at 1 September 2023 £000</b>	<b>Income £000</b>	<b>Expenditure £000</b>	<b>Gains/ (Losses) £000</b>	<b>Balance at 31 August 2024 £000</b>
Designated funds	1,000	-	-	-	1,000
General funds	12,042	19,799	(17,940)	(182)	13,719
Restricted funds	427	1,113	(525)	-	1,015
	<u>13,469</u>	<u>20,912</u>	<u>(18,465)</u>	<u>(182)</u>	<u>15,734</u>

**Summary of funds - prior year**

	<b>Balance at 1 September 2022 £000</b>	<b>Income £000</b>	<b>Expenditure £000</b>	<b>Transfers in/out £000</b>	<b>Gains/ (Losses) £000</b>	<b>Balance at 31 August 2023 £000</b>
Designated funds	1,580	-	137	(717)	-	1,000
General funds	11,654	15,653	(15,964)	874	(175)	12,042
Restricted funds	197	618	(231)	(157)	-	427
	<u>13,431</u>	<u>16,271</u>	<u>(16,058)</u>	<u>-</u>	<u>(175)</u>	<u>13,469</u>

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**23. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	<b>Restricted funds 2024 £000</b>	<b>Unrestricted funds 2024 £000</b>	<b>Total funds 2024 £000</b>
Tangible fixed assets	-	11,307	11,307
Intangible fixed assets	-	356	356
Current assets	1,015	5,153	6,168
Creditors due within one year	-	(2,097)	(2,097)
<b>Total</b>	<b>1,015</b>	<b>14,719</b>	<b>15,734</b>

**Analysis of net assets between funds - prior period**

	<i>Restricted funds 2023 £000</i>	<i>Unrestricted funds 2023 £000</i>	<i>Total funds 2023 £000</i>
Tangible fixed assets	-	9,230	9,230
Intangible fixed assets	-	383	383
Current assets	427	5,616	6,043
Creditors due within one year	-	(2,187)	(2,187)
<b>Total</b>	<b>427</b>	<b>13,042</b>	<b>13,469</b>

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**24. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>Group 2024 £000</b>	<b>Group 2023 £000</b>
Net income for the period (as per Statement of Financial Activities)	<b>2,447</b>	<b>213</b>
<b>Adjustments for:</b>		
Depreciation charges	998	998
Amortisation charges	55	55
Dividends, interests and rents from investments	(63)	(68)
(Increase) / decrease in stocks	(1)	6
Decrease in debtors	151	444
Decrease in creditors	(91)	(178)
Net defined benefit pension scheme cost	(182)	(175)
Goodwill acquired on purchase of subsidiary	(28)	-
<b>Net cash provided by operating activities</b>	<b>3,286</b>	<b>1,295</b>

**25. Analysis of cash and cash equivalents**

	<b>Group 2024 £000</b>	<b>Group 2023 £000</b>
Cash in hand	<b>3,950</b>	<b>3,676</b>

**26. Analysis of changes in net debt**

	<b>At 1 September 2023 £000</b>	<b>Cash flows £000</b>	<b>Acquisition of subsidiaries £000</b>	<b>At 31 August 2024 £000</b>
Cash at bank and in hand	2,915	1,088	(53)	3,950
Liquid investments	761	(761)	-	-
	<b>3,676</b>	<b>327</b>	<b>(53)</b>	<b>3,950</b>

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**27. Pension commitments**

**Defined contribution scheme**

The College provides auto-enrolment membership of its defined contribution pension scheme to all new and existing employees. This Scheme is currently operated by Aviva (formerly Friends Life). The College will contribute an equal percentage of salary, in accordance with the employee's chosen option, up to a maximum of 6%. Employer contributions of £435k were made to this Scheme during the year ended 31 August 2024 (2023: £317k).

As an alternative to its own pension scheme, the College also contributes to other specific defined benefit schemes including the Teachers' Pension Scheme (TPS) for certain tutors and those employed by outside agencies. The cost of employer contributions during the year was £137k (2023: £118k).

Contributions owing to these schemes at 31 August 2024 were £24k (2023: £11k).

**Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million

The result of this valuation will be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Group has set out above the information available on the scheme.

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**27. Pension commitments (continued)**

**Group defined benefit pension scheme**

The College closed its Defined Benefit Scheme to new Members with effect from 1 January 1997 and so the use of the projected unit valuation method required by FRS102 means that the current service cost (as a proportion of Defined Benefit Member's earnings) is likely to increase as Members approach retirement.

The assets of the Scheme are held separately from those of the College, being invested with Prudential Assurance.

The most recent actuarial report, which was produced with the effective date of 31 December 2021, showed a deficit valuation of £245k and funding level of 97%. It was agreed between the College and the Trustees of the Scheme to aim to remove the funding shortfall, as it existed at 31 December 2015. Consequently the College is contributing £218k per annum.

The results of the actuarial valuation as at 31 December 2021 have been projected to 31 August 2024 using the assumptions set out below. The figures in the following disclosures were measured using the project method.

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

	<b>At 31 August 2024</b>	<b>At 31 August 2023</b>
	%	%
Discount rate	5.10	5.30
Revaluation of deferred pensions	2.60	2.80
RPI Inflation	3.00	3.20
	<hr/> <hr/>	<hr/> <hr/>
	<b>At 31 August 2024</b>	<b>At 31 August 2023</b>
	Years	Years
Mortality rates (in years)		
- for a male aged 65 now	21.4	21.5
- at 65 for a male aged 45 now	22.6	22.7
- for a female aged 65 now	23.9	23.9
- at 65 for a female aged 45 now	25.3	25.3
	<hr/> <hr/>	<hr/> <hr/>

The Group's share of the assets in the scheme was:

	<b>At 31 August 2024</b>	<b>At 31 August 2023</b>
	£000	£000
Cash and other liquid assets	93	106
Investment funds	5,605	5,187
Other	908	937
	<hr/> <hr/>	<hr/> <hr/>
<b>Total fair value of assets</b>	<b>6,606</b>	<b>6,230</b>

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**27. Pension commitments (continued)**

The actual return on scheme assets was £585,000 (2023 - £792,000 loss).

The amounts recognised in the Consolidated statement of financial activities are as follows:

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Interest income / (cost)	34	38
Administrative expenses	(70)	(80)
<b>Total amount recognised in the Consolidated statement of financial activities</b>	<b>(36)</b>	<b>(42)</b>

Movements in the present value of the defined benefit obligation were as follows:

	<b>2024</b>
	<b>£000</b>
Opening defined benefit obligation	5,660
Actuarial losses	82
Benefits paid	(357)
Interest cost	291
<b>Closing defined benefit obligation</b>	<b>5,676</b>

Movements in the fair value of the Group's share of scheme assets were as follows:

	<b>2024</b>
	<b>£000</b>
Opening fair value of scheme assets	6,230
Interest income	325
Actuarial gains	260
Contributions by employer	218
Benefits paid	(357)
Administration expenses	(70)
Derecognition of pension surplus	(930)
<b>Closing fair value of scheme assets</b>	<b>5,676</b>

**PORTLAND COLLEGE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2024**

**27. Pension commitments (continued)**

As a result of the current market conditions factored into the assumptions applied by the LGPS scheme actuary, the actuarial valuation at the year-end has resulted in an unrecognised surplus on the scheme of £930,000 (2023 - £570,000). The surplus has not been recognised within the financial statements.

The recognition of a surplus under FRS102 should only be made to the extent that an employer can expect to secure economic benefit from it, either by paying a reduced rate of contributions or taking a refund. Management have assessed both considerations and concluded the following:

Based on historic practices and updates on future expectations from the administering authority, management do not anticipate that the next actuarial valuation will result in a reduction to contributions due to current market conditions.

The availability of any potential cash refund once all liabilities have been paid is based on several unpredictable future outcomes set out in the scheme rules that cannot be reasonably assumed at this stage. As a result, management consider there to be a very low possibility of a cash refund.

From the above conclusion, the surplus balance has therefore been restricted to a value of £Nil at the year-end. The derecognition adjustment is shown as other recognised gains/ losses in the Statement of Financial Activities.

**28. Operating lease commitments**

At 31 August 2024 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2024 £000</b>	<i>Group 2023 £000</i>	<b>Company 2024 £000</b>	<i>Company 2023 £000</i>
Not later than 1 year	31	35	30	8
Later than 1 year and not later than 5 years	37	41	34	12
Later than 5 years	5	-	5	-
	<u>73</u>	<u>76</u>	<u>69</u>	<u>20</u>

**29. Legal status of the Charity**

The College is a Company Limited by Guarantee and without share capital incorporated in the United Kingdom. The liability of Members is limited to £10 each in the unlikely event of the Company being 'wound-up'.

**30. Related party transactions**

The Group has taken advantage of the exemption available under FRS 102 from disclosing transactions entered into between two or more members of the group as the subsidiaries are wholly owned.

The Group has made sales of £4,300 to Care After Combat, a company in which one trustee, Mr D Fathers, is a director. The amounts were fully received during the year and there is no amount outstanding at the balance sheet date (2023: £Nil).

**PORTLAND COLLEGE**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**31. Controlling party**

The Directors consider that there is no ultimate controlling party.

**PORTLAND COLLEGE**

England & Wales - Charity number 214339

---

# Accounts

---

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**CONTENTS**

	Page
<b>Reference and Administrative Details of the Company, its Trustees and Advisers</b>	1 - 2
<b>Trustees' Report</b>	3 - 13
<b>Independent Auditor's Report on the Financial Statements</b>	14 - 17
<b>Consolidated Statement of Financial Activities</b>	18
<b>Consolidated Balance Sheet</b>	19
<b>Company Balance Sheet</b>	20
<b>Consolidated Statement of Cash Flows</b>	21
<b>Notes to the Financial Statements</b>	22 - 51

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**Trustees**

Mr T Richmond, Chairman (resigned 26 April 2023)  
Dr D Green, Chairman/Vice Chairman  
Mr M Briggs, Vice Chairman  
Mr P Emerson, Vice Chairman  
Mr D Dowbenko (appointed 18 July 2023)  
Mrs S Egley  
Mrs J Butler  
Mrs A Farr  
Professor D Fathers  
Mrs D Jackson (appointed 25 January 2023)  
Mr S Jackson  
Mrs J Murray (appointed 2 November 2022)  
Mr D Sneath (resigned 26 April 2023)  
Councillor S Deakin, Co-opted member  
Ms H M Cooper (appointed 24 January 2024)

Patron: Her Majesty The Queen (1974-2022)  
President: Mrs A Swan Parente MBE DL  
Vice Presidents: Mr K McDonald  
Mrs D McDonald  
Mrs H P Matheson DL  
Professor C O'Brien OBE

**Company registered number** 00408340

**Charity registered number** 214339

**Registered office** Nottingham Road  
Mansfield  
Nottinghamshire  
NG18 4TJ

**Company secretary** Mrs L Kenwright (until 14 August 2023)  
Mr I Cowin (from 14 August 2023)

**Chief executive officer** Dr M Dale

**Independent auditor** Cooper Parry Group Limited  
Statutory Auditor  
Argosy Road  
East Midlands Airport  
Castle Donington  
Derby  
DE74 2SA

**Bankers** HSBC Bank plc  
1 St. Peter's Street  
Derby  
DE1 2AE

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS**  
**(CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Solicitors**

Freeth's LLP  
Cardinal Square  
2nd Floor, West Point  
10 Nottingham Road  
Derby  
DE1 3QT

**Insurance brokers**

Hettle Andrews & Associates Limited  
9th Floor, Eleven Brindley Place  
2 Brunswick Square  
Brindley Place  
Birmingham  
B1 2LP

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

The Trustees present their annual report together with the audited financial statements of the Company for the year 1 September 2022 to 31 August 2023. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019). The strategic report required under company law is included in this report and covers the sections of achievement and performance, financial review and plans for future periods.

Portland College has two wholly owned subsidiaries, Portland College Enterprises Limited and Polly Teach Limited, held in Portland College Enterprises Limited. All income, expenditure and balance sheets have been consolidated into the Portland College accounts, with explanatory notes.

## **Objectives and activities**

### **a. Policies and objectives**

Portland College operates a vibrant, national college for people with a wide range of disabilities. It is one of the foremost Colleges of its type in the United Kingdom, providing good learning opportunities for well over 450 learners, residents and citizens aged from 16 upwards. The College's principal objectives, set out in Article 5 of its Articles of Association, are "For the public benefit to advance the education of and promote the relief of persons with disabilities by any and every means".

The vision statement of the Charity is that all people with disabilities will have a lifetime of opportunity. Our mission is to deliver excellent programmes to inspire and empower people with disabilities to live more independent and fulfilling lives. The Charity will achieve this ambition by concentrating on its three strategic goals:

- An increased number of beneficiaries will be able to access a wider, more diversified service offer and will achieve improved health and/or fitness through participation.
- An increased number of beneficiaries will be able to access a more diversified service offer and will achieve their core goals to lead a more independent life.
- An increased number of people benefitting from employability programmes, achieving and sustaining work (both waged and voluntary) or being enabled to access other provision.

The College focuses on supporting student achievement and progression, collaborating and co-operating with others. In particular the College has striven to produce clear evidence that the quality of the provision made for its students demonstrates the impact of these strategic themes. The Directors confirm that during their consideration of the college-wide philosophy, due regard of Charity Commission guidance on public benefit has been taken account of and acted upon, where necessary.

The main activities undertaken by the College are student teaching, learning and assessment carried out by the Further Education team supported by therapy teams and Residential Learning. In adult social care we provide residential and day services including short breaks/respite. The other activities in line with our Articles of Association objectives include an employment support programme, Portland Pathways and the fully inclusive Woodland Adventure Zone. In 2022-23, there were a number of commercial activities including lettings and hospitality functions.

Polly Teach Limited was established in 2014 and joined the Portland Group in September 2020, providing high-quality individual and group tuition for young people who are disengaged from mainstream education. Combining social work, with teaching practice and youth work, Polly Teach provides bespoke learning programmes to young people with a range of emotional, social, and behavioural difficulties that make it difficult for them to attend school. Polly Teach is an Ofsted registered school with full time on roll pupils as well as part time pupils referred by local authorities or through subcontract from schools providing core educational programmes (Maths, English and Science) and vocational programmes for pupils at Key Stages 2, 3 and 4.

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Objectives and activities (continued)**

**b. Volunteers**

Portland values the significant contributions from approximately 37 volunteers who support in a variety of roles, including learning and care support, catering, estates maintenance, administration and minibus driving. The Volunteer and CSR Coordinator also supports local businesses to meet their Corporate Social Responsibility objectives by promoting and facilitating charitable activities.

**Strategic report**

**Achievements and performance**

**a. Review of activities**

Charitable activities

The principal activity of Portland College is to provide the appropriate level of learning & teaching and care support for people with disabilities. Learners and citizens are funded principally by Local Authorities and the Education and Skills Funding Agency (ESFA) who cover the direct and support costs of the placement. The college fundraises to cover the cost of new facilities and equipment to enhance the experience and learning of learners and citizens.

Need, rather than ability to pay, is the key determinant of whether prospective learners access our learning and teaching programmes. The Directors are therefore fully satisfied that our activities meet the legal public benefit requirement.

Learning and teaching

During 2022-23, funded learner numbers stabilised at around 221 and success rates for these learners on accredited qualifications continued to show that good progress has been made in line with goals and aspirations.

The College was inspected by Ofsted in January 2023 and received an overall Outstanding assessment with an outstanding verdict in each category. This is the culmination of years of hard work by the learning and teaching team and it is gratifying that every aspect of the learners' journey has been recognised in this way.

We have invested resources in new teaching facilities and will continue to invest in a new trades centre in 2024. The Be Healthy Active and Courageous project supports our aim to improve health and wellbeing. We recognise that mental ill health is a growing challenge for our learners and this initiative will embed support for learners in this area.

Safeguarding arrangements are a strength of the College and we have implemented the government 'prevent' agenda effectively. Learners feel safe and staff are skilled in supporting learners who find transition into the college environment a challenge.

Care

Citizens access our care provision in a range of ways through the Day Service, Residential Learning, Short Breaks or Independent Living programme. The Day Service provision is classed as non-regulated, whilst the others are all regulated by the Care Quality Commission. All care services are widely considered to be caring and person-centred with demonstrable outcomes. We have been able to build on the excellent reputation of the College, by improving and widening the impact of our offer to learners and citizens (the preferred term, rather than resident or service user). Regulated services are inspected by the Care Quality Commission and Portland Freedom was rated Good at the most recent inspection (May 2018).

In the Day Services, our market position as a quality provider has continued to strengthen and demand for

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Strategic report (continued)**

**Achievements and performance (continued)**

places continued to be exceptionally high. We could not meet all demands for places in our campus-based provision so it was necessary to develop the service in the community hubs 5 days a week from 3 venues in Mansfield and Ravenshead.

We have expanded residential learner numbers and have consequently required additional care staff. We have relied on agency more than we would like to cover vacancies and have had a concerted effort to accelerate staff recruitment through more flexible staffing rotas and competitive pay. We have sourced new rota management software and are recruiting a dedicated operations manager. We have applied to the Home Office for the Health Care Sponsor Visa Licence and are implementing a career development pathway for care staff.

We have clearly evident elements of outstanding practice within our day-to-day operations and recorded examples of staff going above and beyond at personal cost and sacrifice to maintain person-centred care for our beneficiaries. We are using an education framework to record progress by our Independent Living citizens but are hampered by the lack of suitable move on opportunities for these citizens.

**Polly Teach Limited**

The school was inspected by Ofsted in the summer of 2023 and achieved a 'Good' with areas of outstanding practice, including outstanding in personal development.

Leaders have provided a bespoke curriculum for each individual and have designed a well-planned and structured curriculum; it sets out what pupils are expected to achieve across all subjects, including vocational subjects, and the curriculum is implemented well.

The establishment of the KS2 programme and the increase in referrals of pupils with high SEND needs have occurred this year. With this in mind, the school has prioritised reading as a focus, including guided reading sessions at every centre each week.

**b. Fundraising activities and other matters**

The fundraising team continues to raise funds via applications to trusts, individuals, organisations, and by organising a number of countywide fundraising events throughout the year.

Fundraising targets are project-based and change each year to align with the strategic plan. The team achieved target again this year, with charitable income grants totalling £631k during 2022-23 (£506k in 2021/22). There were also large-scale financial pledges to support the new manufacturing centre which will be completed in 23/24. Key fundraising projects in 22/23 were for Donkey Therapy, Woodland Adventure Zone, the Manufacturing Centre and Portland Pathways.

As Portland Pathways continues to expand, so does its impact. The service received 355 referrals (304 in 2022), supported 67 people into work (53 in 2022) and enrolled 198 participants onto the Rebuild Mental Health course (133 in 2022). Total revenue received in 22/23 was £178k.

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Strategic report (continued)**

**Financial review**

**a. Group operating results**

The net income before other recognised gains and losses for the year ended 31 August 2023 was a surplus of £213k (£613k in 2022).

The College operated at a surplus of £1,266k (£1,697k in 2022) before the non-cash items of depreciation and amortisation. This, therefore, represents the College's EBITDA (Earnings before Interest, Taxes, Depreciation and Amortisation) result for the year.

**b. Reserves policy**

Reserves are those funds available to the College once it has met its commitments and covered planned expenditure. The Unrestricted Free Reserves retained as at 31 August 2023 were £12,042k (2022: £11,654k).

The Group / College retain 'Free' Reserves at a level that would meet unforeseen shortfalls in short-term income streams. The basis of calculation of Free Reserves agreed by the Directors is three months expenditure. Free Reserves do not include Restricted or Designated Funds, or fixed assets. General College funds of £12,042k (note 22) less fixed assets of £9,613k (notes 15 and 16) equates to Free Reserves of £2,429k. The Designated Funds as at 31 August 2023 total £1,000k (£1,580k as at 31 August 2022) and are for future projects. They are listed in Note 22 of the Financial Statements. The Directors have approved a campus master plan which sets out a 10-year capital programme (to approximately 2027) to further develop our woodland campus into the premier further education destination for disabled people in the UK.

The level of the Free Reserves required to cover 3 months expenditure is £3,751k as at 31 August 2023 (2022: £3,060k). The current level of Free Reserves is lower than 3 months expenditure, however the Directors undertake regular reviews of the level of Reserves and they are satisfied that the current level meets College requirements.

**c. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

**d. Material investments policy**

The Directors require the best use to be made of available cash resources through the prudent placement of fixed-term investments. Fixed-term UK bank deposits totalled £761k as at the Balance Sheet date 31st August 2023 (2022: £1,500k) and Cash at Bank on Deposit stood at £2,915k (2022: £1,498k). Total cash and cash equivalents at bank increased by £1,417k during the year, mainly due to temporary working capital fluctuations.

The annual return on investments and Cash at Bank was £68k (2022: £13k).

**e. Principal risks and uncertainties**

A regular assessment of risk is carried out, covering financial and non-financial risks to which the College is exposed, with a particular emphasis on those risks which involve beneficiaries. This assessment is formally reviewed at every main Board meeting, with the Audit Committee able to scrutinise risk management in more detail where directed by the Board. Each identified risk is RAG rated, allocated to an individual senior manager and actions identified to minimise the overall risks. The risk register is an interactive document that is continually

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

reviewed and updated by the Senior team which not only identifies the risk, but helps manage the delivery of specific actions identified.

The main areas of risk for the organisation are considered to be:

- A risk that staff do not have the skills to effectively support our current cohort of learners and citizens.
- Reputational damage following a safeguarding or Prevent incident involving a learner or citizen.
- Cyber Security risk through virus and cyber-attack leading to loss of information's system controlling all areas of the College business and campus security.
- Inability to recruit and retain sufficient number of care support workers and consequent reliance on agency staff.
- Water leaks as a result of ageing infrastructure leading to significant operational disruption and increased costs.
- Price and wage inflation leading to financial instability.

**f. Principal funding**

The primary sources of funding for Portland College are student fees and residential care fees. Student education and residential fees are funded via the ESFA and local authorities whilst residential and day service fees were received from adult social care and health authorities.

**g. Fixed assets**

Changes in Fixed Assets are shown in Note 16 to the Financial Statements. In the opinion of the Directors the market value of the freehold property may differ from the book value, but as there is no intention of disposing of any premises, it is therefore not considered appropriate to quantify the difference.

**Structure, governance and management**

**a. Constitution**

Portland College was founded as a company limited by guarantee (Company number 408340) on 12 April 1946 and is governed in accordance with its Articles of Association. As a registered charity (charity number 214339), the College is also subject to the rules of the Charity Commission. The group results incorporate Portland College Enterprises Limited and Polly Teach Limited, both companies registered in England and Wales.

The College is controlled by a Board of Governors (the Directors under Company Law), who bring a broad range of expertise to the College and are appointed by the Members of the College at a General Meeting. Under Article 25, the Governing Body must comprise not less than 10 Ordinary Governors and (if and only if appointed as Governors), the President and Vice-Presidents of the College. An Ordinary Governor is appointed for a term of four years, and normally would serve no more than two consecutive terms. The Ex-Officio Members i.e. President and Vice-Presidents are appointed annually. On appointment, new Directors are given a personal induction to the College, individual meetings with all senior managers and an information pack including the Governing Document and familiarising them with the work of the Board and their roles and responsibilities.

In accordance with the Articles of Association, the Directors retire by rotation. The Board of Governors has an open recruitment policy.

**b. Organisational structure and decision-making policies**

The college benefits from a governing body possessing a comprehensive range of skills and experience which allows detailed oversight of all facets of the business of the college. The Directors discharge their duties via Governing Body meetings, held at least four times per year and through a range of Committees which include: Audit Committee, Remuneration Committee, Oversight of Standards Group, Oversight of Finance Group, Enterprises Board, Estates Planning Group and Development Working Group. These committees, together with

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Structure, governance and management (continued)**

any other working parties that may at times be necessary, meet as and when required. The Principal and Chief Executive Officer is responsible to the Directors for the day-to-day running of the College and the execution of strategy and policies as decided by the Board of Governors. In 2022-23, the breadth of Board expertise available to the College is described below:

**Dawn Green BSc (Hons) PhD CertEd PGDip FSET – Chair of Governors**

Dawn joined the Board in 2015. She was previously Principal & CEO at Landmarks College and Vice Principal at Portland College. She is now the Karten Network Development Co-ordinator, Natspec's Quality Improvement Lead and also provides quality improvement consultancy services for specialist further education colleges.

**Timothy S Richmond OBE TD DL FCA CCMI (Hon) DBA – Chair of Governors Retired by rotation 26th April 2023**

Tim joined the Board of Governors in 2013. He is a Chartered Accountant. He is a self-employed consultant in strategic business direction and management. He is the Non-Executive Chairman of Futures Advice, Skills and Employment Limited. He has wide non-executive director experience in the private sector and extensive public and voluntary sector experience in non-executive roles including higher education, competition, defence, housing and care services, youth services and health. A past High Sheriff of Nottinghamshire (2002), he was appointed Vice Lord Lieutenant in 2008.

**Stephen Jackson – FCMA GCMA**

First Chair of Oversight of Finance Group. Stephen joined the Board in 2019. He is a commercially focused Executive with global experience and Chairs the Audit Committee. He has over 30 years board level experience at both Executive and Non-Executive level.

**David Sneath MA(Cantab) TD DL – Chair of Remuneration Committee Resigned 26th April 2023**

David joined the Board in 2018. He is a recently retired senior employment tribunal judge. He has extensive Reserve Army experience at the rank of Colonel. A past High Sheriff of Nottinghamshire (2017) and a current Deputy Lieutenant.

**Peter Emerson DL – Vice Chair, Chair of Estates Planning Group**

Peter joined the Board in 2017. Peter retired as Chief Operating Officer of Severfield PLC and Managing Director of Watson Steel in 2013. Retired November 2023 from being a consultant in the construction industry and from Laing O'Rourke Limited.

**Professor Dean Fathers DL – Chair of Remuneration Committee**

Dean joined the Board in 2017 when he was Chair of NHS ULHT and Nottinghamshire Healthcare NHS Foundation Trust. He currently holds Non-Executive Board appointments with the Parliamentary and Health Services Ombudsman (where he is Chair of the Quality Committee) and the Academy for Health Care Science (where he is Chair of the Life Sciences Steering Group). He is also a Trustee of the Charity Care After Combat, Chair of the Midlands Engine's Health Care and Life Science Board and Independent Chair of Quality Safety and Risk at Voyage Care. In addition, Dean holds Honorary Visiting Professor roles with the Universities of Nottingham and Lincoln.

**Amanda Farr DL MSc (Oxon)**

Amanda joined the Board in 2018. She has worked in NHS rehabilitation and mental health services for most of her career, latterly leading county primary care mental health services. She has been a visiting lecturer at Nottingham and Oxford Universities. She is co-owner of Sweeney and Farr Associates offering mental health treatments and organisational well-being. Amanda is the Chair of Nottingham Playhouse Board and has extensive experience in the voluntary sector in the city and county of Nottinghamshire and is a former High Sheriff and current Deputy Lieutenant of the county.

**Sarah Egley RGN BA(Hons) Health Care Practice & MAML, Management and Leadership; Lead Governor for Safeguarding**

Sarah joined the Board in 2018. She is Assistant Director Quality Improvement, Innovation and Assurance for Derbyshire Community Health Services NHS Trust. Sarah also has held the position of interim Deputy Chief Nurse in 2023. Sarah brings a wide breadth of experience from operational nursing and leadership roles, within

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Structure, governance and management (continued)**

a variety of clinical services. Sarah, has taught in academic setting as an Associate Lecture. She has worked in acute and community settings as well as supporting integration workstreams bringing services from health and social care together. Sarah leads on quality improvement, innovation and assurance as well as creating system resilience in local and organisational-wide development.

**Mark Briggs - Vice Chair**

Mark joined the Board in 2019, has extensive experience in the public and cultural sectors, and has director level experience in business and transformation. Along with this, Mark is a former Paralympian with insight into sport, health and well-being.

**June Murray Chair of Oversight of Standards Committee Appointed 2nd November 2022**

June joined the Board in November 2022 and has extensive experience working in specialist further education at RNIB College Loughborough (now known as Sense College Loughborough) for the past twenty-nine years as both Assistant Principal and College Principal.

**Dianne Jackson Chair of Audit Committee Appointed 25th January 2023**

Dianne joined the Board in January 2023 and has been an external advisor to the OFG since 2019. Dianne is an experienced Finance Director with extensive knowledge and experience from working in the Education Sector for over 25 years. Dianne is a non-executive director of a housing association and also Chair of Notts County Foundation who are the independent charitable arm of Notts County Football Club.

**Joanne Butler**

Joanne joined the Board in 2021. She is an autism consultant working in education, workplaces, and other youth and adult organisations through her company SEND Support. Joe is the co-author of *Is That Clear? Effective Communication in a neuro-diverse world*. She was previously the Head teacher of an autism specialist school, and now offers specialist teaching advice for Nottinghamshire County Council.

**David Dowbenko BSc(Hons) MSc Appointed 18 July 2023**

David joined the Board in July 2023. He has over 30 years' experience of local government, across a number of functions. Much of this has been in management roles associated with change and modernisation, including the provision of school transport for pupils with special educational needs and disabilities. David is involved with the Ukrainian Cultural Centre in Nottingham, where he is Head of the Audit Committee. He is also Chair Elect of the North Staffordshire Community Rail Partnership.

**Councillor Samantha Deakin – co-opted member**

Samantha joined the Board in 2021 as Nottinghamshire County Council's representative. She is the County Councillor for the Ward where Portland College is located and also a Cabinet Member for Ashfield District Council.

Whilst the Charity benefits from a very strong and pro-active Board, the Governors have been diligent in auditing the skill set of existing members, developing a formal succession plan based on anticipated retirement dates and reviewing the strategic direction of the Charity to ensure that we retain that strength and can provide effective governance of the wide and increasing range of activities.

All new proposed Governor Appointments follow a full recruitment process, including application and interview with College Principal, Chair and Governor Panel ensuring commitment, skills and discovering any potential conflict of interest. This is then followed by a structured induction programme with the Senior Management team and ongoing training including safeguarding.

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Structure, governance and management (continued)**

**c. Senior team remuneration statement and Senior post holders within the remit of Remuneration Committee**

This statement is published by the Board of Governors of Portland College for the financial year 2022-23, informed by the Association of Colleges' Senior Postholder Remuneration Code.

Principal & Chief Executive Officer	Mark Dale
Deputy Principal Quality & Further Education	Angela Newton-Soanes
Assistant Principal Corporate Services	Lisa Kenwright (to August 23)
Assistant Principal Care & Designated Safeguarding Lead	Ike Onwukwe
Assistant Principal Development	Edward Johnstone
Assistant Principal Schools	Shaun Pollard

**d. Policy on the remuneration of senior post holders**

The Remuneration Committee seeks to recruit, retain and reward the best possible staff to deliver the College's strategic objectives and effectively lead operations. The Committee uses external benchmark information, notably the Association of Colleges Senior Pay Survey Report, and local labour market information to agree appropriate levels. All roles in the College are graded using an established market leader system of job evaluation, Croner Reward™. The objective is to implement equal pay for work of equal value.

The Board of Governors sets an Annual Cost of Living rise on 1st April each year and the Remuneration Committee takes account of the annual pay award when determining whether or not to apply a cost of living increase to senior post holders.

The College does not have a performance related pay scheme. The College does have an exceptional performance bonus procedure, which could be applied to a senior post holder on the recommendation of her or his line manager. Any recommendation would be subject to approval by the Remuneration Committee. Exceptional performance bonuses are non-consolidated and non-pensionable.

The College offers two pension schemes to employees: Teachers' Pension Scheme for eligible employees and a defined contribution scheme available to any employee.

Remuneration Committee approved a cost of living rise of 9.68% for senior post-holders from 1st April 2023. Cost of living rise for other staff was also 9.68%. In 2022-23, no exceptional performance bonuses were paid to senior post-holders.

**e. Pay multiple of the Principal & Chief Executive officer in relation to the lowest paid full-time equivalent salary at the College**

<b>Date</b>	<b>Pay Multiple of the CEO/Principal</b>	<b>Lowest full-time equivalent salary</b>
31st August 2023	5.41 (5.41 in 2022)	£20,319

**f. Policy on income derived from external activities**

Staff are supported to undertake external work in certain circumstances, e.g. service in the Reserve Armed Forces, acting as an Ofsted or CQC Inspector or CQC Expert, consultancy projects that would develop the skills of the staff member or enhance their knowledge and understanding in relation to their substantive role. Normally external work should not exceed 10 working days per annum. Special leave will be granted in approved circumstances. The staff member may retain any earnings from up to 10 days external work per annum.

In 2022-23, the Deputy Principal retained external earnings from 10 days work as an Ofsted Inspector.

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Structure, governance and management (continued)**

**g. Employment Policies**

It is the College's policy to have effective communication and consultation with its staff. We have a voluntary recognition agreement with the Trade Union (Unison) for all staff. Under the terms of this agreement, and our Staff Council Constitution, we consult on a variety of issues affecting terms and conditions of employment, which are regularly discussed, at least three times per annum at Staff Council. We also communicate via performance management tools such as individual performance reviews and supervisions, Leadership forum, team briefings, staff training days, frequent news bulletins and the Senior Management Team's core message to all staff members. The College is fully committed to Equality, Diversity and Inclusion (EDI) and publishes its gender pay gap annually. Portland College is an equal opportunities employer and is accredited as a Disability Confident and Mindful Employer, along with being a member of the National Autistic Society.

The College employed an average of 381 full-time equivalent people during the year, compared with 326 in 2021-22.

**h. Trustees' indemnities**

During the year, the College purchased Executive, Professional and Fidelity Liability Insurance, which covered the Directors and Officers of the College, at a cost of £9,114 (2022: £9,202). In all cases, the insurance indemnifies the College against losses incurred from wrongful acts that result in claims by third parties. In addition, the individual Directors or Officers are covered under the Executive Liability insurance policy against personal loss, as a result of claims made upon them for actions taken whilst acting in their capacity as Directors or Officers of the College.

**Plans for future periods**

The Board of Governors has worked with the Senior Management Team to develop an ambitious 5-year plan, entitled A Lifetime of Opportunity which reflects the recent vision statement adopted by the Charity. The plan has been through an extensive period of stakeholder consultation and engagement and the Directors are confident that the investment and development will result in increased public benefit as defined through the Articles of Association. The plan anticipates that all current core programmes will also continue to operate, serving an increased number of beneficiaries during the plan period.

The plan contains significant ambitions to geographically extend the range and number of further and adult education opportunities through the creation of hub sites in Nottingham and a number of other towns. This will enable the Charity to benefit more individuals every year, following a period of successful expansion, 2017-20.

Building on the success of major refurbishment projects and the creation of the award-winning Woodland Adventure Zone, the Directors are supporting substantial new investment during the plan period:

- Redevelopment of a communal residential block to 15 modern en suite rooms with bespoke communal areas for additional residential students to meet higher demand.
- Purchase of a community building in Nottingham as a site for expansion of activities for further education and Polly Teach.
- Redesign of the small animal farm and horticulture areas. The current facilities range between 10 and 15 years old and are all but life-expired. Purposeful outdoor work remains a popular area for people with complex disabilities and also provides wider therapeutic and educational opportunities (e.g. education for sustainability linked to the United Nations sustainability goals).
- Construction of a light manufacturing workshop. This project complements and completes the recent investment into construction trades and is carefully mapped on to the local jobs market where there is continuous demand for labour in furniture manufacturing. The investment will be substantially funded by the Government's Towns Fund.
- A renewal of the main campus core infrastructure including the water main, electricity main and campus data cable network.

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Plans for future periods (continued)**

- Investment in energy generation and lower carbon heating technologies to support a drive toward Net Zero in Scope 1 emissions by 2035.

We will continue to seek opportunities to open additional hubs across the local area closer to the homes and work opportunities for citizens. We will also look to collaborate with good quality organisations supporting disabled people.

In 2024 the Charity will continue to operate two public engagement programmes to capitalise on the significant investment in new and refurbished facilities such as the Woodland Adventure Zone and Newstart Theatre. These facilities will often be let, free of rent, to education and community groups whose core purpose aligns with the Charity's own objects. There will be other programmes of public benefit, open to all, operated by the College.

**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to auditor**

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

**Auditor**

The auditor, Cooper Parry Group Limited, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

Approved by order of the members of the board of Trustees on 24 April 2024 and signed on their behalf by:

DocuSigned by:

*Dawn Green*

E45C05BE3D14455...

**Dr D Green**

Director

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PORTLAND COLLEGE**

**Opinion**

We have audited the financial statements of Portland College (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 August 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PORTLAND COLLEGE (CONTINUED)**

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

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

**Responsibilities of trustees**

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

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

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PORTLAND COLLEGE (CONTINUED)**

**Auditor's responsibilities for the audit of the financial statements**

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

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

Our assessment focused on key laws and regulations the College has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities, including fraud. Our approach to detecting irregularities, including fraud, included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the College and how the College is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the College's control environment and how the College has applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the College's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection of fraud based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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

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

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PORTLAND COLLEGE (CONTINUED)**

**Use of our report**

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

**Simon Atkins FCA (Senior Statutory Auditor)**

for and on behalf of

**Cooper Parry Group Limited**

Statutory Auditor

Argosy Road

East Midlands Airport

Castle Donington

Derby

DE74 2SA

Date:

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND  
EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Restricted funds 2023 £000	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
<b>Income from:</b>					
Donations and legacies	4	618	13	631	506
Charitable activities	5	-	13,341	13,341	11,213
Other trading activities	6	-	2,193	2,193	2,130
Investments	7	-	106	106	13
<b>Total income</b>		<u>618</u>	<u>15,653</u>	<u>16,271</u>	<u>13,862</u>
<b>Expenditure on:</b>					
Raising funds		-	97	97	95
Charitable activities	8	70	13,465	13,535	10,986
Other expenditure	9	161	2,265	2,426	2,168
<b>Total expenditure</b>		<u>231</u>	<u>15,827</u>	<u>16,058</u>	<u>13,249</u>
<b>Net income/(expenditure)</b>		387	(174)	213	613
Transfers between funds	22	(157)	157	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<u>230</u>	<u>(17)</u>	<u>213</u>	<u>613</u>
<b>Other recognised gains/(losses):</b>					
Actuarial (losses)/gains on defined benefit pension schemes	29	-	(175)	(175)	139
<b>Net movement in funds</b>		<u>230</u>	<u>(192)</u>	<u>38</u>	<u>752</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward		197	13,234	13,431	12,679
Net movement in funds		230	(192)	38	752
<b>Total funds carried forward</b>		<u><u>427</u></u>	<u><u>13,042</u></u>	<u><u>13,469</u></u>	<u><u>13,431</u></u>

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 22 to 51 form part of these financial statements.

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 00408340**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 AUGUST 2023**

	Note	2023 £000	2022 £000
<b>Fixed assets</b>			
Intangible assets	15	383	438
Tangible assets	16	9,230	9,542
		9,613	9,980
<b>Current assets</b>			
Stocks	18	19	25
Debtors	19	2,348	2,793
Investments	20	761	1,500
Cash at bank and in hand		2,915	1,498
		6,043	5,816
Creditors: amounts falling due within one year	21	(2,187)	(2,365)
		3,856	3,451
<b>Net current assets</b>		3,856	3,451
<b>Total assets less current liabilities</b>		13,469	13,431
Defined benefit pension scheme asset	29	-	-
<b>Total net assets</b>		13,469	13,431
<b>Charity funds</b>			
Restricted funds	22	427	197
Unrestricted funds			
Designated funds	22	1,000	1,580
General funds	22	12,042	11,654
Total unrestricted funds	22	13,042	13,234
<b>Total funds</b>		13,469	13,431

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:

*Dawn Green*

EA2C6DBE3D14455...

**Dr D Green**

Director

Date: 24 April 2024

The notes on pages 22 to 51 form part of these financial statements.

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 00408340**

**COMPANY BALANCE SHEET**  
**AS AT 31 AUGUST 2023**

	Note	2023 £000	2022 £000
<b>Fixed assets</b>			
Tangible assets	16	9,138	9,510
Investments	17	450	450
		9,588	9,960
<b>Current assets</b>			
Stocks	18	12	16
Debtors	19	2,252	2,421
Investments	20	761	1,500
Cash at bank and in hand		2,571	1,306
		5,596	5,243
Creditors: amounts falling due within one year	21	(1,953)	(1,943)
		3,643	3,300
<b>Net current assets</b>		3,643	3,300
Defined benefit pension scheme asset	29	-	-
		13,231	13,260
<b>Total net assets</b>		13,231	13,260
<b>Charity funds</b>			
Restricted funds	22	427	197
Unrestricted funds:			
Designated funds	22	1,000	1,580
General funds	22	11,804	11,483
Unrestricted funds excluding pension asset	22	12,804	13,063
		12,804	13,063
<b>Total unrestricted funds</b>	22	12,804	13,063
		13,231	13,260
<b>Total funds</b>		13,231	13,260

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:

*Dawn Green*

EA2C6DBE3D14455...

**Dr D Green**

Director

Date: 24 April 2024

The notes on pages 22 to 51 form part of these financial statements.

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	1,295	(838)
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Interest received	68	13
Proceeds from the sale of tangible fixed assets	-	22
Purchase of subsidiary net of cash acquired	-	(65)
Purchase of tangible fixed assets	(685)	(577)
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	<b>(617)</b>	<b>(607)</b>
	<hr/>	<hr/>
<b>Cash flows from financing activities</b>		
	<hr/>	<hr/>
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>-</b>
	<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>	<b>678</b>	<b>(1,445)</b>
Cash and cash equivalents at the beginning of the year	2,998	4,443
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	<b>3,676</b>	<b>2,998</b>
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 22 to 51 form part of these financial statements

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**1. General information**

The College is a Company Limited by Guarantee and without share capital incorporated in the United Kingdom. The College's registered address is Nottingham Road, Mansfield, Nottinghamshire, NG18 4TJ.

The financial statements are prepared in Sterling which is the functional currency of the College and are rounded to the nearest £000.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated:

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Portland College meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Company and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

**2.2 Going concern**

The group financial statements have been prepared on a going concern basis under the historical cost convention, modified to incorporate the inclusion of Fixed Asset Investments at fair value. The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Group to be able to continue as a going concern.

**2.3 Income**

All income is recognised once the Group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For donations to be recognised the Group will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Group and it is probable that they will be fulfilled.

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**2. Accounting policies (continued)**

**2.3 Income (continued)**

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the Group has control over the item. Fair value is determined on the basis of the value of the gift to the Group. For example, the amount the Group would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the Group are included in stock and donations in the financial statements upon receipt. If it is impractical to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount is recognised as charitable expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the Group being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the Group however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the Group. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The Group receives government grants from the Education and Skills Funding Agency (ESFA). Income from government and other grants is recognised at fair value when the Group has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**2. Accounting policies (continued)**

**2.4 Expenditure**

Expenditure is recognised on an accruals basis once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources or other basis as detailed in Note 10.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Other expenditure represents those items not falling into the categories above.

All expenditure is inclusive of irrecoverable VAT.

**2.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.6 Taxation**

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Portland College Enterprises Limited is liable for Corporation Tax and the liability is based on the result for the year as adjusted for disallowable items. However an agreement is in place whereby all profits are donated to the College.

Polly Teach Limited is liable for Corporation Tax and the liability is based on the result for the year as adjusted for disallowable items.

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**2. Accounting policies (continued)**

**2.7 Intangible assets and amortisation**

Goodwill represents the difference between the amounts paid on acquisition of a business combination and the acquirer's interest in the fair value of the share of its identifiable assets and liabilities of the company acquired on the date of acquisition. Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Goodwill	- 10 %
----------	--------

**2.8 Tangible fixed assets and depreciation**

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Items below this threshold are capitalised and recognised when part of a larger project spend.

Tangible fixed assets are initially recognised at cost or valuation. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Freehold property	- 10 - 40	years (see Note 1)
IT network	- 7	years
Motor vehicles	- 5	years
Production/Technical Equipment-	5	years
Computer equipment	- 5	years
Other furniture and equipment	- 5	years

Note 1 - Note that freehold property also includes the cost of building improvements and refurbishment projects. The life expectancy of each building is assessed individually.

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

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

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**2. Accounting policies (continued)**

**2.9 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

Current asset investments are medium-term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

**2.10 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and is calculated using the first-in, first-out method. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Donated stocks are fair valued as described in 2.2 above.

**2.11 Debtors**

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

**2.12 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.13 Liabilities**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**2.14 Financial instruments**

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**2.15 Operating leases**

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**2. Accounting policies (continued)**

**2.16 Employee benefits including pensions**

When employees have rendered service to the Group, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Redundancy and termination payments are recognised within the year the redundancy or termination is announced or agreed.

The Group operates a defined contribution pension scheme for the benefit of its employees. The pension charge represents the amounts payable by the Group to the scheme in respect of the year.

The Group also provides retirement benefits to certain employees through the Teachers' Pension Scheme ("TPS"), which is a defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the charitable Company in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The Group also operates a defined benefit scheme for the benefit of certain of its employees. This scheme was closed to new members with effect from 1 January 1997. Where Group obligations exceed scheme assets, a liability for the Group's obligations under the scheme is recognised net of scheme assets. Where scheme assets exceed the Group's obligations, the asset value is restricted and the surplus is not recognised. The net change in the net defined benefit asset/liability is recognised as the cost of the defined benefit scheme during the period as is charged to cost headings, on a pro rata basis based on full time equivalent employees, and actuarial gains/losses. The total cost is recognised in unrestricted funds. Pension scheme assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date. Details of the Group's defined benefit scheme are shown in note 29.

**2.17 Fund accounting**

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**3. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the defined benefit pension scheme 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, will impact the carrying amount of the pension scheme. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 December 2021 has been used by the actuary in valuing the pension scheme at 31 August 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 scheme.

To the extent there is a surplus in the Defined Benefit Pension Scheme at the Balance Sheet date, there is significant judgment needed in assessing whether the surplus should be recognised as a pension asset or whether the surplus should be restricted to some level or in total. This assessment will need to consider whether the Group, as the employer, has an unconditional right to a refund of the surplus in the scheme and whether there is an economic accounting benefit available to the Group as a contribution reduction. The impact of these assessments on the extent to which the scheme surplus has been recognised as a pension asset at the Balance Sheet date is set out in note 29.

Tangible fixed assets are depreciated over their economic useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

Critical areas of judgment:

The Group obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Group to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

**PORTLAND COLLEGE**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**4. Income from donations and legacies**

	<b>Restricted funds 2023 £000</b>	<b>Unrestricted funds 2023 £000</b>	<b>Total funds 2023 £000</b>	<b>Total funds 2022 £000</b>
Donations	156	13	169	232
Legacies	-	-	-	6
Grants	462	-	462	268
	<u>618</u>	<u>13</u>	<u>631</u>	<u>506</u>
<b>Total 2022</b>	<u>443</u>	<u>63</u>	<u>506</u>	

**5. Income from charitable activities**

	<b>Unrestricted funds 2023 £000</b>	<b>Total funds 2023 £000</b>	<b>Total funds 2022 £000</b>
Educational fees	7,733	7,733	6,803
Residential fees	5,401	5,401	4,106
Other fees	207	207	304
<b>Total 2023</b>	<u>13,341</u>	<u>13,341</u>	<u>11,213</u>
<b>Total 2022</b>	<u>11,213</u>	<u>11,213</u>	

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**6. Income from other trading activities**

**Income from non charitable trading activities**

	<b>Unrestricted funds 2023 £000</b>	<b>Total funds 2023 £000</b>	<b>Total funds 2022 £000</b>
Other trading income	579	579	602
Portland Print	1	1	120
Polly Teach Limited	1,613	1,613	1,408
	<u>2,193</u>	<u>2,193</u>	<u>2,130</u>

All of the above income in 2022 was distributable to unrestricted funds.

**7. Investment income**

	<b>Unrestricted funds 2023 £000</b>	<b>Total funds 2023 £000</b>	<b>Total funds 2022 £000</b>
Interest on cash deposits	68	68	13
Pension income	38	38	-
	<u>106</u>	<u>106</u>	<u>13</u>

All of the above income in 2022 was distributable to unrestricted funds.

**PORTLAND COLLEGE**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Restricted funds 2023 £000</b>	<b>Unrestricted funds 2023 £000</b>	<b>Total 2023 £000</b>	<b>Total 2022 £000</b>
Education	70	6,299	6,369	5,780
Care & Support	-	7,001	7,001	5,068
Administrative expenses	-	165	165	138
<b>Total 2023</b>	<u>70</u>	<u>13,465</u>	<u>13,535</u>	<u>10,986</u>
<b>Total 2022</b>	<u>400</u>	<u>10,586</u>	<u>10,986</u>	

**9. Other expenditure**

	<b>Restricted funds 2023 £000</b>	<b>Unrestricted funds 2023 £000</b>	<b>Total funds 2023 £000</b>	<b>Total funds 2022 £000</b>
Other trading	161	2,210	2,371	2,107
Amortisation	-	55	55	61
	<u>161</u>	<u>2,265</u>	<u>2,426</u>	<u>2,168</u>
<b>Total 2022</b>	<u>-</u>	<u>2,168</u>	<u>2,168</u>	

**PORTLAND COLLEGE**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**10. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2023 £000</b>	<b>Support costs 2023 £000</b>	<b>Total funds 2023 £000</b>	<b>Total funds 2022 £000</b>
Education	4,004	2,365	6,369	5,780
Care & Support	4,608	2,393	7,001	5,068
Administrative expenses	-	165	165	138
<b>Total 2023</b>	<u>8,612</u>	<u>4,923</u>	<u>13,535</u>	<u>10,986</u>
<b>Total 2022</b>	<u>6,953</u>	<u>4,033</u>	<u>10,986</u>	

**Analysis of support costs**

	<b>Education 2023 £000</b>	<b>Care &amp; Support 2023 £000</b>	<b>Administrative expenses 2023 £000</b>	<b>Total funds 2023 £000</b>	<b>Total funds 2022 £000</b>
Depreciation	446	452	84	982	951
Corporate services	880	893	38	1,811	1,325
Learner support	1,039	1,048	43	2,130	1,757
	<u>2,365</u>	<u>2,393</u>	<u>165</u>	<u>4,923</u>	<u>4,033</u>
<b>Total 2022</b>	<u>2,134</u>	<u>1,760</u>	<u>139</u>	<u>4,033</u>	

Depreciation has been allocated based on the asset location, corporate services costs have been allocated based on FTEs and learner support costs have been allocated based on area/usage.

**11. Governance costs**

	<b>Group 2023 £000</b>	<b>Group 2022 £000</b>
Auditor's remuneration	43	40
Other professional costs	57	74
	<u>100</u>	<u>114</u>

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**12. Auditor's remuneration**

	<b>2023</b> <b>£000</b>	<b>2022</b> <b>£000</b>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts and Subsidiaries annual accounts	32	31
Fees payable to the Charity's auditor in respect of:		
All taxation advisory services not included above	5	5
Review and certification of the Teachers' Pension Scheme EOYC return	1	1
All other non-audit services not included above	5	-
	<u>          </u>	<u>          </u>

**13. Staff costs**

	<b>Group</b> <b>2023</b> <b>£000</b>	<b>Group</b> <b>2022</b> <b>£000</b>	<b>Company</b> <b>2023</b> <b>£000</b>	<b>Company</b> <b>2022</b> <b>£000</b>
Wages and salaries	10,745	8,780	9,723	7,915
Social security costs	733	585	649	529
Pension costs	201	145	184	133
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	<u>11,679</u>	<u>9,510</u>	<u>10,556</u>	<u>8,577</u>

During the year, redundancy and termination costs totalled £87k (2022: £45k). These costs were in respect of seven former employees (2022: four).

The average number of persons employed by the Group during the year was as follows:

	<b>Group</b> <b>2023</b> <b>No.</b>	<b>Group</b> <b>2022</b> <b>No.</b>
Education	203	170
Care & Support	152	160
General Learner Support	54	49
Corporate Services	21	26
Trading Activities	5	11
Fundraising	2	2
	<u>          </u>	<u>          </u>
	<u>437</u>	<u>418</u>

In addition a total of 37 (2022: 45) volunteers made a contribution to the College in a variety of different ways.

**PORTLAND COLLEGE**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**13. Staff costs (continued)**

The average Group headcount expressed as full-time equivalents was:

	<b>Group 2023 No.</b>	<b>Group 2022 No.</b>
Education	170	128
Care & Support	137	129
General Learner Support	47	44
Corporate Services	21	21
Trading Activities	4	2
Fundraising	2	2
	<u>381</u>	<u>326</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>Group 2023 No.</b>	<b>Group 2022 No.</b>
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	-
In the band £100,001 - £110,000	1	1

The College considers its key management personnel to comprise the Senior Management Team as detailed in the Trustees' report. The total employment benefits including employer pension contributions and employer national insurance of the key management personnel were £552k (2022: £440k).

**14. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

**PORTLAND COLLEGE**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**15. Intangible assets**

**Group**

	<b>Goodwill £000</b>
<b>Cost</b>	
At 1 September 2022	547
At 31 August 2023	547
<b>Amortisation</b>	
At 1 September 2022	109
Charge for the year	55
At 31 August 2023	164
<b>Net book value</b>	
At 31 August 2023	383
At 31 August 2022	438

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**16. Tangible fixed assets**

**Group**

	<b>Freehold property £000</b>	<b>Motor vehicles £000</b>	<b>Fixtures and fittings £000</b>	<b>Assets under construction £000</b>	<b>Total £000</b>
<b>Cost or valuation</b>					
At 1 September 2022	21,254	262	3,303	18	24,837
Additions	289	47	183	166	685
Disposals	(1,134)	-	(725)	-	(1,859)
At 31 August 2023	<u>20,409</u>	<u>309</u>	<u>2,761</u>	<u>184</u>	<u>23,663</u>
<b>Depreciation</b>					
At 1 September 2022	12,530	227	2,537	-	15,294
Charge for the year	796	19	183	-	998
On disposals	(1,134)	-	(725)	-	(1,859)
At 31 August 2023	<u>12,192</u>	<u>246</u>	<u>1,995</u>	<u>-</u>	<u>14,433</u>
<b>Net book value</b>					
At 31 August 2023	<u><u>8,217</u></u>	<u><u>63</u></u>	<u><u>766</u></u>	<u><u>184</u></u>	<u><u>9,230</u></u>
At 31 August 2022	<u><u>8,724</u></u>	<u><u>35</u></u>	<u><u>765</u></u>	<u><u>18</u></u>	<u><u>9,542</u></u>

**PORTLAND COLLEGE**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**16. Tangible fixed assets (continued)**

**Company**

	<b>Freehold property £000</b>	<b>Motor vehicles £000</b>	<b>Fixtures and fittings £000</b>	<b>Assets under construction £000</b>	<b>Total £000</b>
<b>Cost or valuation</b>					
At 1 September 2022	21,230	262	3,276	18	24,786
Additions	249	25	170	166	610
Disposals	(1,134)	-	(725)	-	(1,859)
At 31 August 2023	20,345	287	2,721	184	23,537
<b>Depreciation</b>					
At 1 September 2022	12,530	226	2,520	-	15,276
Charge for the year	787	15	180	-	982
On disposals	(1,134)	-	(725)	-	(1,859)
At 31 August 2023	12,183	241	1,975	-	14,399
<b>Net book value</b>					
At 31 August 2023	8,162	46	746	184	9,138
At 31 August 2022	8,700	36	756	18	9,510

The National Lottery Charities Board was granted a legal charge over the 'Birches' building (previously known as the Information and Communication Technology Learning Centre) in relation to the £500k grant that it provided to the College. The legal charge is granted for a period of 80 years from the receipt of payment on 26 May 2006.

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**17. Fixed asset investments**

<b>Company</b>	<b>Investments in subsidiary companies £000</b>
<b>Cost or valuation</b>	
At 1 September 2022	450
At 31 August 2023	450
<b>Net book value</b>	
At 31 August 2023	450
At 31 August 2022	450

The above investments in subsidiary companies consist of 1,000 £1 ordinary shares and £449k of share premium held in Portland College Enterprises Limited.

**Principal subsidiaries**

The following were subsidiary undertakings of the Company:

<b>Names</b>	<b>Company number</b>	<b>Principal activity</b>	<b>Holding</b>	<b>Included in consolidation</b>
Portland College Enterprises Limited	06766855	Catering, functions and lettings	100%	Yes
Polly Teach Limited	09287766	Education	100%	Yes

The financial results of the subsidiaries for the year were:

<b>Names</b>	<b>Income £000</b>	<b>Expenditure £000</b>	<b>Profit for the year £000</b>
Portland College Enterprises Limited	240	211	29
Polly Teach Limited	1,613	1,456	157

**Net assets  
£000**

565  
431

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**17. Fixed asset investments (continued)**

**18. Stocks**

	<b>Group 2023 £000</b>	<b>Group 2022 £000</b>	<b>Company 2023 £000</b>	<b>Company 2022 £000</b>
Finished goods and goods for resale	19	25	12	16

**19. Debtors**

	<b>Group 2023 £000</b>	<b>Group 2022 £000</b>	<b>Company 2023 £000</b>	<b>Company 2022 £000</b>
<b>Due within one year</b>				
Trade debtors	1,947	2,664	1,666	1,861
Amounts owed by group undertakings	-	-	211	465
Other debtors	25	34	4	7
Prepayments and accrued income	376	95	371	88
	<u>2,348</u>	<u>2,793</u>	<u>2,252</u>	<u>2,421</u>

**20. Current asset investments**

	<b>Group 2023 £000</b>	<b>Group 2022 £000</b>	<b>Company 2023 £000</b>	<b>Company 2022 £000</b>
Unquoted - fixed term UK bank deposits	761	1,500	761	1,500

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**21. Creditors: Amounts falling due within one year**

	<b>Group 2023 £000</b>	<b>Group 2022 £000</b>	<b>Company 2023 £000</b>	<b>Company 2022 £000</b>
Trade creditors	172	390	139	281
Amounts owed to group undertakings	-	-	-	32
Corporation tax	-	56	-	-
Other taxation and social security	289	361	255	177
Other creditors	753	985	744	965
Accruals and deferred income	973	573	815	488
	<u>2,187</u>	<u>2,365</u>	<u>1,953</u>	<u>1,943</u>
			<b>Group 2023 £000</b>	<b>Group 2022 £000</b>
Deferred income at start of year			175	260
Resources deferred during the year			211	175
Amounts released from previous periods			(175)	(260)
			<u>211</u>	<u>175</u>

Deferred income consists of student fees and functions income for the following financial year.

**PORTLAND COLLEGE**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**22. Statement of funds - Group**

**Statement of funds - current year**

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Defined Benefit Pension Scheme Liability	580	-	137	(717)	-	-
Campus Development Plan	1,000	-	-	-	-	1,000
	<u>1,580</u>	<u>-</u>	<u>137</u>	<u>(717)</u>	<u>-</u>	<u>1,000</u>
<b>General funds</b>						
Unrestricted	11,654	15,653	(15,964)	874	(175)	12,042
<b>Total Unrestricted funds</b>	<u>13,234</u>	<u>15,653</u>	<u>(15,827)</u>	<u>157</u>	<u>(175)</u>	<u>13,042</u>

**PORTLAND COLLEGE**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**22. Statement of funds (continued)**

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
<b>Restricted funds</b>						
Ian Karten Trust - Mobile Learning	14	-	(14)	-	-	-
Minibus	41	2	-	-	-	43
Woodlands Project	17	35	(14)	-	-	38
Trade Centre	14	225	(11)	-	-	228
Farm	1	42	(43)	-	-	-
Sensory Gardens	15	-	(1)	-	-	14
Scholarship Fund	95	-	-	-	-	95
ESFA School Condition Allocation	-	157	-	(157)	-	-
Recovery College	-	146	(146)	-	-	-
Day Centre Sensory Room	-	6	-	-	-	6
Equipment - Various	-	3	-	-	-	3
Other Donations	-	2	(2)	-	-	-
	<u>197</u>	<u>618</u>	<u>(231)</u>	<u>(157)</u>	<u>-</u>	<u>427</u>
<b>Total of funds</b>	<u><u>13,431</u></u>	<u><u>16,271</u></u>	<u><u>(16,058)</u></u>	<u><u>-</u></u>	<u><u>(175)</u></u>	<u><u>13,469</u></u>

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**22. Statement of funds (continued)**

**Designated Funds:**

Designated funds have been held in relation to the defined benefit pension liability of £nil (2022: £580k) recognising the liability of the Scheme based on an alternative valuation method and the campus development plan of £1,000k based on a significant programme of infrastructure modernisation.

**Restricted Funds:**

Restricted Fund balances are only shown where there are either a) specific clauses within the basis of agreement on which the donation or grant was received; or b) where a building project is under construction, in this case specific grants/donations will not be transferred to unrestricted funds until the building is completed. In all other cases it is taken that the purchase of the specified item meets any restriction placed on the funds by the donor.

Significant Restricted Fund balances are broken down as follows:

Ian Karten Trust - the grant was provided to cover the implementation of mobile learning projects. There is a 5 year reducing balance restriction on this grant.

Minibus - Purchase of new College minibus for use by citizens and learners.

Woodlands Project - Fully accessible forest adventure zone for learners and the larger community.

Trade Centre - Educational area providing practical vocational skills.

Farm - Redevelopment of Farm area accessible by staff, learners and citizens.

Sensory Gardens - External area in Education facility providing calm area and general horticulture skills.

Scholarship Fund - cash funds are held for the specific purpose of supporting students.

ESFA SCA - awarded by the ESFA to help maintain and improve the condition of the College buildings and grounds.

Recovery College - part of the Outram Street project providing the resources and training to assist people getting back into employment.

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**22. Statement of funds (continued)**

**Statement of funds - prior year**

	<b>Balance at 1 September 2021 £000</b>	<b>Income £000</b>	<b>Expenditure £000</b>	<b>Transfers in/out £000</b>	<b>Balance at 31 August 2022 £000</b>
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Defined Benefit Pension Scheme Liability	600	-	-	(20)	580
Campus Development Plan	500	-	-	500	1,000
	<u>1,100</u>	<u>-</u>	<u>-</u>	<u>480</u>	<u>1,580</u>
<b>General funds</b>					
Unrestricted	11,725	13,419	(13,235)	(255)	11,654
	<u>12,825</u>	<u>13,419</u>	<u>(13,235)</u>	<u>225</u>	<u>13,234</u>
<b>Total Unrestricted funds</b>	<u>12,825</u>	<u>13,419</u>	<u>(13,235)</u>	<u>225</u>	<u>13,234</u>
<b>Restricted funds</b>					
ESFA School Condition Allocation	-	152	-	(152)	-
Ian Karten Trust	14	-	-	-	14
Minibus	2	39	-	-	41
Newstart Hall Project	29	44	-	(73)	-
Recovery College	-	135	(135)	-	-
Woodlands Project	-	17	-	-	17
Ian Karten Trust	-	19	(19)	-	-
Trade Centre	-	14	-	-	14
Farm	-	1	-	-	1
Sensory Gardens	-	15	-	-	15
Equipment - Various	-	7	(7)	-	-
Scholarship Fund	95	-	-	-	95
	<u>140</u>	<u>443</u>	<u>(161)</u>	<u>(225)</u>	<u>197</u>
<b>Total of funds</b>	<u>12,965</u>	<u>13,862</u>	<u>(13,396)</u>	<u>-</u>	<u>13,431</u>

**PORTLAND COLLEGE**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**23. Summary of funds**

**Summary of funds - current year**

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Designated funds	1,580	-	137	(717)	-	1,000
General funds	11,654	15,653	(15,964)	874	(175)	12,042
Restricted funds	197	618	(231)	(157)	-	427
	<u>13,431</u>	<u>16,271</u>	<u>(16,058)</u>	<u>-</u>	<u>(175)</u>	<u>13,469</u>

**Summary of funds - prior year**

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 August 2022 £000
Designated funds	1,100	-	-	480	1,580
General funds	11,725	13,419	(13,235)	(255)	11,654
Restricted funds	140	443	(161)	(225)	197
	<u>12,965</u>	<u>13,862</u>	<u>(13,396)</u>	<u>-</u>	<u>13,431</u>

**24. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Restricted funds 2023 £000	Unrestricted funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	9,228	9,228
Intangible fixed assets	-	383	383
Current assets	427	5,616	6,043
Creditors due within one year	-	(2,187)	(2,187)
<b>Total</b>	<u>427</u>	<u>13,040</u>	<u>13,467</u>

**PORTLAND COLLEGE**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**24. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	<b>Restricted funds 2022 £000</b>	<b>Unrestricted funds 2022 £000</b>	<b>Total funds 2022 £000</b>
Tangible fixed assets	-	9,542	9,542
Intangible fixed assets	-	438	438
Current assets	197	5,619	5,816
Creditors due within one year	-	(2,365)	(2,365)
	<u>197</u>	<u>13,234</u>	<u>13,431</u>
<b>Total</b>	<u><u>197</u></u>	<u><u>13,234</u></u>	<u><u>13,431</u></u>

**25. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>Group 2023 £000</b>	<b>Group 2022 £000</b>
Net income for the year (as per Statement of Financial Activities)	213	613
<b>Adjustments for:</b>		
Depreciation charges	998	951
Amortisation charges	55	61
Net defined benefit pension scheme costs	(175)	(146)
Interest received	(68)	(13)
Loss/(profit) on the sale of fixed assets	-	(10)
Decrease/(increase) in stocks	6	(7)
Decrease/(increase) in debtors	444	(2,246)
Decrease in creditors	(178)	(41)
<b>Net cash provided by/(used in) operating activities</b>	<u><u>1,295</u></u>	<u><u>(838)</u></u>

**26. Analysis of cash and cash equivalents**

	<b>Group 2023 £000</b>	<b>Group 2022 £000</b>
Cash in hand	3,676	2,998
<b>Total cash and cash equivalents</b>	<u><u>3,676</u></u>	<u><u>2,998</u></u>

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**27. Analysis of changes in net debt**

	<b>At 1 September 2022</b>	<b>Cash flows £000</b>	<b>At 31 August 2023 £000</b>
Cash at bank and in hand	1,498	1,417	2,915
Liquid investments	1,500	(739)	761
	<u>2,998</u>	<u>678</u>	<u>3,676</u>

**28. Capital commitments**

	<b>Group 2023 £000</b>	<b>Group 2022 £000</b>
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	625	145
	<u>625</u>	<u>145</u>

**29. Pension commitments**

The College provides auto-enrolment membership of its defined contribution pension scheme to all new and existing employees. This Scheme is currently operated by Aviva (formerly Friends Life). The College will contribute an equal percentage of salary, in accordance with the employee's chosen option, up to a maximum of 6%. Contributions of £317k were made to this Scheme during the year ended 31 August 2023 (2022 Restated: £326k).

As an alternative to its own pension scheme, the College also contributes to other specific defined benefit schemes including the Teachers' Pension Scheme (TPS) for certain tutors and those employed by outside agencies. The cost of those contributions during the year was £118k (2022: £81k).

Contributions owing to these schemes at 31 August 2023 were £11k (2022: £90k).

**Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The most recent actuarial valuation of the TPS was carried out as at 31

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**29. Pension commitments (continued)**

March 2020. The valuation report was published by the Government Actuary's Department on 27 October 2023 and by the Department for Education on 30 October 2023.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy) from 1 April 2024 (contribution rate to 31 March 2024 is 23.68% as set by the 31 March 2019 valuation)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Group has set out above the information available on the scheme.

**Group defined benefit pension scheme**

The College closed its Defined Benefit Scheme to new Members with effect from 1 January 1997 and so the use of the projected unit valuation method required by FRS102 means that the current service cost (as a proportion of Defined Benefit Member's earnings) is likely to increase as Members approach retirement.

The assets of the Scheme are held separately from those of the College, being invested with Prudential Assurance.

The most recent actuarial report, which was produced with the effective date of 31 December 2021, showed a deficit valuation of £245k and funding level of 97%. It was agreed between the College and the Trustees of the Scheme to aim to remove the funding shortfall, as it existed at 31 December 2015. Consequently the College is contributing £218k per annum.

The results of the actuarial valuation as at 31 December 2021 have been projected to 31 August 2023 using the assumptions set out below. The figures in the following disclosures were measured using the Projected Unit Method.

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

	<b>At 31</b>	<b>At 31</b>
	<b>August 2023</b>	<b>August 2022</b>
	%	%
Discount rate	5.3	4.3
RPI inflation	3.2	3.5
CPI inflation	2.8	3

**PORTLAND COLLEGE**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**29. Pension commitments (continued)**

	<b>At 31 August 2023 Years</b>	<b>At 31 August 2022 Years</b>
Mortality rates (in years)		
- for a male aged 65 now	21.4	21.9
- at 65 for a male aged 45 now	22.6	23.2
- for a female aged 65 now	23.9	24.3
- at 65 for a female aged 45 now	25.3	25.7

The mortality assumptions for the scheme liabilities as at 31 August 2023 were based on the S3PMA / S3PFA base tables and the CMI 2022 model for mortality improvements with a long term rate of improvement of 1.25% pa (before and after retirement).

The Group's share of the assets in the scheme was:

	<b>At 31 August 2023 £000</b>	<b>At 31 August 2022 £000</b>
Equities	1,155	1,355
With-Profits Fund	-	1,763
Diversified Growth Funds	684	1,110
Diversified Credit Funds	2,030	962
Cash and other liquid assets	106	37
Liability Driven Investments	1,318	968
Annuities	937	1,051
<b>Total fair value of assets</b>	<b>6,230</b>	<b>7,246</b>

The actual return on scheme assets was £(792k) (2022 - (£1,281k)). This excludes the asset ceiling restriction movement in the year of £240k as detailed further below.

The total value of the assets recorded under the 'share of the assets' as detailed above of £6,230k has not been decreased in respect of the asset ceiling restriction of £570k (2022: £810k) and represents the rolled forward fair value of the Scheme assets at 31 August 2023.

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	<b>2023 £000</b>	<b>2022 £000</b>
Employer contributions	217	219
Interest income	307	146
Interest cost	(269)	(150)
Administrative expenses	(80)	(70)
<b>Total amount recognised in the Consolidated Statement of Financial Activities</b>	<b>175</b>	<b>145</b>

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**29. Pension commitments (continued)**

Movements in the present value of the defined benefit obligation were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Opening defined benefit obligation	6,436	8,999
Interest cost	269	150
Actuarial gains	(684)	(2,230)
Benefits paid	(361)	(483)
<b>Closing defined benefit obligation</b>	<u>5,660</u>	<u>6,436</u>

Movements in the fair value of the Group's share of scheme assets were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Opening fair value of scheme assets	6,436	8,715
Interest income on plan assets	307	146
Actuarial remeasurements	(859)	(2,091)
Contributions by employer	217	219
Administrative expenses	(80)	(70)
Benefits paid	(361)	(483)
<b>Closing fair value of scheme assets</b>	<u>5,660</u>	<u>6,436</u>

The Group has an unrecognised surplus of £570k at 31 August 2023 (2022: £810k) in respect of its defined benefit pension Scheme as it does not expect to recover the Scheme surplus either through reduced contributions in the future or through refunds from the Scheme. Included within actuarial remeasurements on the Scheme's assets of (£859k) is an amount of £240k in respect of the movement in the restriction on the surplus in the Scheme at 31 August 2023.

**PORTLAND COLLEGE**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**30. Operating lease commitments**

At 31 August 2023 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2023 £000</b>	<b>Group 2022 £000</b>	<b>Company 2023 £000</b>	<b>Company 2022 £000</b>
Not later than 1 year	35	22	8	22
Later than 1 year and not later than 5 years	41	-	12	-
	<u>76</u>	<u>22</u>	<u>20</u>	<u>22</u>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	<b>Group 2023 £000</b>	<b>Group 2022 £000</b>	<b>Company 2023 £000</b>	<b>Company 2022 £000</b>
Operating lease rentals	<u>59</u>	<u>22</u>	<u>20</u>	<u>22</u>

**31. Related party transactions**

During the year, recharges from Portland College to Portland College Enterprises Limited were £40k (2022: £208k), sales from Portland College Enterprises Limited to Portland College were £nil (2022: £28k) and transfer of costs from Portland College to Portland College Enterprises Limited were £98k (2022: £nil).

During the year, recharges from Portland College to Polly Teach Limited were £117k (2022: £129k), and transfer of costs from Portland College to Polly Teach Limited were £22k (2022: £nil).

As at 31 August 2023, Polly Teach Limited owed Portland College £13k and Portland College Enterprises Limited owed Portland College £198k.

**32. Legal status of the Charity**

The College is a Company Limited by Guarantee and without share capital incorporated in the United Kingdom. The liability of Members is limited to £10 each in the unlikely event of the Company being 'wound-up'.

**33. Controlling party**

The Directors consider that there is no ultimate controlling party.

**PORTLAND COLLEGE**

England & Wales - Charity number 214339

---

# Accounts

---

Registered number: 00408340  
Registered Charity: 214339

PORTLAND COLLEGE

ANNUAL REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

**PORTLAND COLLEGE**

Nottingham Road, Mansfield, Nottinghamshire  
NG18 4TJ

(Registered Office and Principal Address)

Telephone : 01623 499111

A Company Limited by Guarantee

No. 00408340 (England & Wales)

Registered Charity Number 214339

Patron : Her Majesty The Queen (1974-2022)

President : Mrs A Swan Parente MBE DL

Vice-Presidents:

Mr K McDonald

Mrs D McDonald

Mr H P Matheson DL

Professor C O'Brien OBE

**BOARD OF GOVERNORS & COMPANY  
DIRECTORS**

Chairman : Mr T S Richmond OBE TD DL

Vice Chairman : Dr D Green

Mr N E Aspley (Resigned 26 April 2022)

Mrs H K Atwal (Resigned 19 July 2022)

Mr M Briggs

Mrs J Butler

Councillor S Deakin (co-opted member)

Mrs S Egley

Mr P Emerson DL

Mrs A Farr DL

Professor D Fathers DL

Mr Stephen Jackson

Mr David Sneath DL

Mr T Vasishtha (Resigned 26 April 2022)

Mr S Walsh (Resigned 26 April 2022)

Mrs M Murray (Appointed 2 November 2022)

Mrs D Jackson (Appointed 25 January 2023)

**KEY MANAGEMENT PERSONNEL:****SENIOR MANAGEMENT TEAM**

Principal & Chief Executive Officer: Dr M Dale

Assistant Principal Development:

Mr E Johnstone

Assistant Principal Corporate Services:

Mrs L Kenwright

Assistant Principal Quality & Curriculum:

Mrs A Newton-Soanes

Head of Care: Mr I Onwukwe

**BANKERS**

HSBC Bank plc

1 St. Peter's Street, Derby DE1 2AE

**SOLICITORS:**

Freeth's LLP

Cardinal Square, 2nd Floor, West Point,

10 Nottingham Road, Derby DE1 3QT

**AUDITORS:**

Cooper Parry Group Limited

Sky View, Argosy Road, East Midlands Airport,

Castle Donington, Derby

DE74 2SA

**INSURANCE BROKERS:**

Hettle Andrews & Associates Limited

9th Floor, Eleven Brindley Place, 2 Brunswick

Square, Brindley Place, Birmingham B1 2LP

## **PORTLAND COLLEGE REPORT OF THE DIRECTORS ON THE FINANCIAL STATEMENTS**

---

The Directors (members of the Board of Governors) present their annual report and financial statements for the year ended 31 August 2022, which comply with the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity. The strategic report required under company law is included in the report and covers the sections of achievement and performance, financial review and plans for future periods.

Portland College has two wholly owned subsidiaries, Portland College Enterprises Limited and Polly Teach Limited, held in Portland College Enterprise Limited. All income, expenditure and balance sheets have been consolidated into the Portland College accounts, with explanatory notes.

### **Reference and administrative details**

Portland College is a company limited by guarantee and a registered charity. The Registered Office is as shown on the front cover. The present Directors and any other Directors who served during the year are listed on the front cover, together with the Patron, President, Vice-Presidents, key management personnel and the College's external advisers.

### **Structure, governance and management**

#### **Governing Document**

Portland College was founded as a company limited by guarantee (Company number 408340) on 12 April 1946 and is governed in accordance with its Articles of Association. As a registered charity (charity number 214339) the College is also subject to the rules of the Charity Commission. The group results incorporate Portland College Enterprises Limited and Polly Teach Limited both companies registered in England and Wales.

The College is controlled by a Board of Governors (the Directors under Company Law), who bring a broad range of expertise to the College and are appointed by the Members of the College at a General Meeting. Under Article 25, the Governing Body must comprise not less than 10 Ordinary Governors and (if and only if appointed as Governors) the President and Vice-Presidents of the College. An Ordinary Governor is appointed for a term of four years, and normally would serve no more than two consecutive terms. The Ex-Officio Members i.e. President and Vice-Presidents are appointed annually. On appointment, new Directors are given a personal induction to the College, individual meetings with all senior managers and an information pack including the Governing Document and familiarising them with the work of the Board and their roles and responsibilities.

Details of governors, senior management personnel and professional advisors are shown on the front cover of this report.

In accordance with the Articles of Association, the Directors retire by rotation. The Board of Governors has an open recruitment policy.

#### **Organisation**

The college benefits from a governing body possessing a comprehensive range of skills and experience which allows detailed oversight of all facets of the business of the college. The Directors discharge their duties via Governing Body meetings, held at least four times per year and through a range of Committees which include: Audit Committee, Remuneration Committee, Oversight of Standards Group, Oversight of Finance Group, Enterprises Board, Estates Planning Group and Development Working Group. These committees, together with any other working parties that may at times be necessary, meet as and when required. The Principal and Chief Executive Officer is responsible to the Directors for the day-to-day running of the

College and the execution of strategy and policies as decided by the Board of Governors. In 2021-22 the breadth of Board expertise available to the College is described below:

**Timothy S Richmond** OBE TD DL FCA CCMI (Hon) DBA – Chair of Governors

Tim joined the Board of Governors in 2013. He is a Chartered Accountant. He is a self-employed consultant in strategic business direction and management. He is the Non-Executive Chairman of Futures Advice, Skills and Employment Limited. He has wide non-executive director experience in the private sector and extensive public and voluntary sector experience in non-executive roles including higher education, competition, defence, housing and care services, youth services and health. A past High Sheriff of Nottinghamshire (2002), he was appointed Vice Lord Lieutenant in 2008.

**Dawn Green** BSc (Hons) PhD CertEd PGDip FSET – Vice Chair, Chair of the Oversight of Standards Group and lead Governor for Safeguarding

Dawn joined the Board in 2015. She was previously Principal & CEO at Landmarks College and Vice Principal at Portland College. She is now the Karten Network Manager and also provides consultancy services in whole College/School improvement and behaviour support. Dawn is also Chair of the Oversight of Standards Group and Lead Governor for Safeguarding.

**Stephen Jackson** – FCMA GCMA FInstD Chair of Audit Committee

Stephen joined the Board in 2019. He is a commercially focused Executive with global experience and Chairs the Audit Committee. He has 30 years board level experience in Finance, IT and Commercial Development and more recently Nottingham Trent University. He is the Vice Chair of Nottinghamshire Healthcare Trust and a member of other education and sport charities.

**David Sneath** MA(Cantab) TD DL – Chair of Remuneration Committee

David joined the Board in 2018. He is a recently retired senior employment tribunal judge. He has extensive Reserve Army experience at the rank of Colonel. A past High Sheriff of Nottinghamshire (2017) and a current Deputy Lieutenant.

**Thalej Vasishta** LLB(Hons) – Chair of Staff Council & Non-Executive Director of Steps to Employment Limited – **retired by rotation 26<sup>th</sup> April 2022**

Thalej joined the Board in 2013. As a solicitor and CEO of Paragon Law Thalej works primarily with UK companies wishing to employ skilled foreign nationals and overseas companies and individuals seeking to invest in or trade with the UK. He has previously been a board member of The Racial Equality Council (as it was known then), The Galleries of Justice Museum, and Young Enterprise (East Midlands). He is currently a founding and board member of the British Indian Business Forum.

**Shaun Walsh** BA(Hons) FCA – Chair of Oversight of Finance Group – **resigned 26<sup>th</sup> April 2022**

Shaun joined the Board in 2015. He is a former PWC Chartered Accountant. As Managing Partner of Business Growth Services, he helps business owners in a Consultant CFO capacity with his team to turnaround, raise finance and grow their businesses. Shaun is also the co-owner and CFO of a private equity group, the IBG Group, doing M&A in the construction and building services sector.

**Peter Emerson** DL – Chair of Estates Planning Group

Peter joined the Board in 2017. Peter retired as Commercial Director of Severfield PLC and Chief Operating Officer of Watson Steel in 2013. He now works as a consultant in the construction industry and for Laing O'Rourke Limited.

**Nick Aspley** LLB(Hons) – Lead Governor for the Prevent Duty – **resigned 26<sup>th</sup> April 2022**

Nick joined the Board of Governors in January 2015. He is a solicitor and partner in a leading local multi office law firm. He has worked in the local area for nearly 30 years and specialises in Family Law. He is a past member of the Law Society's Family Law Committee.

**Harvinder Atwal** – Chair of Portland College Enterprises Limited – **retired by rotation, 19<sup>th</sup> July 2022**

Harvinder joined the Board in 2015. She was formerly the Managing Director of bksb Limited, a West Nottinghamshire College owned business which has become the most successful online skills assessment and development company for functional skills/GCSEs in the UK.

**Professor Dean Fathers DL** – Lead governor for corporate governance

Dean joined the Board in 2017 when he was also Chair of ULHT. He was formerly Chair of Nottinghamshire Healthcare NHS Foundation Trust, on the Boards of both NHS Providers and the Greater Lincolnshire Local Enterprise Partnership and also a Non-Executive Director with the Parliamentary and Health Services Ombudsman. He has also recently been appointed as Chair of the National Centre for Organisational Resilience at the Lincoln International Business School (having formerly been a Professor in the Practice of Healthcare Management at Cass Business School) and is concurrently also a Visiting Professor in The Centre for Governance, Leadership and Global Responsibility at Leeds Business School.

**Amanda Farr DL MSc (Oxon)**

Amanda joined the Board in 2018. She has worked in NHS rehabilitation and mental health services for most of her career, latterly leading county primary care mental health services. She has been a visiting lecturer at Nottingham and Oxford Universities. She is co-owner of Sweeney and Farr Associates offering mental health treatments and organisational well-being. Amanda is the Chair of Nottingham Playhouse Board and has extensive experience in the voluntary sector in the city and county of Nottinghamshire and is a former High Sheriff and current Deputy Lieutenant of the county.

**Sarah Egley RGN BA(Hons) MA**

Sarah joined the Board in 2018. She is Assistant Director Quality Improvement, Innovation and Assurance for Derbyshire Community Health Services NHS Trust.

**Mark Briggs**

Mark joined the Board in 2019 and has extensive experience in the public and cultural sectors, has director level experience in business and transformation. Along with this, Mark is a former Paralympian with insight into sport, health and well-being.

**Joanne Butler**

Joanne joined the Board in 2021. She is an autism consultant working in education, workplaces, and other youth and adult organisations through her company SEND Support. Joe is the co-author of *Is That Clear? Effective Communication in a neuro-diverse world*. She was previously the Head teacher of an autism specialist school, and now offers specialist teaching advice for Nottinghamshire County Council.

**Councillor Samantha Deakin – co-opted member**

Samantha joined the Board in 2021 as Nottinghamshire County Council's representative. She is the County Councillor for the Ward where Portland College is located and also a Cabinet Member for Ashfield District Council.

Whilst the Charity benefits from a very strong and pro-active Board, the Governors have been diligent in auditing the skill set of existing members, developing a formal succession plan based on anticipated retirement dates and reviewing the strategic direction of the Charity to ensure that we retain that strength and can provide effective governance of the wide and increasing range of activities.

All new proposed Governor Appointments follow a full recruitment process, including application and interview with College Principal, Chair and Governor Panel ensuring commitment, skills and discovering any potential conflict of interest. This is then followed by a structured induction programme with the Senior Management team and ongoing training including safeguarding.

### **Liability Insurance**

During the year the College purchased Executive, Professional and Fidelity Liability Insurance, which covered the Directors and Officers of the College, at a cost of £9,202 (2021 - £1,150). In all cases the insurance indemnifies the College against losses incurred from wrongful acts that result in claims by third parties. In addition, the individual Directors or Officers are covered under the Executive Liability insurance policy against personal loss, as a result of claims made upon them for actions taken whilst acting in their capacity as Directors or Officers of the College.

### **Employment Policies**

It is the College's policy to have effective communication and consultation with its staff. We have a voluntary recognition agreement with the Trade Union (Unison) for all staff. Under the terms of this agreement, and our Staff Council Constitution, we consult on a variety of issues affecting terms and conditions of employment, which are regularly discussed, at least three times per annum at Staff Council. We also communicate via performance management tools such as individual performance reviews and supervisions, Leadership forum, team briefings, staff training days, frequent news bulletins and the Senior Management Team's core message to all staff members. The College is fully committed to Equality, Diversity and Inclusion (EDI) and publishes its gender pay gap annually. Portland College is an equal opportunities employer and is accredited as a Disability Confident and Mindful Employer, along with being a member of the National Autistic Society.

The College employed an average of 326 full-time equivalent people during the year, compared with 343 in 2020-21.

### **Senior team remuneration statement**

This statement is published by the Board of Governors of Portland College for the financial year 2021-22, informed by the Association of Colleges' *Senior Postholder Remuneration Code*.

### **Senior post holders within the remit of Remuneration Committee**

Principal & Chief Executive Officer	Mark Dale
Deputy Principal Quality & Further Education	Angela Newton-Soanes
Assistant Principal Corporate Services	Lisa Kenwright
Assistant Principal Care & Designated Safeguarding Lead	Ike Onwukwe
Assistant Principal Development	Edward Johnstone
Assistant Principal Schools	Shaun Pollard

### **Policy on the remuneration of senior post holders**

The Remuneration Committee seeks to recruit, retain and reward the best possible staff to deliver the College's strategic objectives and effectively lead operations. The Committee uses external benchmark information, notably the *Association of Colleges Senior Pay Survey Report*, and local labour market information to agree appropriate levels.

All roles in the College are graded using an established market leader system of job evaluation, Croner Reward™. The objective is to implement equal pay for work of equal value.

The Board of Governors sets an Annual Cost of Living rise on 1<sup>st</sup> April each year and Remuneration Committee takes account of the annual pay award when determining whether or not to apply a cost of living increase to senior post holders.

The College does not have a performance related pay scheme. The College does have an exceptional performance bonus procedure, which could be applied to a senior post holder on the recommendation of her or his line manager. Any recommendation would be subject to approval by the Remuneration Committee. Exceptional performance bonuses are non-consolidated and non-pensionable.

The College offers two pension schemes to employees: Teachers' Pension Scheme for eligible employees and a defined contribution scheme available to any employee.

Remuneration Committee approved a cost of living rise of 3% for senior post-holders from 1<sup>st</sup> April 2022.

Cost of living rises for other staff varied between 11% and 3% depending on their pay grade.

**Policy on income derived from external activities**

Staff are supported to undertake external work in certain circumstances, e.g. service in the Reserve Armed Forces, acting as an Ofsted or CQC Inspector or CQC Expert, consultancy projects that would develop the skills of the staff member or enhance their knowledge and understanding in relation to their substantive role. Normally external work should not exceed 10 working days per annum. Special leave will be granted in approved circumstances. The staff member may retain any earnings from up to 10 days external work per annum.

In 2021-22 the Deputy Principal retained external earnings from 10 days work as an Ofsted Inspector.

**Pay multiple of the Principal & Chief Executive officer in relation to the lowest paid full-time equivalent salary at the College**

Date	Pay Multiple of the CEO/Principal	Lowest full-time equivalent salary
31 <sup>st</sup> August 2022	5.41 (5.60 in 2021)	£18,525

**Any other relevant matters**

None.

**Objectives and activities**

Portland Charity operates a vibrant, national college for people with a wide range of disabilities. It is one of the foremost Colleges of its type in the United Kingdom, providing good learning opportunities for well over 450 learners, residents and citizens aged from 16 upwards. The College's principal objectives, set out in Article 5 of its Articles of Association, are "For the public benefit to advance the education of and promote the relief of persons with disabilities by any and every means".

The vision statement of the Charity is that all people with disabilities will have a lifetime of opportunity. Our mission is to deliver excellent programmes to inspire and empower people with disabilities to live more independent and fulfilling lives. The Charity will achieve this ambition by concentrating on its three strategic goals:

- An increased number of beneficiaries will be able to access a wider, more diversified service offer and will achieve improved health and/or fitness through participation.

- An increased number of beneficiaries will be able to access a more diversified service offer and will achieve their core goals to lead a more independent life.
- An increased number of people benefitting from employability programmes, achieving and sustaining work (both waged and voluntary) or being enabled to access other provision.

The College focuses on supporting student achievement and progression, collaborating and co-operating with others. In particular the College has striven to produce clear evidence that the quality of the provision made for its students demonstrates the it's the impact of these strategic themes. The Directors confirm that during their consideration of the college-wide philosophy, due regard of Charity Commission guidance on public benefit has been taken account of and acted upon, where necessary.

The main activities undertaken by the College are student teaching, learning and assessment carried out by the Further Education team supported by therapy teams and Residential Learning. In adult social care we provide residential and day services including short breaks/respice. The other activities in line with our Articles of Association objectives include an employment support programme, Recovery College and the fully inclusive Woodland Adventure Zone. In 2021-22 there were a number of commercial activities including Portland Print and hospitality functions.

Polly Teach Ltd was established in 2014 and joined the Portland Group in September 2020, providing high-quality individual and group tuition for young people who are disengaged from mainstream education. Combining social work, with teaching practice and youth work, Polly Teach provides bespoke learning programmes to young people with a range of emotional, social, and behavioural difficulties that make it difficult for them to attend school. Polly Teach is an Ofsted registered school with full time on roll pupils as well as part time pupils referred by local authorities or through subcontract from schools providing core educational programmes (Maths, English and Science) and vocational programmes for pupils at Key Stages 2, 3 and 4.

### **Volunteers**

Portland values the significant contributions from approximately 45 volunteers who support in a variety of roles, including learning and care support, catering, estates maintenance, administration and minibus driving. The Volunteer and CSR Coordinator also supports local businesses to meet their Corporate Social Responsibility objectives by promoting and facilitating charitable activities.

## **Strategic Report**

### **Achievements and performance**

#### **Charitable Activities**

The principal activity of Portland College is to provide the appropriate level of learning & teaching and care support for people with disabilities. Learners and citizens are funded principally by Local Authorities and the Education and Skills Funding Agency (ESFA) who cover the direct and support costs of the placement. The college fundraises to cover the cost of new facilities and equipment to enhance the experience and learning of learners and citizens.

Need, rather than ability to pay, is the key determinant of whether prospective learners access our learning and teaching programmes. The Directors are therefore fully satisfied that our activities meet the legal public benefit requirement.

#### **Funding**

The primary sources of funding for Portland College are student fees and residential care fees. Student education and residential fees are funded via the ESFA and local authorities whilst residential and day service fees were received from adult social care and health authorities.

#### **Learning and teaching**

During 2021-22 funded learner numbers stabilised at around 196 and success rates for these learners on accredited qualifications continued to show that good progress is made in line with goals and aspirations.

The College was rated as 'good' by Ofsted in all aspects of regulated educational provision in November 2017. We are confident that the curriculum review and offer has further developed, including the new construction trades area and the introduction of health and social care. Our Be Healthy Active and Courageous project underpins all aspects of the FE offer and we continue to see the positive impact of this on our learners' mental and physical health. Our FE intent and implementation align well with the new Education Inspection Framework.

Learner target achievement rate improved in RARPA 98% (89% in 2021) and maths & English 96% (84% in 2021). During 2021-22 there were significantly improved outcomes and achievements in independent travel training. The number of learners benefiting from a dedicated assistive technology assessment increased to 44 (18 in 2021) with new teaching facilities including a smart home teaching facility enabled thanks to a significant charitable gift from the Ian Karten Trust. The quality and impact of internal work experience opportunities was also substantially improved. We made more progress towards our aspiration to model a total communication environment. Our Information, Advice and Guidance Team retained the Matrix standard accreditation for a further 3 year period.

Safeguarding arrangements are a strength of the College and we have implemented the government 'prevent' agenda effectively. Learners feel safe and staff are skilled in supporting learners who find transition into the college environment a challenge. In 2022 we strengthened the focus on developing learners' and staff knowledge of the signs of possible sexual exploitation and how to respond to it.

#### **Care**

Citizens access our care provision in a range of ways through the Day Service, Residential Learning, Short Breaks or Independent Living programme. The Day Service provision is classed as non-regulated, whilst the others are as all regulated by the Care Quality Commission. All care services are widely considered to be caring and person-centred with demonstrable outcomes. We have been able to build on the excellent reputation of the College, by improving and widening the impact of our offer to learners and citizens (the preferred term, rather than resident or service user). Regulated services are inspected by the Care Quality Commission and Portland Freedom was rated Good at the most recent inspection (May 2018).

In the Day Services our market position as a quality provider has continued to strengthen and demand for places continued to be exceptionally high. We could not meet all demands for places in our campus-based provision so it was necessary to develop the service in the community. This is also a key objective in our Lifetime of Opportunity vision. We have made excellent progress this year in establishing community hubs 5 days a week from 3 venues in Mansfield and Ravenshead. Plans are also in place to start a Wollaton hub in Autumn 2022. The Wollaton hub could offer longer term placements and potentially short-term enablement opportunities which fits with the Nottinghamshire Day Opportunities Strategy 2022-27. The hubs development has positioned us well to meet the changing local council market strategy with the planned implementation of the Nottinghamshire Day Opportunities strategy which would require flexible day service provision. Furthermore, our IL stepdown service has seen the successful transition of citizens into the community with increased referrals from the county as a result.

We experienced a period of unusual high staff turnover in the first quarter triggered mostly by the cost of living crisis. There was swift intervention by the College with a pay review for all care support staff which had the expected positive impact showing a significant reduction in turnover from the 2<sup>nd</sup> quarter onwards. However, this is still kept under review due to the continued economic situation. We also have created a career development pathway and succession plan process which will be used to attract, develop and retain skilled care support workers and managers to ensure sustainability. This plan will be implemented in the coming year.

The impact of the high staff turnover and Covid infection rates meant that we had to close our Short Breaks service for a period of time during the year. This allowed us to redeploy staff to the IL and FE residential services whose citizens are classed as living permanently on the College campus. We subsequently reopened the Short Breaks service after the renovation of the former business units in the Beeches to offer a high quality, consolidated living environment with strong accessibility and inclusion features. When re-opened we have operated at reduced capacity whilst we recruit and train new staff. Despite this the disruptions to normal service, overall demand and number of clients was sustained and with positive outcomes for citizens.

Our focus was also to continue the care quality consolidation, which has seen a massive improvement in care practice and a sustained shift in staff culture towards best practice as the norm rather than the exception. We now have clearly evident elements of outstanding practice within our day-to-day operations. We recorded examples of staff going above and beyond at personal cost and sacrifice to maintain person-centred care for our beneficiaries. We also recorded examples of our beneficiaries achieving their goals and aspirations, enabled by the support from our staff. For instance, we have several examples of authorised restrictive support reduced or removed entirely giving the respective citizens greater independence. We therefore plan to sustain and further improve the high-quality learning and support across all our care provision, ensuring demonstrable outcomes for all our beneficiaries.

### **Polly Teach Limited**

The Charity acquired the remaining tranche of shares in Polly Teach Limited on 30th June 2022. The alternative provision school has been subject to some investment and is being managed to achieve growth and generate an investible surplus to the support the Charity.

During the year student numbers exceed expectation as school education returned to normal following the final Covid lockdown in the summer of 2021. Two new sites were opened. First, a re-purposed accommodation block on the main Portland College campus accommodating a brand new Key Stage 2 offer and relocating Key Stage 3 provision for pupils with EHCPs and/or social emotional & mental health support needs from poorer quality accommodation at Kirkby Cross. Second, a small alternative provision using community facilities in Worksop – this location enabled us to make provision closer to pupils homes.

### **Fundraising and Other Matters**

The fundraising team continues to raise funds via applications to trusts, individuals, organisations, and by organising a number of fund-raising events throughout the year. Although events were still somewhat limited due to the impact of Covid-19, charitable income including grants totalled £507k during 2021-22 (£814k in 2020-21). This decrease in income stemmed primarily from the capital appeals for the Newstart Theatre and sports hall refurbishment that occurred during 2020-21. There were also significant pledges for finance to create a new manufacturing workshop to be co-located with the construction trades learning centre which was based on a re-purposed sports hall which became available when the Newstart Theatre re-opened.

The Covid-19 pandemic had a lingering impact on the number of beneficiaries in Portland Pathways, with low levels of referrals on to the bespoke employment advice programme in the first quarter of the year. Referrals and job outcomes improved in the latter part of the year and the Pathways teams supported 53 individuals into employment (41 in 2021), whilst 113 participants completed Recovery College courses (26 in 2021).

## Financial review

### Group Operating Results

The net income for the year ended 31 August 2022 was a surplus of £611k (£653k in 2021).

The Directors Memorandum Note on page 21 demonstrates that the College operated at a surplus of £1,697k (£1,588k in 2021) before the extraordinary expenditure of reorganisation and pension deficit repayment and the non-cash item of Depreciation. This, therefore, represents the College's EBITDA (Earnings before Interest, Taxes, Depreciation and Amortisation) result for the year.

### Reserves Policy

Reserves are those funds available to the College once it has met its commitments and covered planned expenditure. The Unrestricted Free Reserves retained as at 31 August 2022 were £11,656k (2021: £11,726k).

The Group / College retain 'Free' Reserves at a level that would meet unforeseen shortfalls in short-term income streams. The basis of calculation of Free Reserves agreed by the Directors is three months expenditure. Free Reserves do not include Restricted or Designated Funds and are included within General College unrestricted funds of £13,236k (note 22a). The Designated Funds as at 31 August 2022 total £1,580k (£1,100k as at 31 August 2021) and are listed in Note 22a of the Financial Statements. They provision is for on-going future liabilities (Defined Benefit Pension Scheme Liability - £580k) and provision for future projects (£1,000k). The Directors have approved a campus master plan which sets out a 10-year capital programme (to approximately 2027) to further develop our woodland campus into the premier further education destination for disabled people in the UK.

The level of the Free Reserves required to cover 3 months expenditure is £2,964k as at 31 August 2022 (2021: £2,591k). The actual unrestricted reserve funds at year end were £1,675k which below the level required in the current reserves policy. Whilst reserves are not at policy level, the group is making returns and levels are expected to increase in future periods and recognises the growth of the group over recent years. The Directors undertake a formal review of the Reserves Policy every year and they are satisfied that the current level meets College requirements.

### Investment Powers and Policy

The Directors require the best use to be made of available cash resources through the prudent placement of fixed-term investments. Fixed-term UK bank deposits totalled £1,500k as at the Balance Sheet date 31<sup>st</sup> August 2022 (2021: £2,200k) and Cash at Bank on Deposit stood at £1,497k (2021: £2,242k). Total Cash and cash equivalents at bank decreased by £745k during the year, mainly due to temporary working capital fluctuations and capital expenditure investment in building improvements, and fixtures and fitting.

The annual return on investments was £13k (2021: £36k).

### Fixed Assets

Changes in Fixed Assets are shown in Note 12 to the Financial Statements. In the opinion of the Directors the market value of the freehold property may differ from the book value, but as there is no intention of disposing of any premises it is therefore not considered appropriate to quantify the difference.

### Risk management

A regular assessment of risk is carried out, covering financial and non-financial risks to which the College is exposed, with a particular emphasis on those risks which involve beneficiaries. This assessment is formally reviewed at every main Board meeting, with the Audit Committee able to scrutinise risk management in more detail where directed by the Board. Each identified risk is RAG rated, allocated to an individual senior manager and actions identified to minimise the overall risks. The risk register is an interactive document that is continually reviewed and updated

by the Senior team which not only identifies the risk, but helps manage the delivery of specific actions identified.

The main area of risk for the organisation are considered to be:

- Learners and Citizens have outcomes below their potential owing to a lack of suitable external opportunities on leaving the college
- A risk that staff do not have the skills to effectively support our current cohort of learners and citizens
- Reputational damage following a safeguarding or Prevent incident involving a learner or citizen
- Cyber Security risk through virus and cyber-attack leading to loss of information's system controlling all areas of the College business and campus security
- Inability to recruit and retain sufficient number of care support workers
- Water leaks as a result of ageing infrastructure leading to significant operational disruption and increased costs
- Price and wage inflation leading to financial instability

### **Plans for future periods**

The Board of Governors have worked with the Senior Management Team to develop an ambitious 5-year plan, entitled *A Lifetime of Opportunity* which reflects the recent vision statement adopted by the Charity. The plan has been through an extensive period of stakeholder consultation and engagement and the Directors are confident that the investment and development will result in increased public benefit as defined through the Articles of Association. The plan anticipates that all current core programmes will also continue to operate, serving an increased number of beneficiaries during the plan period.

The plan contains significant ambitions to geographically extend the range and number of further and adult education opportunities through the creation of hub sites in Nottingham and a number of other towns. This will enable the Charity to benefit more individuals every year, following a period of successful expansion, 2017-20.

Building on the success of major refurbishment projects and the creation of the award-winning Woodland Adventure Zone, the Directors are supporting substantial new investment during the plan period:

- Redevelopment of an existing 60 bed student residence, converted to 36 Independent Living flats with some communal facilities. This will create high quality housing suitable for younger disabled adults – an area of considerable housing shortage locally and nationally.
- Redesign of the small animal farm and horticulture areas. The current facilities range between 70 and 15 years old and are all but life-expired. Purposeful outdoor work remains a popular area for people with complex disabilities and also provides wider therapeutic and educational opportunities (e.g. education for sustainability linked to the United Nations sustainability goals).
- Construction of a light manufacturing workshop. This project complements and completes the recent investment into construction trades and is carefully mapped on to the local

jobs market where there is continuous demand for labour in furniture manufacturing. The investment will be substantially funded by the Government's Towns Fund.

- A renewal of the main campus core infrastructure including the water main, electricity main and campus data cable network.
- Investment in energy generation and lower carbon heating technologies to support a drive toward Net Zero in Scope 1 emissions by 2035.

Other core development actions seek to address issues such as the lack of transport for people with complex physical disabilities or learning disabilities who can't successfully use public transport or adapted mobility vehicles. This seeks to deploy the Charity's own transport fleet more intensively to create new opportunities to adults with disabilities to access adult education, therapies and social programmes. At the same time, we are beginning a programme of vehicle replacements with new electric vehicles.

With the key focus on health and well-being in our 5-year plan, we have identified the potential for people with certain disabilities to benefit from access to therapeutic services (e.g. physiotherapy and hydrotherapy) which are not available via the NHS. We are currently researching how to widen access in a financially sustainable manner based on need rather than the individual's ability to pay.

In 2023 the Charity will continue to operate two public engagement programmes to capitalise on the significant investment in new and refurbished facilities such as the Woodland Adventure Zone and Newstart Theatre. These facilities will often be let, free of rent, to education and community groups whose core purpose aligns with the Charity's own objects. There will be other programmes of public benefit, open to all, operated by the College.

### **Statement of Directors' Responsibilities**

The Directors are responsible for preparing the Report of the Directors, Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's Auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors Report and Strategic Report approved on 16<sup>th</sup> May 2023



**T S Richmond**  
(Director)

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PORTLAND COLLEGE**

---

### **Opinion**

We have audited the financial statements of Portland College ("the company") and its subsidiaries ("the group") for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Company Balance Sheets, the Consolidated Statement of Cash Flows and the related notes including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 'The financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities SORP 2019.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 August 2022 and of the incoming resources and application of resources, including its income and expenditure, for the year ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

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

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the directors' report, other than the financial statements and

our audit report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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

### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditor's responsibilities for the audit of the financial statements**

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

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

Our assessment focused on key laws and regulations the College has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities, including fraud. Our approach to detecting irregularities, including fraud, included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the College and how the College is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the College's control environment and how the College has applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the College's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection of fraud based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial

statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

### **Use of our report**

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

**Simon Atkins FCA**  
**Senior Statutory**  
**Auditor**

*Cooper Pary Group Ltd.*

For and on behalf of

Date: **30 May 2023**

**COOPER PARRY GROUP LIMITED**  
Statutory Auditors

Sky View, Argosy Road, East Midlands Airport, Castle Donington, Derby, DE74 2SA

## PORTLAND COLLEGE

### CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000	Total 2021 £'000
<b>Income from:</b>	1(d)				
Charitable Activities	2	11,213	-	11,213	10,321
Other Trading Activities	3	2,129	-	2,129	1,239
Donations, Legacies and Grants	4	64	443	507	814
Investment Income	5	13	-	13	36
<b>Total Income</b>		<b>13,419</b>	<b>443</b>	<b>13,862</b>	<b>12,410</b>
<b>Expenditure on:</b>	1(e)				
Raising Funds		95	-	95	124
Charitable Activities	6	10,821	26	10,847	10,870
Other Activities	8	2,174	135	2,309	763
<b>Total Expenditure</b>		<b>13,090</b>	<b>161</b>	<b>13,251</b>	<b>11,757</b>
Net Income for the year		329	282	611	653
Transfers Between Funds	22(a)/(b)	225	(225)	-	-
<b>Net Income/(Expenditure) before Other Recognised Gains and Losses</b>		<b>554</b>	<b>57</b>	<b>611</b>	<b>653</b>
Other Recognised Gains and Losses		-	-	-	-
Defined Benefit Pension Scheme Actuarial (loss)/gain	30	139	-	139	523
<b>Net Movement in Funds</b>		<b>693</b>	<b>57</b>	<b>750</b>	<b>1,176</b>
Reconciliation of Funds					
Fund Balances Brought Forward	24(a)/(b)	12,542	140	12,682	11,506
<b>Fund Balances Carried Forward at End of Year</b>		<b>13,235</b>	<b>197</b>	<b>13,432</b>	<b>12,682</b>

None of the Group's activities was acquired or discontinued during the past two financial periods.

The notes on pages 25 to 45 form part of these Financial Statements.

## PORTLAND COLLEGE

### CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED))

#### MEMORANDUM NOTE *(this does not form part of the Audited Financial Statements)*

##### Re-Statement of Revenue Performance in EBITDA Format:

	2022		2021	
	£'000	£'000	£'000	£'000
<b>Operating Surplus before Exceptional Items and Depreciation</b>		<b>1,697</b>		<b>1,588</b>
Less: Extraordinary Expenditure				
Deficit Recovery for Defined Benefit Pension Scheme	(219)		(215)	
		<u>(219)</u>		<u>(215)</u>
<b>Surplus before Non-Cash Items</b>		<b>1,478</b>		<b>1,373</b>
Depreciation	(951)		(806)	
Amortisation	(61)		(48)	
FRS102 - Pension Charge Against Operating Surplus	145		134	
		<u>(867)</u>		<u>(720)</u>
<b>Net (Expenditure) / Income Before Other Recognised Gains and Losses</b>		<b>611</b>		<b>653</b>

**PORTLAND COLLEGE**  
**CONSOLIDATED BALANCE SHEET AS AT 31 AUGUST 2022**  
 Company Registration Number 00408340

		31 AUGUST 2022	31 AUGUST 2021
	Note	£'000	£'000
<b>Fixed Assets</b>			
Intangible Assets	12(a)	438	434
Tangible Assets	12(b)	9,543	9,929
<b>Total Fixed Assets</b>		<b>9,981</b>	<b>10,363</b>
<b>Current Assets</b>			
Stocks	14	25	18
Debtors	15	2,795	549
Investments	16	1,500	2,200
Cash at Bank on Deposit		1,287	1,952
Cash at Bank and in Hand		209	290
		<b>5,816</b>	<b>5,009</b>
Creditors:- Amounts Falling Due Within One Year	17	(2,365)	(2,406)
<b>Net Current Assets</b>		<b>3,451</b>	<b>2,603</b>
<b>Net Assets Excluding Pension Liability</b>		<b>13,432</b>	<b>12,966</b>
Defined Benefit Pension Scheme Liability	30	-	(284)
<b>Net Assets Including Pension Liability</b>	20	<b>13,432</b>	<b>12,682</b>
<b>The Funds of the Group</b>			
Restricted Income Funds	22(b)	197	140
Unrestricted Income Funds			
General Group Funds	22(a)	11,655	11,726
Designated Funds	22(a)	1,580	1,100
<b>Unrestricted Income Funds Excluding Pension Liability</b>		<b>13,235</b>	<b>12,826</b>
Pension Reserve	30	-	(284)
<b>Total Unrestricted Funds</b>		<b>13,235</b>	<b>12,542</b>
<b>Total Group Funds</b>	20	<b>13,432</b>	<b>12,682</b>

The notes on pages 25 to 45 form part of these Financial Statements.

These accounts were approved and authorised for issue by The Board of Directors and signed on its behalf by:



T S Richmond  
 Director

Date: 16 May 2023

# PORTLAND COLLEGE

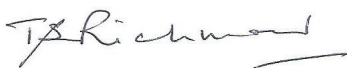
## PARENT CHARITABLE COMPANY BALANCE SHEET AS AT 31 AUGUST 2022

Company Registration Number 00408340

	Note	31 AUGUST 2022 £'000	31 AUGUST 2021 £'000
<b>Fixed Assets</b>			
Tangible Assets	12(c)	9,511	9,910
Investments - Subsidiary and Associated Undertaking	12(d)	450	450
<b>Total Fixed Assets</b>		<b>9,961</b>	<b>10,360</b>
<b>Current Assets</b>			
Stocks	14	16	10
Debtors	15	2,422	563
Investments	16	1,500	2,200
Cash at Bank on Deposit		1,288	1,952
Cash at Bank and in Hand		18	4
		<b>5,244</b>	<b>4,729</b>
Creditors:- Amounts Falling Due Within One Year	17	(1,942)	(2,024)
<b>Net Current Assets</b>		<b>3,302</b>	<b>2,705</b>
<b>Net Assets Excluding Pension Liability</b>		<b>13,263</b>	<b>13,065</b>
Defined Benefit Pension Scheme Liability	30	-	(284)
<b>Net Assets Including Pension Liability</b>	21	<b>13,263</b>	<b>12,781</b>
<b>The Funds of the Charity</b>			
<b>Restricted Income Funds</b>			
General College Fund	23(b)	197	140
Designated Funds	23(a)	11,486	11,825
	23(a)	1,580	1,100
<b>Unrestricted Income Funds Excluding Pension Liability</b>		<b>13,066</b>	<b>12,925</b>
Pension Reserve	30	-	(284)
<b>Total Unrestricted Funds</b>		<b>13,066</b>	<b>12,641</b>
<b>Total Charity Funds</b>	21	<b>13,263</b>	<b>12,781</b>

The notes on pages 25 to 45 form part of these Financial Statements.

These accounts were approved and authorised for issue by The Board of Directors and signed on its behalf by:



T S Richmond  
Director

Date: 16 May 2023

**PORTLAND COLLEGE CONSOLIDATED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	2022 £'000	2021 £'000
<b>Net Cash Provided By Operating Activities</b>	28	<b>(839)</b>	<b>2,336</b>
<b>Cash Flow From Investing Activities</b>			
Purchase of Property, Plant and Equipment	12(b)	(577)	(1,962)
Purchase of Investments	12(d)	-	-
Purchase of Subsidiary net of cash acquired	12(a)	(65)	(164)
Proceeds From the Sale of Property, Plant and Equipment	12(b)	22	-
Proceeds From the Sale of Investments	12(b)	-	274
Investment and Other Income	5	13	36
<b>Net Cash Used in Investing Activities</b>		<b>(607)</b>	<b>(1,816)</b>
<b>Change in Cash and Cash Equivalents in the Reporting Period</b>		<b>(1,446)</b>	<b>520</b>
<b>Cash and Cash Equivalents at 1 September 2021</b>		<b>4,442</b>	<b>3,922</b>
<b>Cash and Cash Equivalents at 31 August 2022</b>		<b>2,996</b>	<b>4,442</b>
<b>Cash and Cash Equivalents Consists of:</b>			
Cash in Hand, at Bank		1,496	2,242
Current Asset Investments	16	1,500	2,200
<b>Cash and Cash Equivalents at 31 August 2022</b>		<b>2,996</b>	<b>4,442</b>

The notes on pages 25 to 45 form part of these financial statements.

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

### 1. ACCOUNTING POLICIES

#### (a) General information and basis of preparation

The group financial statements have been prepared on a going concern basis under the historical cost convention, modified to incorporate the inclusion of Fixed Asset Investments at fair value. They are prepared in Sterling which is the functional currency of the College and rounded to the nearest £000. They comply with the requirements of the Companies Act 2006 and the provisions of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in 2019. The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the College and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis. The results of the associated undertaking are excluded from the consolidation on the basis that it is immaterial.

Advantage has been taken of exemptions given under section 408 of the Companies Act 2006 not to present a separate SOFA for Portland College.

Portland College meets the definition of a public benefit entity under FRS 102; assets and liabilities are initially stated at historical cost or transition value unless otherwise stated in the relevant accounting policy note(s).

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

Results of Portland College - Total incoming resources for the year ended 31 August 2022 for Portland College (the charity) amounted to £12,243k (2021 - £11,754k). Net incoming resources for the year produced a surplus of £751k (2021 - £1,176).

#### (b) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

#### (c) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

#### (d) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

### 1. ACCOUNTING POLICIES

#### (d) Income recognition (Continued)

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The charity receives government grants in respect of Education and Skills Funding Agency (ESFA). Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends & interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

#### (e) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes the costs of commercial trading;
- Expenditure on charitable activities includes the cost of educational activities undertaken to further the purposes of the charity and their associated support costs; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

#### (f) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

### 1. ACCOUNTING POLICIES

#### (f) Support costs allocation (continued)

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 6(b), along with the bases on which support costs have been allocated.

#### (g) Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Donated stocks are fair valued as described in (d) above.

#### (h) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Defined Contribution Pension Scheme - The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable in accordance with the rules of the scheme.

Defined Benefit Pension Scheme - The charity operates a defined benefit plan for the benefit of its employees. A liability for the charity's obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period as is charged to cost headings on a pro rata basis based on full time equivalent employees. The total cost is recognised in unrestricted funds. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date. Details of the College's defined benefit scheme are shown in notes 26 and 28.

#### (i) Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Investments in subsidiaries / joint ventures / associates are measured at cost less impairment.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

#### (i) Intangible fixed assets

Goodwill represents the difference between the amounts paid on acquisition of a business combination and the acquirer's interest in the fair value of the share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis over its useful economic life which is considered to be 10 years.

#### (k) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

### 1. ACCOUNTING POLICIES

#### (k) Tangible fixed assets (continued)

Freehold Buildings		10 to 40 years (note (i))
Furniture and Equipment	- Computers	5 years
	- IT Network	7 years
	- Production/Technical Equipment	5 years
	- Other	10 years
Transport		5 years

#### Notes

- (i) Freehold Buildings - Note that freehold buildings also includes the cost of building improvements and refurbishment projects. The life expectancy of each building is assessed individually.
- (ii) Items costing less than £500 are written off as expenditure in the year of purchase unless part of a larger project spend.

#### (l) Operating Leases

Rentals payable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

#### (m) Tax

The charity 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.

Portland College Enterprises Limited is liable for Corporation Tax and the liability is based on the result for the year as adjusted for disallowable items. However an agreement is in place whereby all profits are donated to the College.

Polly Teach Limited is liable for Corporation Tax and liability is based on the result for the year as adjusted for disallowable items.

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>2. INCOME FROM CHARITABLE ACTIVITIES</b>		
Educational fees	6,803	6,265
Residential fees	4,106	3,967
Other fees	304	89
	<b>11,213</b>	<b>10,321</b>

All of the above income was distributable to unrestricted funds in both years.

### 3. INCOME FROM OTHER TRADING ACTIVITIES

Portland Print	120	105
Furlough	-	123
Polly Teach Limited	1,407	758
Other Trading Income	602	253
	<b>2,129</b>	<b>1,239</b>

All of the above income was distributable to unrestricted funds in both years.

### 4. INCOME FROM DONATIONS, LEGACIES AND GRANTS

Legacies	6	-
Grants	269	129
Donations	232	685
	<b>507</b>	<b>814</b>

Donations in excess of £2k were received from Active Partnership Trust, Ella Kirk Charitable Foundation, Mr Penny (Legacy), Sir John Eastwood Foundation, National Lottery Reaching Communities, The Thomas Farr Charity, The Lady Hind Trust and BBC Children in Need.

Of the above income of £507k (2021: £814k), £64k (2021: £4k) was attributable to unrestricted funds and £443k (2021: £810k) was attributable to restricted funds.

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>5. INVESTMENT INCOME</b>		
Bank Interest	7	12
UK Listed Investments	6	24
	<b>13</b>	<b>36</b>

All of the above income was distributable to unrestricted funds in both years.

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

### 6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Activities undertaken directly £'000	Support Costs £'000	Total £'000	2021 Total £'000
Education	3,646	2,134	5,780	5,792
Care & Support	3,308	1,760	5,068	5,078
	<b>6,953</b>	<b>3,894</b>	<b>10,847</b>	<b>10,870</b>

£251k (2021 - £942k) of the above costs were attributable to restricted funds. £10,611k (2021 - £8,655k) of the above costs were attributable to unrestricted funds.

### 7. ALLOCATION OF SUPPORT COSTS

Support cost	Basis of allocation	Education £'000	Care & Support £'000	Activities & Raising funds £'000	Total £'000	2021 Total £'000
Learner Support Costs	Area/ usage	981	741	35	1,757	1,646
Corporate Services	FTEs	721	581	23	1,325	1,690
Depreciation	Asset location	432	438	81	951	854
		<b>2,134</b>	<b>1,760</b>	<b>139</b>	<b>4,033</b>	<b>4,190</b>

### 8. EXPENDITURE ON OTHER ACTIVITIES

	2022 £'000	2021 £'000
Other trading	2,170	530
Administrative Expenses	139	233
	<b>2,309</b>	<b>763</b>

### 9. GOVERNANCE COSTS-INCLUDED WITHIN SUPPORT COSTS

	2022 £'000	2021 £'000
Auditors remuneration - Current Year	40	32
Other Professional Costs	74	95
	<b>114</b>	<b>127</b>

### 10. NET INCOME / (EXPENDITURE) is stated after charging :-

	2022 £'000	2021 £'000
<b>Auditor's Remuneration</b>		
Auditors Remuneration - Audit	26	32
Less: Allowance included within Donations & Gifts	-	(9)
	<b>26</b>	<b>23</b>
<b>Auditor's Remuneration - Other Services</b>		
Audit of the Charity's Subsidiary Pursuant to Legislation	10	7
Other Services Relating to Taxation	4	3
All Other Services	-	-
	<b>40</b>	<b>33</b>
<b>Operating Leases</b>		
Operating Leases - all with less than 1 Year remaining	22	6
Operating Leases - 2 - 5 Years remaining	-	-
	<b>22</b>	<b>6</b>
<b>Rental Agreements</b>		
	-	6

The above operating leases and rental agreements all relate to equipment.

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

### 11. EMPLOYEE INFORMATION

The average number of people employed and full time equivalents (FTE) during the year was as follows :-

	2022 Number	2022 FTE	2021 Number	2021 FTE
Education	170	128	189	153
Care & Support	160	129	144	127
General Learner Support	49	44	39	34
Corporate Services	26	21	23	21
Trading Activities	11	2	30	6
Fundraising	2	2	2	2
	<b>418</b>	<b>326</b>	<b>427</b>	<b>343</b>

In addition a total of 45 Volunteers (2021: 45) made a contribution to the College in a variety of ways.

#### Employment Costs for the year were:

	2022 £'000	2021 £'000
Wages and Salaries	8,200	7,724
Supply Costs	517	279
Employer's National Insurance Contributions	585	543
Employer's Pension Contributions	364	379
Life Assurance Contributions	63	35
	<b>9,729</b>	<b>8,960</b>

The College consider its key management personnel to comprise the Senior Management Team (as detailed on page 2).

The total employment benefits including employer pension contributions and employer national insurance of the key management personnel were £440k (2021: £460k). For highest paid staff, one employee had employee benefits in the range of £60k to £70k, no employees had employee benefits in the range of £70k to £80k (2021: one) and one employee had benefits in the range of £100k-£110k (2021: one).

Redundancy payments made during the year were £45k (2021: nil) due to departmental reorganisations.

No Trustees received any remuneration in either 2022 or 2021.

#### The Board of Governors

The Governors and committee members are entitled to reclaim travel expenses incurred in the course of their duties. During the year no (2021 - nil) Governors received reimbursement of expenses totalling £Nil (2021 - £Nil), of which £nil (2021 - £nil) was Gift Aided back to the College.

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

### 12. FIXED ASSETS

#### (a) Intangible Assets

Group	Goodwill	Total
<b>Cost or valuation</b>		
At 1 September 2021	482	482
Additions	65	65
Disposals	-	-
<b>At 31 August 2022</b>	<b>547</b>	<b>547</b>
<b>Amortisation</b>		
At 1 September 2021	48	48
Charge for the year on owned assets	61	61
Disposals	-	-
<b>At 31 August 2022</b>	<b>109</b>	<b>109</b>
<b>Net Book Value</b>		
At 1 September 2021	434	434
<b>At 31 August 2022</b>	<b>438</b>	<b>438</b>

Group	Freehold Land & Buildings £'000	Furniture & Equipment £'000	Transport £'000	Assets Under Construction £'000	Total £'000
<b>Cost</b>					
At 1 September 2021	20,800	3,376	262	-	24,438
Additions	418	141	-	18	577
Disposals	-	(210)	-	-	(210)
Asset Category Adjustment	36	(4)	-	-	32
<b>At 31 August 2022</b>	<b>21,254</b>	<b>3,303</b>	<b>262</b>	<b>18</b>	<b>24,837</b>
<b>Depreciation</b>					
At 1 September 2021	11,775	2,534	200	-	14,509
Charge for Year	756	163	27	-	946
Eliminated on Disposal	-	(150)	-	-	(150)
Asset Category Adjustment	(1)	(10)	-	-	(11)
<b>At 31 August 2022</b>	<b>12,530</b>	<b>2,537</b>	<b>227</b>	<b>-</b>	<b>15,294</b>
<b>Net Book Value</b>					
At 1 September 2021	9,025	842	62	-	9,929
<b>At 31 August 2022</b>	<b>8,724</b>	<b>766</b>	<b>35</b>	<b>18</b>	<b>9,543</b>

Group	Freehold Land & Buildings £'000	Furniture & Equipment £'000	Transport £'000	Assets Under Construction £'000	Total £'000
<b>Cost</b>					
At 1 September 2021	20,800	3,350	262	-	24,412
Additions	394	141	-	18	554
Disposals	-	(182)	-	-	(182)
Asset Category Adjustment	36	(33)	-	-	3
<b>At 31 August 2022</b>	<b>21,230</b>	<b>3,276</b>	<b>262</b>	<b>18</b>	<b>24,787</b>
<b>Depreciation</b>					
At 1 September 2021	11,775	2,527	200	-	14,502
Charge for Year	756	164	26	-	946
Eliminated on Disposal	-	(182)	-	-	(182)
Asset Category Adjustment	(1)	11	-	-	10
<b>At 31 August 2022</b>	<b>12,530</b>	<b>2,520</b>	<b>226</b>	<b>-</b>	<b>15,276</b>
<b>Net Book Value</b>					
At 1 September 2021	9,025	823	62	-	9,910
<b>At 31 August 2022</b>	<b>8,700</b>	<b>756</b>	<b>36</b>	<b>18</b>	<b>9,511</b>

## PORTLAND COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

#### 12. FIXED ASSETS

##### (c) Tangible Assets (Continued)

###### Charity

The National Lottery Charities Board was granted a legal charge over the 'Birches' building (previously known as the Information and Communication Technology Learning Centre) in relation to the £500k grant that it provided to the College. The legal charge is granted for a period of 80 years from the receipt of payment on 26 May 2006.

##### (d) Investments

###### Charity

###### Shares in Group Undertakings

	£
Holding in subsidiary (Portland College Enterprises Limited):	
1,000 Ordinary shares of £1 each [note 13]	1,000
Share Premium - 900 Ordinary shares at £499 each [note 13]	449,100
<b>Cost or valuation at 1 September 2021 and 31 August 2022</b>	<b>450,100</b>

###### Shares in Associated Undertakings

	£
Holding in associated undertaking (Steps to Employment Limited):	
100 Ordinary shares of £1 each [note 33]	2
<b>Cost or valuation at 1 September 2021 and 31 August 2022</b>	<b>2</b>

## PORTLAND COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

#### 13. SUBSIDIARY UNDERTAKING

- (a) The charity owns the whole of the issued ordinary share capital of Portland College Enterprises Limited, a company registered in England and Wales. The subsidiary is used for non-primary purpose trading activities and commenced trading on 1st September 2009. All activities have been consolidated on a line by line basis in the SOFA. A summary of the results of the subsidiary is shown below:

	2022 £'000	2021 £'000
Turnover	227	29
Cost of Sales	(182)	(56)
<b>Gross Profit</b>	<b>45</b>	<b>(27)</b>
Administrative Expenses	(12)	(15)
<b>Operating Profit</b>	<b>33</b>	<b>(42)</b>
<b>Income from Fixed Asset Investment</b>	<b>-</b>	<b>95</b>
<b>Profit before and after Tax</b>	<b>33</b>	<b>53</b>
The aggregate of the assets, liabilities and funds was:		
Assets	950	881
Liabilities	(414)	(379)
<b>Total Capital and Reserves</b>	<b>536</b>	<b>502</b>

- (b) From the 16th September 2020 the charity indirectly controls the whole of Polly Teach Limited, a company registered in England and Wales. As of the 1st July 2022, the charity purchased 100% of the issued share capital of Polly Teach Limited. The subsidiary is used for provision of non mainstream education for young people. All activities have been consolidated on a line by line basis in the SOFA. A summary of the results of the subsidiary is shown below:

	2022 £'000	2021 £'000
Turnover	1,406	758
Cost of Sales	(1,062)	(537)
<b>Gross Profit</b>	<b>344</b>	<b>221</b>
Administrative Expenses	(46)	(229)
<b>Operating Profit</b>	<b>298</b>	<b>(8)</b>
Interest payable	(1)	-
<b>Profit before Tax</b>	<b>297</b>	<b>(8)</b>
Tax on (loss) / profit	(57)	-
<b>Profit after Tax</b>	<b>240</b>	<b>(8)</b>
The aggregate of the assets, liabilities and funds was:		
Assets	871	211
Liabilities	(596)	(177)
<b>Total Capital and Reserves</b>	<b>275</b>	<b>34</b>

#### 14. STOCKS

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Raw Materials and Consumables	25	18	16	10
Work-in-Progress	-	-	-	-
	<b>25</b>	<b>18</b>	<b>16</b>	<b>10</b>

#### 15. DEBTORS

Trade Debtors	2,664	486	1,861	448
Other Debtors	34	31	7	15
Prepayments and accrued income	97	32	89	29
Due from Group Companies	-	-	465	71
	<b>2,795</b>	<b>549</b>	<b>2,422</b>	<b>563</b>

#### 16. INVESTMENTS - CURRENT ASSETS

Unquoted - Fixed Term UK Bank Deposits	1,500	2,200	1,500	2,200
--	-------	-------	-------	-------

Of the above deposits, £1,500k (2021 - £2,200k) is due to mature within 6 months of the Balance Sheet date.

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

### 17. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade Creditors	390	244	281	235
Other Taxation and Social Security	361	141	177	115
Other Creditors	1,041	1,239	965	948
Due from Group Companies Creditors	-	-	32	-
Accruals and deferred income	573	782	487	726
	<b>2,365</b>	<b>2,406</b>	<b>1,942</b>	<b>2,024</b>

Other Creditors include £299k (2021 - £260k) for Student Fees paid in advance.

### 18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £'000
Fund Balances at 31 August 2022 are represented by:			
Intangible Fixed Assets	438	-	438
Tangible Fixed Assets	9,543	-	9,543
Current Assets	5,619	197	5,816
Creditors: Current Liabilities	(2,365)	-	(2,365)
Pension Reserve	-	-	-
	<b>13,235</b>	<b>197</b>	<b>13,432</b>

### 19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Charity	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £'000
Fund Balances at 31 August 2022 are represented by:			
Investments	450	-	450
Tangible Fixed Assets	9,511	-	9,511
Current Assets	5,047	197	5,244
Creditors: Current Liabilities	(1,942)	-	(1,942)
Pension Reserve	-	-	-
	<b>13,066</b>	<b>197</b>	<b>13,263</b>

### 20. COLLEGE FUND AND RESERVES

Group	2022 £'000	2021 £'000
<b>Unrestricted Funds [note 22]</b>		
General College Funds - excluding Designated Funds and Pension Liability	11,655	11,726
Designated Funds [note 22]	1,580	1,100
<b>General College Funds - excluding Pension Liability</b>	<b>13,235</b>	<b>12,826</b>
Pension Reserve [note 28]	-	(284)
<b>General College Funds - including Pension Liability</b>	<b>13,235</b>	<b>12,542</b>
Restricted Funds [note 22]	197	140
<b>Total Funds and Reserves</b>	<b>13,432</b>	<b>12,682</b>

## PORTLAND COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

#### 21. COLLEGE FUND AND RESERVES

Charity	2022 £'000	2021 £'000
<b>Unrestricted Funds [note 22]</b>		
General College Funds - excluding Designated Funds and Pension	11,486	11,825
Designated Funds [note 22]	1,580	1,100
<b>General College Funds - excluding Pension Liability</b>	<b>13,066</b>	<b>12,925</b>
Pension Reserve [note 28]	-	(284)
<b>General College Funds - including Pension Liability</b>	<b>13,066</b>	<b>12,641</b>
Restricted Funds [note 22]	197	140
<b>Total Funds and Reserves</b>	<b>13,263</b>	<b>12,781</b>

## PORTLAND COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

#### 22. FUND RECONCILIATION

Group	Note	Balance	Incoming Resources	Resources Expended	Transfers	Gains / (Losses)	Balance
		1st September 2021					31st August 2022
		£'000	£'000	£'000	£'000	£'000	£'000
<b>(a) Unrestricted Funds</b>							
Unrestricted		11,726	13,419	(13,235)	(255)	-	11,655
Designated:							
Capital Commitments							
(other than from restricted funds)							
Defined Benefit Pension Scheme Liability		600	-	-	(20)	-	580
Campus Development Plan		500	-	-	500	-	1,000
<b>Total Unrestricted Funds</b>		<b>12,826</b>	<b>13,419</b>	<b>(13,235)</b>	<b>225</b>	<b>-</b>	<b>13,235</b>
<b>(b) Restricted Funds</b>							
<b>Specific Grants and Donations:</b>							
ESFA School Condition Allocation	i.	-	152	-	(152)	-	-
Ian Karten Trust	ii.	14	-	-	-	-	14
Minibus	iii.	2	39	-	-	-	41
Newstart Hall Project	iv.	29	44	-	(73)	-	-
Recovery College	v.	-	135	(135)	-	-	-
Woodlands Project	vi.	-	17	-	-	-	17
Ian Karten Trust	vii.	-	19	(19)	-	-	-
Trade Centre	viii.	-	14	-	-	-	14
Farm	ix.	-	1	-	-	-	1
Sensory Gardens	x.	-	15	-	-	-	15
<b>Other Donations:</b>							
Equipment - Various	xi.	-	7	(7)	-	-	-
Other Donations		-	-	-	-	-	-
<b>Scholarship Fund</b>	xii.	95	-	-	-	-	95
<b>Total Restricted Funds</b>		<b>140</b>	<b>443</b>	<b>(161)</b>	<b>(225)</b>	<b>-</b>	<b>197</b>

Designated funds have been held in relation to defined benefit pension liability of £580k recognising the liability of the scheme based on alternative valuation method and campus development plan of £1,000k based on significant programme of infrastructure modernisation.

Restricted Fund balances are only shown where there are either a) specific clauses within the basis of agreement on which the donation or grant was received; or b) where a building project is under construction, in this case specific grants/donations will not be transferred to unrestricted funds until the building is completed. In all other cases it is taken that the purchase of the specified item meets any restriction placed on the funds by the donor.

- i. ESFA School Condition Allocation - the grant was received to support upkeep of College buildings and equipment.
- ii. Ian Karten Trust - the grant was provided to cover the implementation of mobile learning projects. There is a 5 year reducing balance restriction on this grant.
- iii. Minibus - Purchase of new College minibus for use by citizens and learners.
- iv. Newstart Hall Project - multi-purpose area for a café; sports activities; theatre and creative arts.
- v. Recovery College - Ongoing resources to assist people getting back into employment.
- vi. Woodlands Project - Fully accessible forest adventure zone for learners and the larger community.
- vii. Ian Karten Trust - Smart home building for use by citizens and learners.
- viii. Trade Centre - Educational area providing practical vocational skills.
- ix. Farm - Redevelopment of Farm area accessible by staff, learners and citizens.
- x. Sensory Gardens - External area in Education facility providing calm area and general horticulture skills.
- xii. Scholarship Fund - cash funds are held for the specific purpose of supporting students.

## PORTLAND COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

#### 23. FUND RECONCILIATION

Charity		Balance 1st September 2021 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	Gains / (Losses) £'000	Balance 31st August 2022 £'000
(a) <b>Unrestricted Funds</b>	Note						
Unrestricted		11,825	11,784	(11,868)	(255)	-	11,486
Designated:							
Capital Commitments (other than from restricted funds)							
Defined Benefit Pension Scheme Liability		600	-	-	(20)	-	580
Campus Development Plan		500	-	-	500	-	1,000
<b>Total Unrestricted Funds</b>		<b>12,925</b>	<b>11,784</b>	<b>(11,868)</b>	<b>225</b>	<b>-</b>	<b>13,066</b>
(b) <b>Restricted Funds</b>							
<b>Specific Grants and Donations:</b>							
ESFA School Condition Allocation	i.	-	152	-	(152)	-	-
Ian Karten Trust	ii.	14	-	-	-	-	14
Minibus	iii.	2	39	-	-	-	41
Newstart Hall Project	iv.	29	44	-	(73)	-	-
Recovery College	v.	-	135	(135)	-	-	-
Woodlands Project	vi.	-	17	-	-	-	17
Ian Karten Trust	vii.	-	19	(19)	-	-	-
Trade Centre	viii.	-	14	-	-	-	14
Farm	ix.	-	1	-	-	-	1
Sensory Gardens	x.	-	15	-	-	-	15
<b>Other Donations:</b>							
Equipment - Various	xi.	-	7	(7)	-	-	-
Other Donations		-	-	-	-	-	-
<b>Scholarship Fund</b>	xii.	95	-	-	-	-	95
<b>Total Restricted Funds</b>		<b>140</b>	<b>443</b>	<b>(161)</b>	<b>(225)</b>	<b>-</b>	<b>197</b>

Designated funds have been held in relation to defined benefit pension liability of £580k recognising the liability of the scheme based on alternative valuation method and campus development plan of £1,000k based on significant programme of infrastructure modernisation.

Restricted Fund balances are only shown where there are either a) specific clauses within the basis of agreement on which the donation or grant was received; or b) where a building project is under construction, in this case specific grants/donations will not be transferred to unrestricted funds until the building is completed. In all other cases it is taken that the purchase of the specified item meets any restriction placed on the funds by the donor.

- i. ESFA School Condition Allocation - the grant was received to support upkeep of College buildings and equipment.
- ii. Ian Karten Trust - the grant was provided to cover the implementation of mobile learning projects. There is a 5 year reducing balance restriction on this grant.
- iii. Minibus - Purchase of new College minibus for use by citizens and learners.
- iv. Newstart Hall Project - multi-purpose area for a café; sports activities; theatre and creative arts.
- v. Recovery College - Ongoing resources to assist people getting back into employment.
- vi. Woodlands Project - Fully accessible forest adventure zone for learners and the larger community.
- vii. Ian Karten Trust - Smart home building for use by citizens and learners.
- viii. Trade Centre - Educational area providing practical vocational skills.
- ix. Farm - Redevelopment of Farm area accessible by staff, learners and citizens.
- x. Sensory Gardens - External area in Education facility providing calm area and general horticulture skills.
- xii. Scholarship Fund - cash funds are held for the specific purpose of supporting students.

## PORTLAND COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

#### 24. FUND RECONCILIATION Group (Prior Year)

		Balance 1st September 2020 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	Gains / (Losses) £'000	Balance 31st August 2021 £'000
(a) <b>Unrestricted Funds</b>	Note						
Unrestricted		10,884	11,600	(10,815)	117	(60)	11,726
Designated:							
Capital commitments (other than from restricted funds)							
Future Projects:							
Defined Benefit Pension Scheme							
Liability		600	-	-	-	-	600
Campus Development Plan		500	-	-	-	-	500
<b>Total Unrestricted Funds</b>		<b>11,984</b>	<b>11,600</b>	<b>(10,815)</b>	<b>117</b>	<b>(60)</b>	<b>12,826</b>
(b) <b>Restricted Funds</b>							
Specific Grants and Donations:							
ESFA School Condition Allocatic	i.	-	129	(129)	-	-	-
Ian Karten Trust	ii.	14	-	-	-	-	14
Minibus	iii.	-	2	-	-	-	2
Outram Street	iv.	77	-	(105)	28	-	-
Disability Employment	v.	-	-	(15)	15	-	-
Newstart Hall Project	vi.	126	638	(670)	(65)	-	29
Recovery College	vii.	51	-	(8)	(43)	-	-
Woodlands Project	viii.	-	18	-	(18)	-	-
<b>Other Donations:</b>							
Legacy - Communications		15	23	(15)	(23)	-	-
Equipment - Various		11	-	-	(11)	-	-
<b>Scholarship Fund</b>	ix.	95	-	-	-	-	95
<b>Total Restricted Funds</b>		<b>389</b>	<b>810</b>	<b>(942)</b>	<b>(117)</b>	<b>-</b>	<b>140</b>

Restricted Fund balances are only shown where there are either a) specific clauses within the basis of agreement on which the donation or grant was received; or b) where a building project is under construction, in this case specific grants/donations will not be transferred to unrestricted funds until the building is completed. In all other cases it is taken that the purchase of the specified item meets any restriction placed on the funds by the donor.

- i. ESFA School Condition Allocation - the grant was received to support upkeep of College buildings and equipment
- ii. Ian Karten Trust - the grant was provided to cover the implementation of mobile learning projects. There is a 5 year reducing balance restriction on this grant.
- iv. Outram Street project relates to a legacy of cash and a building to provide employment support and advice in Sutton in Ashfield, this opened October 2018.
- v. Disability Employment - income for citizens and learners to assist in work and work placements.
- vi. Newstart Hall Project - has replaced the original Sports complex, whose aim is to convert our existing Newstart Hall in order to provide a multi-purpose area for a café, sports activities, theatre and creative arts.
- vii. Recovery College is part of the Outram Street project providing the resources and training to assist people getting back into employment.
- viii. Woodlands Project to build an activity centre on the land for use of citizens, learners, local schools and business. This will include a climbing wall, zip wire and outdoor activities.
- ix. Scholarship Fund - cash funds are held for the specific purpose of supporting students.

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

### 25. FUND RECONCILIATION

#### Charity (Prior Year)

	Balance 1st September 2020 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	Gains / (Losses) £'000	Balance 31st August 2021 £'000
(a) <b>Unrestricted Funds</b>						
Unrestricted	10,884	10,944	(10,060)	117	(60)	11,825
Designated:						
Capital commitments (other than from restricted funds)						
Future Projects:						
Defined Benefit Pension Scheme						
Liability	600	-	-	-	-	600
Campus Development Plan	500	-	-	-	-	500
<b>Total Unrestricted Funds</b>	<b>11,984</b>	<b>10,944</b>	<b>(10,060)</b>	<b>117</b>	<b>(60)</b>	<b>12,925</b>
(b) <b>Restricted Funds</b>						
Specific Grants and Donations:						
ESFA School Condition Allocatic	i.	-	129	(129)	-	-
Ian Karten Trust	ii.	14	-	-	-	14
Minibus	iii.	-	2	-	-	2
Outram Street	iv.	77	-	(105)	28	-
Disability Employment	v.	-	-	(15)	15	-
Newstart Hall Project	vi.	126	638	(670)	(65)	29
Recovery College	vii.	51	-	(8)	(43)	-
Woodlands Project	viii.	-	18	-	(18)	-
<b>Other Donations:</b>						
Legacy - Communications		15	23	(15)	(23)	-
Equipment - Various		11	-	-	(11)	-
<b>Scholarship Fund</b>	ix.	95	-	-	-	95
<b>Total Restricted Funds</b>		<b>389</b>	<b>810</b>	<b>(942)</b>	<b>(117)</b>	<b>140</b>

Restricted Fund balances are only shown where there are either a) specific clauses within the basis of agreement on which the donation or grant was received; or b) where a building project is under construction, in this case specific grants/donations will not be transferred to unrestricted funds until the building is completed. In all other cases it is taken that the purchase of the specified item meets any restriction placed on the funds by the donor.

- i. ESFA School Condition Allocation - the grant was received to support upkeep of College buildings and equipment
- ii. Ian Karten Trust - the grant was provided to cover the implementation of mobile learning projects. There is a 5 year reducing balance restriction on this grant.
- iv. Outram Street project relates to a legacy of cash and a building to provide employment support and advice in Sutton in Ashfield, this opened October 2018.
- v. Disability Employment - income for citizens and learners to assist in work and work placements.
- vi. Newstart Hall Project - has replaced the original Sports complex, whose aim is to convert our existing Newstart Hall in order to provide a multi-purpose area for a café, sports activities, theatre and creative arts.
- vii. Recovery College is part of the Outram Street project providing the resources and training to assist people getting back into employment.
- viii. Woodlands Project to build an activity centre on the land for use of citizens, learners, local schools and business. This will include a climbing wall, zip wire and outdoor activities.
- ix. Scholarship Fund - cash funds are held for the specific purpose of supporting students.

## PORTLAND COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

#### 26. CAPITAL COMMITMENTS Group & Charity

Capital Expenditure committed to but not provided for in these financial statements:

	2022 £'000	2021 £'000
Goodwin Building Works	37	-
Network Switch Upgrade	10	-
Fortimail Upgrade	20	-
Minibus	78	-
	<b>145</b>	<b>-</b>

#### 27. FINANCIAL COMMITMENTS Group & Charity

At 31 August 2022 the Group had total commitments under operating leases expiring as follows:

	Equipment	
	2022 £'000	2021 £'000
<b>Copier Leases</b>		
Expiring : Within One Year	22	6
Within Two to Five Years	-	6
Over Five Years	-	-
	<b>22</b>	<b>12</b>

#### 28. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

GROUP	2022 £'000	2021 £'000
Net Income/(Expenditure) before Actuarial Gains	611	653
Amortisation	61	48
Depreciation	951	806
Interest Received	(13)	(36)
Loss / (Gains) on Disposal of Fixed Assets	(10)	12
Post Employment Benefits Less Payments	(145)	(134)
(Increase) / Decrease in Stock	(7)	11
(Increase) / Decrease in Debtors	(2,246)	721
(Decrease)/ Increase in Creditors	(41)	255
<b>Net Cash provided by Operating Activities</b>	<b>(839)</b>	<b>2,336</b>

## PORTLAND COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

#### 29. PENSION & OTHER POST-RETIREMENT BENEFITS Group & Charity

All pension commitments for the Group are held within the charity.

- (a) The College closed its Defined Benefit Scheme to new Members with effect from 1st January 1997 and so the use of the projected unit valuation method required by FRS102 means that the current service cost (as a proportion of Defined Benefit Member's earnings) is likely to increase as Members approach retirement. The assets of the Scheme are held separately from those of the College, being invested with Prudential Assurance.

In accordance with FRS102, the regular service cost of providing retirement benefits to employees during the period is charged to the statement of financial activities, along with a credit representing the expected return on the assets of the scheme during the period, and a charge representing the expected increase in the liabilities of the scheme during the period. The difference between the market value of assets and the present value of accrued pension liabilities is shown as an asset or liability in the balance sheet. Differences between actual and expected returns on assets during the period are recognised in the Statement of Financial Activities, together with the differences arising from changes in assumptions.

The most recent actuarial report which was produced with the effective date of 31 December 2021, showed a deficit valuation of £245k and funding level of 97%. It was agreed between the College and the Trustees of the Scheme to aim to remove the funding shortfall, as it existed at 31 December 2015. Consequently the College is contributing £218k per annum.

- (b) The College provides auto-enrolment membership of its defined contribution pension scheme to all new and existing employees. This Scheme is currently operated by Aviva (formerly Friends Life). The College will contribute an equal percentage of salary, in accordance with the employee's chosen option, up to a maximum of 6%. Contributions of £245k were made to this Scheme during the year ended 31 August 2022 (2021 - £290k). As an alternative to its own pension schemes the College contributes to other specific defined benefit schemes for certain tutors and those employed by outside agencies. The cost of those contributions during the year was £81k (2021 - £89k). Liabilities owed to these schemes at year end were £90k.

Death-in-Service Benefits are provided for all staff. The cost of the Life Assurance contributions to the College for the year was £63k (2021 - £35k).

#### 30. FRS102 VALUATION OF DEFINED BENEFIT PENSION SCHEME Group & Charity

An Actuarial report has been produced as at 31 August 2022 in accordance with FRS102, the details of which are set out below.

The Company sponsors the Portland College Pension Scheme, a funded defined benefit pension scheme in the UK. The scheme is set up on a tax relieved basis as a separate trust independent of the Company and is supervised by independent trustees. The trustees are responsible for ensuring that the correct benefits are paid, that the scheme is appropriately funded and that scheme assets are appropriately invested.

Active members of the scheme pay contributions at the rate of 8% of salary and the Company pays the balance of the cost as determined by regular actuarial valuations. The Trustees are required to use prudent assumptions to value the liabilities and costs of the scheme whereas the accounting assumptions must be best estimates.

The results of the actuarial valuation as at 31 December 2021 have been projected to 31 August 2022 using the assumptions set out below. The figures in the following disclosures were measured using the Projected Unit Method.

	2022	2021
	%	%
Liability Discount Rate	4.3	1.7
Inflation	3.5	3.1
Salary Increases	N/A	N/A
Increases to Deferred Pensions before Retirement	3.0	2.6
Increases to Pensions in Payment (5% or RPI if less)	3.4	3.1
Increases to Pensions in Payment (3.5% or RPI if less)	3.0	2.7

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

### 30. FRS102 VALUATION OF DEFINED BENEFIT PENSION SCHEME (Continued)

The mortality assumptions for the scheme liabilities at 31 August 2021 were based on the S3PMA / S3PFA CMI 2020 projections with long term improvements of 1.25% pre retirement and 1% post retirement, and have continued to be used as at 31 August 2022.

#### Life Expectancies (in years)

	31 August 2022		31 August 2021	
	Males	Females	Males	Females
For an individual aged 65 in 2021	21.9	24.3	21.9	24.3
At age 65 for an individual aged 5 in 2021	23.2	25.7	23.2	25.7

The assets in the scheme and the expected return were:

	Assets and Liabilities at 31 August 2022	Assets and Liabilities at 31 August 2021
	£'000	£'000
Cash Accumulation Policy	6,195	7,444
Secured Pensions in Payment	1,051	1,271
<b>Total Market Value of Assets</b>	<b>7,246</b>	<b>8,715</b>
Present Value of Scheme Liabilities	(6,436)	(8,999)
Scheme surplus not recognised (note a)	(810)	-
<b>Surplus/(deficit) in the Scheme</b>	<b>-</b>	<b>(284)</b>

	2022 £'000	2021 £'000
<b>Actual Return on Scheme Assets</b>	<b>(1,281)</b>	<b>516</b>
<b>Analysis of the Amount Debited to operating Net Income/Expenditure</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
Administration Expenses	70	67
Interest Cost	4	14
Actuarial (Losses)/Gains Arising on the Scheme Liabilities	2,230	7
Actual return on assets less interest	(1,281)	516
Scheme surplus not recognised (note a)	(810)	-
<b>Actuarial (Loss)/Gain Recognised in ORGL</b>	<b>139</b>	<b>523</b>
<b>Cumulative Actuarial Loss Recognised in ORGL</b>	<b>(1,810)</b>	<b>(1,949)</b>

#### Note a

In line with the specific criteria set out in FRS102 regarding the recognition of a surplus in the scheme, as there is no certainty that the College will be able to recover the surplus in the Scheme either through reduced contributions in the future or through refunds from the Scheme, the surplus in the Scheme at 31 August 2022 has been reduced to £Nil.

	2022 £'000	2021 £'000
<b>Movement in Liabilities During the Year</b>		
Scheme liabilities at beginning of year	(8,999)	(9,542)
Movement in Year:		
Interest Cost	(150)	(145)
Benefits Paid	483	681
Actuarial (Loss)/Gain	2,230	7
<b>Scheme Liabilities at End of Year</b>	<b>(6,436)</b>	<b>(8,999)</b>

## PORTLAND COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

#### 30. FRS102 VALUATION OF DEFINED BENEFIT PENSION SCHEME (Continued)

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Movement in Assets During the Year:		
Scheme Assets at Beginning of Year	8,715	8,601
Movement in Year:		
Actuarial (Loss)/Gain	(1,281)	516
Employer Contributions	219	215
Employee Contributions	-	-
Benefits Paid	(483)	(681)
Administration expenses	(70)	(67)
Interest income	146	131
<b>Scheme Assets at End of Year</b>	<b>7,246</b>	<b>8,715</b>
History of Amounts for Current and Previous Accounting Period:		
	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Scheme Liabilities Amount	(6,436)	(8,999)
Scheme Assets Amount	7,246	8,715
Scheme surplus not recognised	(810)	-
<b>Surplus / (Deficit) Amount</b>	<b>-</b>	<b>(284)</b>

#### 31. LEGAL STATUS OF THE CHARITY

The College is a Company Limited by Guarantee and without share capital incorporated in the United Kingdom. The liability of Members is limited to £10 each in the unlikely event of the Company being 'wound-up'.

#### 32. ULTIMATE CONTROLLING PARTY

The Directors consider that there is no ultimate controlling party.

#### 33. RELATED PARTY TRANSACTIONS

The Charity has an 33.3% interest in an associated undertaking, Steps to Employment Limited, a company providing specialist training and rehabilitation for disabled people helping them return to sustainable employment. The company ceased trading during 2016/17 and was dissolved on the 25th October 2022.

During the year recharges from Portland College to Portland College Enterprises Limited were £208k (2021: £59k), and sales from Portland College Enterprises Limited to Portland College were £28k (2021: £nil).

During the year recharges from Portland College to Polly Teach Limited were £129k (2021 - £71k), and sales from Polly Teach Limited to Portland College were £nil (2021 - £1k).

During the year recharges from Portland College Enterprise Limited to Polly Teach Limited were £Nil (2021 - £Nil), and sales from Polly Teach Limited to Portland College Enterprises Limited were £Nil (2021 - £Nil).

As at 31 August 2022 Polly Teach Limited owed Portland College £227k and Portland College owed Polly Teach Limited £nil. Portland College Enterprises Limited owed Portland College £336k and Portland College owed Portland College Enterprises Limited £31k.

## **PORTLAND COLLEGE**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

#### **34. ACQUISITION OF POLLY TEACH LIMITED**

On the 16 September 2020 Portland Enterprises acquired 75% of the share holding in Polly Teach Limited, a private Limited company based in Kirkby in Ashfield, Nottinghamshire providing alternative education to local authorities and schools across Nottinghamshire and Derbyshire. There was a put and call option in place to purchase the remaining 25% of shares in August 2022. The put and call option was exercised at 1st July 2022, and Portland now owns 100% of the shareholding. The initial purchase price was £450,000 of which £350,000 was payable on completion with two further instalments of £50,000 each in September 2021 and August 2022. The College agreed a further £240k in relation to the final 25% share.

**PORTLAND COLLEGE**

England & Wales - Charity number 214339

---

# Accounts

---

**Registered Number: 00408340**

**Registered Charity: 214339**

**PORTLAND COLLEGE**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31 AUGUST 2021**

## PORTLAND COLLEGE

Nottingham Road, Mansfield, Nottinghamshire NG18 4TJ  
(Registered Office and Principal Address)  
Telephone : 01623 499111  
A Company Limited by Guarantee No. 408340 (England & Wales)  
Registered Charity Number 214339

**Patron :** Her Majesty The Queen  
**President :** Mrs A Swan Parente DL MBE  
**Vice-Presidents:** Mr K McDonald  
Mrs D McDonald  
Mr H P Matheson DL  
Professor C O'Brien OBE

### Board of Governors and Company Directors

**Chairman :** Mr T S Richmond OBE TD DL  
**Vice Chairman :** Dr D Green

Mr N E Aspley	Mrs A Farr DL
Mrs H K Atwal	Professor D Fathers DL
Mr M Briggs	Councillor J W Handley (Resigned 20/7/2021)
Mrs J Butler (Appointed 26/1/2021)	Mr S Jackson
Councillor S Deakin (Appointed 20/7/2021)	Mr D Sneath DL
Mrs S Egley	Mr T Vasishta
Mr P Emerson DL	Mr S Walsh

### Key Management Personnel:

#### Senior Management Team

Dr M Dale	Principal & Chief Executive Officer
Mr E Johnstone	Assistant Principal Development
Mrs L Kenwright	Assistant Principal Corporate Services
Mrs A Newton-Soanes	Assistant Principal Quality & Curriculum
Mr I Onwukwe	Head of Care
Ms N Thompson-Windley	HR Manager

**Bankers :** HSBC Bank plc, 1 St. Peter's Street, Derby DE1 2AE

**Solicitors :** Freeths LLP, Cardinal Square, 2nd Floor, West Point,  
10 Nottingham Road, Derby DE1 3QT

**Auditors :** PKF Cooper Parry Group Limited, Sky View, Argosy Road,  
Castle Donington, Derby DE74 2SA

**Insurance Brokers :** Hettle Andrews & Associates Limited, 9th Floor, Eleven Brindleyplace,  
2 Brunswick Square, Brindleyplace, Birmingham B1 2LP

**Principal and Chief Executive Officer :** Dr M B Dale

## **PORTLAND COLLEGE**

### **REPORT OF THE DIRECTORS ON THE FINANCIAL STATEMENTS**

---

The Directors (members of the Board of Governors) present their annual report and financial statements for the year ended 31 August 2021, which comply with the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity. The strategic report required under company law is included in the report and covers the sections of achievement and performance, financial review and plans for future periods.

Portland College has one wholly owned subsidiary, Portland College Enterprises Limited and one 75% part owned subsidiary Polly Teach Limited, held in Portland College Enterprise Limited. All income, expenditure and Balance Sheet have been consolidated into the Portland College accounts, with explanatory notes.

#### **Reference and administrative details**

Portland College is a company limited by guarantee and a registered charity. The Registered Office is as shown on the front cover. The present Directors and any other Directors who served during the year are listed on the front cover, together with the Patron, President, Vice-Presidents, key management personnel and the College's external advisers.

#### **Structure, governance and management**

##### **Governing Document**

Portland College was founded as a company limited by guarantee (Company number 408340) on 12 April 1946 and is governed in accordance with its Articles of Association. As a registered charity (charity number 214339) the College is also subject to the rules of the Charity Commission. The group results incorporate Portland College Enterprises Limited and Polly Teach Limited both companies registered in England and Wales.

The College is controlled by a Board of Governors (the Directors under Company Law), who bring a broad range of expertise to the College and are appointed by the Members of the College at a General Meeting. Under Article 25, the Governing Body must comprise not less than 10 Ordinary Governors and (if and only if appointed as Governors) the President and Vice-Presidents of the College. An Ordinary Governor is appointed for a term of four years, and normally would serve no more than two consecutive terms. The Ex-Officio Members i.e. President and Vice-Presidents are appointed annually. On appointment, new Directors are given a personal induction to the College, individual meetings with all senior managers and an information pack including the Governing Document and familiarising them with the work of the Board and their roles and responsibilities.

Details of governors, senior management personnel and professional advisors are shown on the front cover of this report.

In accordance with the Articles of Association, the Directors retire by rotation. The Board of Governors has an open recruitment policy.

##### **Organisation**

The college benefits from a governing body possessing a comprehensive range of skills and experience which allows detailed oversight of all facets of the business of the college. The Directors discharge their duties via Governing Body meetings, held at least four times per year and through a range of Committees which include: Audit Committee, Remuneration Committee, Oversight of Standards Group, Oversight of Finance Group, Enterprise Board, Estates Planning Group and Development Working Group. These committees, together with any other working parties that may at times be necessary, meet as and when required. The Principal and Chief Executive Officer is responsible to the Directors for the day-to-day running of the College and the execution of strategy and policies as decided by the Board of Governors. In 2020-21 the breadth of Board expertise available to the College is described below:

##### ***Timothy S Richmond OBE TD DL FCA CCMi (Hon) DBA – Chair of Governors***

Tim joined the Board of Governors in 2013. He is a Chartered Accountant. He is a self-employed consultant in strategic business direction and management. He is the Non-Executive Chairman of Futures Advice, Skills and Employment Limited. He has wide non-executive director experience in the private sector and extensive public and voluntary sector experience in non-executive roles including higher education, competition, defence, housing and care services, youth services and health. A past High Sheriff of Nottinghamshire (2002), he was appointed Vice Lord Lieutenant in 2008.

**Dawn Green** BSc (Hons) PhD CertEd PGDip FSET – Vice Chair, Chair of the Oversight of Standards Group and lead Governor for Safeguarding

Dawn joined the Board in 2015. She was previously Principal & CEO at Landmarks College and Vice Principal at Portland College. She is now the Karten Network Manager and also provides consultancy services in whole College/School improvement and behaviour support. Dawn is also Chair of the Oversight of Standards Group and Lead Governor for Safeguarding.

**Stephen Jackson** – FCMA GCMA FInstD Chair of Audit Committee

Stephen joined the Board in 2019. He is a commercially focused Executive with global experience and Chairs the Audit Committee. He has 30 years board level experience in Finance, IT and Commercial Development and more recently Nottingham Trent University. He is the Vice Chair of Nottinghamshire Healthcare Trust and a member of other education and sport charities.

**David Sneath** MA(Cantab) TD DL – Chair of Remuneration Committee

David joined the Board in 2018. He is a recently retired senior employment tribunal judge. He has extensive Reserve Army experience at the rank of Colonel. A past High Sheriff of Nottinghamshire (2017) and a current Deputy Lieutenant.

**Thalej Vasishtha** LLB(Hons) – Chair of Staff Council & Non-Executive Director of Steps to Employment Limited

Thalej joined the Board in 2013. As a solicitor and CEO of Paragon Law Thalej works primarily with UK companies wishing to employ skilled foreign nationals and overseas companies and individuals seeking to invest in or trade with the UK. He has previously been a board member of The Racial Equality Council (as it was known then), The Galleries of Justice Museum, and Young Enterprise (East Midlands). He is currently a founding and board member of the British Indian Business Forum.

**Shaun Walsh** BA(Hons) FCA – Chair of Oversight of Finance Group

Shaun joined the Board in 2015. He is a former PWC Chartered Accountant. As Managing Partner of Business Growth Services, he helps business owners in a Consultant CFO capacity with his team to turnaround, raise finance and grow their businesses. Shaun is also the co-owner and CFO of a private equity group, the IBG Group, doing M&A in the construction and building services sector.

**Peter Emerson** DL – Chair of Estates Planning Group

Peter joined the Board in 2017. Peter retired as Commercial Director of Severfield PLC and Chief Operating Officer of Watson Steel in 2013. He now works as a consultant in the construction industry and for Laing O'Rourke Limited.

**Nick Aspley** LLB(Hons) – Lead Governor for the Prevent Duty

Nick joined the Board of Governors in January 2015. He is a solicitor and partner in a leading local multi office law firm. He has worked in the local area for nearly 30 years and specialises in Family Law. He is a past member of the Law Society's Family Law Committee.

**Harvinder Atwal** – Chair of Portland College Enterprises Limited

Harvinder joined the Board in 2015. She is the Managing Director of bksb Limited, a West Nottinghamshire College owned business which has become the most successful online skills assessment and development company for functional skills/GCSEs in the UK.

**Professor Dean Fathers** DL – Lead governor for corporate governance

Dean joined the Board in 2017 when he was also Chair of ULHT. He is currently Chair of Nottinghamshire Healthcare NHS Foundation Trust, on the Boards of both NHS Providers and the Greater Lincolnshire Local Enterprise Partnership and also a Non-Executive Director with the Parliamentary and Health Services Ombudsman. He has also recently been appointed as Chair of the National Centre for Organisational Resilience at the Lincoln International Business School (having formerly been a Professor in the Practice of Healthcare Management at Cass Business School) and is concurrently also a Visiting Professor in The Centre for Governance, Leadership and Global Responsibility at Leeds Business School.

**Amanda Farr** DL MSc (Oxon)

Amanda joined the Board in 2018. She has worked in NHS rehabilitation and mental health services for most of her career, latterly leading county primary care mental health services. She has been a visiting lecturer at Nottingham and Oxford Universities. She is co-owner of Sweeney and Farr Associates offering mental health treatments and

organisational well-being. Amanda has extensive experience in the voluntary sector in the city and county of Nottinghamshire and is a former High Sheriff and current Deputy Lieutenant of the county.

***Sarah Egley RGN BA(Hons) MA***

Sarah joined the Board in 2018. She is Assistant Director Quality Improvement, Innovation and Assurance for Derbyshire Community Health Services NHS Trust.

***Councillor John William Handley (resigned 20th July 2021)***

John joined the Board in 2019 as Nottinghamshire County Council's representative. He is a retired teacher.

***Mark Briggs***

Mark joined the Board in 2019 and has extensive experience in the public and cultural sectors, has director level experience in business and transformation. Along with this, Mark is a former Paralympian with insight into sport, health and well-being.

***Joanne Butler (Appointed 26 January 2021)***

Joanne joined the Board in 2021. She is an autism consultant working in education, workplaces, and other youth and adult organisations through her company SEND Support. Joe is the co-author of *Is That Clear? Effective Communication in a neuro-diverse world*. She was previously the Head teacher of an autism specialist school, and now offers specialist teaching advice for Nottinghamshire County Council.

***Councillor Samantha Deakin (Appointed 20 July 2021)***

Samantha joined the Board in 2021 as Nottinghamshire County Council's representative. She is the County Councillor for the Ward where Portland College is located and also a Cabinet Member for Ashfield District Council.

Whilst the Charity benefits from a very strong and pro-active Board, the Governors have been diligent in auditing the skill set of existing members, developing a formal succession plan based on anticipated retirement dates and reviewing the strategic direction of the Charity to ensure that we retain that strength and can provide effective governance of the wide and increasing range of activities.

All new proposed Governor Appointments follow a full recruitment process, including application and interview with College Principal, Chair and Governor Panel ensuring commitment, skills and discovering any potential conflict of interest. This is then followed by a rigorous induction programme with the Senior Management team and ongoing training including safeguarding.

**Liability Insurance**

During the year the College purchased Executive, Professional and Fidelity Liability Insurance, which covered the Directors and Officers of the College, at a cost of £1,150 (2020 - £1,150). In all cases the insurance indemnifies the College against losses incurred from wrongful acts that result in claims by third parties. In addition, the individual Directors or Officers are covered under the Executive Liability insurance policy against personal loss, as a result of claims made upon them for actions taken whilst acting in their capacity as Directors or Officers of the College.

**Employment Policies**

It is the College's policy to have effective communication and consultation with its staff. We have a voluntary recognition agreement with the Trade Union (Unison) for all staff. Under the terms of this agreement, and our Staff Council Constitution, we consult on a variety of issues affecting terms and conditions of employment, which are regularly discussed, at least three times per annum at Staff Council. We also communicate via performance management tools such as individual performance reviews and supervisions, Leadership forum, team briefings, staff training days, frequent news bulletins and the Senior Management Team's core message to all staff members. The College is fully committed to Equality, Diversity and Inclusion (EDI) and publishes its gender pay gap annually. Portland College is an equal opportunities employer and is accredited as a Disability Confident and Mindful Employer, along with being a member of the National Autistic Society.

The College employed an average of 343 full-time equivalent people during the year, compared with 324 in 2019-20.

**Senior team remuneration statement**

This statement is published by the Board of Governors of Portland College for the financial year 2020-21, informed by the Association of Colleges' *Senior Postholder Remuneration Code*.

### Senior post holders within the remit of Remuneration Committee

Principal & Chief Executive Officer	Mark Dale
Deputy Principal Quality & Further Education	Angela Newton-Soanes
Assistant Principal Corporate Services	Lisa Kenwright
Assistant Principal Care & Designated Safeguarding Lead	Ike Onwukwe
Assistant Principal Development	Edward Johnstone
Assistant Principal Schools	Shaun Pollard

### Policy on the remuneration of senior post holders

The Remuneration Committee seeks to recruit, retain and reward the best possible staff to deliver the College's strategic objectives and effectively lead operations. The Committee uses external benchmark information, notably the *Association of Colleges Senior Pay Survey Report*, and local labour market information to agree appropriate levels.

All roles in the College are graded using an established market leader system of job evaluation, Croner Reward™. The objective is to implement equal pay for work of equal value.

The Board of Governors sets an Annual Cost of Living rise on 1<sup>st</sup> April each year and Remuneration Committee takes account of the annual pay award when determining whether or not to apply a cost of living increase to senior post holders.

The College does not have a performance related pay scheme. The College does have an exceptional performance bonus procedure, which could be applied to a senior post holder on the recommendation of her or his line manager. Any recommendation would be subject to approval by the Remuneration Committee. Exceptional performance bonuses are non-consolidated and non-pensionable.

The College offers two pension schemes to employees: Teachers' Pension Agency for eligible employees and a defined contribution scheme available to any employee.

Remuneration Committee approved a cost of living rise of 1% for senior post-holders from 1<sup>st</sup> April 2021.

Cost of living rises for other staff varied between 2.18% and 1% depending on their pay grade.

In 2020-21 no exceptional performance bonuses were paid to senior post holders.

### Policy on income derived from external activities

Staff are supported to undertake external work in certain circumstances, e.g. service in the Reserve Armed Forces, acting as an Ofsted or CQC Inspector or CQC Expert, consultancy projects that would develop the skills of the staff member or enhance their knowledge and understanding in relation to their substantive role. Normally external work should not exceed 10 working days per annum. Special leave will be granted in approved circumstances. The staff member may retain any earnings from up to 10 days external work per annum.

In 2020-21 there were no instances of retained external earnings.

### Pay multiple of the Principal & Chief Executive officer in relation to the lowest paid full-time equivalent salary at the College

Date	Pay Multiple of the CEO/Principal	Lowest full-time equivalent salary
31 <sup>st</sup> August 2021	5.60	£17,374

### Any other relevant matters

None.

## **Objectives and activities**

Portland College is a vibrant, national college for people with a wide range of disabilities. It is one of the foremost Colleges of its type in the United Kingdom, providing good learning opportunities for well over 450 learners, residents and citizens aged from 16 upwards. The College's principal objectives, set out in Article 5 of its Articles of Association, are "For the public benefit to advance the education of and promote the relief of persons with disabilities by any and every means".

The vision statement of the Charity is that all people with disabilities will have a lifetime of opportunity. Our mission is to deliver excellent programmes to inspire and empower people with disabilities to live more independent and fulfilling lives. The Charity will achieve this ambition by concentrating on its three strategic goals:

- An increased number of beneficiaries will be able to access a wider, more diversified service offer and will achieve improved health and/or fitness through participation.
- An increased number of beneficiaries will be able to access a more diversified service offer and will achieve their core goals to lead a more independent life.
- An increased number of people benefitting from employability programmes, achieving and sustaining work (both waged and voluntary) or being enabled to access other provision.

The College focuses on supporting student achievement and progression, collaborating and co-operating with others. In particular the College has striven to produce clear evidence that the quality of the provision made for its students demonstrates the it's the impact of these strategic themes. The Directors confirm that during their consideration of the college-wide philosophy, due regard of Charity Commission guidance on public benefit has been taken account of and acted upon, where necessary.

The main activities undertaken by the Charity are student teaching, learning and assessment carried out by the Further Education team supported by therapy teams and Residential Learning. In adult social care we provide residential and day services including short breaks/respice. The other activities in line with our Articles of Association objectives include an employment support programme, Recovery College and the fully inclusive Woodland Adventure Zone. There are a number of commercial activities including Portland Print and functions.

Polly Teach was established in 2014 and joined the Portland Group in September 2020, providing high-quality individual and group tuition for young people who are disengaged from mainstream education. Combining social work, with teaching practice and youth work, Polly Teach provides bespoke learning programmes to young people with a range of emotional, social, and behavioural difficulties that make it difficult for them to attend school. Polly Teach are a school with full time on roll pupils as well as part time pupils referred by local authorities or through subcontract from schools providing core educational programmes (Maths, English and Science) and vocational programmes for pupils at Key Stage 3 and 4.

## **Volunteers**

Portland values the significant contributions from approximately 25 volunteers who support in a variety of roles, including learning and care support, catering, estates maintenance, administration and minibus driving.

In 2021, we appointed a new Volunteer and CSR Coordinator who has successfully reinstated existing volunteers, and recruited new ones following a period of inactivity due to Government Covid restrictions. The Volunteer and CSR Coordinator also supports local businesses to meet their Corporate Social Responsibility objectives by promoting and facilitating charitable activities.

This new role supports our three core themes of Health & Well-being, Independence, and Employability, for example, through sourcing work placement opportunities, financial and equipment donations and a pilot transport project enabling greater access for beneficiaries to enrichment activities.

## **Strategic Report**

### **Achievements and performance**

#### **Charitable Activities**

The principal activity of Portland College is to provide the appropriate level of learning & teaching and care support for people with disabilities. Learners and citizens are funded principally by Local Authorities and the Education and Skills Funding Agency (ESFA) who cover the direct and support costs of the placement. The college fundraises to cover the cost of new facilities and equipment to enhance the experience and learning of learners and citizens.

Need, rather than ability to pay, is the key determinant of whether prospective learners access our learning and teaching programmes. The Directors are therefore fully satisfied that our activities meet the legal public benefit requirement.

#### **Funding**

The primary sources of funding for Portland College are student fees and residential care fees. Student education and residential fees are funded via the ESFA and local authorities whilst residential and day service fees were received from adult social care and health authorities.

#### **Covid 19 Pandemic**

As with many other organisations, the pandemic has had a large impact for Portland since March 2020.

Overall, the College has remained open throughout, although we have seen new ways of working with TEAMS, Virtual Meetings and online and distance teaching for many of the students. Learner numbers dropped a little as students stayed at, and learned from home. Class sizes were reduced, bubble groups were introduced, and social distancing and PPE became the order of the day, and remain so. The site was closed to the public until spring 2021. Care services for residential learners and Independent living remained open and citizens and learners were kept safe and all Government guidelines were strictly followed.

Some divisions within the College closed for a time – Short Breaks, Therapy, Portland Print, Portland Enterprises (who deal with weddings and external events) and all those dealing directly with the general public, this impacted negatively on the activities and turnover. Furlough income and Emergency Covid Grants from Councils have helped us to weather the storm financially.

Since the summer of 2021, the majority of services at Portland have reopened fully, however the College continues to demonstrate Covid safe procedures across the campus.

#### **Learning and teaching**

During 2020-21 funded learner numbers stabilised at around 195 and success rates for these learners on accredited qualifications continued to show that good progress is made in line with goals and aspirations.

The focus for the year has been to proactively develop digital engagement and blended learning to limit the impact of Covid in order to be able to continue to provide a good educational experience for learners. Data collection and analysis has improved significantly, along with a revised quality assurance framework, which is positively impacting on the quality of teaching and learning. Learner assessment, review and transitions continue to be a strength and we work closely with funders to ensure that our provision is meeting their objectives in a cost-efficient manner. Further development work with the Local Authority is planned to enable both parties to support each other in the timeliness of transitions in.

Portland has further developed good links with local employers and has continued to provide good quality work experiences for all our learners for whom work experience is appropriate, although some businesses have been challenged due to Covid. In common with many other providers we continue to be challenged to transition our learners into employment after the programme and we have seen a small increase in our employment outcomes. Our Supported Internship programme provided employment outcomes and our Progress adult education offer is developing to give further support for young people to achieve positive destinations.

Safeguarding arrangements are a strength of the College and we have implemented the government 'prevent' agenda effectively. Learners feel safe and staff are skilled in supporting learners who find transition into the college environment a challenge.

The College was rated as 'good' by Ofsted in all aspects of regulated educational provision in November 2017. We are confident that the curriculum review and offer has further developed, including the new construction trades area and the introduction of health and social care. Our Be Healthy Active and Courageous project underpins all aspects of the FE offer and we continue to see the positive impact of this on our learners' mental and physical health. Our FE intent and implementation align well with the new Education Inspection Framework.

### **Care**

Citizens access our care provision in a range of ways through the Day Service, Residential Learning, Short Breaks or Independent Living programme. The Day Service provision is classed as non-regulated, whilst the others are as all regulated by the Care Quality Commission. All care services are widely considered to be caring and person-centred with demonstrable outcomes. We have been able to build on the excellent reputation of the College, by improving and widening the impact of our offer to learners and citizens (the preferred term, rather than resident or service user).

The pandemic continued to have a major impact all care services. The lessons from the first national lockdown helped us to react very quickly and responsively, enabling us to welcome back successfully all staff and learners when shielding ended. We maintained self-isolating households with different clusters for citizens with dedicated staff teams in order to limit possible cross-infection between groups. We also maintained excellent infection, prevention and control practices across the College with no recorded outbreak of the virus in the College. This was validated in a visit from the Nottinghamshire County Quality Audit Team in March 2021. Furthermore, in partnership with our local GP network, we successfully organised and hosted the vaccination of over 98% of our citizens and staff which has positioned us well to safely meet the regulatory vaccination requirement for all care staff by November 2021.

Our focus was also to continue the care quality consolidation, which has seen a massive improvement in care practice and a sustained shift in staff culture towards best practice as the norm rather than the exception. We now have clearly evident elements of outstanding practice within our day-to-day operations. For instance, through our digital initiative – the Care App, the daily recording of support provided has become timelier and more efficient; allowing staff to dedicate more time to focus on care needs. We recorded examples of staff going above and beyond at personal cost and sacrifice to maintain person-centred care for our beneficiaries. We also recorded examples of our beneficiaries achieving their goals and aspirations, enabled by the support from our staff.

Despite the ongoing limitations of the pandemic, we made laudable strides towards achieving set objectives. As the College believes that community engagement is vital to the development of our beneficiaries, we widened the scope of our Day Service operation, with provision started in two community locations. This is in line with our 2025 College vision. We believe that it is essential that residents on our independence programme learn a wide range of skills to enable the transition off site. To this end, we started a step-down service at Willow House (within the College campus). This step-down service is staffed along supported living lines but remains under our residential care registration. This arrangement is strongly supported by our local commissioners at Nottinghamshire County Council and will operate alongside our supported living registration, if approved by the CQC.

Following the revised operating model from September 2020, the demand for our short break services did not abate, but rather increased. We have had to manage the expectations of clients and their families through a booking system. A further review by the leadership team and governors led to an increase in the capacity of the service with a planned move into the Beeches business unit in January 2022 after it is refurbished. The service will remain under review.

We also have seen more increase in the number of referrals into the Day Service and Independent Living Service with both services exceeding their quota targets for the year. Most of these referrals were direct referrals which is a consequence of the positive impact of our work as seen in feedback received from commissioners. Altogether, over 200 citizens access all of these services. We therefore plan to sustain and further improve the high-quality learning and support across all our care provision, ensuring demonstrable outcomes for all our beneficiaries.

### **Polly Teach Limited**

During the year student numbers were below expectation as a number of schools withdrew pupils from sub-contract arrangement as a result of Covid, and referrals reduced due to the practical difficulties of arranging assessment and placement during whilst a large proportion of Commissioners and pupils were working from home.

During the first wave of Covid lock down, many students were working at home, and Polly Teach kept daily contact with students via online platform and phone calls with at least 1 weekly home visit. Polly Teach managed to keep communication with all families and provide a detailed curriculum even if students were at home. Allowing students

to develop skills to and evidence to be collected for exams results with year 11 students achieving their expected GCSE grades.

During the summer term, some year 11 students completed work placements with contractors to develop skills for their post 16 options. All work experience was monitored with high quality daily contact with companies and students.

### **Fundraising and Other Matters**

The fundraising team continues to raise funds via applications to trusts, individuals, organisations, and by organising a number of fund-raising events throughout the year. Although events were limited due to the impact of Covid-19, charitable income including grants totalled £734k during 2020-21 (£575k in 2019-20). This increase in income stemmed primarily from the capital appeals for the 'Newstart Hall' refurbishment.

Whilst Covid-19 restricted the ability to deliver a full range of on-site activities during 2020/21, the college is proud to have the National Citizen Services programmes for young people with learning and physical disabilities now back on-site accessing new and exciting challenges. This is the only such programme in the country, something the college is very proud to deliver.

### **Financial review**

#### **Group Operating Results**

The net income for the year ended 31 August 2021 was a surplus of £653k (2020 surplus of £377k).

The Directors Memorandum Note on page 12 demonstrates that the College operated at a surplus of £1,588k (2020 £1,189k) before the extraordinary expenditure of reorganisation and pension deficit repayment and the non-cash item of Depreciation. This, therefore, represents the College's EBITDA (Earnings before Interest, Taxes, Depreciation and Amortisation) result for the year.

The improved results are the result of increased numbers of learners and hence higher education income coupled with continued cost control measures in place.

#### **Reserves Policy**

Reserves are those funds available to the College once it has met its commitments and covered planned expenditure. The Unrestricted Free Reserves retained as at 31 August 2021 were £11,726k (2020: £10,884k).

The Group / College retain 'Free' Reserves at a level that would meet unforeseen shortfalls in short-term income streams. The basis of calculation of Free Reserves agreed by the Directors is three months expenditure. Free Reserves do not include Restricted or Designated Funds and are included within General College funds of £12,925k (note 17). The Designated Funds as at 31 August 2021 total £1,100k (£1,100k as at 31 August 2020) and are listed in Note 18a of the Financial Statements. They provision is for on-going future liabilities (Defined Benefit Pension Scheme Liability - £600k) and provision for future projects (£500k). The Directors have approved a campus master plan which sets out a 10-year capital programme to further develop our woodland campus into the premier further education destination for disabled people in the UK

The level of the Free Reserves required to cover is 3 months expenditure is £2,591k as at 31 August 2021 (2020 £2,174k). The Directors undertake a formal review of the Reserves Policy every year and they are satisfied that the current level meets College requirements.

#### **Investment Powers and Policy**

The Directors regularly review the investment policy, which primarily aims to achieve growth in capital value from the College share portfolio via balanced levels of risk through both equity and fixed interest stocks. In addition, the Directors require the best use to be made of available cash resources through the prudent placement of fixed-term investments. Fixed-term UK bank deposits totalled £2,200k as at the Balance Sheet date (2020 £2,200k) and Cash at Bank on Deposit stood at £2,242k (2020 £1,722k). Total Cash and cash equivalents at bank increased by £520k during the year, mainly due to temporary working capital fluctuations. In year, the College liquidated its share portfolio which was valued at £274k on 31 August 2020.

The annual return on investments was £36k (2020 £37k).

## **Fixed Assets**

Changes in Fixed Assets are shown in Note 10 to the Financial Statements. In the opinion of the Directors the market value of the freehold property may differ from the book value, but as there is no intention of disposing of any premises it is therefore not considered appropriate to quantify the difference.

## **Risk management**

A regular assessment of risk is carried out, covering financial and non-financial risks to which the College is exposed, with a particular emphasis on those risks which involve beneficiaries. This assessment is formally reviewed at every main Board meeting, with detailed scrutiny via the Audit Committee. Each identified risk is RAG rated, allocated to an individual senior manager and actions identified to minimise the overall risks. The risk register is an interactive document that is continually reviewed and updated by the Senior team which not only identifies the risk, but helps manage the delivery of specific actions identified.

The main area of risk for the organisation is considered to be:

- Learner and citizens outcomes being below their potential due to lack of suitable opportunities and wellbeing on leaving college, particularly during Covid 19 pandemic,
- a risk that staff do not have the skills to effectively support our current cohort of learners and citizens,
- Ensuring Learners and Citizens are protected through safeguarding or Prevent incident
- Cyber Security risk through virus and cyber-attack leading to loss of information's system controlling all areas of the College business and campus security. and.

Ongoing recruitment and retain of staff in to the care profession

## **Plans for future periods**

The Board of Governors have worked with the Senior Management Team to develop an ambitious 5-year plan, entitled *Lifetime of Opportunity* which reflects the new vision statement adopted by the Charity. The new plan has been through an extensive period of stakeholder consultation and engagement and the Directors are confident that the investment and development will result in increased public benefit as defined through the Articles of Association. The plan anticipates that all current core programmes will also continue to operate, serving an increased number of beneficiaries during the plan period.

The plan contains significant ambitions to geographically extend the range and number of further and adult education opportunities through the creation of hub sites in Nottingham and a number of other towns. This will enable the Charity to benefit more individuals every year, following a period of successful expansion 2017-20.

Building on the success of major refurbishment projects and the creation of the award-winning Woodland Adventure Zone, the Directors are supporting substantial new investment during the plan period:

- Redevelopment of an existing 60 bed student residence, converted to 36 Independent Living flats with some communal facilities. This will create high quality housing suitable for younger disabled adults – an area of considerable housing shortage locally and nationally.
- Redesign of the small animal farm and horticulture areas. The current facilities range between 70 and 15 years old and are all but life-expired. Purposeful outdoor work remains a popular area for people with complex disabilities and also provides wider therapeutic and educational opportunities (e.g. education for sustainability linked to the United Nations sustainability goals).
- Construction of a light manufacturing workshop. This project complements and completes the recent investment into construction trades and is carefully mapped on to the local jobs market where there is continuous demand for labour in furniture manufacturing. The investment will be substantially funded by the Government's Towns Fund.

Other core development plans seek to address issues such as the lack of transport for people with complex physical disabilities or learning disabilities who can't successfully use public transport or adapted mobility vehicles. This seeks to deploy the Charity's own transport fleet more intensively to create new opportunities to adults with disabilities to access adult education, therapies and social programmes. At the same time, we are beginning a programme of vehicle replacements with new electric vehicles.

With the key focus on health and well-being in our 5-year plan, we have identified the potential for people with certain disabilities to benefit from access to therapeutic services (e.g. physiotherapy and hydrotherapy) which are not available via the NHS. We are currently researching how to widen access in a financially sustainable manner based on need rather than the individual's ability to pay.

In 2022 the Charity will be operating two public engagement programmes to capitalise on the significant investment in new and refurbished facilities such as the Woodland Adventure Zone and Newstart Theatre. These facilities will often be let, free of rent, to education and community groups whose core purpose aligns with the Charity's own objects. There will be other programmes of public benefit, open to all, operated by the College.

During the plan period the College will complete the acquisition of the remaining shares in Polly Teach Limited. The alternative provision school has been subject to some investment and is being managed to achieve growth and generate an investible surplus to the support the Charity.

### **Statement of Directors' Responsibilities**

The Directors are responsible for preparing the Report of the Directors, Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's Auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors Report and Strategic Report Approved on 26<sup>th</sup> April 2022

**T S Richmond**  
(Director)

## **Opinion**

We have audited the financial statements of Trent College Limited (“the company”) and its subsidiaries (“the group”) for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Company Balance Sheets, the Consolidated Statement of Cash Flows and the related notes including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 ‘The financial Reporting Standard applicable in the UK and Republic of Ireland’ and the Charities SORP 2019.

In our opinion, the financial statements:

- give a true and fair view of the state of the group’s and the parent charitable company’s affairs as at 31 August 2021 and of the incoming resources and application of resources, including its income and expenditure, for the year ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 under those standards are further described in the auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

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

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

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

## **Other information**

The directors are responsible for the other information. The other information comprises the information included in the directors’ report, other than the financial statements and our audit report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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

### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities set out on page 13, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

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

Our assessment focussed on key laws and regulations the College has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities, including fraud. Our approach to detecting irregularities, including fraud, included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the College and how the College is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;

- obtaining an understanding of the College's control environment and how the College has applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the College's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection of fraud based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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

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

#### **Use of our report**

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

**Simon Atkins FCA**  
**Senior Statutory Auditor**

For and on behalf of:

**COOPER PARRY GROUP LIMITED**  
 Chartered Accountants  
 Statutory Auditors

Date:

Sky View, Argosy Road, East Midlands Airport, Castle Donington, Derby, DE74 2SA



**PORTLAND COLLEGE**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
<b>Income from:</b>	1(d)				
Charitable Activities	2	10,321	-	10,321	9,569
Other Trading Activities	3	1,239	-	1,239	597
Donations, Legacies and Grants	4	4	810	814	575
Investment Income	5	36	-	36	37
Other Income		-	-	-	24
<b>Total Income</b>		<b>11,600</b>	<b>810</b>	<b>12,410</b>	<b>10,802</b>
<b>Expenditure on:</b>	1(e)				
Raising Funds		124	-	124	119
Charitable Activities	6(a)/(b)	9,928	942	10,870	9,607
Other Activities	6 c	763	-	763	699
<b>Total Expenditure</b>		<b>10,815</b>	<b>942</b>	<b>11,757</b>	<b>10,425</b>
Net Gains on Investments	10(b)	-	-	-	-
<b>Net Income/(Expenditure) for the year</b>	8	<b>785</b>	<b>(132)</b>	<b>653</b>	<b>377</b>
Transfers Between Funds	18(a)/(b)	117	(117)	-	-
<b>Net Income/(Expenditure) before Other Recognised Gains and Losses</b>		<b>902</b>	<b>(249)</b>	<b>653</b>	<b>377</b>
Other Recognised Gains and Losses		-	-	-	
Defined Benefit Pension Scheme Actuarial (loss)/gain	23	523	-	523	136
<b>Net Movement in Funds</b>		<b>1,425</b>	<b>(249)</b>	<b>1,176</b>	<b>513</b>
Reconciliation of Funds					
Fund Balances Brought Forward	18	11,117	389	11,506	10,993
<b>Fund Balances Carried Forward at End of Year</b>		<b>12,542</b>	<b>140</b>	<b>12,682</b>	<b>11,506</b>

None of the Group's activities was acquired or discontinued during the past two financial periods.

The notes on pages 16 to 33 form part of these Financial Statements.

**PORTLAND COLLEGE**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**  
**(CONTINUED)**

**MEMORANDUM NOTE** *(this does not form part of the Audited Financial Statements)*

**Re-Statement of Revenue Performance in EBITDA Format:**

	2020-21		2019-20	
	£000	£000	£000	£000
<b>Operating Surplus before Exceptional Items and Depreciation</b>		1,588		1,189
Less: Extraordinary Expenditure				
Deficit Recovery for Defined Benefit Pension Scheme	(215)		(215)	
		(215)		(215)
<b>Surplus before Non-Cash Items</b>		1,373		974
Depreciation	(806)		(719)	
Amortisation	(48)			
FRS102 - Pension Charge Against Operating Surplus	134		122	
		(720)		(597)
<b>Net income/(expenditure) Before Other Recognised Gains and Losses</b>		652		377

**PORTLAND COLLEGE**  
**CONSOLIDATED BALANCE SHEET AS AT 31 AUGUST 2021**

Company Registration Number 408340

	Note	31 August 2021 £000	31 August 2020 £000
<b>Fixed Assets</b>			
Intangible Assets	10(a)	434	-
Tangible Assets	10(ai)	9,929	8,764
Investments - Quoted	10(b)	-	274
Other Investments - Other than Loans	10(c)	-	-
Investments - Related Parties	10(d)	-	-
<b>Total Fixed Assets</b>		<b>10,363</b>	<b>9,038</b>
<b>Current Assets</b>			
Stocks	12	18	29
Debtors	13	549	1,173
Investments	14	2,200	2,200
Cash at Bank on Deposit		1,952	1,540
Cash at Bank and in Hand		290	182
		<b>5,009</b>	<b>5,124</b>
Creditors:- Amounts Falling Due Within One Year	15	(2,406)	(1,715)
<b>Net Current Assets</b>		<b>2,603</b>	<b>3,409</b>
<b>Net Assets Excluding Pension Liability</b>		<b>12,966</b>	<b>12,447</b>
Defined Benefit Pension Scheme Liability	23	(284)	(941)
<b>Net Assets Including Pension Liability</b>	16	<b>12,682</b>	<b>11,506</b>
<b>The Funds of the Group</b>			
Restricted Income Funds	18(b)	140	389
Unrestricted Income Funds			
General Group Funds	18(a)	11,726	10,884
Designated Funds	18(a)	1,100	1,100
Unrealised Investment Revaluation Reserve	18(c)	-	74
<b>Unrestricted Income Funds Excluding Pension Liability</b>		<b>12,826</b>	<b>12,058</b>
Pension Reserve	23	(284)	(941)
<b>Total Unrestricted Funds</b>		<b>12,542</b>	<b>11,117</b>
<b>Total Group Funds</b>	17	<b>12,682</b>	<b>11,506</b>

The notes on pages 16 to 33 form part of these Financial Statements.

These accounts were approved and authorised for issue by The Board of Directors and signed on its behalf by:

T S Richmond  
Director

S Jackson  
Director

Date:

**PORTLAND COLLEGE**  
**PARENT CHARITABLE COMPANY BALANCE SHEET AS AT 31 AUGUST 2021**

Company Registration Number 408340

	Note	31 August 2021 £000	31 August 2020 £000
<b>Fixed Assets</b>			
Tangible Assets	10(a)(iii)	9,910	8,763
Investments - Quoted	10(b)	-	274
Investments - Subsidiary and Associated Undertaking	10(c)	450	-
<b>Total Fixed Assets</b>		<b>10,360</b>	<b>9,037</b>
<b>Current Assets</b>			
Stocks	12	10	21
Debtors	13	563	1,163
Investments	14	2,200	2,200
Cash at Bank on Deposit		1,952	1,540
Cash at Bank and in Hand		4	14
		<b>4,729</b>	<b>4,938</b>
Creditors:- Amounts Falling Due Within One Year	15	(2,024)	(1,528)
<b>Net Current Assets</b>		<b>2,705</b>	<b>3,410</b>
<b>Net Assets Excluding Pension Liability</b>		<b>13,065</b>	<b>12,447</b>
Defined Benefit Pension Scheme Liability	23	(284)	(941)
<b>Net Assets Including Pension Liability</b>	16b	<b>12,781</b>	<b>11,506</b>
<b>The Funds of the Charity</b>			
<b>Restricted Income Funds</b>	18(bc)	<b>140</b>	<b>389</b>
<b>Unrestricted Income Funds</b>			
General College Fund	18(ai)	11,825	10,884
Designated Funds	18(ai)	1,100	1,100
Unrealised Investment Revaluation Reserve	18(ai)	-	74
<b>Unrestricted Income Funds Excluding Pension Liability</b>		<b>12,925</b>	<b>12,058</b>
Pension Reserve	23	(284)	(941)
<b>Total Unrestricted Funds</b>		<b>12,641</b>	<b>11,117</b>
<b>Total Charity Funds</b>	17b	<b>12,781</b>	<b>11,506</b>

The notes on pages 16 to 33 form part of these Financial Statements.

These accounts were approved and authorised for issue by The Board of Directors and signed on its behalf by:

T S Richmond  
Director

S Jackson  
Director

Date:

**PORTLAND COLLEGE CONSOLIDATED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £000	2020 £000
<b>Net Cash Provided By Operating Activities</b>	21	2,334	863
<b>Cash Flow From Investing Activities</b>			
Purchase of Property, Plant and Equipment	10(a)	(1,962)	(1,292)
Proceeds From the Sale of Property, Plant and Equipment		-	-
Purchase of Investments	10(b)	-	(55)
Proceeds from Sale of Fixed Assets		-	-
Proceeds From the Sale of Investments	10(b)	274	69
Purchase of Subsidiary net of cash acquired	27	(164)	-
Investment and Other Income	5	36	37
<b>Net Cash Used in Investing Activities</b>		<u>(1,816)</u>	<u>(1,241)</u>
<b>Change in Cash and Cash Equivalents in the Reporting Period</b>		<u>519</u>	<u>(378)</u>
<b>Cash and Cash Equivalents at 1 September 2020</b>		3,922	4,297
<b>Cash and Cash Equivalents at 31 August 2021</b>		4,442	3,922
<b>Cash and Cash Equivalents Consists of:</b>			
Cash in Hand, at Bank		2,242	1,722
Current Asset Investments	14	2,200	2,200
<b>Cash and Cash Equivalents at 31 August 2021</b>		<u>4,442</u>	<u>3,922</u>

**PORTLAND COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

**1. ACCOUNTING POLICIES**

**(a) General information and basis of preparation**

The group financial statements have been prepared on a going concern basis under the historical cost convention, modified to incorporate the inclusion of Fixed Asset Investments at fair value. They are prepared in Sterling which is the functional currency of the College and rounded to the nearest £000. They comply with the requirements of the Companies Act 2006 and the provisions of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in 2019. The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the College and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis. The results of the associated undertaking are excluded from the consolidation on the basis that it is immaterial.

Advantage has been taken of exemptions given under section 408 of the Companies Act 2006 not to present a separate SOFA for Portland College.

Portland College meets the definition of a public benefit entity under FRS 102; assets and liabilities are initially stated at historical cost or transition value unless otherwise stated in the relevant accounting policy note(s).

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

Results of Portland College - Total incoming resources for the year ended 31 August 2021 for Portland College (the charity) amounted to £11,754k (2020 - £10,656k). Net incoming resources for the year produced a surplus of £1,275k (2020 - surplus £513k).

**(b) Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**(c) Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**(d) Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

**PORTLAND COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

**1. ACCOUNTING POLICIES (Cont'd)**

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102) 2019. Further detail is given in the Trustees' Annual Report.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The charity receives government grants in respect of Education and Skills Funding Agency (ESFA). Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends & interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

**(e) Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes the costs of commercial trading;
- Expenditure on charitable activities includes the cost of educational activities undertaken to further the purposes of the charity and their associated support costs; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

**(f) Support costs**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 6(b), along with the bases on which support costs have been

**(g) Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Donated stocks are fair valued as described in (d) above.

**PORTLAND COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

**1. ACCOUNTING POLICIES (Cont'd)**

**(h) Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Defined Contribution Pension Scheme - The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable in accordance with the rules of the scheme.

Defined Benefit Pension Scheme - The charity operates a defined benefit plan for the benefit of its employees. A liability for the charity's obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period as is charged to cost headings on a pro rata basis based on full time equivalent employees. The total cost is recognised in unrestricted funds. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date. Details of the College's defined benefit scheme are shown in notes 22 and 23.

**(i) Investments**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Investments in subsidiaries / joint ventures / associates are measured at cost less impairment.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

**(i)b Intangible fixed assets**

Goodwill represents the difference between the amounts paid on acquisition of a business combination and the acquirer's interest in the fair value of the share of its identifiable assets and liabilities of the acquire at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis over its useful economic life which is considered to be 10 years.

**(j) Tangible fixed assets**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold Buildings		10	to 40 years (note (i))
Furniture and Equipment	- Computers	5	years
	- IT Network	7	years
	- Production/Technical Equipment	5	years
	- Other	10	years
Transport		5	years

**Notes**

(i) Freehold Buildings - Note that freehold buildings also includes the cost of building improvements and refurbishment projects. The life expectancy of each building is assessed individually.

(ii) Items costing less than £500 are written off as expenditure in the year of purchase unless part of a larger project spend.

**(k) Operating Leases**

Rentals payable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

**(l) Tax**

The charity 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.

Portland College Enterprises Limited is liable for Corporation Tax and the liability is based on the result for the year as adjusted for disallowable items. However an agreement is in place whereby all profits are donated to the College.

Polly Teach Limited is liable for Corporation Tax and the liability is based on the result for the year as adjusted for disallowable items. However an agreement is in place whereby all profits are donated to the College.

**PORTLAND COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
<b>2. INCOME FROM CHARITABLE ACTIVITIES</b>		
Educational fees	6,265	6,269
Residential fees	3,967	3,210
Other fees	89	90
	<b>10,321</b>	<b>9,569</b>

All of the above income was distributable to unrestricted funds in both years

<b>3. INCOME FROM OTHER TRADING ACTIVITIES</b>		
Portland Print	104	110
Furlough	123	175
Polly Teach Ltd	758	-
Other Trading Income	253	312
	<b>1,239</b>	<b>597</b>

All of the above income was distributable to unrestricted funds in both years

<b>4. INCOME FROM DONATIONS, LEGACIES AND GRANTS</b>		
Legacies	-	-
Grants	129.40	55
Donations	685.00	520
	<b>814</b>	<b>575</b>

Donations in excess of £2k were received from the Ralph King Legacy, Kirkby Laing Foundation, Betty Williamson, Government Town Funds, Peter Harrison, Duke of Portland, Thomas Farr, Jessie Spencer, Jones 1986, Garfield Western, Provincial Grand Lodge Nottingham, National Lottery, Ashfield Council, Reaching Communities, Mansfield Building Society, Children in Need, Nineveh Trust.

Of the above income of £814k (2020: £575k); £4k (2020 £128k) was attributable to unrestricted funds and £810k (2020: £447k) was attributable to restricted funds.

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
<b>5. INVESTMENT INCOME</b>		
Bank Interest	12	44
UK Listed Investments	24	(7)
	<b>36</b>	<b>37</b>

All of the above income was distributable to unrestricted funds in both years

**PORTLAND COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

**6.a ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

	Activities undertaken directly £000	Support Costs £000	Total £000	2020 Total £000
Education	3,630	2,162	5,792	5,129
Care & Support	3,245	1,833	5,078	4,478
	<b>6,875</b>	<b>3,995</b>	<b>10,870</b>	<b>9,607</b>

£942k (2020 - £206k) of the above costs were attributable to restricted funds. £8,655k (2020 - £9401k) of the above costs were attributable to unrestricted funds.

**6.b ALLOCATION OF SUPPORT COSTS**

Support cost	Basis of allocation	Education £000	Care & Support £000	Activities & Raising funds £000	Total £000	2020 Total £000
Learner Support Costs	Area/ usage	896	705	45	1,646	1,471
Corporate Services	FTEs	874	746	70	1,690	1,329
Depreciation/Amortisation	Asset location	392	382	80	854	719
		<b>2,162</b>	<b>1,833</b>	<b>195</b>	<b>4,190</b>	<b>3,519</b>

**6.c EXPENDITURE ON OTHER ACTIVITIES**

	2021 £000	2020 £000
Pathways to Employment & Catering	530	580
Administrative Expenses	233	119
	<b>763</b>	<b>699</b>

**7. GOVERNANCE COSTS-INCLUDED WITHIN SUPPORT COSTS**

	2021 £000	2020 £000
Auditors remuneration - Current Year	32	32
Other Professional Costs	95	125
	<b>127</b>	<b>157</b>

**8. NET INCOME / (EXPENDITURE) is stated after charging :-**

**Auditor's Remuneration**

Auditors Remuneration - Audit	32	32
Less: Allowance included within Donations & Gifts	(9)	(9)
	<b>23</b>	<b>23</b>
Auditor's Remuneration - Other Services		
Audit of the Charity's Subsidiary Pursuant to Legislation	7	4
Other Services Relating to Taxation	3	1
All Other Services	-	-
	<b>33</b>	<b>28</b>

**Operating Leases**

Operating Leases - all with less than 1 Year remaining	6	6
--	---	---

**Rental Agreements**

	6	6
--	---	---

The above operating leases and rental agreements all relate to equipment.

**PORTLAND COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

**9. EMPLOYEE INFORMATION**

The average number of people employed and full time equivalents (FTE) during the year was as follows :-

	2021 Number	2021 FTE	2020 Number	2020 FTE
Education	189	153	165	126
Care & Support	144	127	164	141
General Learner Support	39	34	32	26
Corporate Services	23	21	25	21
Trading Activities	30	6	9	8
Fundraising	2	2	3	2
	<b>427</b>	<b>343</b>	<b>398</b>	<b>324</b>

In addition a total of 45 Volunteers (2020: 50) made a contribution to the College in a variety of ways.

**Employment Costs for the year were:**

	2021 £000	2020 £000
Wages and Salaries	8,003	7,100
Employer's National Insurance Contributions	543	453
Employer's Pension Contributions	379	333
Life Assurance Contributions	35	35
	<b>8,960</b>	<b>7,921</b>

The College consider its key management personnel to comprise the Senior Management Team (as detailed on page 2).

The total employment benefits including employer pension contributions of the key management personnel were £460k (2020: £372k). One employee had employee benefits in the range of £110k-£120k (2020: One in £90k-£100k). One employee had employee benefits in the range of £60k - £70k (2020 nil)

Redundancy payments made during the year were nil (2020: £20k) due to departmental reorganisations.

No Trustees received any remuneration in either 2021 or 2020

**The Board of Governors**

The Governors and committee members are entitled to reclaim travel expenses incurred in the course of their duties. During the year no (2020 - one) Governors received reimbursement of expenses totalling £nil (2020 - £nil), of which £nil (2020 - £nil) was Gift Aided back to the College.

v  
**PORTLAND COLLEGE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

**10. FIXED ASSETS**

<b>GROUP</b>	<b>Goodwill</b>	<b>Total</b>
(a) Intangible Assets	£000	£000
At 1 September 2020	-	-
Additions	482	482
Amortisation for period	(48)	(48)
<b>Net Book Value as at 31 August 2021</b>	<b>434</b>	<b>434</b>

(ai) Tangible Assets Group	Freehold Land & Buildings £000	Furniture & Equipment £000	Transport £000	Assets Under Construction £000	Total £000
<b>Cost</b>					
At 1 September 2020	18,249	3,181	258	790	22,478
Additions	1,795	147	20	-	1,962
Assets upon acquisition	-	21	-	-	21
Transfer Assets under construction	756	34	-	(790)	-
Disposals	-	(7)	(16)	-	(23)
<b>At 31 August 2021</b>	<b>20,800</b>	<b>3,376</b>	<b>262</b>	<b>-</b>	<b>24,438</b>
<b>Depreciation</b>					
At 1 September 2020	11,148	2,385	181	-	13,714
Charge for Year	627	154	25	-	806
Eliminated on Disposal	-	(5)	(6)	-	(11)
<b>At 31 August 2021</b>	<b>11,775</b>	<b>2,534</b>	<b>200</b>	<b>-</b>	<b>14,509</b>
<b>Net Book Value</b>					
At 1 September 2020	7,101	796	77	790	8,764
<b>At 31 August 2021</b>	<b>9,025</b>	<b>842</b>	<b>62</b>	<b>-</b>	<b>9,929</b>

**FIXED ASSETS**

**CHARITY**

(aii) Tangible Assets Charity	Freehold Land & Buildings £000	Furniture & Equipment £000	Transport £000	Assets Under Construction £000	Total £000
<b>Cost</b>					
At 1 September 2020	18,249	3,181	258	790	22,478
Additions	1,795	141	20	-	1,956
Transfer Assets under construction	756	34	-	(790)	-
Disposals	-	(6)	(16)	-	(22)
<b>At 31 August 2021</b>	<b>20,800</b>	<b>3,350</b>	<b>262</b>	<b>-</b>	<b>24,412</b>
<b>Depreciation</b>					
At 1 September 2020	11,148	2,385	181	-	13,714
Charge for Year	627	148	25	-	800
Eliminated on Disposal	-	(6)	(6)	-	(12)
<b>At 31 August 2021</b>	<b>11,775</b>	<b>2,527</b>	<b>200</b>	<b>-</b>	<b>14,502</b>
<b>Net Book Value</b>					
At 1 September 2020	7,101	796	77	790	8,764
<b>At 31 August 2021</b>	<b>9,025</b>	<b>823</b>	<b>62</b>	<b>-</b>	<b>9,910</b>

The National Lottery Charities Board was granted a legal charge over the 'Birches' building (previously known as the Information and Communication Technology Learning Centre) in relation to the £500k grant that it provided to the College. The legal charge is granted for a period of 80 years from the receipt of payment on 26 May 2006.

**PORTLAND COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

**10. FIXED ASSETS (Continued)**

**(b) Investments**

Group & Charity	Quoted Investments	Cash	Totals
	£000	£000	£000
Market Value at 1 September 2020	270	4	274
Additions	-	-	-
Disposals	(270)	(4)	(274)
Revaluation		-	-
<b>At 31 August 2021 (see notes below)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cost at 1 September 2020	195	1	196
<b>Cost at 31 August 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>

**10. FIXED ASSETS (Continued)**

**(c) Investments**

Charity	Shares in Group Undertakings	£
<b>Cost or valuation at 1 September 2020</b>		<b>100</b>
Holding in subsidiary: 100 Ordinary shares of £1 each [note 11]		100
Additions in the period: 900 Ordinary shares at £500 each		450,000
<b>Cost or valuation at 31 August 2021</b>		<b>450,100</b>
Cost or valuation at 1 September 2020 and 31 August 2021	Shares in Associated Undertaking	£
Holding in associated undertaking: 2 Ordinary shares of £1 each [note 26]		2
<b>Cost or valuation at 1st September 2020 and 31st August 2021</b>		<b>2</b>

**PORTLAND COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

**11. SUBSIDIARY UNDERTAKING**

The charity owns the whole of the issued ordinary share capital of Portland College Enterprises Limited, a company registered in England and Wales. The subsidiary is used for non-primary purpose trading activities and commenced trading on 1st September 2009. All activities have been consolidated on a line by line basis in the SOFA. The subsidiary achieved a total net profit of £52,148. A summary of the results of the subsidiary is shown below:

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Turnover	29	146
Cost of Sales	(56)	(118)
<b>Gross Profit</b>	<b>(27)</b>	<b>28</b>
Administrative Expenses	(15)	(25)
<b>Operating Profit</b>	<b>(42)</b>	<b>3</b>
<b>Income from Fixed Asset Investment</b>	<b>95</b>	<b>-</b>
<b>Profit after Tax</b>	<b>53</b>	<b>3</b>
The aggregate of the assets, liabilities and funds was:		
Assets	881	568
Liabilities	(379)	(568)
<b>Total Capital and Reserves</b>	<b>502</b>	<b>-</b>

**11 b SUBSIDIARY UNDERTAKING**

From 16th September 2020 the charity indirectly controls the whole of Polly Teach Ltd. A company registered in England and Wales. The subsidiary is used for provision of non mainstream education for young people. All activities have been consolidated on a line by line basis in the SOFA. The subsidiary achieved a total net loss of £8,411. A summary of the results of the subsidiary is shown below:

	<b>2021</b>
	<b>£000</b>
Turnover	758
Cost of Sales	(537)
<b>Gross Profit</b>	<b>221</b>
Administrative Expenses	(229)
<b>Operating Profit</b>	<b>(8)</b>
Tax On Profit	-
<b>Profit after Tax</b>	<b>(8)</b>
The aggregate of the assets, liabilities and funds was:	
Assets	211
Liabilities	(177)
<b>Total Capital and Reserves</b>	<b>34</b>

**12. STOCKS**

	Group		Charity	
	2021 £000	2020 £000	2021 £000	2020 £000
Raw Materials and Consumables	18	27	10	19
Work-in-Progress	-	2	-	2
	<b>18</b>	<b>29</b>	<b>10</b>	<b>21</b>

**13. DEBTORS**

	2021 £000	2020 £000	2021 £000	2020 £000
Trade Debtors	486	663	448	656
Other Debtors	31	67	15	67
Prepayments	32	443	29	440
Due from Group Companies	-	-	71	-
	<b>549</b>	<b>1,173</b>	<b>563</b>	<b>1,164</b>

Other Debtors includes £nil (2020 - £22k) for Student Fees not yet invoiced.

**14. INVESTMENTS - CURRENT ASSETS**

	2,200	2,200	2,200	2,200
Unquoted - Fixed Term UK Bank Deposits				

Of the above deposits, £1,700k (2020 - £1,350k) is due to mature within 6 months of the Balance Sheet date.

**PORTLAND COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

**15. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Charity	
	2021 £000	2020 £000	2021 £000	2020 £000
Trade Creditors	244	173	235	144
Other Taxation and Social Security	141	107	115	107
Other Creditors	1,239	916	948	757
Accruals	782	520	726	520
	<u>2,406</u>	<u>1,716</u>	<u>2,024</u>	<u>1,528</u>

Other Creditors include £260k (2020 - £279k) for Student Fees paid in advance.

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS GROUP**

	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000
Fund Balances at 31 August 2021 are represented by:			
Intangible Fixed assets	434	-	434
Tangible Fixed Assets	9,929	-	9,929
Current Assets	4,869	140	5,009
Creditors: Current Liabilities	(2,406)	-	(2,406)
Pension Reserve	(284)	-	(284)
	<u>12,542</u>	<u>140</u>	<u>12,682</u>

**16b ANALYSIS OF NET ASSETS BETWEEN FUNDS CHARITY**

	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000
Fund Balances at 31 August 2021 are represented by:			
Investments	450	-	450
Tangible Fixed Assets	9,910	-	9,910
Current Assets	4,589	140	4,729
Creditors: Current Liabilities	(2,024)	-	(2,024)
Pension Reserve	(284)	-	(284)
	<u>12,641</u>	<u>140</u>	<u>12,781</u>

**17. COLLEGE FUND AND RESERVES GROUP**

	2021 £000	2020 £000
<b>Unrestricted Funds [note 18]</b>		
General College Funds - excluding Designated Funds and Pension Liability	11,726	10,884
Designated Funds [note 18]	1,100	1,100
<b>General College Funds - excluding Pension Liability</b>	<u>12,826</u>	<u>11,984</u>
Pension Reserve [note 23]	(284)	(941)
<b>General College Funds - including Pension Liability</b>	<u>12,542</u>	<u>11,043</u>
Unrealised Investment Revaluation Reserve [note 18c]	-	74
<b>Unrestricted income fund</b>	<u>12,542</u>	<u>11,117</u>
Restricted Funds [note 18b]	140	389
<b>Total Funds and Reserves</b>	<u>12,682</u>	<u>11,506</u>

**17b COLLEGE FUND AND RESERVES CHARITY**

	2021 £000	2020 £000
<b>Unrestricted Funds [note 18ai]</b>		
General College Funds - excluding Designated Funds and Pension Liability	11,825	10,884
Designated Funds [note 18ai]	1,100	1,100
<b>General College Funds - excluding Pension Liability</b>	<u>12,925</u>	<u>11,984</u>
Pension Reserve [note 23]	(284)	(941)
<b>General College Funds - including Pension Liability</b>	<u>12,641</u>	<u>11,043</u>
Unrealised Investment Revaluation Reserve [note 18ci]	-	74
<b>Unrestricted income fund</b>	<u>12,641</u>	<u>11,117</u>
Restricted Funds [note 18bi]	140	389
<b>Total Funds and Reserves</b>	<u>12,781</u>	<u>11,506</u>

**PORTLAND COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

**18. FUND RECONCILIATION**

Group		Balance 1st September 2020 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Gains / (Losses) £000	Balance 31st August 2021 £000
	Note						
<b>a) Unrestricted Funds</b>							
Unrestricted		10,884	11,600	(10,815)	117	(60)	11,726
Designated:		-	-	-	-	-	-
Capital Commitments (other than from restricted funds)		-	-	-	-	-	-
Defined Benefit Pension Scheme Liabilit	ix	600	-	-	-	-	600
Campus Development Plan	ix	500	-	-	-	-	500
<b>Total Unrestricted Funds</b>		<b>11,984</b>	<b>11,600</b>	<b>(10,815)</b>	<b>117</b>	<b>(60)</b>	<b>12,826</b>
<b>b) Restricted Funds</b>							
Specific Grants and Donations:							
ESFA School Condition Allocation	i.	-	129	(129)	-	-	-
Ian Karten Trust	ii.	14	-	-	-	-	14
Minibus		-	2	-	-	-	2
Outram Street Project	iii.	77	-	(105)	28	-	-
Disability Employment	viii.	-	-	(15)	15	-	-
Newstart Hall Project	v.	126	638	(670)	(65)	-	29
Recovery College	vi.	51	-	(8)	(43)	-	-
Woodlands Project	vii.	-	18	-	(18)	-	-
Other Donations:		-	23	-	(23)	-	-
Legacy - Communications		15	-	(15)	-	-	-
Equipment - Various		11	-	-	(11)	-	-
Scholarship Fund	iv.	95	-	-	-	-	95
<b>Total Restricted Funds</b>		<b>389</b>	<b>810</b>	<b>(942)</b>	<b>(117)</b>	<b>-</b>	<b>140</b>
<p>Restricted Fund balances are only shown where there are either a) specific clauses within the basis of agreement on which the donation or grant was received; or b) where a building project is under construction, in this case specific grants/donations will not be transferred to unrestricted funds until the building is completed. In all other cases it is taken that the purchase of the specified item meets any restriction placed on the funds by the donor.</p>							
<p>i. ESFA School Condition Allocation - the grant was received to support upkeep of College buildings and equipment.</p>							
<p>ii. Ian Karten Trust - the grant was provided to cover the implementation of mobile learning projects. There is a 5 year reducing balance restriction on this grant.</p>							
<p>iii. Outram Street project relates to a legacy of cash and a building to provide employment support and advice in Sutton in Ashfield, this opened October 2018.</p>							
<p>iv. Scholarship Fund - cash funds are held for the specific purpose of supporting students.</p>							
<p>v. Newstart Hall Project - has replaced the original Sports complex who's aim is to convert our existing Newstart Hall in order to provide a multi-purpose area for a café; sports activities; theatre and creative arts.</p>							
<p>vi. Recovery College is part of the Outram Street project providing the resources and training to assist people getting back into employment.</p>							
<p>vii. Woodlands Project - We are aiming to create a fully accessible forest adventure zone for learners and the larger community.</p>							
<p>viii. Disability Employment - income for citizens and learners to assist in work and work placements.</p>							
<p>ix Designated Funds are held for the purpose of making good the current shortfall in the defined benefit pension scheme (£600k) and for the purchase of assets required for the general upkeep and expansion of the campus facilities (£500k).</p>							
<b>c) Unrealised Investment Revaluation Reserve</b>			<b>£000</b>	<b>£000</b>			
Balance at 1 September 2020				74			
Revaluation During Period			-				
Revaluation on Disposal of Investments			(74)				
			<u>          </u>	<u>(74)</u>			

Balance at 31 August 2021

—  
—

**PORTLAND COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

**18. FUND RECONCILIATION**

Charity		<b>Balance</b>		<b>Incoming</b>	<b>Resources</b>		<b>Gains /</b>	<b>Balance</b>
	Note	<b>1st September</b>		<b>Resources</b>	<b>Expended</b>	<b>Transfers</b>	<b>(Losses)</b>	<b>31st August</b>
		<b>2020</b>		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>2021</b>
		<b>£000</b>		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>ai) Unrestricted Funds</b>								
Unrestricted		10,884		10,944	(10,060)	117	(60)	11,825
Designated:								
Capital Commitments		-		-	-	-	-	-
(other than from restricted funds)		-		-	-	-	-	-
Defined Benefit Pension Scheme Liability		600		-	-	-	-	600
Campus Development Plan		500		-	-	-	-	500
<b>Total Unrestricted Funds</b>		<b>11,984</b>		<b>10,944</b>	<b>(10,060)</b>	<b>117</b>	<b>(60)</b>	<b>12,925</b>
<b>bi) Restricted Funds</b>								
Specific Grants and Donations:								
ESFA School Condition Allocation	i.	-		129	(129)	-	-	-
Ian Karten Trust	ii.	14		-	-	-	-	14
Minibus		-		2	-	-	-	2
Outram Street Project	iii.	77		-	(105)	28	-	-
Disability Employment	viii.	-		-	(15)	15	-	-
Newstart Hall Project	v.	126		638	(670)	(65)	-	29
Recovery College	vi.	51		-	(8)	(43)	-	-
Woodlands Project	vii.	-		18	-	(18)	-	-
Other Donations:		-		23	-	(23)	-	-
Legacy - Communications		15		-	(15)	-	-	-
Equipment Various		11		-	-	(11)	-	-
Scholarship Fund	iv.	95		-	-	-	-	95
<b>Total Restricted Funds</b>		<b>389</b>		<b>810</b>	<b>(942)</b>	<b>(117)</b>	<b>-</b>	<b>140</b>

Restricted Fund balances are only shown where there are either a) specific clauses within the basis of agreement on which the donation or grant was received; or b) where a building project is under construction, in this case specific grants/donations will not be transferred to unrestricted funds until the building is completed. In all other cases it is taken that the purchase of the specified item meets any restriction placed on the funds by the donor.

- i. ESFA School Condition Allocation - the grant was received to support upkeep of College buildings and equipment.
- ii. Ian Karten Trust - the grant was provided to cover the implementation of mobile learning projects. There is a 5 year reducing balance restriction on this grant.
- iii. Outram Street project relates to a legacy of cash and a building to provide employment support and advice in Sutton in Ashfield, this opened October 2018.
- iv. Scholarship Fund - cash funds are held for the specific purpose of supporting students.
- v. Newstart Hall Project - has replaced the original Sports complex who's aim is to convert our existing Newstart Hall in order to provide a multi-purpose area for a café; sports activities; theatre and creative arts.
- vi. Recovery College is part of the Outram Street project providing the resources and training to assist people getting back into employment.
- vii. Woodlands Project - We are aiming to create a fully accessible forest adventure zone for learners and the larger community.
- viii. Disability Employment - income for citizens and learners to assist in work and work placements.

	<b>£000</b>	<b>£000</b>
<b>Unrealised Investment Revaluation Reserve</b>		
ci) Balance at 1 September 2020		74
Revaluation During Period		
Revaluation on Disposal of Investments	(74)	
	<u>          </u>	<u>          </u>
<b>Balance at 31 August 2021</b>		<b>-</b>

**PORTLAND COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

**18. FUND RECONCILIATION (cont'd)**

Group & Charity (prior year)		Balance 1st September 2019 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Gains / (Losses) £000	Balance 31st August 2020 £000
	Note						
<b>d) Unrestricted Funds</b>							
Unrestricted		10,139	10,355	(10,341)	728	3	10,884
Designated:							
Capital commitments (other than from restricted funds)		-	-	-	-	-	-
Future Projects:							
Defined Benefit Pension Scheme Liability		600	-	-	-	-	600
Campus Development Plan		1,000	-	-	(500)	-	500
<b>Total Unrestricted Funds</b>		<b>11,739</b>	<b>10,355</b>	<b>(10,341)</b>	<b>228</b>	<b>3</b>	<b>11,984</b>
<b>e) Restricted Funds</b>							
Specific Grants and Donations:							
ESFA School Condition Allocation	i.	-	55	(55)	-	-	-
Sports Complex	ii.	-	-	-	-	-	-
Multi Use Games Area (MUGA)	iii.	-	-	-	-	-	-
Ian Karten Trust	iv.	14	-	-	-	-	14
Minibus		10	4	(14)	-	-	-
Disability Employment		-	-	-	-	-	-
Outram Street Project	vi.	137	45	(105)	-	-	77
Newstart Hall Project	vii.	48	278	-	(200)	-	126
Recovery College	viii.	8	52	(9)	-	-	51
Woodlands Project	ix.	28	-	-	(28)	-	-
Other Donations:		-	13	(13)	-	-	-
Legacy - Communications		15	-	-	-	-	15
Equipment - Various		21	-	(10)	-	-	11
Scholarship Fund	v.	95	-	-	-	-	95
<b>Total Restricted Funds</b>		<b>376</b>	<b>447</b>	<b>(206)</b>	<b>(228)</b>	<b>-</b>	<b>389</b>

Restricted Fund balances are only shown where there are either a) specific clauses within the basis of agreement on which the donation or grant was received; or b) where a building project is under construction, in this case specific grants/donations will not be transferred to unrestricted funds until the building is completed. In all other cases it is taken that the purchase of the specified item meets any restriction placed on the funds by the donor.

- i. ESFA School Condition Allocation - the grant was received to support upkeep of College buildings and equipment
- ii. The Sports Complex is a proposed capital project, which remains under consideration by the College Governors.
- iv. Ian Karten Trust - the grant was provided to cover the implementation of mobile learning projects. There is a 5 year reducing balance restriction on this grant.
- v. Scholarship Fund - cash funds are held for the specific purpose of supporting students.
- vi. Outram Street project
- vii. Newstart Hall Project - refurbishment of the existing venue
- viii. Recovery College - helping people back into work and education and assisting independent living.
- ix. Woodlands Project to build an activity centre on the land for use of citizens, learners, local schools and business. This will include a climbing wall, zip wire and outdoor activities.

c) Unrealised Investment Revaluation Reserve	£000	£000
Balance at 1 September 2019		77
Revaluation During Period	21	
Revaluation on Disposal of Investments	(24)	
	<u>          </u>	(3)
<b>Balance at 31 August 2020</b>		<u>          </u> 74

**PORTLAND COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

**19. CAPITAL COMMITMENTS**

Group & Charity

Capital Expenditure committed to but not provided for in these financial statements:

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Woodlands Adventure Zone	-	-
Outram Street	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

**20. FINANCIAL COMMITMENTS**

Group & Charity

At 31st August 2021 the Group had total commitments under operating leases expiring as follows:

	<u>Equipment</u>	
	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
<b>Copier Leases</b>		
<u>Expiring</u> :		
Within One Year	6	6
Within 2 to Five Years	6	12
	<hr/>	<hr/>
	12	18

**21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Net Income/(Expenditure) before Actuarial Gains	653	377
Amortisation	48	-
Depreciation	806	719
Interest Received	(36)	(37)
Unrealised Investment Gains and Losses	-	-
Loss / (Gains) on Disposal of Fixed Assets	12	5
Post Employment Benefits Less Payments	(134)	(122)
(Increase)/Decrease in Stock	11	(6)
(Increase)/Decrease in Debtors	721	(449)
Increase in creditors	253	376
	<hr/>	<hr/>
<b>Net Cash provided by Operating Activities</b>	<b>2,334</b>	<b>863</b>
	<hr/>	<hr/>

**PORTLAND COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

**22. PENSION & OTHER POST-RETIREMENT BENEFITS**

Group & Charity

All pension commitments for the Group are held within the charity.

- a) The College closed its Defined Benefit Scheme to new Members with effect from 1st January 1997 and so the use of the projected unit valuation method required by FRS102 means that the current service cost (as a proportion of Defined Benefit Member's earnings) is likely to increase as Members approach retirement. The assets of the Scheme are held separately from those of the College, being invested with Prudential Assurance.

In accordance with FRS102, the regular service cost of providing retirement benefits to employees during the period is charged to the statement of financial activities, along with a credit representing the expected return on the assets of the scheme during the period, and a charge representing the expected increase in the liabilities of the scheme during the period. The difference between the market value of assets and the present value of accrued pension liabilities is shown as an asset or liability in the balance sheet. Differences between actual and expected returns on assets during the period are recognised in the Statement of Financial Activities, together with the differences arising from changes in assumptions.

The most recent actuarial report which was produced with the effective date of 31 December 2018, showed a deficit valuation of £1,241k and funding level of 88%. It was agreed between the College and the Trustees of the Scheme to aim to remove the funding shortfall, as it existed at 31 December 2015. Consequently the College is contributing £215k per annum. This arrangement will be reviewed by the College and Trustees in the light of the next triennial valuation in 2021/22

- b) The College provides auto-enrolment membership of its defined contribution pension scheme to all new and existing employees. This Scheme is currently operated by Aviva (formerly Friends Life). The College will contribute an equal percentage of salary, in accordance with the employee's chosen option, up to a maximum of 6%. Contributions of £290k were made to this Scheme during the year ended 31 August 2021 (2020 - £246k). As an alternative to its own pension schemes the College contributes to other specific defined benefit schemes for certain tutors and those employed by outside agencies. The cost of those contributions during the year was £89k (2020 - £87k). Liabilities owed to these schemes at year end were £12k. (2020: £5k)

Death-in-Service Benefits are provided for all staff. The cost of the Life Assurance contributions to the College for the year was £35k (2020 - £35k).

**23. FRS102 VALUATION OF DEFINED BENEFIT PENSION SCHEME**

Group & Charity

An Actuarial report has been produced as at 31 August 2021 in accordance with FRS102, the details of which are set out below.

The Company sponsors the Portland College Pension Scheme, a funded defined benefit pension scheme in the UK. The scheme is set up on a tax relieved basis as a separate trust independent of the Company and is supervised by independent trustees. The trustees are responsible for ensuring that the correct benefits are paid, that the scheme is appropriately funded and that scheme assets are appropriately invested.

Active members of the scheme pay contributions at the rate of 8% of salary and the Company pays the balance of the cost as determined by regular actuarial valuations. The Trustees are required to use prudent assumptions to value the liabilities and costs of the scheme whereas the accounting assumptions must be best estimates.

The actuarial valuation of the Scheme as at 31 December 2015 revealed a funding shortfall of £1,0067,000. Subsequently, an annual update, as at 31 December 2016, revealed a funding shortfall of £1,758,000. To eliminate the funding shortfall revealed at the 31 December 2016 annual update, the Trustees and the Employer agreed to pay additional contributions in the Scheme at the rate of £175,000 per annum, for a period of 7 years and 7 months.

A revaluation as at 31 August 2018 showed a projected shortfall of £116k. Contributions increased to £214,000 per annum.

The results of the actuarial valuation as at 31 December 2015 have been projected to 31 August 2018 using the assumptions set out below. The figures in the following disclosures were measured using the Projected Unit Method.

	2021	2020
	%	%
Liability Discount Rate	1.7	1.6
Inflation	3.1	3
Salary Increases	n/a	n/a
Increases to Deferred Pensions before Retirement	2.6	2.4
Increases to Pensions in Payment (5% or RPI if less)	3.1	3
Increases to Pensions in Payment (3.5% or RPI if less)	2.7	2.7

The mortality assumptions for the scheme liabilities at 31 August 2021 were based on the S3PMA/S3PFA,CMI2020 projections with long term improvements of 1.25% pre retirement and 1% post retirement, and have continued to be used as at 31 August 2021.

**PORTLAND COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

**23. FRS102 VALUATION OF DEFINED BENEFIT PENSION SCHEME (cont.)**

The assets in the scheme and the expected return were:

	Value of assets at 31 August 2021	Value of assets at 31 August 2020
	£000	£000
Cash Accumulation Policy	7,444	7,261
Secured Pensions in Payment	1,271	1,340
	<hr/>	<hr/>
<b>Total Market Value of Assets</b>	<b>8,715</b>	<b>8,601</b>
Present Value of Scheme Liabilities	(8,999)	(9,542)
	<hr/>	<hr/>
<b>Deficit in the Scheme</b>	<b>(284)</b>	<b>(941)</b>
	<hr/> <hr/>	<hr/> <hr/>
	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
<b>Actual Return on Scheme Assets</b>	<b>516</b>	<b>392</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Analysis of the Amount Debited to operating Net Income/Expenditure</b>	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Current Service Cost	-	-
Administration Expenses	67	73
Past Service Costs	-	-
Interest Cost	14	20
	<hr/>	<hr/>
<b>Net Charge to Statement of Financial Activities (SOFA)</b>	<b>81</b>	<b>93</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Analysis of Amounts Recognised in Other Recognised Gains and Losses (ORGL)</b>		
Actual Return less Expected Return on Assets	516	392
Experience (Losses)/Gains Arising on the Scheme Liabilities	7	(256)
	<hr/>	<hr/>
<b>Actuarial (Loss)/Gain Recognised in ORGL</b>	<b>523</b>	<b>136</b>
	<hr/>	<hr/>
<b>Cumulative Actuarial Loss Recognised in ORGL</b>	<b>(1,949)</b>	<b>(2,472)</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Movement in Liabilities During the Year</b>		
Scheme liabilities at beginning of year	(9,542)	(9,536)
Movement in Year:		
Current Service Cost	-	-
Past Service Cost	-	(12)
Interest Cost	(145)	168
Employee Contributions	-	-
Benefits Paid	681	(418)
Actuarial Loss/(Gain)	7	256
	<hr/>	<hr/>
<b>Scheme Liabilities at End of Year</b>	<b>(8,999)</b>	<b>(9,542)</b>
	<hr/> <hr/>	<hr/> <hr/>

**PORTLAND COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

**23. FRS102 VALUATION OF DEFINED BENEFIT PENSION SCHEME (cont.)**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Movement in Assets During the Year:		
Scheme Assets at Beginning of Year	8,601	8,337
Movement in Year:		
Expected Return on Scheme Assets	516	392
Employer Contributions	215	215
Employee Contributions	-	-
Benefits Paid	(681)	(418)
Administration expenses	(67)	(73)
Interest income	131	148
Actuarial Gain/(Loss)	-	-
	<b>8,715</b>	<b>8,601</b>
<b>Scheme Assets at End of Year</b>	<b>8,715</b>	<b>8,601</b>

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
History of Amounts for Current and Previous Accounting Period:		
Scheme Liabilities Amount	(8,999)	(9,542)
Scheme Assets Amount	8,715	8,601
	<b>(284)</b>	<b>(941)</b>
<b>Deficit Amount</b>		
Experience Adjustments on Scheme Liabilities		
Amount	523	136
% of Scheme Assets	6.0%	1.6%
Experience Adjustments on Scheme Assets		
Amount	-	-
% of Scheme Assets	0.0%	0.0%
Total Amount Recognised in Other Recognised Gains and Losses		
Amount	523	136
% of Scheme Liabilities	5.8%	1.4%

**24. LEGAL STATUS OF THE CHARITY**

The College is a Company Limited by Guarantee and without share capital incorporated in the United Kingdom. The liability of Members is limited to £10 each in the unlikely event of the Company being 'wound-up'.

**25. ULTIMATE CONTROLLING PARTY**

The Directors consider that there is no ultimate controlling party.

**26. RELATED PARTY TRANSACTIONS**

The Charity has an 33.3% interest in an associated undertaking, Steps to Employment Limited, a company providing specialist training and rehabilitation for disabled people helping them return to sustainable employment. The company ceased trading during 2016/17 and is expected to be wound up in 2021/22. There has been no income or costs in 2020 or 2021 neither is there expected to be any further liability on winding up

During the year recharges from Portland College to Portland College Enterprises were £59k (2020 - £139k), and sales from Portland College Enterprises to Portland College were £nilk (2020 - £2k)

During the year recharges from Portland College to Polly Teach Ltd were £71k (2020 - £nil), and sales from Polly Teach Ltd to Portland College were £1k (2020 -£ nil)

As at 31 August 2021 Polly Teach Limited owed Portland College £11k. Portland Enterprises Limited owed Portland College £39k.

**PORTLAND COLLEGE**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

**27 ACQUISITION OF POLLY TEACH LIMITED**

On 16 September 2020 Portland Enterprises Ltd acquired 75% of the share holding in Polly Teach Ltd, a private limited company based in Kirkby in Ashfield, Nottinghamshire providing alternative education to local authorities and schools across Nottinghamshire and Derbyshire. There is a put and call option in place to purchase the remaining 25% of shares in August 2022, and hence, for accounting purposes, the acquisition has been treated as a 100% acquisition. The minority interest retain the right to 25% of any dividends declared to the date the put and call option is exercised. The initial purchase price was £450,000 of which £350,000 was payable on completion with two further instalments of £50,000 each in September 2021 and August 2022. The net assets at acquisition were:

	<b>Book Value</b>	<b>Fair Value</b>	<b>Fair Value</b>
	<b>£</b>	<b>Adjustment</b>	<b>£</b>
		<b>£</b>	
<b>Fixed Assets</b>			
Tangible Assets	20,839	-	20,839
	<u>20,839</u>	-	<u>20,839</u>
<b>Current Assets</b>			
Debtors	97,067	-	97,067
Cash at Bank in hand	185,731	-	185,731
	<u>282,798</u>	-	<u>282,798</u>
<b>Total Assets</b>	<b>303,637</b>	<b>-</b>	<b>303,637</b>
Creditors	(145,219)	-	(145,219)
Deferred Tax	(15,327)	-	(15,327)
	<u>(160,546)</u>	-	<u>(160,546)</u>
<b>Total Identifiable Net Assets</b>	<b><u>143,091</u></b>	<b>-</b>	<b><u>143,091</u></b>
Goodwill on acquisition (note 10)			481,909
Total purchase consideration			<u>625,000</u>
<b>Cash flow from Investing activities</b>			
<b>Cash consideration paid</b>			<b>£</b> 350,000
Less cash and cash equivalents acquired			<u>350,000</u>
			(185,731)
Net Cash Flow			<u><u>164,269</u></u>

**PORTLAND COLLEGE**

England & Wales - Charity number 214339

---

# Accounts

---



# ANNUAL REPORT & ACCOUNTS

Year Ended 31 August 2020



## PORTLAND COLLEGE

Nottingham Road, Mansfield, Nottinghamshire NG18 4TJ  
(Registered Office and Principal Address)  
Telephone: 01623 499111  
A Company Limited by Guarantee  
No. 408340 (England & Wales)  
Registered Charity Number 214339

**Patron:** Her Majesty The Queen  
**President:** Mrs A Swan Parente MBE DL  
**Vice-Presidents:**  
Mr K McDonald  
Mrs D McDonald  
Mr H P Matheson DL  
Professor C O'Brien OBE

## BOARD OF GOVERNORS & COMPANY DIRECTORS

**Chairman:** Mr T S Richmond OBETD DL  
**Vice Chairman:** Dr D Green  
Mr J Aleander (resigned 27th April 2020)  
Mr N E Aspley  
Mrs H K Atwal  
Mr M Briggs  
Mr A P Earnshaw (resigned 27th April 2020)  
Mrs S Egley  
Mr P Emerson DL  
Mrs A Farr DL  
Mr D Fathers DL  
Councillor J W Handley  
Mr Stephen Jackson  
Mr David Sneath DL  
Mr T Vasishtha  
Mr S Walsh

## KEY MANAGEMENT PERSONNEL: SENIOR MANAGEMENT TEAM

**Principal & Chief Executive Officer:** Dr M Dale  
**Assistant Principal Development:** Mr E Johnstone  
**Assistant Principal Corporate Services:** Mr I Cowin  
**Assistant Principal Quality & Curriculum:**  
Ms A Newton- Soanes  
**Head of Care:** Mr I Onwukwe  
**HR Manager:** Ms N Thompson-Windley

## BANKERS:

**HSBC Bank plc**  
1 St. Peter's Street, Derby DE1 2AE

## SOLICITORS:

**Freeths LLP**  
Cardinal Square, 2nd Floor, West Point, 10 Nottingham Road,  
Derby DE1 3QT

## AUDITORS:

**Cooper Parry Group Limited**  
Sky View, Argosy Road, Castle Donington, Derby DE74 2SA

## INSURANCE BROKERS:

**Hettle Andrews & Associates Limited**  
9th Floor, Eleven Brindleyplace, 2 Brunswick Square,  
Brindleyplace, Birmingham B1 2LP

# PORTLAND COLLEGE

## REPORT OF THE DIRECTORS ON THE FINANCIAL STATEMENTS

The Directors (members of the Board of Governors) present their annual report and financial statements for the year ended 31 August 2020, which comply with the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity. The strategic report required under company law is included in the report and covers the sections of achievement and performance, financial review and plans for future periods.

Portland College has one wholly owned subsidiary: Portland College Enterprises Limited; its income, expenditure and Balance Sheet have been consolidated into the Portland College accounts, with explanatory notes.

### Reference and administrative details

Portland College is a company limited by guarantee and a registered charity. The Registered Office is as shown on the front cover. The present Directors and any other Directors who served during the year are listed on the front cover, together with the Patron, President, Vice-Presidents, key management personnel and the College's external advisers.

### Structure, governance and management

#### Governing Document

Portland College was founded as a company limited by guarantee (Company number 408340) on 12th April 1946 and is governed in accordance with its Articles of Association. As a registered charity (charity number 214339) the College is also subject to the rules of the Charity Commission. The group results incorporate Portland College Enterprises Limited a company registered in England and Wales.

The College is controlled by a Board of Governors (the Directors under Company Law), who bring a broad range of expertise to the College and are appointed by the Members of the College at a General Meeting. Under Article 25, the Governing Body must comprise not less than 10 Ordinary Governors and (if and only if appointed as Governors) the President and Vice-Presidents of the College. An Ordinary Governor is appointed for a term of four years, and normally would serve no more than two consecutive terms. The Ex-Officio Members i.e. President and Vice-Presidents are appointed annually. On appointment, new Directors are given a personal induction to the College and an information pack familiarising them with the work of the College and their roles and responsibilities.

Details of governors, senior management personnel and professional advisors are shown on the front cover of this report. The salaries of senior personnel are set by the remuneration committee based on the Association of Colleges benchmarking reports.

In accordance with the Articles of Association, the Directors retire by rotation. The Board of Governors has an open recruitment policy.

#### Organisation

The College benefits from a governing body possessing a comprehensive range of skills and experience which allows detailed oversight of all facets of the business of the College. The Directors discharge their duties via Governing Body meetings, held at least four times per year and through a range of Committees which include: Audit Committee, Oversight of Standards Group, Oversight of Finance Group, Enterprise Board, Estates Planning Group, Development Working Group and Remuneration Committee. These committees, together with any other working parties that may at times be necessary, meet as and when required. The Principal & Chief Executive Officer is responsible to the Directors for the day-to-day running of the College and the execution of strategy and policies as decided by the Board of Governors. In 2019-20 the breadth of Board expertise available to the College is described below:

- **Timothy S Richmond** OBETD DL FCA CCMI (Hon) DBA - Chair of Governors  
Tim joined the Board of Governors in 2014. He is a Chartered Accountant, a consultant in strategic business direction and management and holds several non-executive chair and director appointments in the private, public and voluntary sectors. A past High Sheriff of Nottinghamshire (2002), he was appointed Vice Lord Lieutenant in 2008.
- **Jim Aleander** BA(Hons) - Vice Chair of Governors (resigned 27/4/20)  
Jim joined the Board in 1996. He is a former principal of colleges in the Further Education sector, including West Nottinghamshire College. He now runs his own education consultancy business, focused mainly on vocational education and training.
- **Alan Earnshaw** - Chair of Audit Committee (resigned 27/4/20)  
Alan joined the Board in 1993. He has worked as a Director of several companies in England and overseas. He Chairs the Audit Committee and is Non Executive Chair of the Enterprises Board. He is a member of the Finance Working Group and Development Working Group. He is Honorary President of the Old Students Association.

- **Thalej Vasishtha** LLB(Hons) - Chair of Staff Council and Non-Executive Director of Steps to Employment Ltd  
Thalej joined the Board in 2014. As a solicitor and CEO of Paragon Law Thalej works primarily with UK companies wishing to employ skilled foreign nationals and overseas companies and individuals seeking to invest in or trade with the UK. He has previously been a board member of The Racial Equality Council (as it was known then), The Galleries of Justice Museum, and Young Enterprise (East Midlands). He is currently a founding and board member of the British Indian Business Forum.
- **Dawn Green** BSc(Hons) PhD CertEd PGDip FSET - Chair of the Oversight of Standards Group and Lead Governor for Safeguarding  
Dawn joined the Board in 2015. She was previously Principal & CEO at Landmarks College and Vice Principal at Portland College. She is now the Karten Network Development Co-ordinator and also provides consultancy services for Specialist Colleges. Dawn is a non-executive Director for Natspec with responsibility for Technology.
- **Shaun Walsh** BA(Hons) BFP FCA - Chair of Oversight of Finance Group  
Shaun joined the Board in 2015. He is a former Price Waterhouse Coopers Chartered Accountant and Finance Director. As Managing Partner of Business Growth Services Ltd he leads a team which helps business owners' turnaround, raise finance and grow their business.
- **Nick Aspley** LLB(Hons) - Chair of Remuneration Committee and Lead Governor for the Prevent Duty  
Nick joined the Board of Governors in January 2015. He is a solicitor and partner in a leading local multi office law firm. He has worked in the local area for nearly 30 years and specialises in Family Law. He is a past member of the Law Society's Family Law Committee.
- **Harvinder Atwal** - Chair of Portland College Enterprises Ltd  
Harvinder joined the Board in 2015. She is the Managing Director of bksb Limited, a West Nottinghamshire College owned business which has become the most successful online skills assessment and development company for functional skills/GCSEs in the UK.
- **Professor Dean Fathers** DL - Lead Governor for Corporate Governance  
Dean joined the Board in 2017 when he was Chair of both ULHT and Nottinghamshire Healthcare NHS Foundation Trust, and also on the Board of NHS Providers. He is currently Chair of Green Kite Associates Ltd and a Non-Executive Director of the Greater Lincolnshire Local Enterprise Partnership, the Parliamentary and Health Services Ombudsman, Diagnostic Healthcare Ltd and Needle Smart Ltd. He is also Chair of both the Centre for Organisational Resilience and the Lincoln International Institute for Rural Healthcare at the University of Lincoln where he is a Visiting Professor in Organisational Resilience. He is further a Visiting Professor of Healthcare Leadership at the University of Nottingham, a Lay Member of the Regulatory Board of the Academy of Health and Care Science and a Deputy Lieutenant for the County of Nottinghamshire.
- **Peter Emerson** DL  
Peter joined the Board in 2017. Peter retired as Commercial Director of Severfield PLC and Chief Operating Officer of Watson Steel in 2013. He now works as a consultant in the construction industry and for Laing O'Rourke Ltd.
- **Amanda Farr** MSc(Oxon) DL  
Amanda joined the Board in 2018. She has worked in NHS rehabilitation and mental health services for most of her career, latterly leading county primary care mental health services. She has been a visiting lecturer at Nottingham and Oxford Universities. She is co-owner of Sweeney and Farr Associates, offering mental health treatments and organisational well-being. Amanda has extensive experience in the voluntary sector in the city and county of Nottinghamshire and is a former High Sheriff and current Deputy Lieutenant of the county.
- **Sarah Egley** RGN BA(Hons) MA  
Sarah joined the Board in 2018. She is Assistant Director Quality Governance and Assurance for Derbyshire Community Health Services NHS Trust.
- **David Sneath** MA(Camb) TD DL  
David joined the Board in 2018. He was a Regional Employment Judge. He has extensive Reserve Army experience at the rank of Colonel. A past High Sheriff of Nottinghamshire (2017) and a current Deputy Lieutenant.
- **Councillor John William Handley**  
John joined the Board in 2019 as Nottinghamshire County Council's representative. He is a retired teacher.
- **Mark Briggs**  
Mark joined the Board in 2019 and has extensive experience in the public and cultural sectors, has director level experience in business and transformation. Along with this, Mark is a former Paralympian with insight into sport, health and well-being.
- **Stephen Jackson** (appointed 14/10/2019)  
Stephen joined the Board in 2019. He is a commercially focused Executive with global experience. He has 30 years board level experience in Finance, IT and Commercial Development and more recently Nottingham Trent University. He is the Vice Chair of Nottinghamshire Healthcare Trust and a member of other education and sport charities.

## Liability Insurance

During the year the College purchased Executive, Professional and Fidelity Liability Insurance, which covered the Directors and Officers of the College, at a cost of £1,150 (2019 - £1,050). In all cases the insurance indemnifies the College against losses incurred from wrongful acts that result in claims by third parties. In addition, the individual Directors or Officers are covered under the Executive Liability insurance policy against personal loss, as a result of claims made upon them for actions taken whilst acting in their capacity as Directors or Officers of the College.

## Employment Policies

It is the College's policy to have effective communication and consultation with its staff. We have a voluntary recognition agreement with the Trade Union Unison for all non-teaching staff up to, but not including, senior managers. Under the terms of this agreement, and our Staff Council Constitution, we consult on a variety of issues affecting terms and conditions of employment, which are regularly discussed, at least three times per annum at Staff Council. We also communicate via performance management tools such as appraisals and supervisions, team briefings, staff training days, a weekly news bulletin and the Senior Management Team's core message to all staff members. The College is fully committed to Equality, Diversity and Inclusion (EDI) and publishes and effectively monitors an annual Single Equality Scheme Action Plan. Portland College is an equal opportunities employer and is accredited as a Disability Confident Employer and Mindful Employer.

The College employed an average of 324 full-time equivalent people during the year; compared with 335 in 2018-19.

## Objectives and activities

Portland College is a vibrant, national college for people with a wide range of disabilities. It is one of the foremost colleges of its type in the United Kingdom, providing good learning opportunities for well over 300 learners and citizens aged from 16 upwards. The College's principal objectives, set out in Article 5 of its Articles of Association, are "For the public benefit to advance the education of and promote the relief of persons with disabilities by any and every means".

The vision statement of the College is that all people with disabilities will have a lifetime of opportunities. The College will achieve this ambition by concentrating on its three strategic goals:

- An increased number of people benefitting from employability programmes, achieving and sustaining work (both waged and voluntary) or being enabled to access other provision.
- An increased number of beneficiaries will be able to access a wider, more diversified service offer and will achieve improved health and/or fitness through participation.
- An increased number of beneficiaries will be able to access a more diversified service offer and will achieve their core goals to lead a more independent life.

The College focuses on supporting student achievement and progression, collaborating and co-operating with others. In particular the College has striven to produce clear evidence that the quality of the provision made for its students demonstrates the college-wide philosophy that is right at the core of its strategic planning. The Directors confirm that during their consideration of the college-wide philosophy, due regard of Charity Commission guidance on public benefit has been taken account of and acted upon, where necessary.

The main activities undertaken by the College are student teaching, learning and assessment that was carried out in the Further Education team supported by the therapy department and residential care including day services and short breaks. The other activities in line with our Articles of Association objectives include an employment support programme and commercial activities including Portland Print and functions.

## Volunteers

Portland College values the contributions it receives from approximately 50 volunteers who are involved in the whole range of its activities including supporting learners in the classroom, community access trips and sporting clubs and tournaments. Some volunteers assist directly with fundraising.

## STRATEGIC REPORT

### Achievements and performance

#### Charitable Activities

The principal activity of Portland College is to provide the appropriate level of learning and teaching and care support for people with disabilities. Learners and citizens are funded principally by Local Authorities and the Education and Skills Funding Agency (ESFA) who cover the direct and support costs of the placement. The College fundraises to cover the cost of new facilities and equipment to enhance the experience and learning of learners and citizens.

Need, rather than ability to pay, is the key determinant of whether prospective learners access our learning and teaching programmes. The Directors are therefore fully satisfied that our activities meet the legal public benefit requirement.

#### Funding

The primary source of funding for Portland College are student fees and residential care fees. Student education and residential fees are funded via the ESFA and local authorities whilst residential and day service fees were received from adult social care and health authorities.

#### Covid 19 Pandemic

As with many other organisations, the pandemic has had a large impact for Portland since March 2020.

Overall, the College has remained open throughout, although we have seen new ways of working with Zoom, Virtual Meetings and online and distance teaching for many of the pupils. Learner numbers dropped a little as pupils stayed at, and learned from home. Class sizes were reduced, bubble groups were introduced, and social distancing and PPE became the order of the day, and remain so. The site has been closed to the public. Care services for residential learners and Independent living remained open and citizens and learners were kept safe and all Government guidelines were strictly followed.

Some divisions within the College closed – Short Breaks, Therapy, Portland Print, Portland Enterprises who deal with weddings and external events – all those dealing directly with the outside general public over whom we had no control, impacting on the activities and turnover. Furlough income and Emergency Covid Grants from Councils have helped us to weather the storm financially.

#### Learning and teaching

During 2019-20 funded learner numbers stabilised at around 190 and success rates for these learners on accredited qualifications continued to show that good progress is made in line with goals and aspirations.

The focus for the year has been to continue to provide a good educational experience for learners and to improve data collection and analysis and the quality of teaching to meet that objective. Learner assessment, review and transitions into the community have always been a strength and we continue to work with funders to ensure that our provision is meeting their objectives in a cost efficient manner.

Portland has maintained and developed good links with local employers and has continued to provide good quality work experiences for all our learners for whom work experience is appropriate. In common with many other providers we continue to be challenged to transition our learners into employment after the programme and we have seen a small increase in our employment outcomes. We have worked closely with funders and employers to develop a supported internship programme to improve employment outcomes.

Safeguarding arrangements are a strength of the College and we have implemented the government 'prevent' agenda effectively. Learners feel safe and staff are skilled in supporting learners who find transition into the college environment a challenge.

The College was rated as 'good' by Ofsted in all aspects of regulated educational provision in November 2017 and we are confident that our work since then has resulted in improvements in many aspects of the inspection framework.

#### Care

Citizens access our care provision in a range of ways through the Day Service, Residential Learning, Short Breaks or an Independent Living programme. The services provided in the Day Service are classed as non-regulated, whilst the others are classed as regulated.

All care services are widely considered to be caring and person centred. Our focus was to continue the care quality consolidation, which had seen a massive improvement in care practice and a shift in staff culture towards best practice as the norm rather than the exception. The pandemic had a major impact on all care services. As a College, we prioritised the safety and well-being of our learners and staff, which became the primary focus whilst as well as directing efforts towards achieving set objectives.

Despite the pandemic pressures, there have been examples of great quality care demonstrated by staff. Keeping citizens onsite engaged and active was the priority for care staff. Staff had to adapt to new ways of working. For example, instead of community trips and activities, there were themed evening activities onsite. Living areas were split into 'bubbles' for staff and citizens and all worked well together to make the new circumstances as safe and as enjoyable as possible.

Portland had an NCC audit of the Day Services provision in January 2020 and were rated 'Good' or 'Excellent' in all areas. The impact of Covid-19 restricted the completion of any other external audits.

The Short Breaks service was reviewed with the objective of achieving business efficiency through increased fees and reduction in staff costs. We have achieved an increase in fees following discussions with the local authority and the implementation of a revised operating model which began from September 2020. We continue to see demand for this service and have had to manage the expectations of clients and their families. The service will continue to remain under review. We also have seen an increase in the number of referrals into the residential learning service and the Day Service. Referrals into the Independent Living Service also meant that we exceeded the target for the year. Over 200 citizens access all of these services.

### **Fundraising and Other Matters**

The Fundraising department raises funds via applications to Trusts, individuals, organisations and by organising a number of fund-raising events throughout the year. Charitable income including grants totalled £575k during 2019-20 (£322k in 2018-19). This increase in income stemmed primarily from the capital appeals for the 'Newstart Hall' Refurbishment and the Woodlands Adventure Zone Appeal.

Whilst Covid restricted the ability to deliver in 2019/20, the College is proud to have the National Citizenship Services programmes for young people with learning and physical disabilities. This is the only such programme in the country.

## **Financial review**

### **Group Operating Results**

The net income for the year ended 31 August 2020 was a surplus of £377k (2019 surplus of £5k).

The Directors Memorandum Note on page 12 demonstrates that the College operated at a surplus of £1,189k (2019 £878k) before the extraordinary expenditure of reorganisation and pension deficit repayment and the non-cash item of Depreciation. This, therefore, represents the College's EBITDA (Earnings before Interest, Taxes, Depreciation and Amortisation) result for the year:

The improved results are the result of increased numbers of learners and hence higher education income coupled with continued cost control measures in place.

### **Reserves Policy**

Reserves are those funds available to the College once it has met its commitments and covered planned expenditure. The Free Reserves retained as at 31 August 2020 were £2,191k (2019: £2,098k).

The Group/College retain 'Free' Reserves at a level that would meet unforeseen shortfalls in short-term income streams. The basis of calculation of Free Reserves agreed by the Directors is three months expenditure. Free Reserves do not include Restricted or Designated Funds and are included within General College funds of £10,884k (note 17). The Designated Funds as at 31 August 2020 total £1,100k (£1,600k as at 31 August 2019) and are listed in Note 18a of the Financial Statements. The provision is for on-going future liabilities (Defined Benefit Pension Scheme Liability - £600k) and provision for future projects (£500k). The Directors have approved a campus master plan which sets out a 10 year capital programme to further develop our woodland campus into the premier further education destination for disabled people in the UK

The level of the Free Reserves required to cover 3 months expenditure is £2,174k as at 31 August 2020 (2019 £2,122k). The Directors undertake a formal review of the Reserves Policy every year and they are satisfied that the current level meets College requirements.

### **Investment Powers and Policy**

The Directors regularly review the investment policy, which primarily aims to achieve growth in capital value from the College share portfolio via balanced levels of risk through both equity and fixed interest stocks. In addition, the Directors require the best use to be made of available cash resources through the prudent placement of fixed-term investments. Fixed-term UK bank deposits totalled £2,200k as at the Balance Sheet date (2019 £2,800k) and Cash at Bank on Deposit stood at £1,722k (2019 £1,497k). Total Cash and cash equivalents at bank decreased by £225k during the year, mainly due to temporary working capital fluctuations. The value of the College's share portfolio was £274k on 31 August 2020 slightly down from £287k as at 31 August 2019.

The annual return on investments was £37k (2019 £40k).

### **Fixed Assets**

Changes in Fixed Assets are shown in Note 10 to the Financial Statements. In the opinion of the Directors the market value of the freehold property may differ from the book value, but as there is no intention of disposing of any premises it is therefore not considered appropriate to quantify the difference.

## Risk management

A regular assessment of risk is carried out, covering financial and non-financial risks to which the College is exposed, with a particular emphasis on those risks which involve students. This assessment is formally reviewed on a bi-annual basis and action taken to mitigate the identified risks. High risk areas are reviewed at each meeting of the Board. The process of review is overseen by the Audit Committee.

The main area of risk for the organisation is considered to be the achievement of outcomes for learners particularly during the Covid 19 pandemic, staff skills and residual safeguarding and prevent risks despite strong measures in place.

## Plans for future periods

Having completed the Woodland Adventure Zone, this year has seen the Firs building undergo a full refurbishment, to attract more full time residential students and citizens.

Work on the Newstart redevelopment has commenced and should be finished around March 2021 providing the College with a state-of-the-art theatre and sports facilities. This is the current focus on fundraising.

In September 2020, Portland College purchased a 75% stake in Polly Teach Limited. This is a small company based in Sutton-in-Ashfield and is an educational social enterprise formed to meet the needs of local schools and children in care in Nottinghamshire and Derbyshire. They are a local authority approved provision and a registered independent school working with pupils who don't always fit within the normal educational framework.

The College will continue to promote independent travel training for learners and citizens in support of their independence and also to support more work opportunities. We will deliver a supported internship programme with funders and learners to improve education outcomes for students. We are also researching the impact of Portland on former beneficiaries and we have already started a new programme to support some former learner's independence and work opportunities.

## Statement of Directors' Responsibilities

The Directors are responsible for preparing the Report of the Directors, Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

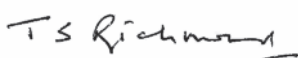
The Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's Auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors Report and Strategic Report Approved on:



**T S Richmond**  
(Director)

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PORTLAND COLLEGE

## Opinion

We have audited the financial statements of Portland College (the 'charitable company') and its subsidiaries ("the group") for the year ended 31 August 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Company Balance Sheets, the Consolidated Statement of Cashflows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 August 2019, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## Other information

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

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

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Governors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Governors has been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Governors.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

### **Responsibilities of directors**

As explained more fully in the Governors' responsibilities statement within these accounts, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities)

This description forms part of our auditors report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Use of our report**

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

### **Simon Atkins FCA**

Senior Statutory Auditor for and on behalf of **Cooper Parry Group Limited**

Chartered Accountants

Statutory Auditor

Sky View, Argosy Road, Castle Donington, Derby DE74 2SA

Date:

# PORTLAND COLLEGE

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31st AUGUST 2020

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	2019 £'000
<b>Income from</b>	1(d)				
Charitable Activities	2	9,569	-	9,569	9,205
Other Trading Activities	3	597	-	597	505
Donations, Legacies and Grants	4	128	447	575	322
Investment Income	5	37	-	37	40
Other Income		24	-	24	52
<b>Total Income</b>		<b>10,355</b>	<b>447</b>	<b>10,802</b>	<b>10,124</b>
<b>Expenditure on:</b>	1(e)				
Raising Funds		119	-	119	113
Charitable Activities	6(a)/(b)	9,401	206	9,607	9,363
Other Activities		699	-	699	643
<b>Total Expenditure</b>		<b>10,219</b>	<b>206</b>	<b>10,425</b>	<b>10,119</b>
Net Gains on Investments	10(b)	-	-	-	-
<b>Net Income for the year</b>	8	<b>136</b>	<b>241</b>	<b>377</b>	<b>5</b>
Transfers Between Funds	18(a)/(b)	228	(228)	-	-
<b>Net (Expenditure)/Income before Other Recognised Gains and Losses</b>		<b>364</b>	<b>13</b>	<b>377</b>	<b>5</b>
Other Recognised Gains and Losses		-	-	-	-
Defined Benefit Pension Scheme Actuarial (Loss)/Gain	23	136	-	136	(58)
<b>Net Movement in Funds</b>		<b>500</b>	<b>13</b>	<b>513</b>	<b>(53)</b>
Reconciliation of Funds					
Fund Balances Brought Forward		10,617	376	10,993	11,046
<b>Fund Balances Carried Forward at End of Year</b>		<b>11,117</b>	<b>389</b>	<b>11,506</b>	<b>10,993</b>

None of the Group's activities were acquired or discontinued during the past two financial periods.

The notes on page 16 to 31 form part of these Financial Statements.

# PORTLAND COLLEGE

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31st AUGUST 2020 (CONTINUED)

### MEMORANDUM NOTE *(this does not form part of the Audited Financial Statements)*

Re-statement of Revenue Performance in EBITDA format:

	2019-20	2018-19	
	£'000	£'000	
Operating Surplus before Exceptional Items and Depreciation	1,189	878	
<hr/>			
Less: Extraordinary Expenditure			
Deficit recovery for Defined Benefit Pension Scheme	(215)	(215)	
	<u>(215)</u>	<u>(215)</u>	
<b>Surplus/(Deficit) before Non-Cash Items</b>	<b>974</b>	<b>663</b>	
<hr/>			
Depreciation	(719)	(744)	
FRS102 - Pension Charge Against Operating Surplus	122	86	
	<u>(597)</u>	<u>(658)</u>	
<b>Net (Expenditure)/Income Before Other Recognised Gains and Losses</b>	<b>377</b>	<b>5</b>	

# PORTLAND COLLEGE

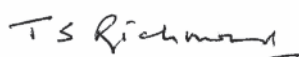
CONSOLIDATED BALANCE SHEET AS AT 31st AUGUST 2020

Company Registration Number 408340

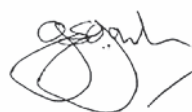
	Note	31st August 2020 £'000	31st August 2019 £'000
<b>Fixed Assets</b>			
Tangible Assets	10(a)	8,764	8,199
Investments - Quoted	10(b)	274	287
Other Investments - Other than Loans	10(c)	-	-
Investments - Related Parties	10(d)	-	-
<b>Total Fixed Assets</b>		<b>9,038</b>	<b>8,486</b>
<b>Current Assets</b>			
Stocks	12	29	23
Debtors	13	1,173	724
Investments	14	2,200	2,800
Cash at Bank on Deposit		1,540	1,392
Cash at Bank and in Hand		182	105
		<b>5,124</b>	<b>5,044</b>
Creditors: Amounts falling due within one year	15	(1,715)	(1,338)
<b>Net Current Assets</b>		<b>3,409</b>	<b>3,706</b>
<b>Net Assets Excluding Pension Liability</b>		<b>12,447</b>	<b>12,192</b>
Defined Benefit Pension Scheme Liability	23	(941)	(1,199)
<b>Net Assets Including Pension Liability</b>	16	<b>11,506</b>	<b>10,993</b>
<b>The Funds of the Group</b>			
<b>Restricted Income Funds</b>	18(b)	<b>389</b>	<b>376</b>
<b>Unrestricted Income Funds</b>			
General Group Funds	18(a)	10,884	10,139
Designated Funds	18(a)	1,100	1,600
Unrealised Investment Revaluation Reserve	18(c)	74	77
<b>Unrestricted Income Funds Excluding Pension Liability</b>		<b>12,058</b>	<b>11,816</b>
Pension Reserve	23	(941)	(1,199)
<b>Total Unrestricted Funds</b>		<b>11,117</b>	<b>10,617</b>
<b>Total Group Funds</b>	17	<b>11,506</b>	<b>10,993</b>

The notes on pages 16 to 31 form part of these Financial Statements.

These accounts were approved and authorised for issue by The Board of Directors and signed on its behalf by:



T S Richmond  
Director



S Jackson  
Director

Date:

# PORTLAND COLLEGE

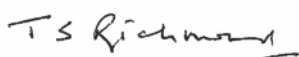
PARENT CHARITABLE COMPANY BALANCE SHEET AS AT 31st AUGUST 2020

Company Registration Number 408340

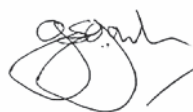
	Note	31st August 2020 £'000	31st August 2019 £'000
<b>Fixed Assets</b>			
Tangible Assets	10(a)	8,764	8,199
Investments - Quoted	10(b)	274	287
Other Investments - Other than Loans	10(c)	-	-
Investments - Subsidiary and Associate Undertaking	10(d)	-	-
<b>Total Fixed Assets</b>		<b>9,037</b>	<b>8,486</b>
<b>Current Assets</b>			
Stocks	12	21	17
Debtors	13	1,163	772
Investments	14	2,200	2,800
Cash at Bank on Deposit		1,540	1,393
Cash at Bank and in Hand		14	8
		<b>4,938</b>	<b>4,990</b>
Creditors: Amounts falling due within one year	15	(1,528)	(1,284)
<b>Net Current Assets</b>		<b>3,410</b>	<b>3,706</b>
<b>Net Assets Excluding Pension Liability</b>		<b>12,447</b>	<b>12,192</b>
Defined Benefit Pension Scheme Liability	23	(941)	(1,199)
<b>Net Assets Including Pension Liability</b>	16	<b>11,506</b>	<b>10,993</b>
<b>The Funds of the Charity</b>			
Restricted Income Funds	18(b)	<b>389</b>	<b>376</b>
<b>Unrestricted Income Funds</b>			
General College Fund	18(a)	10,884	10,139
Designated Funds	18(a)	1,100	1,600
Unrealised Investment Revaluation Reserve	18(c)	74	77
<b>Unrestricted Income Funds Excluding Pension Liability</b>		<b>12,058</b>	<b>11,816</b>
Pension Reserve	23	(941)	(1,199)
<b>Total Unrestricted Funds</b>		<b>11,117</b>	<b>10,617</b>
<b>Total Charity Funds</b>	17	<b>11,506</b>	<b>10,993</b>

The notes on pages 16 to 31 form part of these Financial Statements.

These accounts were approved and authorised for issue by The Board of Directors and signed on its behalf by:



T S Richmond  
Director



S Jackson  
Director

Date:

# PORTLAND COLLEGE

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st AUGUST 2020

	Note	2020 £'000	2019 £'000
<b>Net Cash Provided By Operating Activities</b>	21	<b>863</b>	<b>724</b>
<b>Cash Flow From Investing Activities</b>			
Purchase of Property, Plant and Equipment	10(a)	(1,292)	(674)
Proceeds From the Sale of Property, Plant and Equipment		-	(12)
Purchase of Investments	10(b)	(55)	45
Proceeds from Sale of Investments	10(b)	69	(45)
Investment and Other Income	5	37	40
<b>Net Cash Used in Investing Activities</b>		<b>(1,241)</b>	<b>(646)</b>
<b>Change in Cash and Cash Equivalents in the Reporting Period</b>		<b>(378)</b>	<b>78</b>
<b>Cash and Cash Equivalents at 1 September 2019</b>		<b>4,297</b>	<b>4,219</b>
<b>Cash and Cash Equivalents at 31 August 2020</b>		<b>3,922</b>	<b>4,297</b>
<b>Cash and Cash Equivalents Consists of:</b>			
Cash in Hand, at Bank		1,722	1,497
Current Asset Investments	14	2,200	2,800
<b>Cash and Cash Equivalents at 31 August 2020</b>		<b>3,922</b>	<b>4,297</b>

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st AUGUST 2020

### I. ACCOUNTING POLICIES

#### (a) General information and basis of preparation

The group financial statements have been prepared on a going concern basis under the historical cost convention, modified to incorporate the inclusion of Fixed Asset Investments at fair value. They are prepared in Sterling which is the functional currency of the College and rounded to the nearest £000. They comply with the requirements of the Companies Act 2006 and the provisions of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014. The statement of financial activities (SoFA) and balance sheet consolidate the financial statements of the College and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis. The results of the associated undertaking are excluded from the consolidation on the basis that it is immaterial.

Advantage has been taken of exemptions given under section 408 of the Companies Act 2006 not to present a separate SoFA for Portland College.

Portland College meets the definition of a public benefit entity under FRS 102; assets and liabilities are initially stated at historical cost or transition value unless otherwise stated in the relevant accounting policy note(s).

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

Results of Portland College - Total incoming resources for the year ended 31st August 2020 for Portland College (the charity) amounted to £10,656k (2019 - £10,124k). Net incoming resources for the year produced a surplus of £513k (2019 - £5k deficit).

#### (b) Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

The Covid 19 pandemic has had an impact on the years results. Short Breaks, Portland Print, Physiotherapy, Enterprises have all been closed during Lockdown. Furlough funds and Covid Grants have helped us to weather the storm. With effect from September, Short Breaks and Physiotherapy have re-opened and continue to work in accordance with Covid requirements.

#### (c) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

### I. ACCOUNTING POLICIES (Continued)

#### (d) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion, legacies will be notified to the charity, however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The charity receives government grants in respect of Education and Skills Funding Agency (ESFA). Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends & interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

#### (e) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes the costs of commercial trading;
- Expenditure on charitable activities includes the cost of educational activities undertaken to further the purposes of the charity and their associated support costs; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

### I. ACCOUNTING POLICIES (Continued)

#### (f) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 6(b), along with the bases on which support costs have been allocated.

#### (g) Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Donated stocks are fair valued as described in (d) above

#### (h) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Defined Contribution Pension Scheme - The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable in accordance with the rules of the scheme.

Defined Benefit Pension Scheme - The charity operates a defined benefit plan for the benefit of its employees. A liability for the charity's obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period as is charged to cost headings on a pro rata basis based on full time equivalent employees. The total cost is recognised in unrestricted funds. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date. Details of the College's defined benefit scheme are shown in notes 22 and 23.

#### (i) Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment. Investments in subsidiaries / joint ventures / associates are measured at cost less impairment.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

#### (j) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold Buildings		10 to 40 years (note (i))
Furniture and Equipment	- Computers	5 years
	- IT Network	7 years
	- Production/Technical Equipment	5 years
	- Other	10 years
Transport		5 years

Notes:

(i) Freehold Buildings - Note that freehold buildings also includes the cost of building improvements and refurbishment projects. The life expectancy of each building is assessed individually.

(ii) Items costing less than £500 are written off as expenditure in the year of purchase.

#### (k) Operating Leases

Rentals payable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

#### (l) Tax

The charity 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.

Portland College Enterprises Limited is liable for Corporation Tax and the liability is based on the result for the year as adjusted for disallowable items. However an agreement is in place whereby all profits are donated to the College.

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st AUGUST 2020

	2020 £'000	2019 £'000
<b>2. INCOME FROM CHARITABLE ACTIVITIES</b>		
Educational fees	6,269	5,662
Residential fees	3,210	3,406
Other fees	90	137
	<b>9,569</b>	<b>9,205</b>

All of the above income was distributable to unrestricted funds in both years.

### 3. INCOME FROM OTHER TRADING ACTIVITIES

Portland Print	110	173
Furlough	175	0
Other Trading Income	312	332
	<b>505</b>	

All of the above income was distributable to unrestricted funds in both years.

### 4. INCOME FROM DONATIONS, LEGACIES AND GRANTS

Legacies	-	0
Grants	55	50
Donations	520	272
	<b>575</b>	<b>322</b>

Donations in excess of £2k were received from Charles Littlewood Hill Trust, Lady Hind Trust, Jessie Spencer Trust, Garfield Western, Sport England Lottery, Arts Council, Lottery, National Lottery, Percy Bilton Trust, Fifty Fifty Fund, Sobell Foundation, Leader Project Rural Payments Agency, St James Place, Lord Taverners, Bruce Wake Charitable Trust, Provincial Lodge, Masons, Rathbone Investment Management, D O'Doyle Charitable Foundation, RDPE Leader Project and Gordon Trust, John Lederick Harrison Foundation,

Of the above income £128k (2019: £8k) was attributable to unrestricted funds and £447k (2019: £314k) was attributable to restricted funds.

	2020 £'000	2019 £'000
<b>5. INVESTMENT INCOME</b>		
Bank Interest	44	34
UK Listed Investments	(7)	6
	<b>37</b>	<b>40</b>

All of the above income was distributable to unrestricted funds in both years.

# PORTLAND COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st AUGUST 2020

## 6a. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Activities undertaken directly £'000	Support Costs £'000	Total £'000
Education	3,320	1,809	5,129
Care and Support	3,020	1,458	4,478
	<b>6,340</b>	<b>3,267</b>	<b>9,607</b>

£206k (2019 - £202k) of the above costs were attributable to restricted funds. £9,401k (2019 - £9,161k) of the above costs were attributable to unrestricted funds.

## 6b. ALLOCATION OF SUPPORT COSTS

Support Cost	Basis of allocation	Education £'000	Care & Support £'000	Activities & Raising Funds £'000	Total £'000
Learner Support Costs	Area/Usage	799	623	49	1,471
Corporate Services	FTEs	659	493	177	1,329
Depreciation	Asset location	351	342	26	719
		<b>1,809</b>	<b>1,458</b>	<b>252</b>	<b>3,519</b>

## 7. GOVERNANCE COSTS-INCLUDED WITHIN SUPPORT COSTS

	2020 £'000	2019 £'000
Auditors Remuneration - Current Year	32	31
Other Professional Costs	125	95
	<b>157</b>	<b>126</b>

## 8. NET INCOME/ (EXPENDITURE) is stated after charging:-

	2020 £'000	2019 £'000
<b>Auditors Remuneration</b>		
Auditors Remuneration - Audit	32	24
Less: Allowance included within Donations & Gifts	(9)	(7)
	<b>23</b>	<b>17</b>
 Auditors Remuneration - Other Services		
Audit of the Charity's Subsidiary pursuant to legislation	4	3
Other services relating to taxation	1	1
All other services	-	-
	<b>28</b>	<b>21</b>

## Operating Leases

Operating Leases - all with less than 1 Year remaining	-	-
Operating Leases - 2 - 5 Years remaining	12	30
	<b>12</b>	<b>30</b>
<b>Rental Agreements</b>	<b>6</b>	<b>7</b>

The above operating leases and rental agreements all relate to equipment.

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st AUGUST 2020

### 9. EMPLOYEE INFORMATION

The average number of people employed and full time equivalents (FTE) during the year was as follows:

	2020 Number	2020 FTE	2019 Number	2019 FTE
Education	165	126	162	125
Care & Support	164	141	172	142
General Learner Support	32	26	41	37
Corporate Services	25	21	16	15
Trading Activities	9	8	5	5
Fundraising	3	2	2	2
	<b>398</b>	<b>324</b>	<b>398</b>	<b>326</b>

In addition a total of 50 (2019: 45) Volunteers made a contribution to the College in a variety of ways.

#### Employment Costs for the year were:

	2020 £'000	2019 £'000
Wages and Salaries	7,100	6,830
Employer's National Insurance Contributions	453	425
Employer's Pension Contributions	333	279
Life Assurance Contributions	35	35
	<b>7,921</b>	<b>7,569</b>

The College consider its key management personnel to comprise the Senior Management Team (as detailed on page 2).

The total employment benefits including employer pension contributions of the key management personnel were £372k (2019: £360k). One employee had employee benefits in the range of £60k-£70k (2019: One) and one employee had employee benefits in the range of £90k-£100k (2019: One).

Redundancy payments made during the year were £20k (2019: £20k) due to departmental reorganisations.

#### The Board of Governors

The Governors and committee members are entitled to reclaim travel expenses incurred in the course of their duties. During the year one (2019 - nil) Governor received reimbursement of expenses totalling £71 (2019 - £nil), of which £nil (2019 - £nil) was Gift Aided back to the College.

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st AUGUST 2020

### 10. FIXED ASSETS

#### (a) Tangible Assets Group & Charity

	Freehold Land & Buildings £'000	Furniture & Equipment £'000	Transport £'000	Assets Under Construction £'000	Total £'000
<b>Cost</b>					
At 1st September 2019	17,728	3,105	230	630	21,693
Additions	795	302	36	159	1,292
Disposals	(2743)	(226)	(7)	-	(507)
<b>At 31st August 2020</b>	<b>18,249</b>	<b>3,181</b>	<b>258</b>	<b>789</b>	<b>22,478</b>
<b>Depreciation</b>					
At 1st September 2019	10,861	2,471	165	-	13,497
Charge for Year	561	134	24	-	719
Eliminated on Disposal	(273)	(221)	(7)	-	(501)
<b>At 31st August 2020</b>	<b>11,148</b>	<b>2,385</b>	<b>181</b>	<b>-</b>	<b>13,714</b>
<b>Net Book Value</b>					
At 1st September 2019	6,870	634	65	630	8,199
<b>At 31st August 2020</b>	<b>7,101</b>	<b>797</b>	<b>77</b>	<b>789</b>	<b>8,764</b>

The National Lottery Charities Board was granted a legal charge over the 'Birches' building (previously known as the Information and Communication Technology Learning Centre) in relation to the £500k grant that it provided to the College. The legal charge is granted for a period of 80 years from the receipt of payment on 26 May 2006.

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st AUGUST 2020

### 10. FIXED ASSETS (Continued)

#### (b) Investments Group & Charity

	Quoted Investments £'000	Cash £'000	Totals £'000
Market Value at 1st September 2019	286	1	287
Additions	55	-	55
Disposals	(69)	-	(69)
Revaluation	(3)	3	0
<b>At 31st August 2020 (see notes below)</b>	<b>270</b>	<b>4</b>	<b>274</b>
Cost at 1st September 2018	208	1	209
<b>Cost at 31st August 2020</b>	<b>195</b>	<b>1</b>	<b>196</b>

#### Notes

i. Quoted Investments Comprise:	£'000	%
UK Unit Trusts	49	18.1
Property Funds	11	4.1
Corporate Bonds	26	9.6
Cash Benchmarked	19	7.0
Mixed Asset Funds	58	21.5
International Equity	108	39.7
	<b>270</b>	<b>100.00</b>

#### ii. Individual Investments exceeding 5% of Portfolio:

MM International Equity Fund Q Net Inc	74	27.4
Asset Allocator Q Inc	54	20.0
MM UK Equity Inc Fund Q Net Inc	32	11.9
I Shares Developed World Index Fd D Inc	16	5.8
PIMCO GIS Global - Investment Grade Credit Instl	15	5.6

No restrictions are placed upon the realisation of the above investments.

iii. 46% of the Portfolio is covered by Investments which are held in the UK. Cash held as part of the investment portfolio will be reinvested in further UK quoted investments.

iv. During the period ended 31 August 2020, Lloyds TSB Private Banking Limited held title to the above investments and this company acted as a nominee of the College.

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st AUGUST 2020

### 10. FIXED ASSETS (Continued)

#### (c) Investments

Charity	Shares in Group Undertakings
	£
Holding in subsidiary: 100 Ordinary shares of £1 each [note 11]	
Cost or valuation at 1st September 2019 and 31st August 2020	100
	Shares in Associated Undertaking
	£
Holding in associated undertaking: 2 Ordinary shares of £1 each [note 26]	
Cost or valuation at 1st September 2019 and 31st August 2020	2

### 11. SUBSIDIARY UNDERTAKING

The charity owns the whole of the issued ordinary share capital of Portland College Enterprises Limited, a company registered in England and Wales. The subsidiary is used for non-primary purpose trading activities and commenced trading on 1st September 2009. All activities have been consolidated on a line by line basis in the SOFA. The subsidiary achieved a total net profit of £2,946. A summary of the results of the subsidiary is shown below:

	2020	2019
	£'000	£'000
Turnover	146	185
Cost of Sales	(118)	(146)
<b>Gross Profit</b>	<b>28</b>	<b>39</b>
Administrative Expenses	(25)	(0)
<b>Net Profit</b>	<b>3</b>	<b>39</b>
The aggregate of the assets, liabilities and funds was:		
Assets	568	40
Liabilities	(568)	(40)
<b>Total Capital and Reserves</b>	<b>0</b>	<b>0</b>

	Group		Charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
<b>12. STOCKS</b>				
Work-in-Progress	27	14	19	14
Finished goods and goods for re-sale	2	9	2	3
	<b>29</b>	<b>23</b>	<b>21</b>	<b>17</b>
<b>13. DEBTORS</b>				
Trade Debtors	663	615	656	605
Other Debtors	67	46	67	45
Prepayments	443	63	441	62
Due from Group Companies	-	-	0	60
	<b>1,173</b>	<b>724</b>	<b>1,165</b>	<b>772</b>

Other Debtors includes £22k (2019 - £nil) for Student Fees not yet invoiced.

### 14. INVESTMENTS - CURRENT ASSETS

Unquoted - Fixed Term UK Bank Deposits	2,200	2,800	2,200	2,800
--	-------	-------	-------	-------

Of the above deposits, £1,350k (2017 - £650k) is due to mature within 6 months of the Balance Sheet date.

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st AUGUST 2020

### 15. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trade Creditors	173	256	144	229
Other Taxation and Social Security	107	103	107	103
Other Creditors	916	789	757	767
Accruals	520	190	520	185
Due to Group Companies	-	-	-	-
	<b>1,716</b>	<b>1,338</b>	<b>1,528</b>	<b>1,284</b>

Other Creditors include £279k (2019 - £260k) for Student Fees paid in advance.

### 16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

#### Group & Charity

	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £'000
Fund Balances at 31st August 2020 are represented by:			
Tangible Fixed Asset	8,764	-	8,764
Investments	274	-	274
Current Assets	4,737	389	5,126
Creditors: Current Liabilities	(1,716)	-	(1,716)
Pension Reserve	(941)	-	(941)
	<b>11,117</b>	<b>389</b>	<b>11,506</b>

Unrealised profit included above on Investment Assets [note 18c]	74	-	74
--	----	---	----

### 17. COLLEGE FUND AND RESERVES

#### Group & Charity

	2020 £'000	2019 £'000
<b>Unrestricted Funds [note 18a]</b>		
General College Funds - excluding Designated Funds and Pension Liability	10,884	10,139
Designated Funds [note 18a]	1,100	1,600
<b>General College Funds - excluding Pension Liability</b>	<b>11,984</b>	<b>11,739</b>
Pension Reserve [note 23]	(941)	(1,199)
<b>General College Funds - including Pension Liability</b>	<b>11,043</b>	<b>10,540</b>
Unrealised Investment Revaluation Reserve [note 18c]	74	77
<b>Unrestricted income fund</b>	<b>11,117</b>	<b>10,617</b>
Restricted Funds [note 18b]	389	376
<b>Total Funds and Reserves</b>	<b>11,506</b>	<b>10,993</b>

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st AUGUST 2020

### 18. FUND RECONCILIATION

Group & Charity

	Note	Balance 1st September 2019 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	Gains/ (Losses) £'000	Balance 31st August 2020 £'000
<b>a) Unrestricted Funds</b>							
Unrestricted		10,139	10,355	(10,341)	728	3	10,884
Designated:							
Capital Commitments (other than from restricted funds)		-	-	-	-	-	-
Future Projects:							
Defined Benefit Pension Scheme Liability		600	-	-	-	-	600
Campus Development Plan		1,000	-	-	(500)	-	500
<b>Total Unrestricted Funds</b>		<b>11,739</b>	<b>10,355</b>	<b>(10,341)</b>	<b>228</b>	<b>3</b>	<b>11,984</b>
<b>b) Restricted Funds</b>							
Specific Grants and Donations:							
ESFA School Condition Allocation	i.	-	55	(55)	-	-	-
Ian Karten Trust	ii.	14	-	-	-	-	14
Minibus		10	4	(14)	-	-	-
Outram Street Project	iii.	137	45	(105)	-	-	77
Disability Employment		0	-	-	-	-	-
Newstart Hall Project	iv.	48	278	-	(200)	-	126
Recovery College	v.	8	52	(9)	-	-	51
Woodlands Project	vi.	28	-	-	(28)	-	-
Other Donations:							
Legacy - Communications		15	-	-	-	-	15
Equipment - Various		21	-	(10)	-	-	11
Other Donations		-	13	(13)	-	-	-
Scholarship Fund	vii.	95	-	-	-	-	95
<b>Total Restricted Funds</b>		<b>376</b>	<b>447</b>	<b>(206)</b>	<b>(228)</b>	<b>-</b>	<b>389</b>

Restricted Fund balances are only shown where there are either a) specific clauses within the basis of agreement on which the donation or grant was received; or b) where a building project is under construction, in this case specific grants/donations will not be transferred to unrestricted funds until the building is completed. In all other cases it is taken that the purchase of the specified item meets any restriction placed on the funds by the donor.

- i. ESFA School Condition Allocation - the grant was received to support upkeep of College buildings and equipment.
- ii. Ian Karten Trust - the grant was provided to cover the implementation of mobile learning projects. There is a 5 year reducing balance restriction on this grant and has now been fully utilised.
- iii. Outram Street project relates to a legacy of cash and a building to provide employment support and advice in Sutton in Ashfield, this opened October 2018.
- iv. Newstart Hall Project - has replaced the original Sports complex who's aim is to convert our existing Newstart Hall in order to provide a multi-purpose area for a café; sports activities; theatre and creative arts.
- v. Recovery College is part of the Outram Street project providing the resources and training to assist people getting back into employment.
- vi. Woodlands Project - We aim to create a fully accessible forest adventure zone for learners and the larger community.
- vii. Scholarship Fund - cash funds are held for the specific purpose of supporting students.

<b>c) Unrealised Investment Revaluation Reserve</b>		<b>£'000</b>	<b>£'000</b>
Balance at 1st September 2019			77
Revaluation During Period		21	
Revaluation on Disposal of Investments		(24)	
			(3)
<b>Balance at 31st August 2020</b>			<b>74</b>

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st AUGUST 2020

### 18. FUND RECONCILIATION (continued)

Group & Charity (prior year)

	Note	Balance 1st September 2018 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	Gains/ (Losses) £'000	Balance 31st August 2019 £'000
<b>d) Unrestricted Funds</b>							
Unrestricted		9,880	10,233	(10,243)	268	1	10,139
Designated:							
Capital Commitments (other than from restricted funds)		90	-	-	(90)	-	-
Future Projects:							
Defined Benefit Pension Scheme Liability		600	-	-	-	-	600
Campus Development Plan		1,000	-	-	0	-	1,000
<b>Total Unrestricted Funds</b>		<b>11,570</b>	<b>10,233</b>	<b>(10,243)</b>	<b>178</b>	<b>1</b>	<b>11,739</b>
<b>e) Restricted Funds</b>							
Specific Grants and Donations:							
ESFA School Condition Allocation	i.	-	50	(50)	-	-	-
Ian Karten Trust	ii.	14	-	(9)	-	-	5
Minibus		10	-	0	-	-	10
Outram Street Project	iii.	386	-	(105)	(99)	-	182
Disability Employment		-	15	(15)	-	-	-
Newstart Hall Project	v.	48	-	-	-	-	48
Recovery College	vi.	8	-	(8)	-	-	-
Woodlands Project	vii.	28	224	-	(252)	-	-
Other Donations:							
Legacy - Communications		15	-	(15)	-	-	0
Equipment - Various		21	25	-	(10)	-	36
Scholarship Fund	iv.	95	-	-	-	-	95
<b>Total Restricted Funds</b>		<b>625</b>	<b>314</b>	<b>(202)</b>	<b>(361)</b>	<b>-</b>	<b>376</b>

Restricted Fund balances are only shown where there are either a) specific clauses within the basis of agreement on which the donation or grant was received; or b) where a building project is under construction, in this case specific grants/donations will not be transferred to unrestricted funds until the building is completed. In all other cases it is taken that the purchase of the specified item meets any restriction placed on the funds by the donor.

- i. ESFA School Condition Allocation - the grant was received to support upkeep of College buildings and equipment
- ii. Ian Karten Trust - the grant was provided to cover the implementation of mobile learning projects. There is a 5 year reducing balance restriction on this grant.
- iii. Outram Street project relates to a legacy of cash and a building to provide employment support and advice in Sutton in Ashfield, this will commence 2018.
- iv. Scholarship Fund - cash funds are held for the specific purpose of supporting students.
- v. Newstart Hall Project - has replaced the original Sports complex who's aim is to convert our existing Newstart Hall in order to provide a multi-purpose area for a café; sports activities; theatre and creative arts.
- vi. Recovery College is part of the Outram Street project providing the resources and training to assist people getting back into employment.
- vii. Woodlands Project - We aim to create a fully accessible forest adventure zone for learners and the larger community.

<b>f) Unrealised Investment Revaluation Reserve</b>		<b>£'000</b>	<b>£'000</b>
Balance at 1st September 2018			78
Revaluation during period		3	
Revaluation on disposal of investments		(4)	
			(1)
<b>Balance at 31st August 2019</b>			<b>77</b>

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st AUGUST 2020

### 19. CAPITAL COMMITMENTS

Group & Charity

	2020 £'000	2019 £'000
Capital Expenditure committed to but not provided for in these financial statements:		
Woodlands Adventure Zone	-	180
Firs	-	-
Outram Street	-	-
	<b>0</b>	<b>180</b>

### 20. FINANCIAL COMMITMENTS

Group & Charity

At 31 August 2020 the Group had total commitments under operating leases expiring as follows:

		Equipment	
		2020 £'000	2019 £'000
<b>New Copier Leases - Check</b>			
Expiring:	Within One Year	6	-
	Within Two to Five years	12	30
	Over Five Years	-	-

### 21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £'000	2019 £'000
Net Income/(Expenditure) before Actuarial Gains	377	5
Depreciation	719	749
Interest Received	(37)	(40)
Unrealised Investment Gains and Losses	0	0
(Gains) on Disposal of Fixed Assets	5	12
Post Employment Benefits Less Payments	(122)	(86)
(Increase) in Stock	(6)	1
Decrease/(Increase) in Debtors	(449)	349
Increase in creditors	377	(266)
<b>Net Cash provided by Operating Activities</b>	<b>863</b>	<b>724</b>

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st AUGUST 2020

### 22. PENSION & OTHER POST-RETIREMENT BENEFITS

Group & Charity

All pension commitments for the Group are held within the charity.

- a. The College closed its Defined Benefit Scheme to new Members with effect from 1st January 1997 and so the use of the projected unit valuation method required by FRS102 means that the current service cost (as a proportion of Defined Benefit Member's earnings) is likely to increase as Members approach retirement. The assets of the Scheme are held separately from those of the College, being invested with Prudential Assurance.

In accordance with FRS102, the regular service cost of providing retirement benefits to employees during the period is charged to the statement of financial activities, along with a credit representing the expected return on the assets of the scheme during the period, and a charge representing the expected increase in the liabilities of the scheme during the period. The difference between the market value of assets and the present value of accrued pension liabilities is shown as an asset or liability in the balance sheet. Differences between actual and expected returns on assets during the period are recognised in the Statement of Financial Activities, together with the differences arising from changes in assumptions.

The most recent actuarial report which was produced with the effective date of 31 December 2018, showed a deficit valuation of £116k and funding level of 99%. The College is contributing £214k per annum. This arrangement will be reviewed by the College and Trustees in the light of the next triennial valuation in 2021

- b. The College provides auto-enrolment membership of its defined contribution pension scheme to all new and existing employees. This Scheme is currently operated by Aviva (formerly Friends Life). The College will contribute an equal percentage of salary, in accordance with the employee's chosen option, up to a maximum of 6%. Contributions of £246k were made to this Scheme during the year ended 31 August 2020 (2019 - £212k). As an alternative to its own pension schemes the College contributes to other specific defined benefit schemes for certain tutors and those employed by outside agencies. The cost of those contributions during the year was £87k (2019 - £60k). Liabilities owed to these schemes at year end were £5k.

Death-in-Service Benefits are provided for all staff. The cost of the Life Assurance contributions to the College for the year was £35k (2019 - £35k).

### 23. FRS102 VALUATION OF DEFINED BENEFIT PENSION SCHEME

Group & Charity

An Actuarial report has been produced as at 31 August 2020 in accordance with FRS102, the details of which are set out below.

The Company sponsors the Portland College Pension Scheme, a funded defined benefit pension scheme in the UK. The scheme is set up on a tax relieved basis as a separate trust independent of the Company and is supervised by independent trustees. The trustees are responsible for ensuring that the correct benefits are paid, that the scheme is appropriately funded and that scheme assets are appropriately invested.

Active members of the scheme pay contributions at the rate of 8% of salary and the Company pays the balance of the cost as determined by regular actuarial valuations. The Trustees are required to use prudent assumptions to value the liabilities and costs of the scheme whereas the accounting assumptions must be best estimates

The actuarial valuation of the Scheme as at 31 December 2015 revealed a funding shortfall of £1,067,000. Subsequently, an annual update, as at 31 December 2016, revealed a funding shortfall of £1,758,000. To eliminate the funding shortfall revealed at the 31 December 2016 annual update, the Trustees and the Employer agreed to pay additional contributions in the Scheme at the rate of £175,000 per annum, for a period of 7 years and 7 months.

A revaluation as at 31 August 2018 showed a projected shortfall of £116k, contributions increased to £214,000 per annum.

The results of the actuarial valuation as at 31 December 2015 have been projected to 31 August 2018 using the assumptions set out below. The figures in the following disclosures were measured using the Projected Unit Method.

	2020	2019
	%	%
Liability Discount Rate	1.6	1.8
Inflation	3	3.1
Salary Increases	n/a	1.3
Increases to Deferred Pensions before Retirement	2.4	2.1
Increases to Pensions in Payment (5% or RPI if less)	3	3.1
Increases to Pensions in Payment (3.5% or RPI if less)	2.7	2.7

The mortality assumptions for the scheme liabilities at 31 August 2020 were based on the SAPS SIPXA, CMI\_2011 projections with long term improvements of 1.25% pre retirement and 1% post retirement, and have continued to be used as at 31 August 2020.

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st AUGUST 2020

### 23. FRS102 VALUATION OF DEFINED BENEFIT PENSION SCHEME (continued)

The assets in the scheme and the expected return were:

	Value of assets at 31 August 2020 £'000	Value of assets at 31 August 2019 £'000
Cash Accumulation Policy	7,261	6,955
Secured Pensions in Payment	1,340	1,382
<b>Total Market Value of Assets</b>	<b>8,601</b>	<b>8,337</b>
Present Value of Scheme Liabilities	(9,542)	(9,536)
<b>Deficit in the Scheme</b>	<b>(941)</b>	<b>(1,199)</b>

	2020 £'000	2019 £'000
<b>Actual Return on Scheme Assets</b>		
Gain/(Loss) on Scheme Assets	122	37
<b>Actual Return on Scheme Assets</b>	<b>122</b>	<b>37</b>

#### Analysis of the Amount Debited to operating Net Income/Expenditure

Current Service Cost	-	6
Expected Return on Scheme Assets	73	31
Past Service Costs	-	63
Interest Cost	20	35
<b>Net Charge to Statement of Financial Activities (SoFA)</b>	<b>93</b>	<b>135</b>

#### Analysis of Amounts Recognised in Other Recognised Gains and Losses (ORGL)

Actual Return Less Expected Return on Assets	392	37
Experience (Losses)/Gains Arising on the Scheme Liabilities	(256)	(95)
<b>Actuarial (Loss)/Gain Recognised in ORGL</b>	<b>136</b>	<b>(58)</b>
<b>Cumulative Actuarial Loss Recognised in ORGL</b>	<b>(2,472)</b>	<b>(2,608)</b>

#### Movement in Liabilities During the Year

Scheme Liabilities at Beginning of Year	9,536	9,803
Movement in year:		
Current Service Cost	-	6
Past Service Cost	-	63
Interest Cost	168	284
Employee's Contributions	0	2
Benefits Paid	(418)	(717)
Actuarial Loss/(Gain)	256	95
<b>Scheme Liabilities at End of Year</b>	<b>9,542</b>	<b>9,536</b>

# PORTLAND COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st AUGUST 2020

### 23. FRS102 VALUATION OF DEFINED BENEFIT PENSION SCHEME (continued)

Movement in Assets During the Year:	2020 £'000	2019 £'000
Scheme Assets at Beginning of Year	8,337	8,576
Movement in year:		
Expected Return on Scheme Assets	392	37
Employer Contributions	215	221
Employee Contributions	-	2
Benefits Paid	(418)	(717)
Administration expenses	(73)	(31)
Interest income	148	249
Actuarial Gain/(Loss)	-	-
<b>Scheme Assets at End of Year</b>	<b>8,601</b>	<b>8,337</b>
<b>History of Amounts for Current and Previous Accounting Period:</b>	<b>2020 £'000</b>	<b>2019 £'000</b>
Scheme Liabilities Amount	(9,542)	(9,536)
Scheme Assets Amount	8,601	8,337
<b>Deficit Amount</b>	<b>(941)</b>	<b>(1,199)</b>
Experience Adjustments on Scheme Liabilities		
Amount	136	(58)
% of Scheme Assets	1.6%	-0.7%
Experience Adjustments on Scheme Assets		
Amount	-	-
% of Scheme Assets	0.0%	0.0%
Total Amount Recognised in Other Recognised Gains and Losses		
Amount	136	(58)
% of Scheme Liabilities	1.4%	-0.6%

### 24. LEGAL STATUS OF THE CHARITY

The College is a Company Limited by Guarantee and without share capital incorporated in the United Kingdom. The liability of Members is limited to £10 each in the unlikely event of the Company being 'wound-up'.

### 25. ULTIMATE CONTROLLING PARTY

The Directors consider that there is no ultimate controlling party.

### 26. RELATED PARTY TRANSACTIONS

The Charity has an 33.3% interest in an associated undertaking, Steps to Employment Limited, a company providing specialist training and rehabilitation for disabled people helping them return to sustainable employment. The company ceased trading during 2016/17 and is expected to be wound up in 2019/20. There has been no income or costs in 2019/20 neither is there expected to be any further liability on winding up.

During the year recharges from Portland College to Portland College Enterprises were £139k (2019 - £140k), and sales from Portland College Enterprises to Portland College were £2k (2019- £4k)

### 27. POST BALANCE SHEET EVENTS

On the 16th September 2020 Portland College purchased 75% of the share capital of Polly Teach Limited a private limited company based in Kirkby in Ashfield, Nottinghamshire providing alternative education to local authorities and schools across Nottinghamshire and Derbyshire. There is a put and call option to purchase the remaining 25% of shares in August 2023. The initial purchase price was £450,000 of which £350,000 was payable on completion with two further instalments of £50,000 each in August 2021 and August 2022. The unaudited results for Polly Teach for the 10 months to 31st August 2020 were:

	£'000
Turnover	814
Profit after tax	221
<b>Net Assets</b>	<b>143</b>



Portland College  
Nottingham Road, Mansfield,  
Nottinghamshire, NG18 4TJ

T: Main College Reception **01623 499111**  
T: Student Recruitment **01623 499186**  
F: **01623 499134**  
E: [marketing@portland.ac.uk](mailto:marketing@portland.ac.uk)  
[www.portland.ac.uk](http://www.portland.ac.uk)

A Company Limited by Guarantee No.408340.  
Registered Charity No.214339.  
Patron: Her Majesty the Queen

