



Grŵp
**Llandrillo
Menai**

GRŴP LLANDRILLO - MENAI

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023



Key management Personnel

Key management personnel are defined as members of the Grŵp's Senior Leadership Team and were represented by the following in 2023:

Dafydd Evans – CEO; Accounting Officer
Paul Bevan – Executive Director – Commercial Development
Sharon Bowker - Executive Director - Corporate Services
Aled Jones-Griffith – Principal of Coleg Menai and Coleg Meirion-Dwyfor
James Nelson – Executive Director - Academic Services
Lawrence Wood – Principal of Coleg Llandrillo

Board of Governors

A full list of Governors is given on page 14 of these financial statements

Mr T Prosser, the Grŵp's Director of Governance and Information, acted as Clerk to the Corporation throughout the period.

Professional Advisers

Independent Auditors: RSM UK Audit LLP
One City Place
Queens Road
Chester
CH1 3BQ

Internal auditors: TIAA
Artillery House
Fort Fareham
Newgate Lane
Fareham
PO14 1AH

Principal Bankers: Barclays Bank plc.
Corporate Banking Centre
P O Box 3333,
One Snowhill
Snow Hill Queensway,
Birmingham,
B3 2WN

<i>Solicitors:</i>	Eversheds	J W Hughes & Co
	1 Callaghan Square,	27 Augusta Street
	Cardiff	Llandudno
	CF10 5BT	LL30 2AD

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Annual Report

The Members of the Corporation Board of Grŵp Llandrillo - Menai (the Grŵp) present their report and audited financial statements for the year ended 31 July 2023.

1. Legal Status

The Corporation was established under The Further and Higher Education Act 1992 for the purpose of conducting Grŵp Llandrillo - Menai (the Corporation). The Grŵp is an exempt charity for the purposes of the Charities Act 2011.

2. Mission

The Grŵp launched a new 5-year strategic plan for the period from 2022-2027 last year still retaining the mission of "Improving People's Futures". This mission is built on 5 strategic themes outlined below:

Our 5 Key Strategic Themes



Leading the way in a modern world



Our place in the community



Learner opportunity and success



Driving the economy through skills and knowledge



Our role in a sustainable Wales

Each of these key themes is further broken down into a number of priorities and measured with key performance indicators:

Leading the Way in a Modern World

Priorities	KPIs
Embed flexibility and resilience in all that we do	KPI 1 – Number of days training per member of staff
Be at the leading edge of digitalisation	
Embed sustainability within all of the curriculum	
Develop relevant CPD for all staff with a culture of striving for excellence	KPI 2 – Capital investment per annum
Empower innovation to become a natural part of our work	
Create leaders who will thrive in the modern world	KPI 3 – Proportion of students digitally enabled
Fund an ambitious capital programme to provide sector leading opportunities	

Our place in the Community

Priorities	KPIs
Promote social mobility and aspirations through Lifelong Learning	KPI 1 - Success rates for minority groups
Work in partnership with other local public bodies	
Be respected and well-known for supporting our communities	
Be a "leading light" for equality and diversity	KPI 2 - Success rates within deprived areas
Prioritise geographical areas of deprivation	
Create a true sense of community within Grŵp Llandrillo Menai	KPI 3 - Increase ACL provision
Recognise our staff and be the employer of choice	

Learner opportunity and success

Priorities	KPIs
Ensure the curriculum is relevant and leads to progression	KPI 1 - Learner Success Rates
Excellent teaching staff that deliver excellent results	
Provide guidance and support to our learners, to achieve excellent outcomes	
Overcome barriers that block learner accessibility	KPI 2 - Learner Numbers recruited
Allow the Student Voice to influence our priorities	
Have an exciting marketing strategy to promote our provision	KPI 3 - Number of learners provided with support

Driving the economy through skills and knowledge

Priorities	KPIs
Work closely with companies and skills partnerships to expand the economy	KPI 1 - Number of successful apprenticeships
Offer sector leading training to employers	
Increase the number of apprentices	
Expand and broaden our higher education offer	KPI 2 - Number of successful HE learners
Develop a series of Knowledge Transfer Hubs that act as a bases for industry sector development	
Be key players within Ambition North Wales	KPI 3 - Number of bespoke employer training courses
Ensure all staff have current industry level knowledge	

Our role in a sustainable Wales

Priorities	KPIs
Improve the health and wellbeing of our learners and staff	KPI 1 - Financial health categorisation
Aspire to be a zero carbon organisation	
Develop sustainability skills within our local economy	KPI 2 - Staff Sickness rates
Embed sustainability within all of our activities	KPI 3 - Proportion of bilingual curriculum
Promote the language and culture of Wales	
Ensure that we are efficient to secure financial sustainability	KPI 4 - Environmental Target / Progress towards Net Zero
Be a strong voice in regional and national policy making	

A link to a digital copy of the full strategic plan can be found [here](#).

Progress on the plan and its associated annual operating plans are regularly scrutinised by the Board. The Grŵp will continue to report on progress at an annual public meeting, at which we will publish our Annual Report.

3. Resources

The Grŵp continues to invest in the resources it deploys in pursuit of its strategic objectives, with significant investment in ICT equipment, estates and capital developments.

The Grŵp employed on average 1,578 people in 2022/23 (2021/22: 1,554), of whom 984 (2021/22: 965) were teaching staff.

3.1. Delivery

The Grŵp's primary aim is to meet the educational needs of the counties of Conwy, Denbighshire Gwynedd and Mon through the provision of high-quality education and training opportunities. Throughout 2022/23, the Grŵp taught 11,639 (2021/22: 10,964) Further Education students (4,697 on full-time courses and 6,942 on part-time courses), 1,068 (2021/22: 1,076) Higher Education students (429 full-time and 639 part-time) and 2,956 (2021/22: 2,559) students through the Grŵp's work-based learning contract (all part-time). In addition, 3,062 (2021/22: 3,463) learners were taught through bespoke learning programmes (often to industry) not funded via the Welsh Government.

3.2. Excellence

Inspection/Review Profile

Provision	Date of Inspection	Grade
Further Education (Estyn)	2017	Good
Work Based Learning (Estyn)	2023	n/a*
Adult & Community Learning (Gwynedd and Mon) (Estyn)	2019	Good
NWT Work Based Learning (Ofsted)	2023	Good
Higher Education (QAA)	2022	Met Expectations**

* Grading is no longer part of the Estyn inspection framework – the report issued from the review highlighted the exceptional achievements, dedication and progress of apprentices; firmly establishing the consortium as a trailblazer in the education sector.

**QAA do not grade but measure the provider against the expectations of the UK Quality Code and against ESG Part 1. The highest outcome is to meet expectations - this shows the provider has robust arrangements for securing academic standards, managing academic quality and enhancing the quality of the student experience.

Key Strengths identified in Inspections and Reviews

Further Education

- The Grŵp Provision enables very good progression for learners
- The Grŵp provides an extensive and broad range of effective Welsh medium and Bilingual provision
- The Grŵp supports the health and wellbeing of its learners well, learners benefit from extensive support and counselling, both from the Grŵp and from specialist external agencies
- The Grŵp has established a very strong positive ethos and offers a welcoming and inclusive environment in which nearly all learners feel safe and well supported
- The Chief Executive provides outstanding leadership; managers and staff at all levels are very supportive of the Grŵp and committed to its key aims and objectives
- Senior managers show resolve and ambition in their desire to secure improvement in key aspects of the Grŵp's work
- The Governing Body is highly effective and brings a wide range of skills and knowledge, which it uses well to support the Chief Executive and to provide robust and high-level challenge
- The Grŵp has very strong and effective partnerships with a diverse range of local, regional and national organisations to improve the skills and employment opportunities for learners across the region

Recommendations were made to ensure all learners attain the highest standard and grades they can; improve the use of short-term targets; improve teaching strategies to ensure all learners are fully challenged; improve the quality of self-evaluation in learning areas

Work Based Learning

- The rates at which learners attain their full qualification frameworks are good and are continuing to improve across almost all programme areas.
- Learners enjoy their learning and feel safe in their training environments.
- The quality of teaching, training and assessment is good overall with a few examples of excellent practice.
- Overall, the quality-of-care support and guidance is good and learners are supported well to help them develop their education and employability skills.
- Learners have access to a very wide range of training programmes and good to excellent training resources and facilities for both on and off-the-job training.
- Senior managers provide effective strategic direction and set clear targets for the delivery of work-based learning

Recommendations were made to improve the success and timely completion rates of learners in underperforming programmes and learning areas; and to ensure that all tutors and assessors consistently develop learners' literacy and numeracy skills in all learning areas

Adult & Community Learning (Gwynedd and Mon)

- Learners are enthusiastic about their work and participate well in sessions. They make new friends and develop perseverance and resilience.
- Learners gain in confidence after previous poor experiences of learning.
- Nearly all learners feel safe and welcomed in class.
- The partnership offers an appropriate range of literacy, numeracy, digital skills and ESOL courses in line with the Welsh Government's national priorities.
- The partnership supports learners well in overcoming a range of barriers to their learning and their personal development.
- The partnership has established a clear vision with appropriate aims, objectives and policies that focus suitably on meeting many learners' needs.
- Leaders promote and facilitate the use of the Welsh language in adult learning well, and are proactive in addressing training needs for local employment.

Estyn will carry out an inspection of the ACL partnership for Conwy and Denbighshire in 23/24 before closing the current cycle of inspections on the existing inspection framework

NWT Work Based Learning (Ofsted)

- Senior leaders have high expectations for their staff and apprentices to achieve. Leaders put in place effective actions to improve the areas identified as needing improvement
 - Leaders and managers have a clear strategy for the curriculums that they offer. They design curriculums to respond to the identified national skills gaps
 - Leaders provide opportunities for disaffected learners who previously have not engaged in education or training
 - Leaders ensure that they select staff who are well qualified and have relevant industry experience. Staff benefit from professional development to help them improve their teaching practice.
 - Apprentices develop substantial new knowledge, skills and behaviours during their apprenticeship through effective teaching and learning strategies.
 - Employers value the training that their apprentices receive and how it enables them to contribute to the work of their team by becoming multi-skilled and able to take on more varied tasks.
 - Members of the advisory board have the necessary expertise of the education sector and apprenticeships. Senior leaders provide them with a range of information to enable them to provide effective support and challenge. They challenge leaders on the changes to the curriculums to ensure it meets employer and regional needs
- Recommendations were made to teach the wider skills that apprentices need to learn independently and extend their knowledge in a few programmes; ensure all apprentices benefit from impartial progression advice; ensure all learners have a good understanding of radicalisation and extremism

Higher Education

The Grŵp were commended in 4 areas of its provision:

- Breadth of student support services
- Teaching and learning facilities
- Strategic approach to online and distance learning to ensure inclusive learning experience
- Employer and stakeholder engagement in programme design and delivery

QAA also affirmed the steps taken by the Grŵp in the following areas to improve practice:

- Steps taken to engage student body to enhance learning experience
- Steps taken to increase Welsh medium vocational opportunities
- Streamlining HE admissions process

One recommendation was made:

- Training to support consistency of self-assessment

Current Outcomes

Grŵp Llandrillo Menai maintains the strong outcomes from inspections and reviews noted above. It continues to be highly effective in supporting learners to achieve and overcome the barriers brought about through COVID.

Success rates for FE show learners achieved outcomes above national comparator in 21/22 and unverified data shows a further improvement in FE Vocational outcomes in 22/23.

Work based learning outcomes for the Grŵp for 22/23 are predicted to be 10% above the 21/22 comparator and 7% above for the consortium

Outcomes for HE are predicted to be consistent across a 3 year trend.

3.3 Financial Performance

The Grŵp's financial strategy outlines a number of specified KPIs aimed at ensuring the Grŵp remains a financially stable organisation, able to invest in its resources to provide the best possible learning environment for its learners.

KPI target	Actual Result	2022 Comparison	Financial Health check Assessment	Financial Health check Score
EBITDA > 4% income	7.0%	10.2%	Good	70
Net current asset ratio > 2	2.71	4.35	Outstanding	100
Borrowing <15% of income	0.1%	0.3%	Outstanding	100
Financial Health Assessment score			Outstanding	270

The three KPI targets in the table above contribute to the financial health assessment as defined by the Education and Skills Funding Agency. This provides an indication of the underlying financial strength of an organisation. On the basis of the 2022/23 financial results the Grŵp continues to enjoy an "Outstanding" financial health rating.

	2023	2022	Change
	£'000	£'000	£'000
Surplus/(Deficit) for the year	3,011	1,275	1,736
Exceptional expenditure item	193	247	(54)
FRS102 Staff costs (pension)	1,990	5,884	(3,894)
FRS102 Interest costs (pension)	(678)	567	(1,245)
Depreciation and impairment cost	6,050	4,841	1,209
Deferred capital grant release	(3,299)	(2,687)	(612)
Interest receivable	(498)	(89)	(409)
Interest payable	13	71	(58)
Dividend from Group Undertaking	(524)	(660)	136
Surplus on disposal of fixed assets	-	(550)	550
College EBITDA	6,258	8,899	2,641
EBITDA as a % of income	7.0%	10.2%	

The EBITDA table above provides a reconciliation of the College results from the surplus to an EBITDA value. It does not include the results of subsidiary companies.

The reduction in EBITDA in comparison to the previous year is largely as a result of a reduction in targeted COVID-19 grants that were received from Welsh Government. Although income overall has risen this was offset by higher costs, particularly in relation to staffing costs where there was a consolidated 6.5% pay award in the year, together with a one-off 1.5% non-consolidated payment.

The exceptional expenditure item relates to the redundancy costs and Enhanced Pension costs in each of the last two years. A voluntary redundancy programme was offered in July 2023 and this incurred a cost of £460k.

A distribution from North Wales Training Limited (NWT) to the Grŵp of £524k (2022: £660k) was made during the year, representing the profits made by NWT in 2021/22. NWT's EBITDA profit for 2022/23 amounted to £515k (2021/22 £608k).

As in previous years the Grŵp's results are significantly affected by the volatility arising from the accounting requirements for post-employment benefits set out in FRS 102. The surplus for the year includes non-cash costs of £1.31m (2022 - £6.45m) arising as a result of accounting for the LGPS in accordance with FRS102. However, of greater significance has been the change in recommended treatment of the LGPS pension asset on the balance sheet position. If this had been treated on a similar basis to the prior year the pension asset would have increased from £20.4m in 2021/22 to £40.9m in 2022/23. In common with the rest of the sector the Grŵp has followed the recommended treatment of recognising a ceiling on the asset and its value on the balance sheet has therefore reduced to just £1.6m. This reduction in value is recognised through the Statement of Changes in Reserves (SOCR).

The reduction in the cash and bank deposits balances by c£7m during the year is predominantly capital cashflow timing related. There was approximately £7.8m outstanding in capital contributions from Welsh Government at the year-end. This is also a cause of the reduction in the Net current asset ratio compared to the prior year. Cash holdings are important as the Grŵp must contribute towards the cost of capital projects undertaken together with the Welsh Government. Without surpluses to generate cash the Grŵp would be unable to invest in its estate.

The Grŵp's major capital projects undertaken during 2022/23 were completion of the A-level block and new Sports Centre building on the Llangefni campus together with the Rhyl Engineering centre and purchase and beginning of redevelopment of the Tŷ Menai building in Bangor which will form the basis of the new Bangor campus. These latter two projects were in Work in Progress in Fixed Assets at the end of the financial year and will be completed in 2023/24. The Grŵp continues to make significant investment in its ICT offer, equipment and general estate.

NWT have moved head office premises in the year and the profit on disposal recognised in the Grŵp accounts relates to the sale of St David's House. The fixed asset expenditure in the company has mainly centred on redevelopment work at its new head office premises in Llandudno, Tŷ Copa.

Overall the Grŵp has had another successful year financially and has positioned itself well to face challenges that are likely to be faced in the next few years ahead.

4. Stakeholders

Established relationships are in place with the Conwy, Denbighshire, Gwynedd and Mon Local Education Authorities (LEA's). The Grŵp continues to be an active partner in all four counties and provides 14-16 and post 16 vocational courses for each of them.

In respect of Higher Education, the Grŵp is part of the Mid and North Wales regional planning group and has a strategic partnership with Bangor University. The University Centre @ Coleg Llandrillo (UCCL), in partnership with Bangor University is a flagship selling point of our Higher Education Provision and the Grŵp's Higher Education strategy continues to target a growth in our provision. Although learner numbers have been hit in the past three years as a result of the COVID-19 pandemic we are beginning to see some signs of turnaround and have won new contracted provision with HEIW.

The relationships with our university partners have a positive impact in the context of responsiveness and relevance to the needs of the North Wales economy by allowing students in North Wales to access higher education closer to their homes and/or employment.

In addition, the Grŵp is an active member of the North Wales Economic Ambition Board, the Energy Island Programme Advisory Board and the two Local Services Boards in North Wales which assist in achieving the Grŵp's employer engagement mission.

5. Future Developments

The challenges faced by Welsh Government in delivering a balanced budget are likely to have significant impact on funding across the whole of the public sector in Wales for the 2024/25 financial year and beyond. This will provide challenges across all of our Welsh Government funding streams, in particular FE and WBL. The Grŵp will continue to work with the sector as a whole in an attempt to limit the impact of these cuts for both learners and employees.

The Grŵp has been successful in winning a number of contracts under the Shared Prosperity Fund that has been established to replace European Funding that has ceased following Brexit. Although this is a positive development the relatively short term nature of these contracts does not provide a high level of certainty for funding going forward.

North Wales Training has plans to grow its activities in England and has now rebranded across the whole business as COPA.

The Grŵp has extended its capital programme to span 9 years according to Welsh Government guidelines. The programme identifies opportunities for improvement and aims at delivering a best in class learning environment for the Grŵp's students through investment in its estate, equipment and staff. Major capital projects are due to take place across all of the 4 counties the Grŵp is located in, including those identified as part of the North Wales Growth Bid: the Tourism Talent Network at Rhos and Rural Economy Hub at Glynllifon.

6. Principal Risks and Uncertainties

The Grŵp operates a robust system of risk management throughout the organisation to protect its reputation and assets. A risk register is maintained at the Grŵp which is reviewed regularly throughout the year. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact and the actions taken/being taken to mitigate those risks. Risks are prioritised using a consistent scoring system.

The current economic outlook remains uncertain with inflation and interest rates still high. As detailed above this may impact upon the Grŵp's future finances through efficiency requirements in our funding.

Learner numbers continue to be identified as a key risk for the Grŵp and the effect this may have on future funding allocations.

7. Treasury Policies and Objectives

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

The Grŵp has a separate treasury management policy in place which determines that the Grŵp's funds are only deposited with high rated UK banks.

Under the Financial Memorandum issued in March 2016 the Governing Body is able to approve any borrowing undertaken by the institution taking into account the Grŵp's current and future financial health.

8. Transparency Arrangements

The corporation conducts its business through a number of committees as explained on page 14. Each committee has terms of reference, which have been approved by the Board of Governors. Minutes of meetings are available from:

Director Governance & Information
Grŵp Llandrillo - Menai
Llandudno Road
Rhos on Sea
Conwy
LL28 4HZ

9. 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.

In accordance with the Board's wishes, the Grŵp ensures favourable payment terms are negotiated for small local suppliers and for students' travel expenses in line with Welsh Government guidance. The payment days are 10 (2022:12 days). The Grŵp incurred no interest charges in respect of late payment for the year ended 31 July 2023.

10. Post - Balance sheet events

There have been no Post balance sheet events

11. Trade Union Facility Time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
25	21.49

Percentage of time spent on facility time

% of Time	Number of employees
0	0
1-50	25
51-99	0
100	0

Percentage of pay bill spent on facility time

Total cost of facility time	£30,266
Total pay bill	£56,866,000*
Percentage of the total pay bill spent on facility time (Total cost of facility time / total pay bill) * 100	0.053%

* Cost excluding FRS102 defined benefit pension charges and Exceptional restructuring costs.

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time (Total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	100%
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12. Public Benefit

The Grŵp is an exempt charity under the Part 3 of the Charities Act 2011 and is regulated by the Welsh Government as principal regulator of Further Education Corporations in Wales. The members of the Governing Body, who are trustees of the charity, are disclosed on page 14. In setting and reviewing the College's strategic objectives, the Governing Body has had due regard for the Charity Commission's guidance on public benefit and particularly upon its supplementary guidance on the advancement of education.

In delivering its mission, the College provides identifiable public benefits through the advancement of education to 18,725 students, including 763 students with high needs. The college provides courses without charge to young people, to those who are unemployed and adults taking English and Maths courses. The college adjusts its courses to meet the needs of local employers and provides training to apprentices. The college is committed to providing information, advice and guidance to the students it enrolls and to finding suitable courses for as many students as possible regardless of their educational background.

13. Equal Opportunities and Employment of Disabled Persons

The Grŵp recognises the value of each member of its community. The Grŵp is committed to offering an educational service which provides equality of opportunity and is intended to combat discrimination. It seeks to promote equality of access, social inclusion, encourage widening participation and ensure equality within a bilingual context. The Grŵp has actively developed a comprehensive set of policies to promote equality and has been externally recognised as an equal opportunities employer through its Charter Mark and Investors in People Status. A disability statement has been prepared by the Grŵp, and the Grŵp has the right to use the “Positive about Disabled People” symbol on its job advertisements, application forms and recruitment literature. The Grŵp holds the “Two Ticks” symbol – positive about disability.

The Grŵp’s Welsh Language Policy aims at fully meeting the requirements set out for it under the Welsh Language Standards which were introduced under the Welsh Language (Wales) Measure 2011.

14. Disability Statement

The Grŵp seeks to achieve the objectives set down in the Equality Act 2010 and makes significant investment in specialist lecturing and support staff in order to support students with learning difficulties and disabilities

15. Taxation

The Grŵp’s activities do not fall to be charged to corporation tax, although the Grŵp is subject to VAT. Please see the accounting policy on taxation on page 37 for more information.

16. Staff and Student Involvement

The Grŵp considers good communication to be an essential ingredient of college management. Staff and students are fully involved in the major committees of the Grŵp with representatives on the Corporation Board. Grievance and dispute procedures are well publicised and the Grŵp has an established ‘Student Charter’ and a ‘Whistle blowing Policy’.

Students are fully involved in the quality process and form part of course review teams. Regular meetings are held with staff who are involved in corporate management. The overall effectiveness of the institution was clearly recognised in external quality assessments.

17. Board members

The Grŵp Board operates with a Committee structure with the inclusion of local College Councils to broaden the ownership of the Grŵp’s activities. An active Chairs Committee is established to carry forward the principles of openness and accountability. A Register of Interests for all Board members is maintained.

18. Disclosure of Information to Independent 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 Grŵp’s auditors are unaware; and each member has taken all the steps he or she ought to have taken to be aware of any relevant audit information and to establish that the Grŵp’s auditors are aware of that information.

Members:

SURNAME:	FORENAME:	TERM	APPOINTMENT	TERM ENDS:	COMMITTEES SERVED:				
			STATUS:		Board	Chairs	FRC / CPB	ARC	CSSC
Adams	Andrea	4	Teaching	03/24	1				1
Bichan	Roy	4	Past Chair	03/25	1	1	1		
Billcliff	Andy	4		03/26	1			1	
Evans	Dafydd	Ex Off	CEO	-	1	1	1		1
Evans	Dilwyn	4	Chair FRC	03/26	1	1	1		
Jones (C)	Griff	4	Board Chair	03/24	1	1	1		
Jones	Gwyn	4	Chair CSSC	06/24	1	1	1		1
Lavin	Peter	4	Chair ARC	03/24	1	1		1	
Morgans	Chris	4		12/26	1			1	
Pierce-Williams	John	4	Deceased	05.23	1		1		1
Pugh	Hedd	4		03/24	1		1		
Pryor	Marion	4		03/27	1			1	
Tully	Carol	4		06/24	1		1		
Thomas	Alun	4	Vice Chair & Chair NWT	03/24	1	1	1		1
Williams Price	Bethan	4		09/26	1				1
Woosnam	Brian	4	Non-teaching	10/25	1				
Hadrill	Jordan	1	SU President	07/23	1				1
Fletcher	William	1	HE Officer	07/23	1				1

Key:

ARC - Audit and Risk Committee; FRC - Finance & Resources Committee; CPB-Capital Programme Board; CSSC - Curriculum, Students & Standards Committee; CC - Chair's Committee; C – Chairman; VC - Vice Chairman; CEO - Chief Executive Officer

Approved by order of the members of the Corporation on and signed on its behalf by:



Dr Griffith Wynn Jones - Chairman

Statement of Corporate Governance And Internal Control

The following statement is provided to enable readers of the annual report and accounts of the Grŵp to obtain a better understanding of its governance and legal structure. This statement covers the period from 1 August 2022 to 31 July 2023 and up to the date of approval of the annual report and financial statements.

In the opinion of the Governors, the Grŵp complies with all the appropriate provisions of the Code of Good Governance for Colleges in Wales (2016) in so far as they apply to the Further Education Sector.

The Governance model adopted by the Grŵp from March 2020 forward has dramatically altered, with most meetings now held online. Governance though has remained effective, engaged, supportive and challenging.

Corporation Board

The Grŵp's Corporation Board consists of independent members as well as staff, student representatives and the Grŵp Chief Executive Officer. The composition of the Corporation Board is set out on page 14. It is the Corporation Board's responsibility to bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct. The Corporation Board has a strong and independent non-executive element and no individual or group dominates its decision-making process. The Corporation Board 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.

All Governors are able to take independent professional advice in furtherance of their duties at the Grŵp's expense and have access to the Director of Governance & Information, who is responsible to the Corporation Board for ensuring that all applicable procedures and regulations are complied with. The appointment, evaluation and removal of the Director of Governance & Information are all matters for the Corporation Board as a whole. There is a clear division of responsibility in that the roles of the Chairman, Grŵp Chief Executive Officer and Director of Governance & Information are all separate.

Ordinarily, the Corporation Board meets formally four times a year (in addition to an Annual General Meeting and Strategic Planning Event) and has established four formal sub-committees: the Audit and Risk Committee; Curriculum, Students & Standards Committee; Finance & Resources Committee and Chairs Committee. Each subcommittee has formal terms of reference and reports to the Corporation Board. Formal agendas, papers and reports are supplied to governors in a timely manner, prior to Corporation Board meetings. Briefings are provided on an ad-hoc basis.

The Corporation Board is provided with regular and timely information on the overall financial performance of the Grŵp together with other information such as performance against funding targets, proposed capital expenditure, quality matters, personnel related matters, health and safety and environmental issues.

In addition to the formal sub committees noted above, 7 Local College Councils also report directly to the Corporation Board.

Appointment to the Corporation Board

Any new appointments to the Corporation are a matter for the consideration of the Corporation as a whole. The Chairs Committee advises the Corporation Board on the recruitment of new members, considers the composition and balance of the Corporation Board and develops procedures for training, induction and development of Corporation Board members.

Members of the Corporation are appointed on a rolling basis up to a maximum four-year term (which can be renewed on review).

Audit and Risk Committee

The Audit and Risk Committee met four times in 2022-23. The committee operates in accordance with written terms of reference approved by the Corporation Board. It comprises of four members (excluding the Grŵp Chief Executive Officer and the Chair of the Corporation Board). The Grŵp's external and internal auditors are invited to report and attend the meeting and have access to the Committee for independent discussion, without the presence of the Grŵp management. Whilst senior management attend meetings of the Audit and Risk Committee as necessary, they are not members of the Committee.

The Audit and Risk Committee also advises the Corporation Board on the appointment of internal and external auditors and their remuneration for both audit and non-audit work. The Committee considers and agrees the annual programme of the internal auditors that provides an independent assessment of all aspects of the Grŵp's systems of internal control, risk management, controls and governance processes. The auditor's report findings to management and the Audit and Risk Committee. Management is responsible for the implementation of agreed audit recommendations and internal audit undertake periodic follow up reviews to ensure such recommendations have been implemented.

From time to time the Committee requests self-audit reports from management on aspects of the Grŵp's internal control system. The Committee also considers relevant reports from DFES, HEFCW, National Audit Office and other bodies as they affect the Grŵp's business. The Audit and Risk Committee monitors the progress of management in implementing audit recommendations.

Finance and Resources Committee

The Finance and Resources Committee met four times in 2022-23. The committee comprises of nine members including the Grŵp Chief Executive Officer, and other members of the Grŵp's Senior Management Team. The key role of the Committee is to review and challenge the financial performance and strategy of the Grŵp along with monitoring staffing resources and policies, estates functions, Health, Safety and Environmental issues, Work Based Learning and other commercial activity. The Committee also has a role in referring any risks identified in these areas on to the Audit and Risk Committee.

Curriculum Students and Standards Committee

The Curriculum Students and Standards Committee has 8 members, including the Grŵp Chief Executive Officer, Student Union President and Higher Education Officer. It reviews and advises on the curriculum planning processes of the Grŵp, monitors the quality performance of the Grŵp's provision and how the Grŵp works in partnership with other institutions and organisations. It is also responsible for receiving the "Student Voice" to ensure that the Grŵp is focused on providing the best available

environment and resources for its learners. Again, the Committee has a role in referring any risks identified in these areas on to the Audit and Risk Committee. The committee met twice in person with a further information pack provided to the committee in lieu of meeting in June 2023 due to personal circumstances.

Chairs Committee

The Chairs Committee met once during the year. It has also made limited recommendations to the Corporation Board on the remuneration of the senior post holders given that a new Senior Post Holder recruitment process was undertaken during the year. A formal process has been established to set objectives against which to monitor performance. The Committee's recommendations are also informed by independent surveys of national remuneration levels for senior post holders. Details of remuneration for the year ended 31 July 2023 are set out in note 7 to the financial statements.

Internal control

Strategic planning and financial control

The Grŵp has established a robust strategic planning process. This process ensures appropriate involvement of the Corporation Board, Tîm Strategol / Senior Management Team, and Tîm Rheoli / Management Team, as well as consultation with all staff in developing the strategic plan. The final strategic plan is approved by the Corporation Board which also monitors progress on the achievement of the strategic objectives during the year.

The Grŵp's budget and financial forecasts are developed in conjunction with the strategic plan. The Finance and Resources Committee recommends to the Corporation Board the Grŵp's annual revenue and capital budgets and monitors performance in relation to the approved budgets. Detailed monthly management accounts are provided to budget holders and reviewed by senior management. The Grŵp has established detailed financial regulations and delegated levels of authority which provide a framework for financial control within the Grŵp.

Scope of responsibility

The Corporation Board is ultimately responsible for the Grŵp'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 Board has delegated the day-to-day responsibility to the Grŵp Chief Executive Officer, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the Grŵp's policies, aims and objectives, whilst safeguarding the public funds and assets for which he is personally responsible, in accordance with the responsibilities assigned to him in the Financial Memorandum between Grŵp Llandrillo-Menai and the Welsh Government. He is also responsible for reporting to the Corporation Board any material weaknesses or breakdowns in internal control.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Grŵp's 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 Grŵp Llandrillo-Menai for the year ended 31 July 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Corporation Board has reviewed the key risks to which the Grŵp is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Corporation Board is of the view that there is a formal ongoing process for identifying, evaluating and managing the Institution's significant risks that has been in place for the year ending 31 July 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Corporation Board.

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 Corporation Board;
- Regular reviews by the Corporation Board of periodic and annual financial reports, which indicate the financial performance against forecasts;
- Setting targets to measure financial and other performance;
- Clearly defined capital investment control guidelines; and
- The adoption of formal project management disciplines, where appropriate.

Grŵp Llandrillo-Menai has an internal audit service, which operates in accordance with the requirements of Welsh Government. The work of the internal audit service is informed by an analysis of the risks to which the Grŵp 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 Board on the recommendation of the Audit and Risk Committee. Annually, the internal auditors provide the Corporation Board with a report on internal audit activity in the institution. The report normally includes the internal auditors' independent opinion on the adequacy and effectiveness of the Grŵp's system of risk management, controls and governance processes.

Review of effectiveness

As Accounting Officer, the Grŵp Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. His 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 Grŵp who have responsibility for the development and maintenance of the internal control framework;
- comments made by the Grŵp's financial statements auditors and the Welsh Government's auditors in their management letters and other reports.

The Grŵp Chief Executive Officer has been advised on the implications of the result of his review of the effectiveness of the system of internal control by the Audit and Risk Committee, which oversees the work of the internal auditors. The Grŵp's quality processes include a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Tîm Strategol / Senior Management 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 and the Grŵp's 4Risk recording system. The Tîm Strategol / Senior Management Team and the Audit and Risk Committee also receive regular reports from internal audit, which include recommendations for improvement. The Audit and Risk 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 Audit and Risk Committee.

The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its December 2023 meeting, the Corporation Board carried out the annual assessment for the year ended 31 July 2023 by considering documentation from the Audit and Risk Committee and internal audit, and taking into account of events since 31 July 2023.

Based on the advice of the Audit Committee and the Accounting Officer, the Corporation is of the opinion that the Grŵp 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".

Going concern

After making appropriate enquiries, the Corporation considers that the Grŵp has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Approved by order of the members of the Corporation on and signed on its behalf by:



Dr Griffith Wynn Jones
Chair



Mr Dafydd Evans
Grŵp Chief Executive Officer

Statement of Regularity, Propriety and Compliance

As accounting officer I confirm that the Corporation has had due regard to the requirements of grant funding agreements and contracts with the Welsh Government and has considered its responsibility to notify the Welsh Government of material irregularity, impropriety and non-compliance with 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 college, or material non-compliance with the terms and conditions of funding, under the Corporation's grant funding agreements and contracts with the Welsh Government, or any other public funder.

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



Grŵp Chief Executive Officer / Accounting Officer

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.



Dr Griffith Wynn Jones
Chairman

Statement of Responsibilities of The Members of the Corporation

The members of the Corporation (the Board of Governors) of the Grŵp are required to present audited financial statements for each financial year.

Within the terms and conditions of the Financial Memorandum between the Welsh Government and the Governing Body of the Grŵp, the Corporation, through its Accounting Officer, is required to prepare financial statements and an operating and financial review for each financial year in accordance with the Statement of Recommended Practice – Accounting for Further and Higher Education, the Accounts Direction for Further Education Colleges in Wales and the UK's Generally Accepted Accounting Principles, and which give a true and fair view of the state of affairs of the College and its surplus/deficit of income over expenditure for that period.

In preparing the financial statements, the Governing Body 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 college is a going concern, noting the key supporting assumptions, qualifications or mitigating actions, as appropriate (which must be consistent with other disclosures in the accounts and auditor's report)
- 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 Members' Report in accordance with paragraphs 3.23 to 3.27 of the FE and HE SORP, which describes what it is trying to do and how it is going about it, including information about the legal and administrative status of the Grŵp. The Corporation is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Grŵp 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 Governing Body are responsible for ensuring that expenditure and income are applied for the purposes intended by the Welsh Government and that the financial transactions conform to the authorities that govern them. In addition, they are responsible for ensuring that funds from the Welsh Government, and any other public funds, are used only in accordance with the Financial Memorandum with the Welsh Government and any other conditions that may be prescribed from time to time by the Welsh Government or any other public funder.

Members 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 economical, efficient and effective management of the College's resources and expenditure so that the benefits that should be derived from the application of public funds from the Welsh Government and other public bodies are not put at risk.

Approved by order of the members of the Corporation and signed on its behalf by:



Dr Griffith Wynn Jones
Chairman

Date: 14 December 2023

Independent Auditor's Report to the Corporation of Grŵp Llandrillo Menai

Opinion

We have audited the financial statements of Grŵp Llandrillo Menai (the "College") and its subsidiaries ("the group") for the year ended 31 July 2023 which comprise the Consolidated and College statement of comprehensive income, the Consolidated and College balance sheets, the Consolidated and College statement of changes in reserves, the Consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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) and the Accounts Direction 2022-2023 issued by the Welsh Government.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the College's affairs as at 31 July 2023 and of the Group's and the College's surplus of income over expenditure for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Accounts Direction 2022-2023 issued by the Welsh Government.

Opinion on other matters required by the Further Education Audit Code of Practice issued by the Welsh Government

In our opinion:

- in all material respects, monies expended out of Welsh Government grants and other funds from whatever source administered by the College for specific purposes have been properly applied to those purposes and, if appropriate, managed in compliance with all relevant legislation; and
- in all material respects, income has been applied in accordance with the Financial Memorandum with the Welsh Government.

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 and College in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the governors 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 governors are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Accounts Direction for Further Education Colleges in Wales for 2022-23 issued by the Welsh Government requires us to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Corporation of Grŵp Llandrillo Menai

As explained more fully in the Statement of the Corporation's Responsibilities set out on pages 21 to 22, the Corporation is responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Corporation determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Corporation is responsible for assessing the Group's and the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Corporation either intends to liquidate the Group or College or to cease operations, or has 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and College operates in and how the group and college are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Further and Higher Education SORP and the Accounts Direction for Further Education Colleges in Wales for 2022-23 issued by the Welsh Government. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The most significant laws and regulations that have an indirect impact on the financial statements are those which are in relation to the Education Inspection Framework under the Education and Inspections Act 2006, Keeping Children Safe in Education under the Education Act 2002 and the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these laws and regulations and inspected correspondence with licensing or regulatory authorities.

The group audit engagement team identified the risk of management override of controls as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

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

Use of our report

This report is made solely to the Corporation, as a body, in accordance with published by the Welsh Government and our engagement letter dated 10 June 2019. Our audit work has been undertaken so that we might state to the Corporation, as a body, those matters we are engaged to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Corporation, as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP
Chartered Accountants
One City Place
Queens Road
Chester
CH1 3BQ
Date

Consolidated and College Statements of Comprehensive Income and Expenditure

	Note	Year ended 31 July	Year ended 31 July	Year ended 31 July	Year ended 31 July
		2023 GRŴP £'000	2023 College £'000	2022 GRŴP £'000	2022 College £'000
INCOME					
Funding body grants	2	75,918	71,846	76,550	72,622
Tuition fees and education contracts	3	4,103	4,103	4,641	4,641
Other income	4	12,301	12,271	9,270	9,240
Endowment and investment income	5	506	1,023	89	749
Total income		92,828	89,243	90,550	87,252
EXPENDITURE					
Staff costs before FRS102 costs	7	59,399	57,059	55,423	53,167
FRS102 costs		1,990	1,990	5,884	5,884
Total staff costs including FRS102 costs		61,389	59,049	61,306	59,051
Other operating expenses	8	23,123	21,796	23,181	21,997
Depreciation and Impairment	11	6,115	6,052	4,881	4,841
Amortisation	10	115	-	115	-
Interest and other finance costs before FRS102	9	13	13	71	71
FRS102 net interest (income) / costs		(678)	(678)	567	567
Interest and other finance (income) / costs including FRS102		(665)	(665)	638	638
Total expenditure		90,077	86,232	90,121	86,527
Surplus before other gains and losses before tax		2,751	3,011	429	725
Surplus on disposal of fixed assets		133	-	550	550
Surplus before tax		2,884	3,011	979	1,275

Consolidated and College Statements of Comprehensive Income for the year ended 31 July 2023 cont'd

	Year ended 31 July	Year ended 31 July	Year ended 31 July	Year ended 31 July
	2023 GRŴP £'000	2023 College £'000	2022 GRŴP £'000	2022 College £'000
Surplus before tax	2,884	3,011	979	1,275
Taxation	-	-	-	-
Surplus for the year	2,884	3,011	979	1,275
Re-measurement of net defined pension asset	(17,412)	(17,412)	53,733	53,733
Total Comprehensive Income / (expenditure) for the year	(14,528)	(14,401)	54,712	55,008

Consolidated and College Statement of Changes in Reserves for the year ended 31 July 2023

	Income and Expenditure account £'000	Revaluation reserve £'000	Total excluding non-controlling interest £'000	Total Unrestricted Reserves £'000
Grŵp Balance at 1st August 2022	75,637	8,073	83,710	83,710
Surplus for the year	2,884	-	2,884	2,884
Actuarial loss in respect of pension schemes	(17,412)	-	(17,412)	(17,412)
Transfers between revaluation and income and expenditure reserves	308	(308)	-	-
Total comprehensive income for the year	(14,220)	(308)	(14,528)	(14,528)
Balance at 31st July 2023	61,417	7,765	69,182	69,182
Grŵp Balance at 1st August 2021	20,618	8,381	28,999	28,999
Surplus for the year	979	-	979	979
Actuarial gain in respect of pension schemes	53,733	-	53,733	53,733
Transfers between revaluation and income and expenditure reserves	308	(308)	-	-
Total comprehensive income for the year	55,020	(308)	54,712	54,712
Balance at 31st July 2022	75,637	8,073	83,710	83,710
College Balance at 1st August 2022	75,878	8,073	83,951	83,951
Surplus for the year	3,011	-	3,011	3,011
Actuarial gain in respect of pension schemes	(17,412)	-	(17,412)	(17,412)
Transfers between revaluation and income and expenditure reserves	308	(308)	-	-
Total comprehensive income for the year	(14,093)	(308)	(14,401)	(14,401)
Balance at 31st July 2023	61,785	7,765	69,550	69,550
College Balance at 1st August 2021	20,562	8,381	28,943	28,943
Surplus for the year	1,275	-	1,275	1,275
Actuarial gain in respect of pension schemes	53,733	-	53,733	53,733
Transfers between revaluation and income and expenditure reserves	308	(308)	-	-
Total comprehensive income for the year	55,316	(308)	55,008	55,008
Balance at 31st July 2022	75,878	8,073	83,951	83,951

Balance sheets as at 31 July 2023

	Notes	GRŴP 2023 £'000	College 2023 £'000	GRŴP 2022 £'000	College 2022 £'000
Fixed assets					
Intangible assets and goodwill	10	0	0	116	0
Tangible fixed assets	11	114,508	114,328	96,807	96,453
Investments	12	56	1,862	56	1,862
		<u>114,564</u>	<u>116,190</u>	<u>96,979</u>	<u>98,315</u>
Current assets					
Stocks	15	695	695	680	680
Trade and other receivables	14	7,736	7,199	6,761	6,517
Investments	16	3,000	3,000	3,544	3,544
Cash and cash equivalents		<u>24,123</u>	<u>23,113</u>	<u>30,670</u>	<u>29,655</u>
		<u>35,554</u>	<u>34,007</u>	<u>41,655</u>	<u>40,396</u>
Less: Creditors – amounts falling due within one year	17	(16,842)	(16,554)	(13,918)	(13,754)
Net current assets		<u>18,712</u>	<u>17,453</u>	<u>27,737</u>	<u>26,642</u>
Total assets less current liabilities		133,276	133,643	124,716	124,957
Less: Creditors – amounts falling due after more than one year	18,19	(63,083)	(63,081)	(58,204)	(58,204)
Provisions					
Defined benefit pension scheme asset	22	1,635	1,635	20,359	20,359
Other provisions	20	(2,646)	(2,646)	(3,161)	(3,161)
Total net assets		<u>69,182</u>	<u>69,550</u>	<u>83,710</u>	<u>83,951</u>
Unrestricted reserves					
Income and expenditure account		61,417	61,785	75,637	75,878
Revaluation reserve		7,765	7,765	8,073	8,073
Total unrestricted reserves		<u>69,182</u>	<u>69,550</u>	<u>83,710</u>	<u>83,951</u>

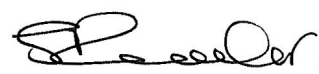
The financial statements on pages 27 to 59 were approved and authorised for issue by the Corporation on 14 December 2023 and were signed on its behalf on that date by:



Dr Griffith Wynn Jones
Chairman



Mr D Evans
CEO



Mrs S Bowker
Executive Director
Corporate
Services

Consolidated Statement of Cash Flows for the year ended 31 July 2023

	2023	2022
	£'000	£'000
Cash inflow from operating activities		
Surplus for the year after tax	2,884	979
Adjustment for;		
Depreciation and amortisation	6,230	4,996
Increase/(Decrease) in provisions	(515)	61
FRS 17 pension finance income including curtailments	(678)	567
Pensions costs less contributions payable	1,990	5,884
Release of deferred capital grants	(3,299)	(2,687)
Investment income	(506)	(89)
Interest payable	13	71
Loss/(Gain) on disposal of fixed asset	(133)	(550)
Operating cashflow before movement in working capital	5,986	9,232
(Increase)/Decrease in stocks	(15)	(55)
(Increase)/Decrease in debtors	(975)	21
Increase/(Decrease) in accruals	1,441	(1,018)
(Decrease)/Increase in creditors due within one year	1,877	1,706
Net cashflow from operating activities	8,314	9,886
Cash flows from investing activities		
Proceeds from sale of fixed assets	450	739
Investment income	506	89
Payments from/(into) short term cash deposits	544	(3)
Payments made to acquire fixed assets	(24,131)	(9,419)
Deferred capital grants received	7,905	5,565
	(14,726)	(3,029)
Cash flows from financing activities		
Interest paid	(13)	(71)
Capital element of bank loan repayments	(121)	(113)
	(134)	(184)
Increase in cash and cash equivalents in the year	(6,547)	6,673
Cash and cash equivalents at beginning of the year	30,670	23,997
Cash and cash equivalents at end of the year	24,123	30,670

Notes to the Financial Statements for the year ended 31 July 2023

1. STATEMENT OF PRINCIPAL ACCOUNTING POLICIES AND GENERAL INFORMATION

The following accounting policies and estimation techniques 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 2015 (the 2015 FE HE SORP), the Welsh College Accounts Direction for 2022 to 2023 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 Consolidation

The consolidated financial statements include the financial statements of the Grŵp and subsidiary undertakings for the financial year to 31 July 2023. The consolidated financial statements include entities in which the Grŵp has control through financial interest or significant influence over their commercial and financial policy decisions.

Entities are included within the consolidation from the point of the group achieving control and are excluded from the consolidation when control is lost.

All intra-group transactions, balances and unrealised gains on transactions between group entities are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

Basis of Accounting

The financial statements are prepared in accordance with the historical cost convention as modified by the revaluation of certain fixed assets.

The consolidated financial statements are presented in sterling which is also the functional currency of the Grŵp.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

Reduced disclosures

In accordance with the 2015 FE HE SORP and FRS 102, the Grŵp in its separate financial statements, which are presented alongside the consolidated financial statements, has taken advantage of the disclosure exemptions available to it in respect of presentation of a cash flow statement and financial instruments.

Going Concern

The activities of the Grŵp, together with the factors likely to affect its future development and performance are set out in the Annual Report. The financial position of the Grŵp, its cash flow, liquidity and borrowings are described in the Financial Statements and accompanying Notes. The Grŵp currently has cash and cash equivalents of £24m (2022: £31m) and £0.1m (2022: £0.2m) of loans outstanding with bankers. The Grŵp's forecasts associated with these loans and financial projections indicate that it will be able to operate within the covenants for the foreseeable future. Accordingly, the Grŵp 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.

Recognition of Income

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. The final grant income is normally determined with the conclusion of the year end reconciliation process with the funding body following the year end, and the results of any funding audits.

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

Where part of a government grant is deferred, the deferred element is recognised as deferred income within creditors and allocated between creditors due within one year and creditors due after more than one year as appropriate.

Grants from non-government sources are recognised in income when the College is entitled to the income and performance related conditions have been 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 the conditions are met.

Capital Grant Funding

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.

Fee Income

Income from tuition fees is stated gross of any expenditure which is not a discount and is recognised in the period for which it is received.

Investment Income

All income from short-term deposits is credited to the income and expenditure account in the period in which it is earned on a receivable basis.

Agency Arrangements

The College acts as an agent in the collection and payment of certain discretionary support funds. 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.

Post-Retirement Benefits

Retirement benefits to employees of the Grŵp are provided by The Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). These are defined benefit schemes which are externally funded and contracted out of the State Second Pension.

Teachers' Pension Scheme (TPS)

The TPS is an unfunded scheme. 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 valuations using a prospective benefit method.

The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution plan and the contributions recognised as an expense in the income statement in the periods during which services are rendered by employees.

Gwynedd Local Government Scheme (LGPS)

The LGPS is a funded scheme. The assets of the LGPS are measured using closing fair values. LGPS liabilities are measured using the projected unit credit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred.

Net interest on the net defined benefit liability/asset is also recognised in the Statement of Comprehensive Income and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in interest and other finance costs.

Remeasurement comprising actuarial gains and losses, the effect of the asset ceiling and the return on scheme assets (excluding amounts included in net interest on the defined benefit liability) are recognised immediately in other comprehensive income.

The LGPS assets are managed by the scheme trustees at scheme level, and the determination / allocation of assets to each individual employer in the scheme is managed by the scheme actuary. The assets are allocated to each employer for accounting purposes based on the valuation of the assets at the latest triennial valuation as adjusted for subsequent contributions received from the employer, asset returns and benefit payments made (either on a cash basis or actuarial basis).

The retirement benefit obligation recognised represents the deficit or surplus in the defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

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 Grŵp. The cost of any unused holiday entitlement the Grŵp expects to pay in future periods is recognised in the period the employee's services are rendered.

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 Grŵp 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 Grŵp's income and expenditure account in the year that the member of staff retires. In subsequent years a charge is made to provisions in the balance sheet using the method prescribed by DFES.

Tangible Fixed Assets

Land and buildings

Land is stated at deemed cost for land held at valuation at the date of transition to FRS102 less accumulated impairment losses.

Buildings are stated at deemed cost for buildings held at valuation at the date of transition to FRS 102 less accumulated depreciation and accumulated impairment losses.

Properties in the course of construction are accounted for at cost less any identified impairment loss. Cost includes professional fees and other directly attributable costs that are necessary to bring the property to operating condition. They are not depreciated until they are brought into use.

Freehold land is not depreciated. Depreciation on other assets is calculated, using the straight-line basis, to write off the cost of each asset to its estimated residual value over its expected useful lives, as follows:

Freehold buildings	over periods between 25 - 40 years
Leasehold Improvements	over the shorter of 40 years and the remaining lease

Subsequent expenditure on existing tangible fixed assets

Where significant expenditure is incurred on tangible fixed assets it is charged to the income and expenditure account in the period in which it is incurred, unless it increases the future benefits to the Grŵp, in which case it is capitalised and depreciated on the relevant basis.

Equipment

Equipment (other than computer related equipment) costing less than £5,000 per individual item or project 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 its net book amount at that date.

Inherited equipment is depreciated on a straight-line basis over its remaining useful economic life to the Grŵp. All other equipment is depreciated over its useful economic life using the straight-line basis as follows:

General equipment	5 - 10 years
Computer equipment	3 years
Motor vehicles	3 years

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, released to income and expenditure account over the expected useful economic life of the related equipment.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Comprehensive Income and Expenditure.

Intangible Assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the asset to its residual value over its estimated useful life as follows:

Goodwill	5 years
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Where market factors indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances. The asset is reviewed for impairment if the above factors indicate that the carrying value may be impaired.

Leased Assets

Costs in respect of operating leases are charged to the Income and Expenditure Account on a straight-line basis over the lease term. Assets held under finance leases are capitalised and depreciated over the shorter of the lease term and the useful economic life. The related liability is included as a creditor in the balance sheet. The excess of the lease payments over lease obligations are created as finance charges which are amortised over each lease term to give a constant rate of charge on the remaining balance of the obligations.

Stocks

Stocks are stated at the lower of their cost and net realisable value. Where necessary provision is made for obsolete, slow moving and defective stocks. Farm livestock is based on deemed cost valuation for which 75% of open market valuation was applied.

Maintenance of Premises

The cost of routine corrective maintenance is charged to the income and expenditure account in the period it is incurred.

Taxation

The Grŵp 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 entity for UK corporation tax purposes. Accordingly, the Grŵp 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 Grŵp 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 Grŵp's subsidiary companies are subject to corporation tax and VAT in the same way as any commercial organisation.

Investments

Listed investments held as non-current assets and current asset investments, which may include listed investments, are stated at fair value, with movements recognised in Comprehensive Income.

Fixed Asset Investments

College

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses in the separate financial statement of the College.

Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value. An investment qualifies as a cash equivalent when it has maturity of 3 months or less from the date of acquisition.

Financial Contingency Fund

The Financial Contingency Fund grant from DFES is available solely for students. In the majority of cases the Grŵp acts only as a paying agent. In these circumstances the grants and related expenditure are excluded from the Income and Expenditure account. The income and expenditure consolidated in the Grŵp's financial statements relates to the provision of transport and nursery care by the Grŵp on the student's behalf as well as the staff costs of administering the fund.

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 College 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. Loans and investments that are payable or receivable within one year are not discounted.

Provisions and Contingent Liabilities

Provisions are recognised when

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

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in the statement of comprehensive income in the period it arises.

A contingent liability arises from a past event that gives the College a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the College. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the balance sheet but are disclosed in the notes to the financial statements.

Judgements in applying accounting policies and key sources of estimation uncertainty

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

- Determine 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.
- Determine 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.
- Determining the existence of a minimum funding requirement for the Local Government Pension Scheme to be included in the asset ceiling in measuring and recognising a surplus in the scheme. This judgement is based on an assessment of the nature of the scheme as a statutory scheme and its interest implied continuance as well as the operation of the primary and secondary contributions.

Other key sources of estimation uncertainty

- **Tangible Fixed Assets**

Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

- **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 26, will impact the carrying amount of the pension liability. The actuary has used a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 to value the pensions liability at 31 July 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. FUNDING BODY GRANTS

	GRŴP 2023 £'000	College 2023 £'000	GRŴP 2022 £'000	College 2022 £'000
DFES Recurrent grant	47,876	47,875	45,576	45,576
Work -based Learning	12,588	8,517	12,871	8,943
Release of deferred DFES capital grant	3,299	3,299	2,687	2,687
DFES LLDD grant	2,100	2,100	2,299	2,299
HEFCW Recurrent grant	983	983	861	861
Other DFES Grants	9,072	9,072	12,256	12,256
	75,918	71,846	76,550	72,622

3. TUITION FEES AND EDUCATION CONTRACTS

	GRŴP 2023 £'000	College 2023 £'000	GRŴP 2022 £'000	College 2022 £'000
UK Higher Education students	2,511	2,511	3,055	3,055
UK Further Education students	439	439	566	566
Non-European Union students	22	22	58	58
Total Fees paid by or on behalf of individual students	2,972	2,972	3,679	3,679
Education Contracts:				
Franchise Income	1,131	1,131	962	962
	4,103	4,103	4,641	4,641

4. OTHER INCOME

	GRŴP 2023 £'000	College 2023 £'000	GRŴP 2022 £'000	College 2022 £'000
European Funds	3,979	3,979	2,824	2,824
Catering (refectory and restaurant)	1,219	1,219	867	867
Farming activities	900	900	734	734
Other, grant income	3,050	3,050	1,792	1,792
Other, income generating activities	3,153	3,123	3,053	3,023
	12,301	12,271	9,270	9,240

5. ENDOWMENT AND INVESTMENT INCOME

	GRŴP	College	GRŴP	College
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Interest on cash deposits	506	499	89	89
Dividend from subsidiary	-	524	-	660
	<u>506</u>	<u>1,023</u>	<u>89</u>	<u>749</u>

6. DONATIONS

	GRŴP	College	GRŴP	College
	2023	2023	2022	2022
Donations	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

7. STAFF COSTS

The average number of persons (including key management personnel) employed by the Grŵp during the year, expressed as average headcount and calculated on a monthly basis, was:

	GRŴP	College	GRŴP	College
	2023	2023	2022	2022
	No.	No.	No.	No.
Teaching Departments	984	984	965	965
Teaching Support Services	266	221	257	219
Other support services	71	63	75	64
Administration and central services	169	157	171	152
Premises	42	42	41	40
Catering and Residences	36	36	35	35
Farming Activities	10	10	10	10
	<u>1,578</u>	<u>1,513</u>	<u>1,554</u>	<u>1,485</u>

Staff costs for the above persons

	GRŴP	College	GRŴP	College
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Teaching Departments	40,007	40,007	37,461	37,461
Teaching Support Services	8,268	6,971	7,651	6,548
Other support services	1,933	1,730	1,933	1,578
Administration and central services	6,500	5,660	5,926	5,152
Premises	1,582	1,582	1,397	1,374
Catering and Residences	681	681	609	609
Farming Activities	235	235	198	198
Retirement and restructuring costs	193	193	247	247
FRS102 costs	1,990	1990	5,884	5,884
	<u>61,389</u>	<u>59,049</u>	<u>61,306</u>	<u>59,051</u>

Analysed by:

	GRŴP	College	GRŴP	College
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Wages and salaries	45,802	43,751	42,781	40,802
Social security costs	4,429	4,237	4,080	3,883
Pension costs (including FRS102)	10,965	10,869	14,198	14,119
Retirement and restructuring costs	(267)	(267)	247	247
	<u>60,929</u>	<u>58,590</u>	<u>61,306</u>	<u>59,051</u>
Exceptional restructuring costs	460	460	-	-
	<u>61,389</u>	<u>59,049</u>	<u>61,306</u>	<u>59,051</u>

Senior Post-Holders

Senior post-holders are defined as the Grŵp Chief Executive Officer and holders of other senior posts whom the Governing Body has selected for the purposes of the articles of government of the Grŵp relating to the appointment and promotion of staff who are appointed by the Governing Body.

	2023 No.	2022 No.
The number of senior post-holders including the Grŵp Chief Executive Officer was:	<u>6</u>	<u>6</u>

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

	Senior post-holders		Other staff	
	2023 No.	2022 No.	2023 No.	2022 No.
£60,001 to £65,000	0	0	6	6
£65,001 to £70,000	0	0	4	13
£70,001 to £75,000	0	0	11	2
£75,001 to £80,000	0	0	6	2
£80,001 to £85,000	0	0	2	0
£110,001 to £115,000	1	0	0	0
£120,001 to £125,000	0	3	1	1
£125,001 to £130,000	4	1	0	0
£145,001 to £150,000	0	1	0	0
£190,001 to £200,000	0	1	0	0
£200,001 to £210,000	1	0	0	0
	<u>6</u>	<u>6</u>	<u>30</u>	<u>24</u>

Senior post holders' emoluments are made up as follows:

	2023 £'000	2022 £'000
Salary (including increment and pay award)	829	820
Benefits in kind	<u>14</u>	<u>14</u>
	843	834
Pension contributions	<u>128</u>	<u>103</u>
Total emoluments	<u>971</u>	<u>937</u>

The above emoluments include amounts paid to the highest paid senior post holder:

	2023 £'000	2022 £'000
Salary (including increment and pay award)	208	198
Benefits in kind	<u>2</u>	<u>2</u>
	210	200
Pension Contributions	<u>-</u>	<u>-</u>

The remuneration of the accounting officer for 2022-23 was determined via a pay scale authorised by the Board. The accounting officer was not involved in setting their remuneration. The primary factor taken into account by the Committee in determining the accounting officer's remuneration for the year to 31 July 2023 was pay increases for other staff. The increase being set lower than that afforded to other staff and middle managers.

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

Principal and CEO's basic salary as a multiple of the median of all staff 5.23 (2022: 5.55)

Principal and CEO's total remuneration as a multiple of the median of all staff 6.26 (2022: 6.74)

Compensation for loss of office paid to former key management personnel

2023	2022
£'000	£'000
0	0

No compensation for loss of office was paid during the year

The members of the Corporation other than the Grŵp Chief Executive Officer did not receive any payment from the Grŵp other than the reimbursement of travel and subsistence expenses incurred in the course of their duties.

OVERSEAS ACTIVITIES – excluding student overseas activity

The following net costs were incurred during 2022-2023 in respect of overseas activities which were carried out in accordance with the strategy approved by the Board of Governors.

For year ended 31 July 2023	Travel and Accommodation £	Subsistence £	Other Costs £	Number of Visits Number
Governors	0	0	0	0
Senior Post holders	0	0	0	0
Other individuals	2,114	152	705	4

For year ended 31 July 2022

	Travel and Accommodation £	Subsistence £	Other Costs £	Number of Visits Number
Governors	0	0	0	0
Senior Post holders	0	0	0	0
Other individuals	0	0	0	3

8. OTHER OPERATING COSTS

	GRŴP 2023 £'000	College 2023 £'000	GRŴP 2022 £'000	College 2022 £'000
Teaching departments	7,814	7,160	8,500	7,920
Teaching support services	185	185	191	191
Other support services	513	513	542	542
Administration and central services	3,261	2,768	2,881	2,430
General education expenditure	2,061	2,061	1,832	1,832
Premises Costs Running Costs	5,006	4,844	4,723	4,571
Premises Costs Maintenance	1,657	1,657	1,736	1,736
Premises Costs Rents and Leases	374	374	294	294
Long term maintenance	0	0	150	150
Other expenses	2,252	2,240	2,331	2,341
Total	23,123	21,802	23,180	21,997

	GRŴP 2023 £'000	College 2023 £'000	GRŴP 2022 £'000	College 2022 £'000
Other operating expenses include:				
Auditors' remuneration:				
Financial statements audit	65	60	52	46
Other services provided by the external auditors	4	4	4	4
Internal audit	25	25	25	25
Other services provided by the internal auditors	0	0	0	0
Hire of assets under operating leases	15	0	0	0
Profit on sale of fixed assets	237	0	761	550

9. INTEREST AND OTHER FINANCE COSTS

	GRŴP 2023 £'000	GRŴP 2022 £'000
On bank loans:		
Repayable within five years, by instalments	13	71
Repayable wholly or partly in more than five years	0	0
	<hr/> 13	<hr/> 71
Pension finance (income) / costs	(678)	567
Total	<hr/> (665)	<hr/> 638

10. INTANGIBLE ASSETS AND GOODWILL (GRŴP AND COLLEGE)

	Goodwill £'000	Total £'000
Cost or valuation		
At 1 August 2022	575	575
Acquisitions through business combinations	-	-
At 31 July 2023	<hr/> 575	<hr/> 575
Amortisation		
At 1 August 2022	459	459
Amortisation charge	116	116
At 31 July 2023	<hr/> 575	<hr/> 575
Net book value at 31 July 2023	<hr/> -	<hr/> -
Net book value at 31 July 2022	<hr/> 116	<hr/> 116

11. TANGIBLE FIXED ASSETS – CONSOLIDATED

	Freehold Land and buildings £'000	Leasehold Improvements £'000	Assets in the Course of Construction £'000	Heritage Asset - Work of Art £'000	Equipment £'000	Motor Vehicles £'000	Total £'000
Cost or valuation							
At 1 August 2022	143,275	-	6,849	5	12,581	34	162,744
Additions	3,204	179	18,512	-	2,146	93	24,134
Reclassification	4,682	-	(4,755)	-	73	-	-
Disposal	(500)	-	-	-	-	-	(500)
At 31 July 2023	150,661	179	20,606	5	14,800	127	186,378
Depreciation							
At 1 August 2022	53,921	-	-	-	11,982	34	65,937
Charge for the year	4,971	18	-	-	1,095	31	6,115
Disposal	(182)	-	-	-	-	-	(182)
At 31 July 2023	58,710	18	-	-	13,077	65	71,870
Net book value at 31 July 2023	91,951	161	20,606	5	1,723	62	114,508
Net book value at 31 July 2022	89,354	-	6,849	5	599	-	96,807

TANGIBLE FIXED ASSETS – COLLEGE (Note 11 cont'd)

	Land and Freehold buildings £'000	Assets in the Course of Construction £'000	Heritage Asset - Work of Art £'000	Equipment £'000	Motor Vehicles £'000	Total £'000
Cost or valuation						
At 1 August 2022	142,760	6,849	5	12,426	34	162,074
Additions	3,204	18,512		2,118	93	23,927
Reclassification	4,682	(4,755)		73	-	-
Disposal	-	-	-	-	-	-
At 31 July 2023	150,646	20,606	5	14,617	127	186,001
Depreciation						
At 1 August 2022	53,728	-	-	11,859	34	65,621
Charge for the year	4,967	-	-	1,054	31	6,052
Disposal	-	-	-	-	-	-
At 31 July 2023	58,695	-	-	12,913	65	71,673
Net book value at 31 July 2023	91,951	20,606	5	1,704	62	114,328
Net book value at 31 July 2022	89,032	6,849	5	567	-	96,453

Land and buildings were valued in 1996 at depreciated replacement cost by Chestertons, a firm of independent chartered surveyors. If the inherited land and buildings had not been revalued they would have been included at the following historical cost.

	£'000
Cost	NIL
Accumulated Depreciation	NIL
Net Book Value	NIL

12. INVESTMENTS

The Grŵp owns 100% of the share capital of North Wales Training Limited. The main business of North Wales Training Limited is the delivery of apprenticeships and skills training solutions.

13. NON-CURRENT INVESTMENTS

	GRŴP 2023 £'000	College 2023 £'000	GRŴP 2023 £'000	College 2022 £'000
Investments in subsidiary companies	-	1,806	-	1,806
Other non-current asset investments	56	56	56	56
Total	56	1,862	56	1,862

The Grŵp owns 100% of the issued ordinary £1 shares of the following companies, all incorporated in Great Britain.

- North Wales Training Limited whose principal business activity is training.
- ColSol Limited, which is dormant.

The Grŵp has investment in shares in South Caernarfon Creameries, this is a farmer owned dairy co-operative. The Grŵp uses South Caernarfon Creameries to pasteurise milk. The Grŵp also has an investment in Wynnstay Group plc.

14. TRADE AND OTHER RECEIVABLES

	GRŴP 2023 £'000	College 2023 £'000	GRŴP 2022 £'000	College 2022 £'000
Amounts falling due within one year:				
Trade receivables	3,059	2,666	1,257	1,160
Amounts owed by group undertakings:		-	-	-
Prepayments and accrued income	3,049	2,905	4,712	4,669
Amounts owed by the Welsh Government and associated bodies	1,628	1,628	792	688
Total	7,736	7,199	6,761	6,517

15. STOCKS

	GRŴP 2023 £'000	College 2023 £'000	GRŴP 2022 £'000	College 2022 £'000
Stocks	695	695	680	680

Stock predominately relates to livestock held for education purposes and is not purchased with the intent to resell.

16. CURRENT INVESTMENTS

	GRŴP 2023 £'000	College 2023 £'000	GRŴP 2022 £'000	College 2022 £'000
Short term deposits	3,000	3,000	3,544	3,544
	<u>3,000</u>	<u>3,000</u>	<u>3,544</u>	<u>3,544</u>

The Grŵp has invested in 1 (2022: 1) deposit account that requires 95 days' notice to access the funds. Deposits are held with banks operated in the London market and licensed by the Financial Conduct Authority with more than 3 months maturity at the balance sheet date.

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GRŴP 2023	College 2023	GRŴP 2022	College 2022
Bank loans	125	125	121	121
Trade payables	1,017	972	707	661
Other taxation and social security	1,590	1,530	66	-
Accruals and deferred income	9,164	8,981	7,740	7,688
Amounts owing to Welsh Government	2,733	2,733	2,674	2,674
Deferred Income - government capital	2,213	2,213	2,610	2,610
	<u>16,842</u>	<u>16,554</u>	<u>13,918</u>	<u>13,754</u>

The holiday pay accrual included in accruals is £1,798k (2022: £1,857k)

18. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	GRŴP 2023 £'000	College 2023 £'000	GRŴP 2022 £'000	College 2022 £'000
Bank loans	-	-	125	125
Deferred Income - government capital	<u>63,083</u>	<u>63,083</u>	<u>58,079</u>	<u>58,079</u>
	<u>63,083</u>	<u>63,083</u>	<u>58,204</u>	<u>58,204</u>

19. BANK LOANS AND OVERDRAFTS

Bank loans and overdrafts are repayable as follows:

	GRŴP 2023 £'000	GRŴP 2022 £'000
In one year or less	125	121
Between one and two years	-	125
Total	<u>125</u>	<u>246</u>

There is one Bank loan outstanding with a balance totalling £125k repayable at a fixed rate of interest of 6.54% with remaining instalments falling due by July 2024. The total of the bank loan is secured by a fixed charge on the freehold land and buildings of the Grŵp.

20. OTHER PROVISIONS

	Enhanced pensions £'000	Total £'000
At 1 August 2022	3,161	3,161
Transferred from income and expenditure account	(515)	(515)
At 31 July 2023	<u>2,646</u>	<u>2,646</u>

The enhanced pension provision relates to the cost of staff who have already left the Grŵp's employment. The provision has been calculated in accordance with guidance issued by the funding bodies. The provision has been recalculated following the change of pension increase assumption of CPI.

The principal assumptions for this calculation are:

	<u>2023</u>	<u>2022</u>
Price Inflation	2.8%	2.9%
Discount Rate	5.0%	3.3%

21. EVENTS AFTER THE REPORTING PERIOD

There are no events after the reporting period.

22. DEFINED BENEFIT OBLIGATIONS

The Grŵp participates in two defined benefit pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Gwynedd Council.

Total pension cost for the year	2023 £'000	2022 £'000
Teachers' Pension Scheme: contributions paid	4,988	4,681
Local Government Pension Scheme:		
Contributions paid	3,884	3,554
FRS 102 (28) charge	<u>1,990</u>	<u>5,884</u>
Charge to the Statement of Comprehensive Income	5,874	9,438
Enhanced pension charge to Statement of Comprehensive Income	(515)	61
Total Pension Cost for Year	<u>10,347</u>	<u>14,180</u>

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2020 and the LGPS 31 March 2022.

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2014. 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. The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme on as a defined benefit plan so it is accounted for as a defined contribution plan.

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the was carried out as at 31 March 2020 and in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 and the Employer Contribution Rate was assessed using agreed assumptions in line with the Directions and was accepted at the original assessed rate as there was no cost control mechanism breach.

The valuation report was published on 26 October 2023. The key results of the valuation are:

- total scheme liabilities for service (the capital sum needed at 31 March 2020 to meet the stream of future cash flows in respect of benefits earned) of £262 billion,
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £222.2 billion
- Notional past service deficit of £39.8 billion (2016: £22 billion)
- Discount rate is 1.7% in excess of CPI (2016: 2.4% in excess of CPI (this change has had the greatest financial significance))

Defined Benefit Obligations (Cont'd)

As a result of the valuation, new employer contribution rates have been set at 28.6% of pensionable pay from 1 April 2024 until 31 March 2027 (compared to 23.68% under the previous valuation including a 0.08% administration levy).

The pension costs paid to TPS in the year amounted to £4,987,000 (2022: £4,681,000)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. The total contribution made for the year ended 31 July 2023 was £5,148,000 (2022 - £4,681,000) of which employers contributions totalled £3,884,000 (2022 - £3,554,000) and employees contributions totalled £1,264,000 (2022 - £1,127,000). The contribution rate for employees changed on 1 April 2023 to be dependent on the salary as shown below:

Band changes

Band from 1 April 2023	Band from 1 April 2022	Contribution
Whole Time Pay	Whole Time Pay	Rate
£0-£16,500	£0-£15,000	5.5%
£16,501 - £25,900	£15,001 - £23,600	5.8%
£25,901 - £42,100	£23,601 - £38,300	6.5%
£42,101 - £53,300	£38,301 - £48,500	6.8%
£53,301 - £74,700	£48,501 - £67,900	8.5%
£74,701 - £105,900	£67,901 - £96,200	9.9%
£105,901 - £124,800	£96,201 - £113,400	10.5%
£124,801 - £187,200	£113,401 - £170,100	11.4%
More than £187,200	More than £170,100	12.5%

DEFINED BENEFIT OBLIGATIONS (cont'd)

The following information is based upon a full actuarial valuation of the Fund at 31 March 2020 updated to 31 July 2023 by a qualified independent actuary.

	At 31 July 2023	At 31 July 2022
Rate of increase in salaries	3.50%	3.05%
Future pensions increase	3.00%	2.75%
Discount rate for scheme liabilities	5.05%	3.5%
Commutation of pensions to lump sums	50%	50%

Commutation

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 2023	At 31 July 2022
	Years	years
<i>Retiring today</i>		
Males	20.4	20.2
Females	23.7	23.4
<i>Retiring in 20 years</i>		
Males	21.7	21.1
Females	25.5	24.6

DEFINED BENEFIT OBLIGATIONS (cont'd)

Local Government Pension Scheme (Continued)

The Grŵp's share of the assets in the Gwynedd Council Pension Fund (of which the Grŵp's share is estimated to be 1.5%) and the expected rate of return were:

	Fair Value at 31 July 2023 £'000	Fair Value at 31 July 2022 £'000
Fair value of assets	159,765	154,675
Present value of scheme liabilities		
- Funded	(117,662)	(134,150)
- Unfunded	(158)	(166)
Asset Ceiling Adjustment	(40,310)	-
Asset in the scheme	<u>1,635</u>	<u>20,359</u>
	2023 £'000	2022 £'000
Amounts included in staff costs		
Current service cost	5,785	9,759
Past service cost	24	-
Total	<u>5,809</u>	<u>9,759</u>
Amounts included in investment income		
Net interest income	5,457	3,371
interest on plan assets	(4,779)	(2,804)
	<u>678</u>	<u>567</u>
Amounts recognised in Other Comprehensive Income		
Return on pension plan assets	(1,074)	2,842
Changes in assumptions underlying the present value of plan liabilities	<u>23,972</u>	<u>50,891</u>
Amount recognised in Other Comprehensive Income	<u>22,898</u>	<u>53,733</u>

DEFINED BENEFIT OBLIGATIONS (cont'd)

Local Government Pension Scheme (cont'd)

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

	2023 £'000	2022 £'000
Surplus/(Deficit) in scheme at 1 August	20,359	(26,923)
Movement in year:		
Current service cost	(5,809)	(9,759)
Employer contributions	3,819	3,875
Net interest on the defined (liability)/asset	678	(567)
Actuarial gain	22,898	53,733
Asset ceiling adjustment	(40,310)	-
Net defined benefit asset/(liability) at 31 July	1,635	20,359

Asset and Liability Reconciliation

	2023 £'000	2022 £'000
Changes in the present value of defined benefit obligations		
Defined benefit obligations at start of period	134,316	173,257
Current Service cost	5,785	9,759
Past Service cost	24	-
Interest cost	4,779	3,371
Contributions by Scheme participants	1,242	1,241
Experience gains and losses on defined benefit obligations	(25,973)	(50,891)
Estimated benefits paid	(2,339)	(2,421)
Unfunded benefits paid	(14)	0
Defined benefit obligations at end of period	117,820	134,316

Reconciliation of Assets

Fair value of plan assets at start of period	154,675	146,334
Interest on plan assets	5,457	2,804
Return on plan assets	(1,074)	2,842
Employer contributions	3,805	3,861
Contributions by Scheme participants	1,242	1,241
Experience gains and losses on defined benefit assets	(2,001)	-
Estimated benefits paid	(2,339)	(2,407)
Fair value of plan assets at end of period	159,765	154,675

DEFINED BENEFIT OBLIGATIONS (cont'd)

Local Government Pension Scheme (cont'd)

	2023 £000
Present value of defined benefit obligations	(117,820)
Fair value of plan assets	159,765
Net asset	41,945
Restriction to level of asset ceiling	(40,310)
Net asset recognised in the balance sheet	1,635

The value of the Grŵp's share of net assets has been restricted due to the effect of the asset ceiling being the maximum value of the present of the economic benefits available in the form of the unconditional right to reduced contributions from the plan. A corresponding charge has been made to other comprehensive income in the period.

The estimated value of employer's contributions for the year ended 31 July 2023 is £3,805,000.

The present value of unfunded liabilities is £158,000 (2022 - £166,000).

These accounts show the impact on past service costs to be £nil in respect of the McCloud judgement, which ruled that the transitional protection for some members of public service schemes implemented when they were reformed, constituted age discrimination. The other financial and demographic assumptions adopted to calculate the past service cost are the same as those used to calculate the overall scheme liability. The past service cost is particularly sensitive to the difference between assumed long-term general pay growth and the CPI. The actuarial assumptions used for salary increases and CPI are the same. If the long-term salary growth assumptions were 1% p.a. higher, then the past service cost would be expected to be c. £800k.

23. NOTES TO THE CASH FLOW STATEMENT

Consolidated analysis of changes in net funds

	At 1 August 2022 £'000	Cash flow £'000	New finance leases £'000	Other non- cash changes £'000	Changes in market value and exchange £'000	At 31 July 2023 £'000
Cash in hand, and at bank	30,670	(6,547)	-	-	-	24,123
	30,670	(6,547)	-	-	-	24,123
Bank loans	(246)	121	-	-	-	(125)
Current asset investments	3,544	(544)	-	-	-	3,000
Net funds	33,968	(6,970)	-	-	-	26,998

24 CAPITAL COMMITMENTS (GRŴP AND COLLEGE)

GRŴP and College

2023 £'000	2022 £'000
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Commitments contracted for at 31 July	13,289	9,228
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There are no commitments under finance leases entered into but not yet provided for in the financial statements.

25 COMMITMENTS UNDER OPERATING LEASES (GRŴP AND COLLEGE)

The total future minimum lease payments under non-cancellable operating leases are as follows.

Grŵp and College

	2023 £'000	2022 £'000
Payments due		
Not later than one year	31	-
Later than one year and not later than five years	156	-
Later than five years	182	-
	369	-

26 RELATED PARTY TRANSACTIONS

Due to the nature of the Grŵp'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 organisations in which a member of the board of governors may have an interest are conducted at arm's length and in accordance with the Grŵp's financial regulations and normal procurement procedures.

The Grŵp supports the seven principles of public life set out by the Nolan Committee. In this respect the Grŵp believes that the principle of openness leads to a requirement for the disclosure of transactions not required by FRS 8. Accordingly set out below are the aggregate payments made and income received by organizations which are connected to a Board member.

There have been no write offs in respect of related party transactions.

No Governor has received any remuneration or waived payments from the college or its subsidiaries during the year (2022: None).

North Wales Training Limited – a subsidiary of Grŵp Llandrillo Menai

Purchase transactions in the year amounted to £93k (2022: £71k). Sales transactions in the year amounted to £1k (2022: £36K) The debtor balance outstanding at the year-end was £nil (2022: £14k).

RELATED PARTY TRANSACTIONS cont'd

Connected Board Members	Organisation	Nature of Relationship	2023	2023
			Income £	Payments £
Mr Dafydd Evans	Colegau Cymru	Director	248,198	98,632
Dilwyn Evans	Anglesey County Council	Audit Committee	273,041	20,863
Dr G Jones	University of Bangor	Audit Committee	2,138,126	356,901
	Ysgol Gyfun Llangefni	Governor	13,589	-
	Menter Mon Cyf	Director	140	2,000
Ms M Pryor	Anglesey County Council	Employed	273,041	20,863
Mr H Pugh	NFU	Member	-	3,003
Mr A W Thomas	J W Hughes and Co	Retired Member	-	3,031
Prof Carol Tully	University of Bangor	Member of Council	2,138,126	356,901

Connected Board Members	Organisation	Nature of Relationship	2022	2022
			Income £	Payments £
Mr Dafydd Evans	North Wales Economic Ambition Board	Member	11,265	-
	Colegau Cymru	Director	109,563	90,698
Dilwyn Evans	Anglesey County Council	Audit Committee	242,019	10,320
Dr G Jones	University of Bangor	Audit Committee	470,096	42,992
	Ysgol Gyfun Llangefni	Governor	20,710	-
Ms M Pryor	Anglesey County Council	Employed	242,019	10,320
Mr H Pugh	NFU	Member	-	3,341
Mr A W Thomas	J W Hughes and Co	Retired Member	-	11,861
Prof Carol Tully	University of Bangor	Member of Council	470,096	42,992

27 FINANCIAL CONTINGENCY FUND

The Grŵp Llandrillo - Menai allocation was distributed as follows:

	2023 £'000	2022 £'000
DFES grants	835	712
DFES grant b/f	82	163
Disbursed to students	(886)	(757)
Administration Costs	(25)	(23)
Consolidated in financial statements	-	-
DFES grant c/f	(6)	(82)
Returned to Welsh Govt	-	13

The financial contingency fund grants are available solely for students. The college only acts as a paying agent. The grants and related disbursements are therefore excluded from the Statement of Comprehensive Income.