



EXETER COLLEGE
Annual Report and Financial Statements
Year ended 31 July 2024

EXETER COLLEGE CONTENTS

	Page number
Reference and administrative details	3
Statement from the Chair of the Board	4
Strategic Report	6
Statement of Corporate Governance and Internal Control	14
Statement of Regularity, Propriety and Compliance	21
Statement of Responsibilities of the Members of the Corporation	22
Independent Auditor's Report on the Financial Statements	23
Independent Auditor's Report on Regularity	26
Consolidated Statement of Comprehensive Income and Expenditure	28
Consolidated and College Statement of Changes in Reserves	29
Balance Sheets	30
Statement of Cash Flows	31
Notes to the Financial Statements	32

EXETER COLLEGE

Reference and Administrative Details

Board of Governors

A full list of Governors is given on Page 14 &15 of these financial statements.

Senior management team

Key management personnel are defined as members of the College Senior Leadership team reporting directly to the principal and were represented by the following in 2023-24:

Principal & Accounting Officer:	Mr J Laramy CBE
Vice Principal and Deputy CEO	Mr R Bosworth (To end June 2024)
Vice Principal	Ms J Otty
Executive Director of Finance:	Mr J Dowell
Executive Director of College Information Services:	Mr T Coombes
Executive Director of People and Organisational Development:	Ms G Noble
Head of Governance	Mrs A Layton-Hill

Professional advisers

Financial statement and regularity auditor:

Bishop Fleming LLP
Chartered Accountants and Statutory Auditors
Stratus House
Emperor Way
Exeter Business Park
Exeter EX1 3QS

Internal auditors:

TIAA
Business Support Centre
54-55 Gosport Business Centre
Aerodrome Road, Gosport
Hampshire, PO13 0FQ

Bankers:

Lloyds Bank plc
PO Box 340
234 High Street
Exeter
EX4 3ZB

Solicitors:

Foot Anstey Solicitors
Senate Court
Southernhay Gardens
Exeter
Devon
EX1 1NT

Property consultants:

Peninsula Project Consulting
Redwoods
2 Clyst Works
Clyst Road
Topsham

It is my pleasure to be writing this statement, reflecting on what has been another outstanding year for Exeter College and also celebrating the many achievements of our students, staff, and wider college community. This past year has been one of exceptional progress, both academically and in the development of our facilities, as we continue to build a vibrant and supportive environment where our learners can thrive.

Our Strategic Plan launched back in 2020/21 set out our vision 'To be an exceptional college' and the three key values of the College: Ambition, Collaboration and Energy. As we approach the end of that plan's life, I think we can be proud of the progress we have made in pursuit of that vision and the way we have lived out those values. During the last year, the Board of Governors of the college worked with the College Leadership to ensure our next strategic plan, due for publication in early 2025, will clearly set out our strategic direction for the next phase of our journey.

Exeter College has a proud history of collaborating with key partners across business, industry and the community. Our partnerships remain vital, offering students invaluable opportunities for real-world experience. Long-standing collaborations with employers like GWR, HepcoMotion, and sporting partnerships with Exeter City Football Club and Exeter Chiefs, along with new international links, such as our ongoing partnership with Embry-Riddle Aeronautical University, are key to broadening our students' horizons. The coherence of the education system in Exeter is admired by many and we work in partnership with local schools and the University of Exeter to ensure it remains strong and purposeful ensuring that the quality of education and skills training that we provide meets current and future needs of our local community.

We have made substantial investments in our facilities over the last 12 months and started projects that will see next year as the largest capital spending programme in our history. Significant projects including: the expansion of the Exwick Sports Hub and upgrades to our Hospitality & Catering building and Centre for Creative Industries have been supported by grants from the Department for Education (DfE). In addition, construction began on a £12.5 million Centre for Law and Social Sciences, which will provide state-of-the-art learning spaces for students in these fields. All these developments are part of our ongoing commitment to ensuring the best possible learning environments for our community.

Returning to the academic achievements and progression of our learners, I am delighted to report that our students achieved outstanding results in summer 2024. A Level pass rates reached an impressive 99.5%, 2.5% above the national average, while A*-C grades stood at 83%, surpassing national levels. Our vocational courses also excelled with a 99.2% overall pass rate, and our T Levels achieved a remarkable 100% pass rate in key areas like Construction, Health, Business, and Education & Childcare, with an overall pass rate of 96.6%, significantly higher than the national average. Apprenticeship achievement rate of 68% represents an improvement of 10% and a solid start towards our goal of reaching 75% by 2025. Of the 1,590 University applications through UCAS, 1,288 (80%) were placed with their first choice and an impressive 20 out of 24 Oxbridge applicants were successfully placed there.

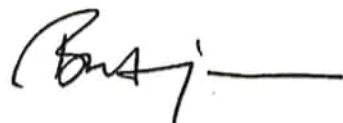
The college continues to enjoy growth in numbers of learners wanting to join us each year. The record number of 16-18 year olds in the last 12 months looks set to be exceeded again in the year ahead based on enrolment for the 2024/25 academic year and demographic analysis conducted by the Office of National Statistics (ONS) suggests further growth in the next ten years for the Exeter and wider Devon area. This sustained growth and future outlook represents a significant strategic challenge and is a key driver of our capital spending plans in order to create and maximise efficient use of space. Whilst good progress is being made, we continue to seek out all opportunities for capital funding to address these challenges over the longer term.

The Board's objective of achieving at least "Good" financial health has again been achieved. Through the sound risk management and a determination to identify and address emerging issues undertaken by our Business Services Committee, the Governors actively monitor the various headwinds and ensure we remain on track to do so, whilst delivering on our financial strategy to maximise investment in our staff and infrastructure. The Board also provides robust oversight of the ambitious capital development programme to accommodate its continued growth in learner numbers.

Over the past year the Board has welcomed several new governors which has ensured the breadth of its skills, knowledge and experience remains strong. We remain committed to ensure that our membership is representative of the community we serve and carefully considers skills, background and diversity when making new appointments. We remain confident that the College is well placed to continue to thrive in an ever-changing environment and meet the curriculum and financial challenges and opportunities that the sector faces.

EXETER COLLEGE

As ever, I would like to thank the dedicated staff at Exeter College, my fellow Governors and, above all, the learners and their supporters. I look forward to continuing to serve the stakeholders of the College for my remaining term of office.

A handwritten signature in black ink, appearing to read 'Bindu Arjoon', followed by a horizontal line.

Bindu Arjoon
Chair of the Board of Exeter College

OBJECTIVES AND STRATEGY

The governing body present their annual report together with the financial statements and auditor's report for Exeter College for the year ended 31 July 2024.

Legal status

The Corporation was established under the Further and Higher Education Act 1992 for the purpose of conducting the business of Exeter College. The College is an exempt charity for the purposes of Part 3 of the Charities Act 2011.

On 29th November 2022, the Office for National Statistics ('ONS') reclassified further education corporations, sixth form college corporations and designated institutions in England ('Colleges'), as public sector bodies, forming part of Central Government.

Vision, Mission and Dimensions

In 2020/21, Exeter College launched its current Strategic Plan (2020-25) which incorporates the following Vision, Mission and Dimensions.

Vision

To be an exceptional college.

Mission

To shape futures by delivering world-class education and training for our city and region.

Our Dimensions

1. Sixth Form:

To inspire young people in our region through the provision of an inclusive and ambitious curriculum which is an engine for social mobility.

2. Higher Education and Adult Learning:

To deliver exceptional education and training that fulfils individuals' ambitions.

3. Apprenticeships and Employers:

To be essential to the region's skills development strategy, by shaping agile and forward-looking training and skills for the benefit of Apprentices, Employers and Stakeholders.

4. People

To be an exceptional employer where staff thrive because they feel valued, engaged and challenged.

5. Resources and Business Operations

To provide exceptional facilities and support in a sustainable environment.

EXETER COLLEGE

Within the detail of the Strategic Plan, for each Dimension, 'Our Provision' details the objectives of the Dimension and a series of measurements are included under the banner of 'What would success look like'. The 'Provision' and 'What would success look like' will be reviewed by the Board on a regular basis to assess successful delivery of the Strategic Plan.

During 2023/24 the college has been developing its next Strategic Plan, which will be launched early in the 2025 calendar year.

Resources

The College employs 1,323 people, of whom 1,138 are teaching staff.

In 2023/24, Exeter College enrolled approximately 12,500 students. The College's student population includes 6,990 16-to-18-year-old students, around 2,400 apprentices, 225 higher education students and 3000 part time adult learners.

Excluding the pension reserve, Net Assets of the Group are £43.8m (2022/23: £41.5m) and the College £44.0m (2022/23: £41.6m). The Group pension reserve is now £nil (2022/23: £nil)

Tangible resources include the College sites as follows:

- Five primary College sites in Exeter city centre, including the main Hele Road site, the Maths and Science Centre, Victoria House, the CCI building and the Sports Hall
- The Technology Centre at Monkerton
- The Construction Centre at Sowton
- The Outdoor Education Centre at Haven Banks, on the Quayside in Exeter, in partnership with Devon County Council and
- The Exwick sports facilities in conjunction with Exeter City Council.

During the course of 2023/24 around £5m of capital investment was made across a wide range of projects that contribute to ensuring the college is providing high quality teaching space with access to industry standard equipment and facilities in both the physical and digital environments.

The College has an outstanding reputation locally, regionally and nationally. Maintaining a high-quality brand is essential for the College's success at attracting students, staff and external relationships. In the most recent Ofsted inspection in 2022, Exeter College was rated as Outstanding, retaining the highest rating it was awarded at last inspection back in 2014.

Stakeholders

In line with other colleges and with universities, Exeter College has many stakeholders. These include:

- Current and former students
- Staff
- Governors
- Trade unions
- Local employers
- Parents & schools
- Exeter University
- Other FE and HE institutions
- The local community
- Local Authorities
- Local Enterprise Partnership
- Funding Agencies
- Lenders
- Professional bodies

EXETER COLLEGE

Public Benefit

Exeter College is an exempt charity under 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 page 14 and 15. 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.

The guidance sets out the requirement that all organisations wishing to be recognised as charities must demonstrate, explicitly, that their aims are for the public benefit. In delivering its mission, the College provides the following identifiable public benefits through the advancement of education:

- High-quality teaching
- Widening participation and tackling social exclusion
- Excellent employment record for students
- Strong student support systems
- Links with employers, industry and commerce
- Links with Local Enterprise Partnerships (LEPs)

On 29th November 2022, the Office for National Statistics ('ONS') reclassified further education corporations, sixth form college corporations and designated institutions in England ('Colleges'), as public sector bodies, forming part of Central Government. This means, inter alia, that it must comply with the requirements of HM Treasury's Managing Public Money guidelines, strengthening still further the link to public benefit.

DEVELOPMENT AND PERFORMANCE

Financial results

Before an actuarial gain in respect of pensions of £1,349k (2022/23 £16,614k) and an additional pension surplus not recognised of £1,262k (2022/23 £4,036k) the Group generated an operating surplus before pension adjustments of £2,702k (2022/23 £436k). The Group received 70% of its total income for 2023/24 (2022/23 71%) as grants from funding bodies (excluding apprenticeships), most notably from the Education and Skills Funding Agency for 16-18 provision. The growth in income from the prior year was again largely due to an increase in funding from the ESFA in relation to the 16-18 cohort, from £35.7m in 2022/23 to £40.2m in 2023/24 due to growth in learner numbers. There has been a corresponding increase across most cost lines to meet the needs of the increased numbers, most notably college staff costs from £36.5m to £38.4m.

Net Assets of the Group are £43.8m (2022/23: £41.5m). The Group's main asset is its Land and Buildings (including Assets in the course of construction), with a net book value of £67.2m (2022/23 £66.3m)

Cash flows and liquidity

Cash balances at year end were £10.8m (2022/23: £9.3m). The cash balances will continue to be used to support the development and implementation of the strategic plan and property Masterplan.

At £5.1m (2022/23 £4.1m), Group net cash flow from operating activities remains strong.

The size of the College's total borrowing and its approach to interest rates has been calculated to ensure a reasonable cushion between the total cost of servicing debt and operating cashflow. Since reclassification, no new commercial borrowing is permitted without DfE consent. During the year interest paid of £413k (2022/23 £361k) and repayment of amounts borrowed of £943k (2022/23 £935k) were clearly exceeded comfortably by the operating cashflow of £5.1m.

EXETER COLLEGE

Reserves

The group has accumulated reserves (excluding Revaluation reserve and Pension reserve) of £36.5m (2022/23 £33.9m) and cash and cash equivalent balances of £10.8m (2022/23 £9.3m). The Group will continue to utilise reserves and cash balances in order to fund significant planned capital requirements in order to maintain great quality teaching facilities and accommodate growth in student numbers.

Sources of income

The Group has significant reliance on the education sector funding bodies and received 70% of its total income for 2023/24 as grants from funding bodies (excluding apprenticeships), most notably from the Education and Skills Funding Agency for 16-18 provision.

Group companies

The College has three subsidiary companies. The College owns 100% of the issued ordinary £1 shares of Aplus Training (SW) Limited which remained dormant throughout the year and Exeter College Apprentices Limited which became dormant in the last financial year. The third wholly owned subsidiary is Exeter College Services Limited (formally Ecole Limited). The principal activities of Exeter College Services Limited during the period was that of the provision of Nursery services and provision of MOT training and testing. The nursery services operations of Exeter College Services Ltd were transferred to a private sector provider with effect from 1st August 2024.

Future developments

During 2017 the College launched an estates Masterplan producing a vision for our city centre sites (Hele Road and Queen Street) to accommodate a projected 30% growth in students over the period of the Masterplan. Now some 6 years on, good progress has been made, and further key projects are underway that replace our worst condition estate on the Hele Road site with modern fit-for-purpose building and deliver world class sports facilities for the students of Exeter College and the wider Exeter community.

Increasing investment in IT and smaller scale estates projects to maintain quality, improve business continuity and combat the threat of cyber security attacks remain key priorities for the future.

Taken together, these plans amount to an exciting period for the college, with planned investment of £25m over the next 5 years, delivering against the core priorities within the masterplan and supporting delivery of our strategic plan vision to be an exceptional college.

Financial plan

The College governors approved a financial plan in July 2024 which sets objectives for the period to July 2025. The College aims to maintain its health rating of at least 'Good' and achieve a surplus in the year to 31 July 2025 in order to generate cash for further investment in the estate, IT and specialist faculty equipment outlined in the future developments section above.

In line with the available demographic data through the Office of National Statistics, growth has been forecast across income lines, with the resultant teaching and support staff costs also increased. Cost increases have also been included to account for expected inflationary pressures.

Treasury policies and objectives

The College has treasury management arrangements in place to manage cash flows, banking arrangements and the risks associated with those activities.

Borrowing requires authorisation of the Corporation and shall comply with the requirements of the Financial Memorandum of the Education and Skills Funding Agency.

EXETER COLLEGE

Following the reclassification of FE colleges into the central government sector, the conditions relating to borrowing became generally more restrictive, to ensure compliance with the requirements of *Managing Public Money (MPM)*.

The Department for Education (DfE) issued guidance confirming that Colleges' existing debt commitments did not need to change, and that they expect that colleges will repay their existing loans to maturity. The guidance also clarified that in respect of any proposed new private sector borrowing, *MPM* is clear that from 29 November 2022 colleges as public sector organisations may borrow from private sector sources only if the transaction delivers value for money for the Exchequer. Because non-government lenders face higher financing costs, in practice it is very unlikely that colleges will be able to satisfy this condition for future private sector borrowing, therefore **any** proposals for new private sector borrowing would need express DfE consent.

Reserves Policy

The College recognises the importance of reserves in the financial stability of the organisation and ensures that adequate resources are in place for the College's core activities. The College currently holds no restricted reserves. It is the Corporation's intention to maintain reserves over the life of the strategic plan, by the generation of annual operating surpluses, to in part invest in future phases of the property Masterplan.

The College considers its reserves (excluding pension reserves) to be at a sufficient level to fund the Masterplan requirements for the foreseeable future, as the pension liability will be settled over a long term period.

PRINCIPAL RISKS AND UNCERTAINTIES

The College 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.

A risk register is maintained at the College level which is reviewed regularly by the Senior Leadership Team and the Audit and Risk Assurance Committee on at least a termly basis. In addition, each risk has been allocated to the relevant governance committee for additional oversight. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the College 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 College are outlined below. Not all the factors are within the College's control. Other factors besides those listed below may also adversely affect the College.

- Failure to respond to curriculum and assessment changes
- Failure to meet safeguarding and Prevent Strategy requirements
- Failure to accommodate and coordinate large exam sittings
- Failure to detect fraud
- Failure to maintain financial stability
- Failure to recruit 16-18 learners
- Failure to control and deliver capital and revenue projects
- Failure to provide sufficient specialist resources, social space and accommodation to support students (including T levels)
- Failure to recruit high quality staff and managers
- New and increased competition from FE colleges and schools with 6th forms
- Adverse publicity and reputation damage due to failure of travel service providers
- Breach of legislation
- IT security – risk of cyber attack

These risks are being addressed through the College's Strategic and Operational plans, with well-established risk management processes that are embedded in the operations of the College.

EXETER COLLEGE
KEY PERFORMANCE INDICATORS

The Governing Body agreed the following objectives at part of the budget setting process.

1	To sustain at least Good Financial Health, as categorised by the ESFA.	Achieved
2	To maintain a retained cash position that enables significant strategic capital builds to take place. Target year end cash reserves (pre-capital build expenditure) of £6m	Achieved – year end cash reserves of £10.8m,
3	To maintain liquidity to meet short term requirements. Current ratio > 1.2	Achieved – Group current ratio at year end of 1.52
4	To manage long term borrowing and overall debt. Borrowing as a percentage of income less than 30%	Achieved - Borrowing as a percentage of income 11.4%
5	To achieve an agreed annual operating surplus. EBITDA (as a % of income) > 5%	Achieved - Annual Education specific EBITDA as a percentage of income 8.57%..
6	Generate sufficient funds to service debt. Debt service cover > 2:1	Achieved – Debt service cover 3.7:1
7	Ensure surplus translates into cash. Cash generation from operations as % of income >2%	Achieved – Cash generated from operations 7.9%

Student achievements

Our students achieved outstanding results in summer 2024. A Level pass rates reached an impressive 99.5%, 2.5% above the national average, while A*-C grades stood at 83%, surpassing national levels. Our vocational courses also excelled with a 99.2% overall pass rate, and our T Levels achieved a remarkable 100% pass rate in key areas like Construction, Health, Business, and Education & Childcare, with an overall pass rate of 96.6%, significantly higher than the national average. Apprenticeship achievement rate of 68% represents an improvement of 10% and a solid start towards our goal of reaching 75% by 2025. Of the 1,590 University applications through UCAS, 1,288 (80%) were placed with their first choice and an impressive 20 out of 24 Oxbridge applicants were successfully placed there.

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 the Treasury for payment to suppliers within 30 days is 95 per cent. During the accounting period 1 August 2023 to 31 July 2024, the College paid 95% of its suppliers within the month. The College incurred no interest charges in respect of late payment for this period.

EQUALITY AND DIVERSITY

Equality

Exeter College is committed to ensuring equality of opportunity for all who learn and work here. Safeguarding is at the core of all the College's operations. We respect and value positively differences in race, gender, sexual orientation, ability, class and age. We strive vigorously to remove conditions which place people at a disadvantage and we will actively combat bigotry. This policy will be resourced, implemented and monitored on a planned basis.

The College's Equality and Diversity Policy is published on the College's Internet site.

EXETER COLLEGE

The College considers all applications from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment with the College continues. The College's policy is to provide training, career development and opportunities for promotion, which are, as far as possible, identical to those for other employees. An Equality and Diversity Policy is in place and is monitored by managers and governors.

Disability statement

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

- b) As part of its accommodation strategy the College regularly updates its access audit.
- b) There is a list of specialist equipment, such as laptops, audio devices and assistive technologies, which the College can make available for use by students.
- c) The admissions policy for all students is described in the College charter. Appeals against a decision not to offer a place are dealt with under the complaints policy.
- d) The College has made a significant investment in the appointment of specialist lecturers to support students with learning difficulties and/or disabilities. There are a number of student support assistants who can 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.
- e) Specialist programmes are described in College prospectuses, and are available in print and online (accessible versions of the prospectus are also available on request). The College works with schools to support transition to College.
- f) Counselling and welfare services are described in the College Student Handbook and signposted at induction and through our tutorial programme. Students are also provided with the Student Code of Conduct and IT policy at induction.

Trade union facility time

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

Numbers of employees who were relevant period	FTE employee number
12	10.67

Percentage of time	Number of employees
0%	-
1-50%	12
51-99%	-
100%	-

Total cost of facility time	£13,099.86
Total pay bill	£37,266,967
Percentage of total bill spent on facility time	0.035%

Time spent on paid trade union activities as a percentage of total paid facility time	0%
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EXETER COLLEGE

GOING CONCERN

After making appropriate enquiries, the corporation considers that the College has adequate resources 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.

EVENTS AFTER THE REPORTING PERIOD

There are no post balance sheet items in the financial statements to report.

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 College's auditors are unaware; and each member has taken all the steps that they 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.

Approved by order of the members of the Corporation on 13/12/24 and signed on its behalf by:



Bindu Arjoon
Chair of the Board

**EXETER COLLEGE
STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL**

CORPORATE GOVERNANCE

The following statement is provided to enable readers of the annual report and accounts to obtain a better understanding of the College's governance and legal structure. This statement covers the period from 1 August 2023 to 31 July 2024 and up to the date of approval of the annual report and financial statements.

The college endeavours to conduct its business:

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

In the opinion of the Governors, the College complies with all the provisions of the Code, and it has complied throughout the year ended 31 July 2024. This opinion is based on a review of compliance with the Code reported to the Board within an eighteen month period and an external review of governance undertaken by Governance4FE. 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 originally issued by the Association of Colleges in 2015 which it formally adopted at the September 2015 meeting of the Governing body. The updated 2023 revision of the Code was formally adopted by the Governing body at the September 2023 meeting.

THE CORPORATION

The governors, including co-opted members, who served on the Corporation during the year and up to the date of signature of this report were as listed in Table 1. Attendance data refers only to Board and Committee meetings held between 01/08/23 and 31/07/24 on which Members served, not where Members attended as observers.

Table 1: Corporation Members during 2023/24 and up to the date of approval of this report

Name	Appointment Dates	Terms of Office	Resignation Dates	Appointment Status	Board & Committees 01/08/23-31/07/24 (meetings attended/scheduled meetings)
B Arjoon <i>Chair from 01/08/21</i>	01/08/13 01/08/17 30/04/21 (approval of third term to 31/07/25)	4 years 4 years 4 years		External	Board (3/4) Quality & Standards (4/4) Search & Governance (3/3) Remuneration (2/2)
G Atkins	01/06/23	4 years		External	Board (4/4) Business Services (4/4)
S Brampton	09/10/15 09/10/19	4 years	08/10/23	External	Search (1/1) Remuneration (0/1)
S Clarke	04/05/18 03/05/22	4 years		External	Board (4/4) Quality & Standards (3/4) Search and Governance (3/3) Remuneration (2/2)
P Degregorio	07/12/22	4 years		Staff (T&L)	Board (3/4) Quality and Standards (3/4)
L Eggins	05/10/23	1 year	31/08/24	Student	Board (4/4) Quality and Standards (3/3)
A Ghadiali	01/09/23	4 years		Co-opted	Quality and Standards (4/4)

EXETER COLLEGE

Name	Appointment Dates	Terms of Office	Resignation Dates	Appointment Status	Board & Committees 01/08/23-31/07/24 (meetings attended/scheduled meetings)
A Hart	19/04/24	4 years		External	Board (1/1) Quality and Standards (1/1)
N Hitchings	07/02/20 08/02/24	4 years		External	Board (4/4) Audit & Risk Assurance (3/3) Search (2/2) Remuneration (1/1)
R Hutchins	15/03/21	4 years		External	Board (3/4) Audit and Risk Assurance (3/3)
J Laramy	01/04/16	Ex officio		Principal & CEO	Board (4/5) Business Services (3/4) Quality & Standards (3/4) Search & Governance (3/3)
C McCormack	01/05/20 02/04/24	4 years		External	Board (2/4) Business Services (4/4) Search (3/3) Remuneration (2/2)
S Noakes	06/07/18 05/07/22	4 years 4 years		External	Board (1/4) Business Services (4/4)
D Norcombe	19/04/24	4 years		External	Board (0/1) Audit (1/1)
A Okesola	28/08/23	4 years		Student	Board (4/4) Quality and Standards (3/3)
T Quine	03/07/20 02/07/24	4 years		External	Board (2/4) Quality & Standards (3/4)
V Roberts	03/07/20 04/07/24	4 years		Staff (Business Support)	Board (4/4) Quality & Standards (4/4)
A Sangaralingam	14/10/22	1 year	31/08/23	HE Student Governor	
C Sedgman	01/06/23	4 years		External	Board (3/4) Business Services (4/4)
L Skinner	01/07/23	2 years		External (Secondary School)	Board (1/4) Quality and Standards (4/4)
P Tigwell	18/02/22	4 years		External	Board (3/4) Business Services (4/4) Search and Governance (2/3) Remuneration (1/2)
Z Volschenk	13/12/22	1 year	31/08/23	FE Student Governor	
A Westcott	15/03/21	4 years		Co-opted	Audit and Risk Assurance (3/3)
S Wiltshire	01/11/23	4 years		External	Board (2/3) Business Services (3/3)
S Wolkowski	30/04/21	4 years		External	Board (4/4) Business Services (3/4)
G Woodcock	07/10/16 07/10/20	4 years 4 years		External	Board (4/4) Business Services (1/4) Search and Governance (3/3) Remuneration (2/2)

Alison Layton-Hill is the Head of Governance.

THE GOVERNANCE FRAMEWORK

It is the Corporation's responsibility to bring independent judgement to issues of strategy, performance, resources and standards of conduct.

The Corporation is provided with regular and timely information on the overall financial performance of the College, together with information such as performance against funding targets, proposed capital expenditure, quality matters and personnel related matters such as health and safety and environmental issues. The Corporation met four times in the 2023/2024 academic year. The Board holds extraordinary meetings when required. The Board also attends scheduled strategy days.

EXETER COLLEGE

The Corporation conducts its business through a number of committees. Each committee has terms of reference, which have been approved by the Corporation. These committees are Business Services, Audit and Risk Assurance, Remuneration, Search and Governance and Quality and Standards. Full minutes of all meetings, except those deemed to be confidential by the Corporation, are available on the College's website or from the Head of Governance at:

Exeter College
Hele Road
Exeter
Devon
EX4 4JS

The Head of Governance maintains a register of financial and personal interests of the governors. The register is available for inspection at the above address.

All governors are able to take independent professional advice in furtherance of their duties at the College's expense and have access to the Head of Governance, who is responsible to the Board for ensuring that all applicable procedures and regulations are complied with. The appointment, evaluation and removal of the Head of Governance are matters for the Corporation as a whole.

Formal agendas, papers and reports are supplied to governors in a timely manner through a governance portal. Chair's agendas are provided to the Corporation Chair and Committee Chairs and briefings are also provided.

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

There is a clear division of responsibility in that the roles of the Chair of the Corporation and the Principal/CEO (Accounting Officer) of the College are separate.

APPOINTMENTS TO THE CORPORATION

Any new appointments to the Corporation are a matter for the consideration of the Corporation as a whole. The Corporation has a Search and Governance Committee, comprising of the Chair and Vice Chair of the Board, the Principal and the Chairs of the Committees, which is responsible for the selection and nomination of any new member for the Corporation's consideration. The Corporation is responsible for ensuring that appropriate training is provided as required.

Members of the Corporation are appointed for a term of office not exceeding four years. The usual number of terms that a governor may serve is two, except in exceptional circumstances where a third term may be approved by the Corporation.

CORPORATION PERFORMANCE

The governing body is committed to development and held strategic development sessions over two days (10/11 May 2024). The Board receives weekly college and sector briefings throughout the academic year along with regular safeguarding bulletins. There is a comprehensive induction programme for new governors who are also allocated a governor mentor. Governors engage in regular reviews to identify specific training needs. During 2023/2024, governor training and development included finance, safeguarding and audit as well as attendance at AOC inductions and regional governor conferences. Committee Chairs attended relevant networking events and bespoke student governor training was provided by Unloc.

EXETER COLLEGE

During the 2023/2024 academic year the Board was subject to a mandatory external review of governance undertaken by Governance4FE. The final report was received by the Board in July 2024. The external review of governance report identified a governance function operating with a high level of governance maturity against the areas of structures, relationships, enabling, alignment and team. The report identified excellent governance work led by a highly effective governance professional. Governors accepted all recommendations which resulted in an ongoing action plan. To further enhance governance performance, the Board will strengthen its work on enhancing strategic alignment, stakeholder engagement, board reporting and will engage meaningfully in generative governance.

The Head of Governance is a senior post holder and a member of the Senior Leadership Team. The postholder has relevant qualifications including those from The Institute of Leadership and Management and The Chartered Governance Institute. The Board ensures that the Head of Governance receives appropriate development throughout the year including attendance at relevant governance conferences, workshops and network events. The Head of Governance actively supported a College in intervention and undertook a review of governance provision at a large multi academy trust.

REMUNERATION COMMITTEE

Throughout the year ending 31 July 2024, the College's Remuneration Committee comprised the Chair and Vice Chair of the Board and the Chairs of the Committee. The committee determines the remuneration and benefits of the Principal/CEO and other senior post holders. In accordance with good practice, the committee is chaired by a member other than the Chair of Governors and the Principal/CEO is not present when their remuneration is discussed. The Committee makes extensive use of comparative data and performance assessments in arriving at its determinations. The Committee refers to the College's Senior Post Holder Remuneration Code, which is based on the AoC's Code and thus complying with the requirements of the OfS registration framework. It makes regular reports to the full Board. Details of remuneration for the year ended 31 July 2024 are set out in note 8 to the financial statements.

AUDIT AND RISK ASSURANCE COMMITTEE

The Audit and Risk Assurance Committee comprised three members of the Corporation (excluding the Principal/Accounting Officer and the Chair of the Board) plus one co-opted member. The committee operates in accordance with written terms of reference approved by the Corporation.

The Audit and Risk Assurance Committee met three times and provides a forum for reporting by the College's internal auditors, reporting accountants and financial statements auditors, who have access to the Committee for independent discussion, without the presence of College management. The Committee also receives and considers reports from the main FE funding bodies as they affect the College's business.

The College's internal auditors review the systems of internal control, risk management controls and governance processes in accordance with an agreed plan of input and report their findings to management and the Audit and Risk Assurance Committee.

Management is responsible for the implementation of agreed audit recommendations and the internal audit service undertake periodic follow up reviews to ensure such recommendations have been implemented.

The Audit and Risk Assurance Committee also advises the Corporation on the appointment of internal auditors, reporting accountants and financial statements auditors and their remuneration for both audit and non-audit work, as well as reporting annually to the Corporation.

The Audit and Risk Assurance Committee met three times in the year to 31 July 2024. The members of the Committee and their attendance records are shown below:

Committee Member	Meetings Attended
Sarah Brampton	0/0
Neil Hitchings	3/3
Rob Hutchins	3/3
Damion Norcombe	1/1
Adele Westcott	3/3

EXETER COLLEGE

INTERNAL CONTROL

Scope of responsibility

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

The Corporation has delegated the day-to-day responsibility to the Principal/CEO, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the College's policies, aims and objectives, whilst safeguarding the public funds and assets for which they are personally responsible, in accordance with the responsibilities assigned to them in the Funding Agreement between Exeter College and the funding bodies. They are also responsible for reporting to the Corporation any material weaknesses or breakdowns in internal control.

The purpose of the system of internal control

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of College policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Exeter College for the year ended 31 July 2024 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Corporation has reviewed the key risks to which the College is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Corporation is of the view that there is a formal ongoing process for identifying, evaluating and managing the College's significant risks that has been in place for the period ending 31 July 2024 and up to the date of approval of the report and financial statements. This process is regularly reviewed by the Corporation.

The risk and control framework

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

- comprehensive budgeting systems with an annual budget, which is reviewed and agreed by the governing body
- regular reviews by the governing body of periodic and annual financial reports which indicate financial performance against forecasts
- setting targets to measure financial and other performance
- clearly defined capital investment control guidelines
- the adoption of formal project management disciplines, where appropriate.

Exeter College has an internal audit service, which operates in accordance with the requirements of the ESFA's Post-16 Audit Code of Practice. The work of the internal audit service is informed by an analysis of the risks to which the College is exposed, and annual internal audit plans are based on this analysis. The analysis of risks and the internal audit plans are endorsed by the Corporation on the recommendation of the Audit and Risk Assurance Committee. At least annually, the Head of Internal Audit (HIA) provides the Corporation with a report of internal audit activity in the College, includes an independent opinion on the adequacy and effectiveness of the College's system of risk management, controls and governance processes.

Control weaknesses identified

TIAA provided the Internal Audit Service for the College and in 2023/2024 it considered the College had an adequate and effective framework for risk management, control and governance processes and that there were no specific areas that they believe require inclusion in the College's Annual Governance Statement in regard to their assurance work.

EXETER COLLEGE

Responsibilities under accountability agreements

The Department for Education and Education Skills Funding Agency introduced new controls for the College on 29 November 2022 on the day that the Office for National Statistics reclassified colleges as public sector organisations in the national accounts. The ESFA Chief Executive communicated these changes to all college accounting officers and explained plans to introduce a college financial handbook in 2024. The College has reviewed its policies, procedures and approval processes in line with these new requirements to ensure there are systems in place to identify and handle any transactions for which DfE approval is required.

Statement from the Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee has advised the board of governors that the Corporation has an effective framework for governance and risk management in place. The Audit and Risk Assurance Committee believes the Corporation has effective internal controls in place.

The specific areas of work undertaken by the audit committee in 2023/24 and up to the date of the approval of the financial statements are:

- The further development of an effective Assurance Framework
- The determination of the scope of internal audits and monitored progress towards actions recommended
- Regularly reviewed the risk register, undertook deep dives on pertinent risk areas and provided comprehensive assurance to the Board on risks and mitigations
- Provided oversight of the performance of the external and internal auditors
- Provided oversight of the Post-16 Audit Code of Practice

Review of effectiveness

As Accounting Officer, the Principal/CEO has responsibility for reviewing the effectiveness of the system of internal control. Their review of the effectiveness of the system of internal control is informed by:

- The work of the internal auditors;
- The work of the executive managers within the College who have responsibility for the development and maintenance of the internal control framework;
- Comments made by the College's financial statements auditors, the regularity auditors in their management letters and other reports.

The Principal/Accounting Officer has been advised on the implications of the result of their review of the effectiveness of the system of internal control by the Audit and Risk Assurance Committee which oversees the work of the internal auditor and other sources of assurance. A plan to address weakness and ensure continuous improvement of the system is in place.

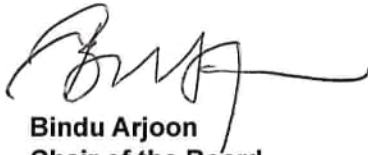
The Senior Leadership Team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments and reinforced by risk awareness training. The Senior Leadership Team and the Audit and Risk Assurance Committee also receive regular reports from internal audit, which include recommendations for improvement. The Audit and Risk Assurance Committee's role in this area is confined to a high level review of the arrangements for internal control.

The Corporation's agenda includes a regular item for consideration of risk and control and receives reports thereon from the Senior Leadership Team and the Audit and Risk Assurance Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its November 2024 meeting, the Corporation carried out the annual assessment for the year ended 31 July 2024 by considering documentation from the Senior Leadership Team, internal audit and taking account of events since 31 July 2024.

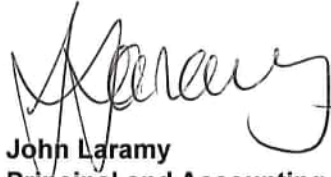
EXETER COLLEGE

Based on the advice of the Audit and Risk Assurance Committee and the Accounting Officer, the Corporation is of the opinion that the College has an adequate and effective framework for governance, risk management and control, and has fulfilled its statutory responsibility for *"the effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets"*.

Approved by order of the members of the Corporation on 13/12/24 and signed on its behalf by:



Bindu Arjoon
Chair of the Board



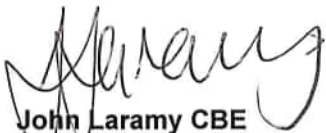
John Laramy
Principal and Accounting Officer

EXETER COLLEGE
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer I confirm that the corporation has had due regard to the framework of authorities governing regularity, propriety and compliance, and the requirements of grant funding agreements and contracts with ESFA, and has considered its responsibility to notify ESFA of material irregularity, impropriety and non-compliance with those authorities and terms and conditions of funding.

I confirm on behalf of the corporation that after due enquiry, and to the best of my knowledge, I am able to identify any material irregular or improper use of funds by the corporation, or material non-compliance with the framework of authorities and the terms and conditions of funding under the corporation's grant funding agreements and contracts with ESFA, or any other public funder. This includes the elements outlined in the "Dear accounting officer" letter of 29 November 2022 and ESFA's bite size guides.

I confirm that no instances of material irregularity, impropriety, funding non-compliance, or non-compliance with the framework of authorities have been discovered to date. If any instances are identified after the date of this statement, these will be notified to ESFA.



John Laramy CBE
Principal and Accounting Officer

Date: 13/12/2024

Statement of the chair of governors

On behalf of the corporation, I confirm that the accounting officer has discussed their statement of regularity, propriety and compliance with the board and that I am content that it is materially accurate.



Bindu Arjoon
Chair of the Board

Date: 13/12/2024

EXETER COLLEGE

STATEMENT OF RESPONSIBILITIES OF THE MEMBERS OF THE CORPORATION

The members of the corporation, are required to present audited financial statements for each financial year.

Within the terms and conditions of the corporation's grant funding agreements and contracts with ESFA, the corporation is required to prepare financial statements which give a true and fair view of the financial performance and position of the corporation for the relevant period. Corporations must also prepare and strategic report which includes an operating and financial review for the year. The bases for the preparation of the financial statements and strategic report are the Statement of Recommended Practice – Accounting for Further and Higher Education, ESFA's college accounts direction and the UK's Generally Accepted Accounting Practice.

In preparing the financial statements, the corporation is required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- assess whether the corporation is a going concern, noting the key supporting assumptions qualifications or mitigating actions as appropriate.
- prepare financial statements on the going concern basis, unless it is inappropriate to assume that the College will continue in operation.

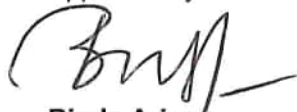
The corporation is also required to prepare a strategic report, in accordance with paragraphs 3.23 to 3.27 of the FE and HE SORP, that describes what it is trying to do and how it is going about it, including information about the legal and administrative status of the corporation.

The corporation is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the corporation and which enable it to ensure that the financial statements are prepared in accordance with relevant legislation including the Further and Higher Education Act 1992 and Charities Act 2011, and relevant accounting standards. It is responsible for taking steps that are reasonably open to it to safeguard its assets and to prevent and detect fraud and other irregularities.

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

Members of the corporation are responsible for ensuring that expenditure and income are applied for the purposes intended and that the financial transactions conform to the authorities that govern them. In addition, they are responsible for ensuring that funds from ESFA, and any other public funds, are used only in accordance with ESFA's grant funding agreements and contracts and any other conditions, that may be prescribed from time to time by ESFA, or any other public funder, including that any transactions entered into by the corporation are within the delegated authorities set out in the "Dear accounting officer" letter of 29 November 2022 and ESFA's bite size guides. Members of the corporation must ensure that there are appropriate financial and management controls in place to safeguard public and other funds and ensure they are used properly. In addition, members of the corporation are responsible for securing economic, efficient and effective management of the corporation's resources and expenditure so that the benefits that should be derived from the application of public funds from ESFA and other public bodies are not put at risk.

Approved by order of the members of the Corporation on 13/12/24 and signed on its behalf by:


Bindu Arjoon
Chair of the Board

EXETER COLLEGE
INDEPENDENT AUDITORS' REPORT TO THE CORPORATION OF EXETER COLLEGE

Opinion

We have audited the financial statements of Exeter College (the 'parent corporation') and its subsidiaries (the 'group') for the year ended 31 July 2024 which comprise the Consolidated and College Statements of Comprehensive Income and Expenditure, the Consolidated and College Statements of Changes in Reserves, the Consolidated and College Balance Sheets, the Consolidated Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice: Accounting for Further and Higher Education (the 'FE HE SORP') and the College Accounts Direction for 2023 to 2024.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's affairs as at 31 July 2024 and of the group's income and expenditure, gains and losses, changes in reserves and cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the FE HE SORP, College Accounts Direction 2023 to 2024 and the Office for Students' Accounts Direction.

Basis for opinion

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

Conclusion relating to going concern

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

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

Our responsibilities and the responsibilities of the members 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 and Financial Statements, other than the financial statements and our auditor's report thereon. The members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Post 16 Audit Code of Practice Issued by the Education and Skills Funding Agency ('ESFA') requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the group, or returns adequate for our audit have not been received from branches not visited by us; or
- the group's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

EXETER COLLEGE

Opinion on other matters prescribed by the Office for Students' Accounts Direction

In our opinion:

- funds from whatever source administered by the corporation for the specific purposes have been applied to those purposes and managed in accordance with relevant legislation; and
- funds provided by the Office for Students ('OfS') and Research England have been applied in accordance with the relevant terms and conditions and any other terms and conditions attached to them.

We have nothing to report in respect of the following matters in relation to which the Office for Students' Accounts Direction requires us to report to you if, in our opinion:

- the corporation's grant and fee income, as disclosed in the notes to the financial statements, has been materially misstated; or
- the corporation's expenditure on access and participation activities for the financial year has been materially misstated.

Responsibilities of the corporation

As explained more fully in the Statement of Responsibilities of the Members of the Corporation set out on page 22, the corporation is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the corporation determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the corporation is responsible for assessing the corporation'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 corporation either intend to liquidate the corporation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the sector, control environment and the corporation's performance;
- results of our enquiries of management and the members, including the committees charged with governance over the corporation's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the corporation's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- how the corporation ensured it met its obligations arising from it being financed by and subject to the governance requirements of the ESFA and OfS, and as such material compliance with these obligations is required to ensure the corporation will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the group and parent corporation ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal corporation specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

EXETER COLLEGE

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the corporation operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the College Accounts Direction, the Office for Students' Accounts Direction, and the FE HE SORP.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the corporation's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, and employment legislation.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of corporation's management and members concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of the ESFA and OfS;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of the members and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

These procedures were considered at both the parent corporation and subsidiary level as appropriate.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

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

Use of our report

This report is made solely to the corporation, in accordance with Article 22 of the College's Articles of Government. Our audit work has been undertaken so that we might state to the corporation those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the corporation, for our audit work, for this report, or for the opinions we have formed.

Bishop Fleming LLP

Bishop Fleming LLP

Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

Date: 18/12/2024

EXETER COLLEGE

Reporting accountant's assurance report on regularity to the Corporation of Exeter College ("the College") and Secretary of State for Education acting through Education and Skills Funding Agency (ESFA)

In accordance with the terms of our engagement letter dated 21 July 2023 and further to the requirements and conditions of funding in ESFA's grant funding agreements and contracts, or those of any other public funder, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by Exeter College during the period 1 August 2023 to 31 July 2024 have not been applied to the purposes identified by Parliament and the financial transactions do not conform to the authorities which govern them.

The framework that has been applied is set out in the Post-16 Audit Code of Practice (the Code) issued by ESFA and in any relevant conditions of funding concerning adult education notified by a relevant funder.

This report is made solely to the corporation of Exeter College and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the corporation of Exeter College and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept, or assume, responsibility to anyone other than the corporation of Exeter College and ESFA for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Exeter College and the reporting accountant

The Corporation of Exeter College is responsible, under the requirements of the Further & Higher Education Act 1992, subsequent legislation and related regulations and guidance, for ensuring that expenditure disbursed, and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Code. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 August 2023 to 31 July 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Code issued jointly by the ESFA. We performed a limited assurance engagement as defined in that framework.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity and propriety.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity of the College's income and expenditure.

The work undertaken to draw our conclusion includes:

- An assessment of the risk of material irregularity and impropriety across the College's activities;
- Evaluation and validation of the processes and controls in place to ensure regularity and propriety for the use of public funds, including the consideration of the College's self-assessment questionnaire (SAQ);
- Testing transactions with related parties;
- Sample testing of income to ensure that funds have been applied for the purposes that they were awarded, focused on areas assessed as high risk;
- Confirming through enquiry and sample testing that the College has complied with its procurement policies and that these policies comply with delegated authorities; and

EXETER COLLEGE

- Reviewing any evidence of impropriety resulting from our work and determining whether it was significant enough to be referenced to our regularity report.

The list is not exhaustive, and we performed additional procedures designed to provide us with sufficient appropriate evidence to express a limited assurance conclusion on regularity consistent with the requirements of the Code.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects, the expenditure disbursed and income received during the period 1 August 2023 to 31 July 2024 has not been applied to purposes intended by Parliament, and that the financial transactions do not conform to the authorities that govern them.

Bishop Fleming LLP

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

Date: *18/12/2024*

EXETER COLLEGE
Consolidated Statements of Comprehensive Income and Expenditure
For the year ended 31 July 2024

	Notes	Year ended 31 July 2024		Year ended 31 July 2023	
		Group £'000	College £'000	Group £'000	College £'000
INCOME					
Funding body grants	2	53,113	53,044	46,776	46,765
Tuition fees and education contracts	3	2,651	2,651	2,602	2,602
Other grants and contracts	4	1,459	1,444	1,133	1,124
Other income	5	6,698	5,853	5,088	4,429
Investment income	6	83	83	26	26
Total income		64,004	63,075	55,625	54,946
EXPENDITURE					
Staff costs	7	39,245	38,431	37,259	36,588
Other operating expenses	9	17,850	17,694	14,976	15,036
Depreciation	13	3,648	3,637	3,850	3,833
Interest and other finance costs	11	413	413	735	735
Total expenditure		61,156	60,175	56,820	56,192
Operating surplus on continuing activities		2,702	2,754	436	385
FRS 102 pension adjustments		146	146	(1,631)	(1,631)
		2,848	2,900	(1,195)	(1,246)
Surplus/(Deficit) before other gains and losses		2,848	2,900	(1,195)	(1,246)
(Loss)/Gain on disposal of assets		(363)	(347)	3	3
Surplus/(Deficit) before tax		2,485	2,553	(1,192)	(1,243)
Taxation	12	-	-	-	-
(Deficit) for the year		2,485	2,553	(1,192)	(1,243)
Pension Surplus not recognised	25	(1,262)	(1,262)	(4,036)	(4,036)
Actuarial (Loss)/gain in respect of pensions	25	1,119	1,119	16,614	16,614
Total Comprehensive Income for the year		2,342	2,410	11,386	11,335

All items of income and expenditure relate to continuing activities.

EXETER COLLEGE
Consolidated and College Statement of Changes in Reserves

For the year ended 31 July 2024

	Income and expenditure account	Revaluation reserve	Restricted reserves	Total
	£'000	£'000	£'000	£'000
Group				
Balance at 1 August 2022	22,149	7,949	-	30,098
(deficit) from the income and expenditure account	(1,192)	-	-	(1,192)
Pension Surplus not recognised	(4,036)	-	-	(4,036)
Other comprehensive income	16,614	-	-	16,614
Transfers between revaluation and income and expenditure reserves	325	(325)	-	-
Total comprehensive income	11,711	(325)	-	11,386
Balance at 31 July 2023	33,860	7,624	-	41,484
Surplus from the income and expenditure account	2,485	-	-	2,485
Pension Surplus not recognised	-	-	-	-
Other comprehensive income	(143)	-	-	(143)
Transfers between revaluation and income and expenditure reserves	325	(325)	-	-
Total comprehensive income	2,667	(325)	-	2,342
Balance at 31 July 2024	36,527	7,299	-	43,826
College				
Balance at 1 August 2022	22,276	7,949	-	30,225
(deficit) from the income and expenditure account	(1,243)	-	-	(1,243)
Pension Surplus not recognised	(4,036)	-	-	(4,036)
Other comprehensive income	16,614	-	-	16,614
Transfers between revaluation and income and expenditure reserves	325	(325)	-	-
Total comprehensive income	11,660	(325)	-	11,335
Balance at 31 July 2023	33,936	7,624	-	41,560
Surplus from the income and expenditure account	2,553	-	-	2,553
Pension Surplus not recognised	-	-	-	-
Other comprehensive income	(143)	-	-	(143)
Transfers between revaluation and income and expenditure reserves	325	(325)	-	-
Total comprehensive income	2,735	(325)	-	2,410
Balance at 31 July 2024	36,671	7,299	-	43,970

EXETER COLLEGE

Balance sheets as at 31 July 2024

	Notes	Group 2024 £'000	College 2024 £'000	Group 2023 £'000	College 2023 £'000
Non current assets					
Tangible Fixed assets	13	67,241	67,241	66,322	66,297
Investments	14	-	-	-	-
		67,241	67,241	66,322	66,297
Current assets					
Trade and other receivables	15	2,946	2,985	2,681	2,594
Cash and cash equivalents	20	10,775	10,746	9,272	9,212
		13,721	13,731	11,953	11,806
Creditors – amounts falling due within one year	16	(10,676)	(10,542)	(10,650)	(10,458)
Net current assets		3,045	3,189	1,303	1,348
Total assets less current liabilities		70,286	70,430	67,625	67,645
Creditors – amounts falling due after more than one year	17	(25,701)	(25,701)	(25,316)	(25,260)
Provisions					
Defined benefit obligations	19	-	-	-	-
Other provisions	19	(759)	(759)	(825)	(825)
Total net assets		43,826	43,970	41,484	41,560
Unrestricted Reserves					
Income and expenditure account		36,527	36,671	33,860	33,936
Pension Reserve		-	-	-	-
Revaluation reserve		7,299	7,299	7,624	7,624
Total unrestricted reserves		43,826	43,970	41,484	41,560
Total reserves		43,826	43,970	41,484	41,560

The financial statements on pages 28 to 55 were approved and authorised for issue by the corporation on 13/12/24 and were signed on its behalf on that date by:



Bindu Arjoon
Chair of the Board



John Laramy CBE
Principal and Accounting Officer

EXETER COLLEGE
Consolidated Statement of Cash Flows
For the year ended 31 July 2024

	Notes	Group 2024 £'000	College 2024 £'000	Group 2023 £'000	College 2023 £'000
Cash flow from operating activities					
Surplus/(Deficit) for the year		2,342	2,410	(1,192)	(1,243)
Adjustment for non-cash items					
Depreciation		3,648	3,637	3,850	3,833
(Increase)/decrease in debtors		(265)	(391)	(427)	(263)
Increase/(decrease) in creditors due within one year		(14)	44	1	(92)
Release of Capital grants		(1,427)	(1,358)	(12)	-
Increase/(decrease) in provisions		(66)	(66)	(136)	(136)
Pensions costs less contributions payable		143	143	1,631	1,631
Adjustment for investing or financing activities					
Investment income		(83)	(83)	(26)	(26)
Interest payable		413	413	361	361
Loss on sale of fixed assets		363	336	20	20
Net cash flow from operating activities		5,054	5,085	4,070	4,085
Cash flows from investing activities					
Investment income		83	83	26	26
Payments made to acquire fixed assets		(4,986)	(4,986)	(5,048)	(5,043)
Receipt of Capital Grant		2,708	2,708	1,696	1,696
Proceeds from sale of fixed assets		-	-	20	20
		(2,195)	(2,195)	(3,306)	(3,301)
Cash flows from financing activities					
Interest paid		(413)	(413)	(361)	(361)
Repayments of amounts borrowed		(943)	(943)	(935)	(935)
		(1,356)	(1,356)	(1,296)	(1,296)
Increase/(Decrease) in cash and cash equivalents		1,503	1,534	(532)	(512)
Cash and cash equivalents at beginning of the year	20	9,272	9,212	9,804	9,724
Cash and cash equivalents at end of the year	20	10,775	10,746	9,272	9,212

Analysis of changes in net (debt)/funds

	At 1 August 2023 £'000	Cash Flows £'000	Other Changes £'000	At 31 July 2024 £'000
Cash in hand, at bank	9,272	1,503	-	10,775
Debt due within one year	(922)	922	(943)	(943)
Debt due after one year	(7,040)		943	(6,097)
Current asset investments				
Total	1,310	2,425	-	3,735

EXETER COLLEGE
Notes to the Financial Statements

For the year ended 31 July 2024

1 Accounting policies

Statement of accounting policies and estimation techniques

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 in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (the 2019 FE HE SORP), the College Accounts Direction for 2023 to 2024 and in accordance with Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102). The college is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the college's accounting policies.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

Basis of consolidation

The consolidated financial statements include the college and one of its subsidiaries (Exeter College Services Limited), as detailed in Note 14. Intra-group sales and profits are eliminated fully on consolidation. Exeter College Apprentices is not consolidated on the basis that it is immaterial to the financial statements. All financial statements are made up to 31 July 2024.

Going concern

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

The Group currently has £7m of loans outstanding with bankers on terms negotiated since 2005 and cash reserves at year end of £10.8m. The terms of the existing loan agreements are for up to another 13 years. The Group's forecasts and financial projections indicate that it will be able to operate within this existing facility and covenants for the foreseeable future.

Accordingly, the College has a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future, and for this reason will continue to adopt the going concern basis in the preparation of its Financial Statements.

EXETER COLLEGE
Notes to the Financial Statements (continued)

For the year ended 31 July 2024

Recognition of income

The recurrent grant from HEFCE/OfS represents the funding allocations attributable to the current financial year and is credited direct to the Statement of Comprehensive Income and Expenditure.

Government revenue grants include funding body recurrent grants and other grants and are accounted for under the accrual model as permitted by FRS 102. Funding body recurrent grants are measured in line with best estimates for the period of what is receivable and depend on the particular income stream involved. Any under or over achievement for the Adult Skills Budget is adjusted for and reflected in the level of recurrent grant recognised in the income and expenditure account. The final grant income is normally determined with the conclusion of the year end reconciliation process with the funding body at the end of November following the year end. 16-18 learner-responsive funding is not normally subject to a reconciliation and is therefore not subject to contract adjustments.

Government capital grants are capitalised, held as deferred income and recognised in income over the expected useful life of the asset, under the accrual model as permitted by FRS 102. Other, non-governmental, capital grants are recognised in income when the College is entitled to the funds subject to any performance related conditions being met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the Balance Sheet and released to income as conditions are met.

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

Income from Nursery fees and other commercial income streams are recognised in the period for which they are received.

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

All income from short-term deposits is credited to the Statement of Comprehensive Income and Expenditure in the period in which it is earned.

Agency arrangements

The college acts as an agent in the collection and payment of certain discretionary support funds and any other arrangements. Related payments received from the funding bodies and subsequent disbursements to students are excluded from the income and expenditure of the college where the college is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

Accounting for post-employment benefits

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

Contributions to the TPS 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. As stated in Note 25, the TPS is a multi-employer scheme and the College is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

EXETER COLLEGE
Notes to the Financial Statements (continued)

For the year ended 31 July 2024

The assets of the LGPS are measured using closing market values. LGPS 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 other comprehensive income.

Short term Employment benefits

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

Enhanced Pensions

The actual cost of any enhanced ongoing pension to a former member of staff is paid by a 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 Statement of Comprehensive Income and Expenditure in the year that the member of staff retires. In subsequent years a charge is made to provisions in the balance sheet using the enhanced pension spreadsheet issued with the annual accounts direction.

Non-Current Assets - Tangible fixed assets

Land and buildings

Land and buildings inherited from the local education authority are stated in the balance sheet at valuation on the basis of depreciated replacement cost as the open market value for existing use is not readily obtainable. Building improvements made since incorporation 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 of between 20 and 50 years. The College has a policy of depreciating major adaptations to buildings over the period of their useful economic life of between 10 and 50 years.

Where land and buildings are acquired with the aid of specific grants, they are capitalised and depreciated as above. The related grants are credited to a deferred capital grant account and are released to the income and expenditure account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

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

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of any fixed asset may not be recoverable.

On adoption of FRS 102, the College followed the transitional provision to retain the book value of land and buildings, which were revalued in 1993, but not to adopt a policy of revaluations of these properties in the future. These values are retained subject to the requirement to test assets for impairment.

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 2024. They are not depreciated until they are brought into use.

EXETER COLLEGE
Notes to the Financial Statements (continued)

For the year ended 31 July 2024

Subsequent expenditure on existing fixed assets

Where significant expenditure is incurred on tangible fixed assets it is charged to the Statement of Comprehensive Income and Expenditure in the period it is incurred, unless it meets one of the following criteria, in which case it is capitalised and depreciated on the relevant basis:

- Market value of the fixed asset has subsequently improved
- Asset capacity increases
- Substantial improvement in the quality of output or reduction in operating costs
- Significant extension of the asset's life beyond that conferred by repairs and maintenance

Equipment

Equipment costing less than £1,000 per individual item is written off to the income and expenditure account in the period of acquisition. All other equipment is capitalised at cost. Equipment inherited from the local education authority is included in the balance sheet at valuation. All equipment is depreciated over its useful economic life as follows:

- Motor vehicles and general equipment – between 3 and 5 years on a straight-line basis
- Computer equipment – 3 years on a straight-line basis

Where equipment is acquired with the aid of specific grants, it is capitalised and depreciated in accordance with the above policy, with the related grant being credited to a deferred capital grant account and released to the income and expenditure account over the expected useful economic life of the related equipment.

Investments

Investments in subsidiaries are carried at historical cost less any provision for impairment in Individual financial statements. The results of Exeter College Apprentices have not been consolidated in these financial statements as it is not considered material.

Leased assets

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

Maintenance of premises

The cost of routine corrective maintenance is charged to the Statement of Comprehensive Income and Expenditure in the period in which it is incurred.

Financial liabilities and equity

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

All loans, investments and short term deposits held by the Group are classified as basic financial instruments in accordance with FRS 102. These instruments are initially recorded at the transaction price less any transaction costs (historical cost). FRS 102 requires that basic financial instruments are subsequently measured at amortised cost, however the Group has calculated that the difference between the historical cost and amortised cost basis is not material and so these financial instruments are stated on the balance sheet at historical cost.

Debt and Borrowings

The College recognises loan balances upon receipt of the loan and reduces the balances in line with debt repayments. All interest payments are recognised in the year of payment.

EXETER COLLEGE
Notes to the Financial Statements (continued)

For the year ended 31 July 2024

Investments in subsidiaries

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

Foreign currency translation

Transactions denominated 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

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

The College is partially exempt in respect of Value Added Tax, 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 tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature. The College's subsidiary companies are subject to corporation tax and VAT in the same way as any commercial organisation.

Cash and Cash equivalents

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

Provisions

Provisions are recognised when the College has a present legal or constructive obligation as a result of a past event and 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.

Judgements in applying accounting policies and key sources of estimation uncertainty

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

- Determined whether leases entered into by the College either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determined whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

EXETER COLLEGE
Notes to the Financial Statements (continued)
For the year ended 31 July 2024

Other key source of estimation uncertainty

- *Local Government Pension Scheme*

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 July 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

For 2023/24 the pension plan asset has not been recognised, as the surplus is not considered recoverable through reduced contributions in the future or through refunds from the plan.

2 Funding body grants

	Group	College	Group	College
	2024	2024	2023	2023
	£'000	£'000	£'000	£'000
Recurrent grants				
Education and Skills Funding Agency – adult education budget	1,142	1,142	1,091	1,091
Education and Skills Funding Agency – 16 -18	38,958	38,958	34,702	34,702
Local authority funded – 16-18	1,226	1,226	975	975
Education and Skills Funding Agency – apprenticeships	8,347	8,347	7,153	7,153
Office for students	237	237	246	246
Specific grants				
Teacher Pension Scheme contribution grant	1,776	1,776	1,281	1,281
Releases of capital grants	1,427	1,358	1,328	1,317
Total	53,113	53,044	46,776	46,765

3 Tuition fees and education contracts

	2024	2023
Group and College	£'000	£'000
Adult education fees	1,054	1,063
Apprenticeship employer fees and contracts	124	72
Fees for FE and HE loan supported courses	1,473	1,369
International students' fees	-	91
Total tuition fees	2,651	2,595
Education contracts	-	7
Total	2,651	2,602

EXETER COLLEGE
Notes to the Financial Statements (continued)

For the year ended 31 July 2024

3a OFS Income	2024	2023
	£'000	£'000
Grant income from the Office for Students	237	246
Fee income for taught awards	1,502	1,391
Total	1,739	1,637

4 Other grants and contracts

	2024	2024	2023	2023
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Other grant income	1,459	1,444	1,133	1,124
Total	1,459	1,444	1,133	1,124

5 Other income

	2024	2024	2023	2023
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Catering and residences	1,276	1,276	1,039	1,039
Other income generating activities	4,234	4,321	2,980	3,137
Exam fees	20	20	11	11
Rent receivable	203	203	216	216
Day nursery income	932	-	816	-
Hairdressing	33	33	26	26
Total	6,698	5,853	5,088	4,429

6 Investment income

	Group and	Group and
	College	College
	2024	2023
	£'000	£'000
Other interest receivable	76	26
Net interest on the defined (liability)/asset	7	-
Total	83	26

EXETER COLLEGE
Notes to the Financial Statements (continued)

For the year ended 31 July 2024

7 Staff costs

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

Group	2024	2024	2023	2023
	Headcount	FTE	Headcount	FTE
	No.	No.	No.	No.
Teaching staff	1,138	690	1,109	669
Non-teaching staff	185	172	187	152
	1,323	862	1,296	821

College	2024	2024	2023	2023
	Headcount	FTE	Headcount	FTE
	No.	No.	No.	No.
Teaching staff	1,138	690	1,109	669
Non-teaching staff	155	145	152	122
	1,293	835	1,261	791

Staff costs for the above persons	Group	College	Group	College
	2024	2024	2023	2023
	£'000	£'000	£'000	£'000
Wages and salaries	30,065	29,321	27,951	27,343
Social security costs	2,784	2,735	2,601	2,556
Other pension costs	6,319	6,298	6,672	6,654
Payroll sub total	39,168	38,354	37,224	36,553
Restructuring costs – Contractual	77	77	35	35
Total Staff costs	39,245	38,431	37,259	36,588

Restructuring Costs

The college/college group paid 8 severance payments in the year, disclosed in the following bands:

0 - £25,000	7
£25,001 - £50,000	1
£50,001 - £100,000	-
£100,001 - £150,000	-
£150,001 +	-
	8

Included in staff restructuring costs are special severance payments totalling £77,031 (2023 £35,013). Individually, the payments were: £48,000, £2,898, £3,855, £7,500, £2,003, £10,000, £1,043, £1,732.

EXETER COLLEGE
Notes to the Financial Statements (continued)

For the year ended 31 July 2024

8 Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the college and senior post holders comprised of the Principal and those reporting directly to the Principal.

Staff costs include compensation paid to key management personnel for loss of office.

Emoluments of key management personnel, Accounting Officer and other higher paid staff

	2024	2023
	No.	No.

The number of key management personnel including the Accounting Officer was:	12	8
--	----	---

The number of key management personnel and other staff who received annual emoluments, excluding employer contributions to national insurance and pensions but including benefits in kind, expressed on an FTE basis, in the following ranges was:

	Senior Post-holders		Other staff	
	2024	2023	2024	2023
	No.	No.	No.	No.
Below £60,000 p.a.	1	-	-	-
£60,001 to £70,000 p.a.	1	-	12	10
£70,001 to £80,000 p.a.	2	-	-	5
£80,001 to £90,000 p.a.	5	-	-	2
£90,001 to £100,000 p.a.	-	-	-	-
£100,001 to £110,000 p.a.	-	-	-	-
£110,001 to £120,000 p.a.	-	1	-	-
£120,001 to £130,000 p.a.	1	1	-	-
£130,001 to £140,000 p.a.	-	-	-	-
£140,001 to £150,000 p.a.	1	-	-	-
£150,001 to £160,000 p.a.	-	-	-	-
£160,001 to £170,000 p.a.	-	-	-	-
£170,001 to £180,000 p.a.	-	-	-	-
£180,001 to £190,000 p.a.	-	1	-	-
£190,001 to £200,000 p.a.	-	-	-	-
£200,001 to £210,000 p.a.	-	-	-	-
£210,001 to £220,000 p.a.	1	-	-	-
	12	3	12	17

EXETER COLLEGE
Notes to the Financial Statements (continued)

For the year ended 31 July 2024

Key management personnel compensation is made up as follows:

	2024	2023
	£'000	£'000
Basic salary	1,152	685
Performance related pay and bonus	-	-
Benefits in kind	33	19
Employers National Insurance	143	91
Pension contributions	252	140
	<hr/>	<hr/>
Total key management personnel compensation	<u>1,580</u>	<u>935</u>

The above compensation includes amounts paid to the Principal and Chief Executive who is the Accounting Officer and who is also the highest paid member of staff. Their pay and remuneration is as follows:

	2024	2023
	£'000	£'000
Basic salary	197	184
Other including benefits in kind	14	19
Pension contributions	50	44
	<hr/>	<hr/>
	<u>261</u>	<u>247</u>

The governing body has adopted AoC's Senior Staff Remuneration Code in July 2019 and will assess pay in line with its principles in future.

The remuneration package of Key management staff, including the Principal and Chief Executive, is subject to annual review by the Remuneration Committee of the governing body who use benchmarking information to provide objective guidance.

The Principal and Chief Executive reports to the Chair of Governors, who undertakes an annual review of his performance against the College's overall objectives using both qualitative and quantitative measures of performance.

Over the last year, the college received payment of £19,388 for national work conducted by the Principal and Chief Executive. The Principal and CEO receives no additional income for this work.

The calculation of median staff salary for the purpose of the ratios below has excluded Agency costs and any bonus payments made to staff during the year.

Relationship of Principal/Chief Executive pay and remuneration expressed as a multiple

	2024	2023
	£'000	£'000
Principal's basic salary as a multiple of the median of all staff	6.1	6.3
Principal and CEO's total remuneration as a multiple of the median of all staff	6.3	6.7

EXETER COLLEGE
Notes to the Financial Statements (continued)

For the year ended 31 July 2024

9 Other operating expenses

	2024	2024	2023	2023
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Teaching costs	7,022	6,977	5,514	5,614
Non-teaching costs	5,897	5,825	5,566	5,552
Premises costs	4,931	4,892	3,896	3,870
Total	17,850	17,694	14,976	15,036

Other operating expenses include:	2024	2023
	£'000	£'000
Auditors' remuneration:		
Financial statements audit*	53	46
Other services provided by the financial statements auditor	3	1
Internal audit fees**	17	12
Losses / (gains) on disposal of non-current assets	363	(3)
Depreciation	3,648	3,850
Hire of assets under operating leases	316	179
	<hr/>	<hr/>

* includes £43,622 in respect of the College (2023: £39,920)

** includes £16,800 in respect of the College (2023: £12,470)

9a. Access and participation spending

	2024	2023
	£'000	£'000
Access Investment	15	20
Financial support to students	9	15
Disability support*	19	22
Research and evaluation	10	4
Total	53	61

* The Disability support costs relate to the salary of the Disability Support Advisor

EXETER COLLEGE
Notes to the Financial Statements (continued)
For the year ended 31 July 2024

10 Write offs, losses, guarantees, letters of comfort, compensation

The total value of debts written off during the year was £7,724.

In line with the previous two financial years, the college intends to issue a letter of comfort to its trading subsidiary, confirming that it will not seek repayment of inter-company debt until the subsidiary has sufficient cash to do so. This letter is effective for a period of 12 months and restricted to a maximum value of the net current liabilities of the subsidiary as at 31st July 2024.

11 Interest and other finance costs – Group and College

	2024	2023
	£'000	£'000
On bank loans, overdrafts and other loans:	413	361
	<hr/>	<hr/>
		361
Net interest on defined pension liability (note 25)	-	374
	<hr/>	<hr/>
Total	413	735
	<hr/> <hr/>	<hr/> <hr/>

12 Taxation – College only

The Members of the Corporation do not believe that the college was liable for any corporation tax arising out of its activities during this year.

EXETER COLLEGE
Notes to the Financial Statements (continued)
For the year ended 31 July 2024

13 Tangible fixed assets (Group)

	Land and buildings Freehold	Equipment	Assets in the course of construction	Total
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 August 2023	98,442	12,132	1,037	111,611
Additions	577	1,506	2,903	4,986
Disposals	(17)	(1,206)	(386)	(1,609)
Transfers	748	116	(864)	-
At 31 July 2024	99,750	12,548	2,690	114,988
Depreciation				
At 1 August 2023	37,637	7,652	-	45,289
Charge for the year	1,844	1,804	-	3,648
Disposals	(1)	(1,189)	-	(1,190)
At 31 July 2024	39,480	8,267	-	47,747
Net book value at 31 July 2024	60,270	4,281	2,690	67,241
Net book value at 31 July 2023	60,805	4,480	1,037	66,322

EXETER COLLEGE
Notes to the Financial Statements (continued)
For the year ended 31 July 2024

13 Tangible fixed assets (College only)

	Land and buildings	Equipment	Assets in the course of construction	Total
	Freehold			
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 August 2023	98,442	12,048	1,036	111,526
Additions	577	1,506	2,903	4,986
Disposals	(17)	(1,120)	(386)	(1,523)
Transfers	748	116	(864)	-
At 31 July 2024	99,750	12,550	2,689	114,989
Depreciation				
At 1 August 2023	37,637	7,592	-	45,229
Charge for the year	1,844	1,793	-	3,637
Elimination in respect of disposals	(1)	(1,117)	-	(1,118)
At 31 July 2024	39,480	8,268	-	47,748
Net book value at 31 July 2024	60,270	4,282	2,689	67,241
Net book value at 31 July 2023	60,805	4,456	1,036	66,297

Inherited land and buildings were valued at incorporation at depreciated replacement cost by Devon County Council Surveyors Department.

Land and buildings with a net book value of £32,971k have been financed by exchequer funds. Should these assets be sold, the College may be liable, under the terms of the Financial Memorandum with the Funding Body, to surrender the proceeds.

14 Non-current investments

The College owns 100% of the issued ordinary £1 shares of Aplus Training (SW) Limited which remained dormant throughout the year and Exeter College Apprentices Limited which is also dormant. The third wholly owned subsidiary is Exeter College Services Limited (formally Ecole Limited). The principal activity of Exeter College Services Limited during the period was that of the provision of Nursery services.

EXETER COLLEGE
Notes to the Financial Statements (continued)
For the year ended 31 July 2024

15 Trade and other receivables

	Group	College	Group	College
	2024	2024	2023	2023
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade receivables	208	169	436	400
Prepayments and accrued income	2,738	2,733	2,245	2,116
Amounts owed from subsidiary undertakings	-	83	-	78
Total	<u>2,946</u>	<u>2,985</u>	<u>2,681</u>	<u>2,594</u>

16 Creditors: amounts falling due within one year

	Group	College	Group	College
	2024	2024	2023	2023
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	943	943	922	922
Payments received in advance	2,624	2,569	2,369	2,304
Trade payables	2,792	2,750	2,777	2,764
Other taxation and social security	738	736	690	679
Deferred Income	533	533	1,404	1,394
Accruals	1,374	1,344	870	781
Deferred income - government capital grants	1,370	1,370	1,330	1,330
Holiday pay accrual	302	297	288	278
Amounts owed to subsidiary undertakings	-	-	-	6
Total	<u>10,676</u>	<u>10,542</u>	<u>10,650</u>	<u>10,458</u>

17 Creditors: amounts falling due after one year

	Group	College	Group	College
	2024	2024	2023	2023
	£'000	£'000	£'000	£'000
Bank loans	6,097	6,097	7,040	7,040
Capital grant liability	-	-	56	-
Deferred income - government capital grants	19,604	19,604	18,220	18,220
Total	<u>25,701</u>	<u>25,701</u>	<u>25,316</u>	<u>25,260</u>

EXETER COLLEGE
Notes to the Financial Statements (continued)

For the year ended 31 July 2024

18 Bank loans and overdrafts

Bank loans and overdrafts are repayable as follows:

	Group and College	
	2024	2023
	£'000	£'000
In one year or less	943	922
Between one and two years	968	947
Between two and five years	1,608	2,244
In five years or more	3,521	3,850
Total	<u>7,040</u>	<u>7,963</u>

The College currently has five bank loans:

- The first loan (capital outstanding at 31 July 2024: £1,425k) is unsecured and is repayable over a period of 20 years. The loan is being repaid in 80 quarterly instalments, the first being paid in October 2007. The interest on the loan was fixed for a period of 15 years at 5.615% per annum which ended in July 2022. The remaining 5 year period of the loan is now at a fixed rate of 3.521% per annum.
- The second loan (capital outstanding at 31 July 2024: £813k) is repayable over 16 years from July 2011, in 56 quarterly instalments following a 2 year initial capital repayment holiday. The Interest rate has been fixed at 4.0375% per annum.
- The third loan (capital outstanding at 31 July 2024: £238k) is initially for 5 years from July 2011, with the option to extend to 20 years with an initial 2 year capital repayment holiday. Repayments have been geared to an 18 year repayment term with the interest rate charged at 1.65% above LIBOR.
- The College converted an additional loan in 2016 from an initial loan on a revolving credit facility. This loan totalled £3,000,000 and was converted in July 2016 on a fixed rate for 14 years 10 months with the option to extend to 23 years at a variable rate. Capital outstanding at 31 July 2024 was £1,957k.
- The College secured a loan in February 2021 for £3,000,000 which is repayable over 15 years from the date on which the loan was drawn with the first capital instalment due one year after the loan was drawn. The interest rate has been set at 2.87% over Base Rate. Capital outstanding at 31 July 2024 was £2,607k.

EXETER COLLEGE
Notes to the Financial Statements (continued)

For the year ended 31 July 2024

19 Provisions for liabilities and charges

	Group and College		
	Defined benefit obligations	Enhanced pensions	Total
	£'000	£'000	£'000
At 1 August 2023	-	825	825
Contributions/Expenditure in the period	(146)	(63)	(209)
Indexation/interest	-	-	-
Current service cost	-	-	-
Actuarial valuation loss/(gain)	146	(3)	143
At 31 July 24	-	759	759

Defined benefit obligations relate to the liabilities under the College's membership of the Local Government Pension Scheme. Further details are given in note 25.

The enhanced pension provision relates to the cost of staff who have already left the College's employ and commitments for reorganisation costs from which the College cannot reasonably withdraw at the balance sheet date. This provision has been recalculated in accordance with guidance issued by the funding bodies.

The principal assumptions for this calculation are:

	2024	2023
Discount rate	5.05%	5.15%
Price inflation	2.90%	2.80%

20 Cash and cash equivalents

	At 1 August 2023	Cash flows	Other changes	At 31 July 2024
	£'000	£'000	£'000	£'000
Cash and cash equivalents – Group	9,272	1,503	-	10,775
Cash and cash equivalents - College	9,212	1,534	-	10,746

EXETER COLLEGE
Notes to the Financial Statements (continued)
For the year ended 31 July 2024

21 Capital and other commitments

	Group and College	
	2024	2023
	£'000	£'000
Commitments contracted for at 31 July	16,801	1,350

22 Lease obligations

At 31 July the college had minimum lease payments under non-cancellable operating leases as follows:

	Group and College	
	2024	2023
	£'000	£'000
Future minimum lease payments due		
Land and buildings		
Not later than one year	356	237
Later than one year and not later than five years	375	459
Later than five years	-	-
	<u>731</u>	<u>696</u>
Other		
Not later than one year	11	15
Later than one year and not later than five years	-	11
Later than five years	-	-
	<u>11</u>	<u>26</u>

23 Contingencies

There are no contingent liabilities.

24 Events after the reporting period

There are no post balance sheet events to report.

EXETER COLLEGE**Notes to the Financial Statements (continued)**

For the year ended 31 July 2024

25 Defined benefit obligations

The College's employees belong to two principal post-employment benefit plans: The Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff. Both are multi-employer defined-benefit plans.

Total pension cost for the year	2024	2023
	£000	£000
Teachers' Pension Scheme: contributions paid	4,916	4,086
Local Government Pension Scheme:		
Contributions paid	1,484	1,278
FRS 102 (28) charge	(139)	1,257
Charge to the Statement of Comprehensive Income	1,345	2,535
Enhanced pension charge to Statement of Comprehensive Income	-	-
Total Pension Cost for Year within staff costs	6,261	6,621

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest formal actuarial valuation of the TPS was as at 31 March 2019 and of the LGPS 31 March 2022.

Contributions amounting to £664k (2023: £504k) were payable to the Teachers' Pension scheme and are included in creditors.

Contributions amounting to £173k (2023: £156k) payable to the Local Government Pension scheme are included in creditors.

EXETER COLLEGE

Notes to the Financial Statements (continued)

For the year ended 31 July 2024

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The college is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the college has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The college has set out above the information available on the plan and the implications for the college in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education (the Department) in October 2023. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222.2 billion giving a notional past service deficit of £39.8 billion.

As a result of a recent valuation, new employer contribution rates have been set to increase by 5% (28.68%) of pensionable pay from 1 April 2024 onwards (compared to 23.68% during 2022/23. HMT have agreed to provide additional funding for 2024/25, to support employers that are centrally funded by Departments with the additional costs involved.

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.

The pension costs paid to TPS in the year amounted to £6,576,324 (2023: £5,573,030)

Local Government Pension Scheme

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by Devon County Council. The total contributions made for the year ended 31 July 2024 were £2,013,279, of which employer's contributions totalled £1,484,091 and employees' contributions totalled £529,188. The agreed contribution rates for future years are 17.3% for the college and range from 5.5% to 12.5% for employees, depending on salary according to a national scale.

EXETER COLLEGE

Notes to the Financial Statements (continued)

For the year ended 31 July 2024

25 Defined benefit obligations (continued)

The following information is based upon a full actuarial valuation of the fund at 31 March 2022 updated to 31 July 2024 by a qualified independent actuary.

	At 31 July 2024	At 31 July 2023
Rate of increase in salaries	3.90%	3.80%
Future pensions increases	2.90%	2.80%
Discount rate for scheme liabilities	5.05%	5.15%
Inflation assumption (CPI)	2.90%	2.80%
Commutation of pensions to lump sums	50.00%	50.00%

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

	At 31 July 2024	At 31 July 2023
	Years	Years
<i>Retiring today</i>		
Males	21.40	21.40
Females	22.60	22.60
<i>Retiring in 20 years</i>		
Males	22.70	22.70
Females	24.10	24.00

The college's share of the assets in the plan at the balance sheet date and the expected rates of return were:

	Fair Value at 31 July 2024	Fair Value at 31 July 2023
	£'000	£'000
UK Equities	764	3,401
Overseas Equities	25,494	19,800
Gilts	-	-
Property	3,601	3,598
Infrastructure	5,001	3,913
Other Bonds	11,153	9,321
Target Return		
Portfolio	1,116	2,611
Cash	1,184	602
Alternative Assets	7	(2)
Private Equity	-	-
Total fair value of plan assets	48,320	43,244
Actual return on plan assets	4,622	1,243

EXETER COLLEGE

Notes to the Financial Statements (continued)

For the year ended 31 July 2024

25 Defined benefit obligations (continued)

The amount included in the balance sheet in respect of the defined benefit pension plan and enhanced pensions benefits is as follows:

	2024	2023
	£'000	£'000
Fair value of plan assets	48,320	43,244
Present value of plan liabilities	(43,022)	(39,208)
Cumulative derecognition of Surplus	(5,298)	(4,036)
Net pensions (liability)/asset (note 19)	<u>-</u>	<u>-</u>

For 2023/24 the pension plan asset has not been recognised, as the surplus is not considered recoverable through reduced contributions in the future or through refunds from the plan.

Amounts recognised in the Statement of Comprehensive Income in respect of the plan are as follows:

	2024	2023
	£'000	£'000
Amounts included in staff costs		
Current service cost	(1,345)	(2,535)
Past service cost	-	-
Total	<u>(1,345)</u>	<u>(2,535)</u>
Amounts included in investment income		
Net interest income	7	(374)
	<u>7</u>	<u>(374)</u>

Amount recognised in Other Comprehensive Income

Return on pension plan assets	2,591	(347)
Experience losses arising on defined benefit obligations	17	(3,495)
Changes in assumptions underlying the present value of plan liabilities	(1,492)	20,383
Enhanced pension (loss)/gain	3	73
Derecognition of pension surplus	(1,262)	(4,036)
Amount recognised in Other Comprehensive Income	<u>(143)</u>	<u>12,578</u>

EXETER COLLEGE
Notes to the Financial Statements (continued)
For the year ended 31 July 2024

25 Defined benefit obligations (continued)

Movement in net defined benefit (liability)/asset during year

	2024	2023
	£'000	£'000
Net defined benefit (liability)/asset in scheme at 1 August	-	(10,874)
Movement in year:		
Current service cost	(1,345)	(2,535)
Employer contributions	1,484	1,278
Past service cost	-	-
Net interest on the defined (liability)/asset	7	(374)
Derecognition of Surplus	(1,262)	(4,036)
Actuarial gain or (loss)	1,116	16,541
Net defined benefit (liability)/asset at 31 July (note 18)	-	-

Asset and Liability Reconciliation

	2024	2023
	£'000	£'000
Changes in the present value of defined benefit obligations		
Defined benefit obligations at start of period	39,208	52,373
Current service cost	1,345	2,535
Interest cost	1,994	1,771
Contributions by Scheme participants	529	505
Experience gains and losses on defined benefit obligations	(17)	3,495
Changes in financial assumptions	1,583	(18,804)
Changes in demographic assumptions	(91)	(1,579)
Estimated benefits paid	(1,529)	(1,088)
Past Service cost	-	-
Defined benefit obligations at end of period	43,022	39,208

EXETER COLLEGE
Notes to the Financial Statements (continued)
For the year ended 31 July 2024

25 Defined benefit obligations (continued)

	2024	2023
	£'000	£'000
Changes in fair value of plan assets		
Fair value of plan assets at start of period	43,244	41,499
Interest on plan assets	2,031	1,423
Return on plan assets	2,591	(180)
Other actuarial loss	-	(167)
Administration expenses	(30)	(26)
Employer contributions	1,484	1,278
Contributions by Scheme participants	529	505
Estimated benefits paid	(1,529)	(1,088)
Fair value of plan assets at end of period	<u>48,320</u>	<u>43,244</u>

The results in this note include an allowance to reflect the Court of Appeal judgement in respect of the McCloud and Sargeant cases which relate to age discrimination within the Judicial and Fire Pension schemes, respectively. This allowance was incorporated into the accounting results as at 31 July 2019. These results, including the allowance, have been rolled forward and remeasured to obtain the accounting results as at 31 July 2023.

On 13 May 2021, the Government issued a ministerial statement on the proposed remedy to be applied to LGPS benefits in response to the McCloud and Sargeant cases. The scheme actuaries do not believe there are any material differences between the approach underlying our estimated allowance and the proposed remedy.

26 Related party transactions

Due to the nature of the College's operations and the composition of the Board of Governors 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 Board of Governors 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. There were no transactions that require disclosure under FRS102.

Exeter College Services Limited – A subsidiary of Exeter College

Transactions in the year amounted to £212,343. The balance outstanding as at 31 July 2024 was £154,995 (2022/23 - £284,920). There is currently a provision of £78,588 against this debt in the College's financial records.

27 Amounts disbursed as agent - Learner support funds

Funding body grants are available solely for students. The college only acts as a paying agent. In these circumstances, the grants and related disbursements are therefore excluded from the Statement of Comprehensive Income.

During the year a total of £1,569k (2023: £1,388k) was received by the ESFA as Bursary payments and subsequently distributed back to students. At the end of July 2024 there was a remaining balance of £nil (2023: £116k).