

DN Colleges Group

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 July 2019

KEY MANAGEMENT PERSONNEL, BOARD OF GOVERNORS AND PROFESSIONAL ADVISERS

Key management personnel

Key management personnel are defined as members of the Senior Leadership Team and were represented by the following in 2018/19:

Anne Tyrrell - Chief Executive Officer; Accounting Officer
 Peter Doherty – Chief Operating Officer
 Mick Lochran – Deputy Chief Executive and Principal (North Lindsey College)
 Kathryn Brentnall – Principal (Doncaster College)
 Maxina Butler-Holmes – Group Executive Director of Higher Education
 Kit Sargent – Deputy Principal (North Lindsey College)
 David Reeve - Interim Director of Finance (until 31 August 2018)
 Adnan Bashir – Interim Director of Finance (until 29 March 2019)
 Barrie Shipley – Director of Finance (appointed 29 July 2019)
 Helen Ainsbury – Interim Director of Digital Technologies (until 20 June 2019)
 Steven Patterson – Director of Digital Technologies (appointed 4 June 2019)
 Martin Rooney – Interim Director of Human Resources and Organisational Development (until 31 July 2019)

Board of Governors

A full list of Governors is given on pages 13 and 14 of these financial statements.
 Claire Houlden covered the role of Clerk from 1 August 2018 to 30 September 2018. Joanne Garrison was appointed Clerk to the Corporation from 1 October 2018.

Professional advisers

Financial statements auditors and reporting accountants

Grant Thornton UK LLP
 30 Finsbury Square
 London
 EC2A 1AG

Internal auditors

RSM Risk Assurance Services LLP
 Suite A, 7th Floor, City Gate East
 Tollhouse Hill
 Nottingham
 NG1 5FS

Bankers

Lloyds Bank plc
 2nd Floor, 14 Church Street
 Sheffield
 S1 2HP

Santander UK plc
 7th Floor, 4 St Paul's Square
 Liverpool
 L3 9SJ

Close Brothers Limited
 10 Crown Place
 London
 EC2A 4FT

Solicitors

Eversheds Sutherland LLP
 Bridgewater Place
 Water Lane
 Leeds
 LS11 5DR

Wilkin Chapman LLP
 Cartergate House
 26 Chantry Lane
 Grimsby
 DN31 1LJ

Rollits LLP
 Citadel House
 58 High Street
 Hull
 HU1 1QE

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REPORT OF THE GOVERNING BODY

NATURE, OBJECTIVES AND STRATEGIES

The members present their report and the audited financial statements for the year ended 31 July 2019.

Legal Status

The Corporation was established under the Further and Higher Education Act 1992 for the purpose of conducting DN Colleges Group, comprising Doncaster College and North Lindsey College. The Corporation is an exempt charity for the purposes of part 3 of the Charities Act 2011.

Doncaster College merged with North Lindsey College on 1 November 2017. On that date, all trade, assets and liabilities of Doncaster College transferred to the Corporation of North Lindsey College immediately prior to the Corporation of Doncaster College being dissolved.

The Secretary of State for Education granted consent to the Corporation of North Lindsey College to change its name to 'DN Colleges Group' with effect from 1 November 2017.

Doncaster College and North Lindsey College will continue as operating divisions of DN Colleges Group under their existing branding, continuing to meet the needs of their respective communities.

Vision

The DN Colleges Group vision as approved by its members is as follows:

"Transforming our communities through learning"

Mission

The DN Colleges Group mission as approved by its members is as follows:

Outstanding education and training that enables students to develop their full potential; meeting social, economic and community needs"

Public Benefit

DN Colleges Group is an exempt charity under the Part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education. The members of the Governing Body, who are trustees of the charity, are disclosed on pages 13 and 14. In setting and reviewing the College's strategic objectives, the Governing Body has had due regard for the Charity Commission's guidance on public benefit and particularly upon its supplementary guidance on the advancement of education.

In delivering its mission, the College provides identifiable public benefits through the advancement of education to over 16,000 students, including 281 students with high needs. The college provides courses without charge to young people, to those who are unemployed and adults taking English and maths course. The college adjusts its courses to meet the needs of local employers and provides training to over 2,600 apprentices. The college is committed to providing information, advice and guidance to the students it enrolls and to finding suitable courses for as many students as possible regardless of their educational background.

DN Colleges Group adds value to the social, economic and physical well-being of its whole community by:

- Enabling the development of skills and knowledge to support and build the local economy.
 - Unlocking the potential of individuals by raising ambition and aspiration.
 - Ensuring continuous improvement through critical self-evaluation and action.
 - Promoting and building skills of employability and entrepreneurship.
 - Working with partner organisations to ensure collective problem solving and action for improvement.
 - Reflecting the needs of our community in the courses we offer for individuals and employers.
 - Working with vulnerable groups to enable inclusion and participation.
 - Contributing to the regeneration of the sub-region through positive engagement with new and existing industries.
 - Contributing to the local economy as a major employer as well as a provider of education and training.
-

REPORT OF THE GOVERNING BODY (Continued)

- Ensuring we live by and reinforce our core values which underpin everything we do:
 - Ambition - to achieve the highest standards
 - Support - a caring, safe and inclusive environment
 - Partnership - collaborative working to achieve shared goals
 - Innovation - we use our initiative and are agile in finding creative solutions
 - Responsibility – we take individual and collective responsibility
 - Equality - we work with integrity and are open, honest and respectful of each other
- Working closely with the Sheffield City Region and Greater Lincolnshire and Humber Local Enterprise Partnerships (LEPs) to develop and deliver the education and training needs of local communities and businesses.

The delivery of public benefit is also covered throughout the report of the Governing Body.

Strategic Plan

The Corporation members received and approved a new Strategic Plan for the Group for 2019-2022 at a meeting held on 8 July 2019. Detailed targets for this plan were approved at the same meeting.

The principles driving our Strategic Plan are:

- Outstanding and inspirational teaching and learning
- Local and regional growth through partnership and collaboration
- A high performing culture that realises potential
- Financially sustainable, investing in growth
- Responsive and adaptive to change
- Innovative and maximising the benefits of technology

The key performance indicator targets to be achieved by 2022 are:

- Ofsted Outstanding TEF Silver
- Outstanding Financial Health
- Top 25% Staff Satisfaction
- Top 25% National Student Survey Employer & Student Surveys
- Top 25% Achievement Rates – timely achievement / value added / student progress / HE continuation
- Top 25% National Destination Tables, School League Tables

The Corporation monitors the performance of the Group against its Strategic Plan throughout the year. The Strategic Plan is reviewed and updated annually.

Financial Objectives

The Group's financial objectives and key performance indicators have been aligned to the 2019 – 2022 Strategic Plan to secure the financial sustainability, resilience and future development of the Group.

The key financial performance indicator targets for 2018/19 were:

Key Performance Indicator	Measure/Target	Actual for 2018/19
Finance Health Grade	Outstanding	Good
Total Combined Income	£51.62m	£52,74m
Sector EBITDA as % of Income	9.93%	7.01%
Capital Expenditure	£2.25m	£4.43m
Solvency (Adjusted Current Ratio)	3.04	1.52
Borrowings as % of Annual Income	9.64%	9.42%
Staff Costs as % of Annual Income	65.50%	65.20%
Financial Statements' audit opinion	Unqualified	Unqualified

A range of performance indicators are used to monitor the financial performance of the College and are reported to the Corporation throughout the year.

REPORT OF THE GOVERNING BODY (Continued)**FINANCIAL POSITION*****Financial Results***

DN Colleges Group generated an operating surplus in the year of £27k (2017/18: £243k surplus).

The Group has accumulated reserves of £19.7 million (2017/18: £30.7 million) and cash balances of £5.7 million (2017/18: £6.6 million).

Tangible fixed asset additions during the year amounted to £4.1 million. This was split between land and buildings additions of £0.05 million, assets in the course of construction of £2.15m and equipment purchased of £1.9 million.

The Group has significant reliance on the funding bodies for its principal funding source, largely from recurrent grants. In 2018/19 the funding bodies provided 67% (2017/18: 68%) of the Group's total income.

The Group has five subsidiary companies, Kingsway Consulting Ltd, Optime Support Limited, DC Teach Limited, Doncaster College and North Lindsey College. The principal activities of Kingsway Consulting Ltd were the rental of property and the provision of conferencing facilities, whilst Optime Support Limited and DC Teach Limited carry out employment services. Any surpluses generated by the subsidiaries are transferred to the College under deed of covenant.

Doncaster College and North Lindsey College were incorporated on 29 March 2018 and did not trade in the period to 31 July 2019.

Treasury Policies and Objectives

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

The Group has a separate treasury management policy in place. All borrowing requires the authorisation of the Corporation.

Cash Flows and Liquidity

At £3.8 million (2017/18: £2.8 million), the Group's cash inflow from operating activities remained very strong. The net cash outflow of £0.9 million (2017/18: £2.2 million outflow) resulted from net outflow from investing activities of £4 million (2017/18: £1.0 million) and an outflow from bank loan repayments and interest of £0.6 million (2017/18: £4.0 million).

The size of the Group's total borrowing and its approach to interest rates have been calculated to ensure a reasonable cushion between the total cost of servicing debt and operating cash flow. During the year this margin was comfortably exceeded.

Reserves policy

Total reserves were £19.7 million at 31 July 2019 (2017/18: £30.7 million) and comprised an income and expenditure reserve of £5.3 million (2017/18: £16.2 million) and a revaluation reserve of £14.4 million (2017/18: £14.5 million). The total net assets of £19.7 million (2017/18: £30.7 million) included cash at bank and in hand of £5.7 million (2017/18: £6.6 million) and net current assets of £1.4 million (2017/18: £1.7 million).

The need for day-to-day working capital is met by careful management of short-term liquid resources, with access to liquidity a priority. The Governors consider a minimum level for liquid assets (defined as cash and cash equivalents) to be the equivalent of one month's expenditure (currently approximately £4.0 million). However, the Governors consider that liquid assets equivalent to three months' expenditure is desirable.

There is a continuing requirement for investment in the Group, and the creation of free reserves is likely to remain a long-term objective. In recognition of this, the policy is to create free reserves out of operating surpluses once all bank debt has been repaid, whilst also recognising the need for targeted capital expenditure and sufficient capital funds to provide for future projects.

REPORT OF THE GOVERNING BODY (Continued)

The Governors believe that the level of unrestricted reserves is adequate to cover the purposes for which they are intended. The Group's reserves policy is reviewed annually, and the Governors consider it appropriate for the financial statements to be prepared on a going concern basis.

CURRENT AND FUTURE DEVELOPMENT AND PERFORMANCE**Student Numbers**

Distinct learner numbers for Doncaster College and North Lindsey College for 2018/19 are provided in the table below:

Learner Category	Doncaster College	North Lindsey College	Total
16 – 18	2,303	1,643	3,946
Adult – Adult Education Budget	2,947	2,179	5,126
Adult – Learner Loan	546	101	647
Adult – Other	604	1,423	2,027
Higher Education	1,009	1,125	2,134
Apprenticeships	1,366	1,293	2,659
Total	8,775	7,764	16,539

Performance Indicators

Performance against 2018/19 targets for the Group are provided in the table below:

Further Education		Target 2018/19	Actual 2018/19
16-18	% Achievement	85%	84%
	% Retention	90%	90%
	% Pass	94%	94%
19+	% Achievement	90%	88%
	% Retention	95%	94%
	% Pass	95%	94%
All	% Achievement	87%	86%
	% Retention	93%	92%
	% Pass	93%	94%
GCSE English Grade 4 or Above	16-18	25%	22%
GCSE English Grade 4 or above	19+	52%	54%
GCSE Maths Grade 4 or Above	16-18	20%	14%
GCSE Maths Grade 4 or Above	19+	40%	40%
% Work Experience	16-18	91%	81%
% Positive Progression	16-18	85%	82%
Apprenticeships	Overall	73%	73%
	Timely	64%	60%

REPORT OF THE GOVERNING BODY (Continued)

Higher Education		Target 2018/19	Actual 2018/19
National Student Survey	2019 Overall Satisfaction	80%	86%
	2019 Teaching on my course	87%	89%
	Assessment & Feedback	80%	85%
	Academic Support	83%	85%
Completion	Full Time	90%	81%
	Part Time	94%	87%
Retention	Full Time	91%	85%
	Part Time	95%	90%

The Education and Skills Funding Agency (ESFA) monitors the financial health of colleges through financial returns and categorises their health as Inadequate, Requires Improvement, Good or Outstanding. The Group's financial key performance indicators provided for a 'Outstanding' financial health score for 2018/19 with a "Good" rating being achieved. The Group's financial health grade of 'Good' is defined as 'Sufficiently robust finances to meet current obligations and respond successfully to most opportunities or adverse circumstances'.

Measure*	Group Plan 2018/19	Group Actual 2018/19	Achieved
Adjusted Current ratio	3.04	1.52	X
Borrowing as a % of Income	9.64%	9.42%	✓
Sector EBITDA as % of Income	9.93%	7.01%	X
Overall Score	Outstanding	Good	X

*Further details of these measures are included on pages 11-14 of the College Financial Planning Handbook 2019 available on the Government UK website.

DN CollegesGroup is committed to observing the importance of sector measures and indicators and use the FE Choices data available on the GOV.UK website which looks at measures such as success rates.

Curriculum Developments

DN Colleges Group is a significant regional provider of education and training across Yorkshire and the Humber operating from two main sites in Scunthorpe and Doncaster. The Group has 7,800 adult students, 3,946 16-18 students, 2,659 apprentices and 2,134 Higher Education students. The Group continues to realign its structure and resources to meet local needs and has established 2 Strategic Local Stakeholder Groups to help shape its Curriculum Blueprint setting out a clear framework for developing a dynamic, responsive and innovative curriculum offer that meets the needs of individuals and employers.

Whilst the demographic fall in school leavers has bottomed out, with numbers now growing again, the Education for Young People market remains highly competitive with 6th form colleges, school 6th forms, UTCs, a National College and adjacent FE colleges all recruiting in across our catchment area and therefore retaining market share remains a key risk for the Group. Whilst the Group maintains a highly inclusive curriculum that serves the needs of its community, it continues to build on its technical and professional provision and has been selected to deliver T Levels in 2021 across 4 subject areas; Construction Health and Social Care, Childcare and Digital Technologies.

The Group continues to prioritise apprenticeships and Higher Education as key areas of growth and in response to the significant increase in apprenticeships and Higher Education students has made a substantial investment in developing a dedicated University Campus in North Lincolnshire (UCNL) which will incorporate an Institute of Technology (IoT) in partnership with the University of Lincoln and other FE Colleges across Lincolnshire. While this expansion is based on identified need there are risks associated with growing this provision linked to national policy and the local economy. For instance, the uncertainty around the future of British Steel combined with Brexit has already had an impact on the confidence in an area where the reliance on manufacturing is high and the College has developed new markets in the rail, chemical and renewable sectors to compensate for this.

REPORT OF THE GOVERNING BODY (Continued)

2018/19 was the first full academic year since merger and the performance across the Group has been broadly in line with expectations with achievements for programmes for young people and adults being at or slightly above national average, apprenticeship achievements remaining above the national average and Higher Education achievements remaining high, with a marked increase in satisfaction rates in the National Student Survey (NSS).

Recruiting, retaining and developing staff to deliver high quality, industry relevant programmes remains a challenge and the Group has recruited a dedicated resourcing manager to assist with this with early indicators showing a fall in hard to fill vacancies resulting in a substantial reduction in agency staff and the associated costs.

There are a number of opportunities linked to engineering, health, digital, construction and renewables that the Group will prioritise in 2019/20 particularly in developing new apprenticeship standards, Higher Education provision and technical qualifications and these should provide the basis for continued future growth and financial sustainability.

Resources (people and reputation)

The Group has various resources that it can deploy in pursuit of its strategic objectives.

Tangible resources include the College campuses at Scunthorpe and Doncaster.

The Group has financial resources in the form of net assets of £19.7m (including £24.7 million pension liability) and long term debt of £4.5 million.

The Group employs 955 full time equivalents, of whom 408 are teaching staff.

The Group has an excellent reputation within the locality of its campuses and regionally within North Lincolnshire and South Yorkshire.

The Group is actively engaged with local and regional agendas and plays a key role in helping to influence decision making. The Group is an active stakeholder and plays a strategic and partnering role in local City Regions and is working closely with Doncaster Council, Sheffield City Region, the University of Lincoln and the Greater Lincolnshire and Humber Local Education Partnerships (LLEPs) and other partners to find innovative solutions to create a skilled and prosperous workforce and improve opportunities for learners and the communities it serves.

Going Concern

The Group post-merger continues to maintain a healthy total net assets position.

The Group has maintained excellent working relations with its bankers and loans held by Doncaster College with Lloyds Bank were restructured at the point of merger to reduce the amount of term loans and replace with a revolving credit facility. This change has provided greater flexibility to manage interest costs in the future and take advantage of the cash resources of the Group. The College's forecasts and financial projections indicate that it will be able to operate within its existing banking facilities and covenants for the foreseeable future.

After making appropriate enquiries, the Corporation considers that the Group has adequate resources; £19.7 million (2017/18: £30.7 million) net assets and £5.7 million (2017/18: £6.6 million) cash at bank and in hand to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

Future Developments

The Strategic Plan 2019-2022 has identified the following objectives for the Group:

- A successful and sustainable Merger
 - Individualised 16 to 18 programmes of study
 - Development and growth of our Adult provision
-

REPORT OF THE GOVERNING BODY (Continued)

- Development and growth of our University Centres
- Development and growth of Apprenticeships
- Developing a high-performing culture
- Working in partnership
- Effective and efficient business services

Performance targets for 2019/20:

Further Education		Target 2019/20
16-18	Achievement	85%
	GCSE English Higher Grades	25%
	GCSE English Progress	45%
	GCSE Maths Higher Grades	20%
	GCSE Maths Progress	35%
	Work Experience	93%
	Development of Vocational Skills	90%
	Development of Employability Skills	90%
	Positive Destination on Leaving	92%
	Sustained Positive Destination	83%
	19+	Achievement
GCSE English Higher Grades		55%
GCSE Maths Higher Grades		42%
Apprenticeships		
16-18	Intermediate - Achievement	70%
	Advanced - Achievement	76%
	Higher - Achievement	100%
	All levels - Achievement	73%
	Positive Destination on Leaving	77%
	Sustained Positive Destination	75%
19+	Intermediate - Achievement	74%
	Advanced - Achievement	80%
	Higher - Achievement	75%
	All levels - Achievement	77%
	Positive Destination on Leaving	89%
	Sustained Positive Destination	87%

Higher Education		Target 2019/20
National Student Survey	2019 Overall Satisfaction	88%
	2019 Teaching on my course	90%
	Assessment & Feedback	86%
	Academic Support	86%
Performance	Overall Achievement Rate	95%
	Overall Retention	88%
	Continuation Rate (Full Time)	84%
Higher Grades	Honours Degree Classification 1 st /2:1	55%

REPORT OF THE GOVERNING BODY (Continued)**PRINCIPAL RISKS AND UNCERTAINTIES*****Risk Management***

The Group has well developed strategies for managing risk and strives to embed risk management in all that it does. Risk management processes are designed to protect its assets, reputation and financial stability. The governing body has overall responsibility for risk management and its approach to managing risks and internal controls is explained in the Statement of Corporate Governance and Internal Control.

A risk register is maintained at the Group level which is reviewed at termly by the Audit and Risk Committee and more frequently where necessary. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Group and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

The main risk factors affecting the Group are outlined below along with the action taken to minimise them. Not all the factors are within the Group's control. Other factors besides those listed below may also adversely affect the Group.

1	16-18 - Failure to recruit 16-18 provision student numbers and meet the demands and requirements of successful curriculum delivery
2	19+ - Failure to recruit 19+ provision student numbers and meet the demands and requirements of successful curriculum delivery
3	Apprenticeships - Failure to grow Apprenticeship provision and meet the needs of employers
4	Higher Education - Failure to recruit Higher Education student numbers and meet the demands and requirements of successful curriculum delivery
5	Legal - Serious breach of statutory duties and/or legal obligations
6	Finance - Failure to deliver financial sustainability
7	Digital - Failure to deliver on the strategic objectives for Digital Technologies
8	Staff - Failure to attract, develop and retain the best staff to support the Group's vision and values
9	Property - Failure to provide College property whose size and condition is fit for purpose, compliant, and efficient
10	UCNL – Failure to successfully open University Campus North Lincolnshire
11	High Melton - Failure to complete timely disposal of, and realise value-for-money from, High Melton asset
12	Governance – Failure to develop and maintain an effective corporate governance and internal control framework

Principal Risks and Uncertainties

The biggest risk is the failure to recruit students in all subject areas within the next few years, specifically in view of the continuing demographic dip. The cost of pensions remains a significant concern. The expectation is that both the deficit and cost of providing future pensions will be substantially higher in the future. The UK's decision to leave the European Union continues to create uncertainty. The impact on student and staff recruitment remains unclear, and it remains to be seen how this will develop in the longer term and the potential impact upon supply chains.

REPORT OF THE GOVERNING BODY (Continued)**STAKEHOLDER RELATIONSHIPS**

The Group has many stakeholders. These include:

- Current, future and past students;
- Parents or carers of students;
- Staff;
- Education sector funding bodies;
- FE Commissioner;
- Local employers;
- Local authorities;
- Local schools;
- Government offices and local enterprise partnerships;
- The local community;
- Other further education and higher education institutions;
- Trade unions;
- Professional bodies.

The Group recognises the importance of these relationships and engages in regular communication with its stakeholders.

TRADE UNION FACILITY TIME

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require the Group to publish information on facility time arrangements for trade union officials at the Group.

Numbers of employees who were employed during the relevant period	FTE employee number
6	6

Percentage of time	Number of employees
0%	-
1-50%	6
51-99%	-
100%	-

Total cost of facility time	£0.023m
Total pay bill	£31.9m
Percentage of total bill spent on facility time	0.07%

Time spent on paid trade union activities as a percentage of total paid facility time	0%
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REPORT OF THE GOVERNING BODY (Continued)**EQUALITY AND DIVERSITY**

The Group is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positively differences in race, gender, sexual orientation, disability, religion or belief and age. We strive vigorously to remove conditions which place people at a disadvantage or treat people less favourably because of protected characteristics, or by conditions imposed which cannot be objectively justified. The Group's Equality and Diversity Policy is published on the Group's intranet sites and is resourced, implemented and monitored on a regular basis.

The Group publishes regular Equality and Diversity reports to ensure compliance with all relevant equality legislation including the Equality Act 2010. The Group undertakes equality impact assessments on all new policies and procedures and publishes the results. Equality impact assessments are also undertaken for existing policies and procedures on a prioritised basis. An Equality and Diversity Leader takes responsibility for working across each College on Equality and Diversity themes and events and for the effective embedding of Equality and Diversity in teaching and learning.

An Equality and Diversity group, comprising staff, students and governors meet regularly throughout the year to review the annual quality improvement plan and carry out a range of projects and monitoring activities. Equality and Diversity objectives and actions are included in the Strategic Plan and Risk Register.

The Group is a 'Positive about Disabled' employer and has committed to the principles and objectives of the Positive about Disabled standard. The Group considers all employment applications from disabled persons, bearing in mind the aptitudes of the individuals concerned, and guarantees an interview to any disabled applicant who meets the essential criteria for the post. Where an existing employee becomes disabled, every effort is made to ensure that employment with the Group continues. The Group's policy is to provide training, career development and opportunities for promotion which, as far as possible, provide identical opportunities to those of non-disabled employees. The Group seeks to make reasonable adjustments to its estate and practices to avoid any disadvantage to an individual.

The Group has committed to the 'Mindful Employer' initiative to assist the mental health wellbeing of staff. The Group has also implemented an updated Equality and Diversity training programme for staff. Refresher training and training for new starters is carried out on a continuous basis.

Disability Statement

The Group seeks to achieve the objectives set down in the Equality Act 2010.

The Group has High Needs Co-ordinators who provide information and advice and arrange support where necessary for students with learning difficulties and/or disabilities. This is further supported by an Additional Learning Support Co-ordinator and specialist lecturers to support students with learning difficulties and/or disabilities.

There are a number of Teaching Assistants who provide a variety of support for learning. There is a continuing programme of staff development to ensure the provision of a high level of appropriate support for students who have learning difficulties and/or disabilities. Specialist equipment and assistive technology are available for use.

Specialist programmes are described in the College prospectus; achievements and destinations are recorded and published in the standard Group format.

Counselling and Student Support Services are described in the Student Handbook, which is available to students via Moodle with the Complaints and Disciplinary procedures which are covered during the induction period and included in a short summary guide available at enrolment.

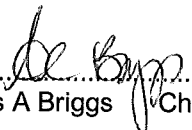
REPORT OF THE GOVERNING BODY (Continued)**Payment performance**

The Late Payment of Commercial Debts (Interest) Act 1998, in the absence of agreement to the contrary, requires organisations 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. During the accounting period 1 August 2018 to 31 July 2019, the College paid 62.5 per cent of its invoices within 30 days. The Group incurred no interest charges in respect of late payment for this period.

DISCLOSURE OF INFORMATION TO AUDITORS

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 Group'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 Group's auditors are aware of that information.

Approved by order of the members of the Corporation on **11 December 2019** and signed on its behalf by:


.....
Mrs A Briggs Chair

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL

The following statement is provided to enable readers of the annual report and financial statements of the Corporation to obtain a better understanding of its governance and legal structure. This statement covers the period from 1 August 2018 to 31 July 2019 and up to the date of approval of the annual report and financial statements.

The Corporation endeavours to conduct its business:

- i. in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
- ii. in full accordance with the guidance to colleges from the Association of Colleges in The Code of Good Governance for English Colleges ("the Code"); and

The Corporation is committed to exhibiting best practice in all aspects of corporate governance and in particular the Board has adopted and complied with the Code. We have not adopted and therefore do not apply the UK Corporate Governance Code. However, we have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code we consider to be relevant to the further education sector and best practice.

In the opinion of the Governors, the Corporation complies with all the provisions of the Code, and it has complied throughout the year ended 31 July 2019. The Governing Body recognises that, as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times. In carrying out its responsibilities, it takes full account of The Code of Good Governance for English Colleges issued by the Association of Colleges in March 2015, which it formally adopted in March 2015.

The Group is an exempt charity within the meaning of Part 3 of the Charities Act 2011. The Governors, who are also the Trustees for the purposes of the Charities Act 2011, confirm that they have had due regard for the Charity Commission's guidance on public benefit and that the required statements appear elsewhere in these financial statements.

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (Continued)***The Corporation***

The members who served on the Corporation during the year and up to the date of signature of this report were as listed in the table below.

Name	Date of First Appointment	Term of Office	Date of Resignation	Status of Appointment	Committees Served	Corporation Meeting Attendance
Mrs A Briggs (Chair from Oct 2018)	Jul 2013	2		Member	Finance & Resource, HE Performance & Quality, Curriculum Quality & Performance, Search & Governance	7 out of 7
Mr P Pascoe (Vice Chair)	March 2012	2		Member	Finance & Resources, Search & Governance, HE Performance & Quality	7 out of 7
Mr P Adams	Oct 2009	3	31 July 2019	Member	Finance & Resources, Search & Governance	6 out of 7
Mrs R Brook	Dec 2015	2		Member	Finance & Resources, Curriculum Quality & Performance, HE Performance & Quality, DC Teach (until 18/4/19), Optime Support Ltd (until 18/4/19)	6 out of 7
Mr G Clarke	Oct 2013	2		Member	Audit & Risk, Curriculum Quality & Performance	5 out of 7
Mr P Grinell	Mar 2012	2		Member	Audit & Risk, Curriculum Quality & Performance, Kingsway Consulting, DCTeach	7 out of 7
Mrs M Keyworth	Jan 2017	1		Member	Audit & Risk, HE Performance & Quality	6 out of 7
Mr A Khan	Jul 2011	3		Member	Finance & Resources	4 out of 7
Mr B Lawrance	Aug 2019	1		Member	Curriculum Quality & Performance	1 out of 1
Mr M Lynds	Nov 2013	2		Member	Audit & Risk, Search & Governance	6 out of 7
Mr H Osborne	Dec 2004	3		Member	Audit & Risk, Optime Support (from May 2019)	5 out of 7
Mr P Scanlon	March 2019	1		Member	Finance & Resources, Remuneration Committee, SPH Staffing Committee	4 out of 4
Mr P Senior	April 2017	1		Member	Audit & Risk, Curriculum Quality & Performance, HE Performance & Quality	6 out of 7
Mr M Swales	March 2017	1		Member	Finance & Resources, Search & Governance, HE Performance & Quality, SPH Staffing Committee, Remuneration Committee	6 out of 7
Mr L Tillman	March 2019	1		Member		2 out of 4
Mr L Walker	March 2019	1		Member	Audit & Risk	3 out of 4
Miss L Sharp	Nov 2008	3		Staff Member	Finance & Resources, Search & Governance	7 out of 7