

SECURING OUR FUTURE

Annual Report and Financial Statements
for the year ended 31 July 2025



Bringing talent to life...

 Walsall College

Walsall College**Report and Financial Statements for the Year Ended 31 July 2025****Contents**

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Reference and Administrative Details

Corporation

J Sharma CBE DL (Accounting Officer)
D Wheeler (Chair)
C Bosworth (Vice Chair)
P Averis
B Van Der Eecken
A Chiduku (appointed 27/03/2025)
A Comery (appointed 27/03/2025)
S James (appointed 10/07/2025)
H Lodge
M Mahoney
A Marina (student – served 01/08/2024 to 31/07/2025)
E Ng
S Pedley-Smith
M Rovnvi (student – served 24/10/2024 to 31/07/2025)
A Sadla
R Sahota (resigned 08/12/2024)
H Troalen (appointed 27/03/2025)
N Tanyanyiwa
G Ward (Vice-Chair)
G Welborn (resigned 07/05/2025)

Head of Governance/Company Secretary

Lesley Venables

Executive Team

Jatinder Sharma	Principal and CEO; Accounting Officer
Kirsti Lord	Deputy Principal (appointed 01/08/2024)
Maria Turnbull-Kemp	Chief Financial Officer (appointed 29/09/2025)
Rachel Jones	Assistant Principal MIS and Student Services
James Norris	Assistant Principal Adults and Work Based Learning
David Turner	Assistant Principal Quality
Jacqueline Leek	Interim Director of Finance (01/09/2024 – 30/09/2025)
Matthew Brown	Director of Finance & MIS (resigned 31/08/2024)
Deb Rajania	Director of Operations (retired 31/01/2025)
Richard Brennan	Assistant Principal 14-19 Curriculum (resigned 30/06/2025)

Principal and Registered Office

Wisemore Campus
Littleton Street West
Walsall WS2 8ES

Walsall College

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Professional advisors

Independent auditor:

Menzies, Suite 16b,
The Beehive Lions Drive,
Shadsworth Business Park,
Blackburn, BB1 2QS

Internal auditor:

RSM UK, St Philips Point,
Temple Row,
Birmingham, B2 5AF

Banker:

Barclays Bank plc.,
PO Box 3333,
One Snowhill,
Snow Hill Queensway,
Birmingham, B3 2WN

Solicitors:

Pinsent Masons,
3 Colmore Circus
Birmingham B4 6BH

Enoch Evans LLP,
St Paul's Chambers,
6-9 Hatherton Road,
Walsall, WS1 1XS

Eversheds Sutherland (international) LLP,
One Wood Street,
London, EC2V 7WS

VAT Advisor:

Centurian VAT Specialists ALL Ltd T/A Xeinadin,
Celtic House,
Cardiff, Pentwyn, CF2 8HA

Walsall College

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Strategic Report of the Governing Body

Nature, Objectives and Strategy

The Governing Body present their annual report together with the financial statements and auditor's report for Walsall College for the year ended 31 July 2025.

Legal status

Walsall College was established under the Further and Higher Education Act 1992 for the purpose of conducting its business. Walsall College is an exempt charity under part 3 of the Charities Act 2011 and following the Machinery of Government changes in July 2016 is regulated by the Secretary of State for Education. The members of the Corporation who are trustees of the charity, are disclosed on page 3. The Corporation was incorporated as Walsall College of Arts and Technology. On 1 October 2001, when the Secretary of State granted consent to the Corporation to change the College's name to Walsall College. In setting and reviewing Walsall College's strategic objectives, the Corporation has had due regard for the Charity Commission's guidance on public benefits and particularly upon its supplementary guidance on advancement of education. The guidance sets out the requirement that all organisations wishing to be recognised as charities must demonstrate, explicitly, that their aims are for the public benefit.

Vision, Purpose, Values, Strategy and Objectives

Vision

Informed by extensive input from students, staff, governors, partners and senior management, the Vision and Purpose 2025-2030 Strategy is insight-informed, bold, directional and future focused. It reinforces our commitment to delivering excellent education, inclusive learning which empowers students with skills and confidence to thrive in work and in life.

- **Vision:** Transforming lives and our communities through learning
- **Purpose:** To deliver excellent, inclusive learning which empowers students with skills and confidence to thrive in work and in life.
- **Our Shared Values:** Our 5 values drive our behaviours and set our culture and are as follows: Inclusive, Collaborative, Accountable, Resilient and Enterprising.

The delivery of public benefits is covered throughout the Report of the Governing Body.

Walsall College

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Walsall College

Walsall College is a high achieving college that delivers tangible benefit for the public good through:

- High-quality teaching
- Widening participation and tackling social exclusion
- Excellent progression for students into employment or education and training
- Strong student support systems
- Excellent links with employers, industry and commerce
- Links with Employer Representative Bodies (ERBs), Local Enterprise Partnerships (LEPs) and other stakeholders

Walsall College is graded as Good by [Ofsted](#), with Personal Development and our Provision for Learners with High Needs graded as Outstanding. The College was also recognised as making a strong contribution to meeting skills needs.

Throughout our 70-year history, Walsall College has dedicated itself to supporting its customers with the highest quality education, skills development and training programmes, tailored to the demands of the modern economy.

Our 5 Priorities will realise our vision over the next 5 years through the achievement of the following:

Priority 1: Support our people to shine: We foster a culture of excellence based on our 5 values

Priority 2: Empower students to thrive: We deliver excellence in teaching, learning and assessment

Priority 3: Forge impactful, dynamic partnerships: We lead meaningful collaboration, maximising impact for our students and the communities that we serve

Priority 4: Secure a sustainable future: We ensure the positive impact of Walsall College in the future.

Priority 5 Lead with purpose and focus: We have an uncompromising commitment to evidence-based decision-making.

In 2024/25 Walsall College achieved the following:

- Taught over 12,808 students
- Continued to be one of the most successful colleges in the country
- 92% of our students' progress to employment or further higher-level study
- 91% achievement rate on vocational programmes
- 850 passionate staff
- 1,000 Employer partners

Walsall College

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The College's Key Performance Indicators and Objectives for 2024/25 included:

KPIs

Key Performance Indicator	Actual 24/25	Target For 24/25	Movement on 23/24
Student Number			
Classroom based Young People (16-18)	4191	4141	
Classroom Based Adults (enrolments)	8423	6944	
High Needs Students	248	171	
Apprentices	1645	1728	
Higher Education Students	156	190	
Total Students (excl duplicate categories above)	12808	13174	
Quality of Education			
Achievement Young People (Proachieve)	81.1	82.8	
Achievement Adults (Proachieve)	89.8	89	
Achievement Apprentices (Proachieve)	65	62	
Achievement High needs Funded (Proachieve)	85	n/a	
Achievement Higher Education (Proachieve)	89.7	n/a	
Satisfaction HE	100%	94%	
Satisfaction (Induction)	97.65%	94%	
Satisfaction (Teaching & learning)	93.20%	94%	
Satisfaction Apprentices	93.15%	94%	
Ofsted Rating	Good	Good	
Financial Health Score	Good	Good	
Staff sickness	4%	3.86%	

Strategic Plan

Walsall College has continued to benefit from significant capital investment in the campuses in recent years. The Corporation monitors the performance against its strategic plan and financial forecasts, which are reviewed and updated each year. As a major employer and provider, Walsall College has a significant economic impact in the region and delivers a huge range of qualifications, from Entry to Post Graduate Levels, including employer-responsive provision for apprenticeships and the unemployed.

Development

Walsall College's Vision and Purpose 2025-2030 Strategy, lays out the clear and ambitious plans that leaders, managers and governors have for the organisation. A set of annual objectives/KPIs are set and closely monitored to ensure that Walsall College achieves its goals by 2030.

Walsall College has a well-established and comprehensive annual curriculum and business planning process that it uses across all its campuses and delivery areas. This process is the key driver for developing its course and curriculum offer to reflect the needs of the community, the local employers, industry, and demand from its students.

High quality teaching and learning are at the heart of everything Walsall College does. To support the effective management of teaching and learning the College actively monitors real time analysis, target setting and monitoring of staff performance. This has created an effective methodology that supports managers in targeting improvements in teaching and learning being delivered across the College.

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

As we continue to invest in our innovative learning approach, we were awarded an industry award for real world learning, a project to design a prototype aimed at improving accessibility on Canal and River Trust waterways which led to a cameo TV appearance for Walsall College's T level students.

Ibstock Academy was launched at Walsall College to support the next generation of construction talent and community growth.

We have ensured that all our staff have been inducted at the highest level and work with the team to ensure that staff development is available to all staff to ensure all people are aware of the opportunities available to them and any relevant application processes. We have delivered our learning conference with educators from across the College attending a full day of sessions with external and internal presenters.

Walsall College has also invested in several AI tools to develop schemes of work, lesson plans and session activities. This directly supports staff through providing creative tools that have the capacity to reduce workload. Training on embedding AI into teaching and learning is continually being delivered and updated for all staff. The Digital Transformation team has been working with support departments by helping to ensure processes have been automated.

The curriculum planning cycle operates with a launch to provide national and regional context to all teams and managers involved in the process. Driven by labour market intelligence it aligns local, regional and national skills priorities through Local Skills Improvement Plans and the Government's new industrial growth strategy. Employer engagement is pivotal to the process ensuring collaboration and co-design of the curriculum is embedded throughout and our students have access to the best opportunities and progression.

The planning cycle encompasses all forms of training and education offered by Walsall College which includes:

- 16-18 Further Education vocational, T Level and A Level provision
- All age Apprentice provision delivered via standards
- Adult education
- Higher Education
- Skills Bootcamps
- Commercial Training

Review meetings take place with all delivery areas to ensure plans meet the needs of the different skills sectors and that they will provide a quality and effective education.

These curriculum and business plans together with Walsall Colleges vision, purpose and strategic plan are the basis for developing the key priorities and outcomes within the Accountability Statement.

Business engagement is at the forefront of all areas of the organisation with collaborative employer partnerships supporting a wide range of vocational, academic, technical and employability skills ranging from curriculum co-design, industry insights, employer masterclasses, work placements, employer visits and guaranteed interview opportunities. A multi-layered approach supports employers to meet their current and future skills needs, succession and retention planning and robust training needs analysis. This provides students with access to high quality teaching and learning to develop their knowledge, skills and behaviours for an ever-changing job market.

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Walsall College is exceptionally proud of the work it is doing in the community and in particular at The Link. This is a multi-service facility located in the heart of Walsall, offering residents aged 16 and over access to guidance, support, and information across a wide range of areas, including employment, education, reskilling, and upskilling opportunities. The Link empowers individuals, regardless of their current employment, education, or training status, to explore their options and take practical steps towards improving their skills, confidence, and career prospects. The outcomes of this programme have exceeded planned KPIs:

		2024/25	2024/25
		Planned	Actual
Initial Engagement	Awareness and Access: Number of individuals aware of the hub's services.	2739	4451
	Engagement Levels: Number of individuals accessing initial assessments or consultations.	720	1176
Skills Development	Skill Assessments: Number of completions of initial skills assessments to identify strengths and areas for improvement	104	168
	Training Participation: Number of participants engaged in skills training or workshops.	400	668
Support and Wellbeing	Soft Skills Development: Number of individuals progressing in soft skills such as communication, teamwork, and problem-solving	65	88
	Access to Support Services: Number of participants referred to additional support services (e.g., mental health, housing, financial advice).	110	179
	Improvement in Well-being: Number of participants self-reporting measures of well-being, confidence, and motivation pre- and post-engagement.	432	103
Progression Outcomes	Retention in Programmes: Percentage of participants who continue to engage with the hub over time.	52%	73%
	Further Learning Engagement: Number of participants progressing into further learning	156	124
	Pre-employment: Number of participants progression into pre-employment training	156	30
	Work Experience: Number of participants engaging in work, work experience or volunteering placements.	156	310
	Total number of individual participant support outputs	4883	6988
	Total number of individuals	2739	4451

The College and training providers also effectively use a wide range of labour market intelligence to develop provision again ensuring it meets local and regional priorities and local/regional demographics, and employer skills needs.

Walsall College also provides a wide range of provision which address the skills requirements laid out in the LSIPs for the areas that it covers.

Stakeholders

Walsall College has number of key stakeholders including:

- Students
- Education Sector Funding Bodies
- Staff
- Local Regional and National Employers
- Strategic Employer Alliances
- Local Authorities
- Government Offices/Local Enterprise Partnerships
- The Local Community including Pleck, Birchills and Leamore areas of the borough
- Other FE Institutions - partner schools and universities, namely Staffordshire University, Birmingham City University and the University of Wolverhampton
- Trade Unions
- Professional bodies
- Employer Representative Bodies

The College recognises the importance of these relationships and engages in regular ongoing communication with them, which further enhances the delivery the College can and does provide. Whilst no individual stakeholder alone is critical to the College achieving its objectives, maintaining open and collaborative relationships with our stakeholders and focusing on both the wider public good and economic health of the region is essential for overall success

Walsall College

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Public Benefit

Walsall College is an exempt charity under part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education. The members of the Governing Body, who are trustees of the charity, are disclosed on page 1. In setting and reviewing the College's strategic objectives, the Governing Body has had due regard for the Charity Commission's guidance on public benefits and particularly upon its supplementary guidance on the advancement of education.

In delivering its vision, Walsall College provides identifiable public benefits through the advancement of education to approximately 12,808 students, including 248 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 1,645 apprentices. The College is committed to providing information, advice, and guidance to the students it enrols and to finding suitable courses for as many students as possible, regardless of their educational background.

The College has managed its assets and ensured its students achieve and continue to positive destinations.

Financial Objectives

The College's financial objectives are to remain financially sound and improve financial returns in terms of reserves and liquidity so as to protect itself from unforeseen adverse changes in enrolments and generate sufficient income to enable continued improvements to its accommodation, equipment and the resources made available to students.

Reserves and Resources

The College employs 818 people, of whom 426 are teaching staff.

The College has £57.8m (2024: £59.4m) of net assets and long-term debt of £3.8m (2024: £4.1m).

Tangible resources include the main College site, and four local campuses held on a freehold or long-term leasehold basis.

As at 31 July 2025, the College has total cash balances of £12.5m (2024: £10.4m), of which £8m (2024: £5.5m) was held on short term deposit with Barclays bank.

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

Development and Performance

Financial Results

The College made a loss before tax of £1.6m (2024: profit of £74k). It received 86% of its total income for 2024/25 as grants from funding bodies, most notably from the Education and Skills Funding Agency for 16-19 provision.

The actuarial gain on the pension scheme as of 31 July 2025, was £19m (2024: £8.5m). The College has not recognised the actuarial pension surplus in respect to the pension in the statement of financial position.

At the balance sheet date, the College held net current assets of £3.7m (2024: £4.1m) and total net assets of £57.8m (2024: £59.4m), which includes a defined pension liability of £0 (2024: £0).

Cash Flows and Liquidity

A positive movement in respect of the College's cash position, resulting in an increase of £2.1m from 2024 £10.4m to £12.5m.

Capital Developments

The College's annual investment plan involved tangible fixed asset additions during the year amounting to £2.2m. This was split between land and buildings £843k and equipment £1.3m. The College's assets in the course of construction were £12k at the balance sheet date.

The College has invested in state-of-the-art security which has included security barriers at our Wisemore, Green Lane and The Hub Campuses, which will safeguard both our students and staff. The investment in this was £450k. We have also upgraded our CCTV across all campuses.

We have also invested in our scaffolding provision along with an upgrade to our Green Lane Campus.

We are continuing to invest in our campuses from a sustainability perspective and we now have a dedicated Sustainability and Project Manager whose focus is to ensure we accurately report on sustainability as well as driving initiatives towards our net zero goal which is to achieve a net zero position at one of our campuses by 2030.

The College is continuing to work with Walsall Council on plans to create an Adult Learning Centre in Walsall Town Centre, which will provide an accessible and dedicated centre for learning that is appropriate for adults at all stages of their learning journey.

Sources of income

The College has significant reliance on the education sector funding bodies for its principal funding source, largely from recurrent grants. In 2024/25, the DfE provided 64.76% of the College's total income. The Combined Authority provided 16.29% of the College's total income and commercial income represented 3% of income.

Group companies

The College has one subsidiary company Broadway Training Limited, which did not trade during this financial year.

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Walsall College Cyber Security 2024/25

Walsall College continues to adopt a comprehensive approach to cyber security, ensuring the protection of its systems, data, and users. To protect user accounts, all staff are required to use Multi-Factor Authentication (MFA) and Conditional Access Policies. These policies enforce a zero-trust model, granting access only when specific security conditions are met.

In 2025, the College successfully renewed its Cyber Essentials accreditation, demonstrating adherence to industry-standard security practices. In addition, annual cyber security assessments and penetration testing are conducted by external experts to evaluate and enhance the resilience of our systems and internet-facing services.

Robust backup and disaster recovery strategies are in place to mitigate the impact of cyber incidents. On-premises backups are securely segregated and accessible only to authorised IT personnel, which has been tested as part of our penetration testing. These follow the 3-2-1-1 backup model, incorporating both cloud backups and ransomware protection. All Microsoft Office data is also backed up on site.

Secure remote access is facilitated through Sophos firewalls, with MFA adding an additional layer of protection.

Safeguarding remains a top priority. Monitoring software is deployed on all College-owned student devices to alert safeguarding teams to potential concerns.

To ensure secure access, all staff personal devices must comply with Mobile Device Management (MDM) Compliance policies, including running supported operating systems.

Future Prospects

The College is continuing to invest heavily in upgrading its buildings, facilities, and equipment. The majority of this will continue to be funded through grant sources, such as the DfEs FE Capital Transformation Fund grant and the upgrading of building category C and D supported by DfE funding. We are in working closely with Local Authorities to drive change through education and our 16-18 student numbers.

The College will continue to invest in utilising virtual and immersive learning across most curriculum areas providing a wider scope of tools for education and training delivery.

Financial Plan

The Board of Governors approved a financial plan in July 2025 which sets objectives for the period to 2025/26. The College aims to achieve a health rating of Good and although it has budgeted a deficit, it is confident that through robust financial planning this will be reduced significantly due to the increase in the 16-18 funding that was not available at the time the budget for 2025/26 was approved. We are also aware that our people are the most important resource we have and therefore we intend to continue to invest in our teams from a financial, wellbeing and development perspective.

Walsall College

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Treasury Policy and Objectives

The College has treasury management arrangements in place to manage cash flows; banking arrangements and the risks associated with those activities. All other borrowing requires the authorisation of the Corporation. Term deposits of up to 12 months are used with High Street UK Banks to generate returns on reserves which are seen as the best balance of flexibility, ease of processing and return versus risk.

Short-term borrowing for temporary revenue purposes, if needed, is authorised by the Accounting Officer after seeking approval from the DfE. All other borrowing requires the authorisation of the Corporation and DfE approval. The College is not expecting to require or utilise any short-term borrowing in its current financial plans.

Financial plan

Reserves

The College recognises the importance of reserves in the financial stability of an organisation and ensures there are adequate reserves to support the College's core activities.

Principal Risks and Uncertainties

The College has well-developed strategies for managing risk and strives to embed risk management in all that it does. Risk management processes are designed to protect its assets, reputation, and financial stability. The Senior Management Team review their strategic risk register every six weeks through the median of debate, technical expertise and consensus; all changes are reported to the Governing Body which has overall responsibility for risk management and its approach to managing risks and internal controls is explained in the Statement on Corporate Governance.

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

Payment performance

The Late Payment of Commercial Debts (Interest) Act 1998, requires colleges, in the absence of any agreement to the contrary, to make payments to suppliers within 30 days of either the provision of goods or services or the date on which the invoice was received. The College's policy is to pay suppliers on the next purchase ledger run after the debt became due.

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Equality, Diversity, Inclusion and Belonging

Equality

The College is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positively differences in race, gender, sexual orientation, disability, religion or belief and age. We strive vigorously to remove conditions which place people at a disadvantage and we will actively combat bigotry. This policy is resourced, implemented and monitored on a planned basis. The College's Policy is published on the College's Intranet site.

The College publishes an Annual Equality Report and Equality Objectives to ensure compliance with all relevant equality legislation including the Equality Act 2010. The College undertakes equality impact assessments on all new policies and procedures and publishes the results. Equality impact assessments are also undertaken for existing policies and procedures on a prioritised basis.

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

Disability statement

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

- As part of its accommodation strategy the College ensures that it is constantly improving access to its students.
- The College has an appointed Health and Safety Manager, who provides information and advice and arranges support where necessary for students with disabilities.
- There is a list of specialist equipment, such as radio aids, which the College can make available for use by students and a range of assistive technology is available.
- The Admissions Policy for all students is described in the College Charter. Appeals against a decision not to offer a place are dealt with under the Complaints Policy.
- The College has made a significant investment in the appointment of specialist lecturers to support students with learning difficulties and/or disabilities. There are several student support assistants who can provide a variety of support for learning. There is a continuing programme of staff development to ensure the provision of a high level of appropriate support for students who have learning difficulties and/or disabilities.
- Specialist programmes are described in the College prospectuses, and achievements and destinations are recorded and published in the standard College format.
- Counselling and welfare services are described in the College Student Guide, which is issued to students together with the Complaints and Disciplinary Procedure leaflets at induction.

Walsall College

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We recognise that it covers a broad spectrum of requirements, including:

- Sensory impairment
- Restrictions to mobility
- Mental ill-health
- Long-term debilitating illnesses

Students with learning difficulties and/or disabilities are well supported and thrive at Walsall College. We are committed to the development of new and better opportunities for disabled people and aim to develop both practice and delivery options to ensure their success. We operate a social disability model, where the College is proactive in removing barriers to participation and success for students and employees with a learning difficulty or disability. We will assist disabled staff to succeed in their employment at Walsall College.

The College has maintained comprehensive data on the disabilities of students collected through the enrolment process and has a planned response to their needs. Although opportunities are available for staff to declare disabilities, we feel that some may choose not. We will encourage staff to disclose by increasing the opportunities that they have to do so, which will enable us to respond more effectively to their needs. We will work to dismantle any barriers to career progression and self-fulfilment for both staff and students.

The College will continue to:

- Support staff and students to feel confident to declare any disability or learning difficulty, particularly "hidden" disability issues, such as mental health and developmental disorders through training and awareness raising campaigns.
- Celebrate the success of those students who have overcome disadvantage to succeed in our College.
- Focus support to ensure retention, success and satisfaction remain high for students and staff with disabilities or learning difficulties
- Extend our forum for students with learning difficulties or disabilities to include staff.
- Monitor the impact of our activity in improving the conditions and success of disabled staff and students within the College.
- Where appropriate, enhance students' ability to live independently by reducing their dependency on additional learning support.
- Conduct reasonable adjustments for both staff and students where needed.

Support services for students are widely publicised in student literature, available on the intranet and consolidated during induction. Information is readily available to support students in raising any concerns concerning their wellbeing or fair treatment.

Walsall College

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Trade union facility time

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

Numbers of employees who were trade union officials during the relevant period	5
FTE employee number	5

Percentage of time	Number of employees
1-50%	5

Total cost of facility time	£20,884
Total pay bill	£35,033,239
Percentage of total bill spent on facility time	0.06%

Time spent on paid trade union activities as a percentage of total paid facility time	1.49%
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Modern Slavery Act 2015

Slavery and human trafficking are abuses of a person's freedoms and rights. The College is totally opposed to such abuses in its engagements with students and other partners, its indirect operations and the supply chain.

The College operates exclusively within the United Kingdom. Foreign trips do take place from time to time to explore future avenues of business and the majority of Walsall College activity and students are from the Midlands.

The College takes this issue very seriously and has developed a policy which can be viewed in full on the College Website.

Going Concern

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

The financial statements have been prepared on a going concern basis which the Corporation considers to be appropriate for the reasons set out below.

The Corporation has prepared cash flow forecasts to July 2027 a period of 19 months from the date of approval of these financial statements. After reviewing these forecasts, the Corporation is of the opinion that, taking account of severe but plausible downsides, including the anticipated impact of inflation and funding pressures, the College will have sufficient funds to meet its liabilities as they fall due over the period of 12 months from the date of approval of the financial statements (the going concern assessment period).

Consequently, the Corporation is confident that the College will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

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

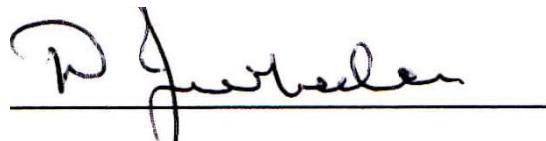
Events after the reporting period

Nothing material to disclose.

Disclosure of Information to the Auditors

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

Approved by order of the members of the Corporation on 11 December 2025 and signed on its behalf by:

A handwritten signature in black ink, appearing to read "D Wheeler", is written over a horizontal line.

David Wheeler

Chair of the Corporation

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

Statement of Corporate Governance and Internal Control

The following statement is provided to enable readers of the annual report and accounts of the College to obtain a better understanding of its governance and legal structure. This statement covers the period from 1 August 2024 to 31 July 2025 and up to the date of approval of the annual report and financial statements.

The College endeavours to conduct its business:

- in accordance with the seven principles identified by the Nolan Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
- in full accordance with the guidance to colleges from the Association of Colleges in The Code of Good Governance for English Colleges (“the Code”); and
- having due regard to the UK Corporate Governance Code insofar as it is applicable to the further education sector.

The College is committed to exhibiting best practice in all aspects of corporate governance and, in particular, it has adopted and complied with the AoC Code of Good Governance. It has not adopted and therefore has not applied the UK Corporate Governance Code 2024. However, the College has reported on its corporate governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code that it considers to be relevant to the further education sector.

The College's External Audit and Internal Audit providers have both made recommendations for improvement in key management and internal control processes during the year. Internal audit reviews include periodic reviews of the College's approach to delivering value for money.

The College has processes in place to ensure regularity and propriety in the use of public funding, compliance with funding terms and conditions, and to guard against fraud and bribery. Internal audit reviews include periodic reviews of these processes.

In the opinion of the governors the College complies with all the provisions of the Code and has complied with it throughout the year ended 31 July 2025 and up to the date of these financial statements. The Governing Body recognises that, as a body entrusted with both public and private funds, it has a particular duty to always observe the highest standards of corporate governance.

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

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

The Corporation

Members of the Corporation

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

	Date of (Re)Appoint-ment	Term of office	Date of resignation	Status of appoint-ment	Committees served	Attendance in 2024/2025
P Averis	05/07/2018 05/07/2021 11/07/2024	3 years 3 years 3 years		External	Board L&Q	29% 50%
C Bosworth	05/07/2018 05/07/2021 11/07/2024	3 years 3 years 3 years		External Vice Chair from 25/11/21	Board Audit Remun S&GS	100% 50% 100% 100%
A Chiduku	27/03/25	3 years		External	Board Audit	100% 100%
A Comery	27/03/2025	3 years		Staff	Board L & Q	67% 100%
B Van De Eecken	26/10/2023 01/08/2024	1 year 3 years		Associate External	Board L&Q	86% 100%
S James	10/07/2025	3 years		Staff	Board	100%
H Lodge	26/11/2020 26/10/2023	3 years 3 years		External	Board Audit L&Q	86% 50% 50%
M Mahoney	21/05/2020 23/05/2023	3 years 3 years		External	Board L&Q Remun	86% 100% 100%
A Marina	01/08/2024	1 year	31/07/2025	Student	Board L&Q	67% 25%
E Ng	23/05/2023 01/08/2024	1 year 3 years		Associate External	Board Audit	83% 100%
S Pedley-Smith	22/10/2015 22/10/2018 22/10/2021 24/10/2024 23/10/2025	3 years 3 years 3 years 1 year 1 year		External	Board F&R Remun S&GS	100% 100% 100% 100%
M Rovnvi	24/10/2024	1 year	31/07/2025	Student	Board L & Q	86% 33%
A Sadla	22/03/2022 27/03/2025	3 years 3 years		External	Board F&R	71% 60%
R Sahota	09/12/2021	3 years	08/12/2024	Staff	Board L&Q	50% 0%
J Sharma	09/12/2011	Ex Officio		Principal/CEO	Board F&R L&Q S&GS	86% 80% 75% 100%

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

	Date of (Re)Appointment	Term of office	Date of resignation	Status of appointment	Committees served	Attendance in 2024/2025
N Tanyanyiwa	23/05/2023	3 years		External	Board F&R	71% 100%
H Troalen	27/03/2025	3 years		External	Board F & R	100% 50%
G Ward	19/10/2017 19/10/2020 26/10/2023	3 years 3 years 3 years		Governor	Board Audit Remun S&GS	71% 100% 100% 100%
G Wellborn	28/03/2023	3 years	07/05/2025	Staff	Board	100%
D Wheeler	21/03/2019 21/03/2022 27/03/2025	3 years 3 years 3 years		External Chair from 20/10/22	Board F&R Remun S&GS	86% 60% 100% 67%

Lesley Venables was appointed as permanent Head of Governance from 1st February 2024.

The Governance Framework

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

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

The Corporation met 7 times in 2024/25, five of which were scheduled and two of which were called to address particular agenda items.

It conducts its business through a number of committees, each of which has terms of reference which have been approved by the Corporation. In 2024/25 these committees were:

- Audit
- Finance and Resources
- Learning and Quality
- Remuneration
- Search and Governance Standards
- Student Voice

From 1 August 2025, a revised committee structure was introduced comprising of the following: Audit & Risk, Resources, Finance, Learning & Quality, People and Remuneration & Search & Governance.

Full minutes of all meetings, except those deemed to be confidential by the Corporation, are available on the College's website (www.walsallcollege.ac.uk) or from the Head of Governance at the College's registered address which is detailed on page 3.

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

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

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

Formal agendas, papers and reports are supplied to governors in a timely manner, prior to Corporation and committee meetings. Briefings are provided on an ad hoc basis.

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

There is a clear division of responsibility in that the roles of the Chair and Accounting Officer are separate.

Appointments to the Corporation

Any new appointments to the Corporation are a matter for the consideration of the Corporation as a whole. The Corporation has a Search and Governance Standards Committee, consisting of 5 members of the Corporation, which is responsible for the selection and nomination of any new member for the Corporation's consideration. The Corporation is responsible for ensuring that appropriate induction and training is provided to governors as required.

Other than the Principal who is appointed ex officio, members of the Corporation are appointed for a term of office not exceeding three years. In line with the Nolan Committee outcomes, governors can serve for a maximum of 3 terms of office, subject to a review of performance and the recommendation of the Search and Governance Standards Committee.

From 1 August 2025, a second vice-chairship of the Corporation was created, to further strengthen the governance framework. A formal nomination and election process for the roles of Chair and Vice-Chairs was instigated and these appointment to effect from 1 August 2025.

Corporation Performance

The Corporation carried out a self-assessment of its own performance for the year ended 31 July 2025 and no areas of significant weakness were identified. In line with the requirements of the Department for Education a n external governance review was undertaken by an independent consultant in 2023/2024. A summary of the outcomes of this review is on the College's website. Progress against any resulting actions from both these processes is monitored by the Search and Governance Committee.

External governors have continued to contribute their relevant knowledge and skills to the work of the Corporation and to the College's operations, supporting the organisation in addressing the local skills needs. Several new governors were appointed in 2024/25 which further enhanced the overall profile and diversity of the Corporation,

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

Training and Development

The Corporation is committed to training and development for all governors and for the Head of Governance. All governors receive induction sessions on governance, finance and student services/safeguarding with the appropriate senior managers on appointment. Training needs are considered through a periodic skills audit and in discussions with individual governors.

Some governors and the Head of Governance have attended several external events, such as regional governance conferences, induction and networking sessions during the year. The College also holds termly governor training sessions, at which there are a variety of internal and external speakers. In 2024/2025, topics covered including:

- Ofsted preparation
- Development of the Corporate Plan
- Risk Management
- Curriculum planning and development

In addition, governors are provided with bespoke training on Safeguarding and Prevent at Corporation meetings in year and undertake several mandatory training courses to support them in carrying out their responsibilities.

The Head of Governance is an experienced, qualified professional, who has supported further education colleges in this capacity for the past 30 years, together with a broad range of public sector organisations, awarding bodies and charities.

Remuneration Committee

Throughout the year ending 31 July 2025, the College's Remuneration Committee comprised 5 external governors. The Committee's responsibilities are to make recommendations to the Corporation on the remuneration and benefits of the Principal/CEO Deputy Principal of Curriculum Quality and Student Success and the Head of Governance (who were the only senior post holders in 2024/25).

The Corporation adopted the AOC's Senior Staff Remuneration Code at its meeting on 21 March 2019. There is a requirement that the College must publish a readily accessible annual statement based on an annual report to the Governing Body.

Details of remuneration for the year ended 31 July 2025 are set out in note 8 to the financial statements.

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

Audit Committee

The Audit Committee comprises 5 external members of the Corporation. In line with the DfE Post-16 Audit Code of Practice the Chair of the Corporation and the Principal/CEO are ineligible to be members of the Audit Committee. The Committee operates in accordance with written terms of reference approved by the Corporation, which are reviewed on a regular basis. Its purpose is to advise the Corporation on the adequacy and effectiveness of the College's systems of internal control and its arrangements for risk management, control and governance processes.

The Audit Committee meets on at least a termly basis and provides a forum for reporting by the College's internal, financial statement and funding assurance auditors, who have direct access to the Committee for independent discussion without the presence of College management. The Committee also receives and considers reports from the main FE funding bodies as they affect the College's business.

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

Management is responsible for the implementation of agreed audit recommendations and internal audit undertakes periodic follow-up reviews to ensure such recommendations have been implemented. The Audit Committee monitors the implementation of all recommendations at each meeting.

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

The Audit Committee met 4 times in the year to 31 July 2025. The members of the Committee and their attendance records are shown below:

Committee Member	Meetings Attended
C Bosworth	2
H Lodge	2
E Ng	2
G Ward (Chair)	4
A Chiduku	1

Internal Control

Scope of responsibility

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

The Corporation has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the College's policies, aims and objectives, whilst safeguarding the public funds and assets for which they are

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

personally responsible, in accordance with the responsibilities assigned to them in the Funding Agreement between Walsall College and the funding bodies. They are also responsible for reporting to the Corporation any material weaknesses or breakdowns in internal control.

The purpose of the system of internal control

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of College policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Walsall College for the year ended 31 July 2025 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Corporation has reviewed the key risks to which the College is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Corporation is of the view that there is a formal ongoing process for identifying, evaluating and managing the College's significant risks that has been in place for the year ending 31 July 2025 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Corporation.

The risk and control framework

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

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

The College has an internal audit service which operates in accordance with the requirements of the ESFA's *Post 16 Audit Code of Practice*. The work of the internal audit service is informed by an analysis of the risks to which the College is exposed and on which annual internal audit plans are based. The analysis of risks and the internal audit plans are approved by the Corporation on the recommendation of the Audit Committee.

As a minimum, the internal auditor annually provides the Corporation with a summary report on its activity in the College. The Internal Audit Annual Report includes the auditor's independent opinion on the adequacy and effectiveness of the College's system of risk management, controls and governance processes.

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

Risks faced by the Corporation

The College has updated and reformed its strategies for managing risk and strives to embed risk management in all that it does.

A risk register is maintained covering both strategic and operational risks which is reviewed at least termly at meetings of the Audit Committee and annually by the College Corporation. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the College along with the mitigations (where practical), controls and assurances that they are in hand. Risks are prioritised using a consistent scoring system. This is supported by a Risk Management training programme to raise awareness of risk throughout the College.

The Corporation is due to complete a re-assessment of its risk appetite in the Autumn Term 2025, to further strengthen the holistic risk management approach and to ensure that the risk register is reflective of the challenges and opportunities faced by the College.

Control weaknesses identified

The internal auditors did not identify any significant control weaknesses or failures in the College's systems during the course of their work throughout the year. The Audit Committee received an update on progress against all audit recommendations at each meeting and is satisfied that action taken is sufficient to address any control weaknesses.

Responsibilities under funding agreements

In November 2022 the Department for Education and the Education & Skills Funding Agency introduced new controls for FE colleges following the Office for National Statistics' decision to reclassify colleges as public sector organisations in the national accounts. A new College Financial Handbook was issued by the DfE in August 2024, together with a number of guidance notes.

The College has reviewed its policies, procedures and approval processes in line with these new requirements to ensure there are systems in place to identify and handle any transaction for which DfE approval is required.

Statement from the Audit Committee

The Audit Committee believes and has advised the Board of Governors that the Corporation has an effective framework for governance, risk management and effective internal controls in place. The specific areas of work that were discussed by the Audit Committee in 2024/25 and up to the date of the approval of the financial statements are:

- ESFA Funding Assurance
- Sub-Contracting Controls
- Marketing
- Strategic and Financial Planning
- Student Voice
- Bursaries
- ESFA Bursary/Audit
- Office for Students HE Audit
- Health and Safety
- Risk Management Framework
- Follow-up of 2023/24 audit recommendation

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

- Review of the planning and completion of the external audit

Review of Effectiveness

As accounting officer, the principal/Chief Executive has a responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- The work of the reviewer
- The financial management and governance self-assessment processes
- The work of the executive managers within the College who have responsibility for the development and maintenance of the internal control framework.
- The feedback made by the external auditor, the reporting accountant for regularity assurance and the appointed funding auditor (for colleges subject to funding audit) in their management letters and other reports.

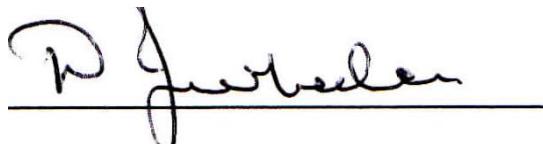
The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Audit Committee and a plan to ensure continuous improvement of the system is in place.

The Executive Team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms which are embedded within the departments and reinforced by risk awareness training. The Executive Team and the Audit Committee also receive regular reports from internal audit and other sources of assurance, which include recommendations for improvement.

The Audit 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 Executive Leadership Team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception.

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

Approved by order of the members of the Corporation on 11 December 2025 and signed on its behalf by:



David Wheeler

Chair of the Corporation

Jatinder Sharma CBE DL

Accounting Officer

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

Statement of Regularity, Propriety and Compliance

As accounting officer of Walsall College, I confirm that I have had due regard to the framework of authorities governing regularity, priority and compliance, including the College's Accountability Agreement with DfE, and the requirements of the College Financial Handbook. I have considered my responsibility to notify the Corporation's Board of Governors and DfE of material irregularity, impropriety and non-compliance with terms and conditions of funding.

I confirm that I, and the Board of Governors, are able to identify and material irregular or improper use of all funds by the Corporation, or material non-compliance with the framework of authorities.

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



Jatinder Sharma CBE DL

Accounting Officer

11 December 2025

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

Statement of responsibilities of the members of the Corporation

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

Within the terms and conditions of the College's Accountability Agreement, funding agreements and the contracts with WMCA and DfE, the Corporation is required to prepare financial statements which give a true and fair view of the financial performance and position of the Corporation for the relevant period. Corporations must also prepare a strategic report which includes an operating and financial review for the year. The bases for the preparation of the financial statements and strategic report are the Statement of Recommended Practice – Accounting for Further and Higher Education, DfE's College Accounts Direction and the UK's Generally Accepted Accounting Practice. In preparing the financial statements, the corporation is required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- assess whether the Corporation is a going concern, noting the key supporting assumptions, qualifications or mitigating actions, as appropriate (which must be consistent with other disclosures in the accounts and auditor's report), and
- prepare financial statements on the going concern basis unless it is inappropriate to assume that the Corporation will continue in operation.

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

The Corporation is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Corporation and which enables 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, (as amended) 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 the auditor 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 other legislation in other jurisdictions.

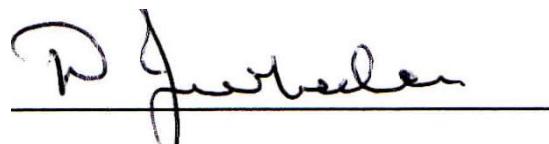
Members of the Corporation are responsible for ensuring that expenditure and income are applied for the purposes intended and that the financial transactions conform to the authorities that govern them. In addition, they are responsible for ensuring that funds from the ESFA, DfE any other public funds, are used only in accordance with the Accountability Agreement, funding agreements and contracts and any other conditions, that may be prescribed from time to time by DfE or any other public funder, including that any transactions entered into by the Corporation are within the delegated the authorities set out in the College Financial Handbook. On behalf of the Corporation, the Chair of the Board of Governors is responsible for discussing the accounting officer's statement of regularity and propriety and compliance with the accounting officer.

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

Members of the Corporation must ensure that there are appropriate financial and management controls in place to safeguard public and other funds and ensure they are used properly. In addition, members of the Corporation are responsible for securing, economic, efficient, and effective management of the Corporation's resources and expenditure so that the benefits that should be derived from the application of public funds from DfE, WMCA and other public bodies are not put at risk.

Approved by order of the members of the Corporation on 11th December 2025 and signed on its behalf by

A handwritten signature in black ink, appearing to read "D Wheeler", is written over a horizontal line.

David Wheeler

Chair of the Corporation

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

Independent auditor's report to the Corporation of Walsall College

Opinion

We have audited the financial statements of Walsall College (the "College") for the year ended 31 July 2025 which comprise the Statement of Comprehensive Income and Expenditure, the Statement of Changes in Reserves, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements including a summary of significant accounting policies in Note 1. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the College's affairs as at 31 July 2025 and of the College's income and expenditure, gains and losses, and changes in reserves and cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with 2019 Statement of Recommended Practice – Accounting for Further and Higher Education, Accounts Direction 2024 to 2025 issued by the Department for Education, and the Accounts Direction, for accounting periods beginning on or after 1 August 2019, issued by the Office for Students.

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 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 Board of 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 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 Board of Governors with respect to going concern are described in the relevant sections of this report.

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

Other information

The other information comprises the information included in the Members' Report and Financial Statements other than the financial statements and our auditor's report thereon. The Board of Governors is responsible for the other information contained within the Member's Report and Financial Statements. 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 relation to material misstatements.

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

We are required to report on the following matters by the Office for Students' Accounts Direction. In our opinion, in all material respects:

- funds from whatever source administered by the College for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the Office for Students, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and Department for Education have been applied in accordance with the relevant terms and conditions; and
- the requirements of the Office for Students' Accounts Direction for the relevant year's financial statements have been met.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Framework and guide for external auditors and reporting accountants of colleges issued by the Department for Education requires us to report to you if, in our opinion:

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

Further, we are required by the Office for Students' Accounts Direction to report to you if the results of our audit work indicate that the College's expenditure on access and participation activities for the financial year disclosed in Note 9a has been materially misstated.

- We are also required by the Office for Students' Accounts Direction to report to you where the results of our audit work indicate that the College's grant and fee income, as disclosed in Note 2 to the financial statements has been materially misstated.

We have nothing to report in these respects.

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

Responsibilities of the Board of Governors of Walsall College

As explained more fully in the Statement of Responsibilities of the Members of the Corporation set out on page 28, the Board of Governors 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 Board of Governors 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 Board of Governors is responsible for assessing 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 Board of Governors either intend to liquidate the College or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 audit engagement team:

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the College operates in and how the College is 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; and
- 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, the College Accounts Direction published by the Department for Education, and Regulatory Advice 9: Accounts Direction published by the Office for Students'. 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 College is also subject to many other laws and regulations where the consequences of non-compliance could have a material impact on amounts or disclosures in the financial statements, including Further and Higher Education Act 1992, Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation. We performed audit procedures to inquire of management and those charged with governance whether the College is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities.

The audit engagement team identified the risk of management override of controls and revenue recognition 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, challenging judgments and estimates and inspecting funding agreements and allocations.

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.

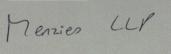
Use of our report

This report is made solely to the Board of Governors, as a body, in accordance with the Funding Agreement published by the Department for Education and our engagement letter dated 11 November 2025. Our audit work has been undertaken so that we might state to the Board of Governors, 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 Board of Governors, as a body, for our audit work, for this report, or for the opinions we have formed.

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

Signed by:

 Menzies LLP

For and on behalf of

MENZIES LLP

One Express

1 George Leigh Street

Manchester

M4 5DL

Date: 19-Dec-2025

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

Reporting Accountant's Report on Regularity to the Corporation of Walsall College and the Secretary of State for Education acting through the Department for Education (DFE)

To: The Corporation of Walsall College and Secretary of State for Education

In accordance with the terms of our engagement letter dated 11 November 2025 and further to the requirements of Department for Education (DfE), as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Colleges, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by Walsall College during the period 1 August 2024 to 31 July 2025 have not been applied to the purposes intended by Parliament or the financial transactions do not conform to the authorities which govern them.

This report is made solely to the corporation of Walsall College and the Secretary of State for Education in accordance with the terms of our engagement letter.

Our work has been undertaken so that we might state to the corporation of Walsall College and the Secretary of State those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept, or assume, responsibility to anyone other than the corporation of Walsall College and the Secretary of State for Education for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Walsall College and the reporting accountant

The accounting officer is responsible, under the requirements of the corporation's accountability agreement with the Secretary of State for Education and the College Financial Handbook, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament, and that the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the extant Framework and Guide for External Auditors and Reporting Accountants of Colleges. We report to you whether anything has come to our attention in carrying out our work, which suggests that in all material respects, expenditure disbursed and income received during the period 1 August 2024 to 31 July 2025 have not been applied for the purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Colleges issued by DfE, which requires a limited assurance engagement, as set out in our engagement letter.

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

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

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

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

The work undertaken to draw to our conclusion includes:

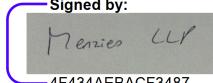
- Documenting the framework of authorities which govern the activities of the Corporation;
- Undertaking a risk assessment based on our understanding of the general control environment and any weaknesses in internal controls identified by our audit of the financial statements;
- Reviewing the self-assessment questionnaire which supports the representations included in the Chair of Governors and Accounting Officer's statement on regularity, propriety and compliance with the framework of authorities;
- Testing a sample of transactions with related parties;
- Confirming through enquiry and sample testing that the Corporation has complied with its procurement policies and that these policies comply with delegated authorities; and
- Reviewing any evidence of impropriety resulting from our work and determining whether it was significant enough to be referred to in our regularity report.

This work was integrated with our audit of the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 August 2024 to 31 July 2025 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Signed:



For and on behalf of

Menzies LLP

One Express

1 George Leigh Street

Manchester

M4 5DL

Date: 19-Dec-2025

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

Statement of Comprehensive Income and Expenditure

All items of income and expenditure relate to continuing activities

	Notes	Year ended 31 July 2025	Year ended 31 July 2024
		£'000	£'000
Income			
Funding body grants	2	44,830	41,919
Tuition fees and education contracts	3	1,967	2,504
Other grants and contracts	4	2,699	3,173
Other income	5	1,635	1,630
Investment income	6	783	718
Total Income		51,914	49,944
Expenditure			
Staff costs	8	36,152	33,117
Other operating expenses	9	12,330	12,481
Depreciation	12	3,736	3,522
Interest and other finance costs	10	264	267
Total Expenditure		52,482	49,387
Deficit before other gains and losses		(568)	557
Profit on disposal of assets	12	-	-
Surplus/(Deficit) before tax		(568)	557
Taxation	11	-	-
Surplus/(Deficit) for the year		(568)	557
Appreciation of endowment asset investments		(2)	3
Actuarial loss in respect of pensions schemes	25	(993)	(634)
Total Comprehensive Income for the year		(1,563)	(74)
Represented by:			
Restricted comprehensive income & expenditure		-	-
Unrestricted comprehensive income & expenditure		(1,563)	(74)
		(1,563)	(74)

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

Statement of Changes in Reserves

	Income and Expenditure Account	Revaluation Reserve	Restricted Endowment	Total
	£'000	£'000	£'000	£'000
Balance at 1 August 2024	59,193	170	65	59,428
Surplus from the income and expenditure account	557	-	3	560
Other comprehensive expenditure	(634)	-	-	(634)
Transfers between revaluation and income and expenditure reserves	7	(7)	-	-
Total Comprehensive Income	<hr/> (70)	<hr/> (7)	<hr/> 3	<hr/> (74)
Balance at 31 July 2025	59,123	163	68	59,354
Deficit from the income and expenditure account	(568)	-	(2)	(570)
Other comprehensive expenditure	(993)	-	-	(993)
Transfers between revaluation and income and expenditure reserves	7	(7)	-	-
Total Comprehensive Income	<hr/> (1,554)	<hr/> (7)	<hr/> (2)	<hr/> (1,563)
Balance at 31 July 2025	<hr/> 57,569	<hr/> 156	<hr/> 66	<hr/> 57,791

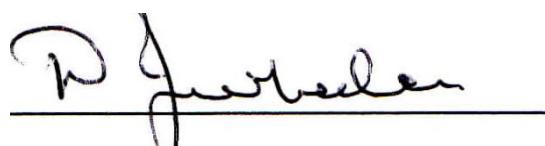
Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

Balance sheet

	Notes	2025 £'000	2024 £'000
Fixed assets			
Tangible Fixed assets	12	57,983	59,530
		57,983	59,530
Current assets			
Trade and other receivables	14	2,093	2,273
Investments	15	13	16
Cash and cash equivalents	20	12,509	10,382
		14,615	12,671
Creditors – amounts falling due within one year	16	(10,892)	(8,606)
		3,723	4,065
Total assets less current liabilities		61,706	63,595
Creditors – amounts falling due after more than one year	17	(3,805)	(4,107)
Provisions			
Defined benefit obligations	19	-	-
Other provisions	19	(110)	(134)
Total net assets		57,791	59,354
Restricted reserves			
Expendable Endowments		66	68
Unrestricted Reserves			
Income and expenditure account		57,569	59,123
Revaluation reserve		156	163
Total unrestricted reserves		57,791	59,354
Total reserves		57,791	59,354

The financial statements on pages 37 to 69 were approved and authorised for issue by the Corporation on 11 December 2025 and were signed on its behalf by:



David Wheeler
Chair of the Corporation



Jatinder Sharma CBE DL
Accounting Officer

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

Statement of Cash Flows

	Notes	2025 £'000	2024 £'000
Cash flow from operating activities			
Surplus/(Deficit) for the year		(568)	557
Adjustment for non-cash items			
Depreciation		3,736	3,522
Decrease/(Increase) in debtors		178	(745)
Increase/decrease in creditors due within one year		2,373	(2,901)
(Decrease)/increase in creditors due after one year		-	(9)
Increase/(decrease) in provisions		(24)	26
Increase in endowments		1	1
Pensions costs less contributions payable		(556)	(365)
Adjustment for investing or financing activities			
Investment income		(783)	(718)
Interest payable		264	267
Net cash flow from operating activities		<u>4,621</u>	<u>(365)</u>
Cash flows from investing activities			
Investment income		348	642
Receipt/(Placement) of deposits		-	8,000
Payments made to acquire fixed assets		(2,294)	(3,554)
		<u>(1,946)</u>	<u>5,088</u>
Cash flows from financing activities			
Interest paid		(264)	(266)
Repayments of amounts borrowed		(284)	(268)
		<u>(548)</u>	<u>(534)</u>
Increase/(Decrease) in cash and cash equivalents in the		<u>2,127</u>	<u>4,189</u>
Cash and cash equivalents at beginning of the year	20	10,382	6,193
Cash and cash equivalents at end of the year	20	12,509	10,382

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

1. Accounting Policies

A summary of the principal accounting policies adopted (which have been consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (the 2019 FE HE SORP), the College Accounts Direction for 2024 to 2025 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.

The financial statements are prepared in accordance with the historical cost convention as modified by the use of previous valuations as deemed cost at transition for certain non-current assets.

In accordance with FRS 102, the activities of the student union have not been consolidated because the college does not control those activities.

1.2 Going concern

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

The financial statements have been prepared on a going concern basis which the Corporation considers to be appropriate for the following reasons.

The Corporation has prepared cash flow forecasts for a period of 19 months from the date of approval of these financial statements. After reviewing these forecasts, the Corporation is of the opinion that, taking account of severe but plausible downsides, including the anticipated impact of the rise in inflation, interest rates and fuel costs, the College will have sufficient funds to meet its liabilities as they fall due over the period of 12 months from the date of approval of the financial statements (the going concern assessment period).

In preparing these forecasts the Corporation has taken the following matters into account:

- The College receives most of its funding from national or regional government and is confident in the security of these income streams.
- The College prepared its 2025/26 budget on a prudent basis only including other funding income streams that were contractually secure.
- The College continues to generate cash from a strong operational cash flow which exceeds its annual capital investment requirements.
- Non-Cyclical capital investment will only be committed to with due consideration to the long-term financial stability of the College.

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

- The College is comfortably within its gearing and free cash flow bank covenants and is projected to remain within these covenants for the foreseeable future; and
- The College's prudent and responsible financial management over many years leaves it in a position of strength and enough liquidity to adapt its operating model in a timely manner to ensure its going concern.

Consequently, the Corporation is confident that the College will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

1.3 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 income stream involved. Any under or over achievement for the Adult Skills Budget is adjusted for and reflected in the level of recurrent grant recognised in the income and expenditure account.

The final grant income is normally determined with the conclusion of the year end reconciliation process with the funding body following the year end, and the results of any funding audits. 16-18 learner-responsive funding is not normally subject to reconciliation and is therefore not subject to contract adjustments.

The recurrent grant from the Office for Students represents the funding allocations attributable to the current financial year and is credited direct to the Statement of Comprehensive Income. Grants (including research 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.

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

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. 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.

1.4 Agency arrangements

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

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

1.5 Accounting for post-employment benefits

Post-employment benefits to employees of the college are principally provided by the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). These are defined benefit plans, which are externally funded and contracted out of the State Second Pension.

1.6 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 based on 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.

1.7 Local Government Pension 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.

Actuarial gains and losses are recognised immediately in actuarial gains and losses.

1.8 Short term Employment benefits

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

1.9 Enhanced Pensions

The actual cost of any enhanced ongoing pension to a former member of staff is paid by a college annually. An estimate of the expected future cost of any enhancement to the ongoing pension of a former member of staff is charged in full to the college's income in the year that the member of staff retires. In subsequent years a charge is made to provisions in the balance sheet.

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

1.10 Intangible Assets

A non-monetary asset without physical substance, such as goodwill, shall be recognised as an asset when there is expected future economic benefit to the College and the cost or value of the asset can be measured reliably.

Such assets shall be amortised on a straight-line basis over their expected useful life. In the case of goodwill, where the College is unable to make a reliable estimate of the useful life then this shall not exceed 10 years.

1.11 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets that had been revalued to fair value on or prior to the date of transition to the FE HE SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Land and buildings

Land and buildings inherited from the Local Education Authority are stated in the balance sheet at valuation on the basis of depreciated replacement cost as the open market value for existing use is not readily obtainable. The associated credit is included in the revaluation reserve. The difference between depreciation charged on the historic cost of assets and the actual charge for the year calculated on the revalued amount is released to the income and expenditure account on an annual basis.

Freehold buildings are depreciated on a straight-line basis over their expected useful lives as follows:

• Buildings	up to a maximum of 50 years
• Extensions to existing buildings	the remainder of the useful life of the main building
• Refurbishments	10 years

Land is not depreciated.

Where land and buildings are acquired with the aid of specific grants, they are capitalised and depreciated as above.

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

On adoption of FRS 102, the College followed the transitional provision to retain the book value of land and buildings, certain of which were revalued in 1994, as deemed cost but not to adopt a policy of revaluations of these properties in the future.

Assets under construction

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

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

Subsequent expenditure on existing fixed assets

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

Equipment

Equipment costing less than £1,000 per individual item is recognised as expenditure in the period of acquisition. All other equipment is capitalised at cost.

Capitalised equipment is depreciated on a straight-line basis over its remaining useful economic life as follows:

• Motor vehicles and general equipment	4 years
• Computer equipment	2 to 4 years
• Furniture, fixtures and fittings	5 to 10 years

1.12 Borrowing costs

Borrowing costs are recognised as expenditure in the period in which they are incurred.

1.13 Leased assets

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives relating to leases signed after 1 August 2014 are spread over the minimum lease term. The College has taken advantage of the transitional exemptions in FRS 102 and has retained the policy of spreading lease premiums and incentives to the date of the first market rent review for leases signed before 1 August 2014.

Leasing agreements which transfer to the College substantially all the benefits and risks of ownership of an asset are treated as finance leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charges are allocated over the period of the lease in proportion to the capital element outstanding.

1.14 Investments

Investments in subsidiaries

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

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

Other 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. Investments comprising unquoted equity instruments are measured at fair value, estimated using a valuation technique.

1.15 Stock

Stock is stated at the lower of their cost and net realisable value, being selling price less costs to complete and sell. Where necessary, provision is made for obsolete, slow-moving and defective items.

1.16 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.

1.17 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 College are classified as basic financial instruments in accordance with FRS 102. These instruments are initially recorded at the transaction price less any transaction costs (historical cost). FRS 102 requires that basic financial instruments are subsequently measured at amortised cost, however the Group has calculated that the difference between the historical cost and amortised cost basis is not material and so these financial instruments are stated on the balance sheet at historical cost. Loans and investments that are payable or receivable within one year are not discounted.

1.18 Foreign currency translation

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

1.19 Taxation

The College is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the College is potentially exempt from taxation in respect of income or capital gains received within categories covered by sections 478-488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The College is partially exempt in respect of Value Added Tax, so that it can only recover around 1.72% of the VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature.

1.20 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.

1.21 Judgements in applying accounting policies and key sources of estimation uncertainty

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

- Determine whether there are indicators of impairment of the College'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.

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 the pensions include the discount rate.

Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. The actuary has used a roll forward year end approach which projects results from the latest full actuarial valuation performed at 31 March 2022 to value the pensions

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

liability at 31 July 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

2 Funding Body Grants	Year Ended 31 July 2025 £'000	Year Ended 31 July 2024 £'000
Recurrent Grants		
DfE/Combined Authority – Adult Education	8,461	8,973
DfE – 16-18	29,296	24,990
DfE – Apprenticeship	4,326	4,334
Office for Students	95	108
Specific Grants		
Teacher Pension Scheme contribution grant	1,520	1,095
DfE	884	469
Releases of government capital grants	235	1,691
HE capital grant release	13	15
Specific Grants – Coronavirus additional funding		
16-19 Tuition Fund	-	244
Total	44,830	41,919

3 Tuition fees and education contracts	Year Ended 31 July 2025 £'000	Year Ended 31 July 2024 £'000
Adult education fees		
Adult education fees	741	1,130
Apprenticeship contracts	76	99
Fees for FE loan supported courses	154	274
Fees for HE loan supported courses	828	817
Total Tuition Fees	1,799	2,320
Education contracts		
Education contracts	168	184
Total	1,967	2,504

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

3a Fees and grant income

As an OfS registered College, a single table is required to show grant and fee income. The table below summarises this information, which forms part of the disclosures in notes 2 to 4.

	Year Ended 31 July 2025 £'000	Year Ended 31 July 2024 £'000
Grant income from the Office for Students	128	125
Grant income from other bodies	1,018	1,844
Fee income for taught awards	1,006	981
Fee income from non-qualifying courses	793	1,339
Total	2,945	4,289

4 Other grants and contracts

	Year Ended 31 July 2025 £'000	Year Ended 31 July 2024 £'000
Other grant income	872	336
Non-Government Capital Grants	166	1,464
Local Authority High Needs Funding	1,661	1,373
Total	2,699	3,173

5 Other Income

	Year Ended 31 July 2025 £'000	Year Ended 31 July 2024 £'000
Commercial Services	605	678
Catering & Residences	620	566
Nursery income	327	302
Exams	1	1
Miscellaneous income	82	83
Total	1,635	1,630

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

6 Investment Income	Year Ended 31 July 2025 £'000	Year Ended 31 July 2024 £'000
Other interest receivable	346	449
Net return on pension scheme (note 25)	437	269
Total	783	718

7 Donations

The College did not receive any donations during 2024/25 (2023/24: nil)

8 Staff costs – Group and College

The average number of persons (including key management personnel) employed by the college during the year, described as head count, were

	2025 No.	2024 No.
Teaching staff	426	407
Non-teaching staff	392	371
	818	778
Staff costs for the above persons		
	2025 £'000	2024 £'000
Wages and salaries	26,475	24,832
Social security costs	2,918	2,369
Other pension costs	5,339	4,808
Apprenticeship levy	119	109
Payroll sub total	34,851	30,215
Contracted out staffing services	768	987
	35,619	33,105
Restructuring costs – Contractual	533	12
Total Staff costs	36,152	33,117

The Corporation does not have any salary sacrifice arrangements in place.

Walsall College

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8 Staff costs –(continued)

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the college and are represented by the college Executive Team and Clerk to the Corporation, a list of individual post holders is given on page 3.

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

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

	2025 No.	2024 No.
The number of key management personnel including the Accounting Officer was:	<u>10</u>	<u>7</u>

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

	Key management personnel		Other staff	
	2025 No.	2024 No.	2025 No.	2024 No.
£5,001 to £10,000	1	-	-	-
£30,001 to £35,000	1	-	-	-
£35,001 to £40,000	-	1	-	-
£40,001 to £45,000	1	-	-	-
£55,001 to £60,000	-	-	1	-
£60,001 to £65,000	-	-	1	2
£65,001 to £70,000	-	-	8	8
£70,001 to £75,000	-	-	1	-
£85,001 to £90,000	3	3	-	-
£90,001 to £95,000	2	1	-	-
£95,001 to £100,000	-	-	-	-
£100,001 to £105,000	-	1	-	-
£115,001 to £120,000	1	-	-	-
£195,001 to £200,000	-	1	-	-
£200,001 to £205,000	1	-	-	-
	<u>10</u>	<u>7</u>	<u>11</u>	<u>10</u>

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Including part time workers grossed up to full time equivalent and staff on maternity, paternity or sickness leave at their usual rate of pay, 1 member of key management personnel were paid in the £60,001 to £65,000 banding in 2025 (2024: £60,001 to £65,000, 1).

Key management personnel compensation is made up as follows:

	2025 £'000	2024 £'000
Basic salary	840	663
Benefits in kind	8	7
Pension contributions	199	147
 Total key management personnel compensation	1,047	817

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

	2025 £'000	2024 £'000
Basic salary	195	195
Other including benefits in kind	8	6
Pension contributions	41	41
 244	244	242

The Governing Body has adopted AoC's Senior Staff Remuneration Code in July 2019 and assesses pay in line with its principles.

The remuneration package of Key management staff, including the Principal, is subject to annual review by the Remuneration Committee of the Governing Body who use benchmarking information to provide objective guidance.

The Principal is the College's Chief Executive Officer and as such has overall responsibility for the effective management of the College. The Principal is the accountable officer responsible for effective governance and financial stewardship of the College. The Principal is responsible to and works closely with the Chair of the Corporation in these matters and all other aspects of the work of the governing body. The Chair of the Corporation undertakes an annual review of his performance against the College's overall objectives using both qualitative and quantitative measures of performance, including financial performance, student numbers, national sector benchmarks and Ofsted grading.

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

8 Staff costs – (continued)

Relationship of Principal pay and remuneration expressed as a multiple

	2025 £'000	2024 £'000
Principal's basic salary as a multiple of the median of all staff	6.06	6.69
Principal's total remuneration as a multiple of the median of all staff	6.39	6.93

Compensation for loss of office paid to former key management personnel

	2025 £	2024 £
Compensation paid to the former post-holder	-	-
Estimated value of other benefits, including provisions for pension benefits	-	-

The members of the corporation other than the Accounting Officer did not receive any payment from the institution other than the reimbursement of travel and subsistence expenses incurred in the course of their duties.

Severance payments

The college paid 20 severance payments in the year, disclosed in the following bands:

	2025
0 - £25,000	11
£25,000 - £50,000	8
£50,000 - £75,000	1

There were no special severance payments made during the reporting period.

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9 Other operating expenses	Year Ended 31 July 2025 £'000	Year Ended 31 July 2024 £'000
Teaching costs	3,057	3,239
Non-teaching costs	4,930	4,917
Premises costs	4,343	4,325
Total	12,330	12,481
<hr/>		
Other operating expenses include:	2025	2024
Auditors remuneration:	£'000	£'000
Financial statements audit	53	43
Other services provided by the financial statements auditor	12	12
Internal audit fees	33	39
Other services provided by the internal auditors	10	9
Hire of assets under operating leases	100	109
<hr/>		
9a Access and Participation spending	2025	2024
	£'000	£'000
Access Investment	51	61
Financial Support for students	45	41
Research and evaluation	33	32
Total	129	134
<hr/>		

The Access and participation spending includes staff costs of £79,000 (2024: £84,000) which are included in note 8.

The College's Access and Participation Plan can be found on the college website
www.walsallcollege.ac.uk

Walsall College

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9b Write offs, losses, guarantees, letters of comfort and compensation payments

The College wrote off debts amounting to £14k in the year to 31 July 2025. There was 1 individual debt over £5k.

10 Interest and other finance costs	Year Ended 31 July 2025 £'000	Year Ended 31 July 2024 £'000
On bank loans, overdrafts and other loans	264	267
Other interest	-	-
	<hr/> 264	<hr/> 267
Net interest on defined pension liability (note 25)	-	-
	<hr/> 264	<hr/> 267
Total	264	267

11 Taxation

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

12 Tangible fixed assets

	Land and Buildings £'000	Equipment £'000	Assets in the course of construction £'000	Total £'000
Cost or valuation				
At 1 August 2024	92,070	15,814	223	108,107
Additions	843	1,268	78	2,189
Transfer	-	-	-	-
At 31 July 2025	92,913	17,082	301	110,296
Depreciation				
At 1 August 2024	34,689	13,888	-	48,577
Charge for the year	2,690	1,046	-	3,736
At 31 July 2025	37,379	14,934	-	52,313
Net book value at 31 July 2025	55,534	2,148	301	57,983
Net book value at 31 July 2024	57,381	1,926	223	59,530

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12 Non-current investments	Year Ended 31 July 2025	Year Ended 31 July 2024
	£	£
Investments in subsidiary companies	2	2
Total	2	2

Land and buildings inherited from the LEA at incorporation were valued in 1994 at depreciated replacement cost by Fraser Wood Mayo and Pinsent a firm of independent Chartered Surveyors.

If fixed assets had not been revalued before being deemed as cost on transition they would have been included at the following historical cost amounts:

	£'000
Cost	Nil
Aggregate depreciation based on cost	Nil
Net book value based on cost	Nil

The College owns 100 per cent of the issued ordinary shares £1 shares of Broadway Training Ltd, a company incorporated in England and Wales. The company has not traded in 2024/25 nor 2023/24.

14 Debtors	Year Ended 31 July 2025	Year Ended 31 July 2024
	£'000	£'000
Amounts falling due within one year:		
Trade receivables	574	766
Prepayments and accrued income	1,456	869
Amounts owed by the DfE	14	-
Amounts owed by the WMCA	43	636
Other Debtors	6	2
Total	2,093	2,273

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

15 Current investments	Year Ended 31 July 2025 £'000	Year Ended 31 July 2024 £'000
Endowment investments	13	16
Short term deposits	-	-
Total	13	16

Treasury deposits are held with banks and building societies operating in the London market and licensed by the Financial Conduct Authority with more than three months' maturity from the date of acquisition. The interest rates for these deposits are fixed for the duration of the deposit at time of placement.

16 Creditors: amounts falling due within one year	Year Ended 31 July 2025 £'000	Year Ended 31 July 2024 £'000
Bank loans and overdrafts	302	284
Payments received in advance	1,913	1,899
Trade payables	118	62
Other taxation and social security	830	620
Holiday Pay Accrual	1,199	1,211
Accruals and deferred income	2,532	2,137
Other creditors	844	834
Deferred income – government capital grants	2,451	650
Amounts owed to the WMCA	202	-
Amounts owed to the DfE	501	909
Total	10,892	8,606

17 Creditors: amounts falling due after one year	Year Ended 31 July 2025 £'000	Year Ended 31 July 2024 £'000
Bank loans	3,805	4,107
Other creditors	-	-

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

Total	3,805	4,107
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18 Maturity of debt	Year Ended 31 July 2025 £'000	Year Ended 31 July 2024 £'000
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Bank loans and overdrafts

Bank loans and overdrafts are repayable as follows:

In one year or less	302	284
Between one and two years	320	302
Between two and five years	697	657
In five years or more	2,788	3,148
Total	4,107	4,391

A bank loan of £7m (£4.1m outstanding) was secured on the Wisemore Campus in 2010. This loan bears a fixed interest of 5.5% (excluding lending margin) and is repayable by instalments over twenty-five years until 2035.

19 Provisions	Defined benefit obligations £'000	Enhanced pensions £'000	Total £'000
At 1 August 2024	-	134	134
Expenditure in the period	-	24	24
At 31 July 2025	-	110	110

Defined benefit obligations relate to the liabilities under the college's membership of the Local Government Pension Scheme. The latest Actuarial valuation has recorded that this scheme is being in an asset position, however, in accordance with accounting conventions under FRS102 this is not a realisable asset and has been given a zero valuation for accounting purposes. Further details are provided in note 25.

The enhanced pension provision relates to the cost of staff who have already left the College's employ and commitments for reorganisation costs from which the College cannot reasonably withdraw at the balance sheet date.

The principal assumptions for this calculation are:

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

	2025	2024
Price inflation	2.70%	2.80%
Discount rate	5.50%	4.80%

20 Cash and cash equivalents

	At 1 August 2024	Cash flows	Other changes	At 31 July 2025
	£'000	£'000	£'000	£'000
Cash and cash equivalents	8,882	3,627	-	12,509
Treasury deposits	1,500	(1,500)	-	-
Total	10,382	2,127	-	12,509

21 Capital and other commitments

	2025	2024
	£'000	£'000
Commitments contracted for at 31 July	12	117

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22 Lease obligations

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

	2025	2024
	£'000	£'000
Future minimum lease payments due		
Land and buildings		
Not later than one year	-	10
Later than one year and not later than five years	-	-
Later than five years	-	-
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
	-	10
<hr style="border-top: 1px solid black;"/>		
Other		
Not later than one year	101	45
Later than one year and not later than five years	154	117
Later than five years	-	-
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
	255	162
<hr style="border-top: 1px solid black;"/>		
Total lease payments due	255	172
<hr style="border-top: 1px solid black;"/>		

23 Contingencies

The College had no contingent liabilities as at 31st July 2025. (2024 : nil)

24 Events after the reporting period

There are no events after the reporting period.

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

25 Defined benefit obligations

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

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

Total pension cost for the year	2025	2024
	£000	£000
Teachers' Pension Scheme: contributions	3,407	2,785
HL SIPP contributions paid	2	21
Local Government Pension Scheme:		
Contributions paid	2,558	2,371
FRS 102 (28) charge	(621)	(420)
Charge to the Statement of Comprehensive Income	1,937	1,951
Enhanced pension charge to Statement of Comprehensive Income	(7)	51
Total Pension Cost for Year within staff costs	5,339	4,808

Contributions amounting to £632k (2024: £622k) were payable to the schemes and are included in creditors.

Teachers' Pension Scheme

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

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

Walsall College

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25 Defined benefit obligations (continued)

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension scheme. The college is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the college has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The college has set out above the information available on the plan and the implications for the college in terms of the anticipated contribution rates.

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

The latest actuarial review of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education in October 2023. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service at the effective date of £262 billion, and notional assets (estimated future contributions together with the notional investments held at valuation date) of £222 billion giving a notional past service deficit of £40 billion (compared to £22 billion in the 2016 valuation).

As a result of the valuation, new employer contribution rates rose from 23.68% to 28.68% from April 2024.

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

The pension costs paid to TPS in the year amounted to £3,407k (2024: £2,785k).

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Local Government Pension Scheme

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by Wolverhampton City Council. The total contributions made for the year ended 31 July 2025 were £3,328k, of which employer's contributions totalled £2,558k and employees' contributions totalled £770k. The agreed contribution rates for future years are 21.10% for the college and range from 5.5% to 12.5% for employees, depending on salary according to a national scale.

The following information is based upon a full actuarial valuation of the fund at 31 March 2022 updated to 31 July 2025 by Hymans Robertson LLP. The scheme has moved to an asset position, however, in line with financial reporting standards (FRS 102) the LGPS scheme has not been presented as an Asset but instead is given a zero valuation in the accounts.

	At 31 July 2025	At 31 July 2024
Rate of increase in salaries	3.75%	3.75%
Future pensions increases	2.75%	2.75%
Discount rate for scheme liabilities	5.80%	5.00%
Inflation assumption (CPI)	2.80%	6.70%
Commutation of pensions to lump sums	50%	50%

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 2025	At 31 July 2024
	Years	Years
<i>Retiring today</i>		
Males	20.40	20.10
Females	23.50	23.50
<i>Retiring in 20 years</i>		
Males	21.80	21.30
Females	24.80	24.80

Walsall College

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25 Defined benefit obligations (continued)

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

	Percentage of fund assets at 31 July 2025	Fair Value at 31 July 2025	Percentag e of fund assets at 31 July 2024	Fair Value at 31 July 2024
		£'000		£'000
Equity instruments	50%	34,675	51%	32,712
Gilts and other Bonds	39%	27,046	35%	22,450
Property	7%	4,854	7%	4,490
Cash and Other	5%	3,467	7%	4,490
Total fair value of plan assets		69,349		64,142
 Actual return on plan assets		 3,277		 4,759

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

	2025 £'000	2024 £'000
Fair value of plan assets	69,349	64,142
Present value of plan liabilities	(50,262)	(55,645)
Present value of unfunded liabilities	(5)	(14)
FRS102 adjustment to derecognise pension asset	(19,082)	(8,483)
Net pensions liability	 - <hr/>	 - <hr/>

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

	2025 £'000	2024 £'000
Amounts included in staff costs		
Current service cost	1,943	1,913
Total	1,943	1,913

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

25 Defined benefit obligations (continued)

	2025 £'000	2024 £'000
Amounts included in investment income		
Net interest income	437	269
	437	269
Amount recognised in Other Comprehensive Income		
Return on pension plan assets	25	1,809
Experience gains/(losses) arising on defined benefit	538	(1,733)
Changes in assumptions underlying the present value of plan liabilities	9,267	2,527
Change in demographic assumptions	(224)	112
FRS102 adjustment to derecognise pension asset	(10,599)	(3,349)
Amount recognised in Other Comprehensive Income	(993)	(634)
Movement in net defined benefit liability asset during year		
	2025 £'000	2024 £'000
Net defined benefit liability in scheme at 1 August	-	-
Movement in year:		
Current service cost	(1,943)	(1,913)
Employer contributions	2,564	2,333
Net interest on the defined asset	437	269
Actuarial gain or loss	9,606	2,715
Administration costs	(65)	(55)
FRS102 adjustment to derecognise pension asset	(10,599)	(3,349)
Net defined benefit liability at 31 July	-	-

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

25 Defined benefit obligations (continued)

Asset and Liability Reconciliation

Changes in the present value of defined benefit obligations

	2025	2024
	£'000	£'000
Defined benefit obligations at start of period	55,659	52,333
Current service cost	1,943	1,913
Interest cost	2,815	2,681
Contributions by Scheme participants	773	701
Experience gains and losses on defined benefit obligations	(538)	1,733
Changes in financial assumptions	(9,267)	(2,527)
Changes in demographic assumptions	224	(112)
Estimated benefits paid	(1,406)	(1,116)
Unfunded pension payments	(1)	(2)
Administration Expenses	65	55
Defined benefit obligations at end of period	50,267	55,659

Changes in fair value of plan assets

	2025	2024
	£'000	£'000
Fair value of plan assets at start of period	64,142	57,467
Interest on plan assets	3,252	2,950
Return on plan assets less interest	25	1,809
Other actuarial gains/(losses)	-	-
Employer contributions including unfunded	2,564	2,333
Contributions by Scheme participants and other employers	773	701
Estimated benefits paid plus unfunded net transfers in	(1,407)	(1,118)
Fair value of plan assets at end of period	69,349	64,142

The defined benefit obligations include a past service cost in respect of the McCloud / Sergeant judgment which ruled that the transitional protection for some members of public service schemes implemented when they were reformed constituted age discrimination. The Fund actuaries (Hymans Robertson LLP) have allowed for the McCloud judgement in the calculation of the latest funding valuation results and therefore an allowance is included in the accounting disclosure.

Walsall College is aware of the 2023 ruling in the Virgin Media vs NTL Pension Trustee case and subsequent court of appeal ruling published in July 2024. These ruled that certain amendments made to the NTL Pension Plan were invalid because they were not accompanied by the correct actuarial confirmation. The Department of Work & Pensions has since announced that it will introduce legislation to allow changes to be certified retrospectively and as a result, the College no longer believes this to be a contingent liability.

Walsall College

Report and Financial Statements for the Year Ended 31 July 2025

26 Related Party Transactions

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

The total expenses paid to or on behalf of the Governors during the year was £97.80 (2024: £0; 0 governor). This represents travel and subsistence expenses and other out of pocket expenses incurred in attending Governor meetings and charity events in their official capacity.

No Governor has received any remuneration or waived payments from the College or its subsidiaries during the year (2024: None).

The Assistant Principal Adults and WBL sits on the Association of Employment and Learning Providers (AELP) board as the Further Education representative. The College is a member of AELP and paid membership fees in accordance with AELP's published rates of £4,320.

The Assistant Principal Adults and WBL also has served as a member on the Board of Francesco Group Holdings Ltd during the reporting period. The College contracts with the company for training and consultancy services and paid £10,400.03 in fees during the reporting period. This was conducted at arm's length under the usual business terms.

A College Governor, the Vice Chair, holds the position of Managing Director for Innovate Awarding Limited. The College contracts with the company for end point assessments in relation to apprenticeships and paid £5,220 in fees during the reporting period. This was conducted at arm's length under the usual business terms.

The Principal and CEO serves as a Director of The Black Country Chamber of Commerce. During the reporting period the College contracted with the company in relation to an annual membership and paid £10,800 in fees. This was conducted at arm's length under the usual business terms.

The Head of Governance commenced employment with Walsall College on 1 February 2024 and is the Director and owner of MLV Consultancy Limited. Prior to being employed by Walsall College, an amount of £2,171.38 was paid to MLV Consultancy Limited during the reporting period in relation to fees to act as Interim Head of Governance. This was conducted at arm's length under the usual business terms.

Walsall College**Report and Financial Statements for the Year Ended 31 July 2025****27 Amounts disbursed as agent - Learner support funds**

	2025	2024
	£'000	£'000
Amount brought forward	1,002	1,314
16-18 bursary grants received	1,132	986
Adult bursary grants received	115	71
Unspent funds repaid	(52)	(265)
	<hr/> 2,197	<hr/> 2,106
Disbursed to students	(883)	(1,056)
Administration costs	(41)	(48)
	<hr/> 1,273	<hr/> 1,002

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