



NORTHERN
Regional College

**Annual Report
and Accounts
2020/21**

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Northern Regional College Annual Report and Accounts

For the year ended 31 July 2021

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Economy on*

8 December 2021

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Foreword by Chair of Governing Body

The 2020/21 academic year has been significantly affected by the Covid-19 pandemic. Staff and students have continued to respond superbly, using extensive digital experience from the second half of 2019/20 to improve blended delivery, strengthen the use of technology in education and the workplace, and complete another year of Teacher Assessed Grades.

I assumed the role of Chair of Governing Body in July 2021, joining the College at a time when online meetings and introductions were the "new normal". There was the expectation of change with the conclusion of Professor Scott's time as Principal & Chief Executive, and the departure of my predecessor Mr Barney McGahan. Both Mr McGahan and Professor Scott made the transition as smooth as possible providing very helpful insight and guidance before their departures. I have been warmly welcomed

to the role by the Senior Leadership Team as a whole and all the staff I have encountered. I was impressed by the commitment of all staff to ensure that each student at Northern Regional College achieves to the best of their ability.

Having only taken up the Chair's position at the end of the academic year, I wasn't directly involved with the virtual Staff Awards or Student Awards during 2020/21. However, I have since viewed them online and am impressed by the dedication, talent and success on show. In June, prior to taking up post, I was invited to attend the College's annual Management Conference. I experienced first-hand the aptitude and enthusiasm of the College's management team, and it set a very positive tone for the future relationship between the Governing Body and staff.

The College strives to inspire and encourage its staff and students to persevere, try their best and thrive. There were many successes to celebrate during the 2020/21 academic year. In March two talented young animators, who completed a BTEC Level 3 in Animation at Coleraine, were highly commended at the prestigious Royal Television Society NI Student Awards. In June, fourth-year plumbing apprentice, Adam Coomber, received the NI Plumbing and Heating Apprenticeship of the Year Award.



In partnership with Ryobi, the College finished in the final three in the Large Employer Award category at the Northern Ireland Apprenticeship Awards.

Newtownabbey student, Savanna Duff was also highly commended in the Further Education Student of the Year category at the OCN NI Learner Endeavour Awards 2021. In July, Ballymoney student Casey Doran was awarded the prestigious Silver BTEC Award for Child, Health and Social Care Learner of the Year 2021.

There were many staff successes including Health and Social Care Lecturer, Jacqui McAllister, making the shortlist for the TES (FE) Leader of the Year Award. In July, Siobhan McEldowney, who also lectures in Health and Social Care was awarded the prestigious Bronze

BTEC Award for Tutor of the Year 2021. In partnership with Ryobi, the College finished in the final three in the Large Employer Award category at the Northern Ireland Apprenticeship Awards. Throughout the Covid-19 pandemic staff adapted and re-focused to successfully deliver £420,000 of online programmes under the DfE's Covid-19 Recovery Funding. The College received their Letter of Offer in July for phase one of SKILL UP – The Flexible Skills Fund, from DfE. The first part of the programme was delivered to 1,046 participants, more than any of the other providers, which was a fantastic achievement.



Savanna Duff,
Highly Commended Further
Education Student of the
Year OCN NI Learner
Endeavour Awards



Siobhan McEldowney,
Bronze BTEC Award for
Tutor of the Year 2021

Talented animators, were highly commended at the prestigious Royal Television Society NI Student Awards.



During the year the College became the first one to ban smoking on its premises, was awarded the NI Diversity and Inclusion Charter Mark and received the Carers' Federation Quality Standard in Carer Support accreditation. As well as achieving the Autism NI Impact Award, with assessors noting the implementation of 'some amazing' reasonable adjustments for Autistic customers and staff in line with the Autism Act 2011. All of which highlights the College as a positive, caring and inclusive place in which to work and learn.

There were also exciting curriculum developments, including a collaboration with leading ISO specialists, IMSM (International Management Systems Marketing Ltd), to give Foundation Degree Computing students a unique opportunity for industrial experience and professional development.

Our £85million campus developments in Coleraine and Ballymena continued to progress throughout the year, with the demolition and piling work at Coleraine providing tangible evidence of headway being made. Investment also continued across the estate to ensure it remains fit for purpose and matches the ambitions we have for our students.

Each academic year has its own challenges but with that comes opportunity. The pandemic has accelerated our use of technology in learning as well as blended Working from Home.

We must continue with the same momentum to keep improving our offering for both students and staff in line with the Department's 10x Strategy and the NI Executive Covid-19 Recovery Plan.

Building on the achievements of this year I have confidence that the year ahead will see us report on another successful year in 2022.



Ken Nelson
Chair of the Governing Body

Overview from Principal & Chief Executive

The 2020/21 academic year was like no other, with much upheaval and a constantly changing landscape as a result of the Covid-19 pandemic. There were prolonged periods of lockdown, enhanced restrictions for all colleges and many mitigations introduced within society and on-campus activity. Yet our staff and students continued to focus on opportunity, prove themselves adaptable and share great success as a result.

The College continues to focus on its three strategic priorities, improved learner outcomes, improved infrastructure & learning environment and improved capacity & productivity. This snapshot will give a brief overview of the significant progress in each priority area by our committed staff and students.

Improved Learner Outcomes

Our students continue to excel and impress. Excellent achievements were particularly noted in Health, Social Care and Access. Within Foundation Degree Counselling there was record success in the College, with 46% of the class receiving a distinction with a further 23% receiving commendation. Inclusive learning students also continued to achieve outstanding results across all campuses. There were fantastic outcomes in BSc Business Studies which must be commended. With three students, Emma Hobson, Hannah Simpson and Stephen Monaghan, receiving First Class Honours degrees. Testament to, and a reflection of, the excellent course on offer and the quality of teaching and support from the lecturing staff.

Our students continued in the spirit of success during the qualifying heats of WorldSkills, with eleven moving forward to the next stage. This year competition activity was restricted due to the pandemic, with many of the regional qualifying heats undertaken remotely.

L3 Interactive Media student, Jonathon Wilsdon, took part in the Passive Stage for WorldSkills Web Design in May, coming a respectable third and securing him a place at the National Qualifier. Four teams of Farm Lodge students are also due to compete in the National Final of WorldSkills Industrial Robotics in November, which is being held at our Farm Lodge campus. They are joined in qualifier success by Savannah Hodgins who will be competing in the final of 3d Digital Game Art and Lydia Fletcher who will be competing in the IT Software Solutions for Business competition.

Improved Infrastructure & Learning Environment

Significant efforts were made to secure funding and procure IT equipment and additional licences to support remote learning. Over 600 devices were purchased, configured and distributed to staff and students to facilitate a seamless switch to remote learning and working. To enhance the College's cyber security, Multi Factor Authentication (MFA) was implemented, providing an additional layer of security to the College Network.

Canvas, the College's Virtual Learning Environment (VLE), proved invaluable with the move to remote and blended learning. Throughout the period of full lockdown and enhanced restrictions, online learning resources were available 24/7. There was an impressive 10.6 million+ page views on Canvas for 2020/21, which is an increase of 67% on 2019/20. 89% of students confirmed in the student survey they were satisfied with College online delivery.

Progress on the £85 million campus redevelopment continued during 2020/21, with Union Street, Coleraine completing demolition and Ballymena reaching the final stages of appointing a contractor by the end of the academic year.

Improved Capacity & Productivity

At the start of 2021 the College was awarded a Grade A outcome by ETI for the 2019/20 Self-evaluation/quality improvement plan submission.

During 2020/21 the College commenced an organisational development assignment as a key phase in the College's ongoing transformation and change process. The outcome will assist the College in delivering the objective of becoming "an employer of choice with a respected, engaged, skilled and talented workforce".

Student Recruitment/Enrolments 2020/2021

The overall recruitment target was achieved for 2020/21, with an excess of 1,398 enrolments. Due to ongoing mitigations, planned activity in the 2020/21 CDP was reduced to reflect the impact of 2 metre social distancing on physical capacity. In response to the pandemic, we successfully delivered the Skills Intervention Programme, with over 1,000 enrolments on qualifications ranging from Level 2 to Level 6.

Work-Based Learning numbers overall were very positive, in spite of operating difficulties posed by the continued furlough of apprentices and redundancies which reduced the opportunities for new Level 3 apprenticeships. The target for Level 3 apprenticeship was narrowly missed but overall work-based learning recruitment exceeded the target.

Response to Covid-19

During the second half of 2019/20 we all made major changes to the way we lived and worked as a result of Covid-19. It became apparent entering 2020/21 that the crisis would continue and we faced another disrupted academic year. Covid-19 Champions were appointed for each campus to monitor compliance with the safety mitigations.

Social distancing rules were maintained and, from January, face coverings became mandatory at all times on campus, unless exempt. Free Lateral Flow tests were provided for all staff and students and a pilot Asymptomatic Testing Site (ATS) was trialled on the Farm Lodge campus near the end of the academic year in preparation of moving to Stage 5 in the 'Pathway out of Restrictions'. At all times, the College implemented the necessary precautions and safety measures to ensure a safe environment for staff and students.

Business Engagement

The Business Engagement Strategy was approved in January 2021. Excellent progress was made to establish the structure to support this activity while proactively delivering and building on these services.

During the strategy development period Covid-19 impacted on the focus and workload of the new business development team and the strategy's completion. The overall 2020/21 target was achieved whilst some individual targets were not achieved. Income generated through business engagement activities was more than £1,050,000 against a target of £653,835. An External Engagement Advisory Forum was created to provide a sounding board for initiatives related to diversification of income activity, with membership comprising a panel of specialist advisors from across a range of industrial and professional backgrounds.

The DfE-funded Connected programme was a real success with the core project being successfully completed for 2020/21. The College was also successful in a Connected Competitive Fund bid

Looking to the Future

There will always be factors outside of our control which affect College life, although not normally to the scale of the pandemic, but we are committed to working with our stakeholders to seek out new opportunities and address these challenges together. Despite the ever-changing landscape, and unprecedented challenges, we have had another successful year. The continued achievement and resilience demonstrated by our staff and students during this challenging year bodes well for the future of Northern Regional College. I would also thank our Chair and members of the Governing Body for their dedication and unwavering support.



Mel Higgins

Principal & Chief Executive

Nature, Objectives and Strategies

The members present their report and the audited financial statements for the year ended 31 July 2021.

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.

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 work place and meet the needs of local employers."

Our core values underpinning our work are:

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

The College's Strategic Priorities and Objectives:

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



Corporate and Business Planning

The College developed a new College Development Plan (CDP) following a sector-wide exercise involving all six NI FE colleges working with DfE to ensure common reporting across the sector.

The most significant change the new CDP has brought about is a focus on Outcomes-Based Accountability (OBA) for all our activities. Impact is measured using this approach rather than more conventional metrics such as expenditure or numbers completing programmes.

The CDP sets out the operational plans within the budget remit defined by 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.

These education outcomes and associated performance measures have been developed to reflect and align with the OBA approach in the draft Programme for Government (PfG) and Draft Industrial Strategy, which articulate the economic and social priorities for Northern Ireland to 2021, FE Means Success and NI Skills Barometer.

The College contributes directly to the following 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 2020/21

The College's performance was monitored by the Governing Body and reported to DfE throughout 2020/21 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 10,930 enrolments (including Essential Skills) was achieved this year, with an excess of 1,398 enrolments. These additional enrolments were mainly within FE PT. The overall planned activity in the 2020/21 CDP was reduced to reflect the impact of Covid-19 and 2m social distancing on physical capacity.
2 Employers	Engaging with Employers and Strategic Partners	●	Achieved The College delivered a successful Skills Intervention Programme in response to the impact of Covid-19. The business engagement team has been restructured and rebuilt; targets were renegotiated to reflect this.
3 Social Inclusion	Improving Social Inclusion	●	Not Achieved Due to the impact of 2m social distancing and the need to withdraw Entry Level and Level 1 programmes in the community the number of individuals reached as a result of social inclusion programmes was massively reduced in comparison to the planned activity. It is hoped with the roll out of the vaccine programme the College will be in a position to deliver programmes to students considered clinically vulnerable through community education with key partners such as the NHSCT.

How well did we do it?

Report Card 1 – Students and Qualifications

Measure	Target 20-21	Actual 20-21	RAG*1
Further Education (FT & PT)	5,362	6,597	●
Higher Education (FT & PT)	953	915	●
Essential Skills (16-19 & 20+)	2,585	2,669	●
Work-Based Learning (TfS, Apps NI & HLA)	2,030	2,147	●
Enrolment Total	10,930	12,328	●

*1 within 3% tolerance levels

The overall enrolment target of 10,930 was achieved and the College over recruited by 1,398 (mainly FE part-time) enrolments. The planned activity was adjusted in line with the expected and sustained impact of Covid-19. The introduction of 2m social distancing within College facilities effectively capped the room capacity at 35%. The College switched to a blended delivery model with both synchronous and asynchronous approaches. The implementation of further restrictions in January 2021 saw the curriculum move to complete online delivery. Recruitment to any face-to-face planned activity for January onwards was paused and this has negatively affected leisure and part-time FE Day courses. The continued restrictions have resulted in a complete interruption to the College's community education programmes. The College has successfully delivered the Skills Intervention Programme, with over 1,000 enrolments on qualifications ranging from Level 2 to Level 6.

Performance by Level of Provision

In 2020/21 at Level 0/1 FE the College aimed to deliver 1,262 enrolments on further education qualifications (excluding Essential Skills). This was again a further reduction on the previous year. A strategic decision was made to commit to delivering full-time programmes and reduce the additional qualifications offered to students as part of the increased employability framework. It was also critical to ensure the College had the capacity to facilitate returning students and the successful completion of qualifications. The actual number of enrolments at Level 0/1 in 2020/21 was 1,494; an increase of 18 % against the planned target.

Level 2 FE recruitment met the target of 1,632 enrolments, with an actual recruitment figure of 2,323, this is an over recruitment of 691 enrolments (42.3%). The introduction of the Skills Intervention saw the College deliver an ambitious programme of qualifications to individuals affected by Covid-19 and this contributed to the over recruitment within part-time cohorts. Level 2 qualifications accounted for 18.8% of all College provision this year; however, the number of Level 2 full-time enrolments dropped to 479 in 2020/21 from 1,040 in 2019/20. This reduction can be directly correlated to the requirement to have social distancing in place and all 2-year full-time programmes were delivered through face to face which reduced the available capacity.

The Level 3 FE enrolment target was 2,338 and the actual enrolments were 2,780. This represents an additional 442 enrolments or 18.9% over achievement of the target. The Level 3 FE part-time enrolment total was 562 greater than planned, again the additional activity from the Skills Intervention Programme is evident in the part-time cohorts. There was a reduction in the number of Entitlement Framework enrolments due to the different operating environments between post primary schools where no social distancing restrictions were in place compared to the 2m social distancing when the same students were in College facilities.

The overall target for HE in FE was 953 through full-time and part-time enrolments. The achieved activity fell 4% short of this target with total enrolment of 915. Full-time enrolment had planned activity of 309 agreed through the Maximum Student Number (MaSN) planning process, however this was a difficult aim given the impact of calculated grades in summer 2020, which potentially saw grade inflation of 20% and the unprecedented step by Universities to offer unconditional offers to applicants. The operating environment for HE in FE continues to be difficult for the College.

The Essential Skills target for 2020/21 was reviewed and reduced by 20% prior to submission to DfE to consider the over inflation of GCSE grades through calculated grades in Summer 2020. The target of 2,585 was met with a total recruitment of 2,669 (+3%). The Skills Intervention programme contributed to the achievement of the target with the delivery of additional cohorts of ICT Essential Skills.

The overall Work-Based Learning numbers were exceeded by 117 enrolments. The operating difficulties posed by the continued furlough of apprentices and redundancies reduced the opportunities for new Level 3 apprenticeships, the College was short of the planned delivery (1,075) by 134 enrolments with a total number of enrolments of 941. There was strong recruitment during the year to Level 2 Apps NI Programmes with recruitment of 413 against a target of 304. 2020/21 was the last year of recruitment to Training for Success programmes with an overall target of 581 and this was achieved with a total figure of 725 enrolments (+24.8%). HLA recruitment (68) was successful with a shortfall of 2 enrolments from the planned activity (70).

Report Card 2 – Employers

Throughout 2020/21 the College has continued to restructure the Business Engagement team to ensure it can have a flexible and agile approach to local needs. The focus of the College has been on delivery of the Skills Intervention Programmes, which have delivered over 1,000 enrolments to date. The Skills Focus programme has grown this year with the College having met the allocated funding target and then agreeing and achieving an increased target with DfE towards the end of the year. The External Engagement Advisory Forum commenced and was operational to improve linkages with industry to further enhance business engagement and contribute to industry focused curriculum provision.

Report Card 3 – Social Inclusion

Despite very challenging circumstances in 2020/21 where many partner organisations had to suspend programmes due to Covid-19, the College still delivered programmes addressing social inclusion barriers to over 3,851 distinct students. This consisted of College Connect, ESOL, Prince's Trust and Essential Skills qualifications to the over 20 age group. Community partners are now engaging with the College to re-establish the programmes impacted by Covid-19.

Who is better off?

The College's annual student experience survey (2021) demonstrated an 88% student satisfaction rate with their online delivery of their course. In the 2019/20 FE Leavers Survey (conducted by DfE) 89% of the College's students either went into employment or stayed in education; this shows a high proportion of students are better off having studied with the College. The College delivered 8,219 regulated qualifications in 2019/20 with this number expected to be broadly similar in 2020/21 once final outcomes are published.

Financial Objectives

The College's key financial objectives for 2020/21 are shown below:

2020-21	College Target	Actual Performance
% Spend against budget	100%	100%
% Capital against budget	100%	100%
Absenteeism	3%	3.27%*
Prompt Payment within 30 calendar days	95%	96%

* Targets not met due to Covid-19 impact on staffing

Current and Future Development and Performance

Student External Achievements 2020/21

Despite a year of significant disruption, our students and staff continued to engage in competitions, and on 22nd June the College entered 6 teams from across Level 3, Foundation Degree and HLA Engineering in the Industrial Robotics category of UK Skills. Four teams have been successful in selection for the National Final of WorldSkills Industrial Robotics in November, which is being held at our Farm Lodge campus. In total, eleven NRC students are progressing to the national finals across Industrial Robotics, Web Design, 3D Digital Game Art and IT Software Solutions for Business categories. This level of success is especially commendable in a year when competition activity was restricted due to the pandemic, with many of the regional qualifying heats undertaken remotely.

There were a number of notable award winners among our staff and students.

- ▶ Health and Social Care Lecturer, Jacqui McAllister, made the shortlist for the TES (FE) Leader of the Year Award
- ▶ Siobhan McEldowney, Lecturer in Health & Social Care, was awarded the prestigious Bronze BTEC Award for Tutor of the Year
- ▶ Two BTEC L3 Animation students were highly commended at the Royal Television Society NI Student Awards
- ▶ Fourth year plumbing apprentice, Adam Coomber, was awarded NI Plumbing & Heating Apprentice of the Year
- ▶ Route2work student, Savanna Duff, was highly commended in the FE Student of the Year category at the Open College Network NI (OCNNI) Learner Endeavour Awards
- ▶ Level 3 Early Years student, Casey Doran, was awarded silver BTEC Award for Child, Health and Social Care Learner of the Year
- ▶ The College Football Team reached the final of the Schools' Cup 2020 (known as the Covid Cup for 2020, as the final was not able to proceed, due to Covid-19) and we were awarded joint winners.

Curriculum Developments in 2020/21

The College's curriculum provision for 2020/21 focused on the delivery of mainstream qualifications, taking account of the impact of Covid-19 on physical capacity. A set of guiding principles was agreed by the six colleges and DfE for curriculum delivery, and saw the academic year commence with a mix of on-campus and blended learning models. Unfortunately, by October 2020 we faced further restrictions, and an extended lockdown from December 2020 meant students faced a year of unprecedented disruption to their learning. Against this most challenging of backgrounds, staff worked tirelessly to keep students engaged and on track, retaining 89%. Lessons were learnt from the previous academic year, when the first lock down occurred from March 2020 to June 2020. The College ensured a seamless move to blended learning during 2020/21 resulting in over 8,000 regulated qualifications to allow students to progress on their career pathway and enter employment.

In September 2020 the College welcomed its new VP for Teaching & Learning, Christine Brown. The implementation of the curriculum planning process developed a robust governance process around approvals for new courses, course changes and withdrawals, ensuring that full consideration is given to rationale and alignment with curriculum priorities, as well as to internal and external approvals. The curriculum offering at all levels continues to focus on provision aligned to Priority Skills Areas, addressing skills gaps identified by the Northern Ireland Skills Barometer and reflected in the new 10x Economy Skills Strategy for NI and the Covid-19 Recovery Plan.

During 2020/21, the College delivered the following new qualifications:

The new Level 2 Early Years and Health Studies programme delivered at our Trostan Avenue and Newtownabbey Campus provided a progression pathway onto Early Years or Health and Social Care programmes.

Health and Social Care Higher Education was updated with a new part-time HNC in Social and Community Work course at our Newtownabbey Campus and the introduction of a part-time HNC fast track Health Care Practice qualification.

New part-time short courses including Level 2 Award in Meeting the Needs of Learners with Attention Hyperactivity Disorder, Level 2 Awareness of Autism, Level 2 Awareness of End of Life Care, were introduced as a result of feedback from stakeholders including students, employers and the Health and Social Care hub.

A new FT Level 2 Creative Digital Media qualification was delivered within our Trostan Avenue Campus to provide progression pathways onto our Level 3 Curriculum. This was developed as a result of feedback from stakeholders within the Ballymena area.

Planning also continued for new provision, to be offered for the first time in September 2021. Notable Higher Education examples are the Higher-Level Apprenticeship in Logistics and Supply Chain Management, with NRC as the only College to offer this unique employer-led provision. Furthermore, HNDs in Animal Management and in Music Production which offer progression pathways from Level 3 provision in these curriculum areas. 2020/21 has also been a year for sector-wide collaboration in preparation for the launch of L2 Traineeships in September 2021, along with piloting of Level 3 Advanced Technicals across a range of vocational areas – both involving the College in sectoral collaboration and representing the first phase of curriculum reform which will see significant change to the FE landscape over the next two to three years.

New partnerships were also developed in 2020/21, and the College looks forward to further engagement with these stakeholders in development and delivery of a fit for purpose curriculum. These developments include Ballymena Football Club, the Chartered

Institute of Logistics and Transport, the NI Hospitality School, the Gallaher Trust and Harland & Wolff who are recruiting apprentices for the first time in 15 years, and have chosen the College as their delivery partner. The College has partnered with Translink and OTT (On Track Technicians) to deliver the first ever Railway apprenticeship in Northern Ireland. Both companies have committed to deliver this apprenticeship for 20 apprentices which will be delivered through a partnership model on our Farm Lodge campus.

The College played a key role in the development of a new Manufacturing Excellence Academy, which was announced in September 2021. The Academy has been established with funding from The Gallaher Trust and assistance and support from Mid and East Antrim Borough Council's Manufacturing Task Force. The first of its kind, it will see 20 individuals from the wider Ballymena community attend a five-week programme delivered by the College tailored to boost their manufacturing skills to help secure potential employment with local companies.

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. The plan estimates almost 100 HE students who would be eligible to receive a bursary to support their studies, plus a targeted 4 outreach projects to promote access to HE. Both our College Connect and The Prince's Trust programmes also offer opportunities for students and young adults to re-engage in education and employment.

The College continues to provide English for Speakers of Other Languages (ESOL) and Pre-ESOL programmes. In 2020/21, 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 and it is anticipated that these students will progress through the relative levels and enrol on FE programmes.

Through Schools Partnership and Community Education, 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. Throughout 2020/21,

both the Schools Partnership and Community Education faced challenges due to the restrictions of Covid-19. Restrictions throughout the year presented challenges on class sizes due to social distancing. In order to mitigate those challenges, additional classes were added to meet the demand and lecturers delivered lessons off campus within our partnership schools to accommodate the increased demand. Remote lessons allowed for continuation of studies where face to face teaching was not permitted. Removal of restrictions recently changed the landscape in 2021/22 in that we can now accommodate larger numbers of students in areas such as AS and A Level Psychology, and Engineering where there is high demand from Post Primary Schools. The easing of restrictions also allows us to accept circa 200 students for Occupational Studies.

Community Education demand decreased dramatically during the year 2020/21 due to Covid-19, the year ahead is looking very positive, with new relationships being built with youth community groups that re-establishes connections with this age group in the Ballymena area. The College is working with other groups in their redevelopment and expansion of community renewal areas. The groups within the community education sector are eager to begin classes in the year 2021/22 and a range of new courses that upskill and enhance previous education are now being offered to promote self-employment and social inclusion to all.

Student Support during Covid-19

Our College student support services have continued to provide face to face and online responsive support to those students who need education support, student finance help, along with guidance and signposting.

In October 2020 the 'Access to IT' scheme was launched, which saw over 500 laptops issued to students to support them in their online studies, allowing them to continue to engage with their course remotely. The libraries remained open on all campuses to ensure we continued to accommodate those who needed quiet on campus study space. Virtual study rooms were launched to provide students the ability to pre-book virtual study spaces with their classmates to allow for virtual collaboration and teamwork to continue.

The College launched the 'Northern Plus' pilot in February 2021 to provide additional support to help students re-engage with their studies. The pilot saw over 200 referrals between February-June 2021, with 60% of these successfully re-engaged and back on course to achieve their qualification.

The College increased funding distributed via the DfE funded Care to Learn and Hardship funds. The College supported 6 students via the Care to Learn fund in 2020/21, issuing a total of £30k in support funds to these students. This is an increase from 3 students and an expenditure of £6k in 19-20. Similarly, funding allocated increased from £119k in 2019/20 to £125k in 2020/21, with the College distributing the DfE hardship allocation across the 71 students supported in this reporting period.

The College facilitated several DfE funded schemes to support students impacted by Covid-19. The Digital Support and Covid-19 Study Disruption schemes distributed cash payments of £60 and/or £500 depending on their course of study. The College administered over 4,240, £60 Digital Support payments for full-time and part-time FE students totalling over £254k and over 190, £500 Covid-19 Study Disruption payments for full-time HE students totalling over £95k.

The Student Union held their annual Student Conference and AGM which celebrated the student voice during the academic year and all that had been achieved by the Student Union in 2020/21. Key feedback from the Student Union to College Management on areas such as Essential Skills and peer mentoring allowed for these ideas to be developed for future implementation. Positive discussions between the Student Union and College Senior Leadership Team were very much welcomed throughout the event. Workshops on resilience and mental health were delivered alongside interactive activities such as laughing yoga, and these were well received by all attendees.

Student Achievement was celebrated via the annual Student Recognition Awards, which saw new categories such as 'Covid Community Star,' introduced to reflect the year it's been. Over 300 nominations were made, with employers being invited to make nominations for the first time alongside College staff and students. The virtual ceremony allowed winners the opportunity to join the College to celebrate in their success with their family from their own home.

Teacher Assessed Grades

Student assessment was largely delivered via a 'Teacher Assessed Grade' (TAG) method and process in 2020/21. This differed to the previous year where the grade was 'calculated' based on work previously submitted, and TAG required students to continue to produce a volume of assessed work to allow the TAG to be awarded. The College TAG Task and Finish group provided support, guidance and oversight to curriculum teams in the successful delivery of student outcomes. The College again reported outcomes through a Power App that allowed for appropriate management of missing outcomes through PowerBi reporting. Over 12,000 outcomes were successfully delivered through TAG and processed via the College exams team to the various Awarding Organisations the College works with.

Quality of Teaching and Learning

The College launched a revised process for monitoring and management of lesson observations. This allows for improved reporting to the College CMT to allow for areas for development to be identified and CPD to be targeted based on observation outcomes. In addition to this, the College increased the number of lesson observations carried out to 147 across all observations and improved the quality of these by delivering training to all observers based on the ETI model for Associate Assessors. Confidence in both carrying out of lesson observations and the quality of the feedback provided post observation has continued to improve due to this enhanced training and support. The TLAs supported 24 staff who were embarking on their Certificate in Teaching or PGCFE with Ulster University, as well as taking a project-based approach to support in year. TLAs were assigned to provide additional support to Essential Skills, project/problem-based learning and building a digital learning community of practice

Embedding Entrepreneurship

During 20/21, the College in its role as lead Entrepreneurship Hub for the FE Sector continued to develop and deliver the following objectives against an agreed action plan:

- ▶ to provide curriculum advice and development in entrepreneurship;
- ▶ to identify and develop continuing professional development in the field of entrepreneurship;
- ▶ to increase entrepreneurial economic engagement;
- ▶ to communicate the activities of the Entrepreneurship hub; and
- ▶ to provide stakeholders with future entrepreneurship scoping analysis

The Hub met on six occasions throughout the year and advanced objectives in all areas to:

- ▶ Pilot the OCNNI Level 3 Business Development Skills. During 2020/21 four courses were delivered which attracted 61 participants. These courses will continue to be offered in 2021/22.
- ▶ Secure additional funding for 12 staff members across the sector to undertake CPD in creative design thinking, leading to practical changes in respective curriculum and wider student experience events. The development of an OCNNI Level 4 Qualification is already being implemented with planned delivery for the 2021/22 academic year for all staff.
- ▶ Develop and implement a sectoral Problem/Project-Based-Learning Competition across all six colleges in April 2021 with over 500 students competing in regional heats. Colleges submitted 17 teams in four categories (Innovation, Social Impact, Green/Environment and Entrepreneurship) with the final being held virtually on 6 May 2021. As regional heat winners students again refined their 'pitch' to secure category winner status and overall FE Sector PBL Champion 2021 team was SRC's PBL project for social impact. The FE Sector PBL Skills Competition will take place again in February 2022, with planning commencing in August 2021.
- ▶ Continue partnership with Catalyst and represent the FE sector on the Generation Innovation steering group to promote the virtual GI work-experience event to FE students. This year 10 students from 4 colleges participated, work is ongoing to develop a bespoke GI experience for FE students in 2021/22.
- ▶ Encourage the development of Entrepreneurship Clubs and emergence of Entrepreneurship Zones to engage students and develop the entrepreneurial mind-set. Since the inception of the Entrepreneurship Club in September 2019, there have been 24 student events organised, with 1,463 College students engaged across these activities.

Looking forward to 2021/22 the Entrepreneurship Club has a planned programme of events commencing with Entrepreneurship Challenge for all Level 3 students across the curriculum areas during induction leading to the development of business ideas. The College is also offering staff an opportunity to undertake a new Level 4 OCNNI certificate in Leading Project-based learning. These will be followed up and supported through the Entrepreneurship Club.



Coleraine

Campus Developments

Significant progress continued to be made during 2020/21 towards realising the College's plans to develop new campus buildings in Ballymena and Coleraine with the objective of moving to a four-campus model.

The new campus building in Coleraine will bring our current Coleraine and Ballymoney provision together under one roof, providing modern, technically advanced and flexible accommodation to meet the requirements of future curriculum delivery.

The Coleraine new build procurement assessment process completed and following Ministerial approval was awarded to Heron Bros Ltd in December 2020. As the tender process commenced prior to the Covid-19 pandemic, the procurement process was extended to put in place additional measures to ensure best Value for Money for the College, leading to a rephrased completion date in 2023/24 academic year.

On site works at the Union Street site in Coleraine commenced immediately following award. The existing 6 storey building has been completely demolished to make way for the new campus.

Existing Coleraine curriculum provision has relocated to Beresford Avenue Coleraine with decant alterations successfully completed for the start of the 2020/21 academic year. The College curriculum and operational provision transferred to and continued to operate successfully from the decant premises and these facilities will be in operation until the new Coleraine campus building is completed.

Ballymena

Procurement for the proposed redevelopment in Ballymena (which will amalgamate current provision across Farm Lodge, Trostan Avenue and the Lamont building) continued to schedule in 2020/21 with the release of the tender to the market in December 2020.

Tenders were returned in April 2021 and following assessment the Project Board approved the appointment of the most economically advantageous tender at the end of June 2021. The College is currently completing the procurement debrief process and anticipates making an award of contract. Planned completion date for this phased project remains the end of 2024.

The College has finalised the decant operations for Ballymena where it is planned to maintain curriculum delivery in the Farm Lodge and Trostan Avenue Campuses, ahead of the planned commencement of the construction period.

Land transfers to Department for Communities (DfC) have been completed in March 2021 to facilitate the new road at St Patrick's Barracks site, an important infrastructure for the successful outcome of the College project and the reciprocal transfer to the College of additional land for car parking has been progressed.

The College has met with representatives from DfC on the possible usage of the Ballymoney campus following the amalgamation of the Ballymoney provision to the expanded Coleraine campus. Discussions with DfC continue on this important strategic site as a potential regeneration scheme for the benefit of the Ballymoney town centre and wider community.

Other Campus Interventions

During 2020/21, the College facilities complied with the PHA guidelines to remain at 2metres social distancing with all curriculum provision and office accommodation adjusted to provide 35% capacity on-site within a safe environment. Due to additional lockdown periods during 2020/21 and the switch to blended learning, campus improvements/interventions were re-phased to accommodate learners on-site in line with the framework for safe resumption of on-site educational provision and related activity.

The College has led on behalf of all FE colleges, the implementation of a collaborative sector wide property maintenance framework.

College Covid-19 Response

Current Operating Environment

The FE Sector has been hugely impacted by Covid-19: social distancing has changed the delivery of College provision. However, the FE sector has demonstrated its agility in responding to shifting economic demands and employers' need. While not without its challenges, the FE sector moved swiftly to online delivery and more than 97% of College students engaged in remote learning.

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 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.

Expert analysis for the recovery of the NI economy is currently optimistic:

- ▶ Ulster Bank Purchasing Managers' Index (PMI) July 2021 reported a further increase in output and new orders although rates eased from June. The rate of job creation also accelerated due to a pick-up in hiring within retail and manufacturing.
- ▶ Ulster University Economic Policy Centre (Summer 2021) noted NI growth prospects still relatively good with anticipated growth of 5.8% in 2021, following a contraction of 10.4% in 2020, and a return to pre-Covid levels of GVA in 2023 and a return to pre-Covid employment in 2024.

The College 2021/22 CDP is set in the context of the **Recovery** phase, focusing on ensuring the skills 'infrastructure' is maintained as has been the case over the past 18 months.

NI's future economic and social success is predicated on its ability to access a highly skilled, talented and flexible workforce to deliver a vibrant economy and inclusive society. Further education colleges will play a crucial role in supporting NI to move through the Recovery to the Renewal Phases. We will realign delivery models and adopt a digital first approach that will maximise reach, provide value for money and close potential inequality gaps.

The following guiding principles have been developed to set the direction in light of the current operating environment:

1. Social distancing will be maintained as far as is possible to reduce the impact of track and trace / self-isolation of close contacts. Delivery will be structured to reflect this. Classes will be balanced across the College week to optimise opportunities for students to enjoy face to face learning in a safe environment, in line with the agreed set of principles and guidelines developed through the work of the Departmental Advisory and Oversight Group on the safe resumption of onsite delivery.
2. The FE Sector will deliver the planned curriculum to the maximum number of students that is achievable in the current circumstances and will adopt a range of approaches including face to face.
3. Level one and Level two programmes will take place through on-campus delivery where possible. However, all programmes will include some online delivery to prepare students for progression and help prepare students for a return to alternating models of delivery should this be needed during the year.
4. Level three and Higher Education programmes will adopt a blended model of delivery for year 1 and year 2 where possible and suitable.

5. High quality and accessible on-line delivery will continue, where appropriate, to be used during the return of on-site provision to deliver teaching and learning, provide student pastoral support, provide support to businesses, and upskilling programmes for individuals who wish to retrain or upskill.
6. Working with local employers will continue to provide apprenticeship and placement opportunities whilst ensuring the safety of staff and students.
7. We will engage with businesses to:
 - ▶ Support employers through the provision of fully funded, tailored solutions through the Skills Focus Programme and Flexible Skills Initiative to increase the skills levels of the workforce; and
 - ▶ 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.
8. The FE Sector recognises that every student will not have the same access to broadband and IT facilities to support remote learning from home and as such we will explore appropriate interventions to ensure that these students are not disadvantaged.
9. The FE Sector will continue to support the most disadvantaged in communities across NI by ensuring access to learning opportunities that lead to sustainable career pathways.
10. The FE sector will continue to support local schools in the delivery of the Entitlement Framework through on-site delivery and in accordance with DfE guidelines on safe resumption.
11. The Curriculum Hub Action Plans, if required, will be reviewed and revised in agreement with DfE, to ensure that actions are reflective of the most pertinent needs of the economy in each curricular area. The quarterly reporting of progress against targets will continue to provide the Department with robust assurance of each Hub's performance.

Online Learning

Staff made significant use of blended and remote learning during the 2020/21 academic year in order to continue service delivery despite Covid restrictions. Page views in Canvas increased by 67% in 2020/21 compared to 2019/20 (from 6.3 million to 10.6 million page views) and participations by 97%. In the student experience survey in 2020/21, 89% of students were satisfied with online delivery (an increase of 3%) and 94% were satisfied with the quality of materials used in lessons. A suite of training resources to help staff with e-learning was developed in collaboration with the other FE colleges as part of the sector E-Learning Task and Finish Group.

Supported by funding from the Department for the Economy, the College developed and delivered a range of fully online courses in areas such as Social Media, Digital Marketing, ICT and Safeguarding to over 1000 learners in 2020/21. The College also collaborated with other FE Colleges to produce a range of resources for apprentices and employers as part of the DfE Apprenticeship Challenge Fund.

Learner Management System

Following the implementation of the new Learner Management System (LMS) for applications and enrolments in 2020, work has continued on the project throughout the 2020/21 academic year despite the ongoing challenges due to Covid restrictions. The timetabling and e-registers features are now functional and the finance integration was completed in December 2020, facilitating online payment of courses. The recommendations from the Admissions Task and Finish Working Group were implemented for the new admissions cycle with agreed templates and procedures being used for engaging with applicants.

As the teaching and learning modules of the LMS were postponed due to the pandemic, and there continues to be issues with the Consolidated Data Return and reporting, the STS Project Board decided to extend the project until the end of December 2021. The Project Team has now commenced work on the modules that were delayed, with pilots being completed for ILP, Markbook and the Engage app. In addition, the MIS Team has developed several custom reports to address the management information needs of curriculum departments while further analysis of the reporting functionality is carried out.

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 2020/21 of £4,408k (2020: deficit of £3,387k). There was a (£181k) adjustment to an exceptional item (£805k posted in 2019/20) relating to a Holiday Pay provision which is fully explained in Note 19.

Indices, provided by Land and Property Services, were applied to the College's Land and Buildings (not impacted by the new build project) to provide valuations at 31 July 2021. This resulted in an increase in value for the estate of £316k. As a consequence of the new build project progressing the properties at Coleraine, Ballymoney, Farm Lodge Ballymena, Trostan Avenue Ballymena and Lamont Ballymena have all been impaired to reflect the estimated remaining lives. This impairment reduced the value of the buildings by £16.7m. The total net book value of Land and Buildings, excluding work in progress at 31 July 2021, is £48.0m, with assets under construction totalling £7.3m.

Due to actuarial adjustments in the NILGOSC Pension Scheme following the ongoing impacts of Covid-19, the pension scheme for support staff within the College recorded a £12.8m actuarial loss in 2019/20 (see Note 22), this has been accounted for within the Statement of Comprehensive Income and Expenditure. The figures for 2020/21 reported a £7.4m actuarial gain.

The significant reduction in net assets from 31 July 2020 is primarily the result of the increased Statement of Financial Position impairment of buildings, Note 13.

The College has significant reliance on DfE for its principal funding source, largely from recurrent grants. In 2020/21, DfE provided 89% of the College's total income through allocated recurrent grant and other grant funding. This represented 13.3% 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 £1,455k (2020: £1,073k) and cash balances of £4,940k (2020: £1,381k). The College's cash reserves at 31 July 2021 are 14.4% of the income for the year. The cash amount held is within the limit set in the Financial Memorandum by DfE.

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 £3,559k, (2020: £3,587k outflow). The increased 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 2020 – 31 July 2021, the College paid 96% (2019/20: 94%) of its invoices within 30 days. £0 (2020: £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 2020 to 31 July 2021, the College paid 88% (2020: 75%) of its invoices within 10 working days.

Events After the End of 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 2021/22 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	2020/21 Net Book Value - £'000	2019/20 Net Book Value - £'000
Ballymena – Farm Lodge	4,125	12,112
Ballymena – Trostan Avenue	2,034	5,057
Ballymena – Lamont	415	2,009
Ballymoney	1,012	3,255
Coleraine	1,200	4,399
Larne	3,149	3,190
Magherafelt	4,426	4,731
Newtownabbey	31,598	32,135
Portrush (currently not utilised)	0	0
New Build – Asset in the Course of Construction	7,270	3,868
Total	55,229*	70,756

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

Financial

Net assets at 31 July 2021 were £22.6m (2020: £36.0m) (including £17.6m net pension liability, 2020: £22.5m liability).

People

The College employs 568 people (2020: 569) (expressed as full-time equivalents), of whom 310 are teaching staff.

	% Sickness Absence		Average days Lost	
	2020/21	2019/20	2020/21	2019/20
College	3.27	3.56	8.50	9.00
Support Staff	4.10	4.19	10.70	10.50
Lecturing Staff	2.68	3.20	7.00	8.00

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; and
- ▶ 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. The principal risks facing the College have been identified in the Risk Register (at 31 July 2021) as:

Risk	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 does not successfully implement Learner Management System
8	The College fails to deliver an efficient Estates environment in a compliant manner due to CPD delays and processes
9	College fails to deliver full educational programme due to the potential for industrial action caused by not providing a lecturing pay increase for revalorisation
10	College fails to deliver the agreed Estates rationalisation programme to current timescales will result in suboptimal learning environment for students
11	College fails to deliver educational programmes and College operations resulting from pandemic
12	College subject to cyber-attack causing wide spread disruption and an inability to deliver business functions

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 institutions;
- ▶ trade unions; and
- ▶ 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 & Chief Executive;
- ▶ 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;
- ▶ student and staff newsletters and e-zines; and
- ▶ 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; and
- 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 2020/21 the College continued to better promote equality of opportunity and good relations through a wide variety of initiatives and programmes including an Anti-Bullying week campaign, Digital accessibility improvements, Women in STEM project and the roll out of a new Diversity and Inclusion online training module for staff. In September 2020 the College was awarded the Legal-Island Diversity & Inclusion Charter Mark in recognition of its commitment to promoting equality for all. In June 2021 the College was also delighted to achieve the Carers' Federation Quality Standard in Carer Support accreditation as an acknowledgement of the College's good practice and commitment to students.

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 2020/21 the College has continued to support those with mental ill health by implementing commitments in the Equality Commission's Mental Health Charter. The College has also been working closely and collaboratively with the Education Authority's Autism Advisory and Intervention Service (AAIS) and the NHCST ASD service to help ease transition from School to College. This year the College, along with other members of the working group, hosted an online conference for parents, carers and professionals working with children and young people with autism. Over 250 people participated in the one-day event on the theme of 'Autistic Identity Moving Through the Teenage Years.'

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 reported one data incident to the Information Commissioner's Office (ICO) in 2020/21. The ICO did not deem it was necessary to take any regulatory action.

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:
Northern Ireland Audit Office
 1 Bradford Court
 Upper Galwally
 Belfast
 BT8 6RB

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	08/07/16	31/12/21		Chair Member	Education Gov Body
Samuel Kevin Chambers	01/08/15	31/07/23		Member Member	Resources Gov Body
Ashlyn Close	01/10/20	30/09/21		Student Member Student Member	Education Gov Body
Reece Cochrane	01/10/19	31/08/20	31/08/20	Student Member Student Member	Education 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 Member Member (Co-opt)	Audit & Risk Education Gov Body
Maeve Hamilton	20/04/20	Unbounded at present		Vice-Chair Member	Audit & Risk 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	Gov Body
Yvonne Mallon	01/08/15	31/07/23		Member Member	Resources Gov Body
Karen McCambridge	21/07/16	20/07/21		Staff Member Staff Member	Audit & Risk 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	08/07/16	30/12/21		Member Vice-Chair	Resources Gov Body
Barney McGahan	20/04/20	Unbounded	30/06/21	Chair	Gov Body
Tony Montgomery	20/04/20	Unbounded at present		Vice-Chair Member	Education 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
Terri Scott	01/09/14	Unbounded	31/07/21	Principal & Chief Executive	Education Resources Gov Body
Graeme Wilkinson	20/04/20	Unbounded at present		Member Member	Resources Gov Body

All members served from 1 August 2020 to 31 July 2021 unless otherwise indicated.

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

Signed: 

Date: 24 November 2021

Mr 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 1st 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.

Mr Robert McCann was appointed as Chair from 1st October 2019 and resigned from this role on 31st January 2020.

Mr Barney McGahan was appointed as Chair from 20th April 2020 and resigned from this role on 30th June 2021.

The Department appointed three other GB members on 20th April 2020, two of which are non-salary.

Mr Ken Nelson was appointed as Chair from 1st July 2021.

Professor Terri Scott, Principal and Chief Executive resigned from her post on 31st July 2021.

Mr Mel Higgins became Acting Principal and Chief Executive from 1 August 2021. Following a rigorous selection process Mel was appointed Principal and Chief Executive with effect from 1 November 2021.

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

	2020-2021				2019-2020			
	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
Samuel Kevin Chambers	0-5	-	-	0-5	0-5	-	-	0-5
Ashlyn Close - Student	0-5	-	-	0-5	-	-	-	-
Reece Cochrane- Student	-	-	-	-	0-5	-	-	0-5
Hugh Crossey	-	-	-	-	0-5	-	-	0-5
Judith Eve	-	-	-	-	0-5	-	-	0-5
Philip Graham	0-5	-	-	0-5	-	-	-	-
William Hutchinson	0-5	-	-	0-5	0-5	-	-	0-5
Richard Jay	-	-	-	-	0-5	-	-	0-5
David Lennox	-	-	-	-	0-5	-	-	0-5
Yvonne Mallon	0-5	-	-	0-5	0-5	-	-	0-5
Robert McCann - Chair	-	-	-	-	5-10	-	-	5-10
William McCluggage	0-5	-	-	0-5	0-5	-	-	0-5
Gillian McConnell	0-5	-	-	0-5	0-5	-	-	0-5
Barney McGahan - Chair	15-20	-	-	15-20	5-10	-	-	5-10
Tony Montgomery	0-5	-	-	0-5	0-5	-	-	0-5
Ian Murphy	0-5	-	-	0-5	5-10	-	-	5-10
Kenneth Nelson -Chair	0-5	-	-	0-5	-	-	-	-

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 to 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	2020-2021				2019-2020			
	Salary	Benefits in Kind	Pension benefits	Total	Salary	Benefits in Kind	Pension benefits	Total
	£'000	£'000*	£'000*	£'000	£'000	£'000	£'000*	£'000
Senior Management								
Principal & Chief Executive Professor Terri Scott Note 1	115-120	-	25-30	145-150	125-130	-	30-35	155-160
Chief Information Officer and Vice Principal Business Development Dr Steve Brankin. *End date 31/8/2019	-	-	-	-	10-15 [75-80 full year equivalent]	-	0-5	15-20
Vice Principal Teaching & Learning Mr Vincent Taggart *End date 30/06/2020 Note 1	-	-	-	-	80-85 [75-80 full year equivalent]	-	15-20	100-105
Vice Principal Teaching & Learning Mr Pat O'Neill Note 2	-	-	-	-	75-80 [110-115 full year equivalent]	-	-	75-80
Vice Principal Organisational Development Ms Mary Donnelly Note 3	-	-	-	-	90-95 [90-95 full year equivalent]	-	-	90-95
Chief Operating Officer Mr Mel Higgins Note 1	80-85	-	20-25	100-105	85-90	-	20-25	110-115
Vice Principal Performance and Development Ms Jenny Small Start date 02/03/2020	75-80	-	15-20	95-100	30-35 [70-75 full year equivalent]	-	5-10	35-40
Vice Principal Teaching & Learning Ms Christine Brown Start Date 14/09/20	65-70 [75-80 full year equivalent]	-	15-20	80-85	-	-	-	-

Salary and Pension Entitlements - Continued

Note 1

The salary for 2019/20 includes back-pay for a number of years.

Note 2

The Vice Principal Teaching & Learning was appointed on a fixed term appointment from 24 October 2019 to 30 June 2020 under an operational partnership agreement with SIB and is not an employee of NRC.

Note 3

The Vice Principal Organisational Development was appointed on a fixed term appointment from 16 July 2019 to 15 July 2020 under an operational partnership agreement with SIB and is not an employee of NRC.

* 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.

	2020-21	2019-20
	£'000	£'000
Band of highest paid directors total remuneration*	115-120	125-130
Median total remuneration*	28,022	28,474
Ratio	4.17	4.39

*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 ratio was higher in 2019-20 due to senior staff pay increments which included back-pay.

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)

Senior Management	Accrued pension at pension age as at 31/07/21 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/07/21	CETV at 31/07/20	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
Principal & Chief Executive Professor Terri Scott	15-20	0-5	235	195	40
Chief Operating Officer Mr Mel Higgins	5-10	0-5	106	85	21
Vice Principal Performance and Development Ms Jenny Small	0-5	0-5	29	8	21
Vice Principal Teaching & Learning Ms Christine Brown	25-30 plus lump sum 70-75	0-5 plus lump sum 5-10	617	524	93

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 and Expenditure.

National Employment Savings Trust (NEST) is the workplace pension set up by the government especially 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 spouse's 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 For the Year Ended 31 July 2021

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; and
- ▶ 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 2021

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 2020/21 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 of 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 six times during the 2020/21 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 2020/21.

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
Ms Isobel Allison	6	6
Mr Samuel Kevin Chambers	6	6
Ashlyn Close (Student Governor)	4	5
Reece Cochrane (Student Governor)	0	0
Angela Dynes (Staff Governor)	5	6
Mr Philip Graham	5	5
Mrs Maeve Hamilton	6	6
Mr William Hutchinson	3	6
Mrs Yvonne Mallon	6	6
Mr Donal Macauley	0	0
Dr Karen McCambridge (Staff Governor)	6	6
Mr William McCluggage	6	6
Mrs Gillian McConnell	6	6
Mr Barney McGahan (Chair)	6	6
Mr Tony Montgomery	6	6
Mr Ian Murphy	6	6
Mr Ken Nelson	0	0
Professor Terri Scott (Principal & Chief Executive)	6	6
Mr Graeme Wilkinson	6	6

A minimum of six members of the Board must be present for the meeting to be deemed quorate. All Board meetings during the 2020/21 financial year were fully quorate. Barney McGahan finished his term with the Governing Body on 30 June 2021 and Karen McCambridge finished her term with the Governing Body on 20 July 2021. There were, therefore, nine male and seven female members of the Governing Body at 31 July 2021.

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 2020/21 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	Member	Meetings Attended	Out of a Possible
Dr Philip Graham	3	3	Ms Yvonne Mallon	4	4
Mrs Maeve Hamilton	4	4	Mrs Gillian McConnell	4	4
Mr William Hutchinson	3	4	Mr Ian Murphy (Chair)	4	4
Mr William McCluggage (Chair)	4	4	Professor Terri Scott (Principal & Chief Executive)	4	4
Mr Tony Montgomery	3	3	Mr Graeme Wilkinson	3	4

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 2020/21 year.

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 2020/21 year.

Governing Body Performance and Effectiveness

The Governing Body held a strategy day on 27 October 2020. During the course of the meeting the Governing Body deliberated on the future role of Further Education. The Governing Body also held a planning meeting on 21 April 2021, during which it considered the future vision for the College's role of curriculum hub in entrepreneurship. The Governing Body took part in the 2018/19 self-assessment exercise organised by the Department. The results of the analysis report, along with actions and proposals for moving forward, were considered by the Governing Body at the meeting on the 25 November 2020.

A schedule of membership and attendance at Governing Body and Committee meetings for the 2020-21 year is shown in the tables above. In total there were nineteen meetings of the Governing Body and its various sub committees during 2020-21. Average attendance of governors, excluding staff and student representatives, recorded at Governing Body meetings during 2020-21 was 93.7% (90.8% for 2019-20).

At July 2021 the NRC Governing Body had two vacant posts.

In conclusion the Governing Body and Committees of the Northern Regional College met regularly and conducted business effectively during 2020-21.

Member	Meetings Attended	Out of a Possible
Mrs Isobel Allison (Chair)	5	5
Mr Kevin Chambers	5	5
Ms Ashlyn Close (Student Governor)	3	5
Ms Angela Dynes (Staff Governor)	4	5
Dr Philip Graham	3	3
Dr Karen McCambridge	5	5
Mr Tony Montgomery	5	5
Professor Terri Scott (Principal)	5	5

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 Colleges 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; and
- ▶ 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 auditors 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 Organisational Development (Temporary Post*);
- ▶ Vice Principal Performance and Development; and
- ▶ Vice Principal Teaching & Learning.

* The Vice Principal Organisational Development post was established on 1 July 2017 for a three-year period and ended on 31 July 2020.

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 2021 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 does not successfully implement Learner Management System
8	The College fails to deliver an efficient Estates environment in a compliant manner due to CPD delays and processes
9	College fails to deliver full educational programme due to the potential for industrial action caused by not providing a lecturing pay increase for revalorisation
10	College fails to deliver the agreed Estates rationalisation programme to current timescales will result in suboptimal learning environment for students
11	College fails to deliver educational programmes and College operations resulting from pandemic
12	College subject to cyber-attack causing wide spread 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.

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 was one College notified raising concern instance during 2020/21.

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 2020/21, which was carried out by RSM. For the period 2020/21 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:
Covid-19 Measures and Lessons Learned	Satisfactory
New Build Project Governance	Satisfactory
Risk Assurance Framework	Satisfactory
Payroll	Satisfactory
Business Continuity / Disaster Recovery	Satisfactory

All internal audit recommendations have either been addressed during the year or are still being implemented. Progress reporting on any outstanding audit recommendations are presented to the Audit & Risk Committee.

Education Training Inspectorate (ETI)

In March 2021, the Education and Training Inspectorate (ETI) carried out a scrutiny of the Quality Improvement Plan (QIP) and associated documentation resulting from the self-evaluation and quality improvement planning processes in the Northern Regional College. The purpose of this scrutiny was to evaluate the effectiveness of the quality improvement planning and to take account of the context of the Covid-19 Public Health Pandemic.

The College was pleased to have had a successful outcome from ETI's review of our SER/QIP process in 2020/21, with ETI confirming that the Northern Regional College is planning effectively for quality improvement, continuity in learning and recovery.

ETI reports are available online at www.etini.gov.uk

QAA Summative Review

The Quality Assurance Agency for Higher Education (QAA) is an independent body entrusted with monitoring and advising on standards and quality in UK higher education.

The QAA visited the College in the beginning of May 2018 to review all our HE provision across the College. Following their visit and review of the evidence submitted, the review team report states:

- ▶ *There can be confidence that academic standards are reliable, meet UK requirements, and are reasonably comparable with standards set and achieved in other providers in the UK.*
- ▶ *There can be confidence that the quality of the student academic experience meets baseline regulatory requirements.*

There were no QAA inspections during the 2020/21 year. The last review prior to 2018 was in 2013.

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 reported one data incident to the Information Commissioner's Office (ICO) in 2020/21. The ICO did not deem it necessary to take any regulatory action.

DfE College Risk Assessment

In February 2020, DfE commissioned a refresh of risk assessments as a first step towards the new approach to Arms-Length Bodies (ALB) partnership working. Risk assessment templates were initially completed by Colleges and then reviewed by DfE. The review process was impacted by Covid-19 but was completed and reported in June 2021.

The College is actively working with the Department to deliver the improvement actions identified. The College has completed the specific College actions and reported these to DfE on 10 September 2021.

Signed:



Date:

24 November 2021

Mr 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 2021 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 Statements of Comprehensive Income and Expenditure; Changes in Reserves; Financial Position; Cash Flows; and the related notes, including significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom accounting standards including Financial Reporting Standards (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 the Northern Regional College's affairs as at 31 July 2021 and of the Northern Regional College's deficit for the year then ended;
- ▶ have been properly prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102); and
- ▶ have been properly 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 opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements of Public Sector Entities 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 the Northern Regional College in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2019, 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 the 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 the 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.

The going concern basis of accounting for the Northern Regional College is adopted in consideration of the requirements set out in the Government Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

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 the 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 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 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

In the light of the knowledge and understanding of the 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 and Statement of Corporate Governance and Internal Control.

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
- ▶ certain disclosures of remuneration specified by the Government Financial Reporting Manual are not made; 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 the Responsibilities of the Accounting Officer and Governing Body, the Governing Body and Accounting Officer 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; and
- ▶ 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 the 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 audit, 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 the Northern Regional College through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included governing legislation and any other relevant laws and regulations identified;
- ▶ making enquires of management and those charged with governance on the 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 the 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, expenditure 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;
- ▶ 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, testing of journal entries and reviewing internal audit reports;
- ▶ 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: 

KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
1 Bradford Court,
Upper Galwally,
Belfast,
BT8 6RB

Date: 29 November 2021

Statement of Comprehensive Income and Expenditure For the Year Ended 31 July 2021

	Notes	2021 £'000	2020 £'000
Income			
Department for the Economy income	1	30,314	25,338
Education contracts	2	2,366	4,329
Tuition fees and charges	3	1,076	1,835
Other grant income	4	195	197
Other operating income	5	195	820
Investment income	6	2	4
Donations and endowments	7	0	0
Total income		34,148	32,523
Expenditure			
Staff costs	8	25,749	24,273
Other operating expenses	10	8,604	7,848
Interest and other finance costs	11	308	171
Depreciation/Amortisation	13/14	3,895	3,618
Total expenditure		38,556	35,910
Surplus / (Deficit) before exceptional items		(4,408)	(3,387)
Exceptional Item: Holiday Pay Liability	8	181	(805)
Surplus / (Deficit) before tax		(4,227)	(4,192)
Taxation	12	0	0
Surplus / (Deficit) for the year		(4,227)	(4,192)
OTHER COMPREHENSIVE INCOME:			
Unrealised surplus on revaluation of land and buildings	13	312	2,311
Impairment of buildings	13	(16,678)	0
DfE Capital Refund	13	(281)	0
Actuarial Gain/(loss) in respect of pension scheme	22	7,377	(12,810)
Total comprehensive income for the year		(13,497)	(14,691)
Represented by:			
Endowment comprehensive income for the year		2	4
Unrestricted comprehensive income for the year		(13,499)	(14,695)

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 2021

	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 2019	1,674	(8,297)	(6,623)	64	57,299	50,740
Surplus/(deficit) from income and expenditure statement	(2,804)	(1,388)	(4,192)	-	-	(4,192)
Other comprehensive income	-	(12,810)	(12,810)	-	2,311	(10,499)
Transfers between revaluation and income and expenditure account	2,203	-	2,203	-	(2,203)	-
Release of restricted funds spent in year	-	-	-	-	-	-
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)
Total comprehensive income for the year	382	4,860	5,242	0	(18,739)	(13,497)
Balance at 31 July 2021	1,455	(17,635)	(16,180)	64	38,668	22,552

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

Statement of Financial Position as at 31 July 2021

	Notes	2021	2020
		£'000	£'000
Non Current Assets			
Property, Plant and Equipment	13	57,182	72,303
Intangible assets	14	405	429
		57,587	72,732
Current assets			
Trade and other receivables	16	2,144	3,989
Cash and cash equivalents	21	4,940	1,381
Total current assets		7,084	5,370
Less: Payables - amounts falling due within one year	17	6,018	4,205
Net current assets		1,066	1,165
Total assets less current liabilities			
		58,653	73,897
Less : Payables: amounts falling due after more than one year	18	17,842	14,548
Provisions:			
Pension provisions	19/22	(17,635)	(22,495)
Other provisions	19	(624)	(805)
Net Assets including pension liability		22,552	36,049
Unrestricted Reserves			
Income and expenditure account (exc. Pension)		1,455	1,073
Pension Reserve		(17,635)	(22,495)
Income and expenditure account (Inc. Pension)		(16,180)	(21,422)
Revaluation Reserve		38,668	57,407
Restricted Reserves			
Endowments	20	64	64
Total Reserves		22,552	36,049

The financial statements on pages 66 to 108 were approved by the Governing Body of the Northern Regional College on 24 November 2021 and were signed on its behalf by:

Signed: 

Mr Ken Nelson
Chair of the Governing Body Northern Regional College

Date: 24 November 2021

Signed: 

Mr Mel Higgins
Accounting Officer Northern Regional College

Date: 24 November 2021

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

Statement of Cash Flows For the Year Ended 31 July 2021

	Notes	2021	2020
		£'000	£'000
Cash inflow/ (outflow) from operating activities			
(Deficit) / Surplus for the Year		(4,227)	(4,192)
Adjustment for non-cash items			
Depreciation/Amortisation	13/14	3,895	3,618
Decrease / (Increase) in receivables	16	1,844	(2,348)
Increase / (Decrease) in payables less one year	17	1,813	(1,401)
Increase / (Decrease) in payables more one year	18	3,294	812
Other Provisions	19	(181)	805
Pension cost less contributions payable	22	2,209	1,217
Pension interest cost	22	308	171
Adjustment for investing or financing activities			
Investment income	6	(2)	(4)
Net Cash inflow / (outflow) from operating activities		8,953	(1,322)
Cash flows from investing activities			
Investment income	6	2	4
Payments made to acquire fixed assets	13/14	(5,396)	(2,269)
Increase / (Decrease) in cash and cash equivalents in the year		3,559	(3,587)
Net funds at 1 August	21	1,381	4,968
Net funds at 31 July	21	4,940	1,381

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 Accounting Policies For the Year Ended 31 July 2021

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.

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

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 balance sheet 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 balance sheet.

Property, Plant and Equipment

► Land and buildings

Land and buildings (including those inherited from the former Education and Library Board) are stated in the balance sheet 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 balance sheet 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. 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 balance sheet 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 substantially 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 2021

1. Department for the Economy Income

	2021	2020
	£'000	£'000
Grant in aid received from DfE		
Recurrent grant	24,888	23,677
Release of deferred capital grants	1,851	1,419
Exceptional grant – voluntary exit scheme (VES)	0	0
Other	0	1
Grant in aid Total	26,739	25,097

Non-grant in aid received from DfE		
Education maintenance allowance (EMA) administration	21	15
Higher Level Apprenticeships	189	70
Curriculum Development	0	130
Skills Competitions	0	26
Covid-19 Funding	2,528	0
Covid Digital Support	400	0
Skills Intervention	311	0
FE Programme	126	0
Non-grant in aid Total	3,575	241

Total DfE income	30,314	25,338
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2. Education Contracts

	2021	2020
	£'000	£'000
Entitlement Framework	345	418
Training for Success*	2,021	3,911
Total	2,366	4,329

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

3. Tuition Fees and Charges

	2021	2020
	£'000	£'000
Higher Education (HE) income	635	835
Home and other European Union	441	1,000
Total	1,076	1,835

4. Other Grant Income

	2021	2020
	£'000	£'000
European funds	22	66
Other funds	173	131
Total	195	197

5. Other Operating Income

	2021	2020
	£'000	£'000
Catering and residence operations	30	96
Other income generating activities	161	721
Other income	4	3
Total	195	820

6. Investment Income

	2021	2020
	£'000	£'000
Income from endowments	2	4
Other interest receivable	0	0
Total	2	4

7. Donations and Endowments

	2021	2020
	£'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:

	2021	2020
	Number	Number
Governing Body	0	0
Teaching	310	315
Support	97	99
Administration	140	134
Premises	21	21
Total	568	569

Staff costs for the above posts

	2021	2020
	£'000	£'000
Governing Body	47	53
Teaching	13,865	13,403
Support	2,847	2,713
Administration	6,092	6,227
Premises	689	660
FRS charge	2,209	1,217
Total (excluding Exceptional Item)	25,749	24,273
Exceptional Item: Holiday Pay Provision (See Note 19)	(181)	805
Total Staff Costs (including Exceptional Item)	25,568	25,078

8. Staff Costs - Continued

	2021	2020
	£'000	£'000
Wages & salaries	18,030	17,798
Social security costs	1,676	1,598
Other pension costs (including FRS 102 adjustments)	6,043	4,877
Total (excluding Exceptional Item)	25,749	24,273
Exceptional Item: Holiday Pay Provision (See Note 19)	(181)	805
Total Staff Costs (including Exceptional Item)	25,568	25,078

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	
	2021	2020*	2021	2020*
	No.	No.	No.	No.
£60,001 to £70,000	-	-	11	15
£70,001 to £80,000	-	1	4	4
£80,001 to £90,000	1	-	-	-
£90,001 to £100,000	1	1	-	-
£100,001 to £110,000	1	1	-	-
£110,001 to £120,000	-	1	-	-
£120,001 to £130,000	-	-	-	-
£130,001 to £140,000	-	-	-	-
£140,001 to £150,000	-	-	-	-
£150,001 to £160,000	1	1	-	-
	4	5	15	19

* Some of the 2020 increases are due to back-pay having in-year impact.

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.

	2021	2020
	Number	Number
The number of senior post-holders including the Principal was:	4	5

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

	2021	2020
	£'000	£'000
Salaries	343	516
Benefits in Kind	0	0
Pension contributions	86	84
Total emoluments	429	600

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

	2021	2020
	£'000	£'000
Salaries	117	125*
Pension contributions	29	31
Total	146	156

* The £125k includes back-pay relating to prior years, causing a one-off increase. The pension contributions in respect of the Principal and senior post-holders are in respect of employer's contributions to the Teachers' Superannuation Scheme and the Northern Ireland Local Government Officers' Superannuation Scheme and are paid at the same rate as for other employees.

Key Management Personnel - Continued

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

	2021	2020
	£'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

	2021	2020
	£'000	£'000
Direct teaching	462	390
Direct support	2,244	2,684
Administration	1,562	1,645
Premises costs	4,336	3,129
Total	8,604	7,848

Other operating expenses include:

Auditors' remuneration:

Financial statements external audit	26	24
National Fraud Initiative external audit	2	0
Internal audit	19	18

11. Interest and Other Finance Costs

	2021	2020
	£'000	£'000
Net Charge on Pension Scheme (note 22)	308	171
Total	308	171

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 and Fittings	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation							
At 1 August 2020	66,888	3,868	6,157	4,292	217	475	81,897
Additions	203	3,402	489	1,303	-	4	5,401
Surplus/(Deficit) on Reval	316	-	-	-	-	-	316
Impairment	(16,678)	-	-	-	-	-	(16,678)
Disposals	(280)	-	-	-	-	-	(280)
At 31 July 2021	50,449	7,270	6,646	5,595	217	479	70,656
Depreciation							
At 1 August 2020	-	-	5,184	3,750	217	443	9,594
Charge for the year	2,486	-	556	803	-	31	3,876
Backlog Depreciation	4	-	-	-	-	-	4
At 31 July 2021	2,490	0	5,740	4,553	217	474	13,474
Net book value At 31 July 2021	47,959	7,270	906	1,042	0	5	57,182
Net book value At 31 July 2020	66,888	3,868	973	542	0	32	72,303

13. Property, Plant and Equipment - Continued

Indices, provided by Land and Property Services, were applied to the College's Land and Buildings (not impacted by the new build project) to provide valuations at 31 July 2021. This resulted in an increase in value for the estate of £316k. As a consequence of the new build project progressing, the properties at Coleraine, Ballymoney, Farm Lodge Ballymena, Trostan Avenue Ballymena and Lamont Ballymena have all been impaired to reflect the estimated remaining lives. This impairment reduced the value of the buildings by £16.7m. The total net book value of Land and Buildings, excluding work in progress at 31 July 2021, is £48.0m, with assets under construction totalling £7.3m.

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

	2021	2020
	£'000	£'000
Cost	13,404	13,404
Aggregate depreciation based on cost	(4,482)	(4,105)
Net book value based on cost	8,922	9,299

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:

	2021	2020
	£'000	£'000
Owned assets	3,876	3,618
Assets held under finance leases and hire purchase arrangements	-	-
Net book value based on cost	3,876	3,618

14. Intangible Assets

	Asset	Total
	£'000	£'000
Cost or valuation		
At 1 August 2020	429	429
Additions	(5)	(5)
Disposals	0	0
At 31 July 2021	424	424
Amortisation		
At 1 August 2020	0	0
Charge for year	19	19
At 31 July 2021	19	19
Net Book Value at 31 July 2021	405	405
Net Book Value at 31 July 2020	429	429

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. The total sector-wide cost is estimated at £2,325k with a completion date expected of December 2021.

15. Investments

The College does not have any subsidiary companies.

16. Trade and Other Receivables

	2021	2020
	£'000	£'000
Amounts falling due within one year:		
Trade receivables	286	291
Prepayments and accrued income	505	544
Amounts due from the Department	1,353	3,154
Total receivables	2,144	3,989

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

	2021	2020
	£'000	£'000
Payments received in advance	139	0
Trade payables	(551)	102
Taxation and social security	1,015	905
Accruals and deferred income	4,628	2,814
Amounts owed to the Department	787	384
Total	6,018	4,205

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.

	2021	2020
	£'000	£'000
Deferred Capital Grant Income	1,531	1,278
Total	1,531	1,278

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

	2021	2020
	£'000	£'000
Deferred Capital Grant Income	17,842	14,548
Total	17,842	14,548

19. Provisions For Liabilities and Charges

	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

	Pensions	Other	Total
	£'000	£'000	£'000
At 1 August 2019	8,297	0	8,297
Additions / (Release)	0	805	805
Expenditure in the period	1,388	0	1,388
Transferred to statement of comprehensive income and expenditure	12,810	0	12,810
At 31 July 2020	22,495	805	23,300

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

19. Provisions For Liabilities and Charges - Continued

The Other additions in year relate 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, however due to delays in relation to the Covid-19 situation, it is expected that this will not be heard until 2021. 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 £624k provision has been estimated by the College and covers the period from 1998 to 31 July 2021, 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 detail 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. A reliable estimate for the pension element is not yet available so this has not been factored into the provision;
6. The provision is gross (inclusive of Employee National Insurance and PAYE) and also includes an uplift of 13.8% for Employer National Insurance Contributions (NIC) (£35k) (2020: £97k); and
7. 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

	2021	2020
	£'000	£'000
At 1 August	64	64
New endowments	0	0
At 31 July	64	64

21. Cash and Cash Equivalents

	At 1 August 2020	Cash flows	At 31 July 2021
	£'000	£'000	£'000
Cash and cash equivalents	1,381	3,559	4,940

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

	2021	2020
	£'000	£'000
NITPS: contributions paid	2,773	2,563
NILGOSC: Contributions paid	1,061	1,097
NILGOSC: FRS 102 (28) adjustments	2,209	1,217
NILGOSC: charge to the Statement of Comprehensive Income and Expenditure	3,270	2,314
Enhanced pension charge to the Statement of Comprehensive Income and Expenditure	6,043	4,877
Total pension cost for year	6,043	4,877

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.

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 2021 were:

Salary	Contribution Rate
Up to £28,309.99	7.4%
£28,310 to £38,108.99	8.6%
£38,109 to £45,185.99	9.6%
£45,186 to £59,885.99	10.2%
£59,886 to £81,661.99	11.3%
£81,662 and above	11.7%

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 2021 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:

Salary	Contribution Rate
£0 to £15,000	5.5%
£15,001 to £23,000	5.8%
£23,001 to £38,400	6.5%
£38,401 to £46,600	6.8%
£46,601 to £92,300	8.5%
£92,301 and above	10.5%

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 2021 by a qualified actuary.

Principal actuarial assumptions

Principal actuarial assumptions at the balance sheet date are as follows:

	At 31 July 2021	At 31 July 2020
Rate of increase of salaries	4.1%	3.8%
Rate of increase for pensions in payments/inflation	2.6%	2.3%
Discount rate for scheme liabilities	1.7%	1.4%
Inflation assumption (CPI)	2.6%	2.3%
Commutation of pensions to lump sums	75%	75%

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 2021	At 31 July 2020
Retiring today		
Males	21.9	21.8
Females	25.1	25.0
Retiring in 20 years		
Males	23.3	23.2
Females	26.5	26.4

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

	Value at 31 July 2021	Value at 31 July 2020
	£'000	£'000
Equities	20,479	17,126
Bonds	18,963	15,522
Property	4,219	3,730
Cash / Other	3,746	3,730
Fair Value of Assets	47,407	40,108

Amounts recognised in the Statement of Financial Position

	2021	2020
	£'000	£'000
Scheme assets	47,407	40,108
Scheme liabilities	(65,042)	(62,603)
Deficit in the scheme (net pension liability recorded within pension provision)	(17,635)	(22,495)

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

	2021	2020
	£'000	£'000
Employer service cost (net of employee contributions)	3,270	2,314
Past Service Cost / Curtailment	0	0
Total	3,270	2,314

Analysis of pension finance costs

	2021	2020
	£'000	£'000
Expected return on pension scheme assets	564	887
Interest cost	(872)	(1,058)
Net charge to other finance costs	(308)	(171)

Analysis of other comprehensive income for pensions

	2021	2020
	£'000	£'000
Actuarial gains / (losses) on pension scheme assets	6,457	(1,266)
Actuarial gains / (losses) on the scheme liabilities	920	(11,544)
Total of other comprehensive income	7,377	(12,810)

Movement in (deficit) during the year

	2021	2020
	£'000	£'000
Deficit in scheme at 1 August	(22,495)	(8,297)
Movement in the year:		
Employer service cost (net of employee contributions)	(3,270)	(2,314)
Employer contributions	1,061	1,097
Net interest on assets	(308)	(171)
Past Service Cost / Curtailment	0	0
Actuarial gain / (loss) recognised in other comprehensive income	7,377	(12,810)
Deficit in scheme at 31 July	(17,635)	(22,495)

22. Pensions and Similar Obligations – Continued

Asset and liability reconciliation

	2021	2020
Reconciliation of liabilities	£'000	£'000
Liabilities at start of period	62,603	48,467
Service cost	3,270	2,314
Interest cost	872	1,058
Employee contributions	339	317
Actuarial (gain) / loss	(920)	11,544
Benefits paid	(1,122)	(1,097)
Past Service Cost	0	0
Liabilities at end of period	65,042	62,603

	2021	2020
Reconciliation of assets	£'000	£'000
Assets at start of period	40,108	40,170
Expected return on assets	564	887
Actuarial gain / (loss)	6,457	(1,266)
Employer contributions	1,061	1,097
Employee contributions	339	317
Benefits paid	(1,122)	(1,097)
Assets at end of period	47,407	40,108

The estimated value of employer contributions for the year ended 31 July 2022 is £1,101k.

23. Events After the End of the Reporting Period

There were 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

	2021	2020
	£'000	£'000
Commitments contracted for at 31 July	27,711	1,242
Authorised but not contracted at 31 July	37,970	0
Total	65,681	1,242

25. Financial Commitments

There were no financial commitments at 31 July 2021.

26. Contingent Liabilities

There were no contingent liabilities at 31 July 2021.

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) 2020/21	Amount paid / (income) 2019/20	Nature of transactions	Amount outstanding at 31 July 2021	Amount outstanding at 31 July 2020
			£'000	£'000		£'000	£'000
Ms Isobel Allison	Graham Asset Management Ltd	HR Manager	-	412	Maintenance	-	18
Mr Kevin Chambers	Dept for Infrastructure	Inspector for Public Inquiries	(1)	-	Tuition Fees	(1)	3
Mrs Maeve Hamilton	Department for the Economy	Director	(500)	(222)	Funding	(3)	(40)
Mr Mel Higgins <i>(Chief Operating Officer)</i>	Chartered Accountants Ireland	Member	-	3	Trainee Accountant Fees	-	-

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

Governor / Senior Manager	Related organisation	Position in related organisation	Amount paid / (income) 2020/21	Amount paid / (income) 2019/20	Nature of transactions	Amount outstanding at 31 July 2021	Amount outstanding at 31 July 2020
			£'000	£'000		£'000	£'000
Donal McCauley <i>Staff Governor</i>	CCEA	Professional Associate	2	-	Exam fees	-	-
			(1)	-	Lecturer hours claimed	-	-
Mr Bill McLuggage	Catalyst Inc	Entrepreneur in Residence	12	5	Membership Fees	-	-
	The Institute of Engineering & Technology	Member	-	1	Attended an event	-	-
Ken Nelson	Stranmillis University College	Member of Governing Body	24	-	Tuition Fees	-	-
	Intertrade Ireland	Chairman	(12)	-	Course Fees	-	-
Mr Ian Murphy	Chartered Accountants Ireland	Fellow	-	3	Trainee Accountant Fees	-	-
Prof Terri Scott <i>(Principal & Chief Executive)</i>	Causeway Chamber of Commerce	Council Member	1	1	Membership Fees	-	-
Mr Graeme Wilkinson	Department for the Economy	Director	(500)	(222)	Funding	(3)	(40)

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

	2021	2020
	£'000	£'000
Balance – Opening	61	25
DfE grants	64	94
	125	119
Disbursed to students	(112)	(58)
Balance unspent/(overspent) at 31 July	13	61

The College facilitated the DfE Covid-19 Study Disruption 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.

	2021	2020
	£'000	£'000
DfE Staying Connected funding	115	-
Disbursed to students / admin costs	(100)	-
Balance at 31 July	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.

	2021	2020
	£'000	£'000
DfE care to learn grant	29	9
Disbursed to students' childcare providers	(29)	(9)
Balance at 31 July	-	-

29. Losses and Special Payments

There were no losses or special payments exceeding £2,000 for the year. (2020: £0).

Total claims abandoned for the year related to bad debt written off totalling £6k in relation to 26 cases. (2020: £5k, 23 Cases).

Date of authorisation for issue

The Accounting Officer authorised the issue of these financial statements on 29 November 2021.

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	2021	2020
		£'000	£'000
INCOME			
DfE income (non grant in aid items)	1	3,575	241
Education contracts	2	2,366	4,329
Tuition fees and charges	3	1,076	1,835
Other grant income	4	195	197
Other operating income	5	195	820
Endowment and Investment income	6	2	4
Total incoming resources		7,409	7,426
EXPENDITURE			
Staff costs	8	(25,749)	(24,273)
Other operating expenses	10	(8,604)	(7,848)
Depreciation/Amortisation	13/14	(3,895)	(3,618)
Interest and other finance costs	11	(308)	(171)
Total resources expended		(38,556)	(35,910)

	Notes	2021	2020
		£'000	£'000
Exceptional Item: Holiday Pay Provision	8	181	(805)
Net Deficit for the year		(30,966)	(29,289)
Unrealised surplus/(deficit) on revaluation of land and buildings		312	2,311
DfE Capital Refund		(281)	0
Actuarial Gain/(loss) in respect of pension scheme		7,377	(12,810)
Impairment		(16,678)	0
Amount transferred to reserves		(40,236)	(39,788)

Analysis of reserves prepared under FReM	Notes	2021	2020
		£'000	£'000
Balance at 1 August		36,049	50,740
Grant in aid received in year	1	26,739	25,097
Amount transferred to reserves		(40,236)	(39,788)
Balance at 31 July		22,552	36,049

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

Appendix A1

DfE income (non-grant in aid items)	2021	2020
	£'000	£'000
EMA	21	15
Higher Level Apprenticeships	189	70
Curriculum Development	0	130
Skills Competitions	0	26
Covid-19 Funding	2,528	0
Covid-19 Digital Support	400	0
Skills Intervention	311	0
FE Programme	126	0
Balance at 31 July	3,575	241

Appendix A2

Reconciliation of amount transferred to reserves and grant in aid	2021	2020
	£'000	£'000
Amount transferred to reserves	40,236	39,788
Add back: total comprehensive income for the year	(13,497)	(14,691)
Grant in aid received in year	26,739	25,097

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