Barton Peveril
Sixth Form College

Annual Report and Financial Statements

for the year ending 31st July 2025

CONTENTS

	Page number
Reference and administrative details	1
Barton Peveril Sixth Form College	2
Strategic Report	5
Statement of Corporate Governance and Internal Control	19
Statement of Regularity, Propriety and Compliance	30
Statement of Responsibilities of the Members of the Corporation	31
Independent Auditor's Report to the members of Barton Peveril Sixth Form College	33
Reporting Accountant's Assurance Report on Regularity	37
Statement of Comprehensive Income	39
Statement of Changes in Reserves	40
Balance Sheet as at 31 July	41
Statement of Cash Flows	42
Notes to the Accounts	43

Reference and Administrative Details

Board of Governors

A full list of Governors is given on page 20 of these Financial Statements. Sarah Wright acted as Clerk to the Corporation throughout the year.

Senior Leadership Team

Rob Temple	Principal and CEO; Accounting officer
Nicola Carcone	Deputy Principal
Jan Frost	Vice Principal (Student & Progress)
Chris Loveday	Vice Principal (Business Services); Chief Financial Officer
Mandy Wood	Vice Principal (Quality & Teacher Development) – *retired 31/08/2025*
Victoria Radido	Assistant Principal (Super Curricula) – *appointed 13/08/2025*

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
2024-25

Rob Temple
Principal

Principal's Overview of the Year

The financial year August 2024 to July 2025 has been another excellent year for the College, marked by significant achievements in outcomes for students, and further improvements to our facilities and resources.

We operate as a leading provider of post-16 education with an excellent local and national reputation. In terms of 16-18 year old student numbers we are the largest sixth form college in the country, despite operating in a uniquely competitive environment for post-16 education. 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 £9 million Art & Design Building, which has significantly improved the provision for Art subjects.

Our commitment to providing state-of-the-art facilities for our students continues. Our new Art and Design Building opened in January 2025, and work is 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, a new lecture theatre and deliver 200 new study spaces. It was ready for students and staff at the end of September 2025.

We have also continued to improve and develop our existing infrastructure so as to enhance the campus experience. This includes the refurbishment of classrooms in Hampshire Building, the creation of a new study space in Chestnut Building (by filling in the previous void); an expansion of the Science Cafe; air conditioning for the 2nd floor of Mountbatten Building; and moving IT to the Glyn Library, a more central location which will enable a stronger student facing presence.

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 invested in artificial intelligence to support both business services and teaching and learning, and are already witnessing tangible benefits in both areas. We have also signed an exclusive 5-year collaboration with Google Cloud, Google for Education and SoftwareOne, an agreement that will see the College officially recognised as a Google Cloud Reference College. Moreover, this agreement provides necessary modernisation to our IT infrastructure, with all on-site servers migrating to Google Cloud's platform by August 2025. This migration will significantly enhance cyber resilience, streamline operations, and deliver long-term financial efficiencies through strategic and centralised procurement.

We recognise the importance of inculcating in our students and staff a sense of responsibility for our local and global community. This year, we continued our community outreach catering initiative, providing meals to the local community in partnership 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.

Success and Outcomes

Results represent the third cohort for which grading has been back to 'normal', following centre and teacher assessments and a gradual return to pre-pandemic grade boundaries.

In 2025, 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 +60% and Maths by +44%
- 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

Following a sustained period of growth, 2024-25 saw a slight decrease in student numbers as the outgoing second year cohort was slightly smaller than the incoming first year cohort despite record numbers of applications. This fluctuation is largely down to varied school performance at GCSE as a result of grades shifting towards pre-pandemic levels. However, early indications for the coming year suggest an increase in student applications. Therefore, 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 2024-25 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

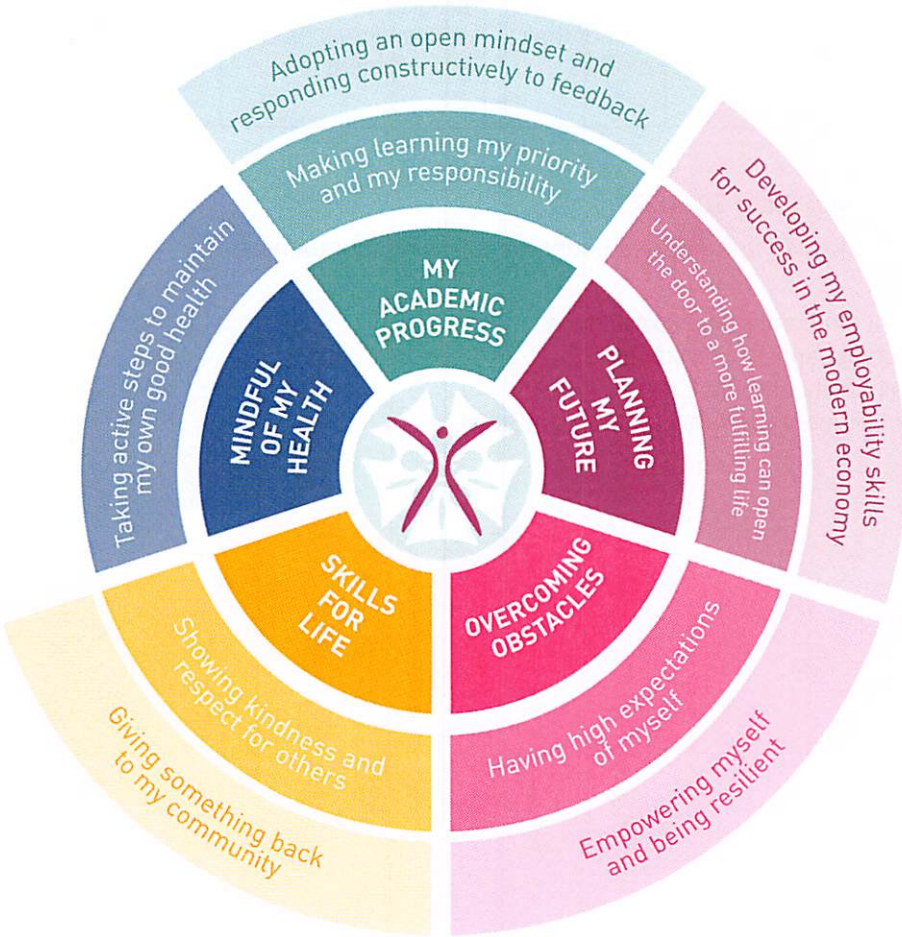
The Corporation of Barton Peveril Sixth Form College presents its annual report together with the financial statements and auditor's report for the year ended 31 July 2025.

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 2024 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'

Revised Strategic Plan: 2024-27

The strategic priorities are grouped under the following four themes:

1. Student Outcomes and Experience
2. Leadership and Governance
3. Sustainability and the Estate
4. Attract, Recruit, Develop and Retain Staff

1. Student Outcomes and Experiences		
Intent: Exceptional outcomes and experiences for all students	**Implementation**	**Impact**
• Students are confident in their learning; are able to articulate their progress and can identify what they need to do to improve • Students will benefit from creative and innovative teaching and learning; supportive feedback and informed interventions	• Programme of INSET (literacy, AI, engaging all learners, meta-cognition, aspiration gap) • Personal Development Programme for teaching staff • AI assistant (Barton Buddy) to offer students connected access to Google classrooms, resources and MIS data • Access to a range of student facing AI agents to support learning (such as Barton AI and Library AI) • Use of generative AI to provide immediate summative feedback	• ALPS 2 (top 10% for value added performance) for A level & Vocational courses • No value added gaps between different groups of learners
• Students are enabled to build empathy and resilience	• Tutor Programme • Carnegie Award for mental health • Inspire Programme - targeted additional support and opportunities for disadvantaged students • Strategy group for H&WB • Health & Wellbeing provision o Health & Wellbeing to merge with Learning Support (to form 'Student Support' Team) o Student Support Team to move to new, improved, accommodation o Barton Buddy to provide low level support and quick access to appointments • Liaison work with Southampton Schools • Liaison work with faith and community groups • BP volunteering pledge • School Mentoring programme	• No value added gaps between different groups of learners • Retention rates above sixth form college averages • Learner voice: Increased proportion of students report 'feeling safe' at college • MIS can report on Increased numbers of student accessing health and wellbeing provision Barton students develop mentorship skills via training and mentoring scheme at Thornden and Swanmore schools
• A curriculum offer that suits the needs of our students and the local, regional and national needs • Students receive meaningful opportunities for skills development • Students are encouraged to, and supported in, making ambitious future plans • Students' views are heard, valued and they feel able to contribute to college life	• Post Curriculum review, ensure a smooth transition to the new single academic qualifications (2025/2026) • Apprenticeship/Employability course • All subjects providing meaningful interactions with HE and employers • Liaise with other local providers to ensure the curriculum offers meets the local and regional needs • Student Voice that informs college life • Support student conferences that enable students to demonstrate leadership within the College	• Positive destinations: 91% • 75-80% Progression to HE • Increase in % of students taking Level 4/5/Degree Apprenticeships • Increase in % of students accepting places at high tariff universities

2. Leadership and Governance		
Intent: To provide outstanding Leadership and Governance for the College, so that it may continue to provide local and national system leadership	**Implementation**	**Impact**
Further exploration, discussion and review of the College converting to an Multi Academy Trust	• Additional Governor meeting, led by CEO of SFCA, to discuss advantages and risks of academisation • Principal to explore the range of options available and present findings to governors	Governors are informed of all options and able to make an informed choice about the best path for the College Financial security of the College College provides system leadership, as appropriate
Enable all students to access digital resources, and develop the appropriate digital skills, so that they might meet the changing careers landscape with confidence	• AI Working party launched and staff & student training • 2 INSET days focused on AI • AI conference hosted by College • New Digital Equity Strategy for 2024-27 • Continued exploration into the use of AI • Student voice to evaluate IT provision and use of AI	• Identification and implementation of tools and agents to improve efficiency and effectiveness, freeing up more time to be student focused. • 40% of students surveyed stated that they do not currently use AI. We would anticipate this reducing significantly to approx 10% by the end of this strategic plan • Improved student awareness of AI, its strengths and weaknesses as well as the ethical implications and nuances • Equitable access to devices, the internet and a LLM. • Consistent levels of IT literacy across all students
Explore opportunities for additional income via partnership agreements with the private sector	• VP for Business Services to explore potential sponsorship and partnerships • Due Diligence Policy in place to provide reassurance around reputational risk • Obtain DfE approval for any payment or services deemed "novel or contentious"	• Reduced costs on maintaining systems and services. • Increased revenue streams • Increased access to additional resources • Enhanced reputation of the College
Work towards being Carbon Zero by 2030	• Implement the Property Strategy Estate Maintenance schedule • More energy from renewable sources, either generated on site or through the procurement contract • Peveril Building has been designed and built using a modern ground source heat system. Solar panels for power generation. Underfloor heating and ventilation systems to manage both heat and Co2 levels of spaces. • Replaced the single glazed Hampshire building windows.	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 • Improvements shown in Annual Curriculum Audits Annual Sustainability Careers Fair • Condition reviews show % of estates in recognised categories - no adverse

	The new windows include solar glazing to reduce solar heating of internal spaces. Further planned upgrades include replacement of aging boilers and plant. • The new Art building uses a ground source heating system as opposed to a gas powered system and also uses solar power for electrical generation. • Waste - changed provider to a more cost effective service that can provide waste weight data.	movement
Continue journey towards becoming an Anti-racist College	• Continue affiliation with Black Leadership Group to influence on curriculum design in the classroom, in independent learning and in extracurricular activities • Design and deliver Anti Racism INSET: Day 3. To include sharing good practice to increase staff confidence in talking about race and promote visibility in all subjects. • Redesign of The Tutor Programme to interleave knowledge and understanding of our anti racist stance and to celebrate diversity. • Take proactive steps to attract teaching staff and leaders who are more reflective of our student community, increasing the diversity of the College for the benefit of all	• Student Voice: Using the structure of the BLG Student Forums to check progress since 2024 and explore how new curriculum design enhances their college experience. To be completed April 2025. • Curriculum Design also evidenced by SoL Audit • Raise the College to the next level on the BLG self assessment tool. • Student Voice: The results from The Student Survey November 2024 will reflect that students recognise our anti-racism culture.
Attract, Recruit, Develop and Retain Staff	• 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 • Engage potential new teachers by creating Teaching School offering a PGCE • Engage current students in a teacher training Q-XTRA	• Collect Staff Voice following pilot (launched September 2024) and embed the Development Programme for AY 2025-2026 • Teaching School is underdevelopment in collaboration with Portsmouth University. Potential launch September 2025 • Get into Teaching Q-XTRA launched at Enrolment 2024 to help create a teacher pipeline

3. Sustainability and 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	• Staff briefing on existing ways college meets sustainability goals • Information signposted to students via tutor slides and electronic display boards and social media • Recycle bins placed in every classroom • Promoting sustainable and fair trade food items through free samples at taster days and events **Liaising and linking us with the community** • Eastleigh Bid - initiated Student Leadership Group Consultation. Future student involvement in planning and design • Eastleigh Greening - attended launch event. Met with the project manager. Plans for students to assist in infrared imaging survey of Eastleigh Town and College and litter picking • Eastleigh Borough Council - engaging students in Tree Planting Programme (160,000 trees) • Southampton City Council - Young Rangers Group to be set up based on over 50 signing up at Freshers Fair • Theatre for Life - Climate Change Research New Forest
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)	• Appointed sustainability coordinator • Student leadership group led student voice on sustainability and feedback to SLT • Barton Give Back Day: £1,200 worth of food donated to Eastleigh Food bank, clothes, book and DVD swap, tech donations, sustainable art and catwalk
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	18-19 = £52k 19-20 = £55k 20-21 = £34k (Impact of Covid) 21-22 = £70k 22-23 = £69k 23-24 = £67k 24-25 = £82k

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	• Construction of Art Building • Improvements to Peveril: terrace; study areas • Improvements to Nobel cafe + outdoor space • Increased seating via benches outside Rose & Peveril

4. 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.	• Principal has twice visited Abu Bakr mosque, which had led to some enquiries, some mentors and improved community relationships, but no appointments • Also visited Hindu & Sikh Temples with students
Engage and train potential new teachers	• Autumn Careers in Teaching Fair to launch get into Teaching (QXTRA) • College to explore advantages and viability of offering PGCE to potential teachers	• Pilot of Teacher Training Qxtra • Advanced plans to offer PGCE, in partnership with University of Portsmouth
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	Barton Peveril Staff Development programme launched and currently being piloted with 10 staff from different levels and role across the organisation

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 441 of whom 226 were teaching staff.

Student enrolment has remained strong - the College was funded for 4,875 students in 2024/25 compared with 4,891 in 2023/24.

Financial

At the year end the College has £28.6M of net assets after deducting long term debt, represented by a DfE loan, of £3.3M. Cash and cash equivalents at the end of the year totalled £4.7M with a further £0.8M 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 Senior Leadership Team (SLT) won the Sixth Form College Association (SFCA) Award for "Innovation", for their work developing tools to improve operational efficiency using Artificial Intelligence (AI).

The 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 as chairing the CFO/ COO Panel of Sir Anthony Seldon's "AI in Education" charity. In early 2025, the Vice Principal (Business Services) also supported the Department for Education and Chiltern Learning Trust in the development of Artificial Intelligence resources for teachers and leaders.

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 DfE; 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 20 to 22.

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 43 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 £2,248k (7.37% as percentage of revenue). In 2023/24 there was a surplus of £2,822k (9.86%).

Income has increased by £1,889k (6.60%) over the year made up of an increase of £1,993k (7.59%) in funding and a slight reduction in other income streams of £104k (4.40%). The increased funding is due largely to an increase in funded student numbers and an increase in the funding rate. The small reduction in other income lines is due largely to one-off funding grants received in 2023/24 and a reduction in investment income.

Expenditure overall increased by £2,463k (9.54%). This was made up of an increase in staff costs of £1,553k (9.27%) and an increase in other expenditure lines of £910k (10.04%). The increase in staff costs is due largely to approved pay increases, the full year impact of increased contributions for the Teachers' Pension Scheme and increase in employers national insurance rates. Operating expenses have increased due to a combination of reasons including increased IT costs (required licences and equipment), catering costs, exams, transport costs and increased depreciation due to the addition of the new Art & Design Building.
The College continues to regard the generation of a healthy surplus as vital, with Corporation setting a surplus target of between 3% and 6%, for the following reasons:

- 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 £5,363k during the year on fixed asset additions. This included £1,848k for the completion of the Art & Design Building which was brought into use from January 2025 and £1,527k on re-modelling the ground floor of the Hampshire Building, which is shown within Lanud & Buildings Under Construction in note 11 to the accounts, which is to be completed in September 2025. The Art & Design Building cost £8.96M of which 41% was funded by the DfE's Post 16 Capacity Fund.

Reserves

The College has accumulated reserves of £28,579k (2023/24: £26,331k) with £5,533k (2023/24: £5,857k) 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 £2.2M in 2025/26 including completion of the Hampshire Building Refurbishment and smaller capital projects.

Sources of Income

The College has significant reliance on the DfE for its principal funding source, largely from recurrent grants. In 2024/25 the Funding Agencies provided 93% (2023/24: 92%) of the College's total income.

Future Developments

The College is pleased that work has completed on the new Art and Design Building. Subsequently work has begun to renovate the old art facilities in Hampshire Building. The renovation will create a new "student hub" combining much needed study space whilst bringing Student Services, SEND, Careers and Health and wellbeing together. It will also include a new lecture theatre and a staff room.

It is expected that work will complete by September 2025 with the total project costing in the region of £3.2 million.

Once the Hampshire renovation is complete the College intends to work with architects to develop plans for the renovation of the "progress zone", and Mountbatten car park. These projects should support the growing pastoral team and provide additional on site parking with further provision of EV charging facilities.

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 these renovations support this aspiration.

Financial Plan

The Corporation approved a two year financial forecast in July 2025 which sets objectives, targets and performance indicators for the period. The College aims to maintain its financial health rating of 'Outstanding' and to continue to deliver surpluses in each of the next two years. The 'Outstanding' health rating is in addition to the 'Outstanding' OFSTED rating obtained across all areas following inspection in November 2022.

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 £5,435k from operating activities the overall net cash inflow was just £376k for the period (2023/24: outflow of £4,094k) due largely to levels of capital spend on building projects. The cash balance at the year end was £4,733k (2023/24: £4,357k) with an additional £800k (2023/24: £1,500k) in fixed term deposit accounts (shown within current asset Investments). Some of the College's cash reserves are being used to finance the completion of the Hampshire Building refurbishment 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. The total DfE loan balance at the end of the year was £3,660k (2023/24: £4,017k).

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 2025 total unrestricted reserves stand at £28,579k (2023/24: £26,331k) which incorporates 'Cash and cash equivalents' of £4,733k (2023/24: £4,357k) in addition to current asset investments, held with banks in the form of fixed term deposits, totalling £800k (2023/24: £1,500k). The overall net reduction (eg. combining the cash and investment balances) is the result of implementing the Colleges Property Strategy including completion of the new Art and Design building.
- Total reserves are made up of the Income & Expenditure Reserve (£27,356k) and Revaluation Reserve (£1,223k).

The College has designated £2.2M of its own cash reserves, and included in the 2025/26 budget, to be used for capital projects including the Hampshire Building refurbishment – to be completed September 2025.

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 and have been subjected to a termly reviews during the 2024-25 financial year.

The Governing Body has overall responsibility for risk management and its approach to managing risks and internal controls is explained in the Statement on Corporate Governance.

A risk register is maintained at the College level which is reviewed at least annually by the Audit Committee and more frequently where necessary. The College also has a Risk Management Group which meets at least termly and reviews the risks identified at each of these meetings.

The risk register developed 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. New and emerging risks are reviewed regularly and added to the risk register as considered appropriate.

For 2024–25, the Group has again identified the mental health and wellbeing of both staff and students as the College's highest risk, a continuing global challenge that shows no sign of abating in the post-pandemic environment. However uncertainty in the sector around staffing, curriculum changes and funding have been identified as areas of focus. The College remains committed to doing all it can to address this risk, while staying vigilant and agile in its response. The Risk Management Group will continue to monitor, assess, and respond to both existing and emerging risks throughout the 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 2025 outcomes.

Financial Performance Indicator	Target	Actual for 2024-25
Cash days in hand	50 - 90	65.09 *(76.09 including fixed term deposits disclosed in current investments)*

Adjusted Current Ratio	1.5 – 2.5	2.10
Surplus – exc. FRS102 pension adj.	3% - 6%	7.47%
Pay expenditure as % of Income	60% - 65%	60.78%
Pay expenditure as % of Recurrent Grant	69% - 73%	70.77%
EBITDA as % of Income	>9%	12.07%
Borrowing as % of Income	<45%	12.16%

Student achievements

Students continue to prosper at the College. In 2025, 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 2024 to 31 July 2025, the College paid 95% of invoices within 30 days from invoice date. Over 95% of invoices were paid within 30 days of actual 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 2024/25 financial year to improve energy efficiency:

- Installation of a ground source heat pump and Solar PV for the Art and Design Building.
- Started work to replace the roof on Hampshire building with enhanced insulation values.
- Replaced the last single glazed windows with energy efficient double glazing.
- Built the new Art and Design Building as sustainable as possible, meeting BREEAM excellent rating criteria
- Reduced gas consumption by 0.3% on the previous year.
- Electricity consumption only increased by 4% despite the addition of the new Art & Design building.

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 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. 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 Leadership Group (BLG) and remain affiliated to that group. The process of staff training, action planning and implementation of our anti-racism commitment began to take place during 2022-23,and will continue into 2025-26.

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 pottery, circuits, staff choir and 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 College monitors and reviews gender pay gap information and reports to Corporation. The annual gender pay gap report is published on the College website.

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 01/04/2024 to 31/03/2025 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	£1,474
Total pay bill	£17,491,923
Percentage of total bill spent on facility time	0.0084%

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 2024-25. They continue to be met for 2025-26 and 2026-27 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 8th December 2025 and signed on its behalf by:

..... **Andrew Jackman** **Chair of Corporation**

Statement of Corporate Governance and Internal Control

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

GOVERNANCE CODE

The College endeavours to conduct its business:

1. in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);

2. in full accordance with the guidance to colleges from the FE code of good governance ("the Code")

In the opinion of the Governors, the College complies with/exceeds all the provisions of the Code, and it has complied throughout the year ended 31 July 2025. This opinion is based on an internal Governance Evaluation reported to the Board on 7 July 2025.

The Governing Body recognises that, as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times. In carrying out its responsibilities, it takes full account of The Code of Good Governance for English Colleges (or other) issued by the Association of Colleges in 2023, which it formally adopted.

Governors also took part in an Annual Self Assessment process to assess their own performances during the Summer term. 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 2024-2025 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. 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 2024-25

Name	Date of appointment	Term of Office (years)	Date of departure	Status of appointment	Committees served during the period	Attendance 2024-25
Mrs Sunita Auger Chair of Corporation from 1 Sept 2024 to 11 July 2025	June 2022	4	11 July 2025	Corporation Member	Standards, Curriculum and Learning to October 2024(Chair from January 2023 until 21October 2024). Finance and Employment from June 2024, Search and Governance from April 2024 (Chair from October 2024).	85%
Mr Andrew Jackman Vice Chair from Mar 2023 & Chair of Corporation from 11 July 2025	Oct 2012 Re-appointed Oct 2016 Oct 2020 Dec 2024	4 4 4		Corporation Member	Audit (Chair from Jun 2020 and resigned on 11 July 2025 as Chair and member of the Committee); 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	78%
Mrs Julia Adey	Mar 2023	4		Corporation Member	Audit (Chair from 11 July 2025)	89%
Mr Guy Ashton	Mar 2017 Mar 2021	4 4	31 March 2025	Corporation Member	Finance and Employment (Chair from Nov 2019 to June 2025)	83%

Mr Andrew Bradshaw	Dec 2023	4		Corporation Member	Audit (until 9 December 2020). Finance and Employment from 10 December 2024 Chair of Finance and Employment from 2 June 2025	64%
Mr Kyle Evans	Mar 2023	3	2 May 2025	Staff Member	Standards, Curriculum and Learning, Finance and Employment from June 2024	80%
Mrs Karen Everett Vice Chair of Corporation from Dec 2014 Chair from Mar 2019 until 1 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 Steve Higgins	Dec 2024	4		Corporation Member	Audit	86%
Mr Paul Kniveton	Dec 2023	3		Parent member	Standards, Curriculum and Learning	100%
Miss Ros Laird	Jun 2023	3	17 Oct 2024	Staff Member	Standards, Curriculum and Learning	n/a
Miss Rosie Leeson	Dec 2024	2		Student Member	Standards, Curriculum and Learning	100%
Ms Caroline Lowing	Mar 2023	4		Corporation Member	Standards, Curriculum and Learning	69%
Mrs Lynne Milton	June 2025	3		Staff Member	Standards, Curriculum and Learning and Audit	100%
Cllr Sarah Pankhurst	Jul 2021	4	21 Sept 2024	Corporation Member	Audit	n/a

Ms Lauren Robinson	Dec 2023	4		Corporation Member	Standards, Curriculum and Learning Chair from 21 Oct 2024	42%
Mr Callum Rodrigues	Dec 2023	2	7 July 2025	Student Member	Standards, Curriculum and Learning	33%
Mr Will Taylor	Dec 2024	3	3 July 2025	Staff member	Standards, Curriculum and learning until June 2025 Finance and Employment from June 2025	75%
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.	71%
Overall average attendance						84%
Mrs Sarah Wright - Clerk to the Corporation						

Note: attendance figures are for all Corporation and Committee meetings convened during 2024/25. The overall attendance percentage includes attendance from co-opted members of the relevant Committees. Details in relation to them are not included above. Where an individual has become a Governor having been a co-opted member previously the percentage used is from the date on which they were appointed as a full member of the Corporation.

In addition to the Governors disclosed in the above table there were also co-opted members who attended meetings during the year:

Audit Committee

- Steve Higgins (became full Governor on 9 December 2024)
- Rebecca Turnbull (appointed member of Corporation on 27 October 2025)

Finance and Employment Committee

- Laura Gray (appointed 9 June 2025)
- Fiona Harwood (appointed 9 June 2025)

Standards, Curriculum and Learning Committee

- Paul Hill (resigned 10 February 2025)
- Sabrina Vieth (appointed 19 May 2025 and resigned 13 October 2025)

On 20 October 2025 Hayley Fisher-Montgomery was appointed as Support staff Governor for a 3 year term and Chloe Godwin appointed as a Student Governor for the duration of her time at the College.

During the year the Corporation established two new groups - a Committee to consider Academisation and a Task and Finish group to consider the recruitment of a new Chair following the resignation of Sunita Auger. The Academisation Committee met on four separate occasions whilst the Chair Recruitment Group did not meet until September 2025. The attendance for the Academisation Committee is included in the overall total above. Members of each of these are not specified above.

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) is provided with regular and timely information on the overall financial performance of the College, together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel-related matters such as health and safety and environmental issues. The Corporation meets at least each term. Two additional meetings were held in the Autumn of 2025 to allow the Principal to communicate enrolment and results numbers and to consider whether the College should look into Academisation. A further meeting was held during the Summer term to consider Academisation.

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. A temporary Committee was also established during the year with the remit to consider Academisation. A further Task and Finish Group was set up to consider the recruitment of a new Corporation Chair.

Full minutes of all meetings, except those deemed to be confidential by the Corporation, are available on the College's website or College's registered address.

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.

The Corporation is also advised of planned appointments of co-opted members to Committees although the Committees themselves appoint. These appointments are also overseen by the Search and Governance Committee and the process 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 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 carried out a self-assessment of its own performance for the year ended 31 July 2025 and is addressing areas of development through the Governance Action Plan which is reviewed termly by the Search and Governance Committee. Governors were also invited to undertake a Self Assessment exercise on their own individual performances using a range of questions. The results of these were reviewed by the Search and Governance Committee and summarised for the Corporation. No significant issues were identified.

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 and the Search and Governance Committee considers training needs at each of its meetings. 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 sessions during the year include covering Health and Safety, Risk Management, Teaching and Learning, Disadvantaged Students and Academisation. The sessions are run by members of the Senior Leadership Team or a Head of the relevant department with responsibility for the area.

One new Co-Opted member attended the Wessex New Governor Induction Programme. Staff Governors are able to attend external training specifically designed for Staff Governors or they can attend events for all Governors. The first years Student Governor attended a course run by the Wessex Group of Colleges for Student Governors in the Autumn term to understand the expectations of the role.

All members of the Corporation also undertake Annual Safeguarding training.

The Corporation commissioned an External Review of Governance in 2023-24. A summary of the findings is available on the College website and has been used in the development of the College Governance Action Plan. The next External Review will take place in Spring 2027.

Finance and Employment Committee

For the year ending 31 July 2025, the College's Finance and Employment Committee comprised up to five members of the Corporation with two new co-opted members being appointed at the start of the Summer term meeting.

The Committee's responsibilities are to make recommendations to the Board on the financial health of the College.

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. This work is undertaken in a private session excluding the Principal Clerk and Staff Governors.

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 2025 are set out in note 6 to the financial statements.

Audit Committee

The Audit Committee during the year comprised four members of the Corporation (excluding the Principal and Chair) and two Co-opted members. One of these Co-opted members became a full Corporation member in December 2024. The Chair of the Committee Andrew Jackman resigned on 11 July 2025 as Chair and member of the Audit Committee and Julia Adey took on the role of Committee Chair. 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 2025. 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	1/1
Steve Higgins	2/2
Co-opted Member	
Steve Higgins	0/1
Rebecca Turnbull	3/3

Search and Governance

The Search and Governance committee normally meets three times a year. For 2024/2025 the Committee met on five occasions with the additional meetings to consider the establishment of a Task and Finish Group to consider the recruitment of a new Corporation Chair and an interim solution to cover the role of Chair. 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

The Committee agreed to establish a temporary Task and Finish Group to oversee the process of recruitment of a new Corporation Chair. This group will report its findings to the Search adn Governance Committee who in turn will report to the Corporation.

In addition, the Committee 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 they are personally responsible, in accordance with the responsibilities assigned to them in the Financial Agreement between Barton Peveril Sixth Form College and funding bodies. They are also responsible for reporting to the Corporation any material weaknesses or breakdowns in internal control.

The purpose of the system of internal control

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

Capacity to handle risk

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

The College has an internal audit service, which operates in accordance with the requirements of the DfE's College Finance Handbook. The work of the internal audit service is informed by an analysis of the risks to which the College is exposed, and annual internal audit plans are based on this analysis. The analysis of risks and the internal audit plans are endorsed by the Corporation on the recommendation of the Audit Committee. At minimum, annually, the Head of Internal Audit (HIA) provides the governing body with a report on internal audit activity in the College, includes an independent opinion on the adequacy and effectiveness of the College's system of risk management, controls and governance processes.

An Annual Risk Management Document is presented to the Audit Committee for scrutiny prior to it being presented to the full Corporation at its Summer term meeting. The document outlines the process and outcomes of work around Risk Management. During the year the Risk Management Committee membership broadened to ensure good representation from the staff body.

The Internal Auditors have access to 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 2024-25 the principal areas of highest risk (post mitigations) were identified as:

- Student Mental Health Crisis;
- Teaching and Support Staff Recruitment and Retention;
- The rise of Artificial Intelligence;
- Sector Funding Instability;
- Reputation;
- Corporate Sponsorship, and
- The decision to Academise or not.

Control weaknesses identified

No significant control weaknesses were reported through the internal audit process in 2024-25.

Responsibilities under accountability agreements

The college has reviewed its policies, procedures and approval processes in line with the 2024-25 College Finance Handbook and its accountability agreement with DfE to ensure there are systems in place to identify and handle any transactions for which DfE approval is required.

Statement from the Audit Committee

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

The specific areas of work undertaken by the audit committee in 2024/25 and up to the date of the approval of the financial statements are:

- Cyber Security and IT;
- Health and Safety;
- Procurement; and
- Estate management.

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 2025 meeting, the Corporation carried out the annual assessment for the year ended 31 July 2025 by considering documentation from the senior leadership team and internal audit and taking account of events since 31 July 2025.

Based on the advice of the Audit Committee and the 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 8th December 2025 and signed on its behalf by:

Signed.....

Andrew Jackman
Chair

Signed.....

Rob Temple
Accounting Officer

Statement of Regularity, Propriety and Compliance

As accounting officer of the Corporation of Barton Peveril College I confirm that I have had due regard to the framework of authorities governing regularity, propriety and compliance, including the College's accountability agreement with DfE, and the requirements of the College Financial Handbook. I have also considered my responsibility to notify the Corporation's board of governors and DfE of material irregularity, impropriety and noncompliance with terms and conditions of all funding. I confirm that I, and the Board of governors, are able to identify any material irregular or improper use of all funds by the Corporation, or material non-compliance with the framework of authorities.

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

Signed.....

Rob Temple

Accounting Officer

Date: 8 December 2025

Statement of Responsibilities of the Members of the Corporation

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

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

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

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

The Corporation is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Corporation and which enable it to ensure that the financial statements are prepared in accordance with relevant legislation including the Further and Higher Education Act 1992 and Charities Act 2011 (as amended), and relevant accounting standards. It is responsible for taking steps that are reasonably open to it to safeguard its assets and to prevent and detect fraud and other irregularities. The Corporation is responsible for the maintenance and integrity of its website(s); the work carried out by auditors does not involve consideration of these matters and, accordingly, auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

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

Approved by order of the members of the corporation on 8th December 2025 and signed on its behalf by:

Signed..... **Andrew Jackman, Chair**

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

Opinion

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

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 2025 and of its surplus for the year then ended; and
- 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 are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

In 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 Framework and guide for external auditors and reporting accountants of colleges issued by the Department of Education 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 31, 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 and 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 pensions valuation, income recognition (which we pinpointed to the 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 the College's Articles of Government. Our audit work has been undertaken so that we might state to the Corporation those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College and the Corporation as a body for our audit work, for this report, or for the opinions we have formed.

Forvis Mazars LLP
Forvis Mazars LLP (Dec 16, 2025 21:05:32 GMT)

Forvis Mazars LLP
Chartered Accountants and Statutory Auditor
6 Sutton Plaza
Sutton Court Road
Sutton
SM1 4FS

Date: 16th December 2025

Independent reporting accountant's report on regularity to the corporation of Barton Peveril Sixth Form College and the Secretary of State for Education

In accordance with the terms of our engagement letter dated 17 July 2025 and further to the requirements of Department for Education (DfE), as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Colleges, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by Barton Peveril Sixth Form College during the period 1 August 2024 to 31 July 2025 have not been applied to the purposes intended by Parliament or the financial transactions do not conform to the authorities which govern them.

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

Respective responsibilities of the accounting officer of Barton Peveril Sixth Form College and the reporting accountant

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

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

Approach

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

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity. A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

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

The work undertaken to draw to our conclusion includes:

- 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/DfE.
- 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.
- Tested a sample of credit card transactions.
- Tested a sample of expense claims in respect of KMP and Members of the Corporation.
- Tested a sample of suppliers and reviewed and assessed adherence to procurement policies.
- Tested a sample of bursary expenditure and reviewed whether such expenditure was in line with funding agreements.
- Reviewed approved policies and procedures operating during the year for each funding stream that has specific terms attached.
- 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 Part 5 of the College Financial Handbook in respect of delegated authorities.
- Considered whether the college has complied with the requirements concerning senior pay controls as summarised in part 2 of the College Financial Handbook.

Conclusion

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

Signed: Forvis Mazars LLP
Forvis Mazars LLP (Dec 16, 2025 21:05:32 GMT)

Forvis Mazars LLP

Date: 16th December 2025

Barton Peveril Sixth Form College

Statement of Comprehensive Income

	Notes	Year ended 31 July 2025 £'000	Year ended 31 July 2024 £'000
INCOME			
Funding body grants	2	28,258	26,265
Other grants and contracts	3	-	103
Other operating income	4	2,120	2,002
Investment income	5	141	260
Total income		**30,519**	**28,630**
EXPENDITURE			
Staff costs	6	18,299	16,746
Other operating expenses	7	8,034	7,363
Depreciation	11	1,729	1,472
Interest and other finance costs	8	209	227
Total expenditure		**28,271**	**25,808**
Surplus before other gains and losses		**2,248**	**2,822**
Surplus before tax		**2,248**	**2,822**
Taxation	10	-	-
Surplus for the year		**2,248**	**2,822**
Actuarial gain in respect of pension scheme	23	-	-
Total comprehensive income for the year		**2,248**	**2,822**
Represented by:			
Restricted comprehensive income		-	-
Unrestricted comprehensive income		2,248	2,822
		2,248	**2,822**

All items of income and expenditure relate to continuing activities. The notes on pages 43 to 58 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 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**
Surplus from income and expenditure account	2,248	-	2,248
Other comprehensive income	-	-	-
Transfers between revaluation and income and expenditure reserves	21	(21)	-
	2,269	(21)	2,248
Balance as at 31st July 2025	**27,356**	**1,223**	**28,579**

The notes on pages 43 to 58 also form part of the financial statements.

Barton Peveril Sixth Form College

Balance Sheet as at 31 July 2025

	Notes	2025 £'000	2024 £'000
Non-Current Assets			
Tangible assets	11	40,645	37,011
		40,645	**37,011**
Current Assets			
Stock		48	48
Trade and other receivables	12	1,223	1,895
Investments	13	800	1,500
Cash and cash equivalents	18	4,733	4,357
		6,804	**7,800**
Creditors - amounts falling due within one year	14	(3,700)	(3,691)
Net current assets		**3,104**	**4,109**
Total assets less current liabilities		**43,749**	**41,120**
Creditors - amounts falling due after more than one year	15	(15,170)	(14,789)
Provisions			
Net pension liability	17	-	-
Total net assets		**28,579**	**26,331**
Unrestricted Reserves			
Income and Expenditure account including pension reserve		27,356	25,087
Revaluation reserve		1,223	1,244
Total unrestricted reserves		**28,579**	**26,331**

The financial statements on pages 43 to 58 were approved and authorised for issue by the Corporation on 8th December 2025 and signed on its behalf on that date by:

A Jackman

Chair of Corporation

R Temple

Accounting Officer

Barton Peveril Sixth Form College

Statement of Cash Flows

	2025 £'000	2024 £'000
Cash flow from operating activities		
Surplus for the year	2,248	2,822
Adjustments for non-cash items		
Depreciation	1,729	1,472
Decrease in stock	-	21
Decrease/(Increase) in debtors	645	(1,027)
Increase in creditors due within one year	15	777
Increase in creditors due after one year	730	2,216
Adjustment for investing or financing activities		
Interest receivable	(141)	(260)
Interest payable	209	227
Net cash flow from operating activities	**5,435**	**6,248**
Cash flows from investing activities		
Interest received	168	231
Withdrawal of / (new) deposits	700	(1,500)
Payments to acquire tangible fixed assets	(5,363)	(8,365)
Net cash flow used in investing activities	**(4,495)**	**(9,634)**
Cash flows from financing activities		
Interest paid	(209)	(279)
Increase in existing loan	-	15
Repayment of amounts borrowed	(355)	(444)
Net cash flow used in financing activities	**(564)**	**(708)**
Increase/(Decrease) in cash and cash equivalents in the year	**376**	**(4,094)**
Cash and cash equivalents at beginning of the year	4,357	8,451
Cash and cash equivalents at end of the year	4,733	4,357
Increase/(Decrease) in cash and cash equivalents in the year	**376**	**(4,094)**

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 2024-25* 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 £3,660k of loans outstanding, at 31st July 2025 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 25, 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 £2,000 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 23 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 2025. 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 2025 £'000**	**Year ended 31 July 2024 £'000**
Recurrent grants		
Department for Education – 16 to 18	26,453	25,025
Specific grants		
Releases of government capital grants	412	318
Teachers Pension Scheme Grant Contribution	1,020	691
Devolved capital grant	119	102
Free School Meals	69	66
High Needs Support via LA	47	63
Post 16 National Insurance Grant	138	-
Total	**28,258**	**26,265**

3. Other grants and contracts	**Year ended 31 July 2025 £'000**	**Year ended 31 July 2024 £'000**
Other Funding	-	85
Other Funding – Local Authority	-	18
	-	**103**

4. Other operating income

	Year ended 31 July 2025 £'000	Year ended 31 July 2024 £'000
Lettings	82	66
Shop sales / sale of equipment and books	83	80
Fees and charges	229	236
Catering Income	1,013	983
Other income	713	637
Total	**2,120**	**2,002**

5. Investment income

	Year ended 31 July 2025 £'000	Year ended 31 July 2024 £'000
Interest receivable	141	260
Total	**141**	**260**

6. Staff Costs

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

	2025 No.	2024 No.
Teaching Staff	226	222
Non Teaching Staff	215	215
	441	**437**

Staff costs for the above persons:

	2025 £'000	2024 £'000
Wages and salaries	13,450	12,544
Social security costs	1,479	1,230
Other pension costs (including FRS 102 Sec 28 adjustments 2025 -£0k (2024 -£0k))	3,230	2,748
Payroll sub total	**18,159**	**16,522**
Contracted out staffing services	140	224
Total Staff costs	**18,299**	**16,746**

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

	2025 No.	2024 No.
Number of Key Management Personnel including the Accounting Officer was	5	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	
	2025 No.	2024 No.
£40,001 to £45,000	-	1
£75,001 to £80,000	-	1
£80,001 to £85,000	-	1
£85,001 to £90,000	2	-
£90,001 to £95,000	-	2
£95,001 to £100,000	1	-
£100,001 to £105,000	1	-
£135,001 to £140,000	-	1
£150,001 to £155,000	1	-
	5	**6**

Key management personnel compensation is made up as follows:

	2025 £'000	2024 £'000
Salaries	525	523
Pension contributions	150	131
Total key management personnel compensation	**675**	**654**

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:

	2025 £'000	2024 £'000
Salaries	151	138
Pension Contributions	43	35
Total emoluments	**194**	**173**

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 their 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:

	2025	2024
Principal/Chief Executive basic salary as a multiple of the median of all staff	3.4	3.5
Principal/Chief Executive total remuneration as a multiple of the median of all staff	3.7	3.8

Compensation for loss of office

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

	2025	2024
£0 - £25,000	1	1

7. Other operating expenses	Year ended 31 July 2025 £'000	Year ended 31 July 2024 £'000
Teaching costs	2,697	2,378
Non-teaching costs	3,755	3,380
Premises costs	1,582	1.605
Total	**8,034**	**7,363**

Other operating costs include:

	2025	2024
Financial statements – audit	33	28
Internal audit	12	11
Operating leases	79	67

8. Interest payable and other finance costs	2025 £'000	2024 £'000
On bank loans, overdrafts and other loans, repayable wholly or partly in more than five years.	209	227
	209	**227**

9. 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.

10. 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.

11. Tangible fixed assets

	Land and Buildings			
	Under construction £'000	Freehold £'000	Equipment £'000	Total £'000
Cost or valuation				
At 1 August 2024	6,005	44,357	2,837	53,199
Additions	4,481	499	383	5,363
Disposals	-	(212)	(42)	(254)
Transfers	(8,959)	8,959	-	-
At 31 July 2025	**1,527**	**53,603**	**3,178**	**58,308**
Depreciation				
At 1 August 2024	-	14,658	1,530	16,188
Charge for period	-	1,360	369	1,729
Disposals	-	(212)	(42)	(254)
At 31 July 2025	**-**	**15,806**	**1,857**	**17,663**
Net book value at 31 July 2025	**1,527**	**37,797**	**1,321**	**40,645**
Net book value at 1 August 2024	6,005	29,699	1,307	37,011

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 £12,258k 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

12. Debtors	**2025 £'000**	**2024 £'000**
Amounts falling due within one year:		
Trade receivables	32	19
Prepayments and other accrued income*	934	1,098
Amounts owed by DfE	257	778
Total	**1,223**	**1,895**

*within the prepayment figure is £195k relating to prepaid IT licences ending after 31st July 2026

13. Investments	2025 £'000	2024 £'000
Short term deposits	800	1,500
Total	**800**	**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.

14. Creditors: amounts falling due within one year	2025 £'000	2024 £'000
Loans and overdrafts	355	363
Payments received in advance	627	489
Trade payables	939	1,301
Other taxation and social security	362	307
Other creditors	372	361
Accruals	541	471
Short term employee benefit accrual	38	-
Deferred capital grants	466	399
	3,700	**3,691**

15. Creditors: amounts falling due after more than one year	2025 £'000	2024 £'000
Loans	3,305	3,654
Deferred capital grants	11,865	11,135
	15,170	**14,789**

16. Maturity of debt

Bank loans and overdrafts

Loans and overdrafts are repayable as follows:

	2025 £'000	2024 £'000
In one year or less	355	363
Between one and two years	355	355
Between two and five years	1,065	1,065
In five years or more	1,885	2,234
Total	**3,660**	**4,017**

DfE loans totalling £3,660k 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.

17. Provisions	Defined benefit obligations £'000	Total £'000
At 1 August 2024	-	-
Expenditure in the period	-	-
Additions in the period – inc. actuarial gain	-	-
At 31 July 2025	-	-

Defined benefit obligations relate to the liabilities under the College's membership of the Local Government Pension Scheme. The scheme reported a surplus in 2023/24 which remains the case in 2024/25. 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 23.

18. Cash and cash equivalents

	1 August 2024 £'000	*Cash flows* £'000	*31 July 2025* £'000
Cash and cash equivalents	**4,357**	**376**	**4,733**

19. Capital commitments

As at the 31st July 2025 the College had capital commitments of £1,492k (2024: £3,213k) relating to the completion of the Hampshire building refurbishment project.

20. Lease obligations

At 31 July 2025 the College had minimum lease payments under other non-cancellable operating leases as follows:

Future minimum lease payments due	2025 £'000	2024 £000's
Other		
Not later than one year	77	63
Later than one year and not later than five years	96	101
	173	**164**

21. Contingent liabilities

The College has no contingent liabilities.

22. Post balance sheet events

There have been no significant post balance sheet events.

23. 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	2025 £'000	2024 £'000
Teachers' Pension Scheme: contributions	2,472	2,042
Local Government Pension Scheme:		
Contributions Paid	758	706
FRS 102 (28) charge	-	-
Total Pension Cost for Year within staff costs	**3,230**	**2,748**

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

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

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 above the information available on the plan and the implications for the College in terms of the anticipated contribution rates.

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

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

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

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

The pension costs paid to TPS in the year amounted to £3,275k (2023/24: £2,042k).

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 2025 was £992k of which employers' contributions totalled £760k and employees' contributions totalled £232k.

The agreed contribution rate for future years is 18.60% 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 2025	At 31 July 2024
CPI Inflation	2.75%	2.75%
Rate of increase in salaries	3.75%	3.75%
Future pensions increases	2.75%	2.75%
Discount Rate for scheme liabilities	5.80%	5.00%

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

	At 31 July 2025 Years	At 31 July 2024 Years
Retiring today/current pensioners		
Males	22.3	22.0
Females	24.8	24.7
Retiring in 20 years/future pensioners		
Males	22.7	22.5
Females	25.7	25.6

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

	2025 £'000	2024 £'000
Equity instruments	8,176	7,446
Debt instruments	5,147	5,009
Property	1,363	948
Cash	454	135
Total fair value of plan assets	**15,140**	**13,538**
Actual return on plan assets		**1,000**

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

	2025 £'000	2024 £'000
Fair value of plan assets	15,140	13,538
Present value of plan liabilities	(15,140)	(13,538)
Net pensions (liability)/asset (Note 17)	-	-

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:

	2025 £'000	2024 £'000
Amounts included in staff costs		
Current Service cost*	760	704
Past Service cost	-	-
Total	**760**	**704**
Amounts included in investment income		
Net interest income*	-	-
	-	-
Amount recognised in statement of other comprehensive income		
Gain on pension plan assets	226	383
(Loss) arising on defined benefit obligations	(226)	(383)
Amount recognised in other comprehensive income*	-	-

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

	2025 £'000	2024 £'000
Net defined benefit (liability)/asset in scheme at 1 August	-	-
Movement in year:		
Current Service Cost*	(760)	(704)
Past service cost	-	-
Employer contributions	760	704
Net interest on the defined (liability)/asset	-	-
Actuarial gain or loss	-	-
Net defined benefit (liability)/asset in scheme at 31 July	**-**	**-**

Asset and Liability Reconciliation

	2025 £'000	2024 £'000
Changes in the present value of defined benefit obligations		
Defined benefit obligations at the start of period	13,538	11,923
Current Service Cost*	760	704
Past Service Cost	-	-
Interest Cost*	693	617
Contributions by scheme participants	232	205
Experience gains and losses on defined benefit obligations	226	383
Estimated benefits paid	(309)	(294)
Defined benefit obligations at the end of period	**15,140**	**13,538**
Changes in fair value of plan assets		
Fair value of plan assets at start of period	13,538	11,923
Interest on plan assets*	693	617
Return on plan assets	226	383
Employer contributions	760	704
Contributions by scheme participants	232	205

Estimated benefits paid	(309)	(294)
Fair value of plan assets at end of period	**15,140**	**13,538**

*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:

	2025		2024	
	Actual Disclosure - £'000	**Alternative Disclosure - £'000**	**Actual Disclosure - £'000**	**Alternative Disclosure - £'000**
Impact on Statement of Comprehensive Income				
Current Service Cost	760	639	704	613
Employer Contributions	(760)	(760)	(704)	(704)
Adjustment to 'Staff Costs' in 'Statement of Comprehensive Income' - credit / income	-	**(121)**	-	**(91)**
Interest on Plan Assets	(693)	(693)	(617)	(617)
Interest Cost	693	644	617	601
Net Interest – adjustment to 'Interest & other finance costs' (Income) in 'Statement of Comprehensive Income' – credit / income	-	**(49)**	-	**(16)**
Total credits / income recorded in 'Statement of Comprehensive Income' regarding Pension Scheme	-	**(170)**	-	**(107)**
Amount recognised in 'Other Comprehensive Income' – within Statement of Changes in Reserves				
Gain/(Loss) on pension plan assets	226	226	383	383
(Loss)/Gain arising on defined benefit obligations	(226)	2,149	(383)	165
	-	**2,375**	-	**548**
Restriction on pension surplus	-	(2,545)	-	**(655)**
Amount recognised in Other Comprehensive Income within 'Statement of Changes in Reserves' – debit / loss	-	**170**	-	**107**
Balance Sheet Disclosure				
Fair value of plan assets	15,140	15,140	13,538	13,538
Present Value of plan liabilities	(15,140)	(11,659)	(13,538)	(12,602)
	-	**3,481**	-	**936**
De-recognition of surplus	-	**(3,481)**	-	**(936)**
Net pensions liability/asset (Note 17)	-	-	-	-

In June 2023 the High Court ruled in the case of Virgin Media Limited v NTL Pension Trustees. The ruling was that certain pension scheme rule amendments were invalid if they were not accompanied by the correct actuarial confirmation.

This High Court ruling was appealed. In a judgment delivered on 25 July 2024, the Court of Appeal unanimously upheld the decision of the High Court.

On 5 June 2025, the Government announced that it will introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards. Once the legislation has been passed, this will mean that pension schemes will be able to obtain written confirmation from an actuary about the benefit changes that were previously made and apply that confirmation retrospectively without making the plan amendments void, if the changes met the necessary standards.

At the date of approval of these financial statements, while it is known there is potential for additional pension liabilities to be recognised as a result of this ruling, the impact in monetary terms is not known and it is reasonable to form the view that it is not reasonably estimable. Accordingly, no adjustments to reflect the impact of the ruling have been made in these financial statements.

The Governors will continue to monitor the developments and consider the impact on the LGPS liabilities recognised by the College.

24. 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 £352 (2023/24: £313)

No Governor has received any remuneration or waived payments from the College during the year (2023/24: £nil).

Transactions with the DfE are detailed in note 2.

25. Amounts disbursed as agent

Discretionary Support Funds	**2025 £'000**	**2024 £'000**
Unspent funds at 1 August*	119	79
DfE grants - hardship funds	422	392
Disbursed to Students	(354)	(332)
Administration Costs	(20)	(19)
Balance unspent as at 31 July, included in creditors	**167**	**119**

**unspent funds brought forward previously disclosed within 'DfE grants – hardship funds'. To improve transparency this is now being disclosed separately per the above note. 2024 figures have been re-stated to reflect this and correct figures disclosed within DfE grants and amounts disbursed to students. Unspent funds as at 31st July 2024 remain unchanged at £119k.*

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.