

NORTHERN
Regional College

**Annual Report
and Accounts
2021/22**





Northern Regional College Annual Report and Accounts

For the year ended 31 July 2022

*Laid before the Northern Ireland Assembly
under the Institutions of Further Education
(Public Sector Audit) Order (Northern
Ireland) 2008 by the Department for the
Economy on*

8 December 2022

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Contents

Foreword by Chair of Governing Body	6
Overview from Principal & Chief Executive	14
Strategic Report	20
Remuneration Report	60
Statement of the Responsibilities of the Accounting Officer & Governing Body	71
Statement of Corporate Governance & Internal Control	72
The Certificate and Report of the Comptroller & Auditor General to the Northern Ireland Assembly	80
Statement of Comprehensive Income and Expenditure	86
Statement of Changes in Reserves	87
Statement of Financial Position	88
Statement of Cash Flows	90
Statement of Accounting Policies and Estimation Techniques	92
Notes to the Financial Statements	98
Appendix A	126

Foreword by Chair of Governing Body

The 2021/22 academic year has marked my first full year as Chair of Governing Body and notably a transition out of Covid-19 restrictions. It is difficult, now, to remember the full scale of measures that have been in place over these last few years. This gradual return to normality has afforded much greater interaction between Governing Body, staff, students and the wider College community as a whole and I have thoroughly enjoyed the opportunity to meet so many staff during this last year. I continue to be impressed by the positivity of staff and their commitment to delivering a high-quality learning experience for all our students.

I am delighted to reflect though that efforts made by the College to recover from the pandemic are rapidly paying off as course applications have increased significantly throughout the year. I am extremely optimistic that the College's strong reputation for high-quality, vocationally relevant programmes will support a return to more buoyant enrolment figures in the near future.

Two particular highlights of the academic year have been the Higher Education & Access Graduation and the Staff Awards, both of which were held in person. Celebrating the achievements and successes of our students and staff, particularly alongside colleagues and family, is hugely valuable and rewarding.

Success Story

Former sports students, now international footballers, Chloe McCarron and Lauren Wade represented Northern Ireland at the Euros '22.



Success Story

SkillBuild NI winners, Bailey Gibson (Carpentry) and Conor Dallas (Carpentry)



There were many successes to celebrate during the 2021/22 academic year. In the 2021 WorldSkills UK national finals we had seven medal winners with a further seven students qualifying for the 2022 WorldSkills UK national finals. At the SkillBuild NI finals, two apprentices were successful in achieving first place. In the Open College Network NI Awards 2022, we had three staff and student nominations. There were yet more staff achievements including for Jacqui McAllister,

who was successful in winning the Firmus Energy/Local Women Inspirational Teacher Award. The Student Services team was awarded the Matrix Quality Standard for exemplary support for students. We were also pleased to have been Highly Commended at the Martin Barnes NEC Awards in the 'Contract Innovation of the Year' category. The award recognises excellence in project delivery and showcases examples of good practice through collaboration from across the world.

Our £85 million* campus developments in Coleraine and Ballymena continued apace throughout the year. The impressive Coleraine development has really taken shape with the construction of the steel frame presenting the scale and outline of the building. At Ballymena, too, there has been excellent progress with demolition of the sports hall complete and groundworks underway for construction. Investment also continued across the estate to ensure it remains fit for purpose and matches the ambitions we have for our students.

The Board of Governors has also been productive during the year. With many of the Governors being new to the College, and the sector, there was a major effort from everyone to get up to speed with their roles. A major task for Governors was to support the development of a new three-year strategic plan. In collaboration with the Senior Leadership Team, and key managers, we have collectively developed a Strategic Plan for 2022/23 until 2024/25. Following extensive engagement with managers and consultation with staff, this key strategic document sets out a new Vision, Mission and Values for the College as well as our key strategic priorities themed by learners, professional services and partners.

*College current budget is £85m and in addition the College has requested an additional £8.5m to account for rising construction costs which will be subject to Departmental approval



Success Story

Mel Higgins and Karl McKillop mark the issuing of the construction notice for the Coleraine new Coleraine campus.



I was delighted to welcome the Minister for the Economy to our campuses during 2021/22 to showcase and demonstrate the significant and valuable work undertaken by the College to deliver a strong and vibrant economy and supporting social inclusion. I appreciate the partnership working in place with the Department for the Economy to deliver the Department's 10x Economy.

With this clearly articulated direction and the excellent management within the College I have every confidence that the year ahead will see us report on another highly successful year.



Ken Nelson
Chair of the Governing Body



Success Story

Economy Minister, Gordon Lyon visits the new Ballymena campus development project

Overview from Principal & Chief Executive

This Annual Report demonstrates the remarkable achievements of our staff and students over this past year and is evidence of their ongoing effort and commitment. While Covid 19 has not fully departed we have thankfully left behind the many challenging restrictions which were in place for nearly two years. With their lifting we have begun to return to more normal operations and have started to rebuild what has been negatively impacted while growing and developing into new areas.

One aspect of College activity that has especially developed has been cross-sector engagement. Never have we worked so closely with our colleagues from across the other five colleges; from the Principals' Group, themed Collaboration Groups, Curriculum Hubs to project groups, hosting the Hospitality NI event for the sector in Coleraine, and indeed the charity bicycle ride in aid of Air Ambulance NI, we have undoubtedly demonstrated remarkable teamwork, collaboration and collegiality.

In terms of external engagement, we have also extended our reach and influence, in part due to the efforts of our reconstituted Business Engagement team. In addition to the current Memorandum of Understanding (MOU), and longstanding close working relationship with Mid and East Antrim Borough Council, new MOUs were signed with Antrim and Newtownabbey Borough Council and the Northern Health and Social Care Trust. Closer relationships have also been forged with Mid Ulster District Council and Causeway Coast and Glens Borough Council. We look forward to increased collaboration with each of the councils particularly as their Labour Market Partnership programmes are rolled out.

Demonstrating our continued commitment to the environment, and our partnership with Mid and East Antrim Borough Council, has been our contribution to delivering Northern Ireland's first ever Hydrogen Training Academy. Launched by Minister for the Economy, Gordon Lyons MLA, the Academy supports the development of a skilled workforce for the emerging hydrogen and cleantech sectors. Through public-private investment from the Community Renewal Fund, the Department for Communities Covid-Revitalisation Fund and EP UK Investments the College has so far upskilled 18 of our lecturers to deliver hydrogen training, has purchased significant training and demonstration equipment and developed and piloted a brand-new hydrogen safety course.

Success Story

The FE sector charity cycle raised £5,735 for Air Ambulance NI.





Success Story

New football development programme launched at Coleraine campus

In Ballymena, the College worked with the IFA premier league club to deliver a BTEC Level 3 Extended Diploma in Sports Coaching and Development (Ballymena United Academy). The Academy combines a professional training programme with an accredited qualification to give talented young footballers an exciting opportunity to develop, both on and off the football pitch. In Coleraine, the newly developed Football Development Programme was also launched for students at the campus enrolled on sport courses to benefit from an additional football training programme.

The progress of construction at Ballymena and Coleraine has been impressive. Following some demolition and preparatory work at Ballymena an important milestone was reached with the issue of the formal Construction Notice. The project is on track for completion in Ballymena by Autumn 2024

and our Coleraine construction is due for handover in Spring 2024. The Coleraine project team's diligent management and procurement processes were also recognised at the Martin Barnes NEC Awards by being Highly Commended in the 'Contract Innovation of the Year' category.

Several academies were successfully delivered by the College throughout the year. The Manufacturing Excellence Academy in Ballymena, funded by The Gallaher Trust, helped boost participants' employability skills to gain employment in the local manufacturing sector. The College delivered a number of courses as part of the NI Hospitality School including bar tending and catering. An intensive five-week Assured Skills Welding Academy provided trainees with industry-standard skills before offering a two-week placement with local fabrication and engineering companies.



Success Story

The Economy Ministry visits the assured Skills Welding Academy at Ballymena



A Robot Assisted Welding project, in partnership with Queen's University Belfast, aimed to increase innovation in local fabrication businesses by demonstrating the use of collaborative robots to assist with the assembly and positioning of components during welding. Funded by the Department for the Economy's Connected programme, the research was demonstrated to local companies using the College's leading robotic equipment.

Following a successful bid under the Economic Recovery Action Plan (ERAP) the College organised the 'Connect with Tech' programme aimed at encouraging at risk young people into education and careers in STEM subjects. The College commissioned Bytes, a registered charity, to deliver training and mentoring to 160 young people across our four council areas. The programme included digital and leadership skills development alongside soft skills.

The College continued throughout the year to focus on the three strategic priorities of improved learner outcomes, improved infrastructure & learning environment and improved capacity & productivity. With the support of Governing Body and following extensive staff engagement we now have an exciting Strategic Plan for 2022/23 until 2024/25 which provides a new Vision, Mission and Values for the College along with new strategic priorities themed by learners, professional services and partners. While the new Strategic Plan outlines the direction for the next three years, this document reports against the previous strategy priorities.



Mel Higgins
Principal & CEO

As a College community we have had another successful year, despite the challenges. Our achievements have only been possible because of the commitment of all our staff to providing students with a valuable and transformative learning experience. I would like to thank our Chair and members of the Governing Body for their valuable insights and contributions to our new strategy and through our committees. With this continued support and direction, I know that the College will continue to grow stronger.



Success Story

Gallaher Trust Scholarships were awarded to Foundation Degree students, James McIlfrick and David McGaughey



Nature, Objectives and Strategies

The members present their report and the audited financial statements for the year ended 31 July 2022.

Legal status

The current arrangements for further education in Northern Ireland were established by the Further Education (Northern Ireland) Order 1997 with Colleges being self-governing incorporated bodies with effect from 1 April 1998. Based on this legislation, the Office for National Statistics, in 2010, reclassified Colleges as part of Central Government. This has resulted in Colleges being determined as Non-Departmental Public Bodies.

Colleges in Northern Ireland have been granted charitable status by the UK HM Revenue and Customs.

Mission statement

The College's Vision and Mission Statements were revisited in 2019/20 and reaffirmed through to 2021/22.

Vision

"To be an outstanding provider of training and further and higher education, focused on the needs of society and the modern economy."

Mission

"We provide students with a life-changing, supportive and innovative experience; equipping them with the skills to compete successfully in the global workplace and meet the needs of local employers."

Our core values underpinning our work are:

- ▶ student focused
- ▶ innovation
- ▶ collaboration
- ▶ respect

Missions and Values





Strategic Priorities 2019 – 2022

The College's Strategic Priorities and Objectives.

- ▶ Improved Learner Outcomes
- ▶ Improved Infrastructure & Learning Environment
- ▶ Improved Capacity & Productivity

Delivering on our Vision, Mission and Values

 Improved Learner Outcomes	 Improved Infrastructure & Learning Environment	 Improved Capacity & Productivity
<ul style="list-style-type: none"> ▶ improved student success rates and diversified our student base ▶ improved the student experience and increased student satisfaction ▶ improved quality and self-evaluation scores across all occupational areas 	<ul style="list-style-type: none"> ▶ completed new campus builds in Ballymena and Coleraine within our target timeframe ▶ modernised our business processes across all areas of College business ▶ transformed teaching operations through increased use of digital technology 	<ul style="list-style-type: none"> ▶ become an employer of choice with a respected, engaged, skilled and talented workforce ▶ optimised our relationship with external partners, stakeholders and community and diversified our income base ▶ improved our productivity while maintaining operational efficiency

In anticipation of publishing a new strategic plan for 2022/23 to 2024/25, the Governing Body and Senior Leadership Team reviewed the progress made and status of the 2019/20 to 2021/22 strategic priorities. The progress of each priority and associated objective is captured in the following tables.

Priority 1: Improved Learner Outcomes		
Priority	Objective	End of Plan Status
Improved Learner Outcomes	Improved student success rates and diversified our student base	●
	Improved the student experience and increased student satisfaction	●
	Improved quality and self-evaluation scores across all occupational areas	●

Priority 2: Improved Infrastructure and Learning Environment		
Priority	Objective	End of Plan Status
Improved Infrastructure & Learning Environment	Completed the build of the first of our two new campuses (Coleraine) and made progress in Ballymena. Note green rating reflects revised plan to take account of impact of Covid 19	●
	Modernised our business processes across all areas of College business	●
	Transformed teaching operations through increased use of digital technology	●

Modernised our business processes across all areas of College business

Following the implementation of the new Learner Management System and transfer to business as usual in March 2021 there has been a significant improvement in our admissions and learner management systems and processes, including access to online systems for students.

Ongoing areas that will be addressed in 2022/23

- ▶ implementation of the sector wide TAMs system and an associated review of our work-based learning processes
- ▶ streamlining of our business development processes
- ▶ further automation of our HR processes
- ▶ and review and update of Student Finance, Finance and Estates processes in conjunction with the Processes and Systems Team.

Priority 3: Improved Capacity & Productivity		
Priority	Objective	End of Plan Status
Improved Capacity & Productivity	Became an employer of choice with a respected, engaged, skilled and talented workforce	●
	Optimised our relationships with external partners, stakeholders and community and diversified our income base	●
	Improved our productivity while maintaining operational efficiency	●



Became an employer of choice with a respected, engaged, skilled and talented workforce

Following the development of our Talent Framework in 2021/22 we are now taking forward implementation of our staff Leadership Development Programmes in 2022/23. Further objectives associated with ongoing talent development and culture change are incorporated into our new strategic plan.

Strategic Plan 2022/23 – 2024/25: Skills, Innovation & Excellence

The College's Governing Body and Senior Leadership Team have developed during the 2021/22 academic year a new **Strategic Plan 22/23 to 24/25, Skills, Innovation & Excellence**. This is an ambitious plan to further enhance the College and the services it provides as recovery from the impact of Covid-19 continues. The Strategic Plan also recognises the difficult financial climate that persists. The plan will be published at the start of the 2022/23 academic year pending further consultation with stakeholders.

The Governing Body's Strategic Planning Group developed an enriched vision statement replacing the previous vision and mission statements which will underpin the new corporate values.

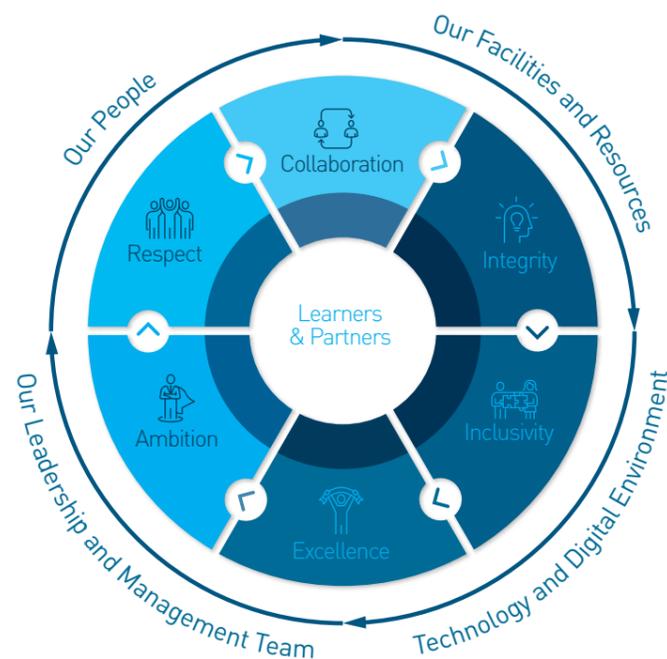
Our vision



To be the FE College of choice, providing lifelong learning opportunities for all, through innovative, high-quality education and skills training, supporting the Northern Ireland economy to be globally competitive.



Based on staff feedback following engagement sessions in the planning process, the College is embracing six values which are a blend of previous and new. These are supported by our four drivers.



To help us realise our vision for 2025 we have identified 12 key goals structured around three core themes of Learners, Professional Services and Partners.

Learners	Professional Services	Partners
<p>To provide an agile, responsive, sustainable curriculum aligned to the 10X Strategy and local business and community needs.</p>	<p>To attract, recruit, develop and retain highly skilled, motivated and professional talent.</p>	<p>Through horizon scanning, to proactively identify emerging skills requirements.</p>
<p>To equip learners with the skills to make a positive impact in the workforce and the wider community.</p>	<p>To embed an open, transparent, high performing culture demonstrated through independent evidence.</p>	<p>To be an integral and first choice partner in local community planning & skills development.</p>
<p>To improve academic standards and associated learner outcomes.</p>	<p>To provide facilities that support delivery of our refreshed curriculum and achieve environmental sustainability.</p>	<p>To maximise opportunities to secure income from alternative funding streams.</p>
<p>To provide learners with an enriching experience during their studies with the College.</p>	<p>To provide value for money and effective governance in delivery of our services.</p>	<p>To develop an instantly recognisable brand that enhances the College's reputation.</p>

Progress statements for each theme and the associated goals will be included in the annual report for the duration of the Strategic Plan.



Corporate and Business Planning

The College Development Plan (CDP) sets out the operational plans within the budget remit defined by the Department for Economy (DfE). The educational and performance measures are detailed in three report cards:

- ▶ Report Card 1 – Students & Qualifications
- ▶ Report Card 2 – Employers
- ▶ Report Card 3 – Social Inclusion

The progress against the measures set out in the CDP 2022/23 is reported to the Department three times each year.

The College contributes directly to the following Programme for Government (PFG) outcomes:

- ▶ We prosper through a strong, competitive, regionally balanced economy
- ▶ We are an innovative, creative society, where people can fulfil their potential
- ▶ We have more people working in better jobs

Performance indicators and review of performance in 2021/22

The College’s performance was monitored by the Governing Body and reported to DfE throughout 2021/22 with appropriate actions agreed and implemented.

The summary table below outlines the progress.

How much did we do?

Report Card	Description	Status	Comment
1 Students & Qualifications	Meeting Enrolment Targets & Achievement of Qualifications	●	Achieved The overall recruitment figure of 14,138 enrolments (including Essential Skills) was achieved this year against a target of 12,057, with an additional 2,081 enrolments.
2 Employers	Engaging with Employers and Strategic Partners	●	Achieved The College delivered a successful range of Business Engagement programmes with a total spend of just under £2m.
3 Social Inclusion	Improving Social Inclusion	●	Achieved A conservative planning approach was taken in August 2021 to social inclusion programmes due to the continued unknown environment and impact of Covid 19. With no restrictions in place the College was able to exceed its planned activity.

How well did we do it?

Report Card 1 – Students and Qualifications

Measure	Target 21-22	Actual 21-22	RAG
Further Education (FT & PT)	7,247	8,809	●
Higher Education (FT & PT)	955	980	●
Essential Skills (16-19 & 20+)	1,861	2,096	●
Work Based Learning (TfS, Apps NI & HLA)	1,898	2,156	●
Traineeships	96	97	●
Enrolment Total	12,057	14,138	●

The overall enrolment target of 12,057 was achieved and the College recruited an additional 2,081 enrolments during the 2021/22 year. The 2021/22 academic year was clearly a year of recovery for the College and reversing the impact of Covid 19 on enrolment numbers in 2020/21. The College not only stabilised the downward trend in enrolments in 2021/22 but saw growth of almost 25% from 9,659 enrolments (excluding essential skills) at the end of 2020/21 compared to 12,042 enrolments (excluding essential skills) at the end of 2021/22. Lifting of restrictions allowed a return to face-to-face delivery and the opportunity to deliver increased enrichment qualifications and activities.

Performance by Level of Provision

In 2021/22 at level 0/1 FE the College aimed to deliver 1,386 regulated qualifications on further education qualifications (excluding essential skills). This target was stable from the previous year and took account of the uncertain landscape of community programmes. The actual number of enrolments at Level 0/1 in 2021/22 was 2,499; an increase of 1,113 (80%) against the planned target.

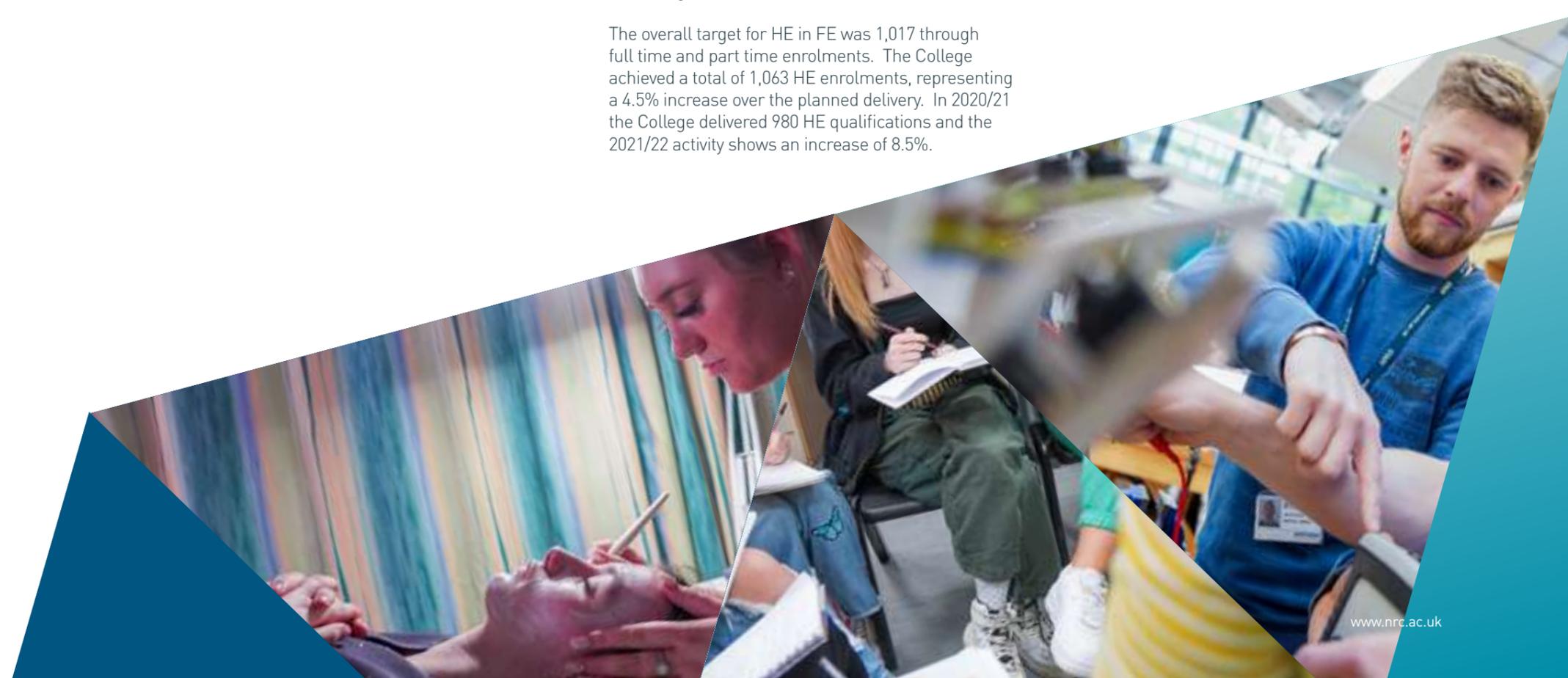
Level 2 recruitment met the target of 3,951 enrolments, with an actual recruitment figure of 4,377 (excluding essential skills), this is an over recruitment of 426 enrolments (11%). Level 2 qualifications accounted for 39.9% of all College provision this year and increased from 3,038 in 2020/21, an increase of 1,339 (44%).

The Level 3 enrolment target was 3,842 and the actual enrolments at the end of July were 4,172. This represents an additional 330 enrolments or 8.6% over achievement of the target. In 2020/21 the College delivered 3,815 enrolments at Level 3 and the 2021/22 enrolments represented a 9% increase. Level 3 enrolments account for 34.6% of all provision (excluding essential skills).

The overall target for HE in FE was 1,017 through full time and part time enrolments. The College achieved a total of 1,063 HE enrolments, representing a 4.5% increase over the planned delivery. In 2020/21 the College delivered 980 HE qualifications and the 2021/22 activity shows an increase of 8.5%.

The Essential Skills target for 2021/22 was 1,861 again reflecting the expected impact of Teacher Assessed Grades at GCSE level. The total number of Essential Skills enrolments delivered was 2,096, the activity was 13% higher than planned for. The 2021/22 activity was significantly lower than 2020/21, which had 2,659 enrolments. This was a decrease of 27%.

The Work Based Learning numbers, which are included in the enrolments at each level of provision, exceeded the target of 1,896 by 260 with a total of 2,156. This figure was broadly in line with the 2020/21 figure of 2,138. The Apprenticeship NI Programmes had a total of 1,945 enrolments, up from 1,352 in 2020/21. There was no further recruitment to Training for Success Programmes in 2021/22 and new students were enrolled on the Traineeship programme, with a total of 97 enrolments. HLA recruitment of 83 was successful against planned activity of 62, this was an increase of 15 from 2020/21.



Report Card 2 – Employers

In 2021/22 the College delivered a range of initiatives including Innovate Us, Skills Focus, Skill Up, Skills Academies, ERAP and Connected. This activity totalled almost £2million and surpassed the original planned activity, supporting over 20 projects and 350 individuals.

Report Card 3 – Social Inclusion

In 2021/22 the College engaged with over 4,300 individuals who have identified barriers to learning such as socio-economic challenges, disabilities or long-term health problems, language or literacy. Through targeted programmes such as College Connect and Prince’s Trust, the College delivered 822 enrolments to individuals not in education or training. The College delivered over 170 ESOL qualifications including participation in the Northern Ireland Refugee Resettlement Scheme.

Who is better off?

Students reported in the College’s annual student experience survey (February 2022) that 92% felt their course met or exceeded their expectations and 96% felt they were on the right course. The College delivered 12,071 regulated qualifications in 2020/21, this was an increase of 3,852 from 2019/20.

Financial Objectives

The College’s key financial objectives for 2021/22 are shown below:

2021-22	College Target	Actual Performance
% Spend against budget	100%	100%
% Capital against budget	100%	100%
Absenteeism	3%	3.8%*
Prompt Payment within 30 calendar days	95%	95%

*Absenteeism rates in 2021/22 are higher than in the previous year due to an increased number of staff experiencing significant long term medical issues.



Current and Future Development and Performance

Student External Achievements 2021/22

As a strong endorsement of the quality of skills development at the College there were many successes to celebrate during the year. In the WorldSkills UK 2021 national finals the College had a clean sweep in Industrial Robotics category: Louie Heath and Brennan Wilson won gold, Cameron Middleton and Adam Kilpatrick were silver medallists and Jude Moore and Aaron Stevenson won bronze. Savannah Hodgins was a silver medallist in the 3D Digital Game Art category. Seven students also qualified for the 2022 WorldSkills UK national finals. The College will be represented there in Industrial Robotics, CNC Milling, IT Support Technician and Joinery. Former Foundation Degree students Cameron Middleton and Adam Kirkpatrick will also compete for the UK team in Industrial Robotics at the International WorldSkills competition in Luxembourg. At the SkillBuild NI finals, two apprentices came top; Conor Dallas, an apprentice at Ballymoney, won in joinery and Bailey Gibson, from Newtownabbey, won the carpentry section. In the Open College Network NI Awards 2022, Northern Regional College had three finalists. Access to Opportunity student, Rachel McCoy, was nominated for Further Education Learner of the Year, whilst Anne-Marie McKenna, lecturer in Inclusive Learning and Pauline McDiarmid, lecturer in Essential Skills and Childcare were shortlisted in the Inspiring Tutor/Teacher of the Year category.

Curriculum Developments in 2021/22

The College's curriculum provision for 2021/22 focused on the delivery of mainstream qualifications, in parallel with development and launch of new programmes targeting both full and part-time learners. The impact of Covid was still very evident, and the achievement of enrolment targets even more significant against the context of the operating environment.

During this academic year the College participated in several DfE-commissioned evaluation activities. Following the launch of Traineeships in September 2021, two Quality Monitoring Evaluation Reports were completed, and in November 2021 an evaluation of the Entrepreneurship Hub was completed by Education Training Inspectorate (ETI) alongside evaluation of all curriculum hubs across the sector. An evaluation of HLA provision was completed in June and July 2022, focused on direction and impact over the past 4 years. Reports received to date have all been positive, commending the College on achievements to date and vision for the future.

Significant activity has been undertaken in further shaping the Teaching & Learning Directorate structure, with the formation of a new Department of Teaching & Learning Excellence bringing Quality Assurance, Quality Improvement and Innovation in Teaching & Learning together to support a more cohesive approach to continuous improvement. A further senior appointment to the role of Assistant Vice Principal for Teaching & Learning has been made, strengthening senior management resource and focus on operational curriculum planning and management. The academic year 2022/23 will see these changes embedding into overall College operations.



During 2021-22, the College delivered the following new qualifications:

- ▶ HND in Computing delivered at our Magherafelt Campus provides students with the opportunity to top up their qualifications from the existing HNC.
- ▶ HND in Animal Management delivered on our Newtownabbey Campus provides a progression pathway to Higher Education in this vocational area.
- ▶ The Higher Level Apprenticeship in Supply Chain and Logistics was launched in September 2021, developed through collaboration with industry specialists to provide a bespoke qualification to meet the needs of industry.
- ▶ Two new part time online courses in Level 2 Award in Awareness of Mental Health and Well-being and Level 4 Certificate in Principles of Leadership and Management for Adult Social Care were launched as a response to industry requests and in collaboration with the College Business Engagement team.
- ▶ Feedback from the Childcare Partnership resulted in the development of a BTEC Level 4 HNC in Early Childhood Care and Education.

Success Story

New Level 3 Dental Diploma at Magherafelt campus



Success Story

Foundation Degree
Counselling graduates





Success Story

Inaugural Barbara Macaulay Award winner.

Widening Participation and Social Inclusion

The College has a Widening Access and Participation Plan (WAPP) and action plan in place for all HE provision, with the aim of promoting HE access opportunities to students and adults from disadvantaged areas. In total 62 eligible HE students received a bursary to support their studies. The College, with funding from the Gallaher Trust, also provided two new bursaries that paid HE fees for the successful candidates. Targeted outreach projects to promote access to HE were undertaken, including giving over 100 school pupils HE taster sessions in sport science, engineering, construction, media and computing, and HE promotion through a football event. A wide range of part time FE and HE programmes allowed adult learners access to lifelong learning and career development. Of particular note would be our popular Access to University programmes. Our College Connect and The Prince's Trust programmes also continued to offer opportunities for students and young adults to re-engage in education and employment, with high levels of progression into either employment and/or a range of level 2 FE programmes.

The College continues to provide English for Speakers of Other Languages (ESOL) and Pre-ESOL programmes. In 2021/22, the College continued to participate in the Syrian Vulnerable Persons Resettlement Scheme (VPRS) within our catchment area. It is planned that ESOL provision will be maintained at its current level in the region of 170 enrolments and the ultimate aim is for these students to progress through the relative levels and enrol on FE programmes.

The social inclusion agenda is focused on the local community alongside engagement with 62 post-primary schools and 45 community groups across four local councils through Schools Partnership and Community Education. With students and lecturers back in the classroom, partnership classes ran more smoothly, and capacity was sufficient to meet demand. As in prior years, there was demand for the STEM subjects, such as Engineering at Level 3, and Environmental Technology. We also saw an increase in demand for Psychology A Level in Magherafelt this year, with two year groups at full capacity. Again, in 2021/22 we accommodated 200 students in Occupational studies.

Community Education became more active in 2021/22. A total of 138 students enrolled in various courses within community and the DfC CALL Project. A new range of OCN NI Level 1 accredited qualifications and taster sessions in trade-based subjects have been introduced to Community Education to better meet the needs of relevant groups and be used as an introduction to other Further Education courses and apprenticeships. 50 students enrolled on an accredited qualification with an average of 86% achieving the full qualification. Harryville Enterprises received funding from Halifax Community grant for 11 students who had volunteered sewing masks and scrubs for healthcare workers during the pandemic to complete a Pearson BTEC Level 2 Certificate in Art & Design (Upholstery) with 10 of the 11 students receiving the full qualification. These students were then signposted to Ballymena Business centre to avail of start-up grants for self-employment.

Student Support

The College has continued to maximise its allocation and distribution of the various strands of student financial support available from DfE. A total of 790 students were in receipt of Educational Maintenance Allowance (EMA) in 2021/22 and 922 in receipt of home to College transport supported by the Education Authority (EA). In terms of expenditure against budget in student finance terms, £39k was paid out via the DfE Care to Learn fund and approximately 67% of the hardship budget allocation was used, with 70 students being supported via £79k paid out.

The College invested in a further expansion of the 'Northern Plus' retention project, that had been successfully piloted in 2020/21. In 2021/22, the Northern Plus team worked with in excess of 900 students, working to re-engage learners back to College, support with signposting to internal and external support services and ultimately support the learner in achieving their qualification. Most recent data indicates Northern Plus had approximately 85% success rate with re-engaging students, with average student attendance rates for this cohort improving from 63% to 79% following intervention. Student feedback highlighted 'improved confidence', 'improved wellbeing' and 'improved chance of success on the course' as the benefits expressed by students following intervention and support from Northern Plus.



Quality of Teaching and Learning

The College Curriculum Management Team and Curriculum Area Managers (CAMs) remain committed to improving standards and consistency across curriculum delivery. CAMs engaged in carrying out lesson observations to assist in their quality improvement planning processes and targeted CPD plans. The College Teaching and Learning Advisors supported a total of 28 staff studying on a Teacher Training course in 2021/22. This was a combination of 10 staff studying the Certificate in Teaching (CIT) and 18 staff progressing to and successfully completing their Post Graduate Certificate in Teaching in Further Education (PGCFE).

In addition to this support, TLAs continued to provide support to staff identified via their Curriculum Area Manager as requiring support following a lesson observation, as well as supporting staff generally through the delivery of targeted CPD.

In relation to external review, College Connect provision across the 6 Colleges was reviewed by the Education and Training Inspectorate (ETI) in 2021/22. Overall, ETI concluded that the curriculum offer across the six colleges is very good; it is well-planned, designed and differentiated appropriately. Across the colleges the offer is participant-centred and is aligned well to the demographic profile of each and to the needs of the local and regional economy. ETI concluded overall that the College Connect provision, delivered across the 6 colleges, 'demonstrates a high level of capacity to identify and bring about improvement in the quality of the provision for the project.'

Embedding Entrepreneurship

During 2021/22, the College in its role as leading the sectoral Entrepreneurship Hub continued to meet, develop and deliver against the DfE-approved action plan.

Notable achievements in this academic year included:

- ▶ The launch of qualifications at Levels 2 (Innovation in Practice) and 3 (Business Development Skills) – both accredited by OCNNI, and tailored to suit Flexible Skills/SkillUp funding initiatives as well as enrichment provision for FT students
- ▶ Development of a Level 4 Diploma, with a target launch date for January 2023
- ▶ Further integration of Project Based Learning and CPD to support curriculum delivery, with a focus on Level 2 Traineeships
- ▶ Level 3 Advanced Technical pilot programmes
- ▶ Delivery of a sector-wide PBL competition and development of stakeholder relationships.

In November 2021 the College participated in an evaluation of the Entrepreneurship Hub, completed by ETI, the aim of which was to determine whether the hub concept was delivering against objectives. The work of the Entrepreneurship Hub received a strong endorsement in that regard, and in implementing a recommendation from the evaluation, the College has baselined the role of Hub Manager, which is now embedded within a Principal Lecturing post in Entrepreneurship and Innovation in Teaching & Learning.

Economic Engagement

The College has actively built on its business and council engagement capacity throughout the year by appointing professional staff to the newly approved structure. An Innovation team of Technical Specialists augments existing curriculum knowledge to support innovation development in industry. This valuable service for local companies is primarily delivered through funded programmes while the knowledge that is developed is also brought back into the College for sharing and teaching. Our new team of Business Engagement Officers has also showcased the range of opportunities for upskilling and innovation support available to companies. A wide range of funded programmes is available including Skills Focus, InnovateUs, Connected, Assured Skills Academies, Labour Market Partnerships, Innovation Vouchers and knowledge sharing programmes. Examples of initiatives taken forward this year include Advanced Manufacturing academies sponsored by Gallaher Trust, welding academies delivered through Assured Skill and the development of hydrogen training (including upskilling of 18 NRC College staff) in conjunction with Mid & East Antrim Council. The team also leads on engagement with each of the four Councils and is represented on their Labour Market Partnerships and other relevant working groups. Greater resource in this area has allowed the College to significantly increase non-core income to the College and exceed the targets set in the External Engagement Strategy.

Success Story

Graduates from our Manufacturing Academy funded by Gallaher Trust and Supported by Mid and East Antrim Borough Council.





Coleraine



Ballymena

Campus Developments

The College’s exciting campus redevelopment projects have progressed exceptionally well throughout the year. The £85 million* capital investment project, funded by the Department for the Economy, will deliver two state of the art campuses on the current sites in Union Street, Coleraine and Farm Lodge, Ballymena. Construction of the replacement Coleraine campus continued at pace with foundations, steel work, concrete slabs and staircases being completed across the site. The shape and form of the new campus has become established in

the Coleraine skyline with clear linkages to the adjoining park. The Ballymena construction started during the year with demolition of the sports hall and a section of the main building followed by pre-construction enabling works. The formal Construction Notice was issued to the contractor, Heron Brothers, in July 2022. The Coleraine campus is scheduled for completion in Spring 2024 and Ballymena within the 2024/25 academic year. Engagement continued with the St Patrick’s site stakeholders and the new £6m linkage road being developed by Department for Communities.

*College current budget is £85m and in addition the College has requested an additional £8.5m to account for rising construction costs which will be subject to Departmental approval

Success Story

Translink On Track Technicians apprentices with Christine Brown and Gordon Kane.



Current Operating Environment

The College Development Plan and activity for 2021/22 has been progressed against a backdrop of a non-functioning Northern Ireland Executive, an absence of longer-term budgets, a world-wide recession, a cost-of-living crisis and continued uncertainty on the world stage emanating from the Ukrainian crisis and rising energy costs. This creates uncertainty in NI generally, significant financial pressures for government, businesses and citizens and impacts on the services required from the FE sector.

Expert analysis for the recovery of the NI economy reflects the following:

- ▶ Ulster Bank Purchasing Managers' Index (PMI) June 2022 reported a sharp decrease in output and new orders as severe price pressures caused demand to contract. Business confidence also fell, but companies continue to expand staffing levels.
- ▶ Ulster University Economic Policy Centre (Spring 2022) noted NI growth prospects are still relatively good with anticipated growth of 4.2% in 2022, although global uncertainties remain a challenge for the NI economy. The inflation projections for 2022 are 5.9%. The issue of the Northern Ireland Protocol provides opportunities and challenges, giving NI manufacturers access to both UK and EU markets, however import of goods from GB is causing significant challenges for many firms and adding to costs.

Despite these uncertainties it is recognised that Northern Ireland's future success is predicated on its ability to access a highly skilled, talented and flexible workforce, giving people access to better jobs across different sectors by providing more opportunities through Lifelong Learning, supporting personal development, addressing the issues that lead to underachievement and strengthening links between industry and academia. The future demand for skills is particularly relevant to colleges across Northern Ireland as the NI Skills Barometer 2021 highlights that delivering on Northern Ireland's economic potential will require a significant uplift in the number of people undertaking professional and technical qualifications.

The demand for skills in NI will outstrip supply but the nature of the skills gap varies across NQF levels. The largest supply gaps are likely to emerge in the mid-tier skills levels across most subject areas, linked primarily to a supply issue. NQF level 4-5 qualifications represent only 7% of the overall supply of labour from the education system. The skills barometer also suggests that addressing this undersupply could be met by either increasing the course offering and participation in mid-level qualifications at FE or increasing the number of apprenticeships which achieve at least a mid-level qualification. A significant majority of the jobs which supported our economy during the lockdown were vocational, and remain essential to continued growth, particularly at levels 3-5, across all sectors of the economy. These sectors will be central to economic recovery and are dependent on the FE sector to provide their talent pool. The College's 2021/22 CDP details how the FE Sector will capitalise on the achievements to date to ensure the needs of students, employers and communities are met as NI responds to, recovers from and renews itself following the pandemic.

The drive for higher skills and relevant professional and technical qualifications is also being progressed by colleges through the delivery of a new Vocational Education and Training (VET) system. The new VET system includes the well-established apprenticeship pathway and a non-employed pathway based on Level 2 Traineeship and Level 3 Advanced Technical Awards. The implementation of this non-employed pathway is central to the transformation of the VET landscape of Northern Ireland. The FE sector is committed to developing qualifications that will underpin the new VET system in Northern Ireland. The introduction of the new Traineeships/Advanced Technical awards are based on a new pedagogy underpinned by Project Based Learning that aims to create a new system of learning that will:

- ▶ Simplify the overly complex vocational offer
- ▶ Reduce the number of vocational qualifications
- ▶ Establish clear pathways based on apprenticeships (employed) and non-employed routes – providing seamless transition and progression for learners
- ▶ Address the immediate issue of qualification market failure for a significant element of core business for colleges
- ▶ Address the forecasted skills shortfall at Level 3

Following from Covid-19, the downward trend in full time FE and HE enrolments remains a significant concern across all colleges. Whilst recognising that the number of school learners at 16 years of age has dropped, the extent of the decline is attributed to the outworking of education policy across NI and in particular the growth in 6th form provision and a funding model that has incentivised schools to retain learners leading to increased levels of duplication of provision between both schools and colleges.

The implementation of the joint DE and DfE 14-19 Framework on 'Developing a More Strategic Approach to 14-19 Education and Training' must be progressed as a matter of urgency if we are to deliver an education system that provides value for money and addresses the shortage of vocational skills at mid-tier levels. The colleges are committed to progressing any actions that may emerge from the 14-19 Framework to ensure that the needs of all young people are met.

A further challenge which will impact College delivery will be the cessation of EU funding, particularly in the area of social inclusion. Over a number of years, Colleges have secured funding for substantial programmes to support disadvantaged young people to progress to education, training and employment. As a result of EU Exit, there is risk of a reduction in this provision if no replacement funding is secured through new schemes such as Peace Plus and Shared Prosperity Fund.

A summary of the key guiding principles that have been developed to set the direction for the 2022/23 CDP in light of the current operating environment is provided below:

1. The residual impact of Covid 19 will result in smaller class sizes for years 2 and 3. Delivery will continue to adhere to any updates from the Departmental Advisory and Oversight Group on the safe resumption of onsite delivery.
2. Colleges will use the experiences of the pandemic to build on the use of technology to support more flexible forms of learning to businesses, and for individuals who wish to retrain or upskill.

3. Work with local employers will continue to develop new apprenticeship and placement opportunities.
4. We will engage with businesses to:
 - ▶ Support employers through the provision of fully funded, tailored solutions through the Skills Focus Programme and use the Skill Up Initiative to increase the skills levels of the workforce
 - ▶ Facilitate small businesses in acquiring the skills to innovate, by delivering up to three InnovateUs upskilling projects per business, through which they work on developing new products, services or processes.
5. The FE sector will play its role in implementing key policy initiatives and recommendations from:
 - ▶ The 14-19 framework 'Framework Developing a More Strategic Approach to 14-19 Education and Training'
 - ▶ Higher Education in Further Education Review
 - ▶ Vocational Qualifications Reform
6. The FE Sector will continue to build on its programme of collaboration aimed at ensuring the delivery of a more coherent and responsive sector and making best use of existing resources and expertise.

Online Learning

Staff continued to make significant use of blended and remote learning for various courses throughout the 2021/22 academic year to support students who were still affected by some level of Covid restrictions in place. Page views in Canvas remain to be of a high usage throughout the year (6.8 million views) despite a drop of 35% from the previous year. This could be a direct reflection of the number of classes returning to face-to-face delivery.

The Canvas Course Review programme has been moving from strength to strength over the 2021/22 academic year with an increase in courses sitting at bronze level. Three courses were of bronze standard in 2020/21, improving to 36 courses meeting this criteria for the 2021/22 year, a 91% increase. The team have worked hard to ensure that during the initial stages of a new course build, the bronze criteria is built in from the beginning.

The Creative Learning team continued to develop and maintain relationships with external stakeholders, e.g., Safeguarding Board NI, with the creation of the Safeguarding course, which is supported and hosted by the team within Canvas.

Learner Management System

The Learner Management System (LMS) project formally closed at the end of March and the governance and operational management of the system transitioned to the business-as-usual teams. Further work continues to enhance the utilisation and functionality of the system. The College teams have successfully implemented online examination results in August 2022, meaning students do not have to email or come into College to receive results. Embedding the Engage App as the College's student communication platform has been successful and will be further promoted with new features such as complete attendance information available for students to share with Employers and Partner Schools. The suite of Power BI Management reports continues to grow and be refined in line with feedback from end users. A new version of the Individual Learner Plan will be rolled out at the start of the 2022/23 academic year, along with three system-wide upgrades.

A sector wide Change Management Board now oversees all contract and change management processes, whilst the College has established its own Management Board which leads on cross College enhancement projects and internal governance. This group is responsible for implementing recommendations from the recent advisory internal audit.



Financial Position

Financial Results

Northern Regional College financial statements have been prepared in line with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standards (FRS102) the Financial Reporting Standard applicable in the UK and Republic of Ireland. The College recorded a deficit before exceptional items in 2021/22 of £3,663k (2021: deficit of £4,408k). There was a £57k adjustment to an exceptional item (£181k) posted in 2021 relating to a Holiday Pay provision which is fully explained in Note 19. Land and buildings were subject to an interim revaluation at 31 July 2022 on a depreciated replacement cost basis. The valuations were performed independently by the Land and Property Service in accordance with Department specifications. These revaluations have been incorporated into the financial statements and the resulting revaluation adjustments have been taken to the revaluation reserve. This resulted in an increase in value for the estate of £3,590k. The total net book value of Land and Buildings, excluding work in progress at 31 July 2022, is £49.2m, with assets under construction totalling £17.8m. The NILGOSC Pension Scheme recorded a £14.4m actuarial gain (see Note 22) in 2021/22 (2021: £7.4m), this has been accounted for within the Statement of Comprehensive Income and Expenditure. The College has significant reliance on DfE for its principal funding source, largely from recurrent grants. In 2021/22, DfE provided 87% of the College's total income through allocated recurrent grant and other grant funding. This represented 12.9% of the total recurrent and other grant funding available to the sector.

Reserves

The College has accumulated income and expenditure reserves, excluding pension reserves, of £2,569k (2021: £1,455k) and cash balances of £5,772k (2021: £4,940k). The College's cash reserves at 31 July 2022 are 15.8% of the income for the year. The cash amount held is above the limit set in the Financial Memorandum by DfE due to temporary cashflow linked to drawdown requests.

Treasury Policies and Objectives

Treasury Management

The College's Treasury Management policy sets out a framework for cash management, long-term investment and borrowing by the College. The College acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. The Treasury Management policy is to ensure the College has proper financial control, safeguards its assets and secures value for money. The College regards the successful identification, monitoring and control of risk to be the measure of the effectiveness of its Treasury Management Policy.

Cash Flows

The College's operating cash inflow was £832k (2021: £3,559k inflow). The decreased cashflow was due to the timing of cash drawdowns from the Department and the need to bring the bank balance to normal cash reserve levels.

Liquidity

The level of reserves has contributed to a strong liquidity position for the College. Consequently, the College does not have any borrowings, loans or financing.

Payment Performance

The Late Payment of Commercial Debts (Interest) Act 1998, which came into force on 1 November 1998, requires colleges, in the absence of agreement to the contrary, to make payments to suppliers within 30 days of either the provision of goods or services or the date on which the invoice was received. The target set by HM Treasury for payment to suppliers within 30 calendar days is 95%.

During the accounting period 1 August 2021 to 31 July 2022, the College paid **95%** (2021: 96%) of its invoices within 30 days. £0 (2021: £0) was paid to suppliers in interest charges.

The Northern Ireland Executive is committed to paying suppliers as quickly as possible, within 10 working days. During the accounting period 1 August 2021 to 31 July 2022, the College paid **83%** (2021: 88%) of its invoices within 10 working days.

Events After the Reporting Period

There are no events after the reporting period.

Going Concern

The College is satisfied that the organisation is a going concern on the basis that there is no reason to believe that the Department's future sponsorship and future assembly approval will not be forthcoming to meet the College's liabilities as they fall due. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

The Department have issued a budget for 2022/23 to the College and we are in consultation with the Department to receive adequate resources to deliver the programme of work planned.



Resources

The College has various resources at its disposal that it can deploy in pursuit of its strategic objectives.

Estates

The College's estate includes campuses at:

Campus	2021/22 Net Book Value - £'000	2020/21 Net Book Value - £'000
Ballymena – Farm Lodge	3,756	4,125
Ballymena – Trostan Avenue	1,671	2,034
Ballymena – Lamont	362	415
Ballymoney	808	1,012
Coleraine	1,300	1,200
Larne	3,303	3,149
Magherafelt	4,786	4,426
Newtownabbey	33,247	31,598
Portrush (currently not utilised)	0	0
New Build – Asset in the Course of Construction	17,766	7,270
Total	66,999**	55,229*

* The above shows the impact on the movement in the NBV of the Estate value as a consequence of the revaluation indices of impairments due to new build of (£16,678k), additions/disposals of £316k, additions / disposals of £3,325k and depreciation of (£2,490k).

**The above shows the impact on the movement in the NBV of the Estate value as a consequence of valuation by LPS of £3,590k, additions of £10,669k and depreciation of (£2,489k).

Financial

Net assets at 31 July 2022 were £36.8m (2021: £22.6m) (including £6m net pension liability, 2021: £17.6m liability).

People

The College employs 578 people (2021: 568) (expressed as full-time equivalents), of whom 314 are teaching staff.

	% Sickness Absence		Average days Lost	
	2021/22	2020/21	2021/22	2020/21
College	3.83	3.27	9.71	8.50
Support Staff	4.51	4.10	12.35	10.70
Lecturing Staff	3.14	2.68	8.21	7.00

Sickness absence rates in 2021/22 are higher than in the previous year due to an increased number of staff experiencing significant long term medical issues.

Reputation

The College has a strong reputation locally and nationally and maintaining a quality brand is essential for the College's success in attracting students and external relationships.

Principal Risks and Uncertainties

Northern Regional College is committed to the principles endorsed by the Northern Ireland Audit Office in its guidance "Good Practice in Risk Management".

The College's key principles in relation to risk management and internal control are as follows:

- ▶ The Governing Body has responsibility for determining the risk appetite of the College and overseeing risk management within the College as a whole
- ▶ The Principal and Senior Leadership Team support, advise and implement policies approved by the Governing Body
- ▶ Senior and middle managers are responsible for encouraging good risk management practice within their designated managed area
- ▶ Key risks are identified and closely monitored on a regular basis

College Risk Register

The Risk Register for the College is reviewed and updated quarterly.

See Risk Management Section within Statement of Corporate Governance and Internal Control for details of principal risks facing the College.

Stakeholder Relationships

In line with other Colleges, we have many stakeholders. These include:

- ▶ students
- ▶ the Department for the Economy
- ▶ staff
- ▶ local employers
- ▶ local authorities
- ▶ Government Offices / Regional Development Agencies
- ▶ local communities
- ▶ other FE & HE institutions
- ▶ trade unions
- ▶ professional bodies

The College recognises the importance of these relationships and engages in regular communication with them through a wide variety of channels, both face-to-face and virtual.

The College considers two-way communication with its staff and students to be vital and regular meetings are held. Currently a number of mechanisms are in place to achieve effective internal communications including:

- ▶ monthly messages from Principal & CEO
- ▶ student/staff consultative meetings
- ▶ team/department, directorate meetings
- ▶ multi-disciplinary team meetings
- ▶ staff events/conferences
- ▶ student and staff intranets
- ▶ college website and social media channels
- ▶ health and wellbeing events

Equal opportunities and employment of disabled persons

By virtue of Section 75 of the Northern Ireland Act 1998, Northern Regional College in carrying out all its functions, powers and duties is required to have due regard to the need to promote equality of opportunity:

- a) between persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation
- b) between men and women generally
- c) between persons with a disability and persons without
- d) between persons with dependants and persons without

Without prejudice to its obligations above, the College has, in carrying out its functions, had regard to the desirability of promoting good relations between persons of different religious belief, political opinion or racial group. The College has included the promotion of good relations as part of the corporate planning process.

The College is committed to the fulfilment of its Section 75 obligations in all parts of our organisation. The College is committed to allocating necessary resources to ensure that the statutory duties are complied with and that the measures within the Equality Scheme to promote equality of opportunity are implemented effectively and on time.

The College's Equality Statement states that:

"Northern Regional College is committed to the promotion of equality of opportunity in all of its activities. We aim to ensure that we provide a supportive, fair, inclusive and welcoming environment for all staff, students and visitors free from any form of discrimination or harassment"

In 2021/22 the College continued to better promote equality of opportunity and good relations through a wide variety of initiatives, programmes and training including an Anti-Bullying week campaign, Learning Disabilities Week, Bytes Project, Women in STEM project, JAM (Just a Minute) Card Training and Campus Quiet Rooms.

Disability statement

The College's Disability Equality Statement sets out the College's commitment to potential and existing employees and students with a disability. The College is committed to:

- ▶ A policy of equal opportunity and seeks to ensure that disabled staff and students have equitable access, as far as is reasonably possible, to the full range of facilities, and services provided by the College
- ▶ Creating an environment where those with disabilities are comfortable to disclose details of their disability and are provided with suitable opportunities to disclose at various stages throughout their time at the College
- ▶ Providing access to the appropriate reasonable adjustments to enable the effects of disabilities to be minimised while participating in College life
- ▶ Preventing occurrences of unlawful direct discrimination, indirect discrimination, harassment, and victimisation
- ▶ Treating all staff and students with dignity and respect and will seek to provide a positive and safe working and learning environment

Under section 49A of the Disability Discrimination Act (DDA) 1995 (as amended by the Disability Discrimination (Northern Ireland) Order 2006), Northern Regional College as a public authority, when carrying out its functions, has due regard to the need to promote positive attitudes towards disabled people and will encourage participation by disabled persons in public life.

Under section 49B of the Act, the College is committed to the development of a disability action plan which relates to all disabled people including disabled employees, customers, clients and service users, as well as disabled students. This action plan also encompasses College efforts in relation to the Special Education Needs and Disability Order 2005 to ensure the full mainstreaming of all duties.

In January 2019, NI Further Education Colleges Disability Action Plan was developed for 2019 – 2024 and adopted by the College. This Plan confirms our commitment to and proposals for fulfilling the statutory obligations in compliance with Sections 49A and 49B of the Disability Discrimination Act 1995 [as amended by the Disability Discrimination (NI) Order 2006].

In August 2021 the College was awarded the Autism NI Impact Award which recognises the adjustments the College has made to ensure our campuses are more Autism friendly.

Disclosure of information to auditors

These accounts are subject to audit under the Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008 by the Comptroller and Auditor General for Northern Ireland.

The members who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the College's auditors are unaware; and each member has taken all the steps that he or she ought to have taken to be aware of any relevant audit information and to establish that the College's auditors are aware of that information.

Personal data related incidents

The College had zero personal data related incidents that met the threshold for reporting to the Information Commissioner's Office (ICO) in 2021/22.

Charitable and taxation status

The college has charitable status with HM Revenue and Customs and is not liable to corporation tax.

Charitable/Political Donations

The College made no charitable or political donations during the year.

Professional Advisers

External Auditors

Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU

Internal Auditors

RSM Northern Ireland (UK) Limited
Number One
Lanyon Quay
Belfast
BT1 3LG

Bankers

Danske Bank
Donegall Square West
Belfast
BT1 6JS



Members

The members who served on the Governing Body during the year were as follows.

Name	Date of appointment	Term of office	Date of resignation	Status of appointment	Committees served
Isobel Allison	09/07/12	31/12/21		Chair Member	Education Gov Body
Adam Chambers	09/02/22	30/09/22	29/04/22	Student Member Student Member	Education Gov Body
Samuel Kevin Chambers	01/08/15	31/07/23		Chair Member	Education Gov Body
Ashlyn Close	01/10/20	30/09/22	02/12/21	Student Member Student Member	Education Gov Body
Louise Cilly	13/01/22	12/01/26		Member Member	Audit & Risk Gov Body
Angela Dynes	15/01/18	14/01/22		Staff Member Staff Member	Education Gov Body
Philip Graham	07/10/20	06/10/24		Member Vice-Chair Member (Co-Opt)	Audit & Risk Education Gov Body
Maeve Hamilton	20/04/20	12/01/22		Vice-Chair Member	Audit & Risk Gov Body
Julie Hemphill	28/07/22	27/07/26		Staff Member	Gov Body
Mel Higgins (Principal)	08/11/21	Unbounded		Principal & Chief Executive	Resources Education Gov Body
William Hutchinson	01/08/15	31/07/23		Member Member	Audit & Risk Gov Body
Donal Macauley	21/07/21	20/07/25		Staff Member Staff Member	Education Gov Body
Yvonne Mallon	01/08/15	31/07/23		Member Member	Resources Gov Body
Pauline Martin	13/01/22	12/01/26		Vice Chair Member	Audit & Risk Gov Body
Gary McAllister	13/01/22	12/01/26		Member Member	Education Gov Body

Name	Date of appointment	Term of office	Date of resignation	Status of appointment	Committees served
William McCluggage	01/08/15	31/07/23		Chair Member	Audit & Risk Gov Body
Gillian McConnell	09/07/16	31/12/21		Member Vice-Chair	Resources Gov Body
Tony Montgomery	20/04/20	12/01/22		Vice-Chair Member	Education Gov Body
Denise Mclwaine	13/01/22	12/01/26		Vice-Chair Member	Resources Gov Body
Raymond McKernan	13/01/22	12/01/26		Member Member	Resources Gov Body
Liam McSorley	15/01/22	14/01/26	20/04/22	Staff Member Staff Member	Resources Gov Body
Ian Murphy	01/09/18	31/08/22		Chair Member (Co-Opt)	Resources Gov Body
Ken Nelson	01/07/21	30/06/25		Chair	Gov Body
Graeme Wilkinson	20/04/20	12/01/22		Member Member	Resources Gov Body
Simon Shevlin	13/01/22	12/01/26		Member Member	Education Gov Body
David Small	13/01/22	12/01/26		Member Member	Audit & Risk Gov Body

All members served from 1 August 2021 to 31 July 2022 unless otherwise indicated.

For and on behalf of the members of the Governing Body.

Signed  Date: 23 November 2022

Mel Higgins
Accounting Officer Northern Regional College

Remuneration Report

Members of the Governing Body

There are normally 18 members of the Governing Body, most of whom are appointed in accordance with the Code of Practice of the Office of the Commissioner for Public Appointments for Northern Ireland. Of these, six members are appointed in line with statutory requirements. The majority of members are appointed for a fixed period of up to four years and thereafter they may be re-appointed in accordance with the Code of Practice.

The remuneration of Governing Body members (excluding staff members) was first introduced by the Department from 1 January 2016. Staff members do not receive remuneration. There are no arrangements in place for the payment of a bonus.

No member of the Governing Body, including the Chairperson, receives pension contribution from the College or the Department. The College reimburses the Chairperson and Members of the Governing Body for any incidental expenses incurred for carrying out their duties relevant to the organisation.

The Department appointed seven GB members on 13 January 2022.

- ▶ Louise Crilly
- ▶ Pauline Martin
- ▶ Gary McAllister
- ▶ Denise McIlwaine
- ▶ Raymond McKernan
- ▶ Simon Shevlin
- ▶ David Small

Mel Higgins became Acting Principal and Chief Executive from 1 August 2021. Following a selection process Mel was appointed Principal and Chief Executive with effect from 1 November 2021 and a member of Governing Body on 8 November 2021.

Julie Hemphill was appointed as support staff governor on 28 July 2022.

Adam Chambers was appointed as student governor on 9 February 2022.

The remuneration of the Chairman and Board members is as follows (audited information).

	2021-2022				2020-2021			
	Salary	Benefits in kind	Pension benefits	Total	Salary	Benefits in kind	Pension benefits	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Isobel Allison	0-5	-	-	0-5	0-5	-	-	0-5
Adam Chambers – Student	0-5	-	-	0-5	0	-	-	0
Samuel Kevin Chambers	0-5	-	-	0-5	0-5	-	-	0-5
Ashlyn Close - Student	0-5	-	-	0-5	0-5	-	-	0-5
Louise Crilly	0-5	-	-	0-5	0	-	-	0
Philip Graham	5-10	-	-	5-10	0-5	-	-	0-5
William Hutchinson	0-5	-	-	0-5	0-5	-	-	0-5
Yvonne Mallon	0-5	-	-	0-5	0-5	-	-	0-5
Pauline Martin	0-5	-	-	0-5	0	-	-	0
Gary McAllister	0-5	-	-	0-5	0	-	-	0
William McCluggage	0-5	-	-	0-5	0-5	-	-	0-5
Gillian McConnell	0-5	-	-	0-5	0-5	-	-	0-5
Denise McIlwaine	0-5	-	-	0-5	0	-	-	0
Barney McGahan	0	-	-	0	15-20	-	-	15-20
Raymond McKernan	0-5	-	-	0-5	0	-	-	0
Tony Montgomery	0-5	-	-	0-5	0-5	-	-	0-5
Ian Murphy	0-5	-	-	0-5	0-5	-	-	0-5
Kenneth Nelson - Chair	15-20	-	-	15-20	0-5	-	-	0-5
Simon Shevlin	0-5	-	-	0-5	0	-	-	0
David Small	0-5	-	-	0-5	0	-	-	0

The Principal and Senior Leadership Team

The Principal and the Senior Leadership Team appointments are made in accordance with the College's recruitment policy. The policy requires appointments to be made on merit on the basis of fair and open competition.

The Principal and Senior Leadership Team hold permanent appointments. The normal retiring age was previously sixty-five, although staff may retire at any time after age sixty.

Minimum pay levels

Minimum pay levels are dependent on College size and vary across the sector.

Progression

There is no incremental progression for Principals as they are paid on a one-point scale according to College size. However, if the College size changes they will automatically move to that new salary point.

At initial appointment, Vice-Principals and equivalents are normally placed on the bottom point of the four-point scale relevant to the size of their College. Thereafter, there is annual incremental progression up the scale until the maximum of the scale is reached. A common incremental date of September is used for all Vice-Principals and equivalents. If the College increases in size a Vice-Principal and equivalents will automatically move to the new relevant salary scale.

Performance pay

There is no performance pay or related scheme for any of the Senior Leadership Team.

Total reward package

Senior staff within the College have access to the Northern Ireland Teachers' Superannuation Scheme or the Northern Ireland Local Government Superannuation Scheme.

Senior staff posts are based on thirty-six hours per week and post holders have access to the College's Maternity Leave Scheme, Paternity Leave Scheme, Adoption Leave Scheme and flexible working arrangements.

All Senior Staff have thirty-five days holiday entitlement and a further twelve statutory and public holidays as recognised by the sector.

Service contracts

College appointments are made on merit on the basis of fair and open competition. Unless otherwise stated, the officials covered by this report hold appointments which are open ended. Early termination, other than for misconduct, would result in the individual being entitled to receive compensation.

Salary and Pension Entitlements

The following sections provide details of the remuneration and pension interests of the most senior management of the College.



Remuneration (including salary) and Pension Entitlements (audited information)

Remuneration	2021-2022**				2020-2021**			
	Salary	Benefits in kind	Pension benefits	Total	Salary	Benefits in kind	Pension benefits	Total
	£'000	£'000	£'000*	£'000	£'000	£'000	£'000*	£'000
Principal & Chief Executive Mel Higgins Note 1	105-110	-	25-30	130-135	80-85	-	20-25	100-105
Vice Principal Performance & Development Jenny Small	75-80	-	15-20	95-100	75-80	-	15-20	95-100
Vice Principal Teaching & Learning Christine Brown	75-80	-	15-20	95-100	65-70 [75-80 full year equivalent]	-	15-20	80-85
Chief Operating Officer Sean Laverty Note 2	75-80 [75-80 full year equivalent]	-	15-20	90-95	-	-	-	-
Principal & CEO Professor Terri Scott	-	-	-	-	115-120	-	25-30	145-150

Note 1

Mel Higgins became acting Principal and Chief Executive from 1 August 2021 to 31 October 2021 and after a selection process was appointed to the substantive Principal and Chief Executive post with effect from 1 November 2021.

Note 2

Sean Laverty became acting Chief Operating Officer from 9 August 2021 to 6 February 2022 and after a selection process was appointed to the substantive Chief Operating Officer post with effect from 7 February 2022.

* The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

** The salary for 2021/22 includes back pay.

Fair Pay Disclosure

Fair Pay Disclosure – Pay Ratios

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the lower quartile median and upper quartile remuneration of the organisation's workforce.

The banded remuneration (excluding back dated pay award) of the highest-paid director Northern Regional College in the financial year 2021-22 was £105-£110k (2020-21: £115-£120k.) The relationship between the mid-point of this band and the remuneration of the College's workforce is disclosed below.

2021-22	25th Percentile	Median	75th Percentile
Total Remuneration	22,363	28,553	39,668
Pay Ratio	4.74	3.71	2.67

2021-22	25th Percentile	Median	75th Percentile
Total Remuneration	21,141	28,018	36,126
Pay Ratio	5.52	4.17	3.23

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

The 25th percentile, median and 75th percentile remuneration values consist solely of salary payments.

Remuneration ranged from 2021-22: £15-£20k to £105-£110k (2020-21: £15-£20k to £115-£120k).

Fair Pay Disclosures – Percentage Change in Remuneration

Reporting bodies are required to disclose the percentage change from the previous financial year in the (i) salary and allowances, (ii) performance pay and bonuses, of the highest paid director and of the employees as a whole.

The percentage changes in respect of Northern Regional College are shown in the following table. It should be noted that the calculation for the highest paid director is based on the mid-point of the band within which their remuneration fell each year.

Percentage Change for	2021-22 compared to 2020-21
Average employee salary and allowances	2.14%
Highest paid director's salary and allowances	-9.3%*

There is no performance related pay for the highest paid Director or any other employee.

*Principal Mel Higgins was appointed in year and salary was based on the latest College banding. This was reduced a few years ago but the former Principal was protected, hence the negative change when a new Principal was appointed.

Pay Awards

The following pay awards were paid to staff in the 2021/22 financial year.

Staff Category	Pay Award	Period
Senior staff	2%	From Sept 2020
Lecturers	2%	From Sept 2019 + further 2% from Sept 2020
Support staff	1.75%	From April 2021

The following anticipated pay awards have been accrued in 2021/22 financial year.

Staff Category	Pay Award	Period
Senior staff	2%	From Sept 2021
Lecturers	2%	From Sept 2021
Part-time Lecturers	2%	From Sept 2021
Support staff	£1,925 per annum	From April 2022 (pro-rata)

Benefits in Kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument. No senior officials received any benefits in kind.



Pension Entitlements (Audited information)

Officials	Accrued pension at pension age as at 31/07/22 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/07/22	CETV at 31/07/21	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
Principal & Chief Executive Mel Higgins Note 1	10-15	0-5	31	106	137
Vice Principal Performance and Development Jenny Small	0-5	0-5	52	29	23
Vice Principal Teaching & Learning Christine Brown	30-35 plus lump sum 80-85	0-5 plus lump sum 5-10	730	617	113
Chief Operating Officer Sean Laverty Note 2	5-10	0-5	73	65	8

Note 1

Mel Higgins became acting Principal and Chief Executive from 1 August 2021 to 31 October 2021 and after a selection process was appointed to the substantive Principal and Chief Executive post with effect from 1 November 2021.

Note 2

Sean Laverty became acting Chief Operating Officer from 9 August 2021 to 6 February 2022 and after a selection process was appointed to the substantive Chief Operating Officer post with effect from 7 February 2022.

Pension Arrangements

Retirement benefits to employees of the College are provided by the Northern Ireland Teachers' Pension Scheme (NITPS) and the Local Government Pension Scheme for Northern Ireland administered by the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC). These are defined benefit schemes, which are externally funded and contracted out of the State Earnings-Related Pension Scheme (SERPS).

Contributions to the NITPS are calculated so as to spread the cost of pensions over employees' working lives with the College in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of quinquennial valuations using a prospective/benefit method.

The NITPS is a multi-employer scheme and the College is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The NITPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The assets of the NILGOSC scheme are measured using closing market values. NILGOSC liabilities are measured using the projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency to the liability. The increase in the present value of the liabilities of the scheme expected to arise from employee service in the period is charged to the operating surplus. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities, arising from the passage of time, are included in pension finance costs. Actuarial gains and losses are recognised in the Other Comprehensive Income section of the Statement of Comprehensive Income & Expenditure.

National Employment Savings Trust (NEST) is the workplace pension set up by the government specifically for auto enrolment. It is a defined contribution workplace pension scheme with contributions by the employer. NEST Corporation is the Trustee that runs the NEST scheme. It took over from

the Personal Accounts Delivery Authority (PADA), the agency set up by the government to deliver 'personal accounts' – a key element of the auto enrolment policy. 'Personal accounts' became NEST. As a non-departmental public body NEST Corporation is accountable to Parliament through the Department for Work and Pensions but is generally independent of government in its day-to-day decisions.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouses pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The CETV figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NILGOSC pension arrangements and for which the Fund has received a transfer payment commensurate with the additional pension liabilities being assumed. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real Increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Statement of the Responsibilities of the Accounting Officer & Governing Body

Under the Further Education (NI) Order 1997, DfE (with approval from DoF), has directed the Governing Body to prepare, for each financial year, a statement of accounts in the form and on the basis set out in the Accounts Direction.

In preparing the financial statements, the Accounting Officer on behalf of the Governing Body, is required to:

- ▶ observe the Accounts Direction issued by DfE with the approval of DoF, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- ▶ make judgements and estimates on a reasonable basis
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- ▶ prepare the financial statements on the going concern basis unless it is inappropriate to assume that the College will continue in operation
- ▶ confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced and understandable.

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

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

In addition, the Governing Body is responsible for securing the efficient and effective management of the College and ensuring that the College provides suitable and efficient further education.

The Accounting Officer of DfE has designated the Principal/Chief Executive as the Accounting Officer of the College. The responsibilities as an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the College's assets, are set out in Managing Public Money Northern Ireland (MPMNI) published by DoF.

Statement of Corporate Governance & Internal Control for the Year Ended 31 July 2022

Introduction

This Governance Statement for Northern Regional College sets out the governance structures, risk management and internal control procedures that operated within the College during the 2021/22 financial year and up to the date of approval of the Annual Report and Accounts. This Governance Statement has been prepared in accordance with guidance issued by the Department of Finance (DoF) and is aimed at supporting better governance and driving more consistent, coherent and transparent reporting.

Scope of Responsibility

The Accounting Officer for the College has responsibility for maintaining a robust governance and risk management structure and a sound system of internal control that supports the achievement of College policies, aims and objectives, whilst safeguarding the public funds and assets for which he is personally responsible, in accordance with the responsibilities assigned to him in Managing Public Money Northern Ireland (MPMNI).

In order to manage the College efficiently, the Accounting Officer has been supported by formal governance structures with clear remits, details of which are provided below.

Governing Body

The College's Governing Body comprises members appointed by the Minister for the Economy, staff and students of the College, the Principal and members co-opted by the Governing Body. The role of the Chairman of the Governing Body is separate from the role of the College Principal as Chief Executive and Accounting Officer. The Governing Body is responsible for the ongoing strategic direction of the College whilst the Executive Officers are responsible for the operational management of the College. The Governing Body approves all major developments and receives regular reports on the activities of the College. The Governing Body met seven times during the 2021/22 year. The Governing Body committees include a Resources Committee, an Audit & Risk Committee and an Education Committee. All of these committees are formally constituted with terms of reference.

Unreserved minutes of Governing Body meetings are available from the Secretary to the Governing Body and on the College website. The Secretary to the Governing Body maintains a register of financial and personal interests of the Governing Body members and the PA to the Chief Executive maintains a register for members of the Senior Leadership Team. Formal agendas, papers and reports are supplied to the Governing Body members in a timely manner.

Information presented to the Governing Body and its committees is drafted by the appropriate department and proceeds through the necessary internal clearance procedures before being presented as formal agendas, papers and reports to the Governing Body. This ensures a high quality of reliable and up to date information is presented for the Governing Body's consideration. The Governing Body is content with the quality and reliability of the information presented during 2021/22.

The Governing Body through its stewardship complies with the Corporate Governance Code.

Attendance during the year at the Governing Body meetings was as follows.

Member	Meetings Attended	Out of a Possible
Isobel Allison	2	2
Adam Chambers	2	2
Samuel Kevin Chambers	5	7
Ashlyn Close (Student Governor)	1	2
Louise Crilly	4	5
Angela Dynes (Staff Governor)	2	2
Philip Graham	7	7
Maeve Hamilton	2	2
William Hutchinson	6	7
Mel Higgins (Principal & CEO)	7	7
Yvonne Mallon	6	7
Pauline Martin	5	5
Donal Macauley	7	7
Gary McAllister	4	5
William McCluggage	7	7
Gillian McConnell	2	2
Denise McIlwaine	5	5
Raymond McKernan	5	5
Liam McSorley	1	2
Tony Montgomery	2	2
Ian Murphy	7	7
Ken Nelson (Chair)	7	7
Simon Shevlin	4	5
David Small	5	5
Graeme Wilkinson	0	2

A minimum of six members of the Board must be present for the meeting to be deemed quorate. All Board meetings during the 2021/22 financial year were fully quorate.

Audit and Risk Committee

The Audit and Risk Committee is responsible for reviewing the effectiveness of the College's accounting procedures and systems of internal control. It provides a channel of communication from the College's auditors, which is not controlled by College management. It also must satisfy itself that adequate arrangements are in place to promote economy, efficiency and effectiveness. The Committee met four times during the 2021/22 year. Discussion included reports from the External and Internal Auditors and the relevant responses.

It also receives and considers reports from the Department for the Economy. It reviews the College's annual financial statements to ensure compliance with legislation and accounting standards.

Whilst Executive Officers and other officials attend meetings of the Audit and Risk Committee as necessary, they are not members of the Committee. The Committee meets with auditors on their own for an independent discussion once a year, prior to a meeting of Committee.

Attendance during the year at the Audit Committee meetings was as follows.

Member	Meetings Attended	Out of a Possible
Louise Crilly	2	2
Dr Philip Graham	4	4
Maeve Hamilton	1	2
William Hutchinson	2	4
Pauline Martin	2	2
William McCluggage (Chair)	4	4
Tony Montgomery	2	2
David Small	2	2

Resources Committee

The Resources Committee supervises all matters relating to the finance and resources (staffing and other resources) of the College. The Committee is responsible for ensuring the College meets its statutory obligations under section 75 of the NI Order (1998). The Committee met four times during the 2021/22 year.

Attendance during the year at the Resources Committee meetings was as follows.

Member	Meetings Attended	Out of a Possible
Mel Higgins (Principal & CEO)	4	4
Yvonne Mallon	4	4
Gillian McConnell	1	2
Denise McIlwaine	2	2
Raymond McKernan	2	2
Ian Murphy (Chair)	4	4
Graeme Wilkinson	1	2

Education Committee

The Education Committee is responsible for overseeing the curricular provision of the College, especially the nature, quality and performance of the provision and the extent to which it meets the needs of the community the College seeks to serve. The Committee met five times during the 2021/22 year.

Member	Meetings Attended	Out of a Possible
Isobel Allison (Chair)	2	2
Adam Chambers (Student Governor)	1	1
Kevin Chambers	5	5
Ashlyn Close (Student Governor)	1	2
Angela Dynes (Staff Governor)	2	2
Dr Philip Graham	5	5
Mel Higgins (Principal & CEO)	5	5
Gary McAllister	2	3
Tony Montgomery	2	2
Simon Shevlin	3	3

Governing Body Performance and Effectiveness

On 11th March, the Governing Body with the Senior Leadership Team and key members of the Senior Management Team met for a strategy workshop. External speakers were invited to give overviews of key FE NI strategic policies that would influence the College plan. The group drafted and agreed the key themes, priorities and goals for the next three years using feedback from staff engagement sessions.

A schedule of membership and attendance at Governing Body and Committee meetings for the 2021/22 year is shown in the tables above. In total there were twenty meetings of the Governing Body and its various sub committees during 2021/22. Average attendance of governors, excluding staff and student representatives, recorded at Governing Body meetings during 2021/22 was 90.4% (93.7% for 2020/21). 2021/22 average attendance was lower due to changeover mid-year of seven new GB members, as listed in the Remuneration Report – Members of the Governing Body.

Governing Body members completed a survey during the year, initiated by the Chair and focusing on Board Effectiveness, to inform the upcoming annual member assessment interviews. The results of the survey for the themes of: structure; governance role; functioning; and monitoring were positive.

In conclusion the Governing Body and Committees of the Northern Regional College met regularly and conducted business effectively during 2021/22.

Risk Management

The College is committed to the principles endorsed by Northern Ireland Audit Office in its guidance "Good Practice in Risk Management".

By adopting the above risk management principles, and embedding a culture of effective risk management, the College's key principles in relation to risk management and internal control are as follows.

- ▶ The Governing Body has responsibility for determining the risk appetite of the College and overseeing risk management within the College as a whole
- ▶ The Principal and Senior Management Team support, advise and implement policies approved by the Governing Body
- ▶ Senior and middle managers are responsible for encouraging good risk management practice within their designated managed area
- ▶ Key risks will be identified and closely monitored on a regular basis

The Accounting Officer has responsibility for maintaining a sound system of internal controls that supports the achievements of aims and objectives, whilst safeguarding the public funds and College assets. This includes having a system in place to ensure that all business areas identify the key risks to the achievement of the organisation's objectives. The Accounting Officer reports annually on the College's system of internal control in the Governance Statement.

The College has an outsourced internal audit service, the work of which concentrates on areas of key activities determined by an analysis of the areas of greatest risk and in accordance with the annual internal audit plan approved by the Governing Body.

The internal auditor's report to the Accounting Officer and to the Audit & Risk Committee on a regular basis and have direct access to the Governing Body and to the Chairman of the Audit & Risk Committee. Internal Audit has issued an Assurance Statement that provides an opinion on the adequacy and effectiveness of the internal control system and the extent to which it can be relied upon.

Senior Leadership Team

The Senior Leadership Team (SLT) of the College consists of:

- ▶ Principal
- ▶ Chief Operating Officer
- ▶ Vice Principal Performance & Development
- ▶ Vice Principal Teaching & Learning

The purpose of the SLT is to act as the strategic leadership forum within the College. The SLT is responsible for the operational implementation of the vision and objectives agreed by the Governing Body.

The Senior Management Team comprises the SLT and all Heads of Department (academic and support).

The principal risks facing the College at 31 July 2022 have been identified as.

Risks	Description
1	The College does not meet enrolment targets
2	The College does not improve the quality of education
3	Failure to generate non-mainstream revenues
4	The College does not fully implement the technology strategy
5	The College does not achieve sustainable financial health impacting successfully delivering CDP targets and outcomes
6	The College does not comply fully with information governance legislation (FOI, DPA, GDPR, EIR & PECR)
7	The College suffers delayed/reduced enrolments due to Learner Management System not meeting operational capacity at enrolment
8	The College fails to deliver an efficient Estates environment in a compliant manner due to CPD-PD delays and processes (NOTE 1)
9	The College fails to deliver full educational programme due to the potential for industrial action caused by not providing a lecturing pay increase for revalorisation (NOTE 1)
10	The College fails to deliver the agreed Estates rationalisation programme to current timescales resulting in suboptimal learning environment for students
11	The College fails to deliver educational programmes and College operations resulting from pandemic
12	The College is subject to cyber-attack causing widespread disruption and an inability to deliver business functions

In addition to the above, a risk register was managed for the College new build estates project and reported via the New Build Project Board.

Note 1

Risk 8 and 9 were moved from Corporate Risk Register to Departmental Risk Register in year.

Fraud Reporting

The anti-fraud and bribery policy sets out the definition of fraud, details the responsibilities regarding the prevention of fraud and highlights the procedures to be followed in the event of a fraud being detected or suspected. The fraud response plan is a procedural guide and provides a checklist of the required actions which must be followed in the event of a fraud, attempted fraud or irregular activity being suspected.

Raising Concern / Whistleblowing

There were three Whistleblowing instances during the year, none were upheld.

Internal Audit

The College's Internal Audit function is outsourced to RSM Northern Ireland (UK) Limited, following a sector wide procurement exercise in 2020. The main remit of the Internal Audit function is to provide the Accounting Officer with an independent and objective opinion on the overall adequacy and effectiveness of the organisation's risk management, control and governance processes.

The Annual Opinion and Report, provided by the Internal Audit function, is a key element of the framework of assurance that the Accounting Officer needs to inform this Governance Statement. The Internal Audit function operates in accordance with HM Treasury's Public Sector Internal Audit Standards (PSIAS).

The Audit & Risk Committee set an audit strategy and work plan for the financial year 2021/22, which was carried out by RSM. For the period 2021/22 RSM has reported an overall **satisfactory** audit opinion on the College's system of governance, risk management and internal control. Satisfactory is the highest assurance rating available.

A summary of the internal audit work and the assurance ratings for each is shown below.

Area Reviewed.	Assurance Rating:
Complaints	Satisfactory
Teacher Assessed Grades	Limited
Cyber Security	Satisfactory
Safeguarding	Satisfactory
Covid 19 Student Funding Initiative	Satisfactory
Learner Management System	N/a – Advisory Work

All internal audit recommendations have either been addressed during the year or are still being implemented. All recommendations relating to 'Limited' assurance rating on Teacher Assessed Grades have been implemented. Progress reporting on any outstanding audit recommendations are presented to the Audit & Risk Committee.

Information Assurance

Effective information security is a key priority for the College and it recognises that stringent principles of information security must be applied to all information it holds. The College did not report any data incidents to the Information Commissioner's Office (ICO) in 2021/22.

Signed



Date:

23 November 2022

Mel Higgins

Accounting Officer Northern Regional College

The Certificate and Report of the Comptroller and Auditor General to the Northern Ireland Assembly

Opinion on financial statements

I certify that I have audited the financial statements of the Northern Regional College for the year ended 31 July 2022 under the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008. The financial statements comprise: the Statement of Comprehensive Income and Expenditure, Statement of Changes in Reserves, Statement of Financial Position, Statement of Cash Flows and the related notes including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom accounting standards including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

I have also audited the information in the Remuneration Report that is described in that report as having been audited.

In my opinion the financial statements:

- ▶ give a true and fair view of the state of Northern Regional College's affairs as at 31 July 2022 and of its deficit for the year then ended;
- ▶ have been prepared in accordance with the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008 and the Department for the Economy directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. My staff and I are independent of Northern Regional College in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that Northern Regional College's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Northern Regional 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.

My responsibilities and the responsibilities of the Accounting Officer and Governing Body with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report other than the financial statements, the parts of the Remuneration Report described in that report as having been audited and my audit certificate and report thereon. The Accounting Officer and Governing Body are responsible for the other information reported in the annual report. My opinion on financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

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

I have nothing to report in this regard.

Opinion on other matters

In the light of the knowledge and understanding of Northern Regional College and its environment obtained in the course of the audit, I have not identified material misstatements in the Strategic Report, Remuneration Report, Statement of the Responsibilities of the Accounting Officer and the Governing Body and Statement of Corporate Governance and Internal Control.

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

- ▶ the parts of the Remuneration Report to be audited have been properly prepared in accordance with Department for the Economy directions made under the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008; and
- ▶ the information given in the Strategic Report, Remuneration Report, Statement of the Responsibilities of the Accounting Officer and the Governing Body and Statement of Corporate Governance and Internal Control for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- ▶ adequate accounting records have not been kept; or
- ▶ the financial statements and the parts of the Remuneration Report to be audited are not in agreement with the accounting records; or
- ▶ I have not received all of the information and explanations I require for my audit; or
- ▶ the Statement of Corporate Governance and Internal Control does not reflect compliance with the Department of Finance's guidance.

Responsibilities of the Accounting Officer and Governing Body

As explained more fully in the Statement of Responsibilities of the Accounting Officer and Governing Body, the Accounting Officer and Governing Body are responsible for:

- ▶ the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ▶ such internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- ▶ assessing the Northern Regional College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by Northern Regional College will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

As explained more fully in the Statement of Responsibilities of the Accounting Officer and Governing Body, the Accounting Officer and Governing Body are responsible for:

- ▶ the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ▶ such internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- ▶ assessing the Northern Regional College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by Northern Regional College will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My objectives are to examine, certify and report on the financial statements in accordance with the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008.

My 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 a certificate that includes my 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.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- ▶ obtaining an understanding of the legal and regulatory framework applicable to Northern Regional College through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008;
- ▶ making enquires of management and those charged with governance on Northern Regional College's compliance with laws and regulations;
- ▶ making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- ▶ completing risk assessment procedures to assess the susceptibility of Northern Regional College's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition and posting of unusual journals;
- ▶ engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- ▶ documenting and evaluating the design and implementation of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;

- ▶ designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;
- ▶ addressing the risk of fraud as a result of management override of controls by:
 - ▶ performing analytical procedures to identify unusual or unexpected relationships or movements;
 - ▶ testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
 - ▶ assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
 - ▶ investigating significant or unusual transactions made outside of the normal course of business; and
- ▶ applying tailored risk factors to datasets of financial transactions and related records to identify potential anomalies and irregularities for detailed audit testing.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Report

I have no observations to make on these financial statements.

Signed



Date:

30 November 2022

Dorinnia Carville

Comptroller and Auditor General Northern Ireland Audit Office

Statement of Comprehensive Income and Expenditure For the Year Ended 31 July 2022

	Notes	2022 £'000	2021 £'000
Income			
Department for the Economy income	1	31,622	30,314
Education contracts	2	2,570	2,366
Tuition fees and charges	3	1,547	1,076
Other grant income	4	114	195
Other operating income	5	622	195
Investment income	6	1	2
Donations and endowments	7	0	0
Total income		36,476	34,148
Expenditure			
Staff costs	8	27,040	25,749
Other operating expenses	10	8,581	8,604
Interest and other finance costs	11	321	308
Depreciation/Amortisation	13/14	4,197	3,895
Total expenditure		40,139	38,556
Surplus / (Deficit) before exceptional items	-	(3,663)	(4,408)
Exceptional Item: Holiday Pay Liability	8	(57)	181
Surplus / (Deficit) before tax	-	(3,720)	(4,227)
Taxation	12	0	0
Surplus / (Deficit) for the year	-	(3,720)	(4,227)
OTHER COMPREHENSIVE INCOME:			
Unrealised surplus on revaluation of land and buildings	13	3,590	312
Impairment of buildings	13	0	(16,678)
DfE Capital Refund	13	0	(281)
Actuarial gain / (loss) in respect of pension scheme	22	14,426	7,377
Total comprehensive income for the year	-	14,296	(13,497)
Represented by:			
Endowment comprehensive income for the year		1	2
Unrestricted comprehensive income for the year		14,295	(13,499)

All amounts above relate to the continuing operations of the College.

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of Changes in Reserves For the Year Ended 31 July 2022

	Income and expenditure account				Revaluation Reserve	Total
	Unrestricted (excluding Pension)	Pension Reserve	Unrestricted (including Pension)	Endowment		
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2020	1,073	(22,495)	(21,422)	64	57,407	36,049
Surplus/(deficit) from income and expenditure statement	(1,710)	(2,517)	(4,227)	-	-	(4,227)
Other comprehensive income	-	7,377	7,377	-	(16,366)	(8,989)
Transfers between revaluation and income and expenditure account	2,092	-	2,092	-	(2,092)	-
Release of restricted funds spent in year	-	-	-	-	(280)	(280)
Balance at 1 August 2021	1,455	(17,635)	(16,180)	64	38,668	22,552
Surplus/(deficit) from income and expenditure statement	(938)	(2,782)	(3,720)	-	-	(3,720)
Other comprehensive income	-	14,426	14,426	-	3,590	18,016
Transfers between revaluation and income and expenditure account	2,052	-	2,052	-	(2,052)	-
Release of restricted funds spent in year	-	-	-	-	-	-
Total comprehensive income for the year	1,114	11,644	12,758	0	1,538	14,296
Balance at 31 July 2022	2,569	(5,991)	(3,422)	64	40,206	36,848

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of Financial Position as at 31 July 2022

	Notes	2022	2021
		£'000	£'000
Non Current Assets			
Property, Plant and Equipment	13	69,615	57,182
Intangible assets	14	331	405
		69,946	57,587
Current assets			
Trade and other receivables	16	3,483	2,144
Cash and cash equivalents	21	5,772	4,940
Total current assets		9,255	7,084
Less: Payables - amounts falling due within one year	17	7,150	6,018
Net current assets		2,105	1,066
Total assets less current liabilities			
		72,051	58,653
Less : Payables: amounts falling due after more than one year	18	28,531	17,842
Provisions:			
Pension provisions	19/22	(5,991)	(17,635)
Other provisions	19	(681)	(624)
Net Assets including pension liability		36,848	22,552
Unrestricted Reserves			
Income and expenditure account (exc. Pension)		2,569	1,455
Pension Reserve		(5,991)	(17,635)
Income and expenditure account (Inc. Pension)		(3,422)	(16,180)
Revaluation Reserve		40,206	38,668
Restricted Reserves			
Endowments	20	64	64
Total Reserves		36,848	22,552

Signed


Ken Nelson

Chair of the Governing Body Northern Regional College

Date:

23 November 2022

Signed


Mel Higgins

Accounting Officer Northern Regional College

Date:

23 November 2022

The accompanying accounting policies and notes form an integral part of these financial statements.



Statement of Cash Flows For the Year Ended 31 July 2022

	Notes	2022	2021
		£'000	£'000
Cash inflow/ (outflow) from operating activities			
(Deficit) / Surplus for the Year		(3,720)	(4,227)
Adjustment for non-cash items			
Depreciation/Amortisation	13/14	4,197	3,895
(Increase)/ Decrease in receivables	16	(1,339)	1,844
Increase / (Decrease) in payables less than one year	17	1,132	1,813
Increase / (Decrease) in payables less than one year	18	10,689	3,294
Other Provisions	19	57	(181)
Pension cost less contributions payable	22	2,461	2,209
Pension interest cost	22	321	308
Adjustment for investing or financing activities			
Investment income	6	(1)	(2)
Net Cash inflow / (outflow) from operating activities		13,797	8,953
Cash flows from investing activities			
Investment income	6	1	2
Payments made to acquire fixed assets	13/14	(12,966)	(5,396)
Increase / (Decrease) in cash and cash equivalents in the year		832	3,559
Net funds at 1 August	21	4,940	1,381
Net funds at 31 July	21	5,772	4,940

In this statement, figures in brackets refer to cash outflows and all other figures are cash inflows to the College.
The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of Principal Accounting Policies and Estimation Techniques for the Year Ended 31 July 2022

Statement of Accounting Policies

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

Basis of preparation

These financial statements have been prepared on the going concern basis in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standards (FRS 102) the Financial Reporting Standard applicable in the UK and Republic of Ireland. The College is a public benefit entity and has therefore applied the relevant public benefit entity requirements for FRS 102. The financial statements are prepared in accordance with the historical cost convention except that certain freehold properties are shown at their revalued amounts.

They also conform to the Accounts Direction issued by the Department for the Economy (DfE).

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention modified by the revaluation of certain fixed assets and in accordance with applicable United Kingdom accounting standards.

Going concern

The activities of the College, together with factors likely to affect its future development and performance are set out in the Strategic Report. The financial position of the College, its cashflow, liquidity and borrowings are described in the financial statements and accompanying notes. The College is satisfied that the organisation is a going concern on the basis that there is no reason to believe that the Department's future sponsorship and future Assembly approval will not be forthcoming to meet the College's liabilities as they fall due. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

Accounting Policies (Cont'd)

Basis of consolidation

The College has no subsidiaries.

Recognition of Income

Government Grants

The recurrent grant and other revenue grants received from DfE (and other government bodies) are recognised in income over the periods in which the College recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and creditors due after more than one year as appropriate.

Tuition Fees

Income from tuition fees is recognised in the period for which it is received and includes all fees payable by students or their sponsors.

Non-Government Grants

Income from non-government grants, controls and other services rendered is included to the extent that the conditions of the funding have been met, or the extent of the completion of the contract or service concerned.

Interest

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

Capital Grants (non-land grants)

Non-recurrent grants from DfE and other government bodies received in respect of the acquisition of fixed assets are recognised in income over the expected useful life of the asset.

Other Capital Grants

Other capital grants are recognised in income when the College is entitled to the funds subject to any performance related conditions being met.

Donations and Endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised in income when the College is entitled to the income. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations with no restrictions are recognised in income when the College is entitled to the funds.

Accounting Policies (Cont'd)

Pension Scheme

The two principal pension schemes for the College's staff are the Northern Ireland Teacher's Pension Scheme (NITPS) and the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) defined benefit schemes, which are externally funded and contracted out of the State Earnings Related Pension Scheme.

The NITPS is an unfunded contributory, voluntary membership scheme administered by the Department of Education. The current regulations under which the scheme operates are the Teachers' Superannuation Regulations (NI) 1998 (as amended). The NITPS is a multi-employer scheme and the College is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The NITPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

NILGOSC is a defined benefit scheme which is externally funded and contracted out of the second state Pension Scheme. The Funds are valued every three years by actuaries using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuaries. Pension costs are assessed on the basis of the latest actuarial valuations of the schemes and are accounted for on the basis of charging the cost of providing pensions over the period during which the College benefits from the employees' services. Variations from regular cost are spread over the expected average remaining working lifetime of members of the schemes after making allowances for future withdrawals.

The difference between the fair value of the assets held in the College's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the College's Statement of Financial Position as a pension scheme asset or liability as appropriate. The carrying value of any resulting pension scheme asset is restricted to the extent that the College is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

Changes in the defined benefit pension scheme asset or liability arising from factors other than cash contribution by the College are charged to the Statement of Comprehensive Income and Expenditure.

Enhanced pensions

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

Property, Plant and Equipment

► Land and buildings

Land and buildings (including those inherited from the former Education and Library Board) are stated in the Statement of Financial Position at valuation on the basis of depreciated replacement cost (inclusive of VAT), as the open market value for existing use is not readily obtainable. The associated credit is included in the revaluation reserve. The difference between depreciation charged on the historic cost of assets and the actual charge for the year calculated on the revalued amount is released to the income and expenditure account reserve on an annual basis. Land and buildings acquired since the last valuation are included in the Statement of Financial Position at cost. Freehold land is not depreciated. Freehold buildings are depreciated over their expected useful economic life to the College as advised by Land and Property Services (LPS). Where land and buildings are acquired with the aid of specific grants, these are accounted for in accordance with the revenue recognition policies above.

► Assets under construction

Assets under construction are accounted for at cost, based on the value of architects' certificates and other direct costs, incurred to 31 July 2022. They are not depreciated until they are brought into use.

► Assets other than land and buildings

Assets other than land and buildings costing less than £3,000 per individual item are written off to the income and expenditure account in the period of acquisition. Assets other than land and buildings inherited from the former Education and Library Board are included in the Statement of Financial Position at valuation. All other assets are capitalised at cost.

These assets are depreciated over their useful economic lives as follows:

Computers - three years straight-line

Motor vehicles - four years straight-line

Plant and equipment - five years straight-line

Fixtures and fittings - seven years straight-line

► Leased Assets

Costs in respect of operating leases are charged on a straight-line basis over the lease term.

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

► Intangible Assets

Intangible assets, greater than £3,000 per individual item, should be capitalised. Software integral to an item of hardware should be dealt with as fixed assets.

► Jointly Controlled Assets

Colleges recognise their individual share of assets that are jointly owned and controlled amongst the Northern Ireland Further Education sector. The assets are classified according to their nature.

Foreign Currency Translation

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

Taxation

As an exempt charity the College benefits by being broadly exempt from corporation tax on income it receives from tuition fees, interest and rents.

The college is exempted from levying VAT on most of the services it provides to students. For this reason the college is partially exempt in respect of VAT, so that it can only recover a minor element of VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of Property, Plant and Equipment as appropriate, where the inputs themselves are Property, Plant and Equipment by nature.

Liquid Resources

Liquid resources include sums on short-term deposits with recognised banks and building societies.

Provisions

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

Agency Arrangements

The College acts as an agent in the collection and payment of Hardship Funds, Covid-19 Study Disruption and Care to Learn. Related payments received from DfE and subsequent disbursements to students are excluded from the Statement of Comprehensive Income and Expenditure and are shown separately in Note 28. The College administers the Hardship Fund applications and payments through a Student Hardship Committee in line with the recommendations from DfE.

Notes to the Financial Statements for the Year Ended 31 July 2022

1. Department for the Economy Income

	2022	2021
	£'000	£'000
Grant in aid received from DfE		
Recurrent grant	25,739	24,888
Release of deferred capital grants	2,116	1,851
Other	0	0
Grant in aid Total	27,855	26,739

Non-grant in aid received from DfE		
Education maintenance allowance (EMA) administration	18	21
Higher Level Apprenticeships	279	189
Covid-19 Funding	2,311	2,528
Covid Digital Support	0	400
Skills Intervention	400	311
FE Programme	10	126
ERAP Funding	749	0
Non-grant in aid Total	3,767	3,575

Total DfE income	31,622	30,314
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2. Education Contracts

	2022	2021
	£'000	£'000
Entitlement Framework	410	345
Training for Success*	2,160	2,021
Total	2,570	2,366

* TfS income is currently treated as revenue due to the commercial nature of the award of contracts.

3. Tuition Fees and Charges

	2022	2021
	£'000	£'000
Higher Education (HE) income	652	635
Home and other European Union	895	441
Total	1,547	1,076

4. Other Grant Income

	2022	2021
	£'000	£'000
European funds	(8)	22
Other funds	122	173
Total	114	195

5. Other Operating Income

	2022	2021
	£'000	£'000
Catering and residence operations	81	30
Other income generating activities	538	161
Other income	3	4
Total	622	195

6. Investment Income

	2022	2021
	£'000	£'000
Income from endowments	1	2
Total	1	2

7. Donations and Endowments

	2022	2021
	£'000	£'000
New Endowments	0	0
Total	0	0

8. Staff Costs

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

	2022	2021
	Number	Number
Governing Body	0	0
Teaching	314	310
Support	98	97
Administration	146	140
Premises	20	21
Total	578	568

Staff costs for the above posts

	2022	2021
	£'000	£'000
Governing Body	62	47
Teaching	14,206	13,865
Support	3,024	2,847
Administration	6,614	6,092
Premises	673	689
FRS charge	2,461	2,209
Total (excluding Exceptional Item)	27,040	25,749
Exceptional Item: Holiday Pay Provision (See Note 19)	57	(181)
Total Staff Costs (including Exceptional Item)	27,097	25,568

8. Staff Costs - Continued

	2022	2021
	£'000	£'000
Wages & salaries	18,726	18,030
Social security costs	1,848	1,676
Other pension costs (including FRS 102 adjustments)	6,466	6,043
Total (excluding Exceptional Item)	27,040	25,749
Exceptional Item: Holiday Pay Provision (See Note 19)	57	(181)
Total Staff Costs (including Exceptional Item)	27,097	25,568

The number of senior post-holders and other staff who received emoluments including pension contributions and benefits in kind in the following ranges were:

	Senior post-holders		Other Staff	
	2022	2021	2022	2021
	No.	No.	No.	No.
£60,001 to £70,000	-	-	14	11
£70,001 to £80,000	-	-	7	4
£80,001 to £90,000	-	1	-	-
£90,001 to £100,000	3	1	-	-
£100,001 to £110,000	-	1	-	-
£110,001 to £120,000	-	-	-	-
£120,001 to £130,000	-	-	-	-
£130,001 to £140,000	1	-	-	-
£140,001 to £150,000	-	-	-	-
£150,001 to £160,000	-	1	-	-
	4	4	21	15

Back-pay has been excluded from 2022 and 2021 figures above.

9. Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College and are represented by the college Governing Body and Senior Leadership Team which comprises the Principal and holders of the other senior posts.

	2022	2021
	Number	Number
The number of senior post-holders including the Principal was	4	4

Senior post-holders' emoluments are made up as follows:

	2022	2021
	£'000	£'000
Salaries	338	343
Benefits in Kind	0	0
Pension contributions	83	86
Total emoluments	421	429

The above emoluments include amounts payable to the Principal (who is also the highest paid senior post-holder) of:

	2022	2021
	£'000	£'000
Salaries	106	117
Pension contributions	27	29
Total	133	146

9. Key Management Personnel (Cont'd)

Compensation for loss of office to a former senior post-holder

	2022	2021
	£'000	£'000
Compensation paid to the former post-holder	0	0
Estimated value of other benefits, including provisions for pension benefits	0	0
Total	0	0

The members of the College other than the Principal and the staff members did not receive any payment from the College other than the reimbursement of travel and subsistence expenses incurred in the course of their duties.

10. Other Operating Expenses

	2022	2021
	£'000	£'000
Direct teaching	885	462
Direct support	2,391	2,244
Administration	1,645	1,562
Premises costs	3,660	4,336
Total	8,581	8,604
Other operating expenses include:		
Auditors' remuneration		
Financial statements external audit	32	26
National Fraud Initiative external audit	0	2
Internal audit	20	19

11. Interest and Other Finance Costs

	2022	2021
	£'000	£'000
Net Charge on Pension Scheme (note 22)	321	308
Total	321	308

12. Taxation

The Governing Body members do not believe the College was liable for any corporation tax arising out of its activities during this period.

13. Property, Plant and Equipment

	Freehold Land & Buildings	Assets Under Construction	Plant and Machinery	Computer Equipment	Fixtures & Fittings	Motor Vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation							
At 1 August 2021	50,449	7,270	6,646	5,595	217	479	70,656
Additions	173	10,496	1,232	849	211	5	12,966
Surplus/(Deficit) on reval	3,590	-	-	-	-	-	3,590
Elimination in respect of reval	(2,663)	-	-	-	-	-	(2,663)
Impairment	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
At 31 July 2022	51,549	17,766	7,878	6,444	428	484	84,549
Depreciation							
At 1 August 2021	2,490	-	5,740	4,553	217	474	13,474
Charge for the year	2,489	-	708	891	30	5	4,123
Elimination in respect of reval	(2,663)	-	-	-	-	-	(2,663)
Backlog Depreciation	-	-	-	-	-	-	-
At 31 July 2022	2,316	0	6,448	5,444	247	479	14,934
Net book value At 31 July 2022	49,233	17,766	1,430	1,000	181	5	69,615
Net book value At 31 July 2021	47,959	7,270	906	1,042	0	5	57,182

13. Property, Plant and Equipment - Continued

Land and buildings were subject to an interim revaluation at 31 July 2022 on a depreciated replacement cost basis. The valuations were performed independently by the Land and Property Service in accordance with Department specifications. These revaluations have been incorporated into the financial statements and the resulting revaluation adjustments have been taken to the revaluation reserve. This resulted in an increase in value for the estate of £3,590k. The total net book value of Land and Buildings, excluding work in progress at 31 July 2022, is £49.2m, with assets under construction totalling £17.8m.

If inherited land and buildings had not been revalued they would have been included at the following amounts:

	2022	2021
	£'000	£'000
Cost	13,404	13,404
Aggregate depreciation based on cost	(4,859)	(4,482)
Net book value based on cost	8,545	8,922

The net book value of **Property, Plant and Equipment** includes an amount of £0k (2020: £0k) in respect of assets held under finance leases.

The depreciation charge for the year is analysed as follows:

	2022	2021
	£'000	£'000
Owned assets	4,190	3,876
Assets held under finance leases and hire purchase arrangements	-	-
Net book value based on cost	4,190	3,876

14. Intangible Assets

	Learner Management System	Total
	£'000	£'000
Cost or valuation		
At 1 August 2021	424	424
Additions	-	-
Disposals	-	-
At 31 July 2022	424	424
Amortisation		
At 1 August 2021	19	19
Charge for year	74	74
At 31 July 2022	93	93
Net Book Value at 31 July 2022		
	331	331
Net Book Value at 31 July 2020	405	405

The net book value of the intangible asset is a jointly owned and controlled asset among the six Further Education Colleges of Northern Ireland. The asset is a Learner Management System that will be operated centrally for the sector. The intangible asset is funded in full through a capital grant from the Department for the Economy.

15. Investments

The College does not have any subsidiary companies.

16. Trade and Other Receivables

	2022	2021
	£'000	£'000
Amounts falling due within one year		
Trade receivables	273	286
Prepayments and accrued income	882	505
Amounts due from the Department	2,328	1,353
Total receivables	3,483	2,144

17. Payables: Amounts Falling Due In Less Than One Year

	2022	2021
	£'000	£'000
Payments received in advance	116	139
Trade payables	1,167	(551)
Taxation and social security	1,032	1,015
Accruals and deferred income	4,384	4,628
Amounts owed to the Department	451	787
Total	7,150	6,018

Deferred income

Included within accruals and deferred income are the following items of income which have been deferred until specific performance related conditions have been met.

	2022	2021
	£'000	£'000
Deferred Capital Grant Income	1,599	1,531
Total	1,599	1,531

18. Payables - Amounts Falling Due After More Than One Year

	2022	2021
	£'000	£'000
Deferred Capital Grant Income	28,531	17,842
Total	28,531	17,842

19. Provisions For Liabilities and Charges

	Pensions	Other	Total
	£'000	£'000	£'000
At 1 August 2021	17,635	624	18,259
Additions / (Release)	0	57	57
Expenditure in the period	2,782	0	2,782
Transferred to statement of comprehensive income and expenditure	(14,426)	0	(14,426)
At 31 July 2022	5,991	681	6,672

	Pensions	Other	Total
	£'000	£'000	£'000
At 1 August 2020	22,495	805	23,300
Additions / (Release)	0	(181)	(181)
Expenditure in the period	2,517	0	2,517
Transferred to statement of comprehensive income and expenditure	(7,377)	0	(7,377)
At 31 July 2021	17,635	624	18,259

19. Provisions For Liabilities and Charges - Continued

Pensions provisions above relates to Pensions and Similar Obligations – see Note 22.

The provision relates to a Holiday Pay provision resulting from the Court of Appeal (CoA) judgement (17 June 2019) in the case PSNI v Agnew. The CoA judgement determined that claims for Holiday Pay shortfall can be taken back to 1998.

The PSNI has appealed the CoA judgment to the Supreme Court. In 2021, the case was paused to facilitate mediation. In March 2022, the PSNI were unable to obtain the required authorisation from the Department of Finance in respect of agreeing a potential financial settlement. The mediation process continues, but the case has been re-listed with the UK Supreme Court on 14 and 15 December 2022. The Supreme Court judgement may result in a decision which either reduces the period of liability or confirms the full period back to 1998.

The £681k provision has been estimated by the College and covers the period from 1998 to 31 July 2022, following the Department of Finance approach outlined for Departmental Annual Reports and Accounts (FD [DoF] 08/20).

There are some very significant elements of uncertainty around this estimate for a number of reasons:

1. The appeal to the Supreme Court (as detailed above)
2. Lack of accessible data for years previous to 2008/09, requiring estimations to be applied
3. Future negotiations with Trade Unions
4. Obtaining legal advice on specific application of the ruling for the NI Further Education sector
5. The provision is gross (inclusive of Employee National Insurance and PAYE) and also includes an uplift of 15.05% for Employer National Insurance Contributions (NI) £6k (2021: £37k at 13.8%)
6. Taxation issues are under discussion with HMRC, by the wider NI public sector

Therefore, the estimated provision outlined above is based on the application of DoF methodology, which may be subject to change following the outcome of the Supreme Court appeal.

20. Endowment Reserves

	2022	2021
	£'000	£'000
At 1 August	64	64
New endowments	0	0
At 31 July	64	64

21. Cash and Cash Equivalents

	At 1 August 2021	Cash flows	At 31 July 2022
	£'000	£'000	£'000
Cash and cash equivalents	4,940	832	5,772

22. Pensions and Similar Obligations

The College's employees belong to two principal pension schemes: the Northern Ireland Teachers' Pension Scheme (NITPS) for academic and related staff; and the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) for non-teaching staff. Both are defined-benefit schemes.

Total pension cost for the year

	2022	2021
	£'000	£'000
NITPS: contributions paid	2,853	2,773
NILGOSC: Contributions paid	1,152	1,061
NILGOSC: FRS 102 (28) adjustments	2,461	2,209
NILGOSC: charge to the Statement of Comprehensive Income and Expenditure	3,613	3,270
Enhanced pension charge to the Statement of Comprehensive Income and Expenditure	6,466	6,043
Total pension cost for year	6,466	6,043

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest formal actuarial valuation of the NITPS was 31 March 2016 and NILGOSC was 31 March 2019.

22. Pensions and Similar Obligations – Continued

NITPS

The NITPS is an unfunded contributory, voluntary membership scheme administered by the Department of Education. Until 1 April 2015 the scheme operated under the Teachers' Superannuation Regulations (NI) 1998 (as amended). Further information about the scheme is given in the explanatory booklet dated November 2007, and on the Department of Education's website at www.deni.gov.uk.

The Public Service Pensions Act (Northern Ireland) 2014 provides for the closure of existing public sector pension schemes (including the NITPS) from 31 March 2015 and the establishment of new schemes based on a career average re-valued earning model with normal pension age equal to state pension age introduced from 1 April 2015.

The Government Actuary's Department values the scheme every 4 years with an interim valuation in the intervening 2 year period using the projected accrued benefit method.

The employer contribution rate increased from 17.7% to 25.1% from 1 April 2019.

The salary bands applicable to member contributions for the NITPS, based on a member's annual salary rate (actual earnings), from 1 April 2022 were.

Salary	Contribution Rate	Salary	Contribution Rate
£0 to £29,187.99	7.4%	£0 to £15,400	5.5%
£29,188 to £30,290.99	8.6%	£15,401 to £23,700	5.8%
£39,291 to £46,586.99	9.6%	£23,701 to £39,500	6.5%
£45,587 to £61,742.99	10.2%	£39,501 to £48,000	6.8%
£61,743 to £84,193.99	11.3%	£48,001 to £95,100	8.5%
£84,194 and above	11.7%	More than £95,100	10.5%

The NITPS is a multi-employer pension scheme. The College is unable to identify its share of the underlying assets and liabilities of the scheme, and therefore, as required by FRS 102 (28), accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme in respect of the accounting period. The college has set out above the information available on the scheme and the implications for the college in terms of the anticipated contribution rates.

NILGOSC

NILGOSC is a defined benefit statutory scheme, administered in accordance with the Local Government Pension Scheme Regulations (Northern Ireland) 2002, as amended. It is contracted out of the state pension scheme.

From 1 April 2022 the employers' contribution rates was 19.5% of the full-time salary or if-part-time, the full-time equivalent salary, and the employees' contribution rate is banded in line with the full-time salary or if part-time, the full-time equivalent salary as follows.

22. Pensions and Similar Obligations – Continued

The following information is based upon a full actuarial valuation of the fund at 31 March 2019 updated to 31 July 2022 by a qualified actuary.

Principal actuarial assumptions

Principal actuarial assumptions at the Statement of Financial Position date are as follows.

	At 31 July 2022	At 31 July 2021
Rate of increase of salaries	4.25%	4.10%
Rate of increase for pensions in payments/inflation	2.75%	2.60%
Discount rate for scheme liabilities	3.55%	1.70%
Inflation assumption (CPI)	2.60%	2.60%
Future increase in Retail Prices Index (RPI)	3.10%	Not disclosed for FY21

The current mortality assumptions include sufficient allowance for the future improvements of mortality rates. The assumed life expectations on retirement age 65 are.

	At 31 July 2022	At 31 July 2021
Retiring today		
Males	21.8	21.9
Females	25.1	25.1
Retiring in 20 years		
Males	22.8	23.3
Females	26.1	26.5

The college's share of the assets in the scheme were.

	Value at 31 July 2022	Value at 31 July 2021
	£'000	£'000
Equities	17,263	20,479
Property	5,479	4,219
Government Bonds	10,254	12,847
Corporate Bonds	980	6,116
Multi Asset Credit	5,679	-
Cash / Other	5,049	3,746
Fair Value of Assets	44,704	47,407

Amounts recognised in the Statement of Financial Position

	2022	2021
	£'000	£'000
Scheme assets	44,704	47,407
Scheme liabilities	(50,695)	(65,042)
Deficit in the scheme (net pension liability recorded within pension provision)	(5,991)	(17,635)

22. Pensions and Similar Obligations – Continued

Amounts recognised in the Statement of Comprehensive Income and Expenditure in respect of the plan are as follows.

Amounts included in staff costs

	2022	2021
	£'000	£'000
Employer service cost (net of employee contributions)	3,562	3,270
Past Service Cost / Curtailment	51	0
Total	3,613	3,270

Analysis of pension finance costs

	2022	2021
	£'000	£'000
Expected return on pension scheme assets	809	564
Interest cost	(1,130)	(872)
Net charge to other finance costs	(321)	(308)

Analysis of other comprehensive income for pensions

	2022	2021
	£'000	£'000
Actuarial (losses) / gains from assets	(3,883)	6,457
Actuarial gains / (losses) from a change in financial assumptions	21,239	Not disclosed separately
Actuarial gains / (losses) from a change in demographic assumptions	453	Not disclosed separately
Actuarial (losses) / gains from experience	(3,383)	920
Total of other comprehensive income	14,426	7,377

Movement in (deficit) during the year

	2022	2021
	£'000	£'000
Deficit in scheme at 1 August	(17,635)	(22,495)
Movement in the year		
Employer service cost (net of employee contributions)	(3,562)	(3,270)
Employer contributions	1,152	1,061
Net interest on assets	(321)	(308)
Past Service Cost / Curtailment	(51)	0
Actuarial gain / (loss) recognised in other comprehensive income	14,426	(7,377)
Deficit in scheme at 31 July	(5,991)	(17,635)

22. Pensions and Similar Obligations – Continued

Asset and liability reconciliation

	2022	2021
Reconciliation of liabilities	£'000	£'000
Liabilities at start of period	65,042	62,603
Service cost	3,562	3,270
Interest cost	1,130	872
Employee contributions	370	339
Actuarial (gain) / loss	(18,309)	(920)
Benefits paid	(1,151)	(1,122)
Past Service Cost	51	0
Liabilities at end of period	50,695	65,042

	2022	2021
Reconciliation of assets	£'000	£'000
Assets at start of period	47,407	40,108
Expected return on assets	809	564
Actuarial gain / (loss)	(3,883)	6,457
Employer contributions	1,152	1,061
Employee contributions	370	339
Benefits paid	(1,151)	(1,122)
Assets at end of period	44,704	47,407

The estimated value of employer contributions for the year ended 31 July 2023 is £1,202k.

23. Events After the End of the Reporting Period

There are no events after the end of the reporting period.

24. Capital Commitments

Provision has not been made for the following capital commitments at 31 July.

	2022	2021
	£'000	£'000
Commitments contracted for at 31 July	56,269	27,711
Authorised but not contracted at 31 July	0	37,970
Total	56,269	65,681

25. Financial Commitments

There were no financial commitments at 31 July 2022.

26. Contingent Liabilities

There were no contingent liabilities at 31 July 2022.

27. Related Party Transactions and Transactions Involving Governing Body Members and Senior Management

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

Table showing transactions where goods or services are provided to the College by the related organisation (all are governors other than those stated below name).

Governor / Senior Manager	Related organisation	Position in related organisation	Amount paid / (income) 2021/22	Amount paid / (income) 2020/21	Nature of transactions	Amount outstanding at 31 July 2022	Amount outstanding at 31 July 2021
			£'000	£'000		£'000	£'000
Isobel Allison	Moy Park	HR Manager	(5)	-	Tuition Fees	-	-
Christine Brown	Causeway Chamber of Commerce	Member	1	1	Membership Fees	-	-
Kevin Chambers	Dept for Infrastructure	Inspector for Public Inquiries	(2)	(1)	Tuition Fees	-	(1)
Maeve Hamilton	Department for the Economy	Member	(523)	(500)	Funding	(15)	(3)
			350		Refund		
Donal McCauley (Staff Governor)	CCEA	Professional Associate	3	2	Exam fees	-	-
				(1)	Lecturer hours claimed		
Bill McCluggage	Catalyst Inc	Entrepreneur in Residence	-	12	Membership Fees	-	-
	Triangle Housing Association	Director	(1)	(1)	Tuition Fees	-	-
Ken Nelson	Stranmillis University College	Member of Governing Body	22	24	Tuition Fees	-	-
	Intertrade Ireland	Chairman	-	(12)	Course Fees	-	-
Graeme Wilkinson	Department for the Economy	Director	(523)	(500)	Funding	(15)	(3)
			350		Refund		

28. Amounts Disbursed as Agent: Support Funds

Student Hardship funds are available solely for students, the College acts only as paying agent. The grant and related disbursements are therefore excluded from the Income and Expenditure Account.

	2022	2021
	£'000	£'000
Balance – Opening	13	61
DfE grants	105	64
	118	125
Disbursed to students	(79)	(112)
Balance unspent/(overspent) at 31 July	39	13

The College facilitated the DfE Covid-19 Staying Connected funding cash payments to Full-time HE students of £500. The College acts only as paying agent. The grant and related disbursements are therefore excluded from the Income and Expenditure Account.

	2022	2021
	£'000	£'000
DfE Staying Connected funding	15	115
Repaid to DfE	(15)	0
Disbursed to students / admin costs	0	(100)
Balance at 31 July	0	15

Care to learn funds are available solely for students' childcare obligations, the College acts only as paying agent. The grant and related disbursements are therefore excluded from the Income and Expenditure Account.

	2022	2021
	£'000	£'000
DfE care to learn grant	39	29
Disbursed to students' childcare providers	(39)	(29)
Balance at 31 July	-	-

29. Losses and Special Payments

There were no losses or special payments exceeding £2,000 for the year. (2021: £0).

Total claims abandoned for the year related to bad debt written off totalling £9k in relation to 47 cases. (2021: £6k, 26 Cases).

Date of authorisation for issue

The Accounting Officer authorised the issue of these financial statements on 30 November 2022.

Appendix A

Additional Disclosures to Comply with Financial Reporting Manual

Financial Reporting Manual (FReM) requires Non-Departmental Public Bodies to regard grant-in-aid received as contributions from controlling parties giving rise to a financial interest in the residual interest of the body, and hence accounted for as financing i.e. by crediting them to the income and expenditure reserve.

	Notes	2022	2021
		£'000	£'000
INCOME			
DfE income (non grant in aid items)	1	3,767	3,575
Education contracts	2	2,570	2,366
Tuition fees and charges	3	1,547	1,076
Other grant income	4	114	195
Other operating income	5	622	195
Endowment and Investment income	6	1	2
Total incoming resources		8,621	7,409
EXPENDITURE			
Staff costs	8	(27,040)	(25,749)
Other operating expenses	10	(8,581)	(8,604)
Depreciation/Amortisation	13/14	(4,197)	(3,895)
Interest and other finance costs	11	(321)	(308)
Total resources expended		(40,139)	(38,556)

	Notes	2022	2021
		£'000	£'000
Exceptional Item: Holiday Pay Provision	8	(57)	181
Net Deficit for the year		(31,575)	(30,966)
Unrealised surplus/(deficit) on revaluation of land and buildings		3,590	312
DfE Capital Refund		0	(281)
Actuarial (loss)/gain in respect of pension scheme		14,426	7,377
Impairment		0	(16,678)
Amount transferred to reserves		(13,559)	(40,236)
Analysis of reserves prepared under FReM			
	Notes	2022	2021
		£'000	£'000
Balance at 1 August		22,552	36,049
Grant in aid received in year	1	27,855	26,739
Amount transferred to reserves		(13,559)	(40,236)
Balance at 31 July		36,848	22,552

Appendix A
Additional Disclosures to Comply with Financial Reporting Manual
(Continued)

Appendix A1

DfE income (non-grant in aid items)	2022	2021
	£'000	£'000
EMA	18	21
Higher Level Apprenticeships	279	189
ERAP funding	749	0
Covid-19	2,311	2,528
Covid-19 Digital Support	0	400
Skills Intervention	400	311
FE Programme	10	126
Balance at 31 July	3,767	3,575

Appendix A2

Reconciliation of amount transferred to reserves and grant in aid	2022	2021
	£'000	£'000
Amount transferred to reserves	13,559	40,236
Add back: total comprehensive income for the year	14,296	(13,497)
Grant in aid received in year	27,855	26,739

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