north west regional college
Derry~Londonderry • Limavady • Strabane

NORTH WEST REGIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE EIGHT MONTH PERIOD ENDING 31 MARCH 2026

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ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE EIGHT MONTH PERIOD ENDING 31 MARCH 2026

The Accounting Officer authorised these

Financial statements for issue

on

9th November 2026

Laid before the Northern Ireland Assembly
under the Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008
by the Department for the Economy

on

12th November 2026

NORTH WEST REGIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

EIGHT MONTH PERIOD ENDING 31 MARCH 2026

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Strategic Report

Nature, Objectives and Strategies

The Governing Body members present their report and the audited financial statements for the 8 month period ending 31 March 2026.

Legal Status

The current arrangements for further education in Northern Ireland were established by The Further Education (Northern Ireland) Order 1997 with colleges being self-governing incorporated bodies with effect from 1 April 1998. Based on this legislation, the office for National Statistics in 2010, reclassified colleges as part of Central Government. This has resulted in colleges being determined as Non-Departmental Public Bodies (NDPB).

NI Colleges have been granted charitable status by the HM Revenue and Customs.

College Mission

The College's mission is to provide quality education that supports the creation of more jobs and fosters a culture of lifelong learning for work.

College Vision

The College will improve the life chances of everyone, no matter how 'hard to reach'.

College Values

Excellence in all we do – being the best that we can be.

The College will achieve excellence by embracing its core values:

- Collaboration - Working with people to achieve more together.
- Innovation - Being open to new ideas, seeing opportunities and willing to take these on.
- Respect - Making people feel valued and included.
- Integrity - Doing the right thing for the good of those that we serve.

Corporate and Business Planning

Our Purpose & Strategy

Our purpose at NWRC is 'Making Lives Better'. The College's vision, mission and values confirms its commitment to students, business, the community and the staff. The College aims to create a great place to work and learn and in doing so positively impact on the opportunities, health and wellbeing for staff and students. This is especially important given our challenging socioeconomic environment. We have the highest claimant count and the highest rates of economic inactivity in NI within our city and region. Five out of the top ten most deprived super output areas (SOAs) are within our catchment area.

In line with the sector curriculum reform agenda, NWRC delivered the full time Traineeship programme across all vocational areas at Level 2. This unique sector provision, equivalent to up to 5 GCSEs, has a professional and technical qualification, Essential Skills, Transversal Skills, a work based component and assessment focused on project based learning. The ongoing development of the Traineeship will align to the sector Blueprint document and there will be a continued focus on promoting transfer to employed status Apprenticeships where available. The College continues to increase opportunities for All Age and Higher Level Apprenticeships.

In order to establish pathways for progression up to Level 6 provision, the College furthered its engagement with the Open University to expand its higher education provision. The Level 6 full time top up BSc (Hons) Cybersecurity was validated by the Open University and approved by the Department for the Economy (DfE) for 2025/26. The College also completed the validation process to deliver Level 6 part time BA Early Childhood Studies (QUB/Stranmillis) from January 2026.

The College continued to participate in the StepUp programme to further meet the sector widening access and participation agenda. NWRC appointed a Principal Lecturer in Sustainability with a view to delivering the Sustainability agenda and targets identified in the College Development Plan (CDP). There has been significant uplift in the promotion of Sustainability across all aspects of the College including short courses for students and staff. Additional external funds have also been secured for the delivery of training in Green Skills (GRaSP) and wider sustainability projects in the north west. The College continues to be a partner in the North West Tertiary Education Cluster enhancing opportunities for cross border progression pathways and secured funding within the DEPTH project for training in digital literacy. This will complement the work of the Principal Lecturer in Digital Learning who has developed a revised Digital Strategy for the College which has revisited the focus of the Technology Enhanced Learning (TELs) mentors to support staff particularly in the areas of Artificial Intelligence (AI). The Business Support Centre continued to support businesses and individuals in innovation and skills.

The College curriculum provision reflects the emphasis on its commitment to providing a portfolio of programmes at Levels 0 – 6 delivered on a full time and part time basis, aligned to DfE strategies particularly the four key priorities of the Minsters Economic Vision while meeting the needs of local stakeholders. The CDP illustrates the key development priorities for the College as well as aspirational targets for a further uplift on College activity. This was achieved in year by reviewing and increasing the part time curriculum offer. The ongoing development of a culture of quality improvement was underpinned by the Whole College Quality Improvement Plan (WCQIP).

The industry standard learning and teaching facilities on our campuses provides state of the art environments for learning and the College is well placed to take on the challenge of enhancing the skills set of the population of the city and region. A wide range of Learner Services including Careers, Safeguarding, Learning Support and Financial advice underpins the student experience.

The College effectively resources all provision and develops staff through Continuous Professional Development (CPD) to ensure currency of skills and quality of delivery. The aim is to develop and maintain a College community whose skills and expertise are compatible with the changing demands of the wider educational, industrial and economic environment. This is underpinned by a robust staff induction programme, staff undertaking the Certificate in Teaching (CIT) and the Post Graduate Certificate in Education (PGCE) FE, relevant mandatory training, key professionally related CPD, a wide range of internal programmes influenced by Appraisal training needs analysis and the College Quality Improvement Plan.

The development of skills must be managed to ensure that the skills output matches the future needs of employers and society, especially in the area of technology transfer. The College is engaged in the ongoing development of a learner centred curriculum that is focussed on skills development and is proud of our long history of providing curricular choice and opportunities for all.

Our Curriculum

The College recognises the key role it has to play to ensure that the Further Education (FE) sector is recognised locally, regionally and internationally for high quality and economically relevant vocational education and training. The professional and technical curriculum is responsive to and supports the rebalancing and rebuilding of the Northern Ireland economy, with a particular emphasis on the north west region. A wide range of professional and technical areas are offered with courses tailored to meet the education and skills training needs of stakeholders. The CDP has been informed by the College strategic priorities which are aligned to DfE strategies and publications, in particular the four priorities set out in the Minister's Vision for FE;

- Raise productivity for businesses
- Promote a more regionally balanced economy
- Increase the proportion of working age people in 'good jobs'
- Reduce carbon emissions in the transition to a greener and more sustainable economy.

DfE aims to;

- Increase regional business productivity /growth through the delivery of tailored/bespoke training programmes
- Upskill/reskill individuals with the knowledge and skills necessary to secure employment, meet employer needs for today and the future and support economic growth for the region
- Address the skills needs of the future workforce in green industries through upskilling and reskilling individuals in support of a net zero economy in Northern Ireland (staff and students)
- To deliver against the Public Body reporting duties of the Climate Change legislation delivering an energy efficient and sustainable estate.

The College offers education and training programmes at Levels 0-6, on a full time and part time basis. Engagement with employers whether through Apprenticeships, Higher Level Apprenticeships, Traineeships or a significant work placement component of other FE courses, is a key focus for the College. NWRC Business Support Centre is integral to the support of business and industry, the College is a partner in the local Area Based Learning Communities Entitlement Framework provision and there is substantial engagement with the community and voluntary sector. NWRC continues to be a partner in the North West Tertiary Education Cluster promoting cross border collaboration for development of provision with Ulster, ETB Donegal and the Atlantic Technological University (ATU) Letterkenny. A recent success has been the co-development and delivery of a Level 5 Electric Vehicle course.

The Higher Education (HE) provision accounts for 11% of the total College individuals enrolled count (excluding Essential Skills). The Higher Level Apprenticeship provision increased to 141 enrolments in 2025/26. Foundation Degrees revalidations/validations continued in 2025/26 and the College followed schedules from the relevant awarding organisations. The Foundation Degree in Environmental Management and Sustainability was validated in 25/26 for delivery in 26/27. Level 6 Top Up Degree BSc Cybersecurity and Emerging Technologies (OU) full time was delivered for the first time at NWRC from September 2025. Level 6 BA Early Childhood Studies (QUB, Stranmillis) part time was validated in 2025 and delivered from January 2026.

The College also delivered Work Based Learning in a wide range of vocational areas as part of the Apprenticeship NI. The Traineeship programme was extended to all vocational areas at Level 2 and there was an increased demand for FE course at Level 1 to respond to the needs of the learners not eligible for Traineeship. The College continues to meet the demands of learners on discrete SEN provision e.g., Transition and Workskills courses while also addressing individual learner needs on all provision.

The total enrolment count was 12,814 (excluding Essential Skills) and 18% of Further Education (FE) students had a learning disability and were supported in their learning within mainstream provision. As part of the Entitlement Framework provision offered to post-primary schools, there were 37 course offerings with 423 enrolments across three area learning communities. Some 36% of students attended on a full time basis. Overall, in students enrolled in 2025/26 49.2% of students were male, 50.5% were female and 0.3% were other.

The College plays a central role in the delivery of Local Government Community Planning in both Derry City & Strabane District Council (DCSDC) and Causeway Coast and Glens Borough Council (CCG). It is a strategic partner with DCSDC and other key stakeholders in City Deal for the Derry~Londonderry City Region and is also a key partner in the CCG Growth Deal. The College is committed to the further expansion of Apprenticeships to include an increase in Higher Level Apprenticeships (HLAs) taking cognisance of the recent change to all age criteria.

As part of the DCSDC City Deal, Strabane Regeneration Programme, the College has signed a Financial Deal funded through the City/Growth deal project to build a new Strabane Campus in the town centre/canal basin. The aim is to further enhance opportunities for education, skills and training and to work collaboratively with the other stakeholders bidding to develop in the same area. The Financial Deal for the CCG Growth Deal was signed in April 2026 at an event held at Main Street Campus, Limavady. An investment of £6m in a new Foodovation and Skills Centre in Main Street, Limavady has been approved as part of the Growth Deal. The College intends to strive for a diverse curriculum offer that will meet the needs of the local community and industry helping reduce the skills gap in this area of high deprivation.

There is also momentum in the city and region around health excellence as a strategic economic competence. The College, designated as the ‘Hub’ for the FE Sector in Health and

Social Care, is leading curriculum development from Level 1 – Level 5 in this vocational area; with short courses for continuous professional development and other courses including Adult Access provision providing pathways to qualifications and careers in a range of Allied Health disciplines.

The College role in supporting the widening access and participation agenda in the City region is widely recognised and illustrates commitment to providing a curriculum that supports the participation of learners with learning difficulties and disabilities, those from underrepresented groups in society and those not in employment, education or training (NEETs). Examples include the College's partnerships with the King's Trust, The delivery of the StepUp programme and participation in a range of externally funded programmes.

The College's economic engagement continues to be outward facing and is unlocking the potential of the city and region to create prosperity. The Business Support Centre, which manages economic engagement, is central to supporting businesses with skill acquisition and innovation awareness to assist them to move up the skills and innovation escalator. Skills Academies linked directly to employer need are delivered.

The College currently has five Innovation Centres – Foodovation, the Product Design Centre, XR Centre and Design Innovation for Assisted Living (DIAL) Centre and the i4.0 centre (Industry 4.0). These innovation centres are industry facing and link with curriculum through applied research, idea generation, prototype development and proof of concept.

There were significant developments in 2025/26 with the College promotion of the Sustainability agenda. While working to address the focus in the College Development Plan, the recruitment to a Principal Lecturer post in Sustainability in 2024/25 has facilitated an uplift in the curriculum provision for students, courses and staff training while also contributing to the agenda cross College multidisciplinary Sustainability Committee. A Sustainability Strategy and Action Plan was developed. Similarly, the appointment of a Principal Lecturer in Digital Skills has refocused the College Digital Strategy and emphasis on training and awareness of the effective use of AI for both curriculum and support processes. Securing additional external PEACE PLUS funds has positioned the College to deliver skills training in these innovative areas in the North West.

The College will continue to strive to achieve its purpose and objectives for Making Lives Better for all of its stakeholders as the primary provider of professional and technical education and training in the North West region.

Enrolment Results 2025/26 (As at 31 March 2026)

In 2025/26 the College had a total target of 11,868 enrolments (excluding ESK). The table below shows actual performance (12,814) against target[1].

HIGHER EDUCATION FIGURES

	Target	Actual
HE Full Time	413	405
HE Part Time *(excl. HLA)*	556	509
Total	969	914

	Target	Actual
HLA	151	141

FURTHER EDUCATION FIGURES

	Target	Actual
FE Full Time *(excl. WBL/HE/ESK)*	1,559	1,494
FE Part Time *(excl. WBL/HE/ESK)*	7,102	8,010
Total	8,661	9,504

SFLW/TRAINEESHIP/APPNI FIGURES

	Target	Actual
SFLW (L1) Full Time	30	26
SFLW (L1) Part Time	60	53
Traineeships Full Time	563	454
Traineeships Part Time	549	738
APPNI Full Time	658	638
APPNI Part Time	227	346
Total	2,087	2,255

ESSENTIAL SKILLS FIGURES

	Target	Actual
ESK	1,811	1,364

[1] NWRC ERC end of March 2026 *(CDP Progress Report to DfE)*

Other enrolment targets set out in the 2025/26 College Development Plan included[2]:

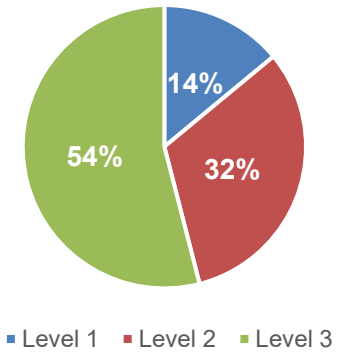
- Enrolling 4,165 individuals domiciled in areas defined as deprivation quintiles 1 and 2. The College enrolled 4,685 individuals domiciled in quintiles 1 and 2.
- Enrolling 1,200 individuals declaring a disability. The College enrolled 1,465.
- Enrolling 140 individuals on ESOL programmes. The College enrolled 103.
- Enrolling 42 individuals on WRAP provision. The College enrolled 69 individuals.
- Enrolling 45 individuals on All Age Apprenticeships. The College enrolled 56.

Overall, College retention[3] for 2025/26 was **91%** with full time retention at **85%** and part time retention at **92%**.

Overall Essential Skills retention[4] was **80%** with **77%** in Literacy, **80%** in Numeracy and **87%** in ICT Essential Skills.

As per the pie chart below[5] the combined Level 2 and Level 3 provision contributes to **86%** of mainstream FE provision (Level 1-3) excl. Essential Skills.

CDP ERC – end March 2026
Level 1-3 FE Mainstream Enrolments (excl. ESK)



The primary focus of the NI Programme for Government is the economy; this correlates with the Minister's key priorities and requirement for quality education and skills training, improving the skills level of the population and increasing the number of people working in good jobs, with a focus on regional balance. Therefore, NWRC will continue to provide opportunities for the people of the city and region to retrain, develop new skills and diversify in order to change career. NWRC will continue to play a key role in providing individuals with the ability to upskill/reskill and will be a key player in meeting the Minister's key priorities particularly in increasing the proportion of the population in the North West with qualifications at Level 2 and above, necessary when securing "good jobs". Also, addressing skills imbalances, driving economic growth to promote a more regionally balanced economy; creating a culture of lifelong learning; and enhancing green skills and digital skills.

[2] NWRC ERC end of March 2026 *(CDP Progress Report to DfE)*
[3] NWRC CDR data at end March 2026
[4] NWRC CDR data at end March 26
[5] NWRC ERC end March 26 *(CDP Progress Report to DfE)*

Despite the very challenging environment in the city and region, NWRC sits at the heart of the professional and technical education system and has played a key role in providing individuals within our catchment area with the ability to upskill/reskill and move across sectors as economic needs change. In determining our future curriculum offer, cognisance must not only be taken of our strategic priorities to generate a strong and vibrant economy but also of our requirement to address educational disadvantage and levels of deprivation by continuing to promote social inclusion.

Student Activities and Achievements 2025/26 (As at 31 March 2026)

The College full time student enrolments saw an increase of 6% from 2,833[6] in 2024/25 to 3,017[7] in 2025/26.

- Full-time FE Main College Provision (L0 – L3) enrolments increased by 7% from 1,394 to 1,494 partly due to an increase in recruitment to the Level 3 provision.
- Full-time Maximum Student Numbers (MaSN) HE (L4+) enrolments has been sustained with 404 enrolments in 24/25 and 405 enrolments in 25/26.
- Full time ApprenticeshipNI enrolments have been sustained with 631 enrolments in 24/25 and 638 enrolments in 25/26.
- Part-time enrolments (excl. ESK) decreased by 5% from 10,329 to 9,797 due to the dates of data extraction with Part-time enrolments continuing from the end of March to the end of August 2026
- Part Time HE enrolments increased by 4% from 623 to 650 partly due to the increase in HLA enrolments.
- Enrolments on targeted programme Step Up exceeded their targets:
    - Step Up College Connect – target of 30 with no actual enrolments
    - Step Up DARE – target of 30 actual enrolment of 81
    - Step Up WRAP – target of 42 actual enrolment of 187

[6] Data source: final 2024/25 ERC (September 25) as part of CDP Progress Report to DfE
[7] Data source: 25/26 ERC (end of March 26) as part of CDP Progress Report to DfE

Employer Engagement

The targets for business engagement were met in most areas. Actual delivery against targets (12 mths from April 2025 – March 2026) is outlined below:

2025/26 year to end March 2026	Target	Actual
Skills Focus no. of enrolments	196	190
Skills Focus budget spend (£'000)	£276	£303
Academies	3	2
InnovateUs (No. of projects)	43	65
InnovateUs budget spend (£'000)	£277	£383
Innovation Vouchers	20	20
Innovation Boost (Fusion)	30	40
KTP	2	2
SME Productivity Booster	6	12
InterTrade Ireland Business Explorer	1	1

There were 190 enrolments via the DfE Skills Focus programme which involved 174 individuals enrolled. This involved 49 enrolments at level 2, 48 at level 3, 48 at level 4, 38 at level 5 and 7 at level 7. The funding for the programme is 90% DfE-funded and 10% employer contribution.

2 Assured Skills academies were delivered during the year; both academies were with Vertiv.

The Skills team also secured and managed the delivery of DfE Skill Up funding with a budget of £350,000 which involved a target of 345 individuals across DfE priority sectors. There were 406 enrolments which involved 325 individuals.

The College innovation Centres of Foodovation, the Product Design Centre (PDC), i4.0 Centre and the XR Hub, met their targets for the past year. The Knowledge Transfer Partnership with Gallagher & McKinney has completed. New KTP with Wafer Ltd has begun, and a new project with Glenturas is at the recruitment stage.

PEACEPLUS projects that have begun in the last year include, PRISM (Powering Research & Innovation for Advanced Manufacturing) – Foodovation, NW CAM2 (NW Centre for Advanced Manufacturing 2) – PDC. SVNP (Smart Village Network Project) – XR.

DfE have introduced a new pilot programme called Advance ME aimed at engaging with manufacturing companies to assess pain points and identify potential solutions and/or further support. These projects are being completed by the i4.0 Centre and PDC. Two projects were to be identified before 2025/26 period end and to be completed by 31st July 2026.

The Outline Business Case (OBC) for the development of a £6m Foodovation™ & Skills Centre Growth Deal project in the Causeway Coast and Glens Borough has been approved, with the Financial Deal signed on 29th April 2026.

Financial Objectives

The College's financial performance target, as set out by DfE, is to deliver an actual Resource Requirement in line with its approved Resource Budget Allocation for the April – March fiscal year, which it did for 2025/26.

The College's financial objectives and achievement against targets in 2025/26 are

Ratio	Target	Results for 8 Months Ending 31 March 2026
Cash Balance as % of Total Prior Year Income (including Grant in Aid)	< 10%	9.73%
Payment Performance - % of supplier invoices paid within 30 days	> 90%	96%

The Cash Balance ratio details the percentage of cash reserves held by the College as a percentage of the College's total prior year income. The minimum contained in the Partnership Agreement is 10% of prior year income.

The Late Payment of Commercial Debts (Interest) Act 1998, which came into force on 1 November 1998, requires Colleges, in the absence of an 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 Northern Ireland Executive is committed to paying suppliers promptly. During the 8 month period 1 August 2025 to 31 March 2026, the College paid 96% of its invoices within 30 days (2024/25 - 95%) and 88% (2024/25 – 88%) within 10 days.

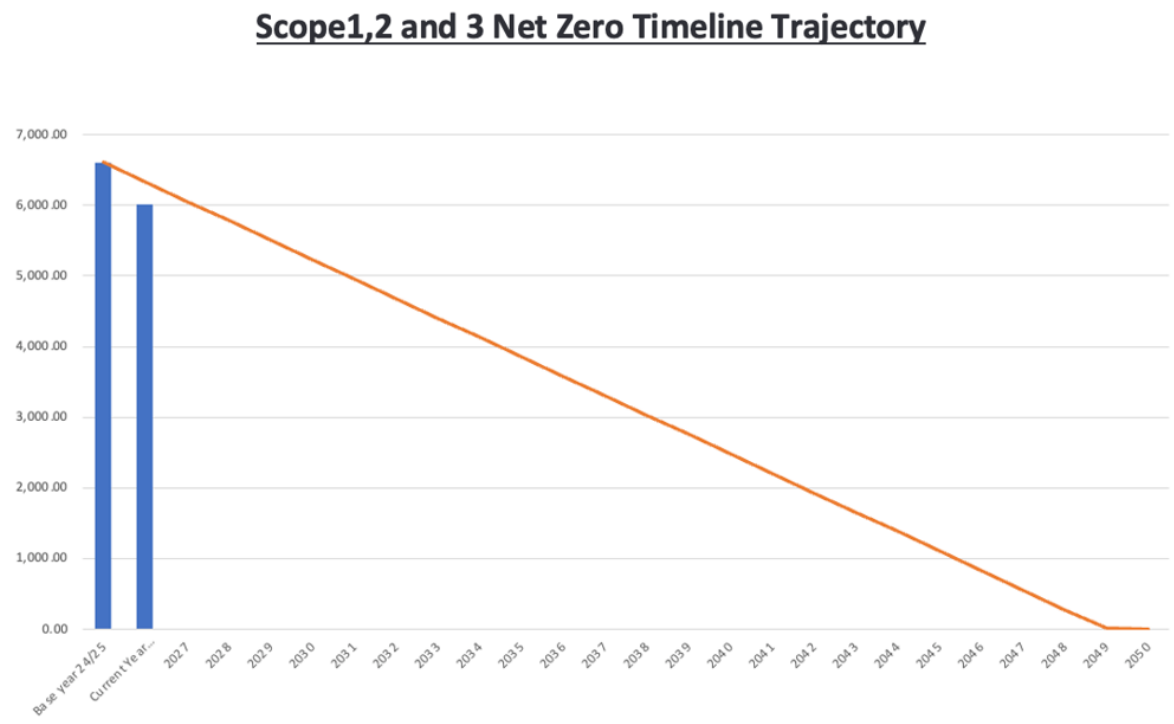
North West Regional College incurred no interest charges in respect of late payment for the year. North West Regional College is committed to the prompt payment of suppliers of goods and services in accordance with the Confederation of British Industry's prompt payers' code and British Standard BS 7890. Unless otherwise stated in the contract, payment is due within 30 days of receipt of the goods or services, on presentation of a valid invoice or similar demand, whichever is later.

Sustainability, Environmental, Social and Community Matters

North West Regional College continued to strengthen its approach to sustainability, environmental responsibility, social value and community engagement during the 8 month period ended 31 March 2026.

During the period, the College progressed its response to the Climate Change Act (Northern Ireland) 2022 and the Climate Change (Reporting Bodies) Regulations (Northern Ireland) 2024. The College established its carbon baseline, submitted the required Climate Change Mitigation Report (October 2025), and has completed its first Climate Change Adaptation Report (31 March 2026).

The Governing Body approved the College's Sustainability and Social Responsibility Strategy in January 2026, establishing a clear strategic framework to achieve Green Campus status across all sites and to deliver net zero greenhouse gas emissions by 2050. The Strategy focuses on leadership and governance, teaching and learning, student engagement, estates and operations, biodiversity, and external partnerships. Delivery is supported through a detailed Sustainability Action Plan with progress monitored and overseen by the Sustainability Committee to ensure effective implementation, accountability, and continuous improvement.



Governance arrangements have been further strengthened through the work of the Sustainability Committee, which reports to the Senior Management Team and Governing Body, and through the appointment of a Sustainability Governor in January 2026. Operational leadership is provided by the Principal Lecturer in Sustainability and Social Responsibility, supported by a cross-college network of staff from Curriculum, Estates, Finance, Human Resources and student representation, which reflects the College's whole-organisation approach to embedding sustainability across all areas of activity.

The College continued to embed sustainability across learning, teaching and the wider student experience. All students receive sustainability input at induction, and tailored sessions are

offered for specific courses and curriculum areas; including sustainability and social responsibility content within Health & Social Care, Business, Hospitality, Construction and Engineering programmes, as well as accredited specialist provision such as ISEP Environmental Sustainability for the Workforce, Level 3 Award in Sustainable Construction, Level 3 Award in the Design and Installation of EV Charging Points, and Level 3 in Energy Efficiency in Older and Traditional Buildings. Staff and students also participate in a year-round programme of sustainability and social responsibility activities, including workshops and a student-led Sustainability Society in partnership with the Students' Union. Recent events have included a Food Waste Awareness Week (with surplus-food tasting sessions and zero-waste cooking demonstrations) and a student-designed Sustainable Fashion Show showcasing upcycled and preloved garments. Staff across curriculum and support areas engaged in sustainability-focused continuing professional development, including workshops on embedding sustainability in teaching, waste management, carbon accounting and energy management.

In 2025/26 the College have invested in energy saving measures across its estate and operations. Decarbonisation measures implemented during the period include the transition of fleet vehicles to electric vehicles, installation of electric vehicle charging points, installation of LED lighting, energy-efficient retrofits and refurbishments, water refill points, reusable cups and bottles and wider initiatives to reduce single-use plastics and enhance biodiversity. Carbon emissions are calculated and verified by an external provider, with Scope 1, 2 and 3 emissions reported for the baseline year to 31 March 2025, and a Carbon Reduction Plan in place to guide projects such as energy audits, low and zero carbon technologies and lower-carbon commuting.

Scope	FY24/25 TCO2e	FY25/26 TCO2e	% Change
Scope 1	731.94	703.89	-3.8%
Scope 2	0.00	0.00	0.0%
Scope 3	6,036.35	5,317.73	-11.9%
Total	6,768.29	6,021.62	-11.0%

The College's sustainability agenda also delivers wider social and community benefits through strong partnership activity. Key collaborations include ongoing engagement with Derry City and Strabane District Council and Causeway Coast and Glens Borough Council, as well as participation in local initiatives such as the Green Clubs Project and the Active Travel Challenge. The College are also a partner in significant externally funded programmes including the PEACEPLUS-funded GRASP Green Accelerator Skills Programme, a €10 million initiative focusing on green skills, construction-sector upskilling, schools outreach as well as the Women in Construction Academy and a Labour Activation Academy.

In June 2025, the College participated in Business in the Community Northern Ireland's Environmental Benchmarking Survey, achieving Silver level accreditation. This represents an important milestone in the College's sustainability journey and provides an external benchmark against recognised best practice.

A gap analysis and associated action plan are being implemented to strengthen key areas such as environmental management systems, sustainable procurement and the publication of environmental performance data. Planned next steps include finalising the Sustainability Action Plan, developing a dedicated sustainability webpage, and expanding sustainable procurement training for finance staff and budget holders.

Financial Performance Monitoring

The College monitors financial performance against its budget and prior year position via monthly Management Accounts. These accounts are reviewed by management on a monthly basis and are presented to the Governing Body throughout the year.

In addition, the College produces monthly Income and Expenditure Accounts for each Department which are issued to each of the College's budget holders for review and highlight actual year to date performance against budgets.

Financial Results

The College incurred an operating deficit on continuing operations after depreciation of assets at valuation and before exceptional items of £1,021k (2024/25: surplus of £1,592k). A deficit of £1,021k was incurred after exceptional items (2024/25: surplus of £1,580k).

The deficit in the eight month period to 31 March 2026 is stated after accounting for a pension adjustment of £290k (2024/25: £90k) as determined by the College's actuaries. The actuarial assumptions used in calculating the pension charge are explained in Note 19 to the Financial Statements.

The College's share of the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) pension scheme assets and liabilities has moved from a surplus of £11.7m at 31 July 2025 to a surplus of £15.1m at 31 March 2026 (as explained in Note 19).

The main drivers of the movement over the period are:

- a stronger-than-anticipated return on plan assets, together with higher interest income, increased the value of the scheme's assets and made a positive contribution to the overall funding position.

- an increase in the discount rate together with a small increase in the inflation assumption for CPI-linked increases, reduced the present value of future pension obligations. These assumption changes helped offset some of the growth in liabilities and supported the improved funding position.

- a change in the demographic assumptions produced a small movement resulting in an actuarial loss. This was modest in comparison with the other valuation movements and had limited impact on the overall position.

- Employer and employee contributions continue to strengthen the asset base, together with higher interest income. This has boosted the scheme's asset base and helped enhance its overall funding position.

The College actuary advises that any pension accounting surplus recognised on the Statement of Financial Position should be limited to the present value of future service costs minus the minimum funding requirement for future service and has recommended setting the asset ceiling at zero.

Land and Buildings were subject to a full revaluation at 31 July 2025 by Land and Property Services (LPS) followed by index ratings applied at March 2026. Once applied to the valuation of the College's land and buildings the value of the College's estate increased by £1.6m in the period.

The College has significant reliance on DfE for its principal funding source, largely from recurrent grants. In the eight month period to 31 March 2026 DfE provided 69% (2024/25 - 67%) of the College's total income through allocated recurrent grant. This represented 15.04% of the total recurrent grant available to the sector.

Reserves

The College has accumulated reserves of £54.9 million and cash balances of £4.9 million.

Finances and Going Concern

The College is satisfied that the organisation is a going concern on the basis that there is no reason to believe that the department's future sponsorship and future assembly approval will not be forthcoming to meet the College's liabilities as they fall due. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

Treasury Policies and Objectives

Treasury management is the management of the College's cash flows, its banking and investment transactions and the effective control of the risks associated and the pursuit of optimum performance consistent with those risks.

The College has a separate Investment Policy in place that complies with the Partnership Agreement with DfE.
The purpose of the policy is to provide the College with specific guidelines as to the period of investments, diversification of institutions, and aiming to attain the best rate of return on any investments.

As a result of the DfE cash drawdown process the College has retained cash in its current account during 2025/26.

Cash Flows

The College had a net cash inflow of £1,355k during the period (2024/25 – inflow of £2,412k) and has no borrowings at the period end or during the period.

Events after the end of the Reporting Date

Refer to Note 27 to the Financial Statements.

Future Developments

The College recognises the financial challenges that the public sector is facing and will continue to face in the coming years. A significant percentage of funding comes from Recurrent Grant from the Department for the Economy. The uncertainty and challenges presented by the current macro-economic environment may impact adversely on the ability of the College to continue to develop and resource additional curriculum. This is particularly relevant with the increasing demands on resourcing SEN learners and courses.

In addition, shifting demographic trends have had a marked impact on student recruitment, both in NWRC and across the Further Education sector. The sector continues to experience heightened competition from the Post-Primary Sector and Higher Education Institutions which influences enrolment patterns and overall demand for College places. Increased demands of employers to meet employer insurance and minimum wage levels are also beginning to impact on opportunities for apprenticeships. While there have been modest increases in student recruitment in recent years, underlying financial and operational challenges remain, requiring the College to remain vigilant and consider prioritising curriculum offer and delivery in its strategic planning.

The College is currently developing the 2026/27 College Development Plan in line with the reporting requirements set out by the Department for the Economy. The plan will provide a detailed overview of the current operating environment and set out key performance indicators for curriculum delivery and employer engagement within the 2026/27 contingent budget allocation. Planned provision will continue to be closely aligned with the Minister's priorities, with programmes delivered from Level 1 to Level 6 across all vocational areas, alongside apprenticeship provision for learners of all ages.

The College's Estates Strategy outlines five major projects planned for delivery over the next ten years, subject to appropriate approvals and funding. Among these is the development of a new campus in Strabane, which is being advanced as part of the Derry and Strabane City Deal project and a Foodovation and Skills initiative within the Causeway Coast and Glens Borough Council's Growth Deal programme. Additionally, the Estates Strategy highlights the requirement for modern, fit-for-purpose library, science and sports facilities. To advance the sports facilities project an Outline Business Case (OBC) has been submitted to DfE for approval.

The College recognises the pivotal role IT plays in embracing the opportunities and addressing both the benefits and challenges presented by Generative and Agentic Artificial Intelligence (AI). The College is fully committed to advancing its digital innovation strategy through the responsible, ethical, and effective integration of these emerging AI capabilities across all aspects of operations and curriculum delivery. This includes leveraging generative AI to enhance creativity, content development, and personalised learning, alongside agentic AI systems that can autonomously support decision-making, streamline processes, and improve operational efficiency.

In doing so, the College will ensure robust ethical standards, transparency, and data governance frameworks are in place to guide the deployment and use of AI technologies. The College will invest in professional development, and digital infrastructure to support AI-driven initiatives.

Furthermore, the College aims to equip learners and stakeholders with the critical knowledge, advanced technical skills, and ethical awareness required to effectively engage with and shape a future increasingly influenced by Generative and Agentic AI.

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

Estate:
The value of the main College sites (land and buildings) at 31 March 2026 are as follows:

		Value £'000
Derry~Londonderry	Foyle Building	18,906
	Strand Road	19,549
	Springtown	10,232
	Northland	11,412
Limavady	Limavady	10,101
	Centre for Techology	8,013
Strabane	Strabane	2,925

The College's PFI contract (Northland Building) concluded in January 2026. At the period end, the related PFI assets were reclassified within the Statement of Financial Position as Freehold Land and Buildings (£10,301k) and Plant and Equipment (£3,033k) – see note 11.

Financial:
The College has £54.9 million of net assets at 31 March 2026 (£54.6 million at 31 July 2025).

People:
Based on the Quarterly Business Survey (NISRA) the total number of staff contracted as at March 2026 was 752.

The average number of persons (including senior post-holders) employed by the College was 573 people (expressed as full-time equivalents), of whom 263 are teaching staff.

Reputation

NWRC is the main provider of professional and technical education and training in the North West region and plays a central role in up-skilling and re-skilling the population through the delivery of an economically focussed curriculum from Level 0 - Level 6.

There is a trend of positive feedback from ETI and DfE relating to quality assurance and improvement. In the latest inspections of the College the Education and Training Inspectorate stated that in the professional and technical areas inspected the quality of education and training provided across the College is good. The feedback from the Whole College interim Self Evaluation and Quality Improvement Plan 2022/24 was that the College had 'a high level of capacity for sustained improvement' which following ETI and DFE scrutiny achieved 'Outcome A' On the basis of the information provided, there is sufficient evidence that the College is planning effectively for learning and quality improvement. ETI will continue to monitor how the college brings about improvement which may include Inspection Activity.

The feedback on the QMER process in 2022/23 indicated that the College had a "Satisfactory" grading. The scrutiny inspection of the Self Evaluation Report (SER) process was graded "Confident" (2020/21). The latest quality review carried out by QAA on the HE provision at NWRC resulted in a "Confident" grade. An ETI Review of the Level 3 Provision in the FE Sector commenced in January 2020. The College Level 3 provision was evaluated in February 2020 and received very positive feedback from the ETI during and following their visit. Three other colleges were also evaluated prior to COVID disruption, with two colleges having evaluations postponed until the academic year 2022/23. Each college received an individual Evaluation Report.

The ETI carried out a review of the SEN and/or provision for those with disabilities at FECs and they visited the College from 10th to 12th November 2025. The outcome of the review was very positive. A sector report on the evaluation of the provision is still to be presented. ETI carried out a specialist evaluation of the College Motor Vehicle provision in May 2026.

Name of Inspection	Overall Grade
ETI Inspection Report – Training for Success and Apprenticeships NI provision	Good
ETI Scrutiny Inspection of the Self-Evaluation and Quality Improvement Planning Processes	Confident
QAA – Quality Review Visit	Confident

The College is committed to improving its performance on a continuous and systematic basis. As part of the College quality improvement process each curriculum and support area produces an annual self-evaluation report and action plan.

The Quality and Performance team continue to ensure that relevant policies and procedures for quality assurance and quality improvement continue to be well embedded across the curriculum. NWRC senior staff contributed to the sector discussions on the revised format of the sector Whole College Quality Improvement Plans (WCQIPs) and the improved alignment with the College Development Plans (CDP). The 2025/26 WCQIP was submitted to DfE's Quality Improvement Team in January 2026. There are regular updates presented to the Education Committee and Governing Body as to progress of the WCQIP.

Two ETI evaluations were undertaken at NWRC and across the sector during 2024/25 – on the STEPUP and Traineeship programmes. The feedback from STEPUP was positive with a small number of recommendations for improvement noted. The college feedback from the Traineeship programme as in itself was positive – however, the outcomes of the Essential Skills component of the programme was a concern across the sector. Individual action plans have been collated for improvement. A sector action plan in respect of Traineeship has also been collated for improvement.

A number of internal multidisciplinary committees within the College, chaired by senior staff with cross-college curriculum and corporate staff membership continue to further support quality of provision.

- The Academic Standards Committee
- The Work Based Learning Working Group
- The Essential Skills Working Group
- The Northern Ireland Prison Service Group
- The Community Working Group including StepUp provision
- The Data Management Forum
- The Sustainability Committee
- The Strategic Project Working Group
- Risk Management Working Group
- NWRC Project Board - Foodovation & Skills Centre (Causeway Coast & Glens Council Growth Deal)
- NWRC Strabane Project Board
- Student Finance Working Group

The College curriculum plan is regularly updated to reflect the emphasis of the sector and College on the development and delivery of high quality professional and technical education and training reflecting the ongoing outworking of sector curriculum reform as well as the delivery of funded skills related provision supporting economic growth and recovery.

The change to the QAA Quality Code and Northern Ireland Review Method for Higher Education underpins the importance of quality processes and QAA will continue to support training for all HE teams in preparation for the new cycle of QAA reviews in Northern Ireland.

The Curriculum Leadership team have had an ongoing focus on the utilisation of EBS to provide accurate and timely information relating to student enrolments. New dashboards have been developed to facilitate monitoring of attendance and retention, ultimately for the purpose of identifying and providing targeted student support to improve the learner experience and achievement and success rates.

The College has a good reputation with its students and the student voice is integral to the ethos at the College. Surveys are carried out across Further and Higher Education for both employers and students and feedback is received from a range of stakeholders. Pastoral care is a significant strength within the College and is highlighted as such in the majority of inspection reports and by student feedback.

The 2026 National Student Survey results released in August 2026 show that 83.8% of all relevant HE students that took part in the survey were overall satisfied with the quality of their course and the College. The NI sector outcome was 84.4%. The results of the core questions are set out below:

- 90.1% of students were satisfied with the teaching on their course (NI average 87.1%)
- 89% of students were satisfied with the learning opportunities at NWRC (NI average 85.3%)
- 88.2% of students were satisfied with assessment and feedback (NI average 82.3%)
- 93.2% of students were satisfied with academic support (NI average 90.4%)
- 79.4% of students were satisfied with organisation and management (NI Average 82.8%)
- 92.5% of students were satisfied with learning resources (NI Average 89.9%)
- 82.1% of students were satisfied with student voice (NI average 77.8%)
- 85.3% of students were satisfied with mental wellbeing services (NI Average 86.7%)

The college achieved higher outcomes than the sector average in many of the core questions asked of the students. It should be noted that data was not available from one of the sector colleges that would contribute to the sector average and also QUB and St Mary's University College Belfast that would contribute to the NI average.

A wide range of Learner Services are also available including careers advice and guidance, safeguarding and wellbeing, financial support and mentoring. Learners have the opportunity to participate in Skills Competitions, International exchange programmes and avail of a range of Scholarships.

The College is committed to working with all of its stakeholders to improve the skills mix of the workforce in Northern Ireland and enhance the economic environment.

The overall Internal Audit Annual Report for the College was graded as Good, the highest grade achievable.

Summary of College Highlights for the Eight Months to 31 March 2026:

- The College purchased two new electric vehicles from local supplier Desmond Motors, which form part of the College's wider sustainability strategy to reduce carbon emissions, improve energy efficiency and support Northern Ireland's transition to a greener economy.

- The College held its first ever Ending Violence Against Women and Girls conference at Strand Road campus.

- Representatives from North West Regional College were presented with The Queen Elizabeth Prize for Education at a ceremony at St James's Palace in London where the College's Business Support Centre team was commended for its excellence, innovation and impact, and for delivering real public benefit.

- Woodworking apprentice Sam Haslett from the College's Greystone campus played for the Ireland Under-19 squad at the Cricket World Cup in Namibia.

- Twenty-seven HE students received a prestigious SSE Scholarship to support them in their studies. They are studying across a range of curriculum areas including: Business & Enterprise, Media and Journalism, Art & Design, Computing, Engineering, Science, Performing Arts and Music Production.

- The College became the first Further Education College in Northern Ireland to install the innovative Senso Cube at our Limavady and Strand Road campuses, designed to support the emotional wellbeing of students.

- More than 160 pupils attended NWRC's Foyle Theatre for the TechTides Youth conference, an event to showcase the technological and entrepreneurial opportunities available to our young people.

- Almost 600 students were acknowledged as Graduates from the College's Class of 2025 at our annual Graduation ceremony. The students graduated from courses in Art & Design, Business, Computing, Cyber Security, Built Environment, Engineering, Science, Hairdressing and Beauty Therapy, Early Years, Health & Social Care, Hospitality, Tourism, Sport, Media, Music, and Performing Arts.

- The College received the College of Sanctuary accreditation in recognition of its ongoing commitment to creating a welcoming environment for people seeking sanctuary.

- Level 3 Health and Social Care graduate from Limavady Campus, Jessica Gibson, was awarded the prestigious JP McManus All Ireland Scholarship. Jessica is currently studying Psychology at Ulster University, Coleraine, while also running her own business, A to Z Dog Training, which she hopes to expand further after graduation.

- NWRC part-time lecturer and former student TJ Harvey Kelly won the RTS NI Student Craft Award for Camera at the 2026 Royal Television Society NI Student Television Awards. He was also shortlisted in the Drama category for *Body Of*.

- Signing of the Causeway Coast & Glens Growth Deal in February 2026 at a major event which took place at Main Street, Limavady attended by the First Minister and Deputy First Minister.

Risk Management

The College continues to enhance and embed a robust system of internal control, including financial, operational and risk management processes which is designed at safeguarding the College's assets and reputation. The implementation of the cloud-based risk management software, Insight4GR has streamlined risk oversight, improve decision making and ensures proactive management of potential threats.

The Risk Management Working Group undertakes a comprehensive review of the risks facing the College, identifying key systems, procedures and specific preventive measures aimed at mitigating potential impacts on the College. The internal controls are then implemented with regular appraisals conducted to assess their effectiveness and monitor progress against risk mitigation actions. In addition to such reviews, the Risk Management Working Group also evaluate risks which may arise because of new initiatives or areas of work undertaken by the College. This approach ensures that the College remains vigilant and continuously refining its risk management strategies to safeguard its operations, reputation, and long-term objectives.

A comprehensive risk register is maintained at both College and departmental level, and it is reviewed by the Audit and Risk Committee of the Governing Body. The risk register identifies the College's key risks, assesses the likelihood of each risk occurring, evaluates their potential impact on the College and details the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

The corporate risk register is reviewed internally by the Audit and Risk Committee of the Governing Body.

Main Risks

A summary of the main risks on the Corporate Risk Register as of May 2026 are as follows:

	Title
1	Impact of Reduced Enrolment Numbers
2	Non-Compliance with Relevant Legislation (Equal Opportunities, Data Protection, Health & Safety, Freedom of Information, Consumer Protection Law)
3	The Quality of Curriculum Delivery not meeting required Benchmarks
4	Business Continuity Plan/Disaster Recovery
5	Failure to Maintain Financial Stability
6	Cyber Security
7	Impact of Industrial Action
8	Staffing - Impact of Staff Recruitment, Staff Retention, Pay Levels & Sickness on College Business
9	Inefficient and inappropriate use of Artificial Intelligence (AI)
10	Lack of resources and funding to progress Sustainability/ESG Agenda

Stakeholder Relationships

In line with other Colleges and with Universities, North West Regional College has many stakeholders. These include:

- Students;
- Staff;
- Department for the Economy;
- Other Government departments;
- Local employers;
- Derry City and Strabane District Council;
- Causeway Coast and Glens Borough Council;
- Local Strategy Partnerships;
- Local Enterprise Agencies;
- Other FE Colleges;
- Post-Primary Schools;
- Trade Unions;
- The local community;
- Professional Bodies;
- Invest NI;
- The Open University;
- Ulster University;
- Queen's University Belfast;
- Atlantic Technological University;
- Donegal Education and Training Services;
- North West Tertiary Education Cluster (NWTEC)
- Londonderry Chamber of Commerce
- Causeway Chamber of Commerce
- GEMX
- The Royal Anniversary Trust

The College recognises the importance of these relationships and engages in regular communication with them.

The College considers good communication with its staff to be very important and regular meetings are held. The College encourages staff and student involvement through various means such as membership of the Governing Body.

Disability Statement

The College is committed to the provision of high quality education and training for the community it serves. The College welcomes applications from students with disabilities. All reasonable efforts to meet individual students' needs will be made through teaching support, student services and the learning support service.

In carrying out the principal roles and functions, the College will endeavour to promote equality of opportunity among those with disabilities in accordance with Section 75 of the NI Act 1998. In addition, the College will ensure the obligation in accordance with the Disability Discrimination Act 1995 will be adhered to and reasonable adjustment considered where necessary.

The College also takes account of the Special Educational Needs and Disability Order 2005 (SENDO).

The College has a detailed Disability Action Plan which covers the following areas:

- Encourage students with a disability to participate more fully in college life.
- Increase awareness of specific barriers faced by people with a disability including through linking in with National Awareness days or weeks.
- Promote the use of AccessAble website to encourage participation of prospective students.
- Create an open and inclusive workplace culture which displays respect for those with mental ill health.
- Explore the scope of offering meaningful placements and work shadowing and volunteering for people with a disability.
- Introduce training for front line staff on disability etiquette and relevant legislation dealing with disability and the provision of goods, facilities and services.
- Consider development of a (Sectoral) Disability Advisory Group that could involve staff and students.
- Increase number of students with a disability entering the College.
- Monitor and review the progress of the Disability Action Plan.

The College holds the UK Government's Disability Confident Employer status and, in June 2023, was awarded Employers for Disability NI's Disability Positive AAA Accreditation. This accreditation recognises the College as a Disability Positive Employer and reflects its commitment to promoting disability-inclusive employment practices and embedding best practice in supporting employees with disabilities. The accreditation was awarded for a three-year period, and the College is currently undergoing the re-accreditation process to maintain this recognition.
The College's commitment to equality, diversity and inclusion is further demonstrated through achieving RNIB's Visibly Better Employer Accreditation in January 2024.

Disclosure of Information to Auditors

These accounts are subject to audit by statute by the Comptroller and Auditor General for Northern Ireland.

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.

Personal Data Related Incidents

There were no data related incidents reported to the Information Commissioner's Office (ICO) during the period to 31 March 2026.

Charitable and Taxation Status

The College has charitable status with the HM Revenue and Customs and is not liable to corporation tax.

Charitable/Political Donations

The College made no charitable or political donations during the period.

Professional Advisers

External Auditors:	Comptroller and Auditor General for Northern Ireland Northern Ireland Audit Office 106 University Street Belfast BT7 1EU
Internal Auditors:	Henderson Loggie LLP Unit 8 The Vision Building 20 Green Market Dundee DD1 4QB
Bankers:	Danske Bank Corporate Banking P.O. Box 183 Donegall Square West Belfast BT1 6JS

Members

The members who served the Governing Body during the eight month period to 31 March 2026 were as follows:

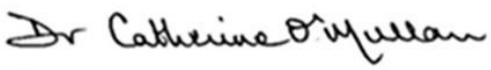
NAME	DATE OF LAST APPOINTMENT / EXTENSION TO APPOINTMENT	TERM OF OFFICE	DATE OF RESIGNATION/ APPOINTMENT ENDED	STATUS OF APPOINTMENT	COMMITTEES SERVED	GOVERNING BODY ATTENDANCE 5 MEETINGS HELD IN 8 MONTHS TO 31/03/2026
Mr P Clancy	16/05/2023	4 years		Member	Education	4(5)
Mrs D Creevy	13/01/2022	4 years	12/01/2026	Member	Resources	2(2)
Mr B Dougherty	28/08/2024	4 years		Co-opted	Audit & Risk, Education	5(5)
Dr S Fisher	13/01/2026	4 years		Member	Education, Resources	3(5)
Mrs M Gormley	13/01/2026	4 years		Member	Audit & Risk, Education	5(5)
Dr K Kennedy	01/07/2022	4 years	18/09/2025	Member	Resources	0(0)
Mr M McCafferty	26/11/2025	*		Student Member	Education	3(3)
Mrs O McEleney	14/05/2025	4 years		Staff Member	Education	5(5)
Ms C McGee	16/09/2025	4 years		Co-opted	Resources	4(5)
Mrs S McMahon	01/07/2023	4 years		Member	Audit & Risk, Education	3(3)
Mr L Murphy	05/05/2014	**		Principal & Chief Exec.	Education, Resources	5(5)
Mr B O'Neill	01/07/2022	4 years		Member	Education, Resources	5(5)
Prof M Ó'Néill	11/06/2025	4 years***		Chair		5(5)
Mrs C Shongo	13/01/2026	4 years		Member	Audit & Risk	5(5)
Mr F Smyth	01/07/2022	4 years		Member	Education, Resources	5(5)
Mr P Thompson	13/01/2026	4 years		Member	Education, Resources	4(5)
Ms V Toland	29/04/2022	4 years		Staff member	Audit & Risk, Education	5(5)

( ) - Number of meetings members eligible to attend
* - Term of Office completes on 30/09/2026 or until the date on which he ceases to be a student at the College, whichever first occurs.
** - The Principal & Chief Executive is a member of the Governing Body while he holds the office of Principal & Chief Executive.
*** - Chair to the Governing Body has been re-appointed for a further four year period.

For and on behalf of the members of the Governing Body



Prof M Ó'Néill **5th November 2026**
Governing Body Chair



Dr C O'Mullan **5th November 2026**
Interim Accounting Officer

Remuneration & Staff Report

Members of the Governing Body

Members of the Governing Body and the Chairperson are appointed in accordance with the Code of Practice of the Office of the Commissioner for Public Appointments for Northern Ireland.

The Members of the Governing Body and the Chairperson are appointed for a fixed period of up to four years. Thereafter they may be re-appointed in accordance with the Code of Practice.

No member of the Governing Body (excluding staff members) receives pension contributions from the College or the Department. The College reimburses the Chairperson and Members of the Governing Body for any incidental expenses incurred for carrying out their duties relevant to the organisation.

The remuneration of Governing Body members (excluding staff members) was first introduced by the Department from 1st January 2016. There are no arrangements in place for the payment of a bonus. The Governing Body are not deemed to be employees of the College and are therefore not eligible to join the pension scheme.

The remuneration of Chairperson and Board members is as follows:

	8 Month Period 2025/26		12 Month Period2024/25	
	Salary and Allowances	Benefits in Kind	Salary and Allowances	Benefits in Kind
	£'000	£'000	£'000	£'000
Prof M Ó Néill	15-20		15-20	
Mrs D Creevy	0-5		0-5	
Dr S Fisher	0-5		0-5	
Mrs M Gormley	0-5		0-5	
Mr K Kennedy	0-5		0-5	
Mr B O'Neill	0-5		0-5	
Mrs C Shongo	0-5		0-5	
Mr F Smyth	0-5		0-5	
Mr P Thompson	0-5		0-5	
Mrs S McMahon	0-5		0-5	
Mr P Clancy	0-5		0-5	
Mr R Godfrey	0-5		0-5	
Mr B Dougherty	0-5		0-5	
Ms C McGee	0-5		0-5	
Mr M McCafferty	0-5		0-5	

The Principal & Chief Executive and Directors

The Principal & Chief Executive and the Directors' appointments are made in accordance with College's recruitment policy. The policy requires appointments to be made on merit on the basis of fair and open competition.

The Principal & Chief Executive and Directors hold permanent appointments. The Policy relating to notice periods is contained in the College's Staff Handbook.

Minimum pay levels

Minimum pay levels are dependent on College size and vary across the sector.

Progression

There is no incremental progression for the Principal & Chief Executive as he is paid on a one-point scale according to college size. However, if the College size increases, he will automatically move to a new salary point.

At initial appointment, the Directors are normally placed on the bottom point of the four-point scale relevant to the size of their college. Thereafter, there is annual incremental progression up the scale until the maximum of the scale is reached. A common incremental date of September is used for all Directors. If the College increases in size a Director will automatically move to the new relevant salary scale.

Performance Pay

There is no performance pay or related scheme for the Principal & Chief Executive or any Director.

Total reward package

The Principal & Chief Executive and Directors within Colleges have access to either the Northern Ireland Teachers' Pension Scheme (NITPS), National Employment Savings Trust (NEST) or Northern Ireland Local Government Officers' Superannuation Scheme (NILGOSC).

Directors' posts are based on 36 hours per week and post holders have access to the Colleges' Maternity Leave Scheme, Paternity Leave Scheme, Adoption Leave Scheme and Flexible Working arrangements.

All Senior Staff have 35 days holiday entitlement, and a further twelve statutory and public holidays as recognised by the sector.

Service contracts

College appointments are made on merit on the basis of fair and open competition. Unless otherwise stated, the officials covered by this report hold appointments which are open ended. Early termination, other than for misconduct, would result in the individual being entitled to receive compensation.

Salary and pension entitlements

The following sections provide details of the remuneration and pension interests of the most senior management of the College.

Remuneration (Audited)

	8 Month Period 2025/26				2024/25			
Senior Management	Salary including back pay £'000	Benefits in kind £	Pension benefits £'000*	Total £'000	Salary including back pay £'000	Benefits in kind £	Pension benefits £'000	Total £'000
Mr L Murphy Principal & Chief Executive	85-90	Nil	25	110-115	140-145	Nil	41	180-185
Mr P McKeown Finance Director	60-65	Nil	12	75-80	100-105	Nil	20	120-125
Dr C O'Mullan Director of Curriculum & Academic Standards	60-65	Nil	1	60-65	110-115	Nil	1	110-115

No member of the Directorate received bonuses, overtime, recruitment and retention allowances, private office allowances and any other allowance to the extent that it is subject to UK taxation.

*The pension benefit figures shown are not cash payments or actual costs to the College. They are a notional value calculated under the rules of the pension scheme and are influenced by factors such as each individual's length of service and pensionable pay. The value of pension benefits accrued during the eight month period is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

Salary

'Salary' includes gross salary; performance pay or bonuses; overtime; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument. No senior staff received any benefits in kind for the period ended 31 March 2026.

Fair Pay Disclosures - Pay Ratios (Audited)

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid Director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce.

The banded salary of the highest-paid director in NWRC in the financial period 2025/26 was £130-135k (2024/25: £130-135K). To ensure comparability, this banded figure does not include arrears paid or accrued amounts and therefore differs from the salary band shown on page 34.

The relationship between the mid-point of this band and the remuneration of the organisation's workforce is disclosed below:

2025/2026 (8 Months)	25th percentile	Median	75th percentile
Total Remuneration (£)	26,824	32,600	47,985
Pay Ratio	4.9:1	4.0:1	2.8:1

2024/25	25th percentile	Median	75th percentile
Total Remuneration (£)	28,123	33,301	44,711
Pay Ratio	4.7:1	4.0:1	3.0:1

Total remuneration includes salary and any benefits-in-kind. It does not include severance/redundancy payments, employer pension contributions, payments in respect of unused annual leave, accrued payments, nor the cash equivalent transfer value of pensions.

Remuneration ranged from £20k-£25k to £130k-£135k (2024-25: £20k-£25k to £130k-£135k).

Percentage Change in Remuneration (Audited)

Reporting bodies are required to disclose the percentage change from the previous financial year in the: (i) salary and allowances, (ii) performance pay and bonuses, of the highest paid director and of the employees as a whole.

The percentage changes in respect of NWRC are shown in the table below. It should be noted that the calculation of the highest paid director is based on the mid-point of the band within which their remuneration fell each year.

Percentage change for:	2025/26 compared to 2024/25
Average employee salary and allowances	0.59%
Highest paid director's salary and allowances	0.00%

The following pay awards were applied in the eight month period:

Further Education Lecturers' Pay (Lecturer's Contract of Employment)

The rates of salaries for Lecturers in Colleges of Further Education from **1 September 2024** and **1 September 2025** were published on 24 July 2025.

The following changes were determined and are applied from 1 September 2024:

- 5.5% increase on each salary scale point relating to Lecturer's Contract of Employment (i.e. Associate Lecturers, Full-Time Lecturers, Principal Lecturers and Heads of Department) and Part-time Hourly Paid Lecturers.

- 5.5% increase to allowances i.e. Threshold, Deane, Responsibility and Re-organisation) relating to Lecturer's Contract of Employment (i.e. Associate Lecturers, Full-Time Lecturers, Principal Lecturers and Heads of Department).

The following changes were determined and are applied from 1 September 2025:

- 3% increase on each salary scale point relating to Lecturer's Contract of Employment (i.e. Associate Lecturers, Full-Time Lecturers, Principal Lecturers and Heads of Department) and Part-time Hourly Paid Lecturers.

- 3% increase to allowances i.e. Threshold, Deane, Responsibility and Re-Organisation – relating to Lecturer's Contract of Employment (i.e. Associate Lecturers, Full-time Lecturers, Principal Lecturers and Heads of DEpartment).

Further Education Non-Teaching Staff Negotiating Committee (Non-Teaching Contract of Employment)

In November 2025, in accordance with the provisions of Article 11, Schedule 3, paragraph 10.3 of the Further Education (Northern Ireland) Order 1997 and the Constitution for Negotiating the Terms, Conditions of Service and Remuneration of Non-Teaching Staff Employed in Incorporated Colleges of Further Education, the following change was determined and applied from April 2025:

- 3.2% increase applied to all salary scale points and related NJC allowances.

Further Education Principals' and Deputy Directors' Pay Award

The rates of salaries for Senior Staff in Colleges of Further Education from 1 September 2024 are being accrued at 5.5% and from 1 September 2025 are being accrued at 3% until approval to pay has been granted.

Pension Entitlements (Audited) – To be updated

Senior Management	Accrued pension at pension age as at 31/03/26 and related lump sum £'000	Real increase in pension and related lump sum at pension age £'000	CETV at 31/03/26 £'000	CETV at 31/07/25 £'000	Real increase in CETV £'000
Mr L Murphy, Principal & Chief Executive	65-70 Plus lump sum of 165-170	0-5 Plus lump sum of 0-5	1,557	1,536 (restated)	21
Mr P McKeown, Finance Director	45-50 Plus lump sum of 43-44	0-5 Plus lump sum of 0-5	915	880	5
Dr C O'Mullan, Director of Curriculum & Academic Standards	0-5 Plus lump sum of 0	0-5 Plus lump sum of 0	35	20	16

Pension arrangements

Northern Ireland Teachers' Pension Scheme

Pension benefits may be provided through the Northern Ireland Teacher's Pension Scheme which is administered by the Teachers' Pension Team within the Department of Education. The Scheme is funded by contributions made by both employees and employers. See detail of contributions at www.education-ni.gov.uk .

The pension scheme, from 1 April 2015, operates as a Career Average Revalued Earnings (CARE) and all new entrants joining the scheme on or after 1 April 2015 have their benefits calculated using career average arrangements only. CARE schemes accumulate pension based on a fraction of pensionable earnings each year – for NITPS this is 1/57th.

Existing scheme members, on 1 April 2015, who satisfied certain criteria (generally members within 10 years of their normal pension age) remained in the existing final salary arrangements, whilst others started to have their benefits calculated using a combination of career average and final salary arrangements.

In 2018, the UK Court of Appeal found that transitional protections put in place in 2015, that allowed older workers to remain in their original scheme, were discriminatory on the basis of age (**McCloud Judgement**).

The NITPS has now made regulations which remedy the discrimination by:

- prospective remedy: all active members of the NITPS becoming members of the 2015 reformed scheme (career average) from 1 April 2022, irrespective of age; and

- retrospective remedy: providing each eligible member with options to have their pension entitlements for the period when the discrimination existed between 1 April 2015 and 31 March 2022 (the remedy period) retrospectively calculated under either the current (2015 reformed) scheme rules, or the legacy scheme (final salary) rules which existed before 2015.

This means that all active NITPS Pension Scheme members are in the same pension scheme, CARE, from 1 April 2022 onwards, regardless of age. This removes the discrimination going forward in providing equal pension provision for all scheme members.

The NITPS is implementing the second part of the remedy, which addresses the discrimination which was incurred by affected members between 1 April 2015 and 31 March 2022.

Eligible members with relevant service between 1 April 2015 and 31 March 2022 (the Remedy Period) will now be entitled to a choice of alternative pension benefits in relation to that period i.e. calculated under legacy rules or alternatively calculated under CARE scheme rules. As part of this retrospective remedy most active members will now receive a choice about their remedy period benefits at the point of retirement. This is known as the Deferred Choice Underpin (DCU). For those members who already have pension benefits in payment in relation to the Remedy Period, an Immediate Choice will have been issued directly from NITPS.

At this stage, allowance has not yet been made within CETVs for this remedy. Further information on the remedy can be found at Retrospective Remedy Consultation | Department of Education (education-ni.gov.uk).

Employee contribution rates for all members for the period covering 1 August 2025 to 31 March 2026 are as follows:

Actual annual pensionable earnings From 1 April 2025	Member Contribution Rate
Up to £34,872.99	7.40%
£34,873.00 to £46,943.99	8.87%
£46,944.00 to £55,660.99	9.90%
£55,661.00 to £73,768.99	10.52%
£73,769.00 to £100,590.99	11.65%
£100,591 and above	12.06%

Local Government Pension Scheme (Northern Ireland)

Pension benefits may be provided through the Local Government Pension Scheme (Northern Ireland) (LGPS (NI)) which is administered by the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC).

The pension scheme operates as a Career Average Scheme where a member builds up retirement pension at the rate of 1/49th pensionable pay for each year.

The LGPS (Northern Ireland) changed from a Final Salary Scheme to a Career Average Scheme on 1 April 2015. Members who joined the Scheme before 1 April 2015 have built up benefits in the final salary scheme. For members between 1 April 2009 and 31 March 2015, pension benefits were built up at the rate of 1/60th pensionable pay for each year of membership. Pension benefits in relation to any membership before 1 April 2009 were build up at the rate of 1/80th (pension) and 3/80ths (tax free lump sum) of pensionable pay for each year of membership up to 31 March 2009. There is no automatic lump sum provided in respect of membership after 31 March 2009. At retirement, members may give up some pension for additional lump sum, subject to HM Revenue and Customs (HMRC) limits.

Under the initial scheme reform on 1 April 2025, existing scheme members who were closer to retirement were protected from the changes of LGPS (NI) moving from a final salary scheme to a career average scheme. Subsequently, the **McCloud Judgement** ruled that this protection was discriminatory on the basis of age. The LGPS (NI) has enacted regulations to remedy this discrimination (the '**McCloud Remedy'**).

The McCloud Remedy gives backdated protections for eligible members who were impacted by the discrimination. This means that when a member takes their pension, NILGOSC will compare the pension built up from 1 April 2015 to 31 March 2022 in the career average scheme with the pension that could have been built up had the final salary scheme continued – if the final salary pension would have been higher, the difference will be added to the member's pension. This addition is called the 'statutory underpin' and applies during the remedy period (1 April 2015 to 31 March 2022).

This removes the discrimination in providing equal pension provision for all scheme members.

Since October 2023, NILGOSC has been implementing this remedy. Members with pension benefits in payment (pre 1 October 2023) have been rectified, and eligible members reaching retirement who have an underpin addition to their pension receive this in their benefits. For a small remaining minority of members, NILGOSC is awaiting final guidance in order to calculate a McCloud underpin. These rectifications will take place in due course, with arrears payable as required.

Further information on the NILGOSC remedy can be found at The McCloud Remedy - NILGOSC.

Employee contribution rates for all members for the period covering 1 April 2025 to 31 March 2026 are as follows:

Pensionable Pay From 1 April 2025	Member Contribution Rate
£0 to £18,300	5.5%
£18,301 to £28,100	5.8%
£28,101 to £47,000	6.5%
£47,001 to £57,200	6.8%
£57,201 to £113,500	8.5%
More than £113,500	10.5%

The LGPS (NI) also offers a 50/50 section whereby members can pay half the contribution rate shown in the table above, and build up half the amount of pension.

NEST

National Employment Savings Trust (NEST) is a defined contribution workplace pension scheme which was set up to facilitate Automatic Enrolment as part of the workplace pension reforms under the Pensions Act 2008. The NEST Scheme is run by NEST Corporation which is a non-departmental public body that is accountable to Parliament through the Department for Work & Pensions.

There have been no enhanced pension benefits paid to any senior post holders in the College.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The CETV figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NITPS or NILGOSC pension arrangements and for which the Fund has received a transfer payment commensurate with the additional pension liabilities being assumed. They also include any additional benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost.

CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2015 and do not take account of any actual or potential reduction to

benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.
The Lifetime Allowance ended in April 2024 and is replaced by the Lump Sum Allowance and The Lump Sum and Death Benefit Allowance.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period (which therefore disregards the effect of any changes in factors).

Enhanced Pensions

There are currently no enhanced pensions payable to any former member of staff.

Compensation for loss of office

There were no payments relating to compensation for loss of office in the eight month period 2025-26.

Exit Package Costs (Audited)

There were no exit packages paid in the eight month period 2025-26.

Staff Report (Audited Information)

Staff costs and average numbers of staff employed by the College during the period are disclosed in Note 6 to the Financial Statements.

The College employed 1 member of Agency staff during the period**.**

Staff Costs for Persons Employed by the College

Staff Costs	8 Month Period 2025/26	2024/25
	£'000	£'000
Wages and salaries	17,008	23,009
Social security costs	2,057	2,503
Movement in Pension	(290)	(90)
Other pension costs	3,773	5,207
Apprenticeship Levy	71	96
Total	**22,619**	**30,725**

For further details on employer contributions, please refer to Note 19, which provides comprehensive information regarding the contributions made by the College to the pension schemes.

College staff members are part of the same pension schemes as those applicable to senior management. These schemes are described in detail on Note 19.

The College is compliant with the approved pay remit for the period and no staff costs have been capitalised.

Staff Composition

Based on the Quarterly Business Survey (NIRSA) the total number of staff contracted as at March 2026 was 752 split as follows:

Male: 299 – 40%
Female: 453 – 60%

Sickness/Absence Data

The sickness/absence data for the period ended 31 March 2026 is shown in the table below:

Sickness/Absence Data	8 Month Period 2025/26	2024-25
No of days absent	6,344	7,792
Time Lost	6.4%	4.7%
Average Day Lost per employee	8 days	11 days (restated)

Staff Turnover

Staff turnover (excluding Part Time Lecturers) for the period 1 August 2025 to 31 March 2026 (8 months) was 1.5% (2024/25 (12 months): 7.2%).

Temporary Agency Staff

The College have paid temporary agency staff during the period totalling £2k (2024/25: £3k) and no payments have been made to consultants during the period.

Off Payroll Engagements

The College had 1 off-payroll engagements during the period totalling £300. The off payroll working rules (IR35) were applied to this engagement.

Consultancy

The College had no consultancy engagements in the 8 month period to 31 March 2026.

Equality of Opportunity and Employment of Disabled Persons

By virtue of Section 75 of the Northern Ireland Act 1998 the North West Regional College in carrying out all its functions, powers and duties and is required to have due regard to the need to promote equality of opportunity:

a) between persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation;
b) between men and women generally;
c) between persons with a disability and persons without; and
d) between persons with dependants and persons without.

Without prejudice to its obligations above, the College has, in carrying out its functions, had regard to the desirability of promoting good relations between persons of different religious belief, political opinion or racial group. The College has included the promotion of good relations as part of the corporate planning process.

The College is committed to the fulfilment of its Section 75 obligations in all parts of its organisation. The College is committed to allocating necessary resources to ensure that the statutory duties are complied with and that the measures within the Equality Scheme to promote equality of opportunity are implemented effectively and on time.

Staff Development 2025/26

The College is a learning organisation and is committed to learning and development for all staff. This contributes to high standards of work performance, enables the sharing of ideas and the dissemination of good practice, builds strong and effective teams, encourages professional development and results in continuous improvement in the quality of services to our students and stakeholders.

During 2025/26 (up to 31 March 26), 85% of staff attended at least one staff development activity throughout the period. Both academic staff and support staff attended events.

During 2025/26 (up to 31 March 2026) , the College supported 15 employees in completing their Certificate in Teaching (CIT) and a further 9 employees in completing their Postgraduate Certificate in Further Education (PGCEFE). While official results have yet to be confirmed with Ulster University, the College anticipates a successful completion rate of 100% for both courses.

To support staff development for HE provisions, the College encouraged staff to apply for Fellowship with the 'Fellowship and Institutional Membership of the Higher Education Academy (Advance HE). The membership offers learning and development opportunities for teaching staff, which can lead to Fellowship of the HEA (Advance HE). In September 2025 10 staff were accepted to complete the Fellowship Programme – 1 Principal Fellow; 2 Senior Fellows and 7 Fellows.

The Learning & Teaching Team offered courses as below:

- L3 TAQA Assessors Award (41 registered)
- L4 TAQA IV Award (11 registered)

Led by Thomas Moore, the TELs Team facilitated multiple workshops recognising the influence of changing technologies. The use of AI was a big focus for the 2025/26 year.

- Support Staff Hackathon in January 2026 (40 in attendance)
- Weekly Co-Pilot and other TEL Workshops (Approx 200 attendances to date)

Mandatory training is delivered across the College in the following areas:

- Cyber Security
- Diversity & Inclusion
- GDPR
- Health & Safety
- Safeguarding
- Special Educational Needs & Disability Order (SENDO)

A new Fraud Awareness module was launched in September 2025. Staff required to complete were contacted via email.

The College continue to use the Safetyhub platform to support the delivery of Health & Safety related training course such as Chemical Spills and Manual Handling. Training can be assigned to individuals or Departments where applicable. There have been over 20 individual completions to date since August 2025.

Consultation/Relationship with Recognised Trade Unions

During the year the College met with both Academic and Support staff trade unions, namely UCU and NIPSA. The College recognises the importance of consultation with Trade Union colleagues to ensure good relations across the College.

The Assembly Accountability Disclosure Note provides our disclosure requirements under Managing Public Money NI:

Losses and Special Payments (Audited Information)

The College is required by Managing Public Money NI (MPMNI) to provide a losses statement where total losses exceed £300,000.

The College did not incur losses exceeding £300,000.

Refer to Note 24 in the accounts for further details.

Remote Contingent Liabilities (Audited information)

Remote Contingent Liabilities are not required to be disclosed under Financial Reporting Standard in the UL and Republic of Ireland (FRS 102, Section 21), since the possibility of any outflow of resources in settlement is remote.

Remote Contingent Liabilities are included in this report for Assembly accountability purposes.

There are no remote contingent liabilities that require disclosure at 31 March 2026.

NORTH WEST REGIONAL COLLEGE
STATEMENT OF THE RESPONSIBILITIES OF THE ACCOUNTING OFFICER & GOVERNING BODY
FOR THE EIGHT MONTH PERIOD ENDING 31 MARCH 2026

Statement of the Responsibilities of the Accounting Officer & Governing Body

Under the Further Education (NI) Order 1997 ('the Order'), the Department for the Economy (DfE) (with approval from Department of Finance (DoF)), has directed the Governing Body to prepare, for each financial year, a statement of accounts detailing the resources acquired, held or disposed of, and the use of resources, during the year by North West Regional College.

The Department for the Economy, through the enabling power under Article 19(7), amended the Order to change the financial year of the NI Further Education Colleges. Article 3 of The Further Education (Amendment) Order (Northern Ireland) 2026 amended Article 19(6) to change the ending of the financial year from the period of 12 months ending on 31 July to the period of 12 months ending on 31 March. Article 4 of the Amendment Order provides the transitional provisions for the requirements where the period starting on 1 August 2025 for a statement of accounts required under Article 19 of the 1997 Order ends on 31 March 2026 (and any annual amounts in the statement of accounts are to be pro-rated accordingly).

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of North West Regional College and of its income and expenditure, Statement of Financial Position and cash flows for the 8 month financial period ending on 31 March 2026.

In preparing the financial statements the Accounting Officer, on behalf of the Governing Body, is required to:

- observe the Accounts Direction issued by DfE with the approval of the DoF, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the College will continue in operation; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced, and understandable and take personal responsibility for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced, and understandable.

The Governing Body is also required to prepare a Strategic Report which describes what it is trying to do and how it is going about it, including the legal and administrative status of the College.

In addition, the Governing Body is responsible for securing the efficient and effective management of the College and ensuring that the College provides suitable and efficient further education.

The Accounting Officer of DfE has designated the Principal & Chief Executive as the Accounting Officer of the College.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the College's assets, are set out in Managing Public Money Northern Ireland (MPMNI) published by the Department of Finance.

As Accounting Officer, on behalf of the Governing Body, I have taken all steps that I ought to have taken to make myself aware of any relevant audit information and to establish that North West Regional College auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

Approved by order of the Governing Body members on 5th November 2026 and signed on its behalf by:



Prof M Ó'Néill
Chair of Governing Body

Statement of Corporate Governance and Internal Control

The following statement is given to assist readers of the financial statements to obtain an understanding of the Governance procedures applied by the Governing Body of the College.

The College is an incorporated body established under the Further Education (Northern Ireland) Order 1997. Like most public bodies it operates within a strong framework of regulation. Not only does the College comply with all mandatory requirements but it also strives to operate that guidance which represents best practice.

SUMMARY OF THE COLLEGE'S STRUCTURE OF CORPORATE GOVERNANCE

Governing Body

The College's Governing Body is comprised of members appointed by the Minister for the Department for the Economy, staff and students of the College, the Principal & Chief Executive and members co-opted by the Governing Body. The role of the Chair of the Governing Body is separate from the role of the College Principal & Chief Executive. The Governing Body is responsible for the on-going strategic direction of the College whilst the Executive Officers are responsible for the operational management of the College. The Governing Body approves all major developments and receives regular reports on the activities of the College. The Governing Body met five times during the eight months from 1 August 2025 – 31 March 2026. The Governing Body is supported by three Committees; an Audit and Risk Committee, an Education Committee and a Resources Committee. All of these Committees are formally constituted with Terms of Reference and comprise mainly of members of the Governing Body.

At present the Board receives standing information for each meeting on key areas such as Education, Finance, Human Resources and Performance. Briefing papers on other material issues are provided as they arise. The College aims to have all papers issued a week in advance of any Board meeting to allow members to review and where appropriate, to raise questions in advance. The relevant business area can then be requested to attend, support discussions or be required to produce more detailed information in advance of the meeting.

All statistical and financial information is provided by professional qualified teams within the College. For example, all financial information is prepared and provided by the College Accountant, Head of Finance and the Finance Director and is in accordance with the Partnership Agreement, Managing Public Money NI and relevant guidance from the Department for the Economy and the Department of Finance. Accordingly, the Board considers that it can take assurance as to the quality of the data it uses to inform decision making.

Full Minutes of Governing Body meetings are available from the Governance Secretary or on the College website. The Governance Secretary maintains a register of financial and personal interests of the Governing Body members and this is available for inspection.

Governing Body Evaluation

I consider that the Governing Body operated effectively for the eight months from 1 August 2025 – 31 March 2026, fulfilling its role as set out above.

A Governing Body Self-Assessment facilitated by the FE Corporate Governance & Accountability Branch of the Department for the Economy for the year 1 August 2025 to 31 July 2026 will be undertaken. The outcome of the 2024/25 assessment provided the Governing

Body with an opportunity to obtain feedback on how they operate, as well as benchmark themselves against other Governing Bodies in the Sector. In summary, the outcome for 2024/25 evaluation was favourable and demonstrated that the Governing Body operated effectively and that sound processes were in place to ensure robust monitoring of the North West Regional College and its performance. The percentage of respondents who agreed/strongly agreed with each of the themes within the questionnaire all achieving 100%.

Audit and Risk Committee

The Audit and Risk Committee is responsible for reviewing the effectiveness of the College's accounting procedures and systems of internal control. It provides a channel of communication from the College's auditors, which is not controlled by College management. It also must satisfy itself that adequate arrangements are in place to promote economy, efficiency and effectiveness. The Committee met three times for the eight months from 1 August 2025 – 31 March 2026 to discuss reports from the External and Internal Auditors and the relevant responses. It also receives and considers reports from the DfE. It reviews the College's annual Financial Statements to ensure compliance with legislation and accounting standards. Whilst Executive Officers and other officials attend meetings of the Audit and Risk Committee as necessary, they are not members of the Committee. The Committee can meet with auditors on their own for independent discussions. The Chair of the Committee provides a report of Committee meetings to the Governing Body in support of the Minutes which are formally adopted by the Governing Body. It has formally agreed Terms of Reference, which are reviewed on an annual basis.

Education Committee

The Education Committee is responsible for overseeing the curricular provision of the College, especially the nature, quality and performance of the provision and the extent to which it meets the socio-economic needs of the community the College seeks to serve. The Committee also monitors the standard of education and training provision by reviewing KPIs along with the Whole College Self-Evaluation and Quality Improvement Plans. The Committee receives regular reports on safeguarding, equality and social impact. The Committee has formally agreed Terms of Reference which are reviewed on an annual basis. The Chair of the Committee provides a report of Committee meetings to the Governing Body in support of the Minutes, which are formally adopted by the Governing Body. The Committee met three times for the eight month period from 1 August 2025 to 31 March 2026.

Resources Committee

This Committee inter alia supervises all matters relating to the finance and accounts of the College and the receipt of its income and the expenditure. It also supervises matters of estates. The Committee is responsible for dealing with issues in relation to the recruitment, appointment, promotion and grading of all staff, other than senior staff. It monitors the provision of HR Services. The Committee receives regular reports to assess and ensure compliance with legislation. The Committee receives reports in relation to equality and data protection. The Committee has formally agreed Terms of Reference, which are reviewed on an annual basis. The Chair of the Committee provides a report of Committee meetings to the Governing Body in support of the Minutes which are formally adopted by the Governing Body. The Committee met three times for the eight month period from 1 August 2025 to 31 March 2026.

For Membership and Attendance of Committees see table on page 30.

Senior Management Team

The Principal & Chief Executive is invited to all Governing Body meetings and sub-committee meetings. The Finance Director is invited to all Governing Body, Audit & Risk Committee and Resources Committee meetings. The Director of Curriculum & Academic Standards is invited to attend Governing Body and Education Committee meetings.
The Head of HR is invited to attend the reporting of the Resources Committee – Staffing Business section of the Governing Body and Resources Committee meetings. The Head of Client Services in invited to attend the Education & Resources Committee meetings and the Governing Body meetings for the Education and Resources Committee Reports.

The Governing Body are satisfied with the quality and content of the information provided by management.

External Audit

The Comptroller and Auditor General has statutory responsibility for the audit of North West Regional College under the Further Education (NI) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (NI) 2008.

The Northern Ireland Audit Office is independent of Government and is tasked by the Assembly to hold the Northern Ireland Departments and their Agencies to account for their use of public money.

The Comptroller and Auditor General work closely with the Assembly's Public Accounts Committee which can require Accounting Officers and senior officials to account for their actions in relation to the management of public funds.

A representative from the External Auditors is invited to the North West Regional College's Audit and Risk Committee meetings.

Internal Control Processes

As Accounting Officer of the North West Regional College, I have responsibility for maintaining a sound system of internal control that supports the College's aims and objectives, while safeguarding the public funds and College assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money Northern Ireland.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify the risks to the achievement of College policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. The system of internal control has been in place for the period ended 31 March 2026 and up to the date of approval of the annual report and accords with Department of Finance guidance. I have fully embedded the processes which the Department for the Economy has agreed should be established and confirmed their robustness.

I have implemented appropriate procedures to ensure that I have identified the College's objectives and risks and determined a control strategy for each of the significant risks. As a result, risk ownership is allocated to the appropriate staff and the College has set out its attitude to risk to the achievement of the College objectives. Staff are trained and equipped to manage risk in a way appropriate to their authorities and duties. I am not aware of any lapses of security during the period.

The College receives periodic reports concerning internal control and steps are taken to manage risks in significant areas of responsibility and monitor progress on key projects. The Audit & Risk Committee has lead responsibility for the periodic review of the risk framework and other records of risk. Management of risk categories has been allocated appropriately within the College. Any revision to the framework is discussed within the Audit & Risk Committee and recommended to the Governing Body. The Audit & Risk Committee reviews the Final Reports and Accounts and the ensuing Report to Those Charged with Governance.

The College maintains registers for related party transactions in order to ensure opportunities for conflicts of interest are avoided. These registers are maintained centrally and updated regularly and includes all members of the Governing Body, the Senior Management Team and middle management.

The College has appropriate Raising Concerns and Fraud Policies in place which are reviewed and updated periodically. The College also participates in the biennial National Fraud Initiative (NFI) exercise.

Procedures are in place for verifying that aspects of risk management and internal controls are regularly reviewed and reported on. Risks are fully reviewed three times per year and individual risk scores may change. As at March 2026 there were ten Corporate Risks. One risk was severe – 'Failure to maintain financial stability'. Three risks were high – 'Cyber Security', 'Inefficient and inappropriate use of Artificial Intelligence' and the 'Lack of resources and funding to progress Sustainability/ESG agenda'.

Risks are reported to and discussed at the Audit & Risk Committee of the Governing Body. Risk management has been incorporated fully into the corporate planning and decision making processes of the College. The appropriate steps have been taken to manage risks in significant areas of responsibility and progress on key projects has been monitored.

In addition to the actions mentioned above, in the coming year the College plans to:

- regularly review and update the record of risks facing the organisation;
- maintain the system of key performance and risk indicators; and
- maintain the organisation-wide risk register.

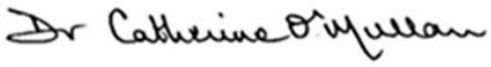
The College has an internal audit service, the work of which concentrates on areas of key activities determined by an analysis of the areas of greatest risk and in accordance with the annual Internal Audit Plan approved by the Governing Body. The Internal Auditors report to the Accounting Officer and to the Audit and Risk Committee on a regular basis and have direct access to the Governing Body and to the Chair of the Audit and Risk Committee.

NORTH WEST REGIONAL COLLEGE
STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL
FOR THE EIGHT MONTH PERIOD ENDING 31 MARCH 2026

The College's Internal Auditors have reported that based on the Internal Audit work which they have performed during the period, for the 8 months from 1 August 2025 to 31 March 2026, the Internal Audit Opinion for North West Regional College is that the College has adequate and effective arrangements for risk management control and governance.

Assignment	Assurance Rating
Risk Management	Good
Data Protection	Good
Climate Change(Sustainability)	Good
Assurance on College Performance Data (Mandatory DfE Review)	Good

It is my view as the Accounting Officer that the College has an effective risk management process in place and that the Corporate Risk Register is being managed on an active basis with specific action plans in place to address all risks. The review of the effectiveness of the system of internal control is also informed by the work of the senior officers within the College, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the External Auditors in their Report to those Charged with Governance. As a result of my overall review of the effectiveness of the system of internal control, including risk management, I am content that no significant weaknesses have been identified. This has been confirmed by the Internal Auditors in their Annual Statement of Assurance.



Dr C O'Mullan **5th November 2026**
Interim Accounting Officer

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY

Opinion on financial statements

I certify that I have audited the financial statements of the North West Regional College for the period ended 31 March 2026 under the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008. The financial statements comprise: the Statement of Comprehensive Income, Statement of Changes in Reserves, Balance Sheet, Statement of Cash Flows and the related notes including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom accounting standards including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

I have also audited the information in the Remuneration Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of the North West Regional College's affairs as at 31 March 2026 and of its deficit in the period then ended;

- have been prepared in accordance with the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008 and the Department for the Economy directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects the income and expenditure recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

My staff and I are independent of the North West Regional College in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the North West Regional College's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the North West Regional 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.

The going concern basis of accounting for the North West Regional College is adopted in consideration of the requirements set out in the Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

My responsibilities and the responsibilities of the Accounting Officer and Governing Body 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 other than the financial statements, the parts of the Remuneration Report described in that report as having been audited and my audit certificate and report thereon. The Accounting Officer and Governing Body are responsible for the other information reported in the annual report. My opinion on financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

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

I have nothing to report in this regard.

Opinion on other matters

In light of the knowledge and understanding of the North West Regional College and its environment obtained in the course of the audit, I have not identified material misstatements in the Strategic Report, Remuneration and Staff Report, Statement of the Responsibilities of the Accounting Officer and the Governing Body and Statement of Corporate Governance and Internal Control.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Remuneration Report to be audited have been properly prepared in accordance with Department for the Economy directions made under the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008; and

- the information given in the Strategic Report, Remuneration and Staff Report, Statement of the Responsibilities of the Accounting Officer and the Governing Body and Statement of Corporate Governance and Internal Control for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or

- the financial statements and the parts of the Remuneration Report to be audited are not in agreement with the accounting records; or

- certain disclosures of remuneration specified by the Government Financial Report Manual are not made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns;

- I have not received all of the information and explanations I require for my audit; or

- the Statement of Corporate Governance and Internal Control does not reflect compliance with the Department of Finance's guidance.

Responsibilities of the Accounting Officer and Governing Body

As explained more fully in the Statement of Responsibilities of the Accounting Officer and Governing Body, the Accounting Officer and Governing Body are responsible for:

- maintaining proper accounting records;

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;

- ensuring the annual report, which includes the Remunerations and Staff Report, is prepared in accordance with the applicable financial reporting framework;

- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;

- assessing the North West Regional 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 Accounting Officer anticipates that the services provided by the North West Regional College will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My objectives are to audit, certify and report on the financial statements in accordance with the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008.

My 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 a certificate that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the North West Regional College through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008;

- making enquiries of management and those charged with governance on the North West Regional College's compliance with laws and regulations;

- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;

- completing risk assessment procedures to assess the susceptibility of the North West Regional College's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the posting of unusual journals;

- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;

- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;
- addressing the risk of fraud as a result of management override of controls by:
    - performing analytical procedures to identify unusual or unexpected relationships or movements;
    - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
    - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
    - investigating significant or unusual transactions made outside of the normal course of business; and

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

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Report

I have no observations to make on these financial statements.



Dorinnia Carville
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
BELFAST
BT7 1EU

9 November 2026

NORTH WEST REGIONAL COLLEGE
STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE
FOR THE EIGHT MONTH PERIOD ENDING 31 MARCH 2026

Statement of Comprehensive Income and Expenditure

	Notes	8 Month Period to 31 March 2026	12 Month Period to 31 July 2025
Income		£'000	£'000
Department for the Economy Grants	1	28,430	41,909
Education contracts	2	1,346	2,390
Tuition fees and charges	3	1,273	1,795
Other grant income	4	1,005	1,294
Other operating income	5	1,707	2,236
Interest receivable		118	227
Total Income		33,879	49,851
Expenditure			
Staff costs	6	22,619	30,725
Other operating expenses	8	9,103	12,866
Depreciation and amortisation	11 & 12	3,065	4,605
Interest and other finance costs	9	113	63
Total Expenditure		34,900	48,259
Surplus/(deficit)before other gains/losses and exceptional items		(1,021)	1,592
Exceptional holiday pay provision	17	-	(12)
Surplus/(Deficit) before tax		(1,021)	1,580
Taxation	10	-	-
Surplus/(Deficit) for the year		(1,021)	1,580
Unrealised surplus on revaluation of Land & Buildings	11	1,624	1,995
Irrecoverable surplus on pension scheme		(2,945)	(5,716)
Actuarial gain/(loss) in respect of pension scheme	19	2,655	5,626
Total comprehensive income for the year		313	3,485
Represented by:			
Unrestricted comprehensive income for the year		(138)	3,251
Pension Reserve comprehensive income for the year		-	-
Revaluation Reserve Comprehensive income for year		451	234
		313	3,485

All amounts above relate to the continuing operations of the College.

The accompanying accounting policies and notes form an integral part of these financial statements.

NORTH WEST REGIONAL COLLEGE
STATEMENT OF CHANGES IN RESERVES
FOR THE EIGHT MONTH PERIOD ENDING 31 MARCH 2026

Statement of Changes in Reserves

	Unrestricted Reserves	Pension Reserve	Revaluation Reserve	Total
	£'000	£'000	£'000	£'000
Balance at 1 August 2024	4,008	-	47,129	51,137
Surplus/(deficit) from income and expenditure account	1,490	90	-	1,580
Other comprehensive income/(expenditure)	-	5,626	1,995	7,621
Transfers between revaluation and income and expenditure account	1,761	-	(1,761)	-
Irrecoverable surplus	-	(5,716)	-	(5,716)
Balance at 1 August 2025	7,259	-	47,363	54,622
Surplus/(deficit) from income and expenditure statement	(1,311)	290	-	(1,021)
Other comprehensive income/(expenditure)	-	2,655	1,624	4,279
Transfers between revaluation and income and expenditure account	1,173	-	(1,173)	-
Irrecoverable surplus	-	(2,945)	-	(2,945)
Total comprehensive income/ (expenditure) for the year	(138)	-	451	313
Balance at 31 March 2026	**7,121**	**-**	**47,814**	**54,935**

The accompanying accounting policies and notes form an integral part of these financial statements.

NORTH WEST REGIONAL COLLEGE
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

Statement of Financial Position

	Notes	8 Month Period to 31 March 2026	12 Month Period to 31 July 2025
Non Current Assets		**£'000**	**£'000**
Tangible fixed assets	11	86,339	84,808
Intangible assets	12	112	171
Pension asset	19	-	-
		86,451	84,979
Current Assets			
Trade & Other Receivables	14	2,394	2,579
Service Concession Arrangement	13	-	1,424
Cash & Cash Equivalents	18	4,852	3,497
Total current assets		7,246	7,500
Less: Creditors amounts falling due within one year	15	(9,997)	(8,118)
Net current liabilities		(2,751)	(618)
Total assets less current liabilities		83,700	84,361
Less: Creditors amounts falling due after more than one year	16	(27,669)	(28,643)
		56,031	55,718
Provisions			
Holiday Pay Provision	17	(1,096)	(1,096)
Pension Provision	19	-	-
Net assets including pension liability		**54,935**	**54,622**
Unrestricted Reserves			
Income and expenditure reserve		7,121	7,259
Pension Reserve		-	-
Revaluation Reserve		47,814	47,363
TOTAL		**54,935**	**54,622**

The financial statements on pages 58-90 were approved by the Governing Body of the North West Regional College on 5th November 2026 and were signed on its behalf by:

Prof M Ó'Néill
Chair of Governing Body
North West Regional College

Dr C O'Mullan
Interim Accounting Officer
North West Regional College

The accompanying accounting policies and notes form an integral part of these financial statements.

NORTH WEST REGIONAL COLLEGE
STATEMENT OF CASH FLOWS
FOR THE EIGHT MONTH PERIOD ENDING 31 MARCH 2026

Statement of Cash Flows

	Notes	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
Cash inflow/(outflow) from operating activities			
Surplus/(Deficit) for the year		(1,021)	1,580
Adjustment for non-cash items			
Depreciation	11 & 12	3,065	4,605
Gain on disposal of assets		-	-
(Increase)/decrease in debtors		166	782
Increase/(decrease) in creditors		1,870	(122)
NILGOSC FRS 102 (28) Pension Adjustment		(290)	(90)
Movement in Holiday Pay Provision		-	12
Adjustment for investing or financing activities			
Interest receivable		(118)	(227)
Interest payable	9	113	63
Deferred capital grants release	1	(1,546)	(2,435)
Net cash inflow from operating activities		**2,239**	**4,168**
Cash flows from investing activities			
Bank interest received		137	228
Proceeds from sale of assets		-	-
Payments made to acquire fixed assets		(583)	(1,205)
Capital grants received		582	1,212
		136	**235**
Cash outflows from financing activities			
Interest element of finance lease & service concession payments	9	(113)	(63)
Capital element of lease		(907)	(1,928)
		(1,020)	(1,991)
Increase in cash and cash equivalents in the year	18	**1,355**	**2,412**
Net funds at 1st August 2025		3,497	1,085
Net funds at 31st March 2026		**4,852**	**3,497**

In this statement, figures in brackets refer to cash outflows and all other figures are cash inflows to the College.

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of Principal Accounting Policies and Estimation Techniques

Statement of Accounting Policies

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

Basis of Preparation and Accounting Period

The College has changed its accounting reference date from 31 July to 31 March, to match the financial year end of the Department for the Economy.

The change was enacted through The Further Education (Amendment) Order (Northern Ireland) 2026 (available at: The Further Education (Amendment) Order (Northern Ireland) 2026). Article 4 of the Amendment Order provides the transitional provision where the accounting reference period starting on 1 August 2025 ends on 31 March 2026. Accordingly, the current financial statements are prepared for the 8 month period from 1 August 2025 to 31 March 2026. The comparative figures presented in these financial statements refer to the 12 month period ending 31 July 2025. As a result, the comparative figures for the Statement of Comprehensive Income and Expenditure, Statement of Changes in Reserves, Statement of Cash Flows, and related notes are not entirely comparable with the current period.

These financial statements have been prepared on a going concern basis in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standards (FRS 102). The College is a public benefit entity and has therefore applied the relevant public benefit entity requirements of FRS102.

The Financial Statements are prepared in accordance with the historical cost convention except that certain freehold properties are shown at their re-valued amounts.

They also conform to the Accounts Direction issued by the DfE.

Basis of Accounting

The financial statements are prepared in accordance with the historical cost convention modified by the revaluation of certain fixed assets and in accordance with applicable United Kingdom accounting standards.

Going Concern

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

The College's forecasts and financial projections indicate that it will be able to operate within this existing facility and covenants for the foreseeable future.

The College is satisfied that the organisation is a going concern on the basis that there is no reason to believe that the department's future sponsorship and future assembly approval will not be forthcoming to meet the College's liabilities as they fall due. It has accordingly been considered appropriate to adopt the going concern basis for the preparation of these financial statements.

Recognition of Income

Government Grants (accruals model)

The recurrent grant and other revenue grants received from DfE (and other government bodies) are recognised in income over the periods in which the College recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and creditors due after more than one year as appropriate.

Tuition Fees

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

Non-Government Grants

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

Interest

All income from short-term deposits is credited to the income and expenditure account in the year in which it is earned.

Capital Grants (non-land grants) (accruals model)

Non-recurrent grants from DfE and other government bodies received in respect of the acquisition of fixed assets are recognised in income over the expected useful life of the asset.

Other Capital Grants

Other capital grants are recognised as income when the College is entitled to the funds subject to any performance related conditions being met.

Capital Grants (land grants)

Capital government grants for land are accounted for in accordance with the performance model which results in the recognition of the capital grant on receipt.

Pension Scheme

The two principal pension schemes for the College's staff are the Northern Ireland Teachers' Pension Scheme (NITPS) and the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) defined benefit schemes, which are externally funded and contracted out of the State Earnings Related Pension Scheme. National Employment Savings Trust (NEST) is a defined contribution workplace pension scheme which was set up to facilitate Automatic Enrolment as part of the workplace pension reforms under the Pensions Act 2008.

The NITPS is an unfunded contributory, voluntary membership scheme administered by the Department of Education. The current regulations under which the scheme operates are the Teachers' Superannuation Regulations (NI) 1998 (as amended). The NITPS is a multi-employer scheme and the College is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The NITPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

NILGOSC is a defined benefit scheme which is externally funded and contracted out of the second state Pension Scheme. The Funds are valued every three years by actuaries using the projected unit method, the rates of contributions payable being determined by the trustees on the advice of the actuaries. Pension costs are assessed on the basis of the latest actuarial valuations of the schemes and are accounted for on the basis of charging the cost of providing pensions over the period during which the College benefits from the employees' services. Variations from regular cost are spread over the expected average remaining working lifetime of members of the schemes after making allowances for future withdrawals.

The difference between the fair value of the assets held in the College's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the College's Statement of Financial Position as a pension scheme asset or liability as appropriate. The carrying value of any resulting pension scheme asset is restricted to the extent that the College is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

Changes in the defined benefit pension scheme asset or liability arising from factors other than cash contribution by the College are charged to the Statement of Comprehensive Income.

Tangible Fixed Assets

- **Land and buildings**
  Land and buildings (including those inherited from the Education and Library Board) are stated in the Statement of Financial Position at valuation on the basis of depreciated replacement cost (inclusive of non-recoverable VAT), as the open market value for existing use is not readily obtainable. The associated credit is included in the revaluation reserve. The difference between depreciation charged on the historic cost of assets and the actual charge for the year calculated on the re-valued amount is released to the income and expenditure account reserve on an annual basis. Land and buildings acquired since the last valuation are included in the Statement of Financial Position at cost. Freehold land is not depreciated. Freehold buildings are depreciated over their expected useful economic life to the College of between 11 and 50 years. The depreciation charge on buildings is based on the opening net book value. Where land and buildings are acquired with the aid of specific grants, they are capitalised and depreciated as above. The related grants are credited to a deferred capital grant account and are released to the income and expenditure account over the expected useful

economic life of the related asset on a basis which is consistent with the depreciation policy.

- **Assets other than land and buildings**
  Assets other than land and buildings costing less than £3,000 per individual item are written off to the income and expenditure account in the period of acquisition. All other assets are capitalised at cost.

  These assets are depreciated over their useful economic lives as follows:

Computers	- three years
Motor vehicles	- four years
Plant and Equipment	- five years
Fixture and Fittings	- six years
Other Assets (inherited PFI)	- various

  Where assets remain in use after this period, their useful economic life is reviewed and revised accordingly.
  Where these assets are acquired with the aid of specific grants the asset is capitalised and depreciated in accordance with the above policy, with the related grant being credited to a deferred capital grant account and released to the income and expenditure account over the expected useful economic life of the related asset.

Private Finance Initiative

Where it is concluded that the College has an asset of the property and therefore a liability to pay for it, these are recorded on the Statement of Financial Position. The initial amount recorded for each is the fair value of the property or if lower, the present value of the minimum lease payments determined at the inception of the lease. Subsequently, the asset is depreciated over its useful economic life.

Payments are allocated between lease costs, finance charges and financial liability repayments to reduce the financial liability to nil over the life of the arrangement.

The College recognises the property when it comes into use, unless it bears significant construction risk, in this case the property is recognised as it is constructed.
The colleges PFI contract (Northland Building) concluded in January 2026. At the period end the related PFI assets were reclassified within the Statement of Financial Position as Freehold Land and Buildings and Plant and Equipment.

Leased Assets

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

Leasing agreements which transfer to the College substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright and are capitalised at their fair value at the inception of the lease and are depreciated over the shorter of the lease term or the useful economic lives of equivalently owned assets. The capital element outstanding is shown as obligations under finance leases. The finance charges are allocated over the period of the lease in proportion to the capital element outstanding.

Investment Property

Fixed asset investments are measured at fair value with any changes in fair value being recognised immediately in the Statement of Comprehensive Income and Expenditure.

The College does not currently hold any property investments.

Intangible Assets

Intangible assets, greater than £3,000 per individual item, are capitalised. Software integral to an item of hardware is dealt with as a fixed asset.

Foreign Currency Translation

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

Taxation

As an exempt charity the College benefits by being broadly exempt from corporation tax on income it receives from tuition fees, interest and rents.

The College is exempted from levying VAT on most of the services it provides to students. For this reason, the College is partially exempt in respect of VAT so that it can only recover a minor element of VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost. The formula used to calculate the partial exemption rate is based on a method approved by HMRC.

Liquid Resources

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

Provisions

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

Agency Arrangements

The College acts as an agent in the collection and payment of Hardship Funds and Care to Learn. Related payments received from DfE and subsequent disbursements to students are excluded from the Statement of Comprehensive Income and Expenditure and are shown separately in note

23, except for Hardship Funds received which are available to the College to cover administration costs relating to the grant.

Critical accounting judgements and estimates

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the College's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are:

Pension Liability

The critical judgements of the pension liability schemes are included in the accounting policy note.

The key actuarial assumptions used in the valuation of the NILGOSC pension scheme, including discount rates, salary and pension increases, and mortality rates are reported in note 19.

Property, Plant and Equipment

Land and buildings (including those inherited from the Education and Library Board) are stated in the statement of financial position at valuation on the basis of depreciated replacement cost, including irrecoverable VAT, as the open market value for existing use is not readily obtainable.

Freehold buildings are depreciated over their expected useful economic life to the College as advised by the LPS.

All other depreciation is calculated based on assumptions of asset useful economic lives and expected residual value.

A change in depreciable life is treated as a change in accounting estimate.

Financial Instruments

Financial assets and financial liabilities are recognised when the College become a party to the contractual provisions of the instruments. Financial liabilities are classified according to the substance of the contractual arrangements being entered into. The College's financial assets and liabilities all meet the criteria for basic financial instruments, prescribed within FRS 102 Section 11.8.

Impending Application of newly issued accounting standards not yet effective

There are no impending newly issued accounting standards to be considered by the College.

Notes to the Financial Statements

1. DEPARTMENT FOR THE ECONOMY INCOME

	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
Grant in Aid		
Recurrent grant	23,596	33,348
Release of deferred capital grant	1,546	2,435
Skills Focus	244	248
Minor Works	2	4
Employer Support Program	213	503
Private Finance Initiative (PFI)	901	1,778
Additional Support Funds	382	567
Winter Warmer	172	77
Total Grant in Aid	27,056	38,960
Non-Grant in Aid		
Educational Maintenance Allowance Administration	15	17
Higher Level Apprenticeships	162	413
Skills Intervention Funding	243	761
Academies	87	125
FE Systems, Technology & Services Project	72	82
Step Up	400	1,064
Other	395	487
Total Non-Grant in Aid	1,374	2,949
Total DfE Income	**28,430**	**41,909**

2. EDUCATION CONTRACTS

	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
Entitlement Framework	253	313
Apprenticeships NI and Skills for Life & Work	1,093	2,077
Total	1,346	2,390

3. TUITION FEES AND CHARGES

	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
Higher Education (HE) Income	804	1,091
Further Education (FE) Income	469	704
Total	1,273	1,795

Included within the above amounts are tuition fees attracting bursaries of of £17k (2024/25: £25k)

4. OTHER GRANT INCOME

	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
International Project Funds	301	381
Other Funds	704	913
Total	1,005	1,294

5. OTHER OPERATING INCOME

	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
Catering and residence operations	607	742
Other income generating activities	1,024	1,349
Other income	76	145
Total	1,707	2,236

6. STAFF COSTS

The average number of persons (including senior post-holders) employed by the College during the year, expressed as full-time equivalents was:

	8 Month Period to 31 March 2026 No.	12 Month Period to 31 July 2025 No.
Teaching	263	296
Support	72	72
Administration	211	198
Premises	27	23
Total	573	589

Staff costs for the above persons:

	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
Teaching	12,157	17,124
Support	2,074	2,955
Administration	7,892	9,832
Premises	786	904
FRS 102 Adjustment (see Note 19)	(290)	(90)
Total	22,619	30,725

	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
Wages and salaries	17,008	23,009
Social security costs	2,057	2,503
Movement in Pension	(290)	(90)
Other pension costs	3,773	5,207
Apprenticeship levy	71	96
Total	22,619	30,725

6. STAFF COSTS (continued)

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

	Senior Post-holders		Other staff	
	8 Month Period to 31 March 2026	12 Month Period to 31 July 2025	8 Month Period to 31 March 2026	12 Month Period to 31 July 2025
	No.	No.	No.	No.
£40,001 to £50,000	-	-	145	-
£50,001 to £60,000	-	-	22	-
£60,001 to £70,000	1	-	6	65
£70,001 to £80,000	1	-	2	20
£80,001 to £90,000	-	-	-	6
£90,001 to £100,000	-	-	-	1
£100,001 to £110,000	1	-	1	-
£110,001 to £120,000	-	1	-	-
£120,001 to £130,000	-	1	-	-
£130,001 to £140,000	-	-	-	-
£140,001 to £150,000	-	-	-	-
£150,001 to £160,000	-	-	-	-
£160,001 to £170,000	-	-	-	-
£170,001 to £180,000	-	-	-	-
£180,001 to £190,000	-	1	-	-
Total	3	3	176	92

Support staff were awarded a payrise of 3.2% from April 2025 which was paid in November 2025. Teaching staff were awarded a payrise of 5.5% from September 2024 which was paid in August 2025 plus a payrise of 3% from September 2025 which was paid in September 2025.

7. SENIOR POST HOLDERS' EMOLUMENTS

Senior post holders are defined as the Principal & Chief Executive and holders of the other senior posts whom the Governing Body has selected for the purposes of the articles of government of the College relating to appointment and promotion of staff who are appointed by the Governing Body. Senior Post Holders do not, for the purposes of this note, include remunerated non-executive Governing Body members.

	8 Month Period to 31 March 2026	12 Month Period to 31 July 2025
	No.	No.
The number of senior post-holders including the Principal & Chief Executive who served during the year was:	3	3

Senior post-holders' emoluments are made up as follows:

	8 Month Period to 31 March 2026	12 Month Period to 31 July 2025
	£'000	£'000
Salaries	214	355
Pension Contributions	38	62
Total Emoluments	**252**	**417**

7. SENIOR POST HOLDERS' EMOLUMENTS (continued)

Senior post-holders' emoluments include amounts payable to the Principal & Chief Executive (who is also the highest paid senior post-holder) of:

	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
Salaries including back pay	87	140
Benefits in kind	-	-
	87	140
Pension contributions	25	41
Total	112	181

The pension contributions in respect of the Principal & Chief Executive and senior post-holders are in respect of employer's contributions to the Northern Ireland Teachers' Pension Scheme, National Employment Savings Trust and the Northern Ireland Local Government Officers' Superannuation Scheme and are paid at the same rate as for other employees.

The members of the College other than the Principal & Chief Executive and the staff members did not receive any payment from the College other than the reimbursement of travel and subsistence expenses incurred in the course of their duties.

8. OTHER OPERATING EXPENSES

	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
Direct Teaching	702	922
Direct Support	1,974	2,964
Administration	1,803	2,178
Premises	3,636	4,857
Unitary payments under PFI Contract	988	1,945
Total	**9,103**	**12,866**
Other operating expenses include:		
Auditors' remuneration		
- external audit	51	46
- internal audit	26	30
- National Fraud Initiative fees	-	1
Remuneration of Governing Body members	28	44
Hire of other assets-operating leases	24	37
	129	158

9. INTEREST AND OTHER FINANCE COSTS

	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
On finance leases	113	63
Net charge on pension scheme	-	-
Total	113	63

10. TAXATION

The members do not believe that the College was liable for any corporation tax arising out of its activities during this period.

11. TANGIBLE FIXED ASSETS

	Freehold Land & Buildings	PFI Assets	Plant & Equipment	Computers	Fixtures & Fittings	Motor Vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation							
At 1 August 2025	71,527	11,989	4,841	3,016	114	85	91,572
Additions	12	2,331	228	245	4	61	2,881
Surplus/(Deficit) on revaluation	1,405	219	-	-	-	-	1,624
Disposals	-	(1,205)	(974)	(1,804)	(114)	(63)	(4,160)
Reclassification of PFI	10,301	(13,334)	3,033	-	-	-	-
At 31 March 2026	83,245	-	7,128	1,457	4	83	91,917
Depreciation							
At 1 August 2025	-	1,628	2,783	2,163	105	85	6,764
Charge for the period	1,818	431	385	334	9	(3)	2,974
Revaluation Elimination in respect of disposals	-	(1,205)	(974)	(1,804)	(114)	(63)	(4,160)
Reclassification of PFI	289	(854)	565	-	-	-	-
At 31 March 2026	2,107	-	2,759	693	-	19	5,578
Net Book Value at 31 March 2026	**81,138**	**-**	**4,369**	**764**	**4**	**64**	**86,339**
Net Book Value at 31 July 2025	**71,527**	**10,361**	**2,058**	**853**	**9**	**-**	**84,808**

During the financial year, a review of the fixed asset register identified certain assets with a net book value of nil that remained in use at the Statement of Financial Position date. The useful economic lives of these assets have been reassessed and extended where appropriate to reflect their continued use, and depreciation has been revised accordingly in the current accounting year.

11. TANGIBLE FIXED ASSETS (continued)

LAND AND BUILDINGS VALUE

If land and buildings (including those that were inherited/transferred) had not been revalued, they would have been included at the following amounts:

	8 Month Period to 31 March 2026	12 Month Period to 31 July 2025
Land & buildings	£'000	£'000
Cost/deemed cost on transition	64,799	64,786
Reclassification of cost/deemed cost of PFI to Land & Buildings	9,834	-
Accumulated depreciation based on cost/deemed cost	(14,558)	(13,581)
Reclassification of accumulated depreciation of PFI to Land & Buildings	(3,439)	-
Net book value based on cost/deemed cost	**56,636**	**51,205**

	8 Month Period to 31 March 2026	12 Month Period to 31 July 2025
PFI buildings	£'000	£'000
Cost/deemed cost on transition	9,834	9,834
Reclassification of cost/deemed cost of PFI to Land & Buildings	(9,834)	-
Accumulated depreciation based in cost/deemed cost	(3,439)	(3,239)
Reclassification of accumulated depreciation of PFI to Land & Buildings	3,439	-
Net book value based on cost/deemed cost	**-**	**6,595**

The colleges PFI contract (Northland Building) concluded in January 2026. At the year end the related PFI assets were reclassified within the Statement of Financial Position as Freehold Land and Buildings and Plant and Equipment.

11. TANGIBLE FIXED ASSETS (continued)

The depreciation charge for the year is analysed as follows:

	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
Owned assets	2,543	3,903
PFI assets	431	582
Total	2,974	4,485

12. INTANGIBLE FIXED ASSETS

	Learner Management System £'000	BMS Trend Software £'000	Total £'000
Cost or valuation			
At 1 August 2025	582	-	582
Additions	4	29	33
At 31 March 2026	586	29	615
Amortisation			
At 1 August 2025	411	-	411
Charge for the period	92	-	92
At 31 March 2026	503	-	503
Net Book Value at 31 March 2026	**83**	**29**	**112**
Net Book Value at 31 July 2025	171	-	171

The net book value of the Learner Management System is a jointly owned and controlled asset among the six Further Education Colleges of Northern Ireland of which North West Regional College is the lead College. The asset is a Learner Management System that is operated centrally for the sector. The intangible asset is funded in full through a capital grant from the Department for the Economy - the College pays all the invoices and claims funding from DfE. Each College then shows one sixth of the cost in their financial statements.

13. SERVICE CONCESSION ARRANGEMENTS

The College had one PFI arrangement on the Statement of Financial Position where service delivery has commenced.

The arrangement related to the design, build and maintenance of the Northland Building over 25 years.

Capital repayments were being made over a 25-year period which ended in January 2026.

The College's PFI contract (Northland Building) concluded in January 2026. At the period end the related PFI assets were reclassified within the Statement of Financial Position as Freehold Land and Buildings and Plant and Equipment.

14. TRADE & OTHER RECEIVABLES

	8 Month Period to 31 March 2026	12 Month Period to 31 July 2025
	£'000	£'000
Amounts falling due within one year:		
Trade receivables	753	435
Other receivables	-	30
Prepayments & accrued income	1,641	2,114
	2,394	2,579
Amounts falling due after one year:	-	-
Total	2,394	2,579

15. CREDITORS: AMOUNTS FALLING DUE IN LESS THAN 1 YEAR

	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
Service concession arrangement	-	-
Trade creditors	331	474
Taxation & social security	645	839
Deferred capital grants due within one year	2,445	2,435
Accruals & other deferred income	6,576	4,370
	9,997	8,118

Deferred income

Included within accruals and deferred income are the following items of income which have been deferred until specific performance related conditions have been met.

	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
Grant income	450	450
Other income	309	309
Total	759	759

16. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
Deferred Capital Grants	27,669	28,643
Service concession liabilities due after one year	-	-
Total	27,669	28,643

17. PROVISIONS FOR LIABILITIES AND CHARGES

	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
At 1 August 2025	1,096	1,084
Additions in year	-	12
Amounts charged against provision in year	-	-
Unused amounts reversed in year	-	-
At 31 March 2026	1,096	1,096

The provision relates to Holiday Pay resulting from the Court of Appeal (CoA) judgement (17 June 2019) in the case PSNI v Agnew. The CoA judgement determined that claims for Holiday Pay shortfall can be taken back to 1998.

The PSNI appealed the CoA judgement to the Supreme Court. In 2021, the case was paused to facilitate mediation, however, in March 2022 the PSNI were unable to obtain the required authorisation from the Department of Finance in respect of agreeing a potential financial settlement. The Supreme Court heard the case on 14th and 15th December 2022.

The Supreme Court made its ruling on 5 October 2023 where it dismissed the appeal and upheld the judgement of the CoA.

The £1,096k provision has been estimated by the College and covers the period from 1998 to 31 July 2020, following the Department of Finance approach outlined for Departmental Annual Reports and Accounts (FD (DoF) 08/20).

There are some very significant elements of uncertainty around this estimate for a number of reasons:

1. The outworking of the Supreme Court judgement and the application of the CoA's original judgement;
2. Lack of accessible data for years previous to 2008/09 requiring estimations to be applied;
3. Future negotiations with Trade Unions;
4. Obtaining legal advice on specific application of the ruling for the NI Further Education sector;
5. The provision is gross (inclusive of Employee National Insurance and PAYE) and
6. Taxation issues are under discussion with HMRC, by the wider NI public sector.

Therefore, the estimated provision outlined above is based on the application of DoF methodology, however there remains significant uncertainty over the amount and timing of future payments.

18. CASH AND CASH EQUIVALENTS

	At 1 August 2025 £'000	Cash Flows £'000	At 31 March 2026 £'000
Cash and cash equivalents	3,497	1,355	4,852

19. PENSION AND SIMILAR OBLIGATIONS

The College's employees belong to two principal pension schemes; the Northern Ireland Teachers' Pension Scheme (NITPS) for academic and related staff and the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) for non-teaching staff. Both are defined benefit schemes.

National Employment Savings Trust (NEST) is a defined contribution workplace pension scheme which was set up to facilitate Automatic Enrolment as part of the workplace pension reforms under the Pensions Act 2008.

Total pension cost for the year:	**8 Month Period to 31 March 2026 £'000**	**12 Month Period to 31 July 2025 £'000**
NITPS: contributions paid	2,579	3,394
NEST: contributions paid	9	16
NILGOSC: contributions paid	1,252	1,744
NILGOSC: FRS 102 Adjustments	(290)	(90)
NILGOSC: Charge to the Statement of Comprehensive Income & Expenditure	962	1,654
Total	**3,550**	**5,064**

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest formal actuarial valuation of the NITPS was 31 March 2020 and NILGOSC was 31 March 2025.

19. PENSION AND SIMILAR OBLIGATIONS (continued)

NITPS

The NITPS is an unfunded contributory, voluntary membership scheme administered by the Department of Education. Until 1 April 2015 the scheme operated under the Teachers' Superannuation Regulations (NI) 1998 (as amended). Further information about the scheme is given in the explanatory booklet dated November 2007, and on the Department of Education's website at www.deni.gov.uk

The Public Service Pensions Act (Northern Ireland) 2014 provides for the closure of existing public sector pension schemes (including the NITPS) from 31st March 2015 and the establishment of new schemes based on a career average re-valued earnings model with normal pension age equal to state pension age introduced from 1 April 2015.

The Government Actuary's Department values the scheme every 4 years with an interim valuation in the intervening 2-year period using the projected accrued benefit method.

The employer contribution rate was 25.10% from 1 April 2019 to 31 March 2024. The employer contribution rate was increased to 29.10% from 1 April 2024.

The salary bands applicable to member contributions for the NITPS, based on members' annual salary rate (actual earnings), from 1st April 2024 were;

Salary	1 April 2024 - 31 March 2025
Up to £34,290	7.40%
£34,290 to £46,159	8.60%
£46,159 to £54,730	9.60%
£54,730 to £72,535	10.20%
£72,535 to £98,909	11.30%
£98,909 and above	11.70%

Salary	1 April 2025 - 31 March 2026
Up to £34,873	7.40%
£34,873 to £46,944	8.87%
£46,944 to £55,661	9.90%
£55,661 to £73,769	10.52%
£73,769 to £100,591	11.65%
£100,591 and above	12.06%

The NITPS is a multi-employer pension scheme. The College is unable to identify its share of the underlying assets and liabilities of the scheme, and therefore, as required by FRS 102 (28) accounts for the scheme as if it were a defined-contribution scheme. As a result, the amount charged to the Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme in respect of the accounting period. The College has set out above the information available on the scheme and the implications for the College in terms of the anticipated contribution rates.

19. PENSIONS AND SIMILAR OBLIGATIONS (continued)

NILGOSC

NILGOSC is a defined benefit statutory scheme, administered in accordance with the Local Government Pension Scheme Regulations (Northern Ireland) 2002, as amended. It was contracted out of the state pension scheme until 5 April 2016.
The following information is based upon a full actuarial valuation of the NILGOSC fund at 31 March 2025.

	At 31 March 2026	At 31 July 2025
Principal actuarial assumptions at SoFP date are as follows:	%	%
Rate of increase in salaries	4.55	4.25
Rate of increase for pensions in payment/inflation	3.05	2.75
Pension accounts revaluation rate	3.05	2.75
Discount rates for scheme liabilities	6.15	5.75

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

	At 31 March 2026	At 31 July 2025
Members aged 45 at accounting date		
Active/Deferred Males	21.5/21.5 years	21.6/21.9 years
Active/Deferred Females	25.0/25.0 years	24.6/24.9 years
Members aged 65 at accounting date		
Males	21.2 years	21.1 years
Females	24.6 years	23.9 years

19. PENSIONS AND SIMILAR OBLIGATIONS (continued)

The College's share of the assets and liabilities in the Scheme were:

	Asset Allocation at 31 March 2026	Value at 31 March 2026	Asset Allocation at 31 July 2025	Value at 31 July 2025
	%	£'000	%	£'000
Equities	43.07	22,435	41.46	20,127
Bonds	25.54	13,302	23.35	11,334
Property	9.74	5,073	10.03	4,870
Multi-asset credit	13.19	6,872	13.33	6,470
Cash/Other	8.46	4,408	11.84	5,749
		52,090		48,550

Amounts recognised in the SoFP	**2026 £'000**	**2025 £'000**
Fair value of plan assets	52,090	48,550
Present value of scheme liabilities	(36,981)	(36,840)
Surplus/(Deficit) in the scheme	15,109	11,710
Irrecoverable surplus	(15,109)	(11,710)
Net balance recognised in SoFP	-	-

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

Amounts included in staff costs	**2026 £'000**	**2025 £'000**
Current service cost	962	1,654
Past service cost	-	-
Total operating charge	962	1,654

Analysis of pension finance income/(costs)	**2026 £'000**	**2025 £'000**
Expected return on pension scheme assets	1,884	2,249
Interest cost	(1,430)	(1,962)
Interest adjustment due to irrecoverable surplus	(454)	(287)
Net charge	-	-

19. PENSION AND SIMILAR OBLIGATIONS (continued)

Amounts recognised in Other Comprehensive Income	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
Actuarial gains/(losses) from assets	484	473
Actuarial gains/(losses) from a change in financial assumptions	520	5,144
Actuarial gains/(losses) from a change in demographic assumptions	(103)	9
Actuarial gains/(losses) from experience	1,754	-
Actuarial gains/(losses) from irrecoverable surplus	(2,945)	(5,716)
Surplus/(deficit) in scheme at 31 March 2026	(290)	(90)

Movement in surplus/(deficit) during the year	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
Surplus/(deficit) in scheme at 1 August 2025	-	-
Movement in the year:		
Current service cost	(962)	(1,654)
Employer contributions	1,252	1,744
Past service cost/gain	-	-
Curtailment cost	-	-
Net interest	-	-
Actuarial gain recognised in other Comprehensive Income & Expenditure	2,655	5,626
Irrecoverable surplus	(2,945)	(5,716)
Surplus/(deficit) in scheme at 31 March 2026	-	-

Asset and Liability Reconciliation	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
Reconciliation of Liabilities		
Liabilities at 1 August 2025	36,840	38,436
Service cost	962	1,654
Interest cost	1,429	1,962
Employee contributions	418	578
Actuarial (gain)/loss	(2,171)	(5,153)
Benefits paid	(497)	(637)
Past service cost	-	-
Curtailment cost	-	-
Liabilities at 31 March 2026	36,981	36,840

19. PENSION AND SIMILAR OBLIGATIONS (continued)

Reconciliation of Assets:

	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
Assets at 1 August 2025	48,550	44,142
Interest Income	1,883	2,249
Remeasurement gain/(loss)	484	472
Employer contributions	1,252	1,744
Employee contributions	418	580
Benefits paid	(497)	(637)
Assets at 31 March 2026	52,090	48,550

The estimated value of employer contributions for the year ended 31 March 2027 is £1,560k.

20. CAPITAL COMMITMENTS

PFI Contract
Capital repayments were being made over a 25 year period and were funded by DfE. The PFI contract with Northwin Limited for the Northland building commenced in February 2001 and ceased in January 2026.

21. FINANCIAL COMMITMENTS

At 31 March 2026 the College had annual commitments under non-cancellable operating leases as follows:

	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
LESSEE:		
Land & Buildings		
Expiring within one year	-	-
Expiring within two and five years inclusive	-	-
	-	-
Other		
Expiring within one year	37	37
Expiring within two and five years inclusive	82	106
	119	143
LESSOR:		
Land & Buildings		
Expiring within one year	-	-
Expiring within two and five years inclusive	-	-
	-	-

22. RELATED PARTY TRANSACTIONS

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

Related Organisation	Governor	Position in Related Organisation	8 Mths to March 2026 Amount Paid/ £'000	2025 Amount Paid/ (Income) £'000	Amount Outstanding at 31 March 2026 £'000	Amount Outstanding at 31 July 2025 £'000
Derry City & Strabane District Council	Mr L Murphy	Member of City Deal Board	3	3	3	-
			(73)	(112)	-	-
Invest NI	Ms M Gormley	Senior Manager	(78)	(42)	-	-
	Mr K Kennedy	Board Member				
Causeway Coast & Glens Borough Council	Mr P Thompson	Employee	1	1	-	-
			-	(12)	-	-
Ulster University	Prof M Ó'Néill	Director of Regional Development	221	214	-	-
	Mr L Murphy	Member of Magee Expansion Task Force	(74)	(110)	-	-
Londonderry Chamber of Commerce	Prof M Ó'Néill	Board Member	9	6	-	-
	Mr L Murphy	Board Member				
	Mr P Clancy	CEO				
Causeway Chamber of Commerce	Prof M Ó'Néill	Board Member	2	3	-	-
Enterprise North West	Mr B O'Neill	Director of Enterprise & Development	5	5	-	-

23. AGENCY ARRANGEMENTS

Support Funds	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
Balance unspent at 1 August 2025	123	209
DfE grants	152	75
Interest earned	4	8
	279	292
Disbursed to students	(68)	(169)
Audit fees	(1)	-
Balance unspent at 31 March 2026	210	123

Support funds are available solely for students. The College acts as paying Agent. The grants and related disbursements are therefore excluded from the Statement of Comprehensive Income and Expenditure.

Care to Learn	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
DfE grants	1	-
Disbursed to students	(1)	-
	-	-

The scheme addresses the need to provide childcare support for parents under the age of 20. The College acts only as the paying agent and therefore the grants and related disbursements are excluded for the Statement of Comprehensive Income and Expenditure.

24. LOSSES & SPECIAL PAYMENTS

The College wrote off £7k in relation to bad debts in the 8 months to 31 March 2026 (£7k in 2024/25). The total number of cases written off was 12 (38 in 2024/25).

The bad debt write-off relates to outstanding tuition fees and related charges that were deemed uncollectable following appropriate review.

In accordance with Partnership Agreement the authorisation to write off individual debts greater than £2,000 should be sought from the DfE. No debts were written off which were individually greater than £2,000.

The write off for debts less than £2,000 were approved by the Board of Governors.

One instance of fraud was reported to the Department for the Economy during the period ended 31 March 2026. The College has recovered the full value of the fraud, amounting to £3,000.

There were no special payments made in the period.

25. THIRD PARTY ASSET

The College holds a bank account on behalf of the Students' Union and at 31 March 2026 the balance in the account was £3k (£2k at 31 July 2025). This is not a North West Regional College asset and is therefore not included in these financial statements.

26. ADDITIONAL DISCLOSURES TO COMPLY WITH FINANCIAL REPORTING MANUAL

Financial Reporting Manual (FReM) requires Non-Departmental Public Bodies to regard grant-in-aid received as contributions from controlling parties giving rise to a financial interest in the residual interest of the body, and hence accounted for as financing i.e. by crediting them to the income and expenditure reserve.

	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
INCOME		
DfE income (non grant-in aid items)	1,374	2,949
Education contracts	1,346	2,390
Tuitions fees and charges	1,273	1,795
Other grant income	1,005	1,294
Other operating income	1,707	2,236
Endowment and investment income	118	227
Total incoming resources	6,823	10,891
EXPENDITURE		
Staff costs	22,619	30,725
Other operating expenses	9,103	12,866
Depreciation/loss on disposal of fixed assets	3,065	4,605
Exceptional costs	-	12
Interest and other finance costs	113	63
Total resources expended	34,900	48,271
Net deficit for the period	(28,077)	(37,380)
Unrealised surplus on revaluation of Land & Buildings	1,624	1,995
Actuarial gain/loss in respect of pension scheme	2,655	5,626
Irrecoverable surplus in respect of pension scheme	(2,945)	(5,716)
Amount transferred to reserves	(26,743)	(35,475)

Analysis of reserves prepared under FreM	8 Month Period to 31 March 2026 £'000	12 Month Period to 31 July 2025 £'000
Balance at 1 August 2025	54,622	51,137
Grant-in-aid received in period	27,056	38,960
Net operating cost for the period	(26,743)	(35,475)
Balance at 31 March 2026	54,935	54,622

27. EVENTS AFTER THE END OF THE REPORTING DATE

There are no material events occurring after the end of the reporting period that require adjustment to or disclosure in these financial statements.

DATE OF AUTHORISATION FOR ISSUE

The Accounting Officer authorised the issue of these financial statements on 9th November 2026.