Barton Peveril
Sixth Form College

Annual Report and Financial Statements

for the year ending 31st July 2024

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Reference and Administrative Details

Board of Governors (*full details of all governors including appointments and resignations in the year are set on page 19)*
Sunita Auger (Chair from 1 September 2024)
Karen Everett (Chair until 1 September 2024)
Andrew Jackman (Vice Chair)
Rob Temple (Principal)
Andrew Adams
Julia Adey
Guy Ashton
Andrew Bradshaw (appointed 4 December 2023)
Kyle Evans
Paul Kniveton (appointed 4 December 2023)
Caroline Lowing
Lauren Robinson (appointed 4 December 2023)
Callum Rodrigues (appointed 4 December 2023)
Jack West

Co-opted members of the Audit Committee
Steve Higgins (appointed 4 March 2024)
Rebecca Turnbull

Co-opted member of the Standards, Curriculum and Learning Committee
Paul Hill (appointed 23 January 2024)

Clerk
Sarah Wright

Senior Leadership Team

Rob Temple	Principal and CEO; Accounting officer
Nicola Carcone	Deputy Principal
Matthew Chart (*retired 31 December 2023*)	Vice Principal (Finance & Resources)
Jan Frost	Vice Principal (Student & Progress)
Chris Loveday *(appointed 16 August 2023)*	Vice Principal (Finance & Resources)
Mandy Wood	Vice Principal (Quality & Teacher Development)

Professional advisers

External Auditors: Forvis Mazars, 6 Sutton Plaza, Sutton Court Road, Sutton, SM1 4FS

Bankers: Lloyds Bank, 39 Threadneedle Street, London, EC1 8AU

Solicitors: Warner Goodman LLP, 8 College Place, London Road, Southampton, SO15 2FF

Barton Peveril Sixth Form College
2023-24

Rob Temple
Principal

Principal's Overview of the Year

The financial year August 2023 to July 2024 has been another year of remarkable progress for our institution, marked by significant achievements in outcomes for students, facilities, and community engagement.

We operate as a leading provider of post-16 education with an excellent local and national reputation, as evidenced by our eleventh consecutive year of growth in student numbers. Our strong financial performance, evidenced by an "Outstanding" financial health score, has enabled us to invest strategically in enhancing the student experience.

Academically, our students have once again demonstrated exceptional performance, achieving strong results across a broad range of A Level and Vocational subjects. We are committed to providing a rich and stimulating learning environment, and this year saw the completion of the new Peveril Building, which has significantly expanded our teaching capacity

Our commitment to providing state-of-the-art facilities continues. A new art building is scheduled to open in late 2024, and plans are underway to renovate the existing art facilities in Hampshire Building to create a vibrant new hub that will bring together essential student services and support.

We have also made significant strides in improving our existing infrastructure. This includes the replacement of single-glazed windows in Hampshire Building with more energy-efficient double glazing, the refurbishment of classrooms in Chestnut Building, and a full renovation and expansion of the Nobel Cafe, enhancing the overall campus experience.

The College's mission is to provide an exceptional learning experience that enriches all students and equips them with the skills and confidence to thrive in the future. Ensuring that our students and staff have access to the latest tools and technologies enables essential skill development and delivers improvements in their experience, efficiency and performance. To this end we have begun investing in artificial intelligence to support both business services and teaching and learning, and are already witnessing tangible benefits in both areas.

We recognise the importance of inculcating in our students and staff a sense of responsibility for our local and global community. This year, we launched a community outreach catering initiative, providing meals to the homeless at Christmas and partnering with Pavilion on the Park to support low-income families, the elderly, and the disabled during Easter and the summer. We also expanded our catering services to support Hampshire County Council's "Holiday Activities and Food" programme, providing nutritious meals to hundreds of disadvantaged children in partnership with Active Me 360.

As we look to the future, we remain ambitious for our students and hold the highest expectations for them and for ourselves. We will continue to foster and celebrate a culture where learning is valued, and where students are encouraged to care for the planet and each other. Every student is unique and our focus is on supporting their full range of needs so that they are able to leave college as positive citizens who will thrive on a local, national and global stage.

Governance
The College continues to be expertly served by an outstanding body of governors. Members of the Corporation are drawn from and bring recent and high level experience of local government and secondary education as well as the local business, commercial and charity sectors. They share and provide a lead in the College's aspiration to be outstanding in all it does.

This year saw the College undertake an External Governance Review, led by Melissa Drayson on behalf of Rockborn Limited. The scope met the requirements of the Department for Education Guide on External Governance Reviews in Further Education and the post 16 Education and Skills Act.

Overall, the review concluded that the College benefits from a robust and effective governance framework, and that the College's governance structure and documentation has been regularly updated, fostering a clear and compliant governance framework. The review concluded that the Corporation's strong leadership, commitment to continuous improvement, and adherence to governance best practice significantly contributed to the College's ability to achieve its educational and strategic objectives.

Success and Outcomes
Results represent the second cohort for which grading has been back to 'normal', following centre and teacher assessments and a gradual return to pre-pandemic grade boundaries. Ofqual's approach in 2024 was to maintain 2023 standards.

In 2024, Barton Peveril students made significant progress from their GCSE starting points, placing A Level value added in the top 25% and vocational top 10%, nationally (ALPS).

Barton Peveril's results continue to exceed Sixth Form Colleges nationally:

- A Levels: by +3.3% A*s, by +5.7% A*-A and by +5.8% A*-C
- GCSEs (4-9): English by +43.4% and Maths by +42.8%
- Vocational: 87.35% on 2 A Level equivalent and 88.68% on 3 A Level equivalent gained Distinction*-Distinction

The majority of our 18 year-old leavers progress on to university courses and Level 4 courses, including the college's Foundation Art and Design diploma. Some take a gap year prior to progressing to Higher Education with the others taking up various types of apprenticeship or employment opportunities.

Growth
2023-24 was the eleventh consecutive year of growth in student numbers for the College. It remains clear that the College's mission and strategic plans have successfully focussed all our work and efforts and that this continues to result in:

- a flourishing reputation, built on positive engagement with our partner schools
- increasing popularity, with students from both partner schools and those from further afield choosing us as their preferred college in a very competitive area
- a growth in student population

We maintain extremely positive working relationships with schools in our local consortium as well as further afield enabling us to provide a smooth transition for local school pupils into their sixth form education.

Financial Context
As the Financial Statements presented here demonstrate, the College has managed its business to successfully deliver a good surplus in 2023-24 despite the considerable pressures on funding over the past few years. The College has been diligent and proactive in ensuring its staffing resources are managed to meet the demands and needs of our students.

The College continues to work closely with its national sector representative body, the Sixth Form College Association (SFCA), to lobby the Government for improvements in the funding regime for 16-18 year-olds.

The Local Educational Context

The College is situated in a competitive area. There are a wide range of options for post-16 students. The College is arguably the strongest player in the field with its growing student population and reputation for excellence.

The College remains confident of its place in the local educational landscape – we have a strong brand, excellent outcomes, wonderful facilities and a hunger to remain the number one choice for sixth form students in the region.

Strategic Report

OBJECTIVES AND STRATEGY

The Corporation of Barton Peveril Sixth Form College presents its annual report together with the financial statements and auditor's report for the year ended 31 July 2024.

Legal Status

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

Mission, Values and Overarching Objective

In 2023 the College updated its Strategic Plan in which the Mission, Values and Development Objectives are defined as shown below. College staff approach students as individuals with a range of needs which requires support. These needs are classified in five generic areas and graphically represented as a wheel with the student at the centre. The college's values are also grouped around these five needs.

Mission

To provide an exceptional learning experience that enriches all students and equips them with the skills and confidence to thrive in the future.

Our Values: Learn Enjoy Achieve

We are ambitious for our students and hold the highest expectations for them and for ourselves. Our community values learning, cares for the planet and exhibits kindness. Every student is unique and our focus is on supporting their full range of needs so that they are able to leave college as positive citizens who will thrive on a local, national and global stage.

Key Performance Indicators we will use:

Attainment	Progress	Retention	Destinations	Voice	Finances
Grades above national benchmarks	High positive value added outcomes: ALPS 2-3 college average	Over 95% of students will reach the end of their studies	Over 90% of students progressing to HE, apprenticeships or employment	Staff, student and parent satisfaction levels above 90% positive	Financial health rating of at least 'good'

Summary of Priorities

1. An Exceptional Learning Experience for all
2. Encourage & Enable Students to Develop into Active Citizens
3. Sustainability & the Estate
4. Attract, Recruit, Develop and Retain Staff

Barton Peveril College: Strategic Plan 2023-2026		
Strategic Theme & Priority	**What do we want to achieve?**	**How will we know if we are succeeding?**
Personal Development	**Encourage & Enable Students to Develop into Active Citizens** We will embed the Volunteering BP Pledge for the two years students are with us. This creates an awareness of the local and global community through projects and inculcates a sense of responsibility. Students will get involved with campaigns and debate.	• 50% of students will successfully complete a volunteer project of at least 25 hours • 90% of students undertaking volunteering agree they have benefited personally
	Develop tutorial, curriculum and support team activities to embed personal development, cultural capital, improve emotional wellbeing - incorporating Skills Agenda - to ensure students are very well prepared for HE, working life and adulthood.	• Over 88% of students agree they are well prepared for their next steps • Improved emotional wellbeing reported in Hampshire WB survey relative to other providers

	Devise learner voice activities, e.g. conferences, where students represent the views of peers and demonstrate democracy in action to improve TLA and experience	• High levels of engagement in the Learner Voice Conference in November • Outcomes explored and production of tangible action plans • High satisfaction rates from the student survey against a national benchmark
	Take active steps to contribute to the collective safety and positive culture of the College	• 93% BP students report in Hants Wellbeing survey that they feel safe at college 'most/all of the time' • 90% of students 'feel confident to report inappropriate behaviour' (currently 81%) • Low and reducing complaints and incidents logged

The Educational Experience	**An Exceptional Learning Experience for all** • Embed learning confidence for all students	• ALPS 2 for A level & Vocational courses • Improve the value added for: o ED A level students (2022: ALPS 4; non 2) o PP/FCM A Level (2022: ALPS 5; non 2) • Improve A level retention for: o those in the bottom income quartile (to exceed national benchmark) o for those with declared MH issues (to exceed national benchmark)
	• Creative and innovative T&L: Training, monitoring, supportive feedback	• Programme of INSET, Student Voice
	• Address the local aspiration gap by consistently modelling high expectations and supporting ambitious future planning • Create significant opportunities for skills development for all learners.	• Positive destinations: 91% • Student Voice: 95% of students feel supported in their skills development. 100% Vocational Students have purposeful work experience

	To promote and engender Intellectual Creativity in teachers and students • Development of interdisciplinary learning with HE and Employers • Investigate the use of AI and its place in education, for both staff & students	• Successful pilot in 2023-2024 • AI Working party launched and staff & student training
	To ensure our curriculum offer suits the needs of our students and the local, regional and national needs • Ensure a smooth transition to the new single academic qualifications (2025/2026) • Liaise with other local providers to ensure the curriculum offers meets the local and regional needs	• Positive Destinations: 91% • Accountability Agreement and ongoing reviews of our provision

Sustainability & the Estate	**To work towards being Carbon Zero by 2030** • Become a 'leading' institution by 2026 as defined by the FE Climate Roadmap • Survey and report on current building state and energy use & create an action plan for the journey to carbon zero	• Progress made against the FE Climate Roadmap • **Emerging** by September 2024, **Established** by September 2025 and **Leading** by September 2026. • Progress against estate targets set • National recognition: Fair Trade University and Colleges Award, Green Awards - Campus Health, Food and Drink and SFCA Sustainability Award
	Engage managers, staff and students in the sustainability agenda - in reviewing and adjusting practices in terms - ethical purchasing, recycling waste, energy usage, positively influencing behaviours and promoting awareness	Improvements shown in Annual Curriculum Audits Annual Sustainability Careers Fair Progress against targets set % completing INSET/ Carbon Literacy Course (Departmental and Personal Pledges)
	Increase lettings and other income generation opportunities	Income generated from leasing the facilities increases year on year. New clients and uses of the site are in place - that generates income without compromising our daily student use of the facilities

	Continue to develop our estate to ensure an outstanding learning environment	Implement the current Property Strategy Estate Maintenance schedule Condition reviews show % of estates in recognised categories - no adverse movement

Attract, recruit, develop and retain staff	Take proactive steps to attract staff who are more reflective of our student community, increasing the diversity of the College for the benefit of all.	Applications and interview candidates from under-represented groups increase.
	Engage potential new teachers: Engaging current students in a teacher training Q-XTRA and explore postgraduate training opportunities within the college. In addition, looking for innovative ways to create recruitment opportunities e.g. through LinkedIn and other media platforms.	Autumn Careers in Teaching Fair to launch get into Teaching (Qxtra)
	Devise a high potential strategy to identify key staff who are ready for next steps in their career and create bespoke development activities to harness their skills and provide opportunities to challenge them	• Opportunities to Lead Cross College Initiatives or Research • Secondment • Shadowing (internally/externally) • Promotions gained

Resources

The College has various resources that it can deploy in pursuit of its strategic objectives. However, the main tangible resource is the College campus.

People

The average number of staff employed by the College during the year was 437 of whom 222 were teaching staff.

The College enrolled 4,891 students in 2023-24 – a 4.5% increase on the previous year.

Financial

At the year end the College has £26.3M of net assets after deducting long term debt, represented by a DfE loan, of £3.7M. Cash and cash equivalents at the end of the year totalled £4.4M with a further £1.5M of investments being held in the form of bank fixed term deposits due to mature within 12 months.

Reputation

The College has an excellent reputation locally and nationally, confirmed by the exceptional growth in student numbers in recent years. The College's focus on providing an exceptional student experience and nurturing positive relationships with external stakeholders has established Barton Peveril as the most popular sixth form college in the region.

The College's Sports Department has had a wide range of individual and team successes with a significant number of individuals competing at county, national and international level in their chosen sports.

The Vice Principal (Business Services) has been invited to sit on the SFCA Finance and Funding Committee as well chairing the CFO/ COO Panel of Sir Anthony Seldon's "AI in Education" charity.

Stakeholders

In line with other Colleges, Barton Peveril Sixth Form College has many stakeholders. These include: Governors; Students (past, present and future) and their parents; the ESFA; Staff; Eastleigh Borough Council; Hampshire County Council; local Schools, including the ten secondary schools that form the Eastleigh Consortium plus about 30 others in the region; The Solent Local Enterprise Partnership; various Government Offices; the local community – various sport, drama and other interest groups who hire our facilities; other FE institutions – including Eastleigh College (the local GFE college) and other sixth form colleges that make up the Wessex Partnership of Sixth Form Colleges; local Universities – Southampton, Solent, Portsmouth, Winchester; Trade unions – UNISON, NEU, NASUWT; various Professional bodies.

The College recognises the importance of these relationships and engages in regular communication with them through the College Internet site and by meetings.

Public Benefit

Barton Peveril Sixth Form College is an exempt charity under the Part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education. The members of the Governing Body, who are trustees of the charity, are disclosed on pages 18 to 20.

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

In delivering its mission, the College provides the following identifiable public benefits through the advancement of education to approximately 4,900 16-19 year-old students including 32 with EHCPs:

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

DEVELOPMENT AND PERFORMANCE

Financial Review

The College generated a very healthy operating surplus in the year of £2,822k (9.86% as percentage of revenue). In 2022/23 there was a surplus of £3,101k (12.23%).

The following table highlights the underlying results for the current and previous year excluding the effect of the FRS102 Retirement Benefit adjustment – whilst there is no adjustment recorded for the current year, due to no movement being recorded against the pension asset/liability, this was not the case for 2022/23 when a net charge of £259k was recorded against expenditure. The Retirement

Benefit Adjustments, which has no direct impact on cashflow, are provided by the fund's actuaries based on the membership data of College staff and actuarial assumptions (further details can be found within note 24).

	31st July 2024 - £'000			31st July 2023 - £'000
	Statement of Comprehensive Income / Balance Sheet	FRS102 Retirement Benefit Adjustment*	Excluding FRS 102	Excluding FRS 102
Income	28,630	0	28,630	25,360
Expenditure	(25,808)	0	(25,808)	(22,000)
Surplus for the year	**2,822**	**0**	**2,822**	**3,360**
Total Comprehensive Income for the year	**2,822**	**0**	**2,822**	**3,360**
Total unrestricted reserves (Balance Sheet)	**26,331**	**0**	**26,331**	**23,509**

Income has increased by £3,270k (12.89%) over the year including an increase of £2,812k (11.99%) in funding and an increase in other income streams of £458k (24.02%). The increased funding is due largely to an increase in student numbers, including in-year growth funding, and an increase in the funding rate. The increase in other operating income is due largely to increases in trip and catering income, due in part to increased student numbers, in addition to an increase in investment income due to use of fixed term deposit accounts and improved rates of return.

Expenditure overall (excluding the FRS102 pension adjustment) increased by £3,808k (17.31%). This was made up of an increase in staff costs of £2,387k (16.62%), excluding FRS102 pension adjustment, and an increase in other expenditure lines of £1,421k (18.60%). The increase in staff costs is due to an increase in staff numbers, approved pay increases and an increase in contributions for the Teachers' Pension Scheme. Operating expenses have increased due to a combination of reasons including increased trip and catering costs (linked to increased income) in addition to an increase in exam, premises improvements/running costs and work associated with AI and improving systems.
The College continues to regard the generation of a healthy surplus as vital for the following reasons: the Corporation has set a surplus target of 3 – 6% for future years; to enable us to support our growth strategy by investing in our estate; to enable us to reduce our levels of borrowing should we wish to do so; to retain adequate cash in the bank as security against an unexpected downturn in student enrolments.

Developments

The College spent £8,366k during the year on fixed asset additions. This included £962k for the completion of the Peveril Building which was brought into use from September 2023 and £5,528k on the new Art School which is due for completion in the Autumn 2024 term – costs spent to date on the Art School are currently being shown within Assets Under Construction and total £6,005k. Both the Peveril Building and the Art School have been part-funded from the DfE's Post 16 Capacity fund.

Reserves

The College has accumulated reserves of £26,331k (2022/23: £23,509k) with £5,857k (2022/23: £8,451k) being represented by 'Cash and cash equivalents' and short term investments at the year end. The College will continue to accumulate reserves (including cash balances) where possible in order to create a contingency fund to meet future capital requirements as informed by the College's own Property Strategy. Whilst reserves (including cash) will be used to deliver its own Property Strategy this will obviously be balanced with the need to maintain a sufficient level of cash days in accordance with its own strict internal targets. The College expects to incur net capital spend of approximately £4.3M in 2024/25 including completion of the Art School, development of the Hampshire building and smaller capital projects.

Sources of Income

The College has significant reliance on the ESFA for its principal funding source, largely from recurrent grants. In 2023/24 the Funding Agencies provided 92% (2022/23: 92%) of the College's total income.

Future Developments

The College is pleased that work is nearing completion on the new Art School. The College has been working with its architects to develop plans for the renovation of the existing art facilities in Hampshire Building. The renovation will create a new "student hub" combining much needed study space whilst bringing Student Services, SEND, Careers, the prayer rooms as well as Health and wellbeing together. It is expected that work will commence in early 2025 with a total project costing in the region of £2.5million. It is the intention to have this project complete in time for the start of the new academic year in September 2025.

The College still believes that on-site teaching and learning, rather than online, remote delivery, is the preferred method for 16-18 education. Its plans for this new accommodation support this aspiration.

Financial Plan

The Corporation approved a two year financial forecast in July 2024 which sets objectives, targets and performance indicators for the period. The College aims to maintain its health rating of 'Outstanding' and to continue to deliver surpluses in each of the next two years.

Treasury policies and objectives

The College has a treasury management policy clearly set out within the College Financial Regulations to manage cash flows, banking arrangements and the risks associated with those activities.

Cashflow and liquidity

Whilst there was a positive net cash inflow of £6,248k from operating activities there was an overall net cash outflow of £4,094k for the period (2022/23: inflow of £1,058k) due to levels of capital spend on building projects and investments in fixed term deposit accounts. The cash balance at the year end was £4,357k (2022/23: £8,451k) with an additional £1,500k in fixed term deposit accounts (shown within current asset Investments). Some of the College's cash reserves are being used to part finance the completion of the Art School and development of the Hampshire building but based on budgets and forecasts, cash balances are expected to remain healthy over the coming year.

The size of the College's total borrowing and its approach to interest rates has been calculated to ensure a reasonable cushion between the total cost of servicing debt and operating cashflow. There is now greater certainty regarding the College's loan facility which in September 2023 was transferred from Lloyds to the DfE, following the ONS reclassification in November 2022.

Reserves Policy

The College has no formal Reserves Policy but recognises the importance of reserves (and in particular the element represented by available cash balances) in the financial stability of the organisation, and ensures that there are adequate reserves to support the College's core activities. The College aims to accumulate reserves, including cash balances, in order to create a contingency fund to meet future capital requirements as informed by its Property Strategy.

As part of its regular monitoring of finances and in order to ensure the ongoing financial stability of the College, the Senior Leadership Team and the Finance and Employment Committee of the Corporation regularly review the management accounts and financial indicators. These will include, amongst others, all elements of Net Current Assets including cash reserves.

The Corporation has set a target for the College to deliver a surplus of 3-6% of income each year. It is the Corporation's intention to increase reserves over the life of the strategic plan through the generation of annual operating surpluses and for these to be used appropriately, in balancing the continued investment required to help develop and maintain the estate whilst maintaining sufficient levels of working capital.

- As at 31st July 2024 total unrestricted reserves stand at £26,331k (2022/23: £23,509k) which incorporates 'Cash and cash equivalents' of £4,357k (2022/23: £8,451k) in addition to current asset investments, held with banks in the form of fixed term deposits, totalling £1,500k (2022/23: £0). The reduction in cash balance over the year is the result of implementing the Colleges Property Strategy including construction of the new Art School.
- Total reserves are made up of the Income & Expenditure Reserve (£25,087k) and Revaluation Reserve (£1,244k).

The College has designated £4.3M of its own cash reserves, and included in the 2024/25 budget, to be used for capital projects including completion of the new Art School - completion expected Autumn 2024.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk Management

The College has well developed strategies for managing risk and strives to embed risk management in all that it does. Risk management processes are designed to protect its assets, reputation and financial stability.

The College's Risk Management Group undertakes a comprehensive review of the risks to which the College is exposed. The group maintains a risk register which identifies the key risks, the likelihood of those risks occurring, their potential impact on the College and the actions being taken to reduce and mitigate the risks. Emerging and new risks are also regularly considered. Risks are prioritised using both a consistent scoring system and more nuanced qualitative analysis by members of the College's Risk Management Group. In addition, the register identifies 'Processes & Systems', 'Structures & Roles', 'Attitudes, Skills & Behaviours' and 'Materiality' controls, including specific preventable actions which should mitigate any potential impact on the College. The internal controls are then implemented and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. The risk register is maintained at the College level and reviewed at least annually by the Audit Committee and more frequently where necessary.

The Risk Management Group identified that the greatest risk faced by the College is the mental health of both staff and students. A global megatrend that is showing no signs of slowing down post pandemic. The College is doing all that it can to mitigate the risk but will need to remain vigilant and agile to adapt as needed. The Risk Management Group will continue to monitor and respond to the existing and new/emerging risks through the 2024-25 year.

KEY PERFORMANCE INDICATORS

The Corporation set and monitor a series of Financial Performance Indicators. These are shown in the following table along with the July 2024 outcomes.

Financial Performance Indicator	Target	Actual for 2023-24
Cash days in hand	50 - 90	65.35 *(87.85 including fixed term deposits disclosed in current investments)*
Adjusted Current Ratio	1.5 – 2.5	2.37
Surplus – exc. FRS102 pension adj.	3% - 6%	9.97%
Pay expenditure as % of Income	60% - 65%	59.15%
Pay expenditure as % of Recurrent Grant	69% - 73%	68.12%
EBITDA as % of Income	>9%	13.93%
Borrowing as % of Income	<45%	14.19%

Student achievements

Students continue to prosper at the College. In 2024, Barton Peveril students made significant progress from their GCSE starting points, placing A Level value added in the top 25% and vocational top 10%, nationally (ALPS).

Payment performance

The Late Payment of Commercial Debts (Interest) Act 1998, requires Colleges, in the absence of agreement to the contrary, to make payments to suppliers within 30 days of either the provision of goods or services or the date on which the invoice was received. The target set by the Treasury for payment to suppliers within 30 days is 95%. During the accounting period 1 August 2023 to 31 July 2024, the College paid 95.17% of invoices within 30 days from receipt of goods or invoice. The College incurred no interest charges in respect of late payment for this period.

Streamlined Energy and Carbon Reporting

The College is committed to reducing its carbon emissions and has taken the following measures in the 23-24 financial year to improve energy efficiency:

- Installation of a ground source heat pump and Solar PV for the new art building.
- Lease of an electric car as part of the fleet of vehicles.
- Replaced the last single glazed windows with energy efficient double glazing.
- Built the new art building as sustainable as possible, meeting BREEAM excellent rating criteria.
- Reduced gas consumption by 13% on the previous year.
- Electricity consumption only increased by 6% despite the addition of the new Peveril Building, construction of the art building and addition of EV charging stations.

OTHER INFORMATION

Equality, Diversity and Inclusion

Barton Peveril Sixth Form College is committed to ensuring equality of opportunity for all who learn and work here and have recently adopted an 'equity' approach that is proactive and individualised. We respect and value positively, differences in race, gender, sexual orientation, disability, pregnancy, religion or belief and age. We strive vigorously to remove conditions which place people at a disadvantage and we will actively combat bigotry. Since 2020 we have focused on eliminating visible and invisible barriers to learning. Our policy will be resourced, implemented and monitored on a planned basis.

The College has maintained its engagement with the Black (FE) Leader group and have become affiliated to that group. The process of staff training, action planning and implementation began to take place during 2022-23, 2023-24 and will continue into 2024-25.

The College carries out an annual self-assessment Equality, Diversity and Inclusion review resulting in an EDI Report and action plan. The College's Single Equality Scheme and Equality Objectives are published appropriately.

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

The College is committed to the health and wellbeing of staff. The College supports a number of staff activities that promote health and wellbeing such as yoga, circuits, staff choir, book club. The Education Support Partnership offers a free and confidential helpline to all staff working in Education, which is promoted to all staff in College. This helpline is particularly helpful for those staff who would benefit from specialist counselling and information.

Long term sickness absence is managed with support mechanisms such as phased return, reasonable adjustments, or a referral to Occupational Health. Staff are referred to appropriate specialists where health concerns are impacting on attendance or performance at work.

Gender Pay Gap Reporting

The following tables provide the data regarding Gender pay gap at the College as of 31st March 2024

	Year ending 31 March 2024
Mean gender pay gap	8.70%
Median gender pay gap	25.43%
Mean bonus gender pay gap	-22.69%
Median bonus gender pay gap	0%
Proportion of males/females receiving a bonus	31.82% / 39.73%

The proportion of males and females in each quartile of the pay distribution are:

	Males	Females
1 - Lower Quartile	40%	60%
2	29%	71%
3	48%	52%
4 - Upper quartile	47%	53%

Disability statement

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

- As part of its on-going Equality, Diversity and Inclusion strategy the College regularly updates its access audit, and the results of this form the basis of an action plan aimed at improving access.
- The College has an Equality, Diversity and Inclusion Coordinator who provides a lead on information, advice and promotion of disability awareness and a Learning Support manager who arranges support where necessary for students with disabilities.
- The College also has a dynamic, 32-member EDI Committee of mentors and champions which monitors the experience and outcomes of individual minority groups.
- Specialist equipment is obtained in conjunction with key services, as stated on student EHCPs and a range of assistive technology is available for students through the Learning Support Department.
- The admissions policy for all students provide full details. Appeals against a decision not to offer a place are dealt with under the complaints policy.
- The College has a professional team of specialist teaching and non-teaching staff to support students with learning difficulties and/or disabilities.
- College buildings have been built/adapted to make them accessible to staff or students with disabilities. This is supported by lifts and accessible toilets in each building – in the event of breakdown the College has contingency arrangements in place to ensure learning and working is not impacted and students or staff are not disadvantaged.
- Counselling and welfare services are described on the College intranet, which includes the Complaints and Disciplinary Procedure at induction.

Trade union facility time

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

The facility time date for the period 01/04/2023 to 31/03/2024 is as follows:

Numbers of employees who were employed in the relevant period	**FTE employee number**
2	2

Percentage of time	**Number of employees**
0%	0
1-50%	2

51-99%	0
100%	0

Total cost of facility time	£1,384
Total pay bill	£16,470,811
Percentage of total bill spent on facility time	0.01%

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

Going concern

After making appropriate enquiries, the Corporation considers that the College has adequate resources to continue in operational existence for the foreseeable future. The College's financial internal targets have been met for 2023-24. They continue to be met for 2024-25 and 2025-26 per the College's financial budgets and forecasts. Current and forecast cash balances also remain strong over this period. For this reason, the Corporation continues to adopt the going concern basis in preparing the financial statements.

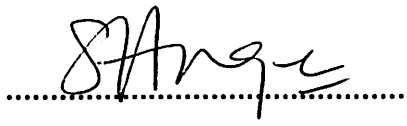
EVENTS AFTER THE REPORTING PERIOD

There are no significant post balance sheet events requiring disclosure.

DISCLOSURE OF INFORMATION TO AUDITORS

The members who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the College's auditor 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 auditor is aware of that information.

Approved by order of the members of the Corporation on 9th December 2024 and signed on its behalf by:



Sunita Auger **Chair of Corporation**

Statement of Corporate Governance and Internal Control

Governance Statement

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

Governance Code

The College endeavours to conduct its business in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership).

In the opinion of the Governors, the College complies with the provisions of the Association of Colleges Code, and it has complied throughout the year ended 31 July 2024. The Corporation undertook an External Governance Review in the Spring term of 2024 as required every 3 years. Melissa Drayson undertook the review on behalf of Rockborn Limited. A summary of the review findings is available on the College website which was agreed by the reviewer. An action plan to address the issues raised as part of the review is currently under development.

Governors also took part in an Annual Self Assessment process to assess their own performances during the Summer term. This was undertaken to complement the work of the External Review of Governance. Areas identified through this are also incorporated in the Governance Action Plan.

The College has taken account of the reclassification of Colleges to the Public Sector in November 2022 and policies, procedures and approval processes have been updated to ensure compliance with the new requirements following reclassification.

The Corporation

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

In the academic year 2023-2024 meetings were held in person for the Corporation and all Committees with the exception of Special meetings held at short notice to deal with particular issues. During the year there were 3 such meetings which included a Strategy meeting for Corporation members. Members of the Corporation are able to attend meetings on line by prior agreement although this is not encouraged.

Governors serving with the College Corporation during 2023-24

Name	Date of appointment	Term of Office (years)	Date of departure	Status of appointment	Committees served during the period	Attendance 2023-24
Mrs Sunita Auger Chair of Corporation from Sept 2024	June 2022	4		Corporation Member	Standards, Curriculum and Learning to October 2024(Chair from January 2023 until October 2024). Finance and Employment from June 2024, Search and Governance from April 2024 and Chair from October 2024.	100%
Mrs Karen Everett Vice Chair of Corporation from Dec 2014 Chair from Mar 2019 until Sept 2024	Mar 2010 Re-appointed Mar 2014 Mar 2018 Mar 2022	4 4 4 4		Corporation Member	Finance and Employment (Chair from Nov 2013 to Nov 2019); Search and Governance (Chair from Mar 2019 until October 2024)	100%
Mr Andrew Jackman Vice Chair of Corporation from Mar 2023	Oct 2012 Re-appointed Oct 2016 Oct 2020	4 4 4		Corporation Member	Audit (Chair from Jun 2020); Search and Governance	100%
Mr Rob Temple	Aug 2022	N/A		Principal	Search and Governance; Finance and Employment, Standards, Curriculum and Learning	100%
Dr Andrew Adams	Dec 2017 Dec 2021	4 4		Corporation Member	Standards, Curriculum and Learning	83%

Mrs Julia Adey	Mar 2023	4		Corporation Member	Audit	83%
Mr Guy Ashton	Mar 2017 Mar 2021	4 4		Corporation Member	Finance and Employment (Chair from Nov 2019)	100%
Mr Andrew Bradshaw	Dec 2023	4		Corporation Member	Audit	80%
Mr Paul Carcone	Mar 2023	4	3 Oct 2023	Corporation Member	Search and Governance; Finance and Employment	n/a
Mr Kyle Evans	Mar 2023	3		Staff Member	Standards, Curriculum and Learning, Finance and Employment from June 2024	71%
Cllr David Foot	Dec 2023	4	7 May 2024	Corporation member	Finance and Employment	100%
Miss Debbie Knight	Dec 2014 Re-appointed Dec 2017 Dec 2021	3 4 4	8 July 2024	Corporation Member	Standards, Curriculum and Learning (Chair from Jun 2017 to Jan 2023)	83%
Mr Paul Kniveton	Dec 2023	3		Parent member	Standards, Curriculum and Learning	80%
Miss Ros Laird	Jun 2023	3	17 Oct 2024	Staff Member	Standards, Curriculum and Learning	67%
Ms Caroline Lowing	Mar 2023	4		Corporation Member	Standards, Curriculum and Learning	33%

Cllr Sarah Pankhurst	Jul 2021	4	21 Sept 2024	Corporation Member	Audit	100%
Ms Lauren Robinson	Dec 2023	4		Corporation Member	Standards, Curriculum and Learning	80%
Mr George Robson	Dec 2023	4	22 Jan 2024	Corporation Member	Finance and Employment	0%
Miss Hannah Reed	Dec 2022	2	8 July 2024	Student Member	Standards, Curriculum and Learning	50%
Mr Callum Rodrigues	Dec 2023	2		Student Member	Standards, Curriculum and Learning	60%
Mr Don Spalinger	Jul 2017 Dec 2020	4 3	4 Dec 2023	Corporation Member to Dec 2020 Parent Member from Dec 2020	Finance and Employment	100%
Mr Jack West	Dec 2021 Jul 2023	2 4		Student Member from Dec 2021 to June 2023, Corporation member from Jul 2023	Standards, Curriculum and Learning. Search and Governance from July 2023	100%
Overall average attendance						82%
Mrs Sarah Wright - Clerk to the Corporation						

Note: attendance figures are for all Corporation and Committee meetings convened during 2023/24 (excluding Strategy morning).

The Governance Framework

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

The Corporation (and its Committees) are provided with regular and timely information on the overall financial performance of the College, together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel-related matters such as health and safety and environmental issues. The Corporation meets at least each term. An additional meeting was held in the form of a Strategy morning in June 2024.

The Corporation conducts its business through a number of committees. Each committee has Terms of Reference which are reviewed annually and have been approved by the Corporation. These committees are Standards, Curriculum and Learning, Finance and Employment, Search and Governance and Audit. Full minutes of all meetings, except those deemed to be confidential by the Corporation, are available on the College's website or from the Clerk to the Corporation at:

Barton Peveril Sixth Form College, Chestnut Avenue, Eastleigh, Hampshire, SO50 5ZA

The Clerk to the Corporation maintains a register of financial and personal interests of the Governors. The register is available for inspection at the above address.

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

Formal agendas, papers and reports are supplied to Governors in a timely manner, prior to Corporation meetings. Briefings and training are provided on an ad hoc basis throughout the year in response to identified needs and issues arising. Governors also undertake 'Link' visits to gain a greater understanding as to how the College operates and feed back to the Principal and other members of the Corporation on their experiences.

The Corporation has a strong and independent non-executive element and no individual or group dominates its decision making process. The Corporation considers that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement. There is a clear division of responsibility in that the roles of the Chair and Accounting Officer are separate.

Appointments to the Corporation

Any new appointments to the Corporation are a matter for the consideration of the Corporation as a whole. The Corporation has a Search and Governance Committee, consisting of up to six members of the Corporation which is responsible for the selection and nomination of any new member for the Corporation's consideration. All potential Governors are subject to a formal interview with the Chair, Principal and Clerk prior to recommendation for appointment to the Search and Governance Committee who then make recommendations to the Corporation.

For Co-opted members of Committees appointment is through an interview with the Principal, Chair of relevant Committee and Clerk followed by appointment by the relevant Committee under delegated powers. The Corporation is made aware of all Committee appointments which will have been considered by the Search and Governance Committee in advance.

The Corporation is responsible for ensuring that appropriate training is provided as required. Members of the Corporation are appointed for a term of office not exceeding four years. In certain circumstances membership is extended for more than two terms and in such cases is extended for a period of an additional term not exceeding four years. This may occur when an individual member

has specialist knowledge which is deemed valuable to the College. The Search and Governance Committee will have detailed discussions before any Governor is appointed beyond the recommended two terms of office and the Corporation will be provided with detailed information as to the reasoning for a Governor being appointed beyond the recommended two terms in advance of consideration of reappointment.

Corporation Performance

The Corporation undertakes training activity throughout the year. Training sessions are held by employees of the College and external organisations through a mixture of on line and in person events. A record is maintained by the Clerk of all training undertaken by Governors over the course of the year and this is reviewed annually by the Search and Governance Committee in the Autumn term. Opportunities for training are communicated via the Clerk. The Clerk to the Governors also undertakes training through organisations including the Sixth Form Colleges Association and attends the Annual SFCA Conference.

Examples of training undertaken during the year include presentations and group exercises during Corporation and Committee meetings. Examples of events during the year included Admissions, AI, Catering and Retail, Mental Health Provision and approach to Risk Management.

Four New Governors (including Co-Opted members) attended the Wessex New Governor Induction Programme. Staff Governors are able to attend external training specifically designed for Staff Governors.

All members of the Corporation also undertake Annual Safeguarding and Prevent training.

The Corporation undertook an External Review of Governance in the Spring term and therefore a separate Self Assessment exercise was not undertaken in the current year. A summary of the findings of the review is available on the College website. Actions identitied were agreed with the reviewer and are being implemented.

Governors were also invited to undertake a Self Assessment exercise on their own individual performances using a range of questions. No significant issues were identified.

The next Self Assessment exercise will be carried out in Spring / Summer 2025 with an External Review in Spring 2027.

Finance and Employment Committee

For the year ending 31 July 2024, the College's Finance and Employment Committee comprised up to five members of the Corporation. The Committee's responsibilities are to make recommendations to the Board on the financial health of the College. It also considers the College's statutory employment policies and procedures.

The Finance and Employment Committee also has responsibility to oversee policies and make recommendations to the Corporation on the remuneration and benefits of the Senior Postholders namely the Principal, Deputy Principal (from December 2023) and the Clerk to the Corporation and to monitor the performance of these individuals.

The Corporation has regard to the AoC's Senior Staff Remuneration Code in undertaking its assessments and considers the following in making pay awards.

- The performance of the individual concerned against personal and College objective
- How the salary compares with similar organisations,
- Local and national sensitivities and constraints,
- National guidance and frameworks.

Details of remuneration for the year ended 31 July 2024 are set out in note 7 to the financial statements.

Audit Committee

The Audit Committee during the year comprised of four members of the Corporation (excluding the Principal and Chair) and two Co-opted members. The Committee operates in accordance with written Terms of Reference approved by the Corporation.

The Audit Committee meets at least three times a year and provides a forum for reporting by the College's internal, regularity and financial statements auditors, who have access to the Committee for independent discussion without the presence of College management. The Committee also receives and considers reports from the main FE Funding, and other bodies as they affect the College's business.

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

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

The Audit Committee also advises the Corporation on the appointment of internal, regularity and financial statements auditors and their remuneration for both audit and non-audit work.

The Audit Committee met three times during the year to 31 July 2024. Members of the Committee and their attendance records are shown below:

Committee Member	**Meetings Attended**
Andrew Jackman (Chair)	3/3
Julia Adey	3/3
Andrew Bradshaw	2/2
Sarah Pankhurst	3/3
Co-opted Member	
Steve Higgins	2/2
Rebecca Turnbull	3/3

Search and Governance

The Search and Governance committee normally meets three times a year. For 2023/2024 the Committee met on five occasions with the additional meetings to consider appointments to Corporation and the findings of the External Review of Governance. The remit of the Committee is to cover:

- Governance matters including its composition and the membership of its Committees, co-ordinating the search for new members as vacancies occur
- The appointment of potential members, taking into account diversity and skills within the Corporation membership

It also oversees:

- The External Review of Governance process
- The eligibility of members and the Register of Interests
- The Self-Assessment of Governance and monitors the resulting Action Plan and the periodic review of the effectiveness of Governance
- The Recruitment Policy and Process for a Chair of Corporation
- The provision of appropriate Governor training

In addition, it manages the Corporation DBS Checks and Disclosures Policy and Procedures and reviews the Instrument and Articles of Government.

Standards, Curriculum and Learning

The Standards, Curriculum and Learning Committee meets at least three times a year and comprises at least six members, at least one of whom is a Staff Governor and two of whom are Student Governors. It advises the Corporation on the Quality and Standards achieved in the College and monitors, reviews and challenges key performance indicators. It provides challenge and support in reviewing student achievement and experience through the analysis of various reports.

Additional responsibilities include monitoring the range, adequacy and sufficiency of the College's curriculum offer and reviewing the effectiveness and impact of the teaching staff appraisal scheme and staff development.

Internal control

Scope of responsibility

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

The Corporation has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the College's policies, aims and objectives, whilst safeguarding the public funds and assets for which he is personally responsible, in accordance with the responsibilities assigned to him in the Financial Agreement between Barton Peveril Sixth Form College and funding bodies. He is also responsible for reporting to the Corporation any material weaknesses or breakdowns in internal control.

The purpose of the system of internal control

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

Capacity to handle risk

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

The risk and control framework

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

- Comprehensive budgeting systems with an annual budget, which is reviewed and agreed by the governing body
- Regular reviews by the governing body of periodic and annual financial reports which indicate financial performance against forecasts

- Setting targets to measure financial and other performance
- Clearly defined capital investment control guidelines
- The adoption of formal project management disciplines, where appropriate.

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

Risks faced by the Corporation

An Annual Risk Management Document is presented to the Audit Committee for scrutiny prior to it being presented to the full Corporation. The document outlines the process and outcomes of an annual review and scoring of risks.

The Internal Auditors use the Risk Management Document to create an annual and three-year audit plan.

The Audit Committee approves the plan and receives reports on all areas reviewed and meets with the internal auditors at each of its three annual meetings.

In 2023-24 the principal areas of highest risk were identified as funding, mental health, student transport, exam provision, recruitment and retention of staff and their wellbeing.

Control weaknesses identified

No significant control weaknesses were reported through the internal audit process in 2023-24.

Responsibilities under accountability agreements

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

Statement from the Audit Committee

The Audit Committee provides the Corporation with an annual report of the work of the Audit Committee, in which it outlines the work of the Committee in that year. This includes the areas that have been subject to internal audit reviews and any significant outcomes that have been addressed. The Audit Committee believes the Corporation has effective internal controls in place.
In 2023-24 the following areas were audited with the outcomes shown in brackets:

- Estate Maintenance (Reasonable Assurance)
- Information Management/ GDPR / DPA (Substantial Assurance)
- Payroll (Substantial Assurance)
- Recruitment and Retention (Reasonable Assurance)
- Student Recruitment (Reasonable Assurance)

The College's internal auditors provided a clean audit opinion and were satisfied that, for the areas reviewed during the year, the College had reasonable and effective risk management, control and governance processes in place.

Review of effectiveness

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

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

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

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

The Audit Committee's role in this area is confined to a high-level review of the arrangements for internal control. The Corporation's agenda includes a regular item for consideration of risk and control and receives reports thereon from the Senior Leadership Team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its July 2024 meeting, the Corporation carried out the annual assessment for the year ended 31 July 2024 by considering documentation from the senior leadership team and internal audit and taking account of events since 31 July 2023.

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

Approved by order of the members of the Corporation on 9th December 2024 and signed on its behalf by:

Signed.....

Sunita Auger
Chair

Signed.....

Rob Temple
Accounting Officer

Statement of Regularity, Propriety and Compliance

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

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

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

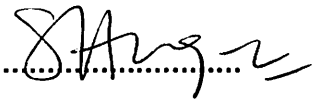
Signed.... .....

Rob Temple
Accounting Officer

Date: 9/12/24

Statement of the chair of governors

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

Signed.....  .....

Sunita Auger
Chair

Date: 9/12/24

Statement of Responsibilities of the Members of the Corporation

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

Within the terms and conditions of the corporation's grant funding agreements and contracts with ESFA, the corporation – through its Accounting Officer – is required to prepare financial statements and an operating and financial review for each financial year in accordance with the Statement of Recommended Practice – Accounting for Further and Higher Education, ESFA's college accounts direction and the UK's Generally Accepted Accounting Practice, and which give a true and fair view of the state of affairs of the corporation and its surplus / deficit of income over expenditure for that period.

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

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

The corporation is also required to prepare a Members' Report which describes what it is trying to do and how it is going about it, including information about the legal and administrative status of the corporation.

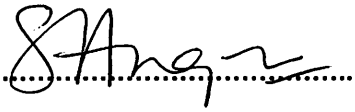
The corporation is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the college and which enable it to ensure that the financial statements are prepared in accordance with relevant legislation including the Further and Higher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

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

Members of the corporation are responsible for ensuring that expenditure and income are applied for the purposes intended and that the financial transactions conform to the authorities that govern them. In addition, they are responsible for ensuring that funds from ESFA, and any other public funds, are used only in accordance with ESFA's grant funding agreements and contracts and any other conditions, that may be prescribed from time to time by ESFA, or any other public funder, including that any transactions entered into by the corporation are within the delegated authorities set out in the "Dear accounting officer" letter of 29 November 2022 and ESFA's bite size guides. Members of the corporation must ensure that there are appropriate financial and management controls in place to safeguard public and other funds and ensure they are used properly.

In addition, members of the corporation are responsible for securing economic, efficient and effective management of the corporation's resources and expenditure so that the benefits that should be derived from the application of public funds from ESFA and other public bodies are not put at risk.

Approved by order of the members of the corporation on 9th December 2024 and signed on its behalf by:

Signed.....  ..... **Sunita Auger, Chair**

Independent auditor's report to the members of Barton Peveril Sixth Form College

Opinion

We have audited the financial statements of Barton Peveril College (the 'College') for the year ended 31 July 2024 which comprise the Statement of Comprehensive Income, the Statement of Changes in Reserves, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies.

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) and the 2019 Statement of Recommended Practice: Accounting for Further and Higher Education.

In our opinion, the financial statements:

- give a true and fair view of the state of the College's affairs as at 31 July 2024 and of its surplus of income over expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

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

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the Members of the Corporation with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Corporation is responsible for the other information

contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the College and its environment obtained in the course of the audit, we have not identified material misstatements in the report of the Members of the Corporation and statement of corporate governance and internal control.

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

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

Responsibilities of Corporation

As explained more fully in the Statement of Responsibilities of the Members of the Corporation set out on page 28 and 29, the Corporation is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Corporation determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Corporation is responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Corporation either intend to liquidate the College or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the College and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: compliance with the ESFA funding agreements, the OFSTED regulatory framework, safeguarding, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, HM Treasury's "Managing public money".

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the College is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the College which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as pension legislation.

In addition, we evaluated the Members of the Corporation and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to transactions for pensions, income recognition (which we pinpointed to cut off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Members of the Corporation and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

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

Forvis Mazars LLP

Forvis Mazars LLP (Dec 18, 2024 12:22 GMT)

Forvis Mazars LLP

Chartered Accountants and Statutory Auditor

6 Sutton Plaza
Sutton Court Road
Sutton
SM1 4FS

Date: 18th December 2024

Independent Reporting Accountant's Assurance Report on Regularity to Barton Peveril Sixth Form College and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 10 June 2024 and further to the requirements and conditions of funding in ESFA and DfE's accountability agreements, grant funding agreements and contracts, or those of any other public funder, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by Barton Peveril College during the period 1 August 2023 to 31 July 2024 have not been applied to the purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

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

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

Respective responsibilities of Barton Peveril College and the reporting accountant

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

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Reviewed the statement on the College's regularity, propriety and compliance with Funding body terms and conditions of funding.
- Reviewed the College's completed self-assessment questionnaire on regularity.
- Read the accountability agreements, grant funding agreements and contracts with the ESFA.
- Tested a sample of expenditure disbursed and income received to consider whether they have been applied to purposes intended by Parliament and in accordance with funding agreements where relevant.
- Tested a sample of individual learner records.
- Obtained the policy for personal gifts and/or hospitality.
- Obtained the register of personal interests.
- Obtained the financial regulations/financial procedures.
- Obtained the College's whistleblowing policy.
- Reviewed the College's compliance with the requirements of HM Treasury's "Managing Public Money" document.

Conclusion

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

Signed: Forvis Mazars LLP

Forvis Mazars LLP (Dec 18, 2024 12:22 GMT)

Forvis Mazars LLP

Date: 18th December 2024

Barton Peveril Sixth Form College

Statement of Comprehensive Income

	Notes	Year ended 31 July 2024 £'000	Year ended 31 July 2023 £'000
INCOME			
Funding body grants	2	26,265	23,453
Tuition fees and education contracts	3	-	3
Other grants and contracts	4	103	22
Other operating income	5	2,002	1,817
Investment income	6	260	65
Total income		**28,630**	**25,360**
EXPENDITURE			
Staff costs	7	16,746	14,557
Other operating expenses	8	7,363	6,203
Depreciation	12	1,472	1,200
Interest and other finance costs	9	227	299
Total expenditure		**25,808**	**22,259**
Surplus before other gains and losses		**2,822**	**3,101**
Surplus before tax		**2,822**	**3,101**
Taxation	11	-	-
Surplus for the year		**2,822**	**3,101**
Actuarial gain in respect of pension scheme	24	-	1,947
Total comprehensive income for the year		**2,822**	**5,048**
Represented by:			
Restricted comprehensive income		-	-
Unrestricted comprehensive income		2,822	5,048
		2,822	**5,048**

All items of income and expenditure relate to continuing activities. The notes on pages 41 to 57 also form part of the financial statements.

Barton Peveril Sixth Form College

Statement of Changes in Reserves

	Income and expenditure account £'000	Revaluation Reserves £'000	Total £'000
Balance as at 31st July 2022	17,143	1,318	18,461
Surplus from income and expenditure account	3,101	-	3,101
Other comprehensive income	1,947	-	1,947
Transfers between revaluation and income and expenditure reserves	54	(54)	-
	5,102	(54)	5,048
Balance as at 31st July 2023	**22,245**	**1,264**	**23,509**
Surplus from income and expenditure account	2,822	-	2,822
Other comprehensive income	-	-	-
Transfers between revaluation and income and expenditure reserves	20	(20)	-
	2,842	(20)	2,822
Balance as at 31st July 2024	**25,087**	**1,244**	**26,331**

The notes on pages 41 to 57 also form part of the financial statements.

Barton Peveril Sixth Form College

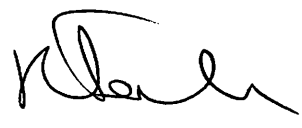
Balance Sheet as at 31 July 2024

	Notes	2024 £'000	2023 £'000
Non-Current Assets			
Tangible assets	12	37,011	30,117
		37,011	**30,117**
Current Assets			
Stock		48	69
Trade and other receivables	13	1,895	839
Investments	14	1,500	-
Cash and cash equivalents	19	4,357	8,451
		7,800	**9,359**
Creditors - amounts falling due within one year	15	(3,691)	(3,054)
Net current assets		**4,109**	**6,305**
Total assets less current liabilities		**41,120**	**36,422**
Creditors - amounts falling due after more than one year	16	(14,789)	(12,913)
Provisions			
Net pension liability	18	-	-
Total net assets		**26,331**	**23,509**
Unrestricted Reserves			
Income and Expenditure account including pension reserve		25,087	22,245
Revaluation reserve		1,244	1,264
Total unrestricted reserves		**26,331**	**23,509**

The financial statements on pages 37 to 57 were approved and authorised for issue by the Corporation on 9th December 2024 and signed on its behalf on that date by:

S Auger

Chair of Corporation



R Temple

Accounting Officer

Barton Peveril Sixth Form College

Statement of Cash Flows

	2024 £'000	2023 £'000
Cash flow from operating activities		
Surplus for the year	2,822	3,101
Adjustments for non-cash items		
Depreciation	1,472	1,200
Loss on disposal of fixed assets	-	105
Decrease in stock	21	4
(Increase)/Decrease in debtors	(1,027)	529
Increase in creditors due within one year	777	264
Increase in creditors due after one year	2,216	3,193
Pension cost less contributions payable	-	259
Adjustment for investing or financing activities		
Interest receivable	(260)	(65)
Interest payable	227	238
Net cash flow from operating activities	**6,248**	**8,828**
Cash flows from investing activities		
Interest received	231	43
New deposits	(1,500)	-
Payments to acquire tangible fixed assets	(8,365)	(7,250)
Net cash flow from investing activities	**(9,634)**	**(7,207)**
Cash flows from financing activities		
Interest paid	(279)	(208)
Increase in existing loan	15	-
Repayment of amounts borrowed	(444)	(355)
Net cash flow from financing activities	**(708)**	**(563)**
(Decrease)/Increase in cash and cash equivalents in the year	**(4,094)**	**1,058**
Cash and cash equivalents at beginning of the year	8,451	7,393
Cash and cash equivalents at end of the year	4,357	8,451
(Decrease)/Increase in cash and cash equivalents in the year	**(4,094)**	**1,058**

Barton Peveril Sixth Form College

Notes to the Accounts

1. Statement of accounting policies and estimation techniques

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

Basis of Preparation

These financial statements have been prepared in accordance with the *Statement of Recommended Practice: Accounting in Further and Higher Education 2019 (the 2019 FE HE SORP), the College Accounts Direction for 2023-24* and in accordance with Financial Reporting Standard 102 - *"The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland"* (FRS 102). The College is a public benefit entity and has therefore applied the relevant public requirements of FRS 102.

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

Basis of Accounting

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

Going Concern

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

The College currently has £4,017k of loans outstanding, at 31st July 2024 which will be repayable by October 2035. This was a loan transferred from the College bankers over to the DfE, on 5th September 2023, following the Office for National Statistics review into the classification of the English college sector, for the purpose of national accounts, leading to the reclassification of Colleges into the central government sector with effect from 29 November 2022.

With the loan terms agreed with the DfE the College is confident that it has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the signing of the accounts, and for this reason will continue to adopt the going concern basis in the preparation of its Financial Statements. Consideration has been given to the current financial climate, including inflation, interest rates, public sector pay increases and this has been built into future budgets and forecasts.

Recognition of Income

Revenue Grant Funding

Government revenue grants include funding body recurrent grants and other grants and are accounted for under the accrual model as permitted by FRS 102. Funding body recurrent grants are measured in line with best estimates for the period of what is receivable and depend on the particular income stream involved. 16-18 funding is not subject to a reconciliation and is therefore not subject to contract adjustments.

Capital Grant Funding

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

Fee Income

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

Investment Income

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

Agency Arrangements

The College acts as an agent in the collection and payment of Discretionary Support Funds.

Related payments received from the funding bodies and subsequent disbursements to students are excluded from the income and expenditure account and are shown separately in note 26, except for the 5 per cent of the grant received which is available to the College to cover administration costs relating to the grant. The College employs members of staff dedicated to the administration of the Discretionary Support Fund applications and payments.

Accounting for post-employment benefits

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

Teachers' Pension Scheme (TPS)

The TPS is an unfunded scheme. Contributions to the TPS are calculated so as to spread the cost of pensions over employees' working lives with the College in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of valuations using a prospective benefit method.

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

Hampshire Local Government Pension Scheme (LGPS)

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

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

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

Short term Employment benefits

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

Non-current Assets - Tangible Fixed Assets

Land and buildings

Land and buildings inherited from the Local Education Authority on incorporation are stated in the balance sheet at valuation on the basis of depreciated replacement cost as the open market value for existing use is not readily obtainable.

The associated credit is included in the revaluation reserve. The difference between depreciation charged on the historic cost of assets and the actual charge for the year calculated on the revalued amount is released to the income and expenditure account reserve on an annual basis.

Building improvements made since incorporation are included in the balance sheet at cost. Freehold land is not depreciated. Freehold buildings are depreciated over their expected useful economic life to the College of between 20 and 50 years. The College has a policy of depreciating major adaptations to buildings over the period of their useful economic life of between 10 and 50 years. Where land and buildings are acquired with the aid of specific grants, they are capitalised and depreciated as above. The related grants are credited to a deferred capital grant account and are released to the income and expenditure account over the expected useful economic life of the related asset on a systematic basis consistent with the depreciation policy. The deferred income is allocated between creditors due within one year and those due after more than one year.

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

On adoption of FRS 102, the College followed the transitional provision to retain the book value of land and buildings, but not to adopt a policy of revaluations of these properties in the future.

Assets under construction

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

Subsequent expenditure on existing fixed assets

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

Equipment

Equipment costing less than £1,000 per individual item is written off to the income and expenditure account in the period of acquisition. All other equipment is capitalised at cost.

All assets are depreciated over their useful life to the College:

- motor vehicles - 5 years on a straight-line basis
- computer equipment - 3 years on a straight-line basis
- other equipment - over the period of their useful economic life of between 5 to 10 years on a straight line basis

Borrowing costs

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

Leased Assets

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

Inventories

Stocks are stated at the lower of their cost and net realisable value. Where necessary provision is made for obsolete slow moving and defective stocks.

Cash and cash equivalents

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

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

Financial liabilities and equity

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

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

Taxation

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

Whilst the College is registered for Value Added Tax there is no exemption and for this reason the College is generally unable to recover input VAT it suffers on goods and services. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature.

Provisions and contingent liabilities

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

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

Judgements in applying accounting policies and key sources of estimation uncertainty

Judgements in applying accounting policies

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

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

Other key sources of estimation uncertainty:

- Tangible fixed assets

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

- Local Government Pension Scheme

  The present value of the Local Government Pension Scheme defined liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24 will impact the carrying amount of the pension asset/liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions at 31 July 2024. Any differences between the figures derived from the roll forward approach and full actuarial valuation would impact on the carrying amount of pension asset/liability. As the present value of the defined benefit obligation at the reporting date is less than the fair value of plan assets at that date, the plan has a notional surplus. As management do not consider that the College will be able to recover the surplus either through reduced contributions in the future or through refunds from the plan, the surplus has not been recognised in these financial statements in line with paragraph 28.22 of FRS102.

2. Funding body grants	**Year ended 31 July 2024 £'000**	**Year ended 31 July 2023 £'000**
Recurrent grants		
Education & Skills Funding Agency – 16 to 18	25,025	22,504
Specific grants		
Releases of government capital grants	318	232
Teachers Pension Scheme Grant Contribution	691	507
Devolved capital grant	102	94
Free School Meals	66	61
High Needs Support via LA	63	55
Total	**26,265**	**23,453**

3. Tuition fees and education contracts	**Year ended 31 July 2024 £'000**	**Year ended 31 July 2023 £'000**
Full cost fees	-	3
Total	**-**	**3**

4. Other grants and contracts	Year ended 31 July 2024 £'000	Year ended 31 July 2023 £'000
Other Funding	85	5
Other Funding – Local Authority	18	17
	103	**22**

5. Other operating income	Year ended 31 July 2024 £'000	Year ended 31 July 2023 £'000
Lettings	66	69
Shop sales / sale of equipment and books	80	106
Fees and charges	236	222
Catering Income	983	828
Other income	637	592
Total	**2,002**	**1,817**

6. Investment income	*Year ended 31 July 2024* £'000	*Year ended 31 July 2023* £'000
Interest receivable	260	65
Total	**260**	65

7. Staff Costs

The average number of persons (including key management personnel) employed by the College, during the year, based on average headcount, was:

	2024 No.	2023 No.
Teaching Staff	222	208
Non Teaching Staff	215	192
	437	**400**

Staff costs for the above persons:

	2024 £'000	2023 £'000
Wages and salaries	12,544	10,811
Social security costs	1,230	1,045
Other pension costs (including FRS 102 Sec 28 adjustments 2024 -£0k (2023 -£198k))	2,748	2,472
Payroll sub total	**16,522**	**14,328**
Contracted out staffing services	224	229
Total Staff costs	**16,746**	**14,557**

Key Management Personnel

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College and are represented by the Senior Leadership Team which comprises the Principal, an Assistant Principal and three Vice Principals.

Emoluments of Key Management Personnel, Accounting Officer and other higher paid staff

	2024 No.	2023 No.
Number of Key Management Personnel including the Accounting Officer was	6	6

The number of Key Management Personnel and other staff who received annual emoluments, excluding pension contributions and employer's national insurance but including benefits in kind, in the following ranges was:

	Key Management Personnel	
	2024 No.	2023 No.
£10,001 to £15,000	-	1
£40,001 to £45,000	1	-
£70,001 to £75,000	-	1
£75,001 to £80,000	1	-
£80.001 to £85,000	1	2
£85,001 to £90,000	-	1
£90,001 to £95,000	2	-
£125,001 to £130,000	-	1
£135,001 to £140,000	1	-
	6	**6**

Key management personnel compensation is made up as follows:

	2024 £'000	2023 £'000
Salaries	523	464
Pension contributions	131	111
Total key management personnel compensation	**654**	**575**

There were no amounts due to key management personnel that were waived in the year, nor any salary sacrifice arrangements in place. The above emoluments include amounts payable to the Accounting Officer (who is the highest paid senior post-holder) of:

	2024 £'000	2023 £'000
Salaries	138	126
Pension Contributions	35	30
Total emoluments	**173**	**156**

The remuneration package of key management staff, including the Principal/Chief Executive, is subject to annual review by the Finance & Employment Committee of the governing body who use benchmarking information to provide objective guidance. The Principal reports to the Chair of Governors, who undertakes an annual review of his performance against the college's overall objectives using both qualitative and quantitative measures of performance. The members of the Corporation other than the Accounting Officer did not receive any payment from the institution other than the reimbursement of travel and subsistence expenses incurred in the course of their duties.

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

	2024	2023
Principal/Chief Executive basic salary as a multiple of the median of all staff	3.5	3.5
Principal/Chief Executive total remuneration as a multiple of the median of all staff	3.8	3.7

Compensation for loss of office

The College paid 1 severance payment in the year, disclosed in the following band:

	2024	2023
£0 - £25,000	1	2

8. Other operating expenses	Year ended 31 July 2024 £'000	Year ended 31 July 2023 £'000
Teaching costs	2,378	1,999
Non-teaching costs	3,380	2,849
Premises costs	1,605	1.355
Total	**7,363**	**6,203**

Other operating costs include:

	2024	2023
Financial statements – audit	28	27
Internal audit	11	9
Operating leases	67	66

9. Interest payable and other finance costs	2024 £'000	2023 £'000
On bank loans, overdrafts and other loans, repayable wholly or partly in more than five years.	227	238
Pension finance costs (note 24)	-	61
	227	**299**

10. Write offs, losses, guarantees, letters of comfort and compensation payments
The College incurred no costs and has no commitments with regard to write offs, losses, guarantees, letters of comfort or compensation payments.

11. Taxation
The members do not believe the College was liable for any corporation tax arising out of its activities during this period as it benefits from the general exemptions from Corporation Tax afforded by Section 505 Taxes Act 1988.

12. Tangible fixed assets

	Land and Buildings			
	Under construction £'000	Freehold £'000	Equipment £'000	Total £'000
Cost or valuation				
At 1 August 2023	8,422	34,173	2,375	44,970
Additions	6,881	978	507	8,366
Disposals	0	(92)	(45)	(137)
Transfers	(9,298)	9,298	-	-
At 31 July 2024	**6,005**	**44,357**	**2,837**	**53,199**
Depreciation				
At 1 August 2023	-	13,610	1,243	14,853
Charge for period	-	1,140	332	1,472
Disposals	-	(92)	(45)	(137)
At 31 July 2024	**-**	**14,658**	**1,530**	**16,188**
Net book value at 31 July 2024	**6,005**	**29,699**	**1,307**	**37,011**
Net book value at 1 August 2023	8,422	20,563	1,132	30,117

Land and buildings inherited from the LEA at incorporation were valued by the College on a depreciated replacement cost basis in February 1993 by Edward Rushton Son & Kenyon a firm of independent surveyors. Land and buildings with a net book value of £11,430k have been funded from exchequer funds, through the receipt of capital grants from the Funding Councils. Should these assets be sold, the College may be liable, under the terms of the Financial Memorandum with the Funding Councils, to surrender the proceeds.
If inherited land and buildings had not been valued they would have been included at the following amounts:

Cost	£0
Aggregate depreciation based on cost	£0
Net book value based on cost	£0

13. Debtors

	2024 £'000	2023 £'000
Amounts falling due within one year:		
Trade receivables	19	21
Prepayments and other accrued income	1,098	422
Amounts owed by ESFA	778	396
Total	**1,895**	**839**

14. Investments

	2024 £'000	2023 £'000
Short term deposits	1,500	-
Total	**1,500**	**-**

Deposits are held with banks operating in the London market and licenced by the Financial Conduct Authority with more than three months maturity at the balance sheet date. The interest rates for these deposits are fixed for the duration of the deposit at time of placement.

15. Creditors: amounts falling due within one year	2024 £'000	2023 £'000
Loans and overdrafts	363	444
Payments received in advance	489	329
Trade payables	1,301	913
Other taxation and social security	307	293
Other creditors	361	321
Accruals	471	438
Deferred capital grants	399	316
	3,691	**3,054**

16. Creditors: amounts falling due after more than one year	2024 £'000	2023 £'000
Loans	3,654	3,994
Deferred capital grants	11,135	8,919
	14,789	**12,913**

17. Maturity of debt

Bank loans and overdrafts

Loans and overdrafts are repayable as follows:

	2024 £'000	2023 £'000
In one year or less	363	444
Between one and two years	355	355
Between two and five years	1,065	1,065
In five years or more	2,234	2,574
Total	**4,017**	**4,438**

DfE loans totalling £4,017k are repayable by instalments falling due between 5th September 2023 and 18 October 2035. The interest rate charged on the loan is based on the Public Works Loan Board (PWLB) fixed rate which is set each April.

Following the ONS reclassification on 29th November 2022 which reclassified all college corporations as public sector institutions the Department for Education introduced some new rules for colleges one of which included the approach taken to previous commercial borrowing. The College was impacted by this decision regarding its previous long term loan with Lloyds, which was due to be repaid in 2035, with terms being re-negotiated every 4/5 years. Revised terms had been agreed with Lloyds, by the College, to take effect in March 2023 but due to the ONS reclassification the loan facility was transferred from Lloyds over to the DfE on 5th September 2023 on similar payment terms. To ensure the 'substance' of this transaction was reported appropriately and to help aid 'understandability' of the financial statements the Lloyds loan, at 31st July 2023, was disclosed as a long-term liability on the basis the loan was simply being transferred from Lloyds to the DfE.

18. Provisions	Defined benefit obligations £'000	Total £'000
At 1 August 2023	-	-
Expenditure in the period	-	-
Additions in the period – inc. actuarial gain	-	-
At 31 July 2024	-	-

Defined benefit obligations relate to the liabilities under the College's membership of the Local Government Pension Scheme. The scheme reported a notional surplus in 2022/23 which remains the

case in 2023/24. However, as management do not consider that the College will be able to recover the surplus either through reduced contributions in the future or through refunds from the plan, the surplus has not been recognised in these financial statements in line with paragraph 28.22 of FRS 102. Consequently no movement has been recorded during the year – further explanation is provided in note 24.

19. Cash and cash equivalents

	1 August 2023 £'000	*Cash flows* £'000	*31 July 2024* £'000
Cash and cash equivalents	**8,451**	**(4,094)**	**4,357**

20. Capital commitments

As at the 31st July 2024 the College had capital commitments of £3,213k (2023: £6,906k) relating to the construction of a new Art Block due for completion Dec 2024. The Art Block is being part-funded by a DfE capital grant.

21. Lease obligations

At 31 July 2024 the College had minimum lease payments under other non-cancellable operating leases as follows:

Future minimum lease payments due	**2024** £'000	**2023** £000's
Other		
Not later than one year	63	62
Later than one year and not later than five years	101	128
	164	**190**

22. Contingent liabilities

The College has no contingent liabilities.

23. Post balance sheet events

There have been no significant post balance sheet events.

24. Defined benefit obligations

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

Total pension cost for the year	**2024** £'000	**2023** £'000
Teachers' Pension Scheme: contributions	2,042	1,674
Local Government Pension Scheme:		
Contributions Paid	706	600
FRS 102 (28) charge	-	198
Total Pension Cost for Year within staff costs	**2,748**	**2,472**

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

Teachers' Pension Scheme

The Teachers' Pension Scheme ("TPS") is a statutory, unfunded, contributory, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments in England and Wales that are maintained by local authorities, and in academies. In addition, teachers in many independent schools, and teachers and lecturers in some establishments of further and higher education may be eligible for membership.

Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

Although members may be employed by various bodies, their retirement and other pension benefits are set out in the abovementioned regulations, made under the Superannuation Act (1972) and Public Service Pensions Act (2013), and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go 'basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts. Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The College is unable to identify its share of the underlying assets and liabilities of the plan.

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

The Teachers' Pensions Regulations 2010 require an annual account - the Teachers' Pension Budgeting and Valuation Account - to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

As a result of the latest scheme valuation, employer contributions were increased in April 2024 from a rate of 23.6% to 28.6%. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses.

A copy of the latest valuation report can be found by following this link to Valuation result | 10 | 2023 (teacherspensions.co.uk). The next valuation is expected to take effect in 2027.

The pension costs paid to TPS in the year amounted to £2,042k (2022/23: £1,677k).

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate funds administered by Hampshire County Council. The total contribution made for the year ended 31 July 2024 was £912k of which employers' contributions totalled £706k and employees' contributions totalled £206k.

The agreed contribution rate for future years is 20.90% for employers and a range from 5.5% to 12.5% for employees, depending on salary.

The following information is based upon a full actuarial valuation of the fund at 31st March 2023 updated to 31st July 2024 by the Fund's actuary:

Principal Actuarial Assumptions

	At 31 July 2024	At 31 July 2023
CPI Inflation	2.75%	3.00%
Rate of increase in salaries	3.75%	4.00%
Future pensions increases	2.75%	3.00%
Discount Rate for scheme liabilities	5.00%	5.05%

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

	At 31 July 2024 Years	At 31 July 2023 Years
Retiring today/current pensioners		
Males	22.0	22.1
Females	24.7	24.7
Retiring in 20 years/future pensioners		
Males	22.5	22.6
Females	25.6	25.7

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

	2024 £'000	2023 £'000
Equity instruments	7,446	7,035
Debt instruments	5,009	3,815
Property	948	715
Cash	135	358
Total fair value of plan assets	**13,538**	**11,923**
Actual return on plan assets	**1,000**	**(325)**

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

	2024 £'000	2023 £'000
Fair value of plan assets	13,538	11,923
Present value of plan liabilities	(13,538)	(11,923)
Net pensions (liability)/asset (Note 18)	-	-

As the present value of the defined benefit obligation at the reporting date is less than the fair value of plan assets at that date, the plan has a notional surplus. As management do not consider that the College will be able to recover the surplus either through reduced contributions in the future or through refunds from the plan, the surplus has not been recognised in these financial statements in line with paragraph 28.22 of FRS102. Consequently the present value of plan liabilities have been disclosed at a value equal to the fair value of plan assets. Furthermore, as a result of no surplus being recognised, management has not accounted for any movement in the current year regarding net interest income or a reduction in staff costs which would have been balanced by a corresponding entry within 'Other Comprehensive Income' on the Statement of Changes in Reserves.

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

	2024 £'000	2023 £'000
Amounts included in staff costs		
Current Service cost*	704	795
Past Service cost	-	3
Total	**704**	**798**
Amounts included in investment income		
Net interest income*	-	(61)
	-	**(61)**
Amount recognised in statement of other comprehensive income		
Gain/(Loss) on pension plan assets	383	(262)
(Loss)/Gain arising on defined benefit obligations	(383)	2,209
Amount recognised in other comprehensive income*	**-**	**1,947**

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

	2024 £'000	2023 £'000
Net defined benefit (liability)/asset in scheme at 1 August	-	(1,688)
Movement in year:		
Current Service Cost*	(704)	(795)
Past service cost	-	(3)
Employer contributions	704	600
Net interest on the defined (liability)/asset	-	(61)
Actuarial gain or loss	-	1,947
Net defined benefit (liability)/asset in scheme at 31 July	**-**	**-**

Asset and Liability Reconciliation

	2024 £'000	2023 £'000
Changes in the present value of defined benefit obligations		
Defined benefit obligations at the start of period	11,923	13,037
Current Service Cost*	704	795
Past Service Cost	-	3
Interest Cost*	617	454
Contributions by scheme participants	205	169
Experience gains and losses on defined benefit obligations	383	(2,209)
Estimated benefits paid	(294)	(326)
Defined benefit obligations at the end of period	**13,538**	**11,923**
Changes in fair value of plan assets		
Fair value of plan assets at start of period	11,923	11,349
Interest on plan assets*	617	393
Return on plan assets	383	(262)
Employer contributions	704	600
Contributions by scheme participants	205	169
Estimated benefits paid	(294)	(326)
Fair value of plan assets at end of period	**13,538**	**11,923**

*On the basis of no surplus being recognised in the scheme, as management do not consider that the College will be able to recover any surplus either through reduced contributions in the future or through refunds from the plan, neither has any income been recognised through net interest income or via a reduction in staff costs on the Statement of Comprehensive Income. Had the College adopted this treatment the following would have been disclosed:

	Actual Disclosure - £'000	Alternative Disclosure - £'000
Impact on Statement of Comprehensive Income		
Current Service Cost	704	613
Employer Contributions	(704)	(704)
Adjustment to 'Staff Costs' in 'Statement of Comprehensive Income' - credit / income	-	**(91)**
Interest on Plan Assets	(617)	(617)
Interest Cost	617	601
Net Interest – adjustment to 'Interest & other finance costs' (Income) in 'Statement of Comprehensive Income' – credit / income	-	**(16)**
Total credits / income recorded in 'Statement of Comprehensive Income' regarding Pension Scheme	-	**(107)**
Amount recognised in 'Other Comprehensive Income' – within Statement of Changes in Reserves		
Gain/(Loss) on pension plan assets	383	383
(Loss)/Gain arising on defined benefit obligations	(383)	165
	-	**548**
Restriction on pension surplus	-	**(655)**
Amount recognised in Other Comprehensive Income within 'Statement of Changes in Reserves' – debit / loss	-	**107**
Balance Sheet Disclosure		
Fair value of plan assets	13,538	13,538
Present Value of plan liabilities	(13,538)	(12,602)
	-	**936**
De-recognition of surplus	-	**(936)**
Net pensions liability/asset (Note 18)	-	-

25. Related party transactions

Due to the nature of the College's operations and the composition of the Corporation (being drawn from local public and private sector organisations) it is inevitable that transactions may take place with organisations in which a member of the Corporation may have an interest. All transactions involving organisations in which the member of the Corporation may have an interest are conducted in accordance with the College's financial regulations and normal procurement procedures.

Expenses paid to Governors to cover travel costs incurred in attending Governor meetings and events during the year totalled £313 (2022/23: £54)

No Governor has received any remuneration or waived payments from the College during the year (2022/23: £nil).

Transactions with the ESFA are detailed in note 2.

26. Amounts disbursed as agent

	2024	2023
Discretionary Support Funds	**£'000**	**£'000**
ESFA grants - hardship funds	549	438
Disbursed to Students	(411)	(342)
Administration Costs	(19)	(17)
Balance unspent as at 31 July, included in creditors	**119**	**79**

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