



West
London
College

REPORT AND FINANCIAL STATEMENTS

for year ended 31 July 2025

AIMING HIGH, CHANGING LIVES



Key Management Personnel, Board of Governors and Professional advisers

Key management personnel

Key management personnel are defined as members of the College Executive Team and were represented by the following in 2024/25:

Karen Redhead	– Chief Executive Officer (CEO) & Principal; Accounting Officer
Anil Nagpal	– Chief Operating Officer (COO)
James Taylor	– Deputy Principal (Curriculum and Quality)
Matt Fawcett	– Deputy Principal (Planning, Partnerships & Projects)
Maxine Deslandes	– Deputy Chief Operating Officer (1 June 2025)
John Grimmer	– Executive Director People & Organisation Development (1 June 2025)

Board of Governors

A full list of Governors is given on page 19 and 20 of these financial statements.

Professional advisers

Financial statements auditors and reporting accountants:

Buzzacott Audit LLP

130 Wood St, London EC2V 6DL

Internal auditors:

Scrutton Bland

The Long Barn, Fornham, Bury St Edmunds, Suffolk, IP31 1SL

Bankers:

Barclays Bank PLC

Barclays Education Team, 1 Churchill Place, Canary Wharf, London, E14 5RB

Solicitors:

Mills and Reeve LLP

78-84 Colmore Row, Birmingham, B3 2AB

Contents	Page
Report of the Governing Body.....	4
Statement of Regularity, Propriety and Compliance.....	28
Statement of Responsibilities of the Members of the Corporation.....	29
Independent Auditor's Report.....	31
Consolidated and College Statements of Comprehensive Income and Expenditure...	36
Consolidated and College Statement of Changes in Reserves.....	37
Consolidated and College Balance sheet as at 31 July 2025.....	38
Consolidated Statement of Cash Flows.....	39
Notes to the Accounts.....	40
Regularity Assurance Report.....	68

Report of the Governing Body

NATURE, OBJECTIVES AND STRATEGIES:

The members present their report and the audited financial statements for the year ended 31 July 2025.

Legal status

The Governing Body was established under the Further and Higher Education Act 1992 for the purpose of conducting Ealing, Hammersmith and West London College. The College is an exempt charity for the purposes of Part 3 of the Charities Act 2011.

Current Purpose, Mission, Vision, Core Values and Strategic Objectives

The College finalised its new strategic plan 2024-2029. Led by the CEO and Principal, in close partnership with the Board and in conjunction with other key internal and external stakeholders, the new plan was officially launched in October 2024.

West London College has played a major role in providing academic, technical, vocational and work-based education and training for 150 years and we are very proud of our heritage. For many years we have been dedicated to serving our very diverse communities, providing life-changing opportunities to around 10,000 learners and apprentices each year. The college is driven by ambition for our learners and the positive impact we can achieve working together.

Under the leadership of the CEO and Principal, the college has achieved many major milestones in recent years. This includes securing a good financial health rating for the last three years, developing an ambitious estates strategy and achieving a strong outcome in our recent Ofsted monitoring visit. This success has instilled us with even more determination, boldness and ambition as we embark on the next five years of our journey.

The new strategic plan has been developed in consultation with key partners. We have engaged our staff, governors, learners, and stakeholders in defining our mission, vision, values and strategic priorities and have empowered the whole college community to have a voice in determining our future strategic direction. Our new strategic plan is ambitious, building on our many existing strengths and successes. It provides an ideal platform for driving ambition, innovation, growth and success. The plan puts the college in a pivotal position in supporting economic prosperity and social well-being within the West London sub-region and across the UK's capital city. We will do this primarily through excellent stakeholder partnerships and through high quality technical, vocational and professional education and skills development. Having established solid foundations upon which to build, we are now very firmly on our journey towards excellence.

This strategic plan outlines our commitment to creating an environment that provides learners with the skills and knowledge necessary to thrive in a constantly changing world. We are equipping ourselves with cutting-edge resources, revitalised programmes and an insatiable appetite for excellence and ambition for all our learners. In doing so, we provide learners with hands-on opportunities to engage with emerging technologies including AI, virtual reality and immersive learning experiences. We are significantly investing in the development of our colleges to provide enhanced education and training facilities that support innovation, collaboration and excellence. Our

buildings will also be developed to support the achievement of our sustainability goals. To be a truly future-ready institution, we will continue to nurture our existing strengths of inclusivity and accessibility ensuring that disadvantage does not hold any of our learners back. We have already demonstrated that we are leaders in the skills landscape. We are now establishing our credentials as leaders of innovative practices.

Through our strategic plan, we will create a college that is not only fit for the future but is also capable of shaping it. We are prepared for the challenges and opportunities that the future may hold and will respond to these with optimism, confidence and agility.

Our Mission:

Aiming High, Changing Lives.

Our Vision:

To be a vibrant, innovative, diverse and sustainable college empowering learners to succeed and positively impact society.

Our Values:

- **Ambition:** We will challenge ourselves and others to always aim high, enabling our learners, staff and partners to achieve high expectations and ambitious goals..
- **Accountability:** We will all take personal responsibility for driving success, overcoming barriers and finding solutions.
- **Collaboration:** We will work in impactful teams and partnerships, both internally and externally, to respond to the opportunities and challenges we face.
- **Inclusion:** We will be welcoming, supportive and our commitment to equity, diversity and inclusion will underpin everything we do.
- **Innovation:** We will be innovative in our thinking and will invest in new technologies and practices helping our learners and staff to excel.

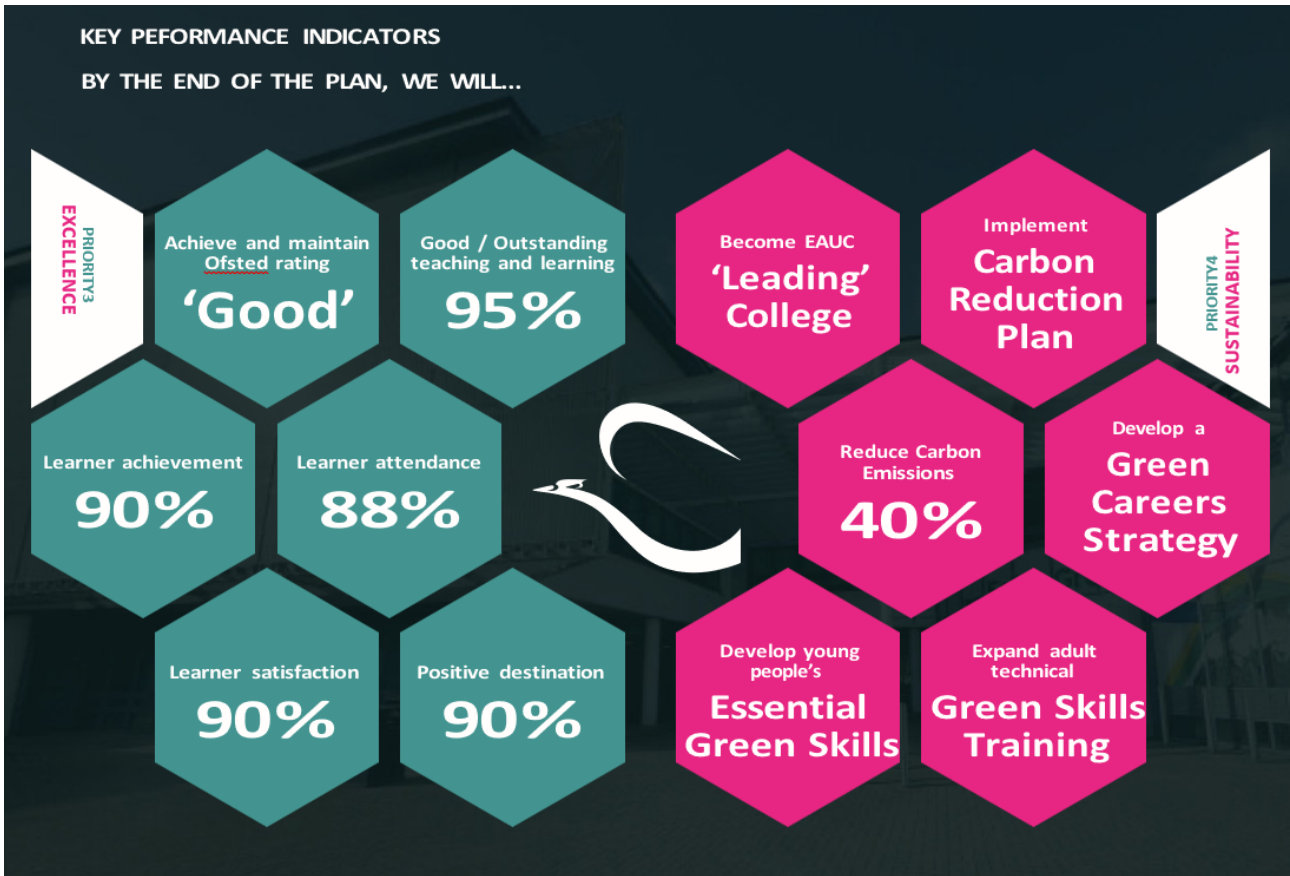
Our Strategic Priorities:

The strategy identifies four priority areas for the college, culture, skills, excellence and sustainability, along with three essential enablers – digital, estate and finances – required to achieve our goals. These are shown below.



The plan includes a series of key performance indicators (KPIs) for each of the priority areas and enablers. These are detailed in the strategic plan. The full strategic plan is available for review.





Public Benefit

Ealing, Hammersmith & West London College is an exempt charity under the Part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education. Members of the Governing Body, who are trustees of the charity, are disclosed on page 19 and 20.

In setting and reviewing the College’s strategic objectives, the Governing Body has had due regard for the Charity Commission’s guidance on public benefit and particularly upon its supplementary guidance on the advancement of education.

In delivering its mission, the College provides the following identifiable public benefits through the advancement of education:

- High quality teaching and assessing
- Widening participation and tackling social exclusion
- Excellent student progression into employment
- Strong student support processes and systems
- Good links with employers, industry and commerce
- Good links with key external bodies including local authorities, the Greater London Authority (GLA) and the local partnerships

DEVELOPMENT AND PERFORMANCE

Performance indicators

The College is committed to observing the importance of sector measures and indicators, and uses the FE Choices data available on the GOV.UK website which looks at measures such as:

Performance Indicator	Target	Outcome
Learner achievement rates	86%	86%
Staff utilisation	98%	98%
Achievement of AEB funding target (DfE and GLA combined)	100%	100%
EBITDA Education specific	£2.272m	£2.302m
Staffing costs as a % of adjusted income (excluding subcontracted income)	62%	63%
Liquidity and Borrowing ratios (borrowing as a % of adjusted income)	36%	37%
Cash days in hand	92	127

The College is assessed by the Department for Education (DfE) as having a “Good” financial health grading (2023/2024: financial health grading was “Good”).

Financial results

The College Group incurred a £0.403m surplus before other gains and losses (2023/24 – surplus of £0.520m). The total comprehensive income was £0.214m in 2024/25 (2023/24 - £0.316m). The

Ealing, Hammersmith & West London College

Report and Financial Statements for year end 31 July 2025

College achieved 97.5% of its Adult Education Budget allocation with the DfE (formerly the ESFA) and 98.5% of its Adult Education Budget allocation with the Greater London Authority (“GLA”) contract.

The College Group has accumulated positive reserves of £30.872m (2023/24 – £30.658m) with cash and short-term investment balances of £11.858m (2023/24 - £11.189m). The College Group has net current assets of £7.412m (2023/24 - £6.994m).

The College Group has a loan with the DfE. The original loan of £11.6m was fully repayable on the 31st January 2023. In July 2022, the College signed a nine-year loan agreement for £13.647m relating to the original balance of £11.6m and also including £2.047m in respect of DfE funding also owed to the DfE. The loan repayments are up to date with payment of the principal beginning in December 2024 and therefore as at 31 July 2025, the balance outstanding was £13.244m (2023/24: £13.647m). Interest is payable on this balance annually at a rate equal to the PWLB rate and the loan is repayable in quarterly instalments terminating in June 2031 where any residual balance will be repayable in full.

During the year to 31 July 2019 the College took the decision to pause the Hammersmith development project for the foreseeable future. There were two principal uncertainties regarding the viability of the Hammersmith development and its ultimate completion. There is some uncertainty over the availability of sufficient future funding and although the DfE has provided capital grants during 2024/25 of £1.348m, they are insufficient to undertake a large capital redevelopment project. The planning application has not yet been submitted, so there is some uncertainty relating to the granting of planning permission. These matters will need to be resolved to enable the Hammersmith development to proceed. The redevelopment of Hammersmith and Fulham College remains a key component of the College’s Estates Strategy. The College continues to undertake works relating to the redevelopment of the Hammersmith campus.

Fixed asset additions during the year amounted to £2.225m (2023/24: £2.918m).

The College Group received a number of revenue and capital grants from its funding bodies during 2024/25. One in particular was relating to the LSIF (Local Skills Improvement Fund) project. The objective was to provide support to education providers to respond to the specific priorities identified in the local skill improvement plans in the areas of Transport & Logistics, Retail, Food and Drink and Manufacturing. The College collaborated with two partner colleges in a two-year project, completing in March 2025.

Treasury policies and objectives

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

Short term borrowing for temporary revenue purposes is authorised by the Accounting Officer and Governing Body as appropriate. Any proposals for new private sector borrowing will need consent by the Department for Education (DfE).

Cash flows and liquidity

There was an increase in cash/cash equivalents and short term deposits of 0.669m in 2024/25 (2023/24 – decrease of (0.082)m). The net cashflow from operating activities was £3.775m (2023/24 - £3.331m) and the net cashflows from investing activities was £2.498m, (2023/24 - £(3.213)m); the net cashflows from financing activities was £(0.608)m (2023/24 - £(0.200)m) resulting in an increase in cash/cash equivalents and short term deposits of £0.669m (2023/24 – decrease of (0.082)m).

The College Group has made progress in 2024/25 in improving its financial position and in maintaining robust cash reserves. The College Group is continuing on its journey of financial consolidation and the updated financial plan will detail how the College Group will achieve its target to deliver continued improved financial performance.

The College Group has managed its cash position diligently throughout 2024/25 with a robust cash reserves position achieved as at 31 July 2025. As a result, there was no requirement to seek additional loan finance or dispose of assets.

Sources of income

The College Group has significant reliance on the education sector funding bodies for its principal funding source, largely from recurrent grants. In the current year, DfE/GLA provided 82% of the group's total income.

Reserves Policy

The College Group has no formal Reserves Policy but recognises the importance of reserves in the financial stability of the organisation, and ensures that there are adequate reserves to support the College Group's core activities. The College Group consistently maintains robust cash balances. As at the 31 July 2025, cash balances were £11.834m which is above the minimum level of £5m established by the Board. As at the balance sheet date the Income and Expenditure reserve, excluding the pension deficit reserve, stands at £10.038m (2023/24 - £9.312m).

Group Company

The College had one active subsidiary, Capital Talent Box Limited (CTB) in 2024/25. CTB, provides educational support to the College in the form of temporary staffing resource to meet operational requirements and at present all the income generated by the subsidiary relates to amounts recharged to the College.

CURRENT AND FUTURE DEVELOPMENT AND PERFORMANCE TO RESOURCES

Future prospects

The College Group has a robust and realistic plan for 2025/26 and will continue to build on the achievements of 2024/25 as it continues in its trajectory to achieve a continuous financial improvement and maintain the College Group on a strong financial footing. The College Group will continue to scrutinise all of its income and expenditure items closely to ensure it achieves its financial plan. There are clear opportunities for growth through improving relationships with key stakeholders, including local employers, local authorities, and government agencies. The College Group will focus on supporting these stakeholders to address local skills gaps and barriers to employment faced by some members of the local community.

The College Group will continue to analyse its costs with the aim of driving greater efficiencies, to achieve levels that are consistent with sector norms, allowing it to improve financial performance and net operating cash going forwards.

As noted previously, the College has an agreed and affordable repayment schedule with the DfE for the remaining £13.224m loan. This, when combined with the strategic plan, has enabled the College to secure its financial sustainability in the long term.

In addition, the current economic climate with increased cost of living and uncertainty around energy costs will also impact the college in 2025/26. The impact of energy costs during 2025/26 will continue to be reviewed. The College Group will need to manage any adverse movements as and when they arise.

Student numbers

In 2024/25 the College Group has delivered activity that has produced £28.7m in funding body main allocation funding (2023/24 – £27.9m). The College Group had approximately 10,563 funded and 1,423 self-funded students (2023/24 – 13,087 funded and 829 self-funded students).

Student achievements

Student achievement rates in 2024/25 were 85.6 %, an increase compared to 89.9% in 2023/24.

Payment performance

The Late Payment of Commercial Debts (Interest) Act 1998, which came into force on 1 November 1998, requires colleges, in the absence of agreement to the contrary, to make payments to suppliers within 30 days of either the provision of goods or services or the date on which the invoice was received. The target set by the Treasury for payment to suppliers within 30 days is 95%. During the accounting period 1st August 2024 to 31st July 2025, the College Group paid about 62% of its invoices within 30 days. No interest was paid on any of these balances during the year.

Ealing, Hammersmith & West London College
Report and Financial Statements for year end 31 July 2025

RESOURCES:

Financial

The College Group has £30.872m of net assets (2023/24 - net assets of £30.658m) with a pension asset which has been capped at £NIL in accordance with the requirement of FRS102 (2023/24 - £NIL pension liability) and long term liabilities of £23.312m (2023/24 - £22.793m).

People

The College Group employed 464 people in the year (2023/24 - 462 people) (expressed as average headcount), of whom 173 (2023/24 – 181) were teaching staff.

Estate

The College's Estates Strategy 2021-2026 sets out a clear plan to ensure that it supports the long-term curriculum vision, financial recovery and plans for growth. The College continues to review the efficiency of the three main sites at Hammersmith, Ealing and Southall.

The College Group continues to implement its estates strategy including plans to redevelop Hammersmith and Fulham College. The key issues identified relating to planning and funding on the Hammersmith site are being progressed. These matters will need to be resolved to enable the Hammersmith development project to proceed. A number of capital grants were received during 2022/23 to 2024/25 to improve the condition of College estate and energy efficiency.

Reputation

The College Group has a good reputation locally and nationally. Maintaining a quality brand is essential for the College Group's success at attracting students and external relationships.

PRINCIPAL RISKS AND UNCERTAINTIES:

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

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

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

Ealing, Hammersmith & West London College
Report and Financial Statements for year end 31 July 2025

1. Going concern

The College Group was informed in May 2023 it would no longer be in 'supervised' status with the DfE after a Financial Health Notice to Improve issued in 2014. Following the successful lifting of the Financial Health Notice to Improve, the College was in Post Intervention Monitoring and Support (PIMS) and agreed a plan with the DfE and the FE Commissioner's team which was in place for 12 months effective from October 2023. The plan has been successfully implemented. The College came out of PIMS during Q1 of the year, 2024/25. The College Group will continue to take action in order to mitigate any emergent risks to the going concern status of the College Group. Page 16 and 17 provides further details.

2. Government funding

The College Group has considerable reliance on continued government funding through the further education sector funding bodies. In 2024/25, 82% (2023/24 - 82%) of the College Group's revenue was publicly funded and this level of requirement is expected to continue. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. This risk is mitigated by ensuring that the College Group takes a rigorous approach in delivering high quality education and training, aligning with the skills priorities of the main funders and maintaining and managing key relationships with the funding bodies.

3. Estates

The College's Estates Strategy 2021-2026 sets out a clear plan to ensure that it supports the long-term curriculum vision, financial recovery and plans for growth. The College continues to reviews the efficiency of the three main sites at Hammersmith, Ealing and Southall. The College Group continues to implement its estates strategy whilst managing any emergent issues.

The College Group continues to implement its estates strategy including plans to redevelop Hammersmith and Fulham College. The key issues identified relating to planning and funding on the Hammersmith site are being progressed. These matters will need to be resolved to enable the Hammersmith development project to proceed. A number of capital grants were received during 2022/2023 to 2024/2025 to improve the condition of College estate and energy efficiency. The Finance and General Purposes Committee of the Governing Body closely monitors all matters relating to capital development.

4. Maintain adequate funding of pension liabilities

The financial statements report the share of the Local Government Pension Scheme on the College Group's balance sheet in line with the requirements of FRS 102. For 2024/25, a £NIL balance is included in the balance sheet. The College Group continues to make regular payments in line with the required contribution levels.

Ealing, Hammersmith & West London College
Report and Financial Statements for year end 31 July 2025

5. Tuition fee policy

The DfE has confirmed that the fee assumption remains at 50%. In line with the majority of other colleges, Ealing, Hammersmith and West London College will seek to increase tuition fees in accordance with the fee assumptions. The risk for the College Group is that demand falls off as fees increase. This will impact on the income of the College Group.

This risk is mitigated in the following ways:

- By ensuring the College is rigorous in delivering high quality education and training, thus ensuring value for money for students
- Close monitoring of the demand for courses as prices change

The College Group has established robust risk management processes to capture, monitor and mitigate all identified risks. The College Group has a detailed risk register which is regularly monitored.

STAKEHOLDER RELATIONSHIPS

In line with other colleges and with universities, Ealing, Hammersmith and West London College has many stakeholders. These include:

- Students
- Education sector funding bodies
- FE Commissioner
- Staff
- Bankers
- Local employers
- Local authorities
- Employer Representative Bodies
- The local community
- Other FE institutions
- Trade unions
- Professional bodies
- Local pension partnerships

The College recognises the importance of these relationships and engages with its stakeholders through regular communication and meetings.

Trade union facility time

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

Relevant union officials

Numbers of employees who were union officials during relevant period	FTE employee number
6	6

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility activities

Total cost of facility time	£16,872
Total pay bill	£21.710m
Percentage of total bill spent on facility time	0.08%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time	100%
---	------

Equality and Diversity

The College is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positive differences in race, sex, sexual orientation, disability, religion or belief, age, marriage, pregnancy and gender reassignment. We strive vigorously to remove conditions which place people at a disadvantage and we will actively combat discrimination. This policy is resourced, implemented and monitored on a planned basis. The College’s Equal Opportunities Policy is published on the College’s website.

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 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, and guarantees an interview to any applicant with a disability 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.

The College has committed to the 'Mindful Employer' initiative to assist the mental health wellbeing of staff. The College has also implemented an updated Equality & Diversity training programme which all staff have completed online. Refresher training and training for new starters is carried out on an ongoing basis.

Disability statement

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

- a) As part of its earlier accommodation strategy the College conducted an access audit. This audit was carried out some time ago and access arrangements are being kept under review. The College will consider reasonable adjustments as appropriate.
- b) The College has in place Special Educational Needs Coordinators, who provide information, advice and arrange support where necessary for students with disabilities.
- c) There is specialist equipment, such as radio aids, which the College makes available for use by students and a range of assistive technology is available in the learning centres.
- d) 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.
- e) The College has made a significant investment in the appointment of specialist lecturers to support students with learning difficulties and/or disabilities. There are a number of additional learning 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.
- f) Specialist programmes are described in College prospectuses, and achievements and destinations are recorded and published in the standard College format.
- g) 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.
- h) The College proactively adheres to the SEND Code of Practice and provides advocacy for students when they are facing challenges to their achievement and progression via external services

Going Concern

The College Group was informed in May 2023 it would no longer be in 'supervised' status with the ESFA after a Financial Health Notice to Improve issued in 2014. Following the successful lifting of the Financial Health Notice to Improve, the College was in Post Intervention Monitoring and Support (PIMS) and agreed a plan with the DfE and the FE Commissioner's team which was in place for 12 months effective from October 2023. The PIMS plan has been successfully implemented. The College came out of PIMS in Q1, 2024/25.

The College Group has a robust Strategic Plan which is underpinned by a comprehensive Operational Plan, both are closely monitored by the Executive Leadership Team, the Governing Body and the agencies.

The College Group has an interest bearing loan with the DfE (previously ESFA). The original loan of £11.6m was fully repayable on the 31 January 2023. In July 2022, the College signed a nine year

Ealing, Hammersmith & West London College
Report and Financial Statements for year end 31 July 2025

loan agreement for £13.647m relating to the original balance of £11.6m and also including £2.047m in respect of DfE funding also owed to the DfE. The loan repayments are up to date with the payment of the principal beginning in December 2024 and therefore as at 31 July 2024, the balance outstanding was £13.244m (2023/24: £13.647m). Interest is payable on this balance annually at a rate equal to the PWLB rate and the loan is repayable in quarterly instalments terminating in June 2031 where any residual balance will be repayable in full. These repayments have been modelled into cashflows forecasts and are affordable for the college.

The College Group cash position is strong with £11.858m cash and deposits position as at the 31 July 2025 (31 July 2024: £11.189m). It should be noted that the College Group has a strong asset base and as outlined in the Estates Strategy, the College Group will continue to ensure efficient use of its assets which will in turn provide further cash improvement for the College Group.

The College Group has produced strong and robust cashflow forecasts through to July 2026 that shows a strong cash position in financial years 2025/26 and 2026/27. These forecasts have been stress tested to review how the College Group would cope under a variety of circumstances. Thus, the College Group continues to adopt the going concern basis in preparing the financial statements.

Disclosure of information to auditors

The members who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the College's auditors are unaware; and each member has taken all the steps that 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 Governing Body on 09 December 2025 and signed on its behalf by:



Carole Kitching
Chair of the Governing Body

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:

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

The College is committed to exhibiting best practice in all aspects of its corporate governance arrangements. In carrying out its responsibilities, it takes full account of the Code of Good Governance for English Colleges issued by the Association of Colleges, which it formally adopted on 14 July 2015. In the opinion of the Governors, the College complies with all the provisions of the Code, and it has complied throughout the year ended 31 July 2025. The College draws upon wider best practice and takes account of developments in governance practice under codes which the College has not formally adopted.

The College’s current governance arrangements were established following a full review in early 2019. Committees’ terms of reference were reviewed during 2024/25. A governor skills audit was conducted in early 2024 and considered by the Search, Governance & Remuneration Committee on 14 March 2024. During 2024/25, the Governing Body’s membership included two governors who are qualified accountants with expertise in corporate finance and treasury management; the chair of Finance and General Purposes Committee has senior level experience in corporate finance and the Chair of the Board has extensive experience of financial management in large educational organisations.

The College commissioned an external governance review in November 2023. The review was conducted by Stone King LLP between January and May 2024 and the report was approved by the Board on 2 July 2024. A summary of the report prepared by the reviewer is published on the College’s website.

The Governing Body

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

Name	Date of Appointment	Term of Office ends	Date term ended or resigned	Officer positions Committees Served Company Directorships	Attendance
Ian Comfort (Chair) (to 26/06/2025)	13/02/2019	31/07/2025	31/07/2025	Corporation (Chair) Finance & General Purposes Search, Governance & Remuneration Search & Governance Remuneration	4 of 4 1 of 4 1 of 1 1 of 2 1 of 2
Carole Kitching (Chair) (from 26/06/2025)	17/10/2023	16/10/2027	-	Corporation Curriculum & Quality Finance & General Purposes Search & Governance Remuneration	6 of 6 5 of 5 2 of 2 1 of 1 1 of 1
Phillip Kerle (Vice Chair)	13/02/2019	12/02/2027	-	Corporation (Vice Chair) Finance & General Purposes (Chair) Search, Governance & Remuneration Search & Governance Remuneration <i>Director of Capital Talent Box Limited</i>	5 of 6 6 of 6 1 of 1 3 of 3 3 of 3
Mohammed Elias Ali	09/10/2025	31/07/2026		Corporation Curriculum & Quality	2 of 2 1 of 1
Maddalaine Ansell	17/10/2023	16/10/2027	-	Corporation Curriculum & Quality	4 of 6 3 of 5
Saboora Aqsa	10/10/2024	31/07/2025	31/07/2025	Corporation Curriculum & Quality	1 of 4 1 of 2
Mirza Baig	10/10/2024	31/07/2025	31/07/2025	Corporation Curriculum & Quality	2 of 4 1 of 2
Sarah Benjamin	18/10/2022 19/11/2024	17/10/2024 18/11/2026	17/10/2024	Corporation Curriculum & Quality	6 of 6 5 of 5
Rachael Fisher	31/01/2023	30/01/2027	02/10/2025	Corporation Audit (Chair) Search, Governance & Remuneration Search & Governance Remuneration	2 of 4 4 of 4 1 of 1 2 of 2 2 of 2
Laura Gladstone	31/01/2023	30/01/2027	-	Corporation Curriculum & Quality	6 of 6 5 of 5
Robin Ghurbhuran	28/01/2021	31/07/2025	31/07/2025	Corporation Curriculum & Quality (Chair) Search, Governance & Remuneration Search & Governance Remuneration	3 of 4 3 of 3 1 of 1 1 of 2 1 of 2
Cecilia Harvey	09/10/2025	08/10/2029		Corporation Finance & General Purposes Committee	0 of 1 1 of 1
Alfie Heaps	26/03/2025	25/03/2027		Corporation Curriculum & Quality	3 of 4 1 of 3
Sharon Lambert	30/03/2023	30/03/2025	30/03/2025	Corporation Curriculum & Quality	2 of 2 1 of 1
Suzanne Lyne	02/07/2024	01/07/2028	-	Corporation Audit	4 of 6 6 of 6
Shawez Mir	17/10/2019	16/10/2027	-	Corporation Audit <i>Director of Capital Talent Box Limited</i>	2 of 6 6 of 6

Name	Date of Appointment	Term of Office ends	Date term ended or resigned	Officer positions Committees Served Company Directorships	Attendance
Kunal Parkash	16/01/2024	15/01/2028	-	Corporation Audit	5 of 6 6 of 6
Adrien Ong	31/01/2023	30/01/2027	-	Corporation Search, Governance & Remuneration (Chair) Search & Governance (Chair) Remuneration (Chair)	4 of 6 1 of 1 2 of 3 3 of 3
Karen Redhead (Chief Executive Officer & Principal)	03/09/2018	- <i>ex officio</i>	-	Corporation Curriculum & Quality Finance & General Purposes Search & Governance <i>Director of Capital Talent Box Limited</i>	5 of 6 4 of 4 5 of 5 2 of 3
Jonathan Roe	14/12/2021	13/12/2025	02/04/2025	Corporation Finance & General Purposes	2 of 3 1 of 3
Anuska Shantilal	09/10/2025	31/07/2026		Corporation Curriculum & Quality	2 of 2 1 of 1
Christopher Taylor	14/12/2021	13/12/2025	-	Corporation Finance & General Purposes	4 of 6 6 of 6

Notes:

- (1) Attendances are given with reference to the period during which a governor was a member of the Corporation.
- (2) The Clerk to the Corporation during the period 1 August 2024 to 30 June 2025 was Richard Ward and from 21 to 31 July 2025 and to date was Owen Rees.

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

The Governing Body 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 matters and personnel-related matters such as health and safety and environmental issues. The Governing Body meets at least once a term and in 2024/25 held five formal meetings, and undertook other activities including campus visits and workshops in connection with the College's new strategic plan.

A comprehensive review of key governing documents was considered by the Search, Governance & Remuneration Committee on 3 October 2023 and approved by the Governing Body on 17 October 2023. This included revisions to the Instrument & Articles of Government and rewritten Standing Orders. Terms of reference and cycles of business have been reviewed in 2025-26.

Full minutes of all meetings, except for items deemed to be confidential by the Governing Body, are available on the College's website at <http://www.wlc.ac.uk> or from the Director of Governance at:

Ealing, Hammersmith and West London College
Gliddon Road
Barons Court
London W14 9BL

All governors are able to take independent professional advice in support of their duties at the College's expense and have access to the Director of Governance, who is responsible to the Board for ensuring that all applicable procedures and regulations are complied with. Under the Governing Body's Instrument & Articles of Government, the Director of Governance is directly accountable to the Board.

Formal agendas, papers and reports are supplied to governors seven days in advance of Board and committee meetings. Regular governance briefings are provided to governors and a programme of training and development activities is informed by organisational priorities, the identified needs of governors and sector developments.

The Governing Body has a strong and independent non-executive element and no individual or group dominates its decision-making process. The Governing Body 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.

The Board has used the skills audit, strategic plan and external governance review to inform recruitment to the Board and its committees.

The following governors stood down in the period cover in this report Jonathan Roe resigned at the end of their term while Ian Comfort and Robin Ghubruran stood down on 31 July 2025. The Board made the following appointments

Training and development undertaken by the Governing Body and the Director of Governance during the year included the following subjects:

- Estates
- Safeguarding
- Equality, diversity and inclusion
- regular briefings covering College and governance news

Appointments to the Governing Body

Any new member appointments to the Governing Body are a matter for the Governing Body as a whole. The Search, Governance & Remuneration Committee comprises five members of the Corporation, and is responsible for the selection and nomination of any new external member. The Corporation is responsible for ensuring that appropriate training is provided as required.

Members of the Governing Body are typically appointed for a term of four years, renewable once to a maximum of eight years.

Governing Body performance

The Governing Body has a matrix of self-assessment processes which include:

- evaluation at the end of each meeting
- annual skills survey
- annual board effectiveness review and survey (other than in the year of an external review)
- attendance monitoring

There is also an appropriate review of members before reappointment by the Search and Governance Committee.

The College participated in an external governance review between January and May 2024, the results of which were published by the college in July 2024 following consideration by the Board at its last meeting of the academic year on 2 July 2024. The review was conducted by Alison Shillito on behalf of Stone King LLP. The recommendations of the review were reviewed by the Search, Governance & Remuneration Committee through the College's governance improvement action plan at its meeting in November 2024.

The Governing Body regularly reviews its progress against the governance improvement action plan, with an annual self-assessment conducted and reviewed by the board at its meeting on 26 June 2025.

Search & Governance Committee

The Search & Governance Committee met three times in 2024/25 on 21 November 2024, 4 February 2025 and 22 May 2025. The membership of the Committee comprised the Chair of the Corporation and the Chairs of committees. The Committee's Search & Governance responsibilities include overseeing succession planning and recruitment to the Governing Body, commissioning the College's external governance review and monitoring the effectiveness of the College's governance arrangements.

The Committee is chaired by an external governor. The Committee's remuneration responsibilities include making recommendations to the Board on the targets, appraisal, remuneration and benefits of the senior post holders of the College.

The Board adopted the AoC Senior Post Holder Remuneration Code in May 2019 and has published the annual statement on the Governing Body in compliance with the Code, following approval by the Search, Governance & Remuneration Committee in November 2024. The College has complied with the Code throughout the financial year and up to the date of the signing of this report, this is evidenced in the minutes of the meetings held by the Committee throughout this period. As required by the Code, the Chair of the Corporation is not the Chair of the Remuneration Committee but is a member. As stipulated by the AoC Senior Post Holder Remuneration Code, the CEO and Principal is not a member of the Committee but may attend by invitation to advise the Committee on relevant performance matters.

Details of remuneration for the year ended 31 July 2025 are set out in note 7 to the financial statements.

Audit Committee

The Audit Committee comprises four members of the Governing Body. The Committee operates in accordance with written terms of reference approved by the Governing Body. The auditors have access to the Committee for independent discussion, without the presence of College management. The Committee also receives and considers reports from the main FE funding bodies as they affect the College's business. The Committee has considered the skills and development of its membership in accordance with the College Financial Handbook.

The Audit Committee met four times in 2024/25 and twice in 2025/26 up to the point at which this report was presented to the Governing Body. The Audit Committee provides a forum for reporting by the College's internal, reporting accountants and financial statements auditors.

The College's internal auditors review the systems of internal control, risk management controls and governance processes in accordance with an agreed plan of input and report their findings to management and the Audit 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 also advises and makes recommendation to the Governing Body on the appointment of internal, reporting accountants and financial statements auditors and their remuneration for audit and non-audit work as well as reporting annually to the Governing Body.

Finance & General Purposes Committee

The Finance & General Purposes Committee met on four occasions in 2024/25; it has met twice in 2025/26 up to the point at which this report was presented to the Governing Body. It fulfils its main responsibilities including making recommendations to the Governing Body about the annual budget, monitoring performance in relation to the approved budget, the College companies, VAT, cash flow forecasts, investment policy, financial regulations. It supports the governing body by considering the framework for the pay, terms and conditions for the College's staff (except for senior post holders).

Curriculum and Quality Committee

The Curriculum and Quality Committee met three times in 2024/25. It has convened for two meetings in 2025/26 as at the date of this report's presentation to the Governing Body.

The Curriculum and Quality Committee provides assurance to the Corporation that:

- The curriculum is responding to, and meeting, the needs of learners, employers and other key stakeholders at a local, regional and, where appropriate, national level.
- Achievement, progress and progression of learners are being monitored against internal targets and that robust plans are in place to improve students' performance to match and exceed those achieved by colleges nationally.
- Robust systems are in place to monitor standards of teaching, learning and assessment are that appropriate frameworks are in place to effect improvement including performance management.
- The student voice is articulated and reviewed and is used to drive continuous improvement in teaching, learning and assessment.
- That there is continuous improvement of the student academic experience and student outcomes for higher education provision and that the standard of awards are appropriately set and maintained.

Internal control

Scope of responsibility

The Governing Body 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 Governing Body has delegated the day-to-day responsibility to the CEO, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the College's policies, aims and objectives, whilst safeguarding the public funds and assets for which the CEO is personally responsible, in accordance with the responsibilities assigned to the CEO in the Funding Agreement between Ealing, Hammersmith and West London College and the funding body and the OfS registration conditions. The CEO is also responsible for reporting to the Governing Body 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 Ealing, Hammersmith and West London 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 Governing Body 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 Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the College's significant risks that has been in place for the period ending 31 July 2025 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Senior Leadership Team and the Governing Body.

The risk and control framework

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

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

The College has an internal audit service, which operated in accordance with the requirements of the College Financial Handbook. The work of the internal audit service is informed by an analysis of the risks to which the College is exposed, and annual internal audit plans are based on this analysis. The analysis of risks and the internal audit plans are endorsed by the Governing Body on the recommendation of the Audit Committee. At minimum, annually, a representative of the internal audit service provides the Governing Body with a report on internal audit activity in the College, which includes an independent opinion on the adequacy and effectiveness of the College's system of risk management, controls and governance processes.

Risks faced by the College

A strategic risk register is reviewed regularly by the Audit Committee and by the Senior Leadership Team. The strategic 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 and three lines of defence are incorporated within the full register. For more detail on the key operational, financial, compliance and other risks faced by the College please see page 12 to 14 of these financial statements.

Control weaknesses identified

A plan of work has been agreed with the internal auditors and this has been approved by the Audit Committee. The work planned has continued throughout the year and the internal auditors present their findings in an annual report to the Audit Committee. All findings and recommendations from the internal audit reports are considered and implemented by the senior leadership team and progress against these is reviewed by the Audit Committee throughout the year.

Responsibilities under funding agreements and the Office for Students Conditions of registration

The Governing Body has considered its responsibility to notify the Department for Education(DfE)/Greater London Authority(GLA) and OfS (Office for Students) of any material irregularity, impropriety and non-compliance with terms and conditions of funding, under the College's grant funding agreements and contracts with the DfE/GLA/OfS. As part of our consideration we have had due regard to the requirements of grant funding agreements and contracts with the DfE/GLA/OfS and no instances of material irregularity, impropriety or funding noncompliance have been discovered to date.

The Department for Education and Education and Skills Funding Agency introduced new controls for the college on 29 November 2022 on the day that the Office for National Statistics reclassified colleges as public sector organisations in the national accounts. The college has reviewed its policies, procedures and approval processes in line with these new requirements to ensure there are systems in place to identify and handle any transactions for which DfE approval is required.

Responsibilities under accountability agreements

The College has reviewed its policies, procedures and approval processes in line with the College Finance Handbook and its accountability agreement with DfE to ensure there are systems in place to identify and handle any transactions for which DfE approval is required.

Statement from the Audit Committee

The Audit Committee has advised the Governing Body that the Corporation has an effective framework for governance and risk management in place. The Audit Committee believes that the Corporation has effective internal controls in place.

The specific areas of work undertaken by the Audit Committee in 2024/25 and up to the date of the approval of the financial statements are documented in the Internal Audit plan and reviewed in the annual report of the Audit Committee.

Review of effectiveness

As Accounting Officer, the CEO & Principal has responsibility for reviewing the effectiveness of the system of internal control. The CEO & Principal's review of the effectiveness of the system of internal control is informed by:

- the work of the internal auditors;
- the work of the executive managers within the College who have responsibility for the development and maintenance of the internal control framework; and
- comments made by the College's financial statements auditors, the reporting accountant for regularity assurance, the appointed funding auditors in their external auditor's findings report (management letter) and other reports.
- The regularity self-assessment questionnaire

The Accounting Officer has been advised on the implications of the result of her review of the effectiveness of the system of internal control by the Audit Committee, which oversees the work of the internal auditor and other sources of assurance, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Senior Leadership Team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments and reinforced by risk awareness training. The Audit Committee also receives 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 governing body receives regular reports from the Audit Committee on the management of the College's strategic risks in which the emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its meeting in December 2025, the Governing Body carried out an annual assessment for the year ended 31 July 2025 by considering documentation from the Senior Leadership Team and internal audit and taking account of events since 31 July 2025.

Based on the advice of the Audit Committee and the Accounting Officer, the Governing Body is of the opinion that the College has an adequate and effective framework for governance, risk

management and control, and has fulfilled its statutory responsibility for “the effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets”.

Approved by order of the members of the Governing Body on 09 December 2025 and signed on its behalf by:



Carole Kitching
Chair of the Governing Body



Karen Redhead
Accounting Officer

Statement of Regularity, Propriety and Compliance

As Accounting Officer of the Corporation of Ealing, Hammersmith and West London College, I confirm that I have had due regard to the framework of authorities governing regularity, propriety and compliance, including the College's accountability agreement with DfE, and the requirements of the College Financial Handbook. I have also considered my responsibility to notify the Corporation's board of governors and DfE of material irregularity, impropriety and noncompliance with terms and conditions of all funding. I confirm that I, and the Board of governors, are able to identify any 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 DfE.



Karen Redhead
Accounting Officer
09 December 2025

Statement of Responsibilities of the Members of the Corporation

Within the terms and conditions of the College's accountability agreement, funding agreements and contracts with ESFA and 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:

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

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- assess whether the Corporation is a going concern, noting the key supporting assumptions, qualifications or mitigating actions, as appropriate (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 enable it to ensure that the financial statements are prepared in accordance with relevant legislation including the Further and Higher Education Act 1992 and Charities Act 2011 (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 auditors does not involve consideration of these matters and, accordingly, auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the Corporation are responsible for ensuring that expenditure and income are applied for the purposes intended and that the financial transactions conform to the authorities that govern

them. In addition, they are responsible for ensuring that funds from ESFA, DfE, and 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 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, propriety and compliance with the accounting officer.

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, ESFA and other public bodies are not put at risk.

Approved by order of the members of the Corporation on 09 December 2025 and signed on its behalf by:



Carole Kitching

Chair of the Governing Body

Independent Auditor's Report to the Corporation of Ealing, Hammersmith & West London College

Opinion

We have audited the financial statements of Ealing, Hammersmith and West London College and its subsidiary (collectively the 'Group') for the year ended 31 July 2025 which comprise the Group and College statement of comprehensive income and expenditure, the Group and College statement of changes in reserves and balance sheets, the Group statement of cash flows, the principal accounting policies, and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) and the College Accounts Direction 2024 to 2025 issued by the Department for Education (DfE).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and the College's affairs as at 31 July 2025 and of its financial performance and cash flows for the year then ended;
- have been prepared in accordance with UK Generally Accepted Accounting Practice, the Statement of Recommended Practice: Accounting for Further and Higher Education and the College Accounts Direction 2024 to 2025 issued by the DfE;
- In all material respects, funds from whatever source administered by the Group and the College for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- in all material respects, funds provided by the OfS, UK Research and Innovation (including Research England) and the Department for Education have been applied in accordance with the relevant terms and conditions; and
- the requirements of OfS's accounts direction have been met.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and 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.

Independent Auditor's Report to the Corporation of Ealing, Hammersmith & West London College (continued)

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and 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 members of the Corporation with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, including the Report of the Corporation, other than the financial statements and our auditor's report thereon. The members of the Corporation are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the College and its environment obtained in the course of the audit, we have not identified material misstatements in the annual report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us;

Independent Auditor's Report to the Corporation of Ealing, Hammersmith & West London College (continued)

- the financial statements are not in agreement with the accounting records and returns; or
- all the information and explanations required for the audit were not received.

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

- The College's grant and fee income, as disclosed in note 3 to these financial statements has been materially misstated.

Responsibilities of the Corporation

As explained more fully in the statement of responsibilities of members of the Corporation on page 29, the members of the Corporation are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members of the Corporation determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members of the Corporation are responsible for assessing the Group and the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members of the Corporation either intend to liquidate the Group and 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 it 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, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

Independent Auditor's Report to the Corporation of Ealing, Hammersmith & West London College (continued)

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Group and the College through discussions with management, and from our knowledge and experience of the Further Education sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Group and the College, including the College Accounts Direction 2024 to 2025 issued by the DfE, the Accounts Direction issued by the OfS, Further and Higher Education Act 1992, funding agreements with the DfE and associated funding rules, DfE regulations, data protection legislation, anti-bribery, safeguarding, employment, health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Group and the College's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias;

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

Independent Auditor's Report to the Corporation of Ealing, Hammersmith & West London College (continued)

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of Corporation meetings;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any available correspondence with HMRC and the College's legal advisors (although none was noted as being received by the College).

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the members of the Corporation and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the Corporation, as a body, in accordance with the College's Articles of Government. Our audit work has been undertaken so that we might state to the Corporation those matters we are required to state to 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 College and the Corporation as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott Audit LLP
Chartered Accountants and Registered Auditor
130 Wood Street
London
EC2V 6DL

Date: 16 December 2025

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Consolidated and College Statements of Comprehensive Income and Expenditure

	Notes	Year ended 31 July 2025		Year ended 31 July 2024	
		Group £'000	College £'000	Group £'000	College £'000
INCOME					
Funding body grants	2	29,953	29,953	29,437	29,437
Tuition fees and education contracts	3	3,983	3,983	4,735	4,735
Other grants and contracts	4	270	270	492	492
Other income	5	801	801	324	324
Investment income	6	1,375	1,375	1,349	1,349
Total income		36,382	36,382	36,337	36,337
EXPENDITURE					
Staff costs	7	21,710	21,929	20,982	21,278
Other operating expenses	8	11,302	11,083	12,461	12,165
Depreciation and amortisation	11/12	2,196	2,196	1,618	1,618
Interest and other finance costs	9	771	771	756	756
Total expenditure		35,979	35,979	35,817	35,817
Surplus for the Year		403	403	520	520
Remeasurement of enhanced pension provision	18	(59)	(59)	(19)	(19)
Actuarial (loss) in respect of pensions schemes	21	(130)	(130)	(185)	(185)
		214	214	316	316
Total Comprehensive Income for the Year		214	214	316	316
Operating Surplus is realised as follows:					
Surplus for the Year		403	403	520	520
Add back FRS102 items recognised in the Statement of Comprehensive Income		(130)	(130)	(185)	(185)
Operating Surplus		273	273	335	335

Consolidated and College Statement of Changes in Reserves

	Income and expenditure account	Revaluation reserve	Total
	£'000	£'000	£'000
Group and College			
Balance at 31st July 2023	8,484	21,858	30,342
Deficit from the income and expenditure account	520	-	520
Other comprehensive income	(204)	-	(204)
Transfers between revaluation and income and expenditure reserves	512	(512)	-
Balance at 31st July 2024	9,312	21,346	30,658
Surplus from the income and expenditure account	403	-	403
Other comprehensive income	(189)	-	(189)
Transfers between revaluation and income and expenditure reserves	512	(512)	-
Total comprehensive income for the year	726	(512)	214
Balance at 31 July 2025	10,038	20,834	30,872

Consolidated and College Balance Sheet as at 31 July 2025

	Notes	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
Fixed Assets					
Tangible Assets	11	47,034	47,034	46,916	46,916
Intangible Assets	12	556	556	371	371
		47,590	47,590	47,287	47,287
Current Assets					
Debtors	14	1,378	1,335	2,174	2,171
Short term deposits		5,000	5,000	5,000	5,000
Cash at bank and in hand		6,858	6,834	6,189	6,166
		13,236	13,169	13,363	13,337
Less: Creditors – amounts falling due within one year	15	(5,824)	(5,757)	(6,369)	(6,343)
Net Current Assets		7,412	7,412	6,994	6,994
Total Assets less Current Liabilities		55,002	55,002	54,281	54,281
Less: Creditors – amounts falling due after more than one year	16	(23,312)	(23,312)	(22,793)	(22,793)
Provisions					
Other Provisions	18	(818)	(818)	(830)	(830)
Defined Benefit Obligations	18	-	-	-	-
Total Net Assets		30,872	30,872	30,658	30,658
Reserves					
Unrestricted Reserves					
Income and Expenditure account		10,038	10,038	9,312	9,312
Revaluation Reserve		20,834	20,834	21,346	21,346
Total Unrestricted Reserves		30,872	30,872	30,658	30,658

The financial statements on pages 36 to 67 were approved and authorised for issue by the Governing Body on 09 December 2025 and were signed on its behalf on that date by:



Carole Kitching
Chair of the Governing Body



Karen Redhead
Accounting Officer

Consolidated Statement of Cash Flows

	Notes	Year ended 31 July 2025 £'000	Year ended 31 July 2024 £'000
Cash used in operating activities			
Surplus for the year		403	520
Adjustments for non-cash items			
Depreciation and amortisation		2,196	1,618
Decrease/(increase) in debtors		796	(361)
(Decrease) in creditors due within one year		(795)	(1,552)
Increase in creditors due after one year		1,171	3,154
(Decrease) in provisions		(71)	(63)
Pensions costs less contributions payable (including finance income)		(130)	(185)
Adjustment for investing or financing activities			
Interest payable		731	713
Interest receivable		(526)	(513)
Net cash flow from operating activities		3,775	3,331
Cash flows from investing activities			
Payments made to acquire fixed assets		(2,498)	(3,213)
		(2,498)	(3,213)
Cash flows from financing activities			
Interest paid		(731)	(713)
Interest received		526	513
Repayments of amounts borrowed		(403)	-
		(608)	(200)
Increase/(Decrease) in cash equivalents in the year		669	(82)
Cash and cash equivalents at beginning of the year	19	6,189	6,271
Cash and cash equivalents at end of the year	19	6,858	6,189

Notes to the Accounts

1 Statement of accounting policies and estimation techniques

General Information

Ealing, Hammersmith & West London College is a corporation established under the Further and Higher Education Act 1992 as an English general college of further education. The address of the College's principal place of business is given on page 20. The nature of the College Group's operations are set out in the Report of the Governing body.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of Accounting

These financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (the 2019 FE HE SORP), the College Accounts Direction for 2024 to 2025, Regulatory Advice 9: Accounts Direction issued by the Office for Students, and in accordance with Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102), under the historical cost convention, modified to include the revaluation of freehold properties and subsequently carried at deemed cost. The College is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated.

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

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

Reduced disclosures

In accordance with the 2019 FE HE SORP and FRS 102, the College in its separate financial statements, which are presented alongside the consolidated financial statements, has taken advantage of the disclosure exemptions available to it in respect of presentation of a cash flow statement and financial instruments.

Basis of consolidation

The consolidated financial statements include the College and its subsidiary, Capital Talent Box Limited controlled by the Group. Control is achieved where the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In accordance with FRS 102, the activities of the student union have not been consolidated because the College does not control those activities. All financial statements are made up to 31 July 2025.

1 Statement of accounting policies and estimation techniques (continued)

The following dormant subsidiary is exempt from preparing accounts under s394A of the Companies Act 2006 and from filing individual accounts with the Registrar under s448A of the Companies Act 2006:

West London College Limited

All intra-group transactions, balances and unrealised gains on transactions between group entities are eliminated on consolidation. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

Going concern

The College Group was informed in May 2023 it would no longer be in 'supervised' status with the ESFA after a Financial Health Notice to Improve issued in 2014. Following the successful lifting of the Financial Health Notice to Improve, the College was in Post Intervention Monitoring and Support (PIMS) and agreed a plan with the DfE and the FE Commissioner's team which was in place for 12 months effective from October 2023. The PIMS plan has been successfully implemented. The College came out of PIMS in early 2024/25.

The College Group has a robust Strategic Plan which is underpinned by a comprehensive Operational Plan, both are closely monitored by the Executive Leadership Team, the Governing Body and the agencies.

The College Group has an interest bearing loan with the DfE (formerly the ESFA). The original loan of £11.6m was fully repayable on the 31 January 2023. In July 2022, the College signed a nine year loan agreement for £13.647m relating to the original balance of £11.6m and also including £2.047m in respect of DfE funding also owed to the DfE. The loan repayments are up to date with the payment of the principal beginning in December 2024 and therefore as at 31 July 2025, the balance outstanding was £13.244m (2023/24: £13.647m). Interest is payable on this balance annually at a rate equal to the PWLB rate and the loan is repayable in quarterly instalments terminating in June 2031 where any residual balance will be repayable in full. These repayments have been modelled into cashflows forecasts and are affordable for the college.

The College is able to demonstrate that it is able to operate effectively. The College's forecasts and financial projections indicate that it will be able to operate within the existing banking facilities for the foreseeable future.

The College Group has a strong asset base and as outlined in the Estates Strategy, it will continue to ensure efficient use of its assets which will in turn provide it with further cash improvement.

1 Statement of accounting policies and estimation techniques (continued)

The College Group has produced strong and robust cashflow forecasts through to July 2027 that shows a strong cash position in financial years 2025/26 and 2026/27. These forecasts have been stress tested to review how the College Group would cope under a variety of circumstances.

Thus, the College Group continues to adopt the going concern basis in preparing the financial statements.

Recognition of income

Grants – government and non-government

Revenue grant funding

Government revenue grants are accounted for under the accrual model and are recognised where a reliable estimate of the fair value of the asset received or receivable can be made on a systematic basis over the periods in which the related costs for which the grant compensates are recognised.

Funding body recurrent grants are measured in line with best estimates for the year of what is receivable and depend on the particular income stream involved. Any under achievement of the Adult Education 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. Where this process involves negotiations in respect of over achievement or adjustment to claw back in respect of underachievement, where negotiations are subsequent to the year end, they are not reflected in the income recognised.

16-18 learner-responsive funding is not normally subject to reconciliation and is therefore not subject to contract adjustments and is recognised when receivable.

The recurrent grant from OfS represents the funding allocations attributable to the current financial year and is recognised when received or receivable.

Grants from non-government sources, including grants relating to assets, are recognised in income when the College has met the performance-related conditions and the grant will be received. Income received in advance of performance related conditions being met is recognised as a liability.

Capital grant funding- government grants

Government capital grants for assets, including land, are accounted for under the accruals model. The grant income received or receivable will be recognised over the expected useful life of the asset, with any amount of the asset-related grant that is deferred being recognised as deferred income. The deferred income is allocated between creditors due within one year, and those due after more than one year are recognised in income when the College has met the performance-related conditions and the grant will be received.

Other income

Income from the supply of services is recognised at fair value of the consideration received or receivable and represents the value of services to the extent there is a right to consideration.

Income from tuition fees is recognised over the period for which it is received.

1 Statement of accounting policies and estimation techniques (continued)

All income from short-term deposits is accrued in the period in which it is earned on a receivable basis.

Retirement benefits

Retirement benefits to employees of the College are principally provided by Teachers' Pensions Scheme (TPS) and the Local Government Pension Scheme (LGPS), which are multi-employer defined benefit plans.

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 the Government Actuary on the basis of valuations using a projected unit method. The TPS is a multi-employer scheme but sufficient information is not available to use defined benefit accounting and therefore it is accounted for as a defined contribution scheme, with the amount charged to the statement of comprehensive income being the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

The LGPS is a funded scheme, and the assets of the scheme are held separately. Pension schemes are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method. 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. The net interest cost on the net defined benefit liability/asset is charged to comprehensive income and included within finance costs. Re-measurement comprising actuarial gains and losses and the return on scheme assets (excluding amounts include in net interest on the net defined benefit liability) are recognised immediately in other comprehensive income.

Short term employment benefits

Short term employment benefits such as salaries and compensated absences (holiday pay) are recognised as an expense in the year in which the employees render service to the College. The cost of any unused holiday entitlement the College expects to pay in future periods is recognised in the period the employees' services are rendered.

Enhanced Pensions

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

Fixed asset investments

College

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

1 Statement of accounting policies and estimation techniques (continued)

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 2015 FE HE SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Land and buildings

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

- Buildings 20-50 years
- Building improvements 7-13 years
- Leasehold improvements Over the lease term

Freehold land is not depreciated.

The College Group has a policy of depreciating major adaptations to buildings over the period of their useful economic life of between 20 and 50 years.

Where land and buildings are acquired with the aid of specific grants, they are capitalised and depreciated as above. The related grants are credited to a deferred income account within creditors, and are released to the statement of comprehensive income over the expected useful economic life of the related asset on a systematic basis consistent with the depreciation policy. The deferred income is allocated between creditors due within one year and those due after more than one year.

On adoption of FRS 102, the College Group followed the transitional provision to retain the book value of land and buildings, which were revalued in 1997 and 1999, as deemed cost but not to adopt a policy of revaluations of properties in the future.

Subsequent expenditure on existing fixed assets

Subsequent costs, including replacement parts, are only capitalised when it is probable that such costs will generate future economic benefits. Any replaced parts are then derecognised. All other costs of repairs and maintenance are expenses as incurred.

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:

- Computer equipment 4 years
- Furniture, fixtures and fittings 4 years

Motor Vehicles

- Motor vehicles 4 years

1 Statement of accounting policies and estimation techniques (continued)

Intangible fixed assets

Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to the statement of comprehensive income on a straight-line basis over their useful lives, and for purchased computer software this is 6 years.

Impairments of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, an estimate is made of the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses.

Impairment of revalued assets, are treated as a revaluation loss. All other impairment losses are recognised in comprehensive income.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in comprehensive income or, for revalued assets, as a revaluation gain. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Borrowing costs

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

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 1st August 2014 are spread over the minimum lease term. The College Group 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 1st August 2014.

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

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.

1 Statement of accounting policies and estimation techniques (continued)

The College is partially exempt in respect of Value Added Tax, so that it can only recover around 3% of the VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added

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

The College's subsidiary companies are subject to corporation tax and VAT in the same way as any commercial organisation.

Cash at bank and in hand

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.

Short terms deposits

Deposits and investments with a maturity of more than three months but less than one year from acquisition have been disclosed as short term deposits.

Financial instruments

The College Group has chosen to adopt Section 11 of FRS 102 in full in respect of basic financial instruments.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the College Group becomes a party to the contractual provisions of the instrument. 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 financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets measured at fair value through the profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable within one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

1 Statement of accounting policies and estimation techniques (continued)

Provisions and contingent liabilities

Provisions are recognised when:

- the College Group 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 Group 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 Group. 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.

Agency arrangements

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

Judgements in applying accounting policies and key sources of estimation uncertainty

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

- **Going Concern**
The adoption of the going concern basis is based upon the College agreeing an affordable repayment schedule on the ESFA loan facility and resolving the events of default. This has now been achieved. As noted in the going concern policy, the College Group has sufficient cash reserves to pay liabilities as they fall due, with the exception of the ESFA loan support, and so would be considered as a going concern.

Other key sources of estimation uncertainty

- **Tangible fixed assets**
Tangible fixed assets 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.

1 Statement of accounting policies and estimation techniques (continued)

- 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. Assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 July 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Funding Body Grants

	Year ended 31 July 2025		Year ended 31 July 2024	
	Group £'000	College £'000	Group £'000	College £'000
Recurrent Grants				
Department for Education (DfE) - 16 -18	15,428	15,428	13,598	13,598
Department for Education (DfE) - Adult Skills Fund	3,400	3,400	3,829	3,829
Greater London Authority (GLA)	9,497	9,497	9,727	9,727
Departments for Education (DfE) - Apprenticeships	357	357	689	689
Office for Students	7	7	10	10
Total	28,689	28,689	27,853	27,853
Specific Grants				
Teacher Pension Scheme contribution grant	839	839	622	622
Releases of government capital grants	414	414	700	700
Department for Education (DfE) - Other	11	11	6	6
Total	1,264	1,264	1,328	1,328
Specific Grants				
Department for Education (DfE) - Tuition fund	-	-	256	256
Total	-	-	256	256
Total	29,953	29,953	29,437	29,437

3 Tuition fees and education contracts

	Year ended 31 July 2025		Year ended 31 July 2024	
	Group	College	Group	College
	£'000	£'000	£'000	£'000
<i>Fee income from non qualifying courses (exclusive of VAT)</i>				
Adult Education Fees	995	995	1,117	1,117
Fees for FE Loan Supported Courses	61	61	92	92
Fees for HE Loan Supported Courses	-	-	-	-
Total Tuition Fees	1,056	1,056	1,209	1,209
Education Contracts	2,927	2,927	3,526	3,526
Total Fee Income from non-qualifying courses (exclusive of VAT)	3,983	3,983	4,735	4,735
<i>HE Fee income for taught awards (exclusive of VAT)</i>	-	-	29	29
<i>HE Fee income for research awards (exclusive of VAT)</i>	-	-	-	-
<i>HE Total Fee Income from non-qualifying courses (exclusive of VAT)</i>	-	-	-	-
	-	-	29	29

4 Other grants and contracts

	Year ended 31 July 2025		Year ended 31 July 2024	
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Other grant income	270	270	492	492
Total	270	270	492	492

5 Other Income

	Year ended 31 July 2025		Year ended 31 July 2024	
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Other Income Generating Activities	711	711	303	303
Miscellaneous income	90	90	21	21
Total	801	801	324	324

6 Investment income

	Year ended 31 July 2025		Year ended 31 July 2024	
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Net Interest on defined pension asset	849	849	836	836
Other interest receivable	526	526	513	513
Total	1,375	1,375	1,349	1,349

7 Staff costs

The average number of persons (including key management personnel) employed during the year, described as average headcount, was:

	2025		2024	
	Group	College	Group	College
	No.	No.	No.	No.
Teaching staff	173	173	181	181
Non-teaching staff	291	291	281	281
Total	464	464	462	462

7 Staff costs (continued)

Staff costs for the above persons	2025 Group £'000	2025 College £'000	2024 Group £'000	2024 College £'000
Wages and salaries	15,534	14,913	14,898	13,984
Social security costs	1,679	1,624	1,494	1,425
Other Pension Costs (including FRS102 pension charge for the year £721k, (2024: £652k) note 21)	2,893	2,887	2,593	2,584
Payroll sub total	20,106	19,424	18,985	17,993
Contracted out staffing services	1,578	2,479	1,985	3,273
	21,684	21,903	20,970	21,266
Restructuring costs	26	26	12	12
Total Staff costs	21,710	21,929	20,982	21,278

The College operates a childcare voucher salary sacrifice scheme for all staff.

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 Executive Team which comprises the CEO and Executive Directors.

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:	6	4

7 Staff costs (continued)

The number of key management personnel and other staff who received annual emoluments, excluding pension contributions but including benefits in kind, in the following ranges, including the Accounting Officer was:

Group and College	Key management personnel		Other Staff	
	2025	2024	2025	2024
	No.	No.	No.	No.
£60,001 to £65,000	-	-	16	15
£65,001 to £70,000	-	-	6	3
£70,001 to £75,000	-	-	4	3
£75,001 to £80,000	1	-	3	4
£80,001 to £85,000	-	-	2	3
£90,001 to £95,000	1	-	-	-
£95,001 to £100,000	-	1	-	-
£100,001 to £110,000	2	1	-	-
£140,001 to £150,000	1	1	-	-
£190,001 to £200,000	1	1	-	-
Total	6	4	31	28

Key management personnel (including the Accounting Officer) emoluments are made up as follows:

	2025	2024
	£'000	£'000
Salaries	591	560
Pension contributions	79	55
Total Emoluments	670	615

There were no amounts due to key management personnel that were waived in the year, nor any salary sacrifice arrangements in place.

7 Staff costs (continued)

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

	2025	2024
	£'000	£'000
Salaries	200	200
Pension contributions	12	12
Total	212	212

The remuneration of the Accounting Officer for 2024/25 was considered on 21 November 2024 by the College’s Search, Governance & Remuneration Committee. The Accounting Officer was not involved in setting their remuneration. The factors taken into account by the Committee in determining the Accounting Officer’s remuneration for the year to 31 July 2025 included:

- the AoC senior postholder benchmarking survey;
- CPI;
- pay increases for other staff;
- performance against personal objectives and the performance of the organisation.

Despite the outstanding performance of the Accounting Officer, in view of the College’s financial position, the Committee and Board resolved a nil pay increase.

A similar approach was used to determine the remuneration of other key management personnel.

The relationship between the Accounting Officer's emoluments, expressed as a multiple of all other employees based on full-time equivalents, is set out below for both basic salary and total remuneration.

	2025	2024
	No.	No.
Basic salary as a multiple of median basic salary of staff	5.07	5.19
Total remuneration as a multiple of median total remuneration of staff	4.69	5.08

7 Staff costs (continued)

The College Group paid severance payments in the year, disclosed in the following bands:

	2025	2024
	No.	No.
£1 to £25,000	4	6
Total	4	6

Included in staff restructuring costs are £NIL special severance payments (2024: £3,244).

Individually, the payments were: £NIL (2024: £3,244).

Governors' remuneration

The Accounting Officer and the staff members only receive remuneration in respect of services they provide undertaking their roles of CEO and staff members under contracts of employment and not in respect of their roles as governors. The other members of the Corporation did not receive any payments from the College in respect of their roles as governors. During the current year, governors were reimbursed £2,217 (2024: £1,272) for travel and subsistence and other out of pocket expenses.

8 Other operating expenses

	Year ended 31 July 2025		Year ended 31 July 2024	
	Group £'000	College £'000	Group £'000	College £'000
Teaching costs	3,580	3,580	4,497	4,497
Non-teaching costs	3,398	3,179	3,959	3,663
Premises costs	4,324	4,324	4,005	4,005
Total	11,302	11,083	12,461	12,165

8 Other operating expenses (continued)

	Group 2025	College 2025	Group 2024	College 2024
	£'000	£'000	£'000	£'000
Deficit before taxation is stated after charging:				
Fees payable to external auditors in respect of both audit and non-audit fees (excluding VAT):				
Audit of college (and group)	61	61	63	63
Other assurance services	4	4	2	2
Internal audit	46	46	38	38
Hire of other assets – operating leases	37	37	20	20

9 Interest and other finance costs - Group and College

	2025	2024
	£'000	£'000
Interest on other loans	731	707
Other Interest	-	6
Net interest on enhanced pension provision	40	43
Total	771	756

10 Taxation – Group and College

The College Group was not liable for any corporation tax arising out of its activities during either year.

11 Tangible fixed assets - Group and College

	Land & Buildings	Equipment	Assets in the course of Construction	Total
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 August 2024	87,736	8,721	-	96,457
Additions	639	1,586	-	2,225
At 31 July 2025	88,375	10,307	-	98,682

11 Tangible fixed assets - Group and College (continued)

Depreciation				
At 1 August 2024	42,879	6,662	-	49,541
Charge for the year	1,347	760	-	2,107
At 31 July 2025	44,226	7,422	-	51,648
Net book value at 31 July 2025	44,149	2,885	-	47,034
Net book value at 31 July 2024	44,857	2,059	-	46,916

The land and buildings of Hammersmith and West London College were valued as at 31 July 1999 and the land and buildings of Ealing Tertiary College were valued as at 31 July 1997.

Both these valuations were made, by firms of independent chartered surveyors, at depreciated replacement cost. Currently the funding bodies do not require further property valuations to take place. Other tangible assets, inherited from the LEA at incorporation, have been valued by the College on a depreciated replacement cost basis. If the assets had not been re-valued they would have been included in the accounts at a net book value of £3.650m (2024: £3.911m).

The carrying value at 31 July 2025 of the land and buildings of for the College Group that provides the security for the DfE loan is £44.149m (2024: £44.857m).

During the year, security of Hammersmith’s buildings to the LPFA pension scheme was relinquished following the government’s announcement of pension guarantees for FE colleges.

The subsidiary companies have no tangible fixed assets.

12 Intangible fixed assets – Group and College

	Software £’000
Cost	
At 1 August 2024	426
Additions	274
At 31 July 2025	700

Amortisation

At 1 August 2024	55
Charge for year	89
At 31 July 2025	144
Net book value at 31 July 2025	556
Net book value at 31 July 2024	371

The amortisation charge is included within depreciation and amortisation in the Statement of Comprehensive Income and Expenditure.

13 Fixed asset Investments – College

	2025	2024
	£'000	£'000
Subsidiary undertakings	-	-
Total	-	-

The College owns 100 percent of the issued ordinary £1 shares of Capital Talent Box Limited, that was incorporated in England and Wales in February 2015, the date of incorporation being 4th February 2015. The principal activity of Capital Talent Box is employment agency services and it began trading again in September 2020.

The College also owns 100 per cent of West London College Limited which is a dormant company.

14 Debtors

	Group	College	Group	College
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade debtors	841	806	666	666
Other Debtors	329	328	1,136	1,137
Subsidiary undertakings	-	34	-	37
Prepayments and accrued income	208	167	372	331
Total	1,378	1,335	2,174	2,171

15 Creditors: amounts falling due within one year

	Group	College	Group	College
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
Loan from the DfE (note 17)	700	700	451	451
Trade creditors	1,860	1,791	2,606	2,592
Amounts owed to subsidiary undertakings	-	34	-	14
Other taxation and social security	492	467	365	343
Accruals and deferred income	683	666	761	745
Amounts owed to ESFA	456	455	370	370
Other creditors	497	508	988	1,000
Holiday Pay Accrual	519	519	272	272
Government grants (capital)	617	617	556	556
Total	5,824	5,757	6,369	6,343

16 Creditors: amounts falling due after one year

	Group	College	Group	College
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
Loan from the DfE (note 17)	12,544	12,544	13,196	13,196
Government grants (capital)	10,768	10,768	9,597	9,597
Total	23,312	23,312	22,793	22,793

17 Maturity of debt

Bank loans, other loans and overdrafts

Bank loans, other loans and overdrafts are repayable as follows:

	Group	College	Group	College
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
In one year or less	700	700	451	451
Between one and two years	663	663	618	618
Between two and five years	2,371	2,371	2,019	2,019
In five years or more	9,510	9,510	10,559	10,559
Total	13,244	13,244	13,647	13,647

17 Maturity of debt (continued)

The college Group has a loan with the DfE. The original loan of £11.6m was interest bearing and fully repayable on the 31st January 2023. In July 2022 the college signed a nine year loan agreement for £13.647m relating to the original balance of £11.6m and also including £2.047m in respect of ESFA funding also owed to the DfE. The loan repayments are up to date with payment of the principal beginning in December 2024 and therefore as at 31 July 2025, the balance outstanding was £13.244m (2024: £13.647m). Interest is payable on this balance annually at a rate equal to the PWLB rate and the loan is repayable in quarterly instalments terminating in June 2031 where any residual balance will be repayable in full. The loan is secured on the freehold land and buildings of the college.

18 Provisions – Group and College

	Enhanced pensions	Defined Benefit Obligations	Total
	£'000	£'000	£'000
At 1 August 2024	830	-	830
Movement in the period	(71)	(130)	(201)
Actuarial loss	59	130	189
At 31 July 2025	818	-	818

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

	2025	2024
The principal assumptions for this calculation are:		
Price Inflation	2.70%	2.80%
Discount rate	5.50%	4.80%

19 Analysis of changes in net debt – Group and College

	At 31 July 2024 £'000	Cash Flows £'000	Other Movements £'000	At 31 July 2025 £'000
Short term deposits	5,000	-	-	5,000
Cash and cash equivalents	6,189	669	-	6,858
	<u>11,189</u>	<u>669</u>	<u>-</u>	<u>11,858</u>
Amounts owed to funding bodies	(13,647)	403	-	(13,244)
Total net debt	(2,458)	1,072	-	(1,386)

20 Capital and other Commitments – Group and College

	2025 £'000	2024 £'000
Commitments contracted for as at 31 July	-	-
	<u>-</u>	<u>-</u>

21 Retirement Benefits – Group and College

The College Group's employees belong to two principal retirement benefit plans: The Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Hammersmith and Fulham Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by London Pensions Fund Authority. Both are multi-employer defined benefit plans.

Total pension cost for the year	2025 £'000	2024 £'000
Teachers' Pension Scheme: contributions paid	1,810	1,594
Local Government Pension Scheme:		
Contributions paid	362	339
FRS 102 (28) charge	721	652
Charge to the Statement of Comprehensive Income	<u>1,083</u>	<u>991</u>
Total Pension Costs	<u>2,893</u>	<u>2,585</u>

21 Retirement Benefits – Group and College (continued)

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest formal actuarial valuation of the TPS was 31 March 2020 and of the LGPS 31 March 2022. Contributions amounting to £0.178m (2024 - £0.201m) were payable to the schemes at 31 July and are included within 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 Regulations. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS102 (28.11), the TPS is a multi-employer pension plan.

Accordingly, the College has taken advantage of the exemption in FRS102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The College has set out below the information available on the plan and the implications for the College in terms of the anticipated contribution rates.

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

The DfE paid a teacher pension employer contribution grant to cover the additional costs during the 2024-25 academic year.

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

The pension costs paid to TPS in the year amounted to £1.809m (2024: £1.594m).

21 Retirement Benefits – Group and College (continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by the Hammersmith & Fulham Local Authority. The total contributions made for the year ended 31 July 2025 were £0.818m (2024 - £0.746m), of which employer’s contributions totalled £0.357m (2024 - £0.339m) and employees’ contributions totalled £0.461m (2024 - £0.407m). The agreed contribution rates for future years are 5.8% for employers and range from 5.5% to 12.5% for employees, depending on salary. The security held by the LPFA on the freehold land and buildings situated at the Ealing, Hammersmith and West London College was relinquished during 2024/25 following the government’s announcement to guarantee pension schemes for FE colleges.

Principal Actuarial Assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2022 updated to 31 July 2025 by a qualified independent actuary.

	At 31 July 2025	At 31 July 2024
Rate of increase in salaries	3.80%	3.85%
Future pensions increases	2.80%	2.85%
Discount rate for scheme liabilities	5.75%	5.05%

The actuarial valuation has been adjusted to allow for actual inflation experience to 31 July 2025.

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 Years	At 31 July 2024 years
Retiring today		
Males	20.9	20.6
Females	23.8	23.7
Retiring in 20 years		
Males	21.6	21.3
Females	25.2	25.1

21 Retirement Benefits – Group and College (continued)

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

	Fair Value at 31 July 2025 £'000	Fair Value at 31 July 2024 £'000
Equity instruments	46,966	46,456
Target return portfolio	16,127	12,602
Infrastructure	8,977	8,275
Property	7,140	6,894
Cash	1,639	2,482
Total fair value of plan assets	<u>80,849</u>	<u>76,709</u>

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

	2025 £'000	2024 £'000
Fair value of plan assets	80,849	76,709
Present value of plan liabilities	(55,153)	(59,549)
Present value of unfunded obligation	-	(14)
Adjustment to cap liability to £NIL	(25,696)	(17,146)
Net pensions (liability) (note 18)	<u>-</u>	<u>-</u>

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	1,076	990
Past service cost	7	-
Total	<u>1,083</u>	<u>990</u>
Amounts included in investment (income)/expenditure		
Net interest on the defined liability	(851)	(836)
Total	<u>(851)</u>	<u>(836)</u>
Amount recognised in other operating expenses		
Administration expenses	23	22
Total	<u>23</u>	<u>22</u>

21 Retirement Benefits – Group and College (continued)

	2025	2024
	£'000	£'000
Net defined benefit obligation in scheme at 1 August 2024	76,709	72,977
Movement in year:		
Current service cost	1,076	990
Interest Cost	2,954	2,875
Change in demographic assumptions	299	(127)
Experience loss on defined benefit obligation	580	(298)
Change in financial assumptions	(7,147)	978
Capping pension asset to nil	8,550	634
Estimated benefits paid plus unfunded net of transfers in	(2,603)	(1,725)
Past service costs, including curtailments	7	-
Contributions by Scheme participants and other employers	426	407
Unfunded pension payments	(2)	(2)
Defined benefit obligation	80,849	76,709

Reconciliation of opening and closing balances of the fair value of fund assets

	2025	2024
	£'000	£'000
Opening Fair Value of Fund assets	76,709	72,977
Interest on Assets	3,828	3,733
Return on assets less interest	2,152	1,002
Administration expenses	(23)	(22)
Contributions by employer including unfunded	362	339
Contributions by scheme participants and other employers	426	407
Estimated benefits paid plus unfunded net of transfers in	(2,605)	(1,727)
Closing fair value of Fund Assets	80,849	76,709

21 Retirement Benefits – Group and College (continued)

The total return on the fund assets for the year to 31 July 2025 is £5.980m (2024 - £4.735m).

	Group 31 July 2025 £'000	Group 31 July 2024 £'000
Present Value of defined benefit obligations	(55,153)	(59,549)
Fair value of plan assets	80,849	76,709
Net asset	<u>25,696</u>	<u>17,160</u>
Present value of unfunded obligation	-	(14)
Restriction to level of asset ceiling	<u>(25,696)</u>	<u>(17,146)</u>
Net asset recognised in the balance sheet	<u>-</u>	<u>-</u>

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

Amounts recognised in other gains and losses

	2025 £'000	2024 £'000
Return on Fund assets in excess of interest	2,152	1,002
Change in financial assumptions	7,147	(978)
Change in demographic assumptions	(299)	127
Experience gain/(loss) on defined benefits obligation	(580)	298
Changes in effect of asset ceiling	(8,550)	(634)
Remeasurement of the net assets	<u><u>(130)</u></u>	<u><u>(185)</u></u>

22 Related party transactions

Key management compensation disclosure is given in note 7.

During the year, the College has been recharged expenditure relating to contracted out staffing costs of £901,869 (2024: £1,287,893) by Capital Talent Box, a subsidiary of the College. At the year end, the College owed Capital Talent Box Ltd £NIL (2024: £14,258) and Capital Talent Box Ltd owed the college £34,134 (2024: £36,795).

22 Related party transactions (continued)

During the year, the College incurred expenditure of £95,939 (2024: £NIL) with Ealing Mencap of which one the College Executive team is a trustee.

The College maintains governor and officer liability insurance the cost of which is included within the overall insurance expenditure.

23 Amounts disbursed as agent

Bursary Learner Support Fund	2025	2024
	£'000	£'000
Funding body grants – bursary support	36	108
Funding body grants – discretionary learner support	193	196
Funding body grants – vulnerable learners	98	119
	<u>327</u>	<u>422</u>
Disbursed to students	(263)	(339)
Administration costs	(6)	(11)
Balance unspent as at 31 July, included in creditors	<u>58</u>	<u>73</u>

The above 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.

Bursary Learner Support Fund	2025	2024
	£'000	£'000
Brought forward	(5)	0
Funding body grants – free college meals	126	129
Disbursed to students	(117)	(128)
	<u>4</u>	<u>1</u>
Administration costs	(6)	(6)
Balance (overspent) 31 July	<u>(2)</u>	<u>(5)</u>

The above grants are available solely for students. The College only acts as a paying agent and are included in the Statement of Comprehensive Income.

Local Skills Improvement Fund (LSIF)	2025	2024
	£'000	£'000
Revenue grant	-	173
Capital grant	77	147
	<u>77</u>	<u>320</u>
Disbursed to partners	(77)	(320)
	<u>-</u>	<u>-</u>
Balance unspent as at 31 July, included in creditors	-	-

The above grants were available to partner colleges participating in the LSIF project where the college was the lead partner. The college acted as a paying agent. In these circumstances, the grants and related disbursements are therefore excluded from the Statement of Comprehensive Income.

24 Post Balance Sheet Event

None

25 Contingent Liability

The College is currently subject to a claim from a third party. Based on legal advice received and management’s assessment of the circumstances, the College is confident that there is no basis for the claim and that no liability will arise. Accordingly, no provision has been made in the financial statements.

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY TO THE CORPORATION OF EALING, HAMMERSMITH & WEST LONDON COLLEGE AND THE SECRETARY OF STATE FOR EDUCATION

In accordance with the terms of our engagement letter dated 6 June 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 Ealing, Hammersmith and West London College and its subsidiary (collectively the 'Group') during the period 1 August 2024 to 31 July 2025 have not been applied to the purposes identified by Parliament and the financial transactions do not conform to the authorities which govern them.

This report is made solely to the Corporation of Ealing, Hammersmith and West London 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 Ealing, Hammersmith and West London 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 Ealing, Hammersmith and West London College and the Secretary of State for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Accounting Officer of Ealing, Hammersmith and West London 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 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.

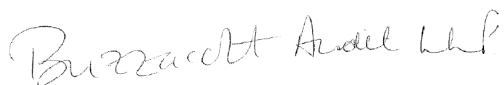
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the corporation's income and expenditure.

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity and impropriety across all of the College's and its subsidiary's activities;
- Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support 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 that govern them.



Buzzacott Audit LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

Date: 16 December 2025