



# **BROOKLANDS TECHNICAL COLLEGE**

**BROOKLANDS COLLEGE  
Annual Report and Financial  
Statements  
Year ended 31 July 2025**

## BROOKLANDS COLLEGE

## Annual Report and Financial Statements for the Year Ended 31 July 2025

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## BROOKLANDS COLLEGE

## Annual Report and Financial Statements for the Year Ended 31 July 2025

### REFERENCE AND ADMINISTRATIVE DETAILS

#### **Members of the Corporation**

A full list of the Corporation is given on pages 13 to 15 of the Annual Report.

#### **Senior Leadership Team**

Christine Ricketts	Principal, Chief Executive and Accounting Officer
Allan Tyrer	Chief Operating Officer
Sarah Clancey	Assistant Principal Education & Personal Development
Lorne Richardson	Assistant Principal Curriculum

#### **Financial Statement and Regularity Auditors:**

Buzzacott Audit LLP  
130 Wood Street  
London  
EC2V 6DL

#### **Internal Auditors:**

TIAA  
Artillery House  
Fort Fareham  
Hampshire  
PO14 1AH

#### **Legal Advisers:**

Eversheds LLP  
Bridgewater Place  
Water Lane  
Leeds  
LS11 5DR

#### **Bankers:**

Barclays Bank PLC  
London and South East Education Team  
PO Box 544  
54 Lombard Street  
London  
EC3V 9EX

## BROOKLANDS COLLEGE

## Annual Report and Financial Statements for the Year Ended 31 July 2025

### REPORT OF THE CORPORATION AND STRATEGIC REPORT

#### INTRODUCTION

Brooklands College ('the College') is a General Further Education college in North Surrey, with two campuses located close to the town centres of Weybridge and Ashford. Students come to the College from across Surrey and the Spelthorne area of Middlesex as well as west London Boroughs such as Hounslow. The vast majority of students attend the Weybridge campus.

The College has a good reputation for the successful delivery of engineering, and construction together with a rich history and association with Brooklands racetrack and Vickers who started manufacturing aircraft on the site in 1915.

#### OBJECTIVES AND STRATEGY

The members of the Corporation as at 17 December 2025 present this report together with the financial statements and the auditor's report for Brooklands College 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 Brooklands College. The College is an exempt charity for the purposes of part 3 of the Charities Act 2011

#### Strategic Plan

The College's Strategic Plan sets out the College's strategic intentions over the 5-year period 2021-26 and is available on the College website.

#### Vision

The College's Vision is to be:

*An inclusive, inspirational centre for lifelong learning*

#### Mission

The College's Mission is to:

*Develop a skilled workforce within an inclusive inspirational environment, to help build our community for the future.*

#### Values

The College has the following values that underpin all that it does:

- Respect and Compassion
- Equality, Diversity & Inclusion
- Innovation
- Integrity

#### Strategic Aims

There are five Strategic Aims within the plan which are:

##### Strategic Aim 1

Produce highly qualified and skilled people ready to enter the workforce. (Learners)

## BROOKLANDS COLLEGE

## Annual Report and Financial Statements for the Year Ended 31 July 2025

### STRATEGIC REPORT (continued)

#### OBJECTIVES AND STRATEGY (continued)

##### Strategic Aim 2

Be a leading community asset with a strong reputation in order to play a part in driving in the local and regional economy. (Community)

##### Strategic Aim 3

Attract and develop the right staff to deliver a high quality, inclusive learning experience. (Staff)

##### Strategic Aim 4

Continue to invest in our facilities to create a high quality learning environment and be a resource to the community. (Facilities)

##### Strategic Aim 5

Ensure robust and self-sustaining finances capable of funding its strategic aims. (Finance)

### **Resources**

The College has various resources that it uses in pursuit of its strategic aims. It had £51.14m of net assets at the end of the financial year. This included liabilities of £1.945m owed to Barclays under a loan agreement and a £5m long-term creditor for repayment of funding to the DfE. £16.7m million of assets are committed to fund a major development project at the College's Weybridge campus. This work is supported by two large grants - £6.7 m from the DfE College Transformation Fund and £5.9m from Surrey County Council.

Tangible resources utilised during the year included the main site at the Weybridge campus situated near the train station in Weybridge, Surrey. This main site has workshops for engineering and construction as well as kitchens for catering and art and design studios. It also has a dedicated facility for SEND students as well as sports and gym facilities.

The College has a campus in Ashford for which it has a lease ending in 2066, on a site adjacent to the Thomas Knyvett College and a facility for Hair & Beauty in Ashford High Street that was opened in Autumn 2021.

The College has developed and is in the middle of implementing a plan for the resizing, re-orientation and refurbishment of the Weybridge Campus to enable it to deliver its forecast provision efficiently and effectively and improve the facility for its learners and the community. The College's Planning application was approved in December 2023 and, in July 2024, the contract to sell a large proportion of the College's spare estate to Cala Homes completed. During the year to July 2025, the College completed the refurbishment of three buildings and the demolition of three redundant ones. The project continues into the spring of 2027 with the construction of two new buildings.

The College employed 184 staff (average headcount), of whom 69 were teaching staff and the remainder support and professional staff to support the College activities.

In 2024-25 the College delivered activity that produced £11,002,000 for Young People, £742,000 for adults and £789,000 for apprenticeship programmes.

The College had 2,158 learners in the year, of which 1,380 were 16 to 18 year olds, 284 apprentices, 7 higher education learners, and 487 adult learners.

## BROOKLANDS COLLEGE

## Annual Report and Financial Statements for the Year Ended 31 July 2025

### STRATEGIC REPORT (continued)

#### OBJECTIVES AND STRATEGY (continued)

The College has a good reputation locally and nationally. The learners continue to be very successful in a range of skills competitions, winning accolades at both regional and national levels in Hair & Beauty, Construction and Catering. Maintaining a quality brand is essential for the College's success at attracting students and developing external relationships with employers and the local community.

The College was last inspected by Ofsted in December 2023 (full inspection) and judged as Good for Overall Effectiveness.

#### Stakeholders

Brooklands College has the following key stakeholders:

- Students
- Funding bodies
- Staff and trade unions
- Local and regional employers
- Local authorities (Elmbridge, Spelthorne, Runnymede and Surrey County Council)
- Local communities and schools
- Parents, guardians and carers of students
- Other FE institutions
- Professional bodies
- Local Enterprise Partnerships (LEPs), in particular Enterprise M3

The College recognises the importance of these relationships and engages in regular communication with them through the College website, feedback through College processes and regular and ad hoc meetings.

## DEVELOPMENT AND PERFORMANCE

#### Financial Results

The College's financial health grade forecast for 2024-25 submitted as part of the Financial Plan to the ESFA, was reported as 'Good' and its planned grade for 2025-26 is forecast as 'Outstanding'. The College has, however, a long term creditor of £5m relating to amounts to be repaid to the ESFA due to the College's failure to comply with funding regulations related to its subcontracting activities between 2014-5 and 2017-18. Following this, the College withdrew from its subcontracting activities and was placed in FE intervention in 2019.

Since then, it has focused on its core activities and serving the demands of its local community. The College has been consistently improving its financial health and establishing an operational cash positive position and achieving significant operational surpluses. The College has been working closely with the ESFA to secure the future sustainability of the College. Performance and cashflow is monitored in the monthly management accounts, regular forecasting and planning, and in ratios in the financial returns to the ESFA.

The College has recorded a surplus before other gains and losses for 2024-25 of £2,032,000 (2024: £812,000) with an operating surplus for 2024-25 of £1,554,000 (2024: £546,000).

## BROOKLANDS COLLEGE

## Annual Report and Financial Statements for the Year Ended 31 July 2025

### STRATEGIC REPORT (continued)

#### DEVELOPMENT AND PERFORMANCE (continued)

Income for the year increased and total comprehensive income was £1,554,000 (2024: £35,618,000), this is stated after accounting for the actuarial gain in respect of pension schemes of £475,000 (2024: actuarial loss of £266,000), profit on disposal of fixed assets £3,000 (2024: £38,379,000), loss on revaluation of fixed assets of £nil (2024: £2,495,000) and the loss due to the unwinding of discount on the amount due to the ESFA of £nil (2024 £1,897,000).

The College made purchases of non-current assets during the year of £14,319,000 (2024: £3,313,000), much of which related to the plans for the development of the Weybridge estate including the refurbishment of The Edge, Barnes Wallis and Tower buildings.

#### **Developments in the year**

The College received planning permission for the redevelopment of its campus at Weybridge and the sale of land and buildings to Cala Homes in the prior year. The sales contract completed on 4 July 2024 and the proposed redevelopment has commenced, with a target completion date of Summer 2027. This scheme has also facilitated the repayment of £20m to the ESFA in July 2024.

The College continues to develop its IT systems and infrastructure to enable the College to be efficient and effective, but also secure in terms of cyber security.

#### **Reserves**

At 31 July 2025, the College had reserves of £51,144,000 (2024: £49,590,000), cash balances of £13,492,000 (2024: £6,471,000) and a balance of £1,945,000 remaining on the loan taken out with Barclays to fund the Engineering, Art and Design (Barnes Wallis) build and refurbishment (2024: £2,224,000). This fixed-term, fixed-interest loan with Barclays Bank PLC was originally for £5million and repayable over 25 years.

#### **Sources of income**

The majority of 16-18 students enrolled at Brooklands College are on pre-entry to Level 2 programmes with 278 on Educational Health Care Plans (EHCPs) and 162 students with High Needs. The College receives significant grants from the DfE (formerly ESFA) to fund the costs of learners. In 2024-25, this organisation provided 90.7% (2024: 90.3%) of the College's total income. Income from public funding in total (including local Government funding income) was 94% (2024: 94%).

#### **Group companies**

The College has one subsidiary company, Brooklands Enterprises Limited, which is dormant.

## **FUTURE PROSPECTS**

#### **Developments**

The College has completed the first phase of its development programme at the Weybridge campus. Three buildings have been fully refurbished and brought back into use on 1<sup>st</sup> September 2025. The large provision in construction and engineering and associated technologies on the Weybridge campus continues to be distinctive in meeting the needs of our locality. Hair & Beauty meets growing demand on both campuses and the salon that opened on Ashford High Street in 2021 will create further opportunities for industry based learning.

## BROOKLANDS COLLEGE

### Annual Report and Financial Statements for the Year Ended 31 July 2025

#### STRATEGIC REPORT (continued)

#### FUTURE PROSPECTS (continued)

The College has two sites at Ashford with one centre built on leased land (from the local secondary school) which can accommodate c.200 students. The College responded to changes in demand in Ashford to focus on Electrical installation for young people and ESOL, maths and English for adults.

The College continues to raise the aspirations of young people with lower attainment levels and Special Educational Needs & Disabilities (SEND).

The College has positive links with local schools, and the College is experiencing increased demand for full time 14 -16 College places from mainstream schools and electively home-educated pupils.

The increased demand for alternative provision in Surrey for school pupils strengthens our relationships with the feeder schools. Innovative and collaborative work is taking place with the North East Surrey Head Teachers and Surrey County Council, to introduce alternative provision for pupils with behavioural needs and those at risk of permanent exclusion.

The College has higher education provision in Motorsport Engineering through partnership with London South Bank University, and also has provision for early years/ Special Educational Needs with Kingston University.

Innovative and progressive work with large employers is underway. The College's reputation locally continues to strengthen as partnerships are developed with key stakeholders and employers such as Elmbridge, Runnymede and Spelthorne Borough Councils.

The College has reviewed its forecast demand for the College's services for the next five years. The Estates Strategy has been reviewed to resize and refurbish its campuses. This will enable it to deliver provision to meet anticipated demand. There is a particular focus on working with local employers and stakeholders to help meet changing skills needs and respond to the challenges created by the ever changing economic outlook

The College introduced T-Levels in 2024-25 in Building Services and Engineering routes. The two-year technical qualifications are an alternative choice for learners following GCSEs.

#### Financial plan

The Corporation approved a financial plan in July 2024. The plan targeted a 12% EBITDA underpinned by a pay-cost ratio of 63%. This would impact on its financial health score and secure a grade to 'outstanding' in 2025/26. The plan was to make a surplus in 2024-25 of 4% of income, A surplus of 13.2% was made.. The College strategic plan provides the direction and focus for the College and alongside the Quality Improvement Plan will provide detailed milestones and actions that will be taken to achieve the strategic aims.

The College has no plans to increase borrowings, and the plan for the Estate is expected to release funds to refurbish the Weybridge Estate as well as repay ESFA for the funding owed.

#### Treasury policies and objectives

The College has treasury management arrangements in place to manage cashflows, banking arrangements and the risks associated with those activities, the College has a Treasury Management policy in place. Short term borrowing for temporary revenue purposes is authorised by

## BROOKLANDS COLLEGE

## Annual Report and Financial Statements for the Year Ended 31 July 2025

the Accounting Officer. All other borrowing requires the authorisation of the Corporation and following reclassification into the Public Sector, the DfE.

### STRATEGIC REPORT (continued)

#### FUTURE PROSPECTS (continued)

##### **Cash flows and liquidity**

The College's net cash inflow from operating activities was £2,415,000, an increase compared to an inflow of £1,312,000 in 2023-24. The size of the College's borrowing and its approach to interest rates is calculated to ensure affordability and sufficient cashflow. This was achieved during the year.

##### **Reserves**

The College has no formal reserves policy but recognises the importance of reserves in the financial stability of any organisation and ensures that there are adequate reserves to support the College's core activity. As at the balance sheet date, the Income and Expenditure account reserve was of £36,514,000 (2024 deficit of: £34,645,000)

### PRINCIPAL RISKS AND UNCERTAINTIES

##### **Risk Management**

The College has well-developed strategies for managing risk and strives to embed risk management in all that it does. Risk management processes are designed to protect its assets, reputation and financial stability. The Corporation 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 and is reviewed termly by the Audit and Risk Committee and more frequently where necessary. The risk register identifies the key risks, risk appetite, the likelihood of those risks occurring, their potential impact on the College and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

The College has recently reviewed the main risk factors affecting the College including, financial risks. Other risks have emerged as just as important for consideration and mitigation. The regular review of the register measures the mitigated risk scores:

The College has targeted mitigations which are under consistent review to ensure that those risks are monitored and managed. There is also a continuous review of the financial risks and whilst the mitigations appear to be working, the College remains vigilant over any potential increase in risk. The key financial risk is solvency, both in supporting the operating position, and especially in relation to funding the main capital project. The overall financial and solvency risk has been mitigated through strategies implemented to improve the overall operating position in readiness for 2025-26.

### **Key Performance Indicators**

The College's key performance indicators, targets and results 2024-25 are set out below.

<b>Key performance indicator</b>	<b>Measure/target</b>	<b>Actual</b>
Student numbers (16-19)	1,384	1,374
Student achievement	84%	84.1%
Operating surplus	£648k	£2,032K

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The surplus was positively impacted by large pension credits, reduced depreciation and slightly improved trading results.

#### STRATEGIC REPORT (continued)

#### PRINCIPAL RISKS AND UNCERTAINTIES (continued)

##### **Student achievements**

An achievement rate of 84.1% was reported for 2024-25. Good performance over the past three years was achieved overall.

The College was last inspected by Ofsted in December 2023 (full inspection) and judged as **Good** for Overall Effectiveness.

##### **Public Benefit**

Brooklands College is regulated by the Secretary of State for Education. The members of the Corporation, who are trustees of the charity, are disclosed on pages 14 and 15.

In setting and reviewing the College's strategic aims, the Corporation has had due regard for the Charity Commission's guidance on public benefit and particularly upon its supplementary guidance on the advancement of education. The guidance sets out the requirement that all organisations wishing to be recognised as charities must demonstrate, explicitly, that their aims are for the public benefit.

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

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

##### **Equality, Diversity and Inclusion**

The College is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positively differences in race, gender, sexual orientation, disability, religion, belief, class and age. The College Equality and Diversity Policy was updated in July 2024 and EDI, objectives and actions were agreed upon for the year.

The College is 'Disability Confident Committed.' The College considers all applications from disabled persons, bearing in mind the aptitudes of the individuals concerned. 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 are, as far as possible, identical to those for other employees.

##### **Disability Statement**

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

- All new and refurbished buildings are designed to enable full access by people with a physical disability, so that eventually most of the facilities will be suitable for disabled people;
- Specialist lecturers, assistants and support staff are employed to support students with learning difficulties and disabilities; and
- Specialist equipment is made available to students as required.

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## Annual Report and Financial Statements for the Year Ended 31 July 2025

### STRATEGIC REPORT (continued)

#### 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.

#### *Relevant union officials*

Number of employees who were relevant union officials during the period	Full-time equivalent employee number
0	0

#### *Percentage of time spent on facility time*

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

#### *Percentage of pay bill spent on facility time*

Total cost of facility time	£0
Total pay bill	£8,676,000
Percentage of the total pay bill spent on facility time	0.0%

### PAYMENT PERFORMANCE

The Late Payment of Commercial Debts (Interest) Act 1998, in the absence of agreement to the contrary, requires Colleges 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. During the accounting period 1 August 2024 to 31 July 2025, the College paid 94% of its invoices within 30 days of receipt of invoice (2024: 94%). The College incurred only minimal interest charges in respect of late payment for this period.

### GOING CONCERN

The Corporation has considered the principal risks for the next 12 months from the date of issue of these statements. For 2025-26, student recruitment has increased by 3% compared to 2024-25 and the Corporation sees no reason why there would be a decline in student recruitment for the next academic year starting in 2026-27.

A small surplus is planned for the next two years and a detailed cashflow forecast been produced which shows the College has sufficient cash to meet its debts as they fall due. The amount due to the ESFA shown as a long-term creditor of £5m is supported by a repayment agreement and has

## BROOKLANDS COLLEGE

### Annual Report and Financial Statements for the Year Ended 31 July 2025

been scheduled for repayment over 25 years from October 2031 with an interest charged at 2.4% p.a.. The Barclays Bank loan has covenants which have been met and are planned to be met in the future with repayments until 2031.

#### **STRATEGIC REPORT (continued)**

The College will be impacted by inflationary increases as well as increased pressures on staff costs and recruitment of staff particularly considering its location and high cost of living. In addition, the College's specialist areas of curriculum (such as construction and engineering) require specialist staff that are in high demand both in the FE and private sector.

The Corporation has carried out an assessment of the key risks facing the College, which includes solvency and liquidity risks. The College's financial position has made an operating surplus in the 2024-25 financial year and is forecasting one for 2025-26 having delivered the financial efficiencies required to make the financial correction and which should be secure for the longer term. The College is participating in and supported by FEC intervention and is continuing to increase the efficiency of its curriculum and estate.

Management will continue to review the financial performance of the College on a monthly basis, including an evaluation of actual results and forecasts compared to financial plans as well as detailed cash flow forecasting, reporting regularly to the Corporation

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

#### **EVENTS AFTER THE REPORTING PERIOD**

There have been no material events after 31 July 2025 and before issuing of these accounts:

#### **DISCLOSURE OF INFORMATION TO AUDITORS**

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

Approved by order of the members of the Corporation on 17 December 2025 and signed on its behalf by:

  
C Mahoney (Dec 19, 2025 11:18:01 GMT)

**Professor Craig Mahoney**  
**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.

The College endeavours to conduct its business:

- i. in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
- ii. in full accordance with the guidance to Colleges from the FE Code of Good Governance ("the Code");

In the opinion of the Members of the Corporation, the College complies with all provisions of the Code, and it has complied throughout the year ended 31 July 2025. This opinion is based on a full internal review of compliance with the Code, reported to the Governance, Nominations and Remuneration Committee on 16 October 2024, with an update on 12 November 2025.

The Corporation Board 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 . The Association of Colleges Further Education Governance Code, which was adopted by the Corporation on 14 December 2023, to provide its framework for good governance in 2024-25.

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

## BROOKLANDS COLLEGE

### Annual Report and Financial Statements for the Year Ended 31 July 2025

### STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (continued)

#### THE CORPORATION

The members who served on the Corporation Board during the year and up to the date of signature are listed in the table below. Committees are abbreviated as follows: TLC = Teaching and Learning Committee, FRC = Finance and Resources Committee, ARC = Audit and Risk Committee, GNR = Governance, Nominations and Remuneration Committee

Name	Date of Appointment/reappointment	Term of Office	Term of office ends	Committees served	Attendance in 2024-25
Corporation members - external appointments					
Prof Craig Mahoney Chair of Corporation	29/03/23	4 years	28/03/27	FRC GNR	Corp 4/4 FRC 3/4 GNR 2/2
Jesse Adekoya	12/10/23	4 years	11/10/27	FRC	Corp 2/4 FRC 3/4
Fiona Capstick	10/07/24	4 years	09/07/28	TLC	Corp 3/4 TLC 2/3
Tarcha Choony	24/05/24	4 years	Resigned 09/09/24	N/A	N/A
Dr Andrew Gilchrist	11/12/19 14/12/23	4 years	13/12/27	ARC (Chair) GNR	Corp 3/4 ARC 4/4 GNR 2/2
Adam Herriott	12/10/23	4 years	11/10/27	ARC	Corp 3/4 ARC 3/4
Mary Hughes	13/12/18 14/12/22	4 years	13/12/26	TLC	Corp 4/4 TLC 2/3
James Measures	12/10/23	4 years	11/10/27	ARC	Corp 3/4 ARC 3/4
Hilary Omissi Vice Chair from 23/10/24	03/04/19 29/03/23	4 years	31/03/27	FRC (to Dec 23) GNR (from Jan 24)	Corp 3/4 GNR 2/2 TLC 1/1
Rebecca Page-Tickell	24/08/24	4 years	23/08/28	FRC TLC	Corp 3/4 FRC 2/3 TLC 1/3
Jackie Pearson Interim Vice Chair to 23/10/24	First appointed 13/07/14 Reappt 15/07/22	4 years	15/07/26	TLC (Chair) S&G GNR	Corp 4/4 TLC 3/3 GNR 0/2
Louise Salmon	12/07/23	4 years	Resigned 31/08/24	TLC	N/A
Paul Stedman	04/07/22	4 years	03/07/26	FRC (interim Chair to 10/24)	Corp 2/4 FRC 3/4
Meyrick Vevers	10/07/24	4 years	09/07/28	FRC (Chair from 10/24)	Corp 2/4 FRC 4/4

**BROOKLANDS COLLEGE**

**Annual Report and Financial Statements for the Year Ended 31 July 2025**

Name	Date of Appointment/ reappointment	Term of Office	Term of office ends	Committees served	Attendance record 2024-25
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<b>Principal</b>					
Christine Ricketts	25/03/20	<i>ex officio</i>	NA	TLC FRCs GNR Part 1	Corp 4/4 FRC 3/4 TLC 3/3 GNR 2/2
<b>Staff Governors</b>					
Lee Chantry	01/09/24	4 years	31/08/28	TLC	Corp 3/4 TLC 3/3
Maureen McDermott	01/09/24	4 years	31/08/28	FRC	Corp 2/4 FRC 4/4
<b>Student Governors</b>					
Rowen Baker	01/09/24	1 year	31/07/25	NA	Corp 3/3
Mitchell Fletcher	16/10/24	1 year	31/07/25	NA	Corp 3/3
Jennifer Kouroupis	15/10/24	1 year			
Jude Hayden	15/10/25	1 year			

The governance professional during the period was Melissa Drayson, who has served as Director of Governance since 1 August 2022.

## BROOKLANDS COLLEGE

## Annual Report and Financial Statements for the Year Ended 31 July 2025

### **STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (continued)**

#### **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 Board is provided with regular and timely information on the overall financial performance of the College together with other information such as performance against funding targets, proposed capital expenditure, quality, human resources, health and safety, and corporate social responsibility and environmental issues. The Corporation met four times during 2024-25.

The Corporation conducts its business through a number of committees. Each committee has terms of reference which have been approved by the Corporation Board. These committees are: the Audit and Risk Committee, the Teaching and Learning Committee, the Finance and Resources Committee, the Governance, Nominations and Remuneration Committee. Full minutes of all meetings, except those deemed to be confidential by the Corporation, are available on the College website or from the Director of Governance at: Brooklands College, Heath Road, Weybridge, Surrey, KT13 8TT.

The Director of Governance maintains a register of financial and personal interests of the Corporation. The register is available for inspection at the above address.

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

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

The Corporation Board has a strong and independent non-executive element and no individual or group dominates its decision-making process. The Corporation Board considers that each of its non-executive members is independent of management and free from any business or other relationship that 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 Board**

Any new appointments to the Corporation Board are a matter for the consideration of the Board as a whole. The Corporation Board has a Governance, Nominations and Remuneration (GNR) Committee, consisting of five members of the Corporation, that is responsible for the selection and nomination of any new member for the Corporation's consideration. The Corporation is responsible for ensuring that appropriate induction and ongoing training is provided to governors as required. The Corporation, on the advice of the GNR Committee, appointed three new independent governors in July 2024, who commenced duties as the start of 2024-25. In addition, two new staff governors and two new student governors were appointed through election at the start of the academic year.

## BROOKLANDS COLLEGE

## Annual Report and Financial Statements for the Year Ended 31 July 2025

### **STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (continued)**

Members of the Corporation Board are appointed for a term of office not exceeding four years, and may be reappointed for one further term up to a maximum of eight years' service. In very exceptional circumstance, the Corporation may resolve to appoint a governor beyond eight years.

#### **Corporation performance**

The Corporation carried out a self-assessment of its own performance for the year ended 31 July 2025 and graded itself as "Good" on the Ofsted scale. This judgement was based on the outcomes of a governance self-assessment based on feedback gathered from a survey of governors and members of the executive, feedback from the Chair's one-to-one meetings with governors, internal reviews of committee effectiveness, an assessment against the Code of Governance and other inputs. The Committee noted the progress made on completing actions on its Governance Improvement Plan, and judged that governance continued to improve across a range of measures.

An External Governance Review was undertaken in 2023-24 by Rob Lawson for the Association of Colleges. Mr Lawson is an experienced FE Chair of Governance and a National Leader of Governance. A summary of the review findings and associated actions, agreed with the reviewer, has been published on the College website.

The conclusion of the External Governance Review was that:

*"The Board consistently impacts positively on College outcomes and there is strong evidence that it is highly proficient in most or all of the Board outcomes"*

The Corporation will commission the next external governance review to take place during 2026-27.

The Corporation is committed to its own development and held several strategic development and engagement events during 2024-25. These included Strategic Development sessions in February and May 2025, a Teaching and Learning day in March 2025, which included a range of learning visits, attendance at the Student Conference in January 2025, and a range of external events including joint training and workshops for Surrey FE governors at the first Surrey FE Governors' Conference in July 2025. Governors were also encouraged to attend training run by the Association of Colleges and the Education Training Foundation.

All Governors have undertaken mandatory online training in safeguarding and Prevent.

New staff and student governors attended Association of College/ETF induction sessions specific to their role.

The Chair of the Corporation attended the Just One More Thing Conference in May 2025 and participates regularly in the regional AoC Chairs' Forum.

#### **Governance professional development**

The Director of Governance is a part-qualified Company Secretary and holds the ICSA (now Chartered Governance Institute) Professional Diploma in Corporate Governance. During 2024-25, the Director of Governance undertook training and development provided by the Association of Colleges, Education Training Foundation, Eversheds Sutherland LLP, and the Good Governance Institute, as well as participating in the above training and development sessions for Brooklands Technical College Governors. In November 2023, the Director of Governance undertook the ETF/Institute of Directors FE Governance Professionals Strategic Leadership programme.

## BROOKLANDS COLLEGE

### Annual Report and Financial Statements for the Year Ended 31 July 2025

**Teaching and Learning Committee (TLC)** The Teaching and Learning Committee meets termly to provide oversight and challenge on behalf of the Board on the quality of teaching and learning, the student experience, and the development of the College curriculum. The Committee comprises eight members of the Corporation with skills and experience to assist it with its role, including the Teaching Staff Governor and both Student Governors.

#### **Audit and Risk Committee**

During 2024-25 the Audit Committee comprised four members of the Corporation plus a co-opted member with audit expertise. The Committee operates in accordance with written terms of reference approved by the Corporation, and the ESFA's Post 16 Audit Code of Practice (withdrawn in March 2025 and replaced by the College financial handbook).

The Audit and Risk Committee provides a forum for reporting by the College's internal and financial statements and regularity auditors, who have access to the Committee for receives and considers reports from the main further education funding 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 and Risk 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 and Risk Committee also advises the Corporation on the appointment of internal and financial statements auditors and their remuneration for both audit and non-audit work. Tendering for both the internal and external auditors took place in 2025. The Committee reports annually to the Corporation.

The Audit and Risk Committee met four times in the year to 31 July 2025, plus once jointly with the Finance and Resources Committee to receive the financial statements and regularity audit report from the external auditors. The members of the Committee and their attendance records for 2024-25 are as shown below:

<b>Committee member</b>	<b>Committee Meetings attended</b>
Mr A Gilchrist (Chair)	4 of 4
Mr A Herriott	3 of 4
Mr J Measures	3 of 4
Mr R Parish (Co-opted member)	4 of 4

#### **Finance and Resources Committee**

The Finance and Resources(F&R) Committee met four times during 2024-25. The membership comprises seven members of the Corporation and was during the year by an experienced Chartered Accountant. The F&R Committee has delegated authority to monitor, scrutinise, on behalf of the Corporation, the efficient and effective use of resources, the solvency of the institution and the safeguarding of its assets. The Committee provides a forum for reporting on the financial management and control of the College, health and safety, infrastructure and property matters and budgets, and also oversees the College's People Performance strategy.

## BROOKLANDS COLLEGE

### Annual Report and Financial Statements for the Year Ended 31 July 2025

#### **STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (continued)**

The Committee has access to the external auditors of the College and, in conjunction with the Audit and Risk Committee, receives the initial presentation of the financial statements and regularity audit report at a joint meeting before the approval of the accounts at the December Corporation.

#### **The Governance, Nominations and Remuneration (GNR) Committee**

The GNR Committee was formed in December 2023 by combining the previous Search and Governance Committee and Senior Postholder Employment Committee. The Committee met twice times during 2024-25. Committee membership comprises four independent governors and it is chaired by the Vice Chair of the Corporation. The Chair of the Corporation is a member of the Committee but is not permitted to chair it under the Terms of Reference. The Principal is a member of the Committee for governance and nominations items only, but attends to advise the Committee on the performance of senior post holders other than herself.

The Committee's responsibilities are:

- a) the appointment and reappointment of Governors, and matters relating to the effectiveness and performance of the College's governance arrangements
- b) to make recommendations to the Board on the performance, remuneration and benefits of the Principal and Chief Executive, and other designated senior postholders. Details of remuneration for the year ended 31 July 2025 are set out in note 7 to the financial statements.

The Corporation Board has adopted the AoC's Senior Staff Remuneration Code and complies fully with its principles.

#### **INTERNAL CONTROL**

##### **Scope of responsibility**

The Corporation is ultimately responsible for the College's system of internal control and for reviewing its effectiveness. The 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 Funding Agreement between the College and the funding bodies.

The Accounting Officer is also responsible for reporting to the Corporation any material weaknesses or breakdowns in internal control.

Christine Ricketts was the Accounting Officer throughout 2024-25.

##### **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 the College's 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 the College for the year ended 31 July 2025 and up to the date of approval of the annual report and accounts.

## BROOKLANDS COLLEGE

### Annual Report and Financial Statements for the Year Ended 31 July 2025

#### **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 on-going 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. The risk management process is regularly reviewed by the Audit and Risk Committee and the full Corporation Board.

#### **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 Corporation
- regular reviews by the Corporation of periodic and annual financial reports which indicate financial performance against forecasts
- setting targets to measure financial and other performance
- clearly defined capital investment control guidelines
- the adoption of formal project management disciplines, where appropriate.

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

#### **Risks faced by the College**

The Corporation Board reviews risk on a termly basis, where it reviews the College key risks to ensure that they are complete alongside the assessment of the type of risk the College is subject to, its severity, probability and mitigating actions that are in place, planned as well as an update. The key risks faced by the College are shown in the Strategic Report.

#### **Control weaknesses identified**

Any control weaknesses that arose during the year were addressed promptly and swift action was taken to rectify them. This included ensuring that records of all procurement are maintained and reported termly to governors. Any weaknesses in underlying Health and Safety systems have been rectified swiftly and are closely monitored by the Finance and Resources Committee and Health and Safety Link Governor.

#### **Responsibilities under accountability agreements**

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

The Corporation has ensured that adequate controls have been in place to ensure that the College has fulfilled its contractual responsibilities. This has been supported by the work of the Internal Audit Learner Number System audit.

## BROOKLANDS COLLEGE

### Annual Report and Financial Statements for the Year Ended 31 July 2025

#### **Statement from the Audit and Risk Committee**

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

The specific areas of work undertaken by the Audit and Risk Committee in 2024-25 and up to the date of the approval of the financial statements were:

Health and Safety	Reasonable
Attendance, including English and Maths	Reasonable
Learner Numbers (ILR/MIS)-controls and completeness of records	Reasonable

In their annual report, the internal auditors (TIAA) opinion is that, for the areas reviewed during the year, the Corporation has reasonable and effective risk management, control and governance processes in place. However, a number of improvement matters were identified and brought to the attention of the College. This opinion is based solely on the matters that came to the attention of TIAA during the course of the internal audit reviews and carried out during the year. This is not an opinion on all elements of the risk management, control and governance processes or the ongoing financial viability or the ability to meet financial obligations which must be obtained by the College from its various sources of assurance.

#### **Review of effectiveness**

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

- the work of the internal auditors;
- the work of the executive managers within the College who have responsibility for the development and maintenance of the internal control framework;
- comments made by the College's financial statements auditors, the reporting accountant for regularity assurance and the appointed funding auditors (when applicable) 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 and Risk Committee, which oversees the work of the internal auditor, other sources of assurance and risk management and a plan to address weaknesses and ensure continuous improvement of the system has been drawn up and is in place.

The Executive Group receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments and reinforced by risk awareness training.

The Executive Group and the Audit and Risk Committee also receive regular reports from Internal Audit and other sources of assurance, which include recommendations for improvement.

The Audit and Risk Committee's role in this area is confined to a high-level review of the arrangements for internal control and advising the Corporation as appropriate. The Corporation's agenda includes receipt of the minutes of the Audit and Risk Committee and a regular item for consideration of risk and control, and receives reports thereon from the Executive Group and the Audit and Risk Committee.

## BROOKLANDS COLLEGE

### Annual Report and Financial Statements for the Year Ended 31 July 2025

This ensures that members of the Corporation obtain the relevant degree of assurance both independently and from senior officers of the College and that risk is monitored and reported routinely and not merely by exception.

At its December 2025 meeting, the Corporation Board carried out the annual assessment for the year ended 31 July 2025 by considering documentation from the Executive Group and Internal Audit and taking into account events since 31 July 2025.

Based on the advice of the Audit and Risk Committee and the Accounting Officer, the Corporation is of the opinion that “the College has an adequate and effective framework for governance, risk 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 17 December 2025 and signed on their behalf by:



[C Mahoney \(Dec 19, 2025 11:18:01 GMT\)](#)

**Professor Craig Mahoney  
Chair of the Corporation**



[Christine Ricketts \(Dec 18, 2025 13:29:47 GMT\)](#)

**Christine Ricketts  
Accounting Officer**

**STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of the Corporation of Brooklands College I confirm that I have had due regard to the framework of authorities governing regularity, priority and compliance, including the college's accountability agreement with the DfE, and the requirements of the College Financial Handbook. I have also considered my responsibility to notify the Corporation's board of members and the DfE of any material irregularity, impropriety and non-compliance with terms and conditions of all funding.

I confirm that I and the board of members, are able of 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, 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 members and DfE.

**Signed**

Christine Ricketts

Christine Ricketts (Dec 18, 2025 13:29:47 GMT)

Christine Ricketts  
**Accounting Officer**

**17 December 2025**

## STATEMENT OF THE RESPONSIBILITIES OF THE MEMBERS OF THE CORPORATION

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

Within the terms and conditions of the College's grant accountability agreements and contracts with the ESFA, DfE and any other relevant funding bodies, the Corporation is required to prepare financial statements which give a full 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 strategy 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 College 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 College.

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

The Corporation is responsible for the maintenance and integrity of its website; the work carried out by auditors does not involve consideration of these matters and, accordingly, 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.

**STATEMENT OF THE RESPONSIBILITIES OF THE MEMBERS OF THE CORPORATION (continued)**

Members of the Corporation are responsible for ensuring that expenditure and income are applied for the purposes intended and that the financial transactions conform to the authorities that govern them. In addition, they are responsible for ensuring that funds from ESFA, DfE and any other public funds, are used only in accordance with the accountability agreement, funding agreements, 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 Corporation is responsible for discussing the Accounting Officer's statement of regularity, propriety and compliance with the Accounting Officer.

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

Approved by order of the Members of the Corporation on 17 December 2025 and signed on their behalf by:

  
C Mahoney (Dec 19, 2025 11:18:01 GMT)

**Professor Craig Mahoney**  
**Chair of the Corporation**

## **Independent Auditor's Report to the Members of the Corporation of Brooklands College**

### **Opinion**

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

In our opinion, the financial statements:

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

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

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

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

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

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

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

#### **Responsibilities of the Members of the Corporation**

As explained more fully in the statement of responsibilities of the Members of the Corporation on page 25, the Members of the Corporation are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members of the Corporation determine is necessary to enable

the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

#### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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

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

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

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

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

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

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

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

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

**Use of our report**

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

*Buzzacott Audit LLP*

Buzzacott Audit LLP  
130 Wood Street  
London  
EC2V 6DL

Date: 19 December 2025

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

**INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY**

**To: The Members of the Corporation of Brooklands College and the Secretary of State for Education**

In accordance with the terms of our engagement letter 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 Brooklands College during the period 1 August 2024 to 31 July 2025 have not been applied to the purposes identified by Parliament and the financial transactions do not conform to the authorities which govern them.

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

**Respective responsibilities of the Accounting Officer of Brooklands 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 College's income and expenditure.

The work undertaken to draw to our conclusion includes:

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

### **Conclusion**

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

*Buzzacott Audit LLP*

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

19 December 2025

**STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE**

	Notes	Year ended 31 July 2025	Year ended 31 July 2024
		£'000	£'000
<b>INCOME</b>			
Funding body grants	2	14,433	13,176
Tuition fees and education	3	228	296
Other income	4	447	458
Investment income	5	191	79
<b>Total income</b>		<b>15,299</b>	<b>14,009</b>
<b>EXPENDITURE</b>			
Staff costs	6	8,513	8,210
Fundamental restructuring costs	6	16	58
Other operating expenses	8	3,663	3,284
Depreciation	11 & 12	1,123	1,408
Interest and other finance costs	9	(48)	237
<b>Total expenditure</b>		<b>13,267</b>	<b>13,197</b>
<b>Surplus before other gains and losses</b>		<b>2,032</b>	<b>812</b>
(Loss)/gain on disposal of fixed assets	12	(3)	39,464
(Loss) on unwinding of discount on amount		—	(1,897)
<b>Surplus before tax</b>		<b>2,029</b>	<b>38,379</b>
Taxation	10	—	—
<b>Surplus for the year</b>		<b>2,029</b>	<b>38,379</b>
Unrealised loss on revaluation of fixed assets	12	—	(2,495)
Actuarial (loss) in respect of pensions	25	(475)	(266)
<b>Total comprehensive income for the year</b>		<b>1,554</b>	<b>35,618</b>
<b>Represented by:</b>			
Unrestricted comprehensive income		<b>1,554</b>	<b>35,618</b>

All items of income and expenditure relates to continuing activities

**STATEMENT OF CHANGES IN RESERVES**

	Income and expenditure account £'000	Revaluation reserve £'000	Total £'000
<b>Balance at 31 July 2023</b>	<b>(15,908)</b>	<b>29,880</b>	<b>13,972</b>
Surplus from the income and expenditure account	38,379	—	38,379
Other comprehensive income			
Unrealised loss on revaluation of fixed assets	—	(2,495)	(2,495)
Actuarial loss in respect of pensions	(266)	—	(266)
Transfers between revaluation and income and expenditure reserves	12,440	(12,440)	—
<b>Total comprehensive income for the year</b>	<b>50,553</b>	<b>(14,935)</b>	<b>35,618</b>
<b>Balance at 31 July 2024</b>	<b>34,645</b>	<b>14,945</b>	<b>49,590</b>
Surplus from the income and expenditure account	2,029	—	2,029
Other comprehensive income			
Actuarial loss in respect of pensions	(475)	—	(475)
Transfers between revaluation and income and expenditure reserves	315	(315)	—
<b>Total comprehensive income for the year</b>	<b>1,869</b>	<b>(315)</b>	<b>1,554</b>
<b>Balance at 31 July 2025</b>	<b>36,514</b>	<b>14,630</b>	<b>51,144</b>

## BALANCE SHEET AS AT 31 JULY 2025

	Notes	2025 £'000	2024 £'000
<b>Non-current assets</b>			
Tangible fixed assets	12	43,758	30,515
Intangible fixed assets	11	83	131
Investments	15	—	—
Debtors receivables after more than one year	13	10,116	16,067
		<b>53,957</b>	<b>46,713</b>
<b>Current assets</b>			
Trade and other receivables	14	7,631	14,697
Cash and cash equivalents	20	13,492	6,471
		<b>21,123</b>	<b>21,168</b>
Less: Creditors – amounts falling due within one year	16	(2,701)	(3,363)
<b>Net current assets</b>		<b>18,422</b>	<b>17,805</b>
<b>Total assets less current liabilities</b>		<b>72,379</b>	<b>64,518</b>
Creditors – amounts falling due after more than one year	17	(21,050)	(14,579)
<b>Provisions</b>			
Defined benefit obligations	25	—	—
Enhanced pension	19	(185)	(349)
<b>Total net assets</b>		<b>51,144</b>	<b>49,590</b>
<b>Unrestricted reserves</b>			
Income and expenditure account		36,514	34,645
Revaluation reserve		14,630	14,945
<b>Total unrestricted reserves</b>		<b>51,144</b>	<b>49,590</b>

The financial statements on pages 33 to 61 were approved and authorised for issue by the Corporation on 17 December 2025 and were signed on its behalf on that date by:

*C Mahoney*

C Mahoney (Dec 19, 2025 11:18:01 GMT)

Professor Craig Mahoney  
Chair of Corporation

*Christine Ricketts*

Christine Ricketts (Dec 18, 2025 13:29:47 GMT)

Christine Ricketts  
Accounting Officer

**STATEMENT OF CASH FLOWS**

		Year ended 31 July 2025	Year ended 31 July 2024
	Notes	£'000	£'000
<b>Cash flows from operating activities</b>			
Surplus or the year		2,030	38,379
<b>Adjustment for non-cash items</b>			
Depreciation and amortisation		1,123	1,408
(Increase)/decrease in debtors due within one year		517	(490)
Increase in creditors due within one year		(673)	(417)
Increase/(decrease) in provisions		(164)	107
Pensions costs less contributions payable		(476)	(266)
<b>Adjustment for investing or financing activities</b>			
Investment income		(191)	(79)
Interest payable		252	237
Loss on disposal of asset		(3)	(39,464)
(Loss) on unwinding of discount on amount due to ESFA under repayment agreement		—	1,897
<b>Cash provided by operating activities</b>		<u>2,415</u>	<u>1,312</u>
<b>Cash flows from investing activities</b>			
Proceeds from sale of fixed assets		12,500	24,500
Investment income		191	79
Capital grant receipts		6,752	1,089
Payments made to acquire fixed assets		(14,319)	(2,356)
		<u>5,124</u>	<u>23,312</u>
<b>Cash flows from financing activities</b>			
Interest paid		(252)	(237)
Repayment of ESFA debt		—	(20,000)
Repayment of amounts borrowed		(266)	(251)
		<u>(518)</u>	<u>(20,488)</u>
<b>Increase in cash and cash equivalents in the year</b>		7,021	4,136
<b>Cash and cash equivalents at beginning of the year</b>	20	6,471	2,335
<b>Cash and cash equivalents at end of the year</b>	20	<u>13,492</u>	<u>6,471</u>

## NOTES TO THE ACCOUNTS

### 1. Accounting Policies

#### **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 for Further and Higher Education 2019* (the 2019 FE HE SORP), the *College Accounts Direction for 2024 to 2025* and in accordance with Financial Reporting Standard 102 – “*The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland*” (FRS 102). The College is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102.

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

#### **Basis of Accounting**

The financial statements are prepared in accordance with the historical cost convention.

#### **Basis of Consolidation**

The financial statements include the College only and are not consolidated as the College's subsidiary, Brooklands Enterprises Limited, controlled by the Group was dormant in the period. In accordance with FRS 102, the activities of the student union have not been consolidated because the College does not control those activities. All financial statements are made up to 31 July 2025.

#### **Going Concern**

The activities of the College, together with the factors likely to affect its future development and performance, are set out in the members of the Corporation's report. The financial position of the College, its cash flow, liquidity and borrowings are presented in the financial statements and accompanying notes.

The College's management have prepared a ten year financial plan, with a rolling 12 month forecast for the Corporation.

The College currently has a fixed term loan with annual debt servicing costs of £383,964. The College operates without any overdraft facilities and at the year-end had a positive cash balance of £1,945,000 (2024 - £2,221,000). The College's forecasts indicate that it will be able to operate within the existing facility.

Accordingly, the College has continued to prepare the financial statements on a going concern basis, and the Corporation considers that the College has adequate resources to continue in operational existence for the foreseeable future.

**NOTES TO THE ACCOUNTS (CONTINUED)**

**1. Accounting Policies (continued)**

**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. Any under or over achievement for the Adult Education Budget is adjusted for and reflected in the level of recurrent grant recognised in the income and expenditure account. The final grant income is normally determined with the conclusion of the year end reconciliation process with the funding body following the year end, and the results of any funding audits. 16-18 learner-responsive funding is not normally subject to reconciliation and is therefore not subject to contract adjustments.

The recurrent grant from Office for Students represents the funding allocations attributable to the current financial year and is credited direct to the statement of comprehensive Income.

Grants (including research grants) from non-government sources are recognised in income when the College is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

*Capital grant funding*

Government capital grants are capitalised, held as deferred income and recognised in income over the expected 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 is received.

*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 learner support funds and bursaries. Related payments received from the funding bodies and subsequent disbursements to students are excluded from the income and expenditure account of the College and are shown separately in note 27, except for the 5 per cent of the grant issued which is available to the College to cover administration costs relating to the grant.

The College also acts as an agent for Employer Incentives and End Point Assessments where the related payments received from the funding bodies and disbursements are excluded from the income and expenditure account of the College.

**NOTES TO THE ACCOUNTS (Continued)**

**1. Accounting Policies (continued)**

**Accounting for post-employment benefits**

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

**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.

**Local Government Pension Scheme (LGPS)**

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

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

**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.

**Enhanced Pensions**

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

**NOTES TO THE ACCOUNTS (Continued)**

**1. Accounting Policies (continued)**

**Non-current assets - Tangible fixed assets**

*Freehold Land and buildings*

The College has adopted a policy of revaluation for its freehold properties. The freehold properties were valued to fair value by professional valuers at 31 July 2024 using the Building Cost Information Service (BCIS) indices and reviewed by Members of the Corporation to 31 July 2025.

The College's buildings are specialised buildings and therefore it is not appropriate to value them based on open market value. The buildings are stated in the balance sheet at valuation on the basis of depreciated replacement cost

In subsequent years, freehold properties will be held at revalued amounts less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations will be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period

Freehold buildings are depreciated on a straight-line basis over their expected remaining useful lives as assessed by external professional valuers (or assessed by the College in the intervening years between external valuations).

The remaining useful lives range from 2 to 50 years. The remaining useful life will be reviewed at the end of each accounting period, with the cost and accumulated depreciation re-stated as appropriate so that the carrying amount reflects the revalued amount of the asset. 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.

Freehold buildings include structure, internal finishes of the building, and building plant and machinery, but exclude loose fittings. Borrowing and finance costs, which are directly attributable to the acquisition, construction or production of land and buildings, are capitalised as part of the cost of those assets.

Freehold land is not depreciated as it is considered to have an indefinite useful life.

Where land and buildings are acquired with the aid of specific grants, they are capitalised and depreciated as above. The related grants are credited to a deferred income account within creditors, and are released to the 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.

*Leasehold Land and Buildings*

The College has adopted a policy of revaluation for its leasehold properties. The leasehold properties were valued at fair value by professional valuers at 31 July 2020.

The College's buildings are specialised buildings and therefore it is not appropriate to value them based on open market value. The buildings are stated in the balance sheet at valuation on the basis of depreciated replacement cost.

**NOTES TO THE ACCOUNTS (Continued)**

**1. Accounting Policies (continued)**

**Non-current assets - Tangible fixed assets (continued)**

*Leasehold Land and Buildings (continued)*

In subsequent years, leasehold properties will be held at revalued amounts less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations will be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Leasehold properties are depreciated on a straight-line basis over the unexpired term of the lease.

*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 income in the period it is incurred, unless it increases the future benefits to the College, in which case it is capitalised and depreciated on the relevant basis.

*Equipment*

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

Heritage equipment has been depreciated on a straight-line basis over its remaining useful economic life to the College and is now fully depreciated. All other equipment is depreciated on a straight-line basis over its useful economic life as follows:

- heavy plant – 15 years
- plant – 10 years
- heavy duty equipment – 7 years
- motor vehicles and general equipment - 5 years
- computer servers and infrastructure – 5 years
- computer equipment - 4 years
- software - 3 years

Where equipment is acquired with the aid of specific grants, it is capitalised and depreciated in accordance with the above policy, with the related grant being credited to a deferred capital grant account and released to the income and expenditure account over the expected useful economic life of the related equipment.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of comprehensive income and Expenditure.

**Non-current assets – Intangible fixed assets**

Intangible fixed assets such as software development are recognised based on section 18 of FRS 102 and are stated deemed cost less accumulated amortisation. Such assets are amortised on a straight-line basis over their expected useful lives within five years from the day of purchased.

**NOTES TO THE ACCOUNTS (Continued)**

**1. Accounting Policies (continued)**

**Leased non-property assets**

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

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

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

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

**Investments**

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

**Inventories**

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

**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 obligations, rather than the financial instrument's legal form.

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

The College has a long-term creditor of £5m owed to the ESFA.

**NOTES TO THE ACCOUNTS (Continued)**

**1. Accounting Policies (continued)**

**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 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The College is partially exempt in respect of Value Added Tax, so that it can only recover around 3% of VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets and services as appropriate, where the inputs themselves are tangible fixed assets by nature.

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

**Provisions and contingent liabilities**

Provisions are recognised when

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

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in the statement of comprehensive income in the period it arises.

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

Contingent liabilities are not recognised in the balance sheet but are disclosed in the notes to the financial statements.

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

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

- Determine whether leases entered into by the College either as a lessor or a lessee are operating or finance 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, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

## NOTES TO THE ACCOUNTS (Continued)

## 1. Accounting Policies (continued)

**Judgements in applying accounting policies and key sources of estimation uncertainty**  
(continued)*Other key sources of estimation uncertainty*• *Tangible fixed assets*

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

• *Local Government Pension Scheme*

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate and any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 July 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

## 2. Funding body grants

	Year ended 31 July 2025	Year ended 31 July 2024
	£'000	£'000
<b>Recurrent grants</b>		
Education and Skills Funding Agency (ESFA) 16-18	11,002	9,886
Education and Skills Funding Agency (ESFA) adult	742	756
Education and Skills Funding Agency (ESFA) apprenticeships	789	767
Office for Students	14	—
<b>Specific grants</b>		
Education and Skills Funding Agency (ESFA)	606	802
Local Government funding income	560	374
Releases of government capital grants	554	411
HE grant	16	180
<b>Total</b>	<b>14,433</b>	<b>13,176</b>

## NOTES TO THE ACCOUNTS (Continued)

**3. Tuition fees and education contracts**

	Year ended 31 July 2025	Year ended 31 July 2024
	£'000	£'000
Adult education fees	13	13
Apprenticeship fees and contracts	4	5
Fees for FE loan supported courses	23	12
Fees for HE loan supported courses	—	—
Fees for Full Cost course	20	15
<b>Total tuition fees</b>	<b>60</b>	<b>45</b>
Education contracts	168	251
<b>Total</b>	<b>228</b>	<b>296</b>

**4. Other income**

	Year ended 31 July 2025	Year ended 31 July 2024
	£'000	£'000
Other income generating activities	352	330
Miscellaneous income	95	128
<b>Total</b>	<b>447</b>	<b>458</b>

**5. Investment income**

	Year ended 31 July 2025	Year ended 31 July 2024
	£'000	£'000
Other interest receivable	191	79
<b>Total</b>	<b>191</b>	<b>79</b>

## NOTES TO THE ACCOUNTS (Continued)

**6. Staff costs**

The average number of persons (including key management personnel) employed by the College during the year, described as full time equivalents, were:

	<b>2025</b>	<b>2024</b>
	<b>No.</b>	<b>No.</b>
Teaching staff	69	70
Non-teaching staff	115	116
	<hr/>	<hr/>
	<b>184</b>	<b>186</b>

**Staff costs for the above persons**

	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	6,426	5,436
Social security costs	672	494
Other pension costs	1,257	1,194
	<hr/>	<hr/>
<b>Payroll sub total</b>	<b>8,355</b>	<b>7,124</b>
Contracted out staffing services	158	1,086
	<hr/>	<hr/>
	<b>8,513</b>	<b>8,210</b>
Restructuring costs – Contractual	16	58
	<hr/>	<hr/>
<b>Total staff costs</b>	<b>8,529</b>	<b>8,268</b>

## NOTES TO THE ACCOUNTS (Continued)

7. **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 Postholders with the exception of the Director of Governance. These comprised the Principal and the Chief Operating Officer

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

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

	2025 No.	2024 No.
The number of key management personnel including the Accounting Officer was:	<u>7</u>	<u>6</u>

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.
£50,001 to £55,000 p.a.	1	1
£55,001 to £60,000 p.a.	1	1
£60,001 to £65,000 p.a.	1	2
£65,001 to £70,000 p.a.	2	1
£90,001 to £95,000 p.a.	1	—
£120,001 to £125,000 p.a.	—	1
£125,001 to £130,000 p.a.	1	—
	<u>7</u>	<u>6</u>

No other members of staff earned in excess of £60,000 in the year ended 31 July 2025 (2024 – none).

Key management personnel compensation is made up as follows:

	2025 £'000	2024 £'000
Basic Salary	526	431
Employers National Insurance	67	51
Benefits in kind	—	—
	<u>593</u>	<u>482</u>
Pension contributions	147	114
	<u>740</u>	<u>596</u>
<b>Total key management personnel compensation</b>		

## NOTES TO THE ACCOUNTS (Continue)

**7.Key management personnel** (continued)

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

The above compensation includes amounts payable to the Accounting Officer. The role during 2024-25 was occupied by the Principal/Chief Executive. The pay and remuneration for this role was as follows:

	<b>2025</b> £'000	<b>2024</b> £'000
Basic salary	127	122
Employers National Insurance	17	15
Benefits in kind	—	—
	<u>144</u>	<u>137</u>
Pension contributions	36	31
	<u><b>180</b></u>	<u><b>168</b></u>

The members of the Corporation other than the Accounting Officer and the staff Governors did not receive any payment from the College other than the reimbursement of travel and subsistence expenses incurred in the course of their duties, detailed in note 26.

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

The remuneration package of key management personnel, including the Principal, is subject to annual review by the Remuneration Committee of the Corporation who use benchmarking information to provide objective guidance.

The Principal reports to the Chair of the Corporation, who undertakes an annual review of their performance against the College's overall objectives using both qualitative and quantitative measures of performance.

Relationship of Principal pay and remuneration expressed as a multiple:

	<b>2025</b>	<b>2024</b>
Principal's basic salary as a multiple of the median of all staff	3.46	3.77
Principal total remuneration as a multiple of the median of all staff	3.85	4.26

## NOTES TO THE ACCOUNTS (Continued)

**8. Other operating expenses**

	2025 £'000	2024 £'000
Teaching costs	335	473
Non-teaching costs	1,835	1,304
Premises costs	1,493	1,508
<b>Total</b>	<b>3,663</b>	<b>3,285</b>

**Other operating expenses include:**

	2025 £'000	2024 £'000
Auditors' remuneration:		
Financial statements audit and other services provided by the financial statements auditor	47	44
Internal audit	15	9
Hire of assets under operating leases	20	22

**9. Interest and other finance costs**

	2025 £'000	2024 £'000
On bank loans, overdrafts and other loans	252	244
Net interest on defined benefit pension liability (note 25)	(300)	(7)
<b>Total</b>	<b>(48)</b>	<b>237</b>

**10. Taxation**

The College is not liable for any corporation tax arising out of its activities during the year ended 31 July 2025 or the previous year.

## NOTES TO THE ACCOUNTS (Continued)

## 11. Intangible Assets

	Software & Development Costs	Total
	£'000	£'000
<b>Cost</b>		
At 1 August 2024	364	364
Additions	—	—
<b>At 31 July 2025</b>	<b>364</b>	<b>364</b>
<b>Amortisation</b>		
At 1 August 2024	232	232
Charge in year	49	49
<b>At 31 July 2025</b>	<b>281</b>	<b>281</b>
<b>Net book value at 31 July 2025</b>	<b>83</b>	<b>83</b>
<b>Net book value at 31 July 2024</b>	<b>131</b>	<b>131</b>

## NOTES TO THE ACCOUNTS (Continued)

**12. Tangible fixed assets**

	Freehold Land and Buildings £'000	Leasehold £'000	Equipment £'000	Works In Progress £'000	Total £'000
<b>Cost or valuation</b>					
At 1/8/2024	<b>55,637</b>	2,235	7,585	3,003	<b>68,460</b>
Transfers	953	—	55	(1,008)	—
Additions	441	—	1,047	12,831	14,319
Disposals	—	—	(428)	—	(428)
<b>At 31/7/2025</b>	<b>57,031</b>	<b>2,235</b>	<b>8,259</b>	<b>14,826</b>	<b>82,351</b>
<b>Depreciation</b>					
At 1/8/2024	<b>30,818</b>	290	6,837	—	<b>37,945</b>
Charge in year	697	47	329	—	1,073
Disposals	—	—	(425)	—	(425)
<b>At 31/7/2025</b>	<b>31,515</b>	<b>337</b>	<b>6,741</b>	<b>—</b>	<b>38,593</b>
<b>Net Book Value 2025</b>	<b>25,516</b>	<b>1,898</b>	<b>1,518</b>	<b>14,826</b>	<b>43,758</b>
<b>Net Book Value 2024</b>	<b>24,819</b>	<b>1,945</b>	<b>748</b>	<b>3,003</b>	<b>30,515</b>

The remaining freehold properties known as Brooklands College Weybridge, were valued as at the 31st July 2024 by Ashworth's, a regulated firm of Chartered surveyors. Brooklands College, Ashford (Thomas Knyvett School) was valued at 31 July 2020 by an external valuer, Gerald Eve LLP, a regulated firm of Chartered Surveyors.

The valuations were prepared in accordance with the requirements of the RICS Valuation Global Standard 2020 and Financial Reporting Standard 102. Valuations were undertaken on a Fair Value basis, and valued by reference to a depreciated replacement cost approach.

The valuation is reported under the special assumption to exclude any value of development opportunities for which planning permission would be required and has not been granted or where development has not yet commenced, except where stated separately within the valuation report.

The Ashford land and properties were revalued with reference to the Building Cost Information Service (BCIS) as at 31 July 2021 and 31 July 2022. There has been no material change in the valuation as at 31st July 2025.

## NOTES TO THE ACCOUNTS (Continued)

**13. Debtors receivable after more than one year**

The College has deferred proceeds of the land sale of £10,116,000, incorporated as debtors receivable after more than one year (2024 - £16,067,000).

**14. Trade and other receivables**

	2025 £'000	2024 £'000
Amounts falling due within one year:		
Trade receivables	31	41
Prepayments and accrued income	919	644
Amounts owed by the ESFA	76	—
Other debtors	6,605	14,012
<b>Total</b>	<b>7,631</b>	<b>14,697</b>

**15. Investments**

The College owns a £2 investment representing 100% of the issued ordinary shares and voting rights in Brooklands Enterprises Limited, a company incorporated in England and Wales. The interest in Brooklands Enterprises Limited was effectively acquired on 1 April 1993 and has not been consolidated into the results of the College, as the company has not traded in the year.

**16. Creditors: amounts falling due within one year**

	2025 £'000	2024 £'000
Bank loans (note 18)	281	266
Other loans	—	286
Trade payables	323	944
Other taxation and social security	183	117
Accruals and deferred income	180	414
Deferred income - Government Capital Grants	554	411
Amounts owed to ESFA	486	646
Pension contributions	151	163
Holiday Accrual	45	35
Other creditors	498	81
<b>Total</b>	<b>2,701</b>	<b>3,363</b>

Accruals and deferred income include accruals for capital works and invoices and fees received in advance for 2025-26.

## NOTES TO THE ACCOUNTS (Continued)

**17. Creditors: amounts falling due after one year**

	2025 £'000	2024 £'000
Due to ESFA under a repayment agreement	5,000	5,000
Bank loans (note 18)	1,664	1,945
Deferred income - government capital grants	14,386	7,634
<b>Total</b>	<b>21,050</b>	<b>14,579</b>

The amount due to ESFA under a repayment agreement relates to funding due to be repaid to the ESFA resulting from subcontracting arrangements that did not comply with funding agreements in previous years. A formal interest bearing repayment agreement for £5m of this debt has been agreed, with repayments starting in October 2031.

**18. Maturity of debt****Bank loans and overdrafts**

Bank loans and overdrafts are repayable as follows:

	2025 £'000	2024 £'000
In one year or less	281	552
Between one and two years	297	281
Between two and five years	1,367	297
In five years or more	—	1,367
<b>Total</b>	<b>1,945</b>	<b>2,497</b>

At 31 July 2025, the College had one main loan facility of £5m repayable at 5.6% interest over 25 years, secured on the Barnes Wallis Building on the Weybridge campus.

**19. Provisions**

	Defined benefit obligations (note 25) £'000	Enhanced pensions £'000	Total £'000
At 1 August 2024	—	349	349
Actuarial loss	—	(163)	(163)
<b>At 31 July 2025</b>	<b>—</b>	<b>186</b>	<b>186</b>

Defined benefit obligations relate to the liabilities under the College's membership of the Local Government Pension Scheme. Further details are given in Note 25.

## NOTES TO THE ACCOUNTS (Continued)

**19. Provisions** (continued)

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

The principal assumptions for this calculation are:

	2025	2024
Inflation rate (CPI)	2.7%	2.2%
Interest rate	<u>5.5%</u>	<u>4.9%</u>

**20. Cash and cash equivalents**

	At 1 August 2024	Cash flows	Other changes	At 31 July 2025
	£'000	£'000	£'000	£'000
Cash and cash equivalents	6,471	7,021	—	13,492
<b>Total</b>	<u>6,471</u>	<u>7,021</u>	<u>—</u>	<u>13,492</u>

The closing cash balance as at 31 July 2025 includes £8,181,000 relating to the sale proceeds of land and buildings to Cala Homes. This cash is held separately and is designated to support the College's redevelopment programme.

**21. Capital and other commitments**

	2025	2024
	£'000	£'000
Commitments contracted for at 31 July	2,956	1,793
Commitments authorised but not contracted for at 31 July	<u>19,575</u>	<u>34,409</u>
	<b>22,531</b>	<b>36,202</b>

These commitments have been funded by the sale of land to Cala Homes.

**22. Lease Obligations**

At 31 July 2025 the College had no non-cancellable operating leases (2024 none).

## NOTES TO THE ACCOUNTS (Continued)

**23. Contingencies**

There are no contingent liabilities or assets at the balance sheet date (2024 none).

**24. Events after the reporting period**

No events took place after the end of the reporting period.

**25. Defined benefit obligations**

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

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

Total pension cost for the year	2025 £000	2024 £000
Teachers' Pension Scheme: contributions paid	841	625
Local Government Pension Scheme:		
Contributions paid	755	828
FRS 102 (28) charge	(176)	(259)
Charge to the Statement of Comprehensive Income	579	569
Enhanced pension charge to Statement of Comprehensive Income	—	—
<b>Total pension cost for year within staff costs (note 7)</b>	<b>1,420</b>	<b>1,194</b>

Contributions amounting to £151,438 (2024: £162,509) were payable to the schemes and are included in creditors.

**NOTES TO THE ACCOUNTS (Continued)**

**25. Defined benefit obligations (continued)**

**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 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 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 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 to 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 (employees and employers) in the year amounted to £1,042,485 (2024: £790,486).

**Local Government Pension Scheme (LGPS)**

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by Surrey Local Authority. The total contributions made for the year ended 31 July 2025 were £930,000 (2024 - £989,000), of which employer's contribution totalled £755,000 (2024 - £828,000) and employee's contributions totalled £175,000 (2024: £161,000). The agreed contribution rates for future years are 17.3% for the College and range from 5.5% to 12.5% for employees, depending on salary according to a national scale.

NOTES TO THE ACCOUNTS (Continued)

**25. Defined benefit obligations** (continued)

**Local Government Pension Scheme**

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

	At 31 July 2025	At 31 July 2024
Rate of increase in salaries	3.80%	3.75%
Future pensions increases	2.80%	2.75%
Discount rate for scheme liabilities	5.75%	4.95%
Inflation assumption (CPI)	2.80%	2.20%
Commutation of pensions to lump sums for pre-April 2008	25%	25%
Commutation of pensions to lump sums for post-April 2008	63%	63%

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

	At 31 July 2025	At 31 July 2024
	years	years
<i>Retiring today</i>		
Males	21.4	21.2
Females	24.7	24.6
<i>Retiring in 20 years</i>		
Males	21.9	21.7
Females	25.6	25.6

**Sensitivity Analysis**

Increase (decrease) to net defined benefit liability as a result of a change in actual assumptions:

	At 31 July 2025	At 31 July 2024
Discount rate -0.1%;	£365,000	£420,000
Salary increase rate +0.1;	£3,000	£6,500
Mortality assumption – 1 year increase	4%	4%
Mortality assumption – 1 year decrease	4%	4%
Pension increase rate +0.1;	£372,000	£425,000

## NOTES TO THE ACCOUNTS (Continued)

**25. Defined benefit obligations (continued)**

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

	Fair Value at 31 July 2025 £'000	Fair Value at 31 July 2024 £'000
Equity instruments	25,593	22,900
Debt instruments	4,777	4,332
Property	2,389	2,475
Cash	1,365	1,238
<b>Total fair value of plan assets</b>	<b>34,124</b>	<b>30,945</b>
Liabilities	22,806	24,956
Net assets before asset cap	11,318	5,989
Asset cap applied	<u>(11,318)</u>	<u>(5,989)</u>
<b>Net assets/(liabilities) after asset cap</b>	<b>—</b>	<b>—</b>

The annual valuation of the LGPS pension indicates a net asset of £11,318,000, however the actuaries of the scheme have indicated an asset cap should apply.

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

	2025 £'000	2024 £'000
Fair value of plan assets	34,124	30,945
Present value of plan liabilities	(22,806)	(24,956)
<b>Asset cap applied</b>	<b>(11,318)</b>	<b>(5,989)</b>
<b>Net pensions assets/(liability) (Note 19)</b>	<b>—</b>	<b>—</b>

## NOTES TO THE ACCOUNTS (Continued)

## 25. Defined benefit obligations (continued)

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

	2025 £'000	2024 £'000
<b>Amounts included in staff costs</b>		
Current service cost	579	555
Past service cost	—	—
<b>Total</b>	<b>579</b>	<b>555</b>

**Amounts included in finance costs**

Net cost	1,228	1,404
Net interest cost	(1,528)	(1,411)
	<b>(300)</b>	<b>(7)</b>

**Amount recognised in Other Comprehensive Income**

Changes in demographic assumptions	(111)	(50)
Experience gain on defined benefit obligations	259	200
Return on pension plan assets	2,949	1,866
Experience losses arising on defined benefit obligations	—	—
Asset gap adjustment	(3,097)	(2,016)
<b>Amount recognised in Other Comprehensive Income</b>	<b>—</b>	<b>—</b>

**Movement in net defined benefit liability during year**

	2025 £'000	2024 £'000
Net defined benefit liability in scheme at 1 August	—	—
Movement in year:		
Current service cost	(579)	(555)
Employer contributions	755	828
Past service cost	—	—
Net interest on the defined liability	300	(7)
Asset Cap Adjustment	(5,329)	(2,282)
Actuarial gain or loss	4,853	2,016
<b>Net defined benefit liability at 31 July</b>	<b>—</b>	<b>—</b>

## NOTES TO THE ACCOUNTS (Continued)

**25. Defined benefit obligations (continued)****Asset and Liability Reconciliation**

	2025	2024
	£'000	£'000
<b>Changes in the present value of defined benefit obligations</b>		
<b>Defined benefit obligations at 1 August</b>	24,956	23,846
Current service cost	579	569
Interest cost	1,228	1,210
Contributions by scheme participants	175	161
Experience gains and losses on defined benefit obligations	(259)	857
Changes in financial assumptions	(2,949)	(657)
Changes in demographics assumptions	111	(50)
Estimated benefits paid	(1,035)	(980)
<b>Defined benefit obligations at 31 July</b>	<b><u>22,806</u></b>	<b><u>24,956</u></b>
 <b>Changes in fair value of plan assets</b>		
<b>Fair value of plan assets at 1 August</b>	30,945	27,659
Interest on plan assets	1,528	1,411
Return on plan assets	1,756	1,866
Employer contributions	755	828
Contributions by Scheme participants	175	161
Estimated benefits paid	(1,035)	(980)
<b>Fair value of plan assets at 31 July</b>	<b><u>34,124</u></b>	<b><u>30,945</u></b>

**26. 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 will take place with organisations in which a member of the Corporation may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the College's financial regulations and normal procurement procedures.

Transactions with the funding agencies, Office for Students and the local authorities are detailed in notes 2, 14, 16 and 19.

The total expenses paid to or on behalf of the members of the Corporation during the year was £493 (2024: Nil). This represents travel and subsistence expenses and other out of pocket expenses incurred in attending Corporation meetings and College events in their official capacity.

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

## NOTES TO THE ACCOUNTS (Continued)

**27. Amounts disbursed as agent**

The college distributes 16-19 discretionary and vulnerable bursaries funds to students as an agent for the DfE.

In the accounting period ended 31 July 2025, the college received a total of £184,000 and disbursed £167,000 after charging £nil administration costs. As broken down below:

As at 31 July 2025, the cumulative unspent funding is £17,000, of which £nil relates to funds that are in the scope to be returned to the DfE in March 2026.

Comparatives for the accounting period ended 31 July 2024 are £168,000 received from DfE, £158,000 disbursed to students after £nil administration costs, with total unspent funds of £10,000 of which £nil were repaid to the DfE.

	2025 £'000	2024 £'000
Funding body grants – Bursary Support (ESFA)	76	69
Funding body grants – Vulnerable Young People bursary	14	20
Funding body grants – Advanced Loan bursary	10	15
Funding body grants – Residential support	84	64
	<u>184</u>	<u>168</u>
Disbursed to students	(167)	(158)
Administration costs	—	—
	<u><u>17</u></u>	<u><u>10</u></u>
Balance unspent as at 31 July, included in creditors		

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. The income and expenditure in the College's financial statements relates to the payment of course fees, nursery fees and travel costs by the College on the student's behalf.

	2025 £'000	2024 £'000
Employer incentives received – Apprenticeships	52	51
Disbursed to employers and suppliers	(50)	(42)
Balance unspent as at 31 July, included in creditors	<u>2</u>	<u>9</u>

Funds are provided for employers and providers to be paid an incentive for taking on apprentices as well as paying organisations to conduct End Point Assessments for apprentices. The College is only acting as a paying agent and therefore the funds received, and the disbursements are excluded from the statement of comprehensive income.