



REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

KEY MANAGEMENT PERSONNEL, BOARD OF GOVERNORS AND PROFESSIONAL ADVISERS

Key management personnel

Key management personnel are defined as members of the College Leadership Team and were represented by the following in 2023/24:

Daniel Metters – Principal and CEO; Accounting Officer (with effect from 1 August 2024)

William S Meredith – CEO and Principal; Accounting Officer (Retired 31 July 2024)

Kirsti Lord – Deputy Chief Executive and Deputy Principal Curriculum & Quality (left 31 July 2024)

Stephen Kelly – Chief Financial Officer

Kate Calvert – Chief People Officer (previously Deputy Principal HR and Organisational Services)

Helen Wooldridge – Vice Principal Growth, Planning & Performance (with effect from 14 October 2024)

Beth Curtis – Vice Principal Riseholme & Business Development (with effect from 15 July 2024) (Previously Interim Vice Principal with effect from 13 May 2024)

Andrew Black – Assistant Principal Business Development (retired 19 September 2024)

Andrew Tan – Director of MIS

Ann Paling – Assistant Principal Safeguarding and Residential Services

Clare Chaffe – Director of Land-Based Further Education (left 3 November 2023)

Damien Blackburn – Director of IT and Learning Resources

Debbie Jensen – Interim Assistant Principal Higher Education (18 October 2023 to 7 June 2024)

Jane Chapman – Director of Marketing (left 31 October 2024)

Kate McDonald – Assistant Principal, Riseholme (left 22 April 2024)

Michaela Ginn – Assistant Principal Quality of Education

Rachel Richardson – Assistant Principal Further Education (with effect from 1 September 2024) (previously Director of General Further Education)

Rachael Fell-Chambers – Assistant Principal Higher Education (left 31 October 2023)

Sarah Milton – Director of Sport & Sporting Partnerships

Sarah Reynolds-Golding – Assistant Principal Higher Education (with effect from 3 June 2024)

Sharron Mansell – Vice Principal Quality of Education & Skills (with effect from 1 August 2024) previously Interim Director of Land-Based Further Education (with effect from 18 October 2023)

Board of Governors

A full list of Governors is given on pages 16 to 18 of these financial statements.

Sallyanne Pearson, Director of Governance

Professional advisers

Financial statements auditors and reporting accountants:

RSM UK Audit LLP

Two Humber Quays

Wellington Street West

Hull HU1 2BN

Internal auditors

WBG LLP (formerly Wylie & Bissett)

168 Bank Street

Glasgow G2 4TP

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KEY MANAGEMENT PERSONNEL, BOARD OF GOVERNORS AND PROFESSIONAL ADVISERS (continued)

Bankers

Lloyds Bank PLC
14 Church Street
Sheffield

Solicitors

Rollits LLP
Citadel House
58 High Street
Hull HU1 1QE

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FOR THE YEAR ENDED 31 JULY 2024

REPORT OF THE GOVERNING BODY

Nature, Objectives and Strategies

The members present their report and the audited financial statements for the year ended 31 July 2024.

Legal status

The Corporation was established under the Further and Higher Education Act 1992 for the purpose of conducting Bishop Burton College (the College). The College is an exempt charity for the purposes of part 3 of the Charities Act 2011.

Mission

The College Mission as approved by its members is as follows:

“Growing potential for sustainable futures”.

Public Benefit

Bishop Burton College is an exempt charity under Part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education. The members of the Governing Body, who are trustees of the Charity, are disclosed on pages 16 to 18.

In setting and reviewing the College’s strategic objectives, the Governing Body has had due regard for the Charity Commission’s guidance on public benefit and particularly upon its supplementary guidance on the advancement of education. 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
- Widening participation and tackling social exclusion
- Excellent progression for students into employment or education and training
- Strong student support systems
- Excellent links with employers, industry and commerce
- Links with Local Enterprise Partnerships (LEPS)
- Strong emphasis on sustainability within the curriculum and the estate

The delivery of public benefits is covered throughout the Report of the Governing Body.

In November 2022 the ONS decided to reclassify all FE colleges as public sector organisations. The reclassification is back dated to 1 April 1993. Following reclassification, colleges are now part of central government and are subject to the framework for financial management set out in Managing Public Money (MPM). MPM changes how colleges report to, and interact with, government and requires colleges to ensure their systems of financial control support public sector standards of accountability.

Implementation of strategic plan

Bishop Burton College is a successful specialist land-based college which has diversified to meet the needs of other sectors of the economy, including Sport and Leisure. The College operates from three main campuses, recruiting students and serving rural communities from throughout the North of England, the Midlands and beyond.

The College has a history of strong financial performance. The College’s long-term strategy and plan has resulted in outstanding resources, infrastructure, excellent staff and high-quality teaching and learning, ensuring the College’s long-term future and growth.

The facilities at the Bishop Burton campus, in East Yorkshire, remain some of the finest of any Further Education college in the country, allowing students to develop practical skills in real working environments and improve their employability.

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

REPORT OF THE GOVERNING BODY (CONTINUED)

Implementation of strategic plan (continued)

The College continues to benefit from significant investment in its campuses. The new £25 million Riseholme Showground campus has been a catalyst for growth in student numbers in Lincolnshire, providing land-based courses as well as Sport, Public Services, Health and Social Care and Childcare.

Through close collaboration with regional colleges and universities, we have successfully established two Institutes of Technology at both Bishop Burton and Riseholme Showground campuses, together with equipment to deliver the very latest precision agriculture technology. The Institutes of Technology are delivering higher technical skills training, and conducting related research.

The College Mission is “growing potential for sustainable futures”. The Mission is implemented via four strategic aims, underpinned by strategic objectives and a set of Key Performance Indicators (KPIs) which are closely monitored by the Strategic Leadership Team and Board of Governors.

The Corporation monitors the performance of the College against its strategic plan and financial forecasts, which are reviewed and updated each year. The College’s Strategic Aims for 2023/24 were to:

- Support sustainable economic development within the region and beyond.
- Develop and support students to ensure they achieve their full potential.
- Empower our people.
- Ensure the College’s sustainable future.

As a major employer and provider, we have a significant economic impact in the region and deliver a huge range of qualifications, from Entry to Masters Levels, including employer-responsive provision for apprenticeships and the unemployed. Our further education student destination rates to employment, or higher-level study, are some of the best in the country at 95%. Our 2023/24 results continue to support the profile of a high achieving college.

The College recruits regionally, nationally and internationally, aided by on-site accommodation and outstanding transport links, along with a strong brand and reputation for delivering first-class, first choice vocational education.

To support our sustainable future, the College delivers several successful commercial enterprises integrated into our specialisms, which not only contribute to our income but also provide added value for learners. These include the College’s own 360-hectare mixed farm and exceptional equine, animal and sports facilities.

We work in close partnership with world-class partners across our specialisms, including Hull City Tigers, Lincoln City Football Club, Rugby Football Union (RFU), Yorkshire Rugby, Agrii, Morrisons, Humberside Police, Yorkshire Water, Child Dynamix, Cranswick Country Foods, Tulip, AGCO and Manterra to name a few of our key employers.

The College is currently rated as ‘good’ overall, following its last full inspection in May 2023. Inspectors concluded: “Governors and the senior leadership team have implemented an ambitious plan to provide exceptional facilities for training and research. All staff promote a positive culture of learning and respect that motivates learners to achieve.”

Furthermore, the College is rated ‘outstanding’ overall in an Ofsted Social Care inspection, reflecting the quality of care and support afforded to its under 18 residential students at both Bishop Burton and Riseholme campuses.

The table of student numbers below shows growth in total FE numbers during the year. This trend is expected to continue in 2024/25. HE recruitment remains challenging for the sector as a whole.

	2021/22	2022/23	2023/24
FE 16-18	2,066	1,914	1,840
FE Adult	225	258	422
HE	486	512	437
Work-based	367	398	400

REPORT OF THE GOVERNING BODY (CONTINUED)

Implementation of strategic plan (continued)

Comparing the student population against the Index of Multiple Deprivation, 35% of our FE students fall into Quintile 1 and 2 and 33% of our HE student population come from the most deprived areas. A distinctive feature of the College is its commitment to widening participation, and its activities to engage and recruit students from deprived areas across the region with a significant number of these living in the city of Hull. The College runs a comprehensive free bus system, serving students throughout the sub-region including those from disadvantaged areas and isolated rural communities. The College met most of its widening participation targets detailed in the college Access and Participation plan and continues to work to remove any attainment gaps.

We continue to deliver a strong apprenticeship provision that caters for the needs of both regional and national employers.

The employability of Further Education and Higher Education learners continues to be enhanced through the range of additional qualifications and work experience and accreditations they achieve during their time at college. This is part of the College's strategic drive to ensure the curriculum is vocational and prepares learners for the world of work. This is a service the College continues to develop with the intention that all students regardless of mode or level can access work experience.

The commercial strategy and plan for Sport ensures maximum facility occupancy and security of facility bookings as well as successful initiatives for commercial/public gym member recruitment and retention. This has seen our customer base grow across both campuses. Our partnership agreement with Lincoln City Football Club has been revised and renewed, ensuring income stability over future years. April 2024 saw Hull City renew their contract for another two years and initial agreement discussions post June 2026 have already begun.

Both campuses have seen an increase in the number of academic groups engaged in enrichment activities over the academic year. Sessions have been tailored to include problem solving and teamwork challenges to students who did not want to focus on sport. These sessions have included building a bridge as a team, escape rooms, code breaking and other team building challenges. Furthermore, Foundation students have received weekly sessions which have covered multiple sports such as badminton, rounders, team building, basketball and table tennis.

As a consequence of our structured recruitment processes, sporting successes, performance sporting offer, academic offer and talented coaching team, the Performance Sport Academies have seen a significant growth over the past five years, with 269 academy students in the Performance Sport programme for 2023/24. The Academies have also seen a number of prominent regional and national successes, putting the College either first or in the top two colleges in the country and number one in the north.

There have also been a number of students representing their region or country. For example:

- Kaya Acton, who was selected for the England Girls U18 Six Nations competition and the England U19 summer training group.
- Aisla Merryweather, was selected for the Scotland U18 Six Nations squad.
- Adam Stockhill and Jacob Hill and represented the college in the England Colleges National Team and earned their places on the 20-man squad following two phases of rigorous trials. Adam and Jacob flew out to Italy in February 2024 as part of an international tournament, played in every single fixture and were fundamental in the team's success, which was reaching the final of the tournament.

The Commercial Equine team work closely with the Academic teams to ensure an excellent student experience and equine welfare. Many commercial ideas are being implemented and developed, including Commercial Therapy Services, unaffiliated competitions and national partnership/sponsorship work. The British Eventing competitions organised and delivered by the College have met with acclaim from competitors, judges, volunteers and officials. Eventing is facing a number of challenges across the country and the department is working to understand the impact and opportunities as well as mitigating actions arising from this.

The College continues to support research outputs with staff members actively engaged in personal research activities and writing for publications in sector press. In addition to this, the expertise and specialism has been recognised on a national level with accolades for animal behaviour staff and student land-based awards.

The College enjoys close collaborative relationships with North Yorkshire and Humber and Lincolnshire Institutes of Technology (IoT).

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FOR THE YEAR ENDED 31 JULY 2024

REPORT OF THE GOVERNING BODY (CONTINUED)

Implementation of strategic plan (continued)

Financial objectives

The financial viability and strength of the College has been maintained. There was an operating surplus of £379,000 (2023: deficit of £40,000). Liquidity also exceeded target at 73 days cash days in hand with the current ratio being 1.3.

Performance indicators

Key performance indicator	Measure / Target	Actual for 2023/24
Operating surplus as % of income	0%	1.2%
EBITDA as % of income	6%	12%
Staff costs as % of income	54%	54%
Cash days in hand	25	73
Liquidity (current ratio)	1.2	1.3
Borrowing as % of income	30%	26%
Reliance on ESFA income	55%	56%
Financial Health Score	Requires Improvement	Requires Improvement

The College is committed to observing the importance of sector measures and indicators and is monitoring them through a number of ways including the use of the FE Choices data available on the GOV.UK website which looks at measures such as achievement rates. The College is required to complete the annual College Financial Forecasting Return (CFFR) for the Education and Skills Funding Agency (ESFA). The College is assessed by the ESFA and has a 'Requires Improvement' financial health grading.

Further Education achievement rates

Bishop Burton College enrolled almost 3,100 students from Hull, the East Riding of Yorkshire, Lincolnshire and beyond during 2023/24; studying both on college campuses, and via workplace learning and community programmes. As part of our commitment to meeting individual students' needs, 725 FE students and 165 HE students received support for a range of difficulties including dyslexia, physical disabilities, and visual or hearing impairment. The College achievement rates are highlighted in the table below:

All Enrolments			FE Achievement Rates		
2021/22	2022/23	2023/24	2021/22	2022/23	2023/24
7,581	3,635	3,557	81.2%	76.6%	81.9%

Student destinations

The Graduate Outcomes survey for 2021/22 graduates showed an 88% positive progression rate. The internal survey of Further Education leavers gave a 95% positive destination for those completing their studies in 2022/23.

BISHOP BURTON COLLEGE

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FOR THE YEAR ENDED 31 JULY 2024

REPORT OF THE GOVERNING BODY (CONTINUED)

Student satisfaction

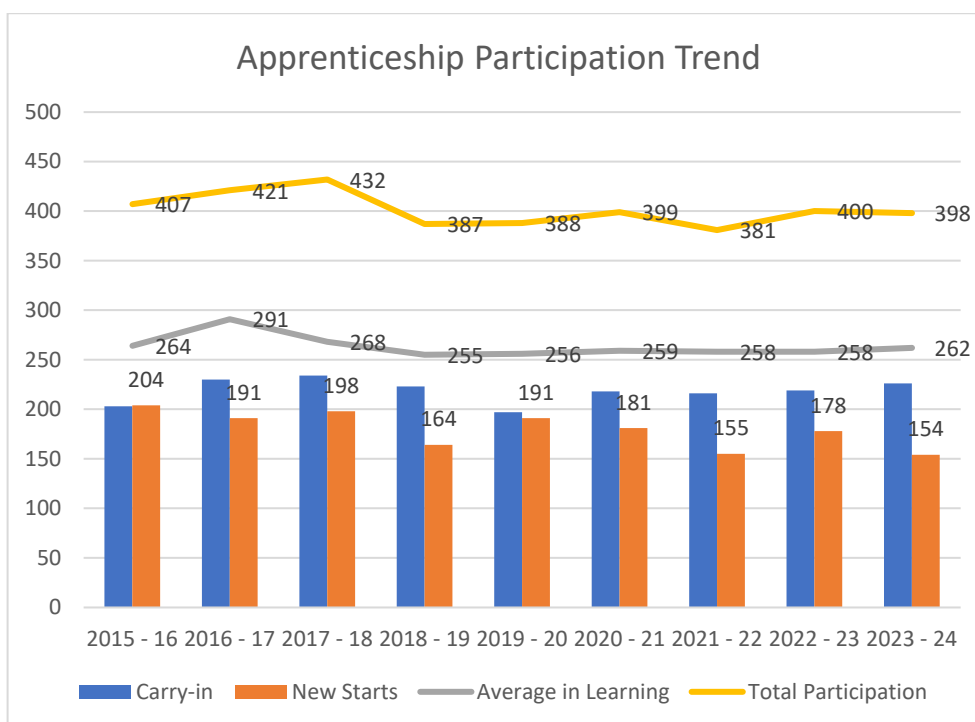
Student satisfaction remains high with an overall satisfaction rating of 97% (entry & induction), 90% (on programme) and 91% (exit survey). 97% of learners agree that tutors encourage them to work hard and achieve their best. 97% of learners agreed they are encouraged to use technology and online resources to support their learning. 94% of learners agreed teaching was good.

Source: College surveys 2023/24.

Apprenticeships

The College continues to deliver apprenticeships across a number of Local Enterprise Partnership (LEP) and Local Skills Improvement Plan (LSIP) priority sectors, predominantly in Food and the Land-based, offering young people alternative career pathways. We have continued to maintain and deliver consistent volumes of apprenticeships within these sectors. Our average in learning remains stable and applications for 2024-25 are promising.

We deliver the employer driven 'New Standards' across all of our provision. New Standards in Agriculture and Horticulture continue to be poorly funded by the ESFA, particularly when compared to Food & Manufacture.



Achievement rates are in line with national averages and our employer feedback is excellent. We offer flexible delivery models which are often delivered in partnership with employers. This enables us to deliver the 20% off the job training either at the College or at distance and utilise the expertise in the workplace to enhance the learning experience.

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

REPORT OF THE GOVERNING BODY (CONTINUED)

Financial position

Financial results

The Group generated an operating surplus before other gains and losses in the year of £379,000 (2022/23: £40,000 deficit).

The Group has accumulated reserves of £49,917,000 (2022/23: £50,459,000) and cash and deposit balances of £5,591,000 (2022/23: £7,343,000).

The College had three subsidiary companies during the year: Bishop Burton Farm Enterprises Limited, Bishop Burton Farm Limited and Bishop Burton Riseholme Limited. The principal activity of Bishop Burton Farm Enterprises Limited is commercial enterprise and the rental of property. Bishop Burton Farm Limited and Bishop Burton Riseholme Limited are both non-trading.

Tangible fixed asset additions during the year amounted to £2,053,000 (2022/23: £1,484,000).

The College has significant reliance on the funding bodies for its principal funding source, largely from recurrent grants. In 2023/24 the ESFA funding bodies provided 63.4% of the College's total income.

Treasury policies and objectives

Treasury management is the management of the College's cash flows, its banking, money market and capital market transactions, the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks. Under MPM, new commercial loans are no longer possible.

Cash flows and liquidity

The College had cash flow from operating activities of £1,460,000 (2022/23: £3,848,000). There was a net cash outflow of £1,885,000 (2022/23: £1,437,000) in respect of investing activities. Net cash outflow from financing activities was through repayment of borrowings of £859,000 (2022/23: £834,000) and interest paid of £468,000 (2022/23: £470,000). Overall, there was a decrease in cash and cash equivalents for the year of £1,752,000 (2022/23: £1,107,000 increase).

The size of the College's total borrowing and its approach to interest rates has been calculated to ensure a reasonable cushion between the total cost of servicing debt and operating cash flow. During the year this margin was comfortably exceeded.

Reserves policy

The College maintains a Treasury Management Policy and 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 activities. As at the balance sheet date the Income and Expenditure reserve of the group stands at £25,099,000 (2022/23: £25,548,000). The College is committed to making an operating surplus on its activities to ensure funds and reserves are available for reinvestment in the College and ensure it achieves its objectives included in the strategic plan.

The Governors also consider that access to liquidity is a priority, and that the future College cash flows require a robust predication of its income levels. Cash days have been maintained at 25 days or more during the financial year to protect against financial risk.

Current and Future Development and Performance

Student numbers and achievements

The growth in ESFA-funded Further Education 16-18 student numbers is important as the lagged funding methodology rewards growth in the following year. The region has been in a period of demographic decline, with fewer 16-18 year olds. However, in future years student recruitment for Further Education will increase, which will result in increased funding.

REPORT OF THE GOVERNING BODY (CONTINUED)

Current and Future Development and Performance (continued)

Student numbers and achievements (continued)

Higher Education recruitment is focused on retaining market share in a highly competitive market. To attract students, and to develop an alternative, more flexible route, higher national qualifications continue to be developed. The College validates its higher education portfolio with the University of Lincoln, University of Huddersfield and the University of Hull.

Students continue to benefit from the excellent physical resources at the College. The commercially-run enterprises such as the farm, sports centre and equestrian arenas give real life work experience for students. Continued investment in the IT infrastructure of the College and technology in the classroom gives staff and students easy access to learning technologies, for example, through the ever-developing Virtual Learning Environment.

The LRC has made excellent progress in using new digital technology to enhance learning, collaboration, and the overall student experience. The VISR Stage Platform has been a real game-changer, offering our students access to bespoke virtual reality environments designed specifically for their learning. The environments that are created in-house by our Digital Learning Resources Assistant alongside our academic teams, are fully immersive - students can physically move around, interact with objects, watch videos, listen to audio, and even work with each other. With the same setup now in place at Riseholme campus, students can work together across campuses, which has been a fantastic way to promote collaboration between our two sites.

In addition to this, our digital learning resources are constantly expanding. We have a wide range of curated eBooks, both individually selected and credit-licensed, as well as databases providing access to thousands of journals and even more eBooks—all designed to ensure resources are easy to access for everyone. These resources support accessibility and inclusion, with integrated tools, such as adjustable text formats including font size, style and colours, high contrast mode, bookmarking, note taking and magnification tools, all ensuring that our students, regardless of their needs, can fully engage with materials.

We have also started using 360-degree cameras to create virtual “tours” of the College, complete with interactive learning points. These experiences are embedded into SharePoint so can be accessed on mobile phones, PCs, and even VR devices. On top of that, we’ve tested this technology in exciting ways, such as during trip to South Africa with GAP Africa. This has inspired us to create immersive recreations of student trips using 360 imagery, bringing their experiences to life.

We’re embracing AI technology to streamline processes, allowing staff to spend more time directly supporting students. We’re also looking into chatbots to provide automated online support. We’ve considered student wellbeing too; by introducing Nintendo Switch consoles, we’re giving students a chance to unwind and recharge before getting back into their studies. All of these developments are focused on improving things for both students and staff, and it’s been great to see the positive impact they’re already having.

Academic and curriculum developments

All students are now offered the opportunity to achieve additional qualifications to boost their employability, with an emphasis on qualifications deemed most desirable by employers. This includes an increased emphasis on maths and English GCSEs. For the tenth consecutive year, a large proportion of full-time students completed a volunteering qualification, helping to contribute positively to college life and the local community. Listening to employer’s needs, the College has redoubled its efforts to ensure all students are supported in developing ‘softer skills’, that aid employability. Following the COVID-19 epidemic the need to support students with mental health issues has increased and the College is working hard to support learners and ensure they catch up or make good on learning lost as a result of the pandemic.

Successful Further Education curriculum developments at Riseholme College have included Health and Social Care, Sport, Public Services and Access to Higher Education programmes. Progression pathways have been extended at Riseholme to include more Entry Level and Level 1 provision, enabling less able students to engage with technical education and eventually progress into employment.

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

REPORT OF THE GOVERNING BODY (CONTINUED)

Academic and curriculum developments (continued)

The College has continued to develop its Further Education curriculum offer in conjunction with employers. As an early adopter of T-Levels (level 3 technical qualifications with equivalence to A-Levels) in Education and Childcare, the College has introduced a new T-Level in Healthcare Science and is preparing for the further roll-out of T-Levels as the equivalent BTEC qualifications are withdrawn. New courses introduced for September 2023 include T levels in Crop & Plant Production and Livestock Production at Riseholme. These were already being delivered at Bishop Burton and a cohort of 15 has been successfully enrolled at Riseholme across the two pathways. Level 1 Multi Skills in Construction was introduced at Bishop Burton to support lower level learners into the construction industry to meet the skills gap. The Duke of Edinburgh Award was introduced in 2023/24, with 42 students attending and developing their volunteering skills.

A HNC Community Coaching for England (Sport HTQ) has also been successfully introduced at Riseholme with seven enrolments against a target of eight.

A request to develop HE programmes for Early Years/Childcare was also approved, with the intention of this being written for approval with the University of Hull. This was intended to provide the option of a Foundation Degree or full BA Honours Degree aimed primarily at our T Level Childcare students to provide an internal progression pathway. There is no longer the expertise in the faculty to design this, so this has been placed on hold while we focus on other areas of HE development.

A new Level 4 Apprenticeship in Assistant Farm Manager was approved for delivery in 2024/25, and three apprentices are scheduled to start in January 2025.

Within Higher Education, the College has maintained its strategy of renewing programmes and looking for increased flexibility for students, offering a part-time alternative to all programmes. The potential to grow Higher Education full-time and part-time numbers continues to offer a significant opportunity, particularly with increased internal progression from Level 3 Further Education courses and with the development of provision at Riseholme.

Partnerships with validating partners have been renewed with the University of Hull and the University of Huddersfield.

Internally, the College has continued to invest in its Information and Communication Technology (ICT), upgrading IT systems and equipment both inside and outside of the classroom, and improving servers across both Bishop Burton and Riseholme campuses. The College's Virtual Learning Environment, iLearn, provides access on demand to online learning materials within college and off campus. It offers an invaluable complementary resource to the extensive physical resources available in the College's Learning Resource Centres.

The IT infrastructure provides campus-wide wireless technology, supporting the increased and varied use of mobile technology by students. Students are actively encouraged to use a variety of mobile devices during lessons to enhance and enrich the learning experience.

The College has continued its digital enhancement, employing a digital technologist to continue to lead innovation. With the purchase of new agricultural technology on the College farm associated with the Institute of Technology (IoT), the College has engaged in technology transfer activities with the agricultural sector, demonstrating innovation in precision farming technologies including Global Positioning Systems, variable application of inputs such as seed and fertiliser and in data management to inform decision making processes on farm. Under the auspices of the IoT, the College has developed short courses in Precision Agriculture and Agri-robotics for remote delivery in the workplace, funded by the Department for Education's In-Work Skills pilot.

The College extended its knowledge transfer activities on the College farm and estate to demonstrate to industry how the latest technology can be deployed to reduce carbon emissions and to farm more sustainably. The College farm has been set an ambitious target to become net zero by 2030 and to that end has adopted regenerative farming practices to reduce inputs and improve carbon sequestration. Renewable energy crops such as miscanthus and short rotation coppice are also being trialled on the farm in conjunction with Aberystwyth University.

The College has invested in the generation of renewable energy (e.g. wind and solar) and the use of automation and robotics as it prepares to deliver the skills training required to support Industry 4.0 – the fourth industrial revolution. This work has been facilitated by involvement in the region's Strategic Development Fund (SDF) and Local Skills Improvement Fund (LSIF) working in partnership with the Local Skills Improvement Plans (LSIPs). The College positioned itself as the lead pro-verb in the Hull and East Riding LSIF partnership working closely with the Chamber of Commerce as Employer Representative Body.

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FINANCIAL STATEMENTS

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REPORT OF THE GOVERNING BODY (CONTINUED)

Academic and curriculum developments (continued)

The College embraces and actively promotes equality and diversity. This is supported through themed weeks for all full-time learners, including Equality and Diversity, Health and Respect and Difference and Diversity. A range of activities take place throughout these weeks, all designed to raise students' awareness and knowledge and improve their life skills outside of the classroom. Additionally, numerous national initiatives are supported by the College and British Values are embedded in a structured tutorial programme to ensure learners are engaged with current issues and understand the wider context.

Property

Following the significant investment in the College's Riseholme Showground Campus, and the building of the new IoT facilities, the College has continued with its extensive minor works projects, maintenance and refurbishment across both the Riseholme and Bishop Burton campuses ensuring the facilities remain up to date and fit for purpose.

In November 2023 the College opened its new state of the art centre for Pig Industry Training on its Bishop Burton campus. This is the only one of its kinds in a UK college. It provides a real live working environment for students and is a unique collaboration project with industry leaders White Rose Farms Ltd, who are part of Cranswick plc.

During the summer, the College developed its extensive Animal Management Unit to provide a state-of-the-art facility for students at Bishop Burton.

Sustainability

The College is committed to:

- Incorporate best practice sustainability management into all aspects of college operations.
- Deliver in line with the Climate Action Roadmap and AoC Green College Commitment
- Achieve Net Zero by 2030

A Salix decarbonisation grant bid was successfully made to undertake energy improvement works to the main building at the Bishop Burton Campus. The project involves replacing existing boilers with air source heat pumps, improve the glazing and loft insulation, and install cavity wall insulation. A similar project will begin next year in the Learning Resource Centre at Bishop Burton.

Events after the end of the reporting period

There have been no significant events after the end of the reporting period.

In September 2024, the Department for Education (DfE) announced the decision to transfer the current functions of the ESFA into the department. This means that the ESFA as an executive agency will close on Monday 31 March 2025. This change is not expected to have any day to day impact on the Group's activities.

Future prospects

The College maintains and reviews its Estate Strategy on a regular basis. It is committed to continuously improving its facilities at both Bishop Burton and the Riseholme campuses, along with developing its curriculum in line with employer needs.

Resources

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

Financial

The Group has £49.9 million (2023: £50.5 million) of net assets and loans of £8.0 million (2023: 8.9 million). It also holds £5.6 million (2023: 7.3 million) in cash. It has fixed assets of £80.3 million (2023: £81.0 million) spread over three campuses Bishop Burton, Riseholme Showground and Riseholme Park.

People

The Group employs 544 people (2023: 556), 180 (2023: 201) of whom are teaching staff.

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

REPORT OF THE GOVERNING BODY (CONTINUED)

Principal risks and uncertainties

The College has continued to embed the system of internal control, including financial, operational and risk management which is designed to protect the College's assets and reputation.

Based on the strategic plan, the Strategic Leadership Group undertakes a comprehensive review of the risks to which the College is exposed. They identify systems and procedures, including specific preventable actions which should mitigate any potential impact on the College. The internal controls are then implemented, and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. In addition to the annual review, the Strategic Leadership Group will also consider any risks which may arise as a result of a new area of work being undertaken by the College.

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

The College operates an enterprise risk management approach to risk management. This is supported by a risk management training programme to raise awareness of risk throughout the College.

Outlined below is a description of the principal risk factors that may affect the College. Not all the factors are within the College's control. Other factors besides those listed below may also adversely affect the College.

1. Government funding

The College relies on continued government funding through the Further Education sector funding and Office for Students. In 2023/24 the majority of the College's revenue was ultimately public funded and this level of requirement is expected to continue. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. However, the College does have opportunities for alternative income streams through college enterprises which continue to develop and offer net income and also the opportunity for students to work on Real Working Environments (RWEs).

This risk is mitigated in a number of ways:

- Funding is derived through a number of direct and indirect contractual arrangements.
- By ensuring the College is rigorous in delivering high quality education and training.
- Considerable focus and investment is placed on maintaining and managing key relationships with the various funding bodies.
- Ensuring the College is focused on those priority sectors which will continue to benefit from public funding.
- The continued development of non-grant income.

2. Higher Education

The College sector continues to compete with the University sector for HE Students. The College will continue to focus on its specialist facilities to attract HE students.

3. Tuition fee policy

In line with the majority of other colleges, Bishop Burton College will seek to maintain tuition fees in accordance with the fee assumptions. The risk for the College is the impact of this on demand. This may impact on the growth strategy of the College.

This risk is mitigated in a number of ways:

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

4. Staff Recruitment

Skills and labour shortages are a significant risk factor to the College's development. As a result, there has been a review of the College Reward Strategy, with Reward and Recognition processes being implemented to attract new staff and to reduce staff turnover.

5. Cost of living crisis

This has significantly increased costs throughout the College. It has been addressed through fixed price utility contracts and a focus on essential expenditure.

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

REPORT OF THE GOVERNING BODY (CONTINUED)

Principal risks and uncertainties (continued)

6. Failure to maintain the financial viability of the College
The College's current financial health grade is classified as Requires Improvement, as described above. Notwithstanding that, the continuing challenge to the College's financial position remains.

This risk is mitigated in a number of ways:

- By rigorous budget setting procedures and cashflow forecasts sensitivity analysis
- Regular in year budget monitoring.
- Robust financial controls.
- Exploring on-going procurement efficiencies.

The College's Risk Register and Risk Management Action Plan addresses all the key risks facing the College.

Stakeholder Relationships

- Students and parents / guardians.
- Education sector funding body.
- FE Commissioner.
- Staff.
- Local employers (with specific links).
- Local authorities.
- Three Local Enterprise Partnerships (LEPs).
- Chamber of Commerce (LSIP).
- The local community.
- Other education and training providers.
- Trade unions.
- Professional bodies.

The College recognises the importance of these relationships and engages in regular communication with them as highlighted below for customers, employers, external agencies and partners.

Students

The quality of the student experience is of central importance to the Executive who are actively involved in meeting students and understanding their needs through a number of different channels including the Student Association, Student Forums and questionnaires and surveys. The Chair of the Student Association (the Student President) is a member of the Corporation.

Staff

During the year, the College has worked with managers and staff, including the Staff Council to enhance the employees' experience. This has included increasing our teams working to support students, welfare support and facilities for staff and measures to improve career opportunities, terms and conditions and line management skills.

Employers

The College continues to effectively engage with employers through its Services to Business activities (e.g. apprenticeships, European Social Funding, LSIF, full-cost recovery courses) and has been particularly successful at delivering on Government priorities. Senior managers promote the College through their membership of local, regional and national industry and employer groups. This informs their understanding of sector and employer needs. The Services to Business department takes the lead in responding to employer enquiries, maintaining contact, follow up and responding to training needs.

During the 2023/24 academic year the College took the role of lead provider for the delivery of LSIF funds for the Hull and East Riding area. As part of LSIP wider activity the College supported a discussion group for the farming industry to feed into regional needs.

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

REPORT OF THE GOVERNING BODY (CONTINUED)

Employers (continued)

Employers are also very much engaged in the design, delivery and assessment of the College curriculum. The revalidation of a large proportion of the Higher Education provision has involved extensive consultation with a range of employers to ensure currency and fitness for purpose in developing appropriately skilled graduates. Curriculum managers have contributed to an extensive employer database and the identification of the College's top 100 employer partners. Employers have been involved in job interview simulation exercises with students and have provided access to a wide range of extended work experience opportunities that the students have benefitted from. Employers have been supportive of the College's research and knowledge transfer activities. For example, employers were invited to critique the Higher Education students' research project posters and to provide guidance on how the research could be developed. A number of employers have provided a research platform for students working with the College on crop and livestock trials.

At the Riseholme campuses, students continue to benefit from extensive employer engagement, with much of their practical activity taking place on employer premises. This has meant that students are able to develop their skills in Real Working Environments, using the latest technology. The partnership with AGCO has developed well and Riseholme has benefitted from significant investment in resources and industry expertise.

External Agencies

The College has recognised the strategic importance of anticipating and responding to stakeholder priorities to maximise growth opportunities. Our approach has been to identify the key agencies and for the Principal/CEO to participate at a strategic level, including at Board membership wherever possible. This enables us to gain understanding of current needs and to anticipate future direction through early participation in the decision making processes. The Assistant Principal, HE works closely with a number of other educational institutions in the validation of courses, external examining, partnership projects or progression agreements.

Partners

Strong emphasis is placed on partnering as a method of achieving strategic aims and improving performance in key areas. Having identified through the planning process our key strategic and operating priorities, the Strategic Leadership Group and College managers identify those that require joint delivery through partnerships. We seek to identify the specific needs of potential partners in order to maximise the mutual benefits to be gained.

These include partnerships with research bodies, such as Agrii, professional bodies including AHDB, commercial partnerships with sports teams and retailers, international governing bodies, such as FEI, and a whole host of other organisations from a variety of sectors. These partnerships not only help improve the reputation of the College, but also help to enhance the quality of teaching and the availability of opportunities for students.

This type of activity helps students to gain a better understanding of the food chain and market requirements. Graduate bursaries and graduate placements have also resulted from partnership working, providing opportunities for students to progress into food processing, retail and agronomy careers. In addition, the Centre for Agricultural Innovation (CAI) conducts trials with industry partners utilising all of the College farm enterprises to maximise student participation.

Equality and employment of disabled persons

The College considers all applications for employment 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.

Equality and Diversity

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 or belief and age. We strive vigorously to remove conditions which place people at a disadvantage, and we will actively combat bigotry. This policy is resourced, implemented and monitored on a planned basis. The College's Equality, Diversity & Inclusion policy is published on the College's Intranet site.

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

REPORT OF THE GOVERNING BODY (CONTINUED)

Equality and Diversity (continued)

The College publishes an Annual Equality Report and Equality Objectives to ensure compliance with all relevant equality legislation including the Equality Act 2010. The College undertakes equality impact assessments on all new policies and procedures and publishes the results. Equality impact assessments are also undertaken for existing policies and procedures on a prioritised basis.

The College is a 'Positive about Disabled' employer and has committed to the principles and objectives of the Positive about Disabled standard. The College considers all employment applications from disabled persons, bearing in mind the aptitudes of the individuals concerned, and guarantees an interview to any disabled applicant who meets the essential criteria for the post.

The College has also implemented an updated equality and diversity training programme which all staff are required to attend. Refresher training and training for new starters is carried out on an on-going basis.

Disability statement

The College seeks to achieve the objectives set down in the Equality Act 2010. The College is committed to the on-going improvement of its resources in order to give all students equal opportunity to access the programme of their choice, and the admissions policy for all students is described in the Student Handbook. Appeals against a decision not to offer a place are dealt with under the complaints policy.

The College has made a significant investment in the appointment of specialist lecturers to support students with learning difficulties and/or disabilities. There are a number of student support assistants who provide a variety of support for learning. There is a continuing programme of staff development to ensure the provision of a high level of appropriate support for students who have learning difficulties and/or disabilities.

The College has invested in a larger support team, and as such, more courses were made available to those with disabilities. Specialist programmes are described in prospectuses, and achievements and destinations are recorded and published in the standard College format. Approximately 1,016 students received additional support through the Additional Learning Support team, this included 258 students with Education, Health and Care plans and 749 students were assessed for examination access arrangements. 866 students received support from the College's welfare officers. The College actively promotes its guidance and counselling services through its prospectus and student handbook, which 131 students accessed.

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. There are no facility time arrangements for trade union officials at the College.

Going concern

The College has considered its anticipated future income and expenditure streams and their subsequent impact on the Balance Sheet. We draw attention to Note 1 in the Financial Statements, which indicates that the College is forecasting a loan covenant breach at the 2025 year end, for which the loan provider have not yet issued a waiver letter or amended the breached loan covenant. The College does need support from the bank in respect of the covenant breach and has reasonable expectation of receiving this, although, this does represent the existence of a material uncertainty, which may cast significant doubt about the College's ability to continue as a going concern, due to the fact the College would be unable to repay the loan in full. This is mitigated by the College's current strong cash position and, following reclassification, reasonable expectation that the College will be able to refinance its debt using the DfE loan scheme. Taking this into account, and all the known risks and uncertainties of the Further Education sector, including the impact of the cost of living and energy increases, and comparing these against the many opportunities that are emerging, underpinned by the strength of the College Balance Sheet and its ability to make sound strategic decisions and adapt accordingly, the College is satisfied that it continues as a going concern. This is supported by producing high quality and regular management information including monthly accounts and updated cashflow forecasts.

The Board therefore considers that the College has adequate resources to continue in operational existence for the foreseeable future to at least 31 July 2026 with a sensitivity analysis performed to assess short term cash demands. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

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BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

REPORT OF THE GOVERNING BODY (CONTINUED)

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 19 December 2024 and signed on its behalf by:



Ms A Moran
Chair

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

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 2023 to 31 July 2024 and up to the date of approval of the report and financial statements (the “Relevant Period”).

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) (the “Nolan Principals”);
- ii. in accordance with the Code of Good Governance for English Colleges (developed by Association of Colleges); and
- iii. whilst not having adopted the UK Corporate Governance Code 2018, the corporation has due regard to its principles and guidance’

The Corporation recognises that as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of governance at all times.

All Members and Co-Opted Governors of the Corporation have committed themselves to observe and comply with the Nolan Principals and the AoC’s Codes of Good Governance. It is the opinion of the Corporation, therefore, that the College has complied with these principles throughout the Relevant Period. During this Relevant Period the Corporation observed the AoC’s September 2021 version of the Code of Good Governance for English Colleges up until 31 July 2024 and the AoC’s revised 2024 version of the Further Education Code of Good Governance from August 2024 (hereinafter referred to as the “Codes”).

In addition, the College is committed to exhibiting best practice in all aspects of corporate governance and whilst not adopting the UK Corporate Governance Code 2018 it does have due regard to its principles and guidance which are considered relevant to the further education sector and best practice.

The College is an exempt charity within the meaning of Part 3 of the Charities Act 2011. All Members, 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.

Corporation Performance

As detailed above, the Corporation commissioned an External Board Review (the “Review”) to be undertaken during the 2022/23 period in accordance with Guidance provided from the Department for Education’s (DfE) “External Governance Reviews: Guide for FE College Corporations and Designated Institutions”. The Review was facilitated through the Association of Colleges (AoC) and undertaken by Ron Matthews. The Report was provided for consideration in April 2023 and received by the Corporation at its Corporation Meeting held on 1 May 2023 whereby it was resolved that the Report and its recommendations and action plan be approved in full.

The following recommendations and action plan were noted as primary areas of focus:

Issue	Action	Intended outcome
1.	<i>Improve relations between the Board and the Executive</i>	<i>A better understanding between the two parties on clear ways of working</i>
2.	<i>Change the scheduling of the F & R Committee</i>	<i>Separation of F & R and Corporation dates</i>
3.	<i>Covering Reports for documents with clear recommendations</i>	<i>Clarity for Governors on what they are asked to do</i>
4.	<i>KPI Dashboard for Committees</i>	<i>Clearer understanding for Governors of performance</i>
5.	<i>Chair to assess performance of individual Governors</i>	<i>A cohesive and informed Board</i>
6.	<i>Chairs to meet with Principal on a regular basis</i>	<i>Improve communications</i>

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

Corporation Performance (continued)

During the Relevant Period the Corporation have worked to develop a Corporation Development Plan (the “CDP”) and Quality Improvement Plan (the “QIP”). These documents seek to consolidate the primary areas of focus noted, further recommendations noted in the Report and observations collated through the internal framework of self-review - which includes considering the adherence to the Codes and undertaking an Annual Corporation Self-Assessment.

Information gathering for the Relevant Period has commenced as part of the 2023/24 self-review process. This feedback will be considered, evaluated and reported to the Corporation with actions monitored through the CDP and QIP to help drive and monitor further development, best practice, robust compliance and outstanding performance of the Corporation and its Committees to secure effective governance across the College.

As referenced above, during the Relevant Period, Ron Matthews undertook a post External Board Review visit to assess and determine progress made on implementing the Action Plan derived from the Report and reported directly to the Audit Committee Meeting. In addition, a Corporate Governance Internal Audit was also commissioned as part of the 2024/25 Internal Audit Plan with auditing works being undertaken during the Relevant Period. Both of these actions provide support and objective assurance on the effectiveness and performance of the Corporation.

In consideration of the Report and its recommendations, the Corporation also reviewed its Instrument and Articles of Government, Standing Orders and Terms of Reference to further develop the efficiency of the Corporation’s Committee structure. Adjustments were made to, inter alia, processes and mechanisms to enhance dissemination of information across the Corporation and the Committee structure. Revisions made to all of the Terms of References, during the Relevant Period, have provided clarity and scope of delegation to Committees allowing greater autonomy in decision making and increasing capacity and opportunity of strategic discussion and triangulation as part of Corporation Meetings.

Members and Co-Opted Governors of the Corporation

The Members and Co-Opted Governors who served on the Corporation during the Relevant Period are follows:

Name	Date of Appointment	Term of Office	Date of Resignation	Status of Appointment	Committees Served	Attendance
Ms R Brassington	1 Sept 2021	3 years	31 Aug 2024 (End of term of office)	Staff	Curriculum & Quality Enhancement	10/12
Mr N Cunningham	5 Sept 2024	3 years		Staff	Finance & Resources	N/A
Dr S Hamer	18 Feb 2020 1 Sept 2023	3.5 years 3 years		External	Governance & Search Remuneration Curriculum & Quality Enhancement	17/17
Ms K Harding	12 Nov 2024	1 year		Co-Opted	Audit	N/A
Mr J Harris	17 Oct 2023	3 years		External	Finance & Resources	12/12
Mr C Henson	11 Oct 2024	3 years		External	Curriculum & Quality Enhancement	N/A
Mr J Hurst	17 July 2018 1 Sept 2021 1 Sept 2024	3.2 years 3 years 3 years		External	Remuneration	9/11

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

Name	Date of Appointment	Term of Office	Date of Resignation	Status of Appointment	Committees Served	Attendance
Mr K Kendall (Vice-Chair - Resigned 31 Aug 2023)	10 April 2018 1 Sept 2021	3.33 years 3 years	31 Aug 2023	External	Governance & Search, Curriculum & Quality Enhancement, Remuneration	N/A
Ms S Kirby	1 Sept 2021	3 years	31 Aug 2024 (End of term of office)	Staff	Finance & Resources	14/14
Mr A Menzies (Chair - Resigned 31 Aug 2023)	1 Sept 2009 Re-appointed 1 Sept 2012 1 Sept 2015 1 Sept 2018 1 Sept 2021	3 years 3 years 3 years 3 years	31 Aug 2023	External	Finance & Resources Governance & Search Remuneration	N/A
Mr W Meredith	22 Oct 2017	Ex officio	31 Jul 2024	Principal	Governance & Search Finance & Resources Curriculum & Quality Enhancement	18/19
Mr D Metters	1 Aug 2024	Ex officio		Principal	Governance & Search Finance & Resources Curriculum & Quality Enhancement	N/A
Mr A Milner	1 Sept 2020 1 Sept 2023	3 years 3 years		External	Curriculum & Quality Enhancement	7/11
Ms E Milson	18 Oct 2022	3 years		External	Audit	11/13
Ms A Moran (Vice Chair – as of 1 Sept 2023 Chair – as of 17 Dec 2024)	6 Feb 2018 1 Sept 2021 1 Sept 2023	3.5 years 3 years 3 years		External	Audit to 16 Dec 2024 Governance & Search Remuneration	16/18
Dr S Peart	9 Oct 2023	3 years	16 Jul 2024	External	Curriculum & Quality Enhancement	4/9
Mr P Phythian	18 Oct 2022	3 years		External	Audit (up to 24 Sept 2024), Finance and Resources (from 24 Sept 2024)	7/13

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

Name	Date of Appointment	Term of Office	Date of Resignation	Status of Appointment	Committees Served	Attendance
Mr D Richardson	18 Jan 2024 24 Sept 2024	1 year 3 years	23 Sept 2024	Co-Opted External	Finance & Resources Audit	2/3
Mr M Robson	19 Dec 2023	1 year	31 Jul 2024 (End of term of office)	Student	Curriculum & Quality Enhancement	4/6
Mr I Sackree (Chair – as of 1 Sept 2023, Resigned – as of 16 Dec 2024)	11 Dec 2018 1 Sept 2022 1 Sept 2023	3.67 years 3 years 3 years	16 Dec 2024	External	Finance & Resources Governance & Search Remuneration	19/19
Mr A Simpson	15 Dec 2023	1 year	31 Jul 2024 (End of term of office)	Student	Curriculum & Quality Enhancement	3/6
Ms V Shannon	10 Dec 2019	3.5 years	31 Aug 2023	External	Finance & Resources	N/A
Mr M Thomas	23 Oct 2018 1 Sept 2021	2.83 years 3 years		External	Audit (up to 26 Sept 2023), Finance & Resources (from 26 Sept 2023), Remuneration (from 26 Sept 2023)	13/16
Mr G Towse	22 Aug 2023	3 years		External	Curriculum & Quality Enhancement	11/12
Ms C Walters	1 Sept 2021 1 Sept 2022 1 Sept 2023	1 year 1 year 1 year	31 Aug 2024 (End of term of office)	Co-Opted	Audit	4/4
Mr I Watson	12 Oct 2023	3 years		External	Audit	10/12
Ms L Woodhouse	29 Oct 2024	3 years		Staff	Curriculum and Quality Enhancement	N/A
Ms S Pearson was Director of Governance Ms K Magurn was Deputy Clerk						

In line with the Student Association Constitution, its duly elected President (Mr M Robson) and Vice President (Mr A Simpson) were duly appointed by the Corporation at its Meeting on 19 December 2023.

On 16 December 2024, Ian Sackree resigned as External Governor and Chair of the Corporation.

At the Corporation Meeting held on 17 December 2024, the Corporation formally approved the following:

- the appointment of Angela Moran as Chair of the Corporation and simultaneous resignation from the Audit Committee
- and the role of Chair of the Audit Committee.
- the appointment of Ian Watson as Chair of the Audit Committee.

On Tuesday 24 September 2024, the Corporation approved the amalgamation of the Governance and Search Committee with the Remuneration Committee; forming a Governance, Search and Remuneration Committee from this date forward.

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

The Corporation

During 2023/24 academic year, the Corporation convened a total of five Corporation Meetings and an additional five Special Corporation Meetings which were called, inter alia, to facilitate the recruitment and appointment process of the Principal and Chief Executive.

Appointments to the Corporation

All appointments (with the exception of Student and Staff Members) are considered and appointed by the Corporation. For the 2023/24 academic year, the Corporation operated a Governance & Search Committee which was comprised of a minimum of five members of the Corporation. As referenced above, this Committee was amalgamated with the Remuneration Committee and formed the Governance, Search and Remuneration Committee which came into effect on 24 September 2024 and during the Relevant Period. This Committee and its appointed Members are responsible for considering and recommending any prospective Member or Co-Opted Governor to the Corporation for its consideration and approval. It is also the delegated responsibility of the Committee to approve policies and procedures for the induction and continuing professional development of Members and Co-Opted Governor and determine a programme of training and development which are approved by the Corporation as a whole.

As a result of the recommendations and the action plan derived from the Report (noted above), the Corporation reviewed its Instrument and Articles of Government, Standing Orders and Terms of Reference which has resulted, inter alia, a revision to the duration of the length of any newly appointed External Member's Term of Office.

At its Meeting held on 11 July 2023, the Corporation considered and resolved to reduce its Term of Office from four years to three years with a possible reappointment to a further two terms of office (a maximum of nine years). All appointments as an External Member, from that point in time, have been on that basis and are subject to a one-year probationary period.

Continuous Professional Development

Members, Co-Opted Governors and the Director of Governance are all provided opportunity to engage in professional development. During the Relevant Period training and professional development opportunities included:

Corporation Members and Co-Opted Governors

- Members and Co-Opted Governors engaged with learning and development opportunities facilitated by the Association of Colleges (AoC) including its:
 - Regional Governor Inductions.
 - Student Governor Inductions.
 - Principal and Chair's Networks.
- Members have access to the Governance Development Programme facilitated by the Education & Training Foundation.
- Safeguarding and PREVENT Training was provided to the Members by the Designated Safeguarding Lead (DSL) and the Deputy Designated Safeguarding Leads for both the Bishop Burton and Riseholme Campuses.
- Mandatory completion of induction/cyclical internal and external training:
 - Internal / On-Line Training Modules in: Cyber Security, Equality and Diversity, General Data Protection, Health and Safety, Safeguarding and PREVENT.
 - Education & Training Foundation Programmes: Safeguarding for Governors and Trustees.
- Safeguarding Link Governors are also requested to undertake:
 - CPD Online: Safeguarding in Further Education.
- Safer Recruitment Training (facilitated by the Education & Training Foundation) was undertaken by Members appointed to the Principal Recruitment Committee.
- Members and Co-Opted Governors attended a Strategic Sprint / Training Day on Saturday 25 November 2023 which included:
 - "What do we want Bishop Burton College to look like by 2026": Joint Affirmation of the Chief Executive and Principal and Chair of the Corporation.
 - Strategic Themes: Presentations from the Executive Team and around the table discussions.
 - Self-Assessment Report: Presentations and Briefings from the Executive Team and around the table discussions.

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

Corporation Members and Co-Opted Governors (continued)

- Members and Co-Opted Governors attended a Training Day on 13 May 2024 which included:
 - 2024/25 Draft Accountability Statement / Agreement: Key Aims and Priorities (Presentation and Workshop).
 - Vision and Implementation: (Presentation and Discussion hosted virtually by Danny Metters (incoming Principal and Chief Executive).
 - Risk and Assurance: Land-Based and Strategic Risk update including progress on Key Metrics of Growth Strategy Presentation and Discussion (Presentation facilitated by Kirsti Lord (Deputy CEO and Deputy Principal for Curriculum and Quality) and Bill Meredith (Chief Executive and Principal).
 - Developing the role of Link Governor through an assurance led framework (Workshop facilitated by Sallyanne Pearson (Director of Governance) and Ian Sackree (The then Chair of the Corporation).
 - PREVENT Training: Interactive Workshop with Rachel Richardson (Director of GFE).
- Members received sector updates from the Principal as part of a Principal's Report.
- Members received sector updates and important developments from the Director of Governance.
- Members of the Audit Committee received relevant sector updates from Wylie & Bisset (Internal Audit Service) and RSM (Financial Statements Auditor) as part of the governance meeting cycle and as appropriate throughout the year.
- Members of the Audit Committee were also provided with a prearranged follow up review on the implementation of actions arising from the External Board Report's Action Plan at its Meeting held on Thursday 20 June 2024 facilitated by Ron Matthews, as the External Board Reviewer.
- Members of the Curriculum and Quality Enhancement Committee were provided with the following, in-house, training/briefings in advance of Committee Meetings:
 - AEB Delivery for 2023/24: Kate McDonald (Assistant Principal Riseholme).
 - Land-based Curriculum: Sharron Mansell (Director of Land-based FE).
 - Strategic Aims and Employer Engagement: Equine: Robyn Cherry (Director of Equine).

Director of Governance

Engagement with learning and development opportunities undertaken with:

- the Association of Colleges including attending Governance Professionals Networks, the AoC Governance Professionals' Conference 2024 and the AoC Annual Conference.
- the Further Education Commissioner's "Just One Thing" and "Just One More Thing" initiatives.
- Kay White (Career Coach & Mentor): Career Strategy Sessions and Governance Professionals Development Workshops.
- RSM: Audit, Tax and Consulting Services including attendance to webinars.
- the Further Education Commissioner's National Leader of Governance Mentoring Service.
- the Education & Training Foundation including Introduction to Audit, Prevent for further Education (FE) and Training, Safeguarding for Governors and Trustees, Safer Recruitment in Further Education and Skills.
- Successful completion of the Governance Professionals' Development Programme – Expert Level.

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 adopted a Committee Governance Structure from September 2020 after a review of the Carver Model in July 2019. The Committee Governance Structure has developed since its introduction and has continued to develop in line with the recommendations and action plan derived from the Corporation's External Board Review which was undertaken, and approved, in the 2022/23 academic period.

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

The Governance Framework (continued)

The Corporation originally operated a Committee Governance Structure which delegated authority and responsibility to the following Committees: Audit, Curriculum & Quality Enhancement, Finance & Resources, Remuneration and Governance and Search. As referenced above however, this structure has been developed during the Relevant Period with the amalgamation of the Governance and Search Committee with the Remuneration Committee to form the Governance, Search and Remuneration Committee which came into operation with effect from 24 September 2024. All Committees have their own terms of reference which are considered and approved annually by the Corporation. Terms of Reference have also been developed and approved for the newly formed Governance, Search and Remuneration Committee.

During the Relevant Period a Special Corporation Meeting was held to duly approve the formation of a Principal Recruitment Committee to oversee the recruitment of a new Principal and Chief Executive following the resignation of its Chief Executive and Principal (Bill Meredith) who retired on 31 July 2024. The Corporation also duly approved the appointment of Danny Metters as the College's Principal and Chief Executive on 16 April 2024 with effect from 1 August 2024. Upon appointment as Principal and Chief Executive, Danny Metters, noted his consent to the appointment as ex-officio on the Corporation.

Formal agendas, papers and reports are supplied (so far as possible) to Members and Co-Opted Governors in a timely manner, prior to Corporation meetings. Briefings and training opportunities are also provided throughout the annual cycle of business. Minutes of the Corporation Meetings, except those deemed to be confidential by the Corporation, are available on the College's website at www.bishopburton.ac.uk or from the Director of Governance at:

Bishop Burton College
Bishop Burton
Beverley
HU17 8QG

All Members 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 to the Corporation for ensuring that all applicable procedures and regulations, in this regard, are complied with. As a Senior Post Holder, the appointment, evaluation and removal of the Director of Governance are matters for the Corporation as a whole.

The Corporation has a strong and independent non-executive element and no individual or group dominates its decision-making process. A Register of Interests for all Members and Co-Opted Governors is maintained by the Director of Governance and is available for inspection at the above address. The Corporation and its Committees include the Register of Interest on each of its Agendas as a standing item and considers its non-executive members to be independent of management and of any business (or relationship) which could materially interfere with the exercise of any Member's or Co-Opted Governor's independent judgement. In such cases where a conflict of interest, declaration of interest or third-party relationship could or would arise, all Members and Co-Opted Governors are aware of their duty to disclose these transparently and cooperate with any necessary regulatory/statutory and reporting requirements.

There is a clear division of responsibility in that roles of the Chair and Accounting Officer are separate.

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

Subsidiaries

The Directors and Company Secretary of the College's wholly owned subsidiaries, during the Relevant Period, are set out below:

Bishop Burton Farm Limited (Company Number: 02806917):

- Mr W Meredith (in post as Chief Executive and Principal / ex-officio (up to 31 July 2024)) (Director) (Current Appointment).
- Mr S Kelly (Chief Financial Officer) (Company Secretary) (Current Appointment).

Bishop Burton Riseholme Limited (Company Number: 08840374):

- Mr W Meredith (in post as Chief Executive and Principal / ex-officio (up to 31 July 2024)) (Director) (Current Appointment).
- Mr S Kelly (Chief Financial Officer) (Company Secretary) (Current Appointment).
- Mr A Menzies:
 - resigned as an Independent Member of the Corporation on 31 August 2023.
 - resigned as Director of Bishop Burton Riseholme Limited 19 December 2023.

Bishop Burton Farm Enterprises Limited (Company Number: 02806919):

- Mr W Meredith (in post as Chief Executive and Principal / ex-officio (up to 31 July 2024)) (Director), resigned 16 December 2024.
- Mr S Kelly (Chief Financial Officer) (Company Secretary) (Current Appointment).
- Mr D Metters (Principal, CEO and Accounting Officer) appointed 16 December 2024.
- Mr I Sackree
 - appointed as Chair of the Corporation on 1 September 2023, resigned 16 December 2024.
 - appointed as Director of Bishop Burton Farm Enterprises Limited on 19 December 2023, resigned 16 December 2024.

Following the resignation of Ian Sackree as an External Member and Chair of the Corporation on 16 December 2024, the directorship of Bishop Burton Farm Enterprises Limited (Company Number: 02806919) was amended.

The Corporation, at its Meeting held on 17 December 2024, formally noted the appointment of Danny Metters and approved the appointment of Martyn Thomas, as company directors.

As a result of the reclassification of Colleges to the central government sector on 29 November 2022, consideration has been applied and continues to be applied to ensuring compliance with reclassification requirements whilst reviewing policies and procedures as part of its current review process.

Committee Structure

The Corporation has structured its Committees as follows:

Curriculum & Quality Enhancement Committee

The purpose of the Curriculum and Quality Enhancement Committee is to lead, on behalf of the Corporation, on the character and nature of the education and training which is provided by the College or any partnerships or subcontracting and assure the quality and standards of all educational activities.

The Committee oversees and ensures the College develops a curriculum that is responsive and aligns with local, regional and national workforce needs both now and in the future.

In fulfilling the purpose and carrying out its responsibilities and functions, the Committee will adhere to all applicable statutory, regulatory and governing organisational requirements which will include considering and adhering (as appropriate) to the outcomes of any external monitoring activity.

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

Committee Structure (continued)

Finance & Resources Committee

The Finance and Resources Committee has the responsibility, on behalf of the Corporation, for the conduct of the College's financial affairs and for any other matters delegated to it by the Corporation.

The Committee's advice and decisions shall be directed to the protection and enhancement of the College's assets, the best use of its income to meet the objects of the College and to ensure its sustainability and solvency.

It will consider and advise the Corporation on all aspects of the Corporation's finances including strategic financial planning, financial policy and the financial controls in place including (but not limited to) ensuring effective due diligence takes place on all matters including acquisitions, subcontracting and partnership activity. The Committee is also responsible for reviewing and advising the Corporation on its Capital Development and Estates Strategy.

The Committee is also responsible for overseeing the development of (and monitoring) the strategic aims of the People Strategy alongside all matters relating to the works of Human Resources and Sustainability relating to the estates.

In fulfilling the purpose and carrying out its functions, the Committee will adhere to all applicable statutory, regulatory and governing organisational requirements which will include considering and adhering (as appropriate) to the outcomes of such external monitoring activity.

Governance, Search and Remuneration (*previously the Governance and Search Committee and the Remuneration Committee*)

As noted above, on Tuesday 24 September 2024, the Corporation approved the amalgamation of the Governance and Search Committee with the Remuneration Committee; forming a Governance, Search and Remuneration Committee from that date forward.

The Terms of Reference for each of the separate Committees were reviewed and consolidated as appropriate. As at the date of signing the accounts, the purpose of the Governance, Search and Remuneration Committee is prescribed, in its Terms of Reference, as follows:

Article 5 (*The Governance, Search and Remuneration Committee*) of the Articles of Government determines that:
"The Corporation shall establish a committee, to be known as the "Governance and Search Committee""

Article 5 determines the functions and responsibilities of the Governance and Search Committee which include, inter alia, advising the Corporation on the appointment, re-appointment, and development of Members and Co-Opted Governors as well as ensuring good governance in accordance with the Code of Good Governance.

In addition, the Corporation further resolved that the functions and responsibilities of the Governance and Search Committee be extended to include responsibilities pertaining to performance management and remuneration of Senior Post Holders and will be renamed the "Governance, Search and Remuneration Committee"

In fulfilling the purpose and carrying out its functions, the Committee will adhere to all applicable statutory, regulatory and governing organisational requirements which will include considering and adhering (as appropriate) to the outcomes of any external monitoring activity. In addition, this Committee retains its responsibility to advise the Corporation on the conditions of service for all Senior Post Holders.

The preferred composition of the Governance, Search and Remuneration Committee is as follows:

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

During the Relevant Period (and as part of discussions around the adoption of the AoC's revised 2024 version of the Further Education Code of Good Governance), the Corporation reaffirmed its Non-Adoption of the HE Senior Staff Remuneration Code and the continued adoption of the AoC's Colleges Senior Post Holder Remuneration Code, December 2018.

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

Committee Structure (continued)

Audit Committee

The composition of the Audit Committee (as at the date of signing) is as follows:

Category	No.	Notes
Independent Member	3	At least three Members must be Independent Members. The remaining Member can be a Staff, Student or Independent Member
One other Member	1	
Total	4	
Co-Opted Governors	2	

The Committee operates in accordance with the requirements of the ESFA's Post 16 Audit Code of Practice and conducts a review of compliance against the Code, which was reviewed by the Audit Committee at its Meeting 28 November 2024.

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

The College's internal auditors review the systems of internal control, risk management controls and governance processes in accordance with an agreed plan of input and report their findings to management and the Audit Committee. Management is responsible for the implementation of agreed audit recommendations, and internal audit undertakes periodic follow-up reviews to ensure such recommendations have been implemented.

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

The Audit Committee met 4 times in the year to 31 July 2024. The members of the committee and their attendance records are shown below:

Name	Attendance
Ms E Milson	3/4
Ms A Moran (Chair to 16 December 2024)	4/4
Mr P Phythian	2/4
Ms C Walters (Co-Opted)	4/4
Mr I Watson (Chair from 17 December 2024)	3/4

At the Corporation Meeting held on 17 December 2024, the Corporation formally approved the following:

- the appointment of Angela Moran as Chair of the Corporation and simultaneous resignation from the Audit Committee and the role of Chair of the Audit Committee.
- the appointment of Ian Watson as Chair of the Audit Committee.

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

Internal Control

Scope of responsibility

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

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of college policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Bishop Burton College for the year ended 31 July 2024 and up to the date of approval of the annual report and financial statements.

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 and arrangements for compliance with legal and regulatory matters including those relating to the regularity and propriety of the use of public funding 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 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Corporation.

The risk and control framework

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

- Comprehensive budgeting systems with an annual budget, which is reviewed and agreed by the governing body;
- Regular reviews by the governing body of periodic and annual financial reports which indicate financial performance against forecasts;
- Setting targets to measure financial and other performance;
- Clearly defined capital investment control guidelines; and
- The adoption of formal project management disciplines, where appropriate.

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

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

Internal Control (continued)

Risks faced by the Corporation

The Audit Committee reviews the College's High Level Risk Register and High-Level Risk Management Action Plan at each of its Meetings; allowing the identification, evaluation and management of risk in line with the College's Risk Management approach.

At its Meeting in February 2024 the Audit Committee resolved that amendment be made to the 2023/24 Internal Audit Plan in consideration of the College's High-Level Risk Register presented to the Committee.

In addition, and in consideration of changes to the Executive Leadership and Strategic Leadership Teams, it was resolved in the Relevant Period that the College's approach to risk management and format / content of the High-Level Risk Register and High-Level Risk Management Action Plan be reviewed in full.

Statement from the Audit Committee

Through reports presented and advice received by the IAS and Financial Statement Auditor, and from college management, the Audit Committee is of the opinion that the College has an adequate and effective framework for governance, risk management and control, and has fulfilled its statutory responsibility for "the effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets".

Specific areas of work undertaken by the Audit Committee in 2023/24 and up to the date of the approval of the financial statements are:

• Budget Setting & Monitoring	Strong Level of Assurance	One low priority recommendation
• Overall Financial Controls	Strong Level of Assurance	One low priority recommendation
• Health & Safety	Strong Level of Assurance	No Recommendations
• Payroll	Strong Level of Assurance	No Recommendations
• Staff Morale	Strong Level of Assurance	No Recommendations
• Student Recruitment and Achievement	Strong Level of Assurance	No Recommendations
• Follow up:	Strong Level of Assurance	No Recommendations

The 2023/24 Internal Audit Plan was amended in-year and all audits completed. There were no fundamental recommendations in any of the reports. All outstanding recommendations are reported and monitored by the Audit Committee.

As noted in the 2022/23 Statement on Regularity, Propriety and Compliance, two non-contractual termination payments have been made in excess of the College's delegated authority. One of these payments was made in August 2023 and has been identified as part of the Reporting Accountant's Regularity Conclusion for the 2023/24 period. It has been confirmed that retrospective consent would not be provided for either payment made, of which the Audit Committee is aware, and continues to note recommendations accordingly.

Responsibilities under accountability agreements and the Office for Students conditions of registration

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

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

Risks faced by the Corporation (continued)

Review of effectiveness

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

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

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

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

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

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

Approved by order of the Members of the Corporation on 19 December 2024 and signed on its behalf by:



.....
Signed
A Moran
Chair



.....
Signed
D Metters
Accounting Officer

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

STATEMENT ON THE COLLEGE'S REGULARITY, PROPRIETY AND COMPLIANCE

As accounting Officer I confirm that the corporation has had due regard to the framework of authorities governing regularity, propriety and compliance, and the requirements of the college's accountability agreement, funding agreements and contracts with ESFA and DfE, and has considered its responsibility to notify ESFA of material irregularity, impropriety and non-compliance with those authorities and terms and conditions of funding.

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

I confirm that the following instances of material irregularity, impropriety, funding non-compliance, or non-compliance with the framework of authorities have been discovered and have been notified to ESFA. If any further instances are identified after the date of this statement, these will be notified to ESFA:

Matters arising

During the financial year ended 31 July 2024 the college made a non contractual termination payment to an employee in excess of the delegated authority given to the college under the ESFA's bite size guide "college requirements for special payments, including severance, compensation and ex-gratia payments". The amount of the non contractual special payment that required ESFA consent was £12,430, which was greater than the equivalent to 3 months gross salary.



D Metters
Accounting officer

19 December 2024

Statement of the chair of governors

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



A Moran
Chair of governors

19 December 2024

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

STATEMENT OF RESPONSIBILITIES OF THE MEMBERS OF THE CORPORATION

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

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

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

The corporation is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the corporation and which enable it to ensure that the financial statements are prepared in accordance with relevant legislation including the Further and Higher Education Act 1992 and Charities Act 2011, 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.

Members of the corporation are responsible for ensuring that expenditure and income are applied for the purposes intended and that the financial transactions conform to the authorities that govern them. In addition, they are responsible for ensuring that funds from ESFA, and any other public funds, are used only in accordance with ESFA's accountability agreement, funding agreements and contracts and any other conditions, that may be prescribed from time to time by ESFA, or any other public funder, including that any transactions entered into by the corporation are within the delegated authorities set out in the "Dear accounting officer" letter of 29 November 2022 and ESFA's bite size guides. Members of the corporation must ensure that there are appropriate financial and management controls in place to safeguard public and other funds and ensure they are used properly. In addition, members of the corporation are responsible for securing economic, efficient and effective management of the corporation's resources and expenditure so that the benefits that should be derived from the application of public funds from ESFA and other public bodies are not put at risk. They are also responsible for ensuring funds from Office for Students or other sources are properly applied for the purposes for which they have been given and in accordance with relevant legislation or terms and conditions attached to them.

Approved by order of the members of the corporation on 19 December 2024 and signed on its behalf by:



A Moran

Chair of Governors

INDEPENDENT AUDITOR’S REPORT TO THE CORPORATION OF BISHOP BURTON COLLEGE

Opinion

We have audited the financial statements of Bishop Burton College (the “College”) and its subsidiaries (the “Group”) for the year ended 31 July 2024 which comprise the consolidated and College statement of comprehensive income, the consolidated and College balance sheets, the consolidated and College statement of changes in reserves, the consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Group’s and of the College’s affairs as at 31 July 2024 and of the Group’s and the College’s surplus of income over expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Accounts Direction issued by the Education and Skills Funding Agency.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 1 in the financial statements, which indicates that the College is forecasting a loan covenant breach for the year ended 31 July 2025, for which the College’s Bankers have not issued waiver letter in advance. As stated in note 1, these events or conditions, along with the other matters as set out in note 1, indicate that a material uncertainty exists which may cast significant doubt about the College’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the governors’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the governors 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 Report and Financial Statements other than the financial statements and our auditor’s report thereon. The governors are responsible for the other information contained within the Report and Financial Statements. Our opinion on the financial statements does not cover the other information and 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.

INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF BISHOP BURTON COLLEGE (CONTINUED)

Opinion on other matters prescribed by the Office for Students' Accounts Direction

In our opinion, 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;
- funds provided by the Office for Students, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and Department for Education have been applied in accordance with the relevant terms and conditions; and
- the requirements of the Office for Students' accounts direction for the relevant year's financial statements have been met.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept;
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations required for our audit.

We have nothing to report in respect of the following matters where the Office for Students' accounts direction requires us to report to you if:

- the College's grant and fee income, as disclosed in the note 4 to the financial statements, has been materially misstated.
- the College's expenditure on access and participation activities for the financial year has been materially misstated.

Responsibilities of the Corporation of Bishop Burton College

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF BISHOP BURTON COLLEGE (CONTINUED)

The extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the Group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the Group and College operates in and how the Group and College are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Further and Higher Education SORP, the College Accounts Direction published by the Education and Skills Funding Agency, Regulatory Advice 9: Accounts Direction published by the Office for Students' and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those which are in relation to the Education Inspection Framework under the Education and Inspections Act 2006, Keeping Children Safe in Education under the Education Act 2002 and the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. We performed audit procedures to inquire of management whether the Group is in compliance with these laws and regulations and inspected correspondence with licensing or regulatory authorities in order to draw a conclusion.

The Group audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and performing tests of detail on a sample of revenue transactions together with performing a review of the appropriate application of the Group and College's revenue recognition policy.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <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 Funding Agreement published by the Education and Skills Funding Agency and our engagement letter dated 4 August 2024. Our audit work has been undertaken so that we might state to the Corporation, as a body, those matters we are engaged 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 Corporation, as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK AUDIT LLP
Chartered Accountants
Two Humber Quays
Wellington Street West
Hull
HU1 2BN

19/12/2024

BISHOP BURTON COLLEGE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

CONSOLIDATED AND COLLEGE STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2024

	Notes	2024		2023	
		Group £'000	College £'000	Group £'000	College £'000
INCOME					
Funding body grants	3	19,618	19,618	19,766	19,766
Tuition fees and education contracts	4	4,062	4,062	4,495	4,495
Other income	5	6,665	5,584	6,376	5,417
Investment income	6	575	1,070	107	443
Total income		30,920	30,334	30,744	30,121
EXPENDITURE					
Staff costs	7	16,748	16,351	16,822	16,387
Restructuring costs	7	54	54	41	41
Other operating expenses	8	10,506	10,317	10,767	10,579
Depreciation	12	2,764	2,764	2,684	2,684
Loss on disposal of fixed assets		1	1	-	-
Interest and other finance costs	9	468	468	470	470
Total expenditure		30,541	29,955	30,784	30,161
Surplus/(deficit) before other gains and losses		379	379	(40)	(40)
Surplus/(deficit) before tax		379	379	(40)	(40)
Taxation	10	-	-	-	-
Surplus/(deficit) for the year		379	379	(40)	(40)
Remeasurement of defined benefit pension net asset	21	(921)	(921)	(1,687)	(1,687)
Other comprehensive income for the year		(921)	(921)	(1,687)	(1,687)
Total comprehensive income for the year		(542)	(542)	(1,727)	(1,727)
Surplus/(deficit) for the year attributable to the Corporation of the College		379	379	(40)	(40)
Total comprehensive income for the year attributable to Corporation of the College		(542)	(542)	(1,727)	(1,727)

BISHOP BURTON COLLEGE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

CONSOLIDATED AND COLLEGE BALANCE SHEETS
AS AT 31 JULY 2024

	Notes	2024		2023	
		Group £'000	College £'000	Group £'000	College £'000
Fixed assets					
Intangible assets	11	-	-	-	-
Tangible assets	12	80,281	80,864	81,000	81,583
Investments	13	-	-	-	-
		<u>80,281</u>	<u>80,864</u>	<u>81,000</u>	<u>81,583</u>
Current assets					
Agricultural assets and other stock	14	490	490	608	608
Debtors	15	1,638	1,653	1,393	1,408
Cash at bank and in hand		<u>5,591</u>	<u>5,581</u>	<u>7,343</u>	<u>7,333</u>
		<u>7,719</u>	<u>7,724</u>	<u>9,344</u>	<u>9,349</u>
Current liabilities					
Creditors – amounts falling due within one year	16	<u>(5,911)</u>	<u>(5,911)</u>	<u>(6,447)</u>	<u>(6,447)</u>
Net current (liabilities)/assets		<u>1,808</u>	<u>1,813</u>	<u>2,897</u>	<u>2,902</u>
Total assets less current liabilities		<u>82,089</u>	<u>82,677</u>	<u>83,897</u>	<u>84,485</u>
Creditors – amounts falling due after more than one year	17	<u>(32,166)</u>	<u>(32,166)</u>	<u>(33,420)</u>	<u>(33,420)</u>
Provisions for liabilities					
Defined benefit pension scheme asset/(liability)	21	-	-	-	-
Other provisions	19	<u>(6)</u>	<u>(6)</u>	<u>(18)</u>	<u>(18)</u>
Total net assets		<u>49,917</u>	<u>50,505</u>	<u>50,459</u>	<u>51,047</u>
Unrestricted Reserves					
Income and expenditure reserve		25,099	25,687	25,548	26,136
Revaluation reserve		<u>24,818</u>	<u>24,818</u>	<u>24,911</u>	<u>24,911</u>
Attributable to the College Corporation and total unrestricted reserves		<u>49,917</u>	<u>50,505</u>	<u>50,459</u>	<u>51,047</u>

The financial statements on pages 33 to 60 were approved and authorised for issue by the Corporation on 19 December 2024 and were signed on its behalf on that date by:



A Moran
Chair



D Metters
Accounting Officer

BISHOP BURTON COLLEGE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

CONSOLIDATED AND COLLEGE STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 31 JULY 2024

	Income and Expenditure reserve £'000	Revaluation reserve £'000	Total £'000
Group			
Balance at 1 August 2022	27,182	25,004	52,186
Deficit for the year	(40)	-	(40)
Other comprehensive income	(1,687)	-	(1,687)
Transfers between Revaluation and Income and Expenditure reserves	93	(93)	-
Total comprehensive income for the year	(1,634)	(93)	(1,727)
Balance at 31 July 2023	25,548	24,911	50,459
Surplus for the year	379	-	379
Other comprehensive income	(921)	-	(921)
Transfers between Revaluation and Income and Expenditure reserves	93	(93)	-
Total comprehensive income for the year	(449)	(93)	(542)
Balance at 31 July 2024	25,099	24,818	49,917
	Income and Expenditure reserve £'000	Revaluation reserve £'000	Total £'000
College			
Balance at 1 August 2022	27,770	25,004	52,774
Deficit for the year	(40)	-	(40)
Other comprehensive income	(1,687)	-	(1,687)
Transfers between Revaluation and Income and Expenditure reserves	93	(93)	-
Total comprehensive income for the year	(1,634)	(93)	(1,727)
Balance at 31 July 2023	26,136	24,911	51,047
Surplus for the year	379	-	379
Other comprehensive income	(921)	-	(921)
Transfers between Revaluation and Income and Expenditure reserves	93	(93)	-
Total comprehensive income for the year	(449)	(93)	(542)
Balance at 31 July 2024	25,687	24,818	50,505

BISHOP BURTON COLLEGE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2024

	Notes	2024 £'000	2023 £'000
Operating activities			
Cash generated from operations	20	1,460	3,848
Taxation paid		-	-
Net cash from operating activities		<u>1,460</u>	<u>3,848</u>
Investing activities			
Investment income		161	47
Proceeds on disposal of tangible fixed assets		7	-
Purchase of tangible fixed assets		<u>(2,053)</u>	<u>(1,484)</u>
		(1,885)	(1,437)
Financing activities			
Interest paid		(468)	(470)
Repayments of borrowings		<u>(859)</u>	<u>(834)</u>
		(1,327)	(1,304)
(Decrease)/increase in cash and cash equivalents in the year		<u>(1,752)</u>	<u>1,107</u>
Cash and cash equivalents at beginning of the year		<u>7,343</u>	<u>6,236</u>
Cash and cash equivalents at end of the year		<u>5,591</u>	<u>7,343</u>
Cash and cash equivalents comprise:			
Cash at bank and in hand		<u>5,591</u>	<u>7,343</u>

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

General information

Bishop Burton College is a corporation established under the Further and Higher Education Act 1992 as an English general college of further education. The address of the College's principal place of business is given on page 21. The nature of the College's operations are set out in the Report of the Governing Body.

Basis of accounting

These financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (F & HE SORP 2019), the College Accounts Direction for 2023 to 2024, Regulatory Advice 9: Accounts Direction issued by the Office for Students and in accordance with Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102) under the historical cost convention modified to include the revaluation of freehold properties. The College is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102.

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

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

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

Reduced disclosures

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

Basis of consolidation

The consolidated financial statements include the College and its subsidiaries, Bishop Burton Riseholme Limited, Bishop Burton Farm Enterprises Limited and Bishop Burton Farm Limited, controlled by the Group. Control is achieved where the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The results of subsidiaries acquired or sold are consolidated using the purchase method for the periods from or to the date that control passes. 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 2024.

All intra-group transactions, balances and unrealised gains on transactions between group entities are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies (continued)

Going concern

The activities of the College, together with the factors likely to affect its future development and performance are set out in the Report of the Governing Body. The financial position of the College, its cash flow, liquidity and borrowings are presented in the Financial Statements and accompanying notes.

The College currently has £8.0m of loans outstanding with bankers on terms negotiated in 2008, 2013, 2016 and 2022. Bank loans are secured by a charge on certain freehold properties of the College. The terms of the existing agreements were for 5 to 20 years.

The balance sheet as at 31 July 2024 shows net current assets of £1.8m for the Group (2023: £2.9m) and £1.8m for the College (2023: £2.9m).

The College's forecasts and financial projections to 31 July 2026 indicate a significant deficit budget position for 2025 but a return to a positive position in 2026. This deficit will be funded using the College's cash reserves. Thereafter, the College expects to maintain a growth position, delivering financial surpluses.

The forecast deficit will result in a breach of a loan covenant. Discussions will be held with its loan provider to issue a waiver letter or to amend the covenant to reflect the College's strong cash position. However, until this is agreed, the College does need support from the bank in respect of the covenant breach and has a reasonable expectation of receiving, however, this does represent the existence of a material uncertainty which may cast significant doubt about the College's ability to continue as a going concern, due to the fact the College would be unable to repay the loan in full.

Going forward, following reclassification, the College has a reasonable expectation that, should it be required, it will be able to refinance its loans using the DfE loan scheme. Accordingly, therefore, the College has a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future to at least 31 July 2026 with sensitivity analysis performed to assess short term cash demands, and for this reason will continue to adopt the going concern basis in the preparation of its Financial Statements.

Recognition of income

Grants – government and non-government

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

Funding body recurrent grants are measured in line with best estimates for the year of what is receivable and depend on the particular income stream involved. Any under achievement of the Adult Education Budget, outside of permitted tolerance levels, is adjusted for and reflected in the level of recurrent grant recognised in the Statement of Comprehensive Income. The final grant income is normally determined with the conclusion of the year end reconciliation process with the funding body following the year end.

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

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

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies (continued)

Recognition of income (continued)

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

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

Other income

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

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

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

Retirement benefits

Retirement benefits to employees of the College are principally provided by Teachers' Pensions Scheme (TPS) and the East Riding Pension Fund (ERPF), which are multi-employer defined benefit plans. These are defined benefit plans, which are externally funded and contracted out of the State Second Pension.

The TPS is an unfunded scheme. Contributions to the TPS are calculated so as to spread the cost of pensions over employees' working lives with the College in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of valuations using a projected unit method. The TPS is a multi-employer scheme but sufficient information is not available to use defined benefit accounting and therefore it is accounted for as a defined contribution scheme, with the amount charged to the statement of comprehensive income being the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

The ERPF is a funded scheme, and the assets of the scheme are held separately. Pension schemes are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs. The net interest cost on the net defined benefit liability is charged to comprehensive income and included within finance costs. Re-measurement comprising actuarial gains and losses, the effect of the asset ceiling and the return on scheme assets (excluding amounts include in net interest on the net defined benefit liability) are recognised immediately in other comprehensive income.

The ERPF assets are managed by the scheme trustees at scheme level, and the determination / allocation of assets to each individual employer in the scheme is managed by the scheme actuary. The assets are allocated to each employer for accounting purposes based on the valuation of the assets at the latest triennial valuation as adjusted for subsequent contributions received from the employer, asset returns and benefit payments made (either on a cash basis or actuarial basis).

The retirement benefit obligation recognised represents the deficit or surplus in the defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Short term Employment benefits

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

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies (continued)

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 comprehensive income in the year that the member of staff retires. In subsequent years a charge is made to provisions in the balance sheet using the enhanced pension spreadsheet provided by the funding body.

Fixed asset investments

College

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses in the separate financial statements of the college. Interests in subsidiaries are assessed for impairment at each reporting date. Any impairments losses or reversals of impairment losses are recognised immediately in comprehensive income.

Jointly controlled entities

Entities in which the Group has a long-term interest and shares control under a contractual arrangement are classified as jointly controlled entities. Jointly controlled entities are accounted for using the equity method, (being the Group's share of the results, other comprehensive income and equity of associates are accounted for using the equity method based on the associate's financial statements).

Other investments

Investments comprising unquoted equity instruments whose fair values cannot be measured reliably are measured at cost less impairment.

Tangible fixed assets

Tangible fixed assets are stated at deemed cost less accumulated depreciation and accumulated impairment losses.

Land and buildings are stated at cost (or deemed cost for land and buildings held at valuation/revalued, as at the date of transition to FRS 102) less accumulated depreciation and accumulated impairment losses.

Assets under construction

Assets under construction are accounted for at cost, based on the value of architect's certificates and other direct costs incurred to 31 July 2024. Cost includes professional fees and other directly attributable costs that are necessary to bring the property to operating condition. They are not depreciated until they are brought into use.

Equipment

Equipment costing less than £1,000 per individual item or set of items acquired together is recognised as expenditure in the period of acquisition. All other equipment is capitalised and recognised at cost less accumulated depreciation and accumulated impairment losses.

Where equipment is acquired with the aid of specific grants they are capitalised and depreciated as above. The related grants are credited to a deferred capital grant account and are released to statement of comprehensive income as stated in the revenue recognition policy above.

Depreciation and residual values

Freehold land is not depreciated as it is considered to have an infinite useful life. Depreciation on other assets is calculated, using the straight line basis, to write off the cost of each asset to its estimated residual value over its expected useful lives, as follows:

- Long leasehold land is depreciated over the term of the lease
- Freehold buildings – over periods up to 60 years
- Leasehold buildings – over periods up to 99 years
- Motor vehicles and general equipment – over periods up to 40 years
- Computer equipment - 3 years

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies (continued)

Tangible fixed assets (continued)

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Subsequent expenditure on existing fixed assets

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

Intangible assets

Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to profit or loss on a straight-line basis over their useful lives.

Impairments of fixed assets

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

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairment of revalued assets, are treated as a revaluation loss. All other impairment losses are recognised in comprehensive income.

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

Borrowing costs

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

Leased assets

Operating leases

All leases are operating leases and annual rents are charged to comprehensive income on a straight line basis over the lease term.

Agricultural assets and other stocks

Agricultural assets are valued at fair value less costs to sell. Changes in fair values are recognised in profit or loss.

Other stock is valued at the lower of cost and estimated selling prices less costs to 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.

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies (continued)

Financial Instruments

The Group has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets measured at fair value through the profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derecognition of financial assets and liabilities

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

Taxation

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

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

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

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 the amount of the obligation can be reliably measured.

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 that reflects the risks specific to the liability. 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 reliably measured. Contingent liabilities are not recognised in the balance sheet but are disclosed in the notes to the financial statements.

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies (continued)

Agency arrangements

The College acts as an agent in distributing certain discretionary support funds. Payments received from the funding bodies and subsequent disbursements to students are excluded from the income and expenditure of the College where the College does not have control of the economic benefit related to the transaction.

2 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical areas of judgement

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.
- Determining the existence of a minimum funding requirement for the East Riding Pension Scheme to be included in the asset ceiling in measuring and recognising a surplus in the scheme. This judgement is based on an assessment of the nature of the scheme as a statutory scheme and its inherent implied continuance as well as the operation of the primary and secondary contributions.

Critical accounting estimates and assumptions

- Tangible fixed assets - Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, maintenance programmes, economic utilisation and physical condition of the assets are taken into account. Residual value assessments consider issues such as future market conditions and the remaining life of the asset.
- Impairment of fixed assets - The College considers whether tangible fixed assets are impaired. Where an indication of impairment is identified the estimation of the recoverable amount of the asset or the recoverable amount of the cash-generating unit is required. These will require an estimation of the future cash flow and selection of appropriate discount rates in order to calculate the net present value of those cash flows.
- East Riding Pension Scheme - The present value of the East Riding Pension Scheme defined benefit obligation depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions obligation at 31 July 2024. 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 obligation.

3 Funding body grants

	2024		2023	
	Group £'000	College £'000	Group £'000	College £'000
Recurring grants				
Education and Skills Funding Agency – Adult	522	522	356	356
Education and Skills Funding Agency – Apprenticeships	1,301	1,301	1,218	1,218
Education and Skills Funding Agency – 16-19	15,580	15,580	16,005	16,005
Office for Students	551	551	587	587
Specific grants				
Teacher Pension Scheme contribution grant	470	470	361	361
Release of government capital grants	1,194	1,194	1,239	1,239
Total	19,618	19,618	19,766	19,766

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Tuition fees and education contracts

	2024		2023	
	Group £'000	College £'000	Group £'000	College £'000
Tuition fees	3,515	3,515	3,916	3,916
Education contracts	547	547	579	579
Total	4,062	4,062	4,495	4,495

Details of grant and fee income

	2024		2023	
	Group £000	College £000	Group £000	College £000
Grant income from the Office for Students	551	551	587	587
Grant income from other bodies	19,067	19,067	19,179	19,179
Total grants	19,618	19,618	19,766	19,766
Fee income from non-qualifying courses (exclusive of VAT)	4,062	4,062	4,495	4,495
Total grant and fee income	23,680	23,680	24,261	24,261

5 Other income

	2024		2023	
	Group £'000	College £'000	Group £'000	College £'000
Residencies, catering and conferences	2,795	2,355	2,860	2,501
Other income generating activities	1,407	766	1,538	938
Non-funding body capital grants	250	250	159	159
Other income	1,708	1,708	1,386	1,386
Farming activities	505	505	433	433
Total	6,665	5,584	6,376	5,417

6 Investment income

	2024		2023	
	Group £'000	College £'000	Group £'000	College £'000
Gift aid from subsidiaries	-	495	-	336
Net interest on defined pension scheme (note 21)	414	414	60	60
Other interest receivable	161	161	47	47
Total	575	1,070	107	443

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 Staff costs and key management personnel remuneration

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

	Group and College	
	2024	2023
	No.	No.
Teaching staff	180	201
Non-teaching staff	364	355
	<u>544</u>	<u>556</u>

Staff costs for the above persons

	2024		2023	
	Group £'000	College £'000	Group £'000	College £'000
Wages and salaries	11,691	11,358	11,566	11,209
Social security costs	1,030	1,014	1,028	1,008
Other pension costs	2,780	2,732	3,253	3,195
Payroll sub-total	15,501	15,104	15,847	15,412
Contracted-out staff	1,247	1,247	975	975
	<u>16,748</u>	<u>16,351</u>	<u>16,822</u>	<u>16,387</u>
Restructuring costs - contractual	11	11	8	8
- non-contractual	43	43	33	33
Total staff costs	16,802	16,405	16,863	16,428

Severance payments

The group paid 4 severance payments in the year, disclosed in the following bands:

0- £25,000	3
£25,001 -	1

Included in staff restructuring costs are special severance payments totalling £43,139 (2023- £33,136). Individually, the payments were: £1,660, £6,592, £12,430 and £22,457.

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 College Senior Leadership Group which comprises the Principal and CEO, Chief Financial Officer, Deputy Principal HR and Organisational Services, Deputy Principal Curriculum and Quality, Assistant Principal Business Development, Director of IT and Learning Resources, Assistant Principal Higher Education, Director of Marketing, Assistant Principal of Quality of Education, Director of MIS, Assistant Principal Riseholme, Assistant Principal Safeguarding and Residential Services, Director of Land-Based Further Education and Director of Sport & Sports Partnerships.

Emoluments of Key management personnel, Accounting Officer and other higher paid staff:

	Group and College	
	2024	2023
	No.	No.
The number of key management personnel including the Accounting Officer was:	14	13

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 Staff costs and key management personnel remuneration (continued)

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

	Group and College	
	2024	2023
	No.	No.
£60,001 - £65,000	2	3
£65,001 - £70,000	1	-
£75,001 - £80,000	1	1
£90,001 - £95,000	-	1
£95,001 - £100,000	1	1
£100,001 - £105,000	1	-
£135,001 - £140,000	1	-
£145,001 - £150,000	-	1
	<u>7</u>	<u>7</u>

Key management personnel (including the Accounting Officer) total compensation is made up as follows:

	Group and College	
	2024	2023
	£'000	£'000
Salaries	978	791
Invoiced costs	114	-
Benefits in kind	7	7
National insurance	119	97
	<u>1,218</u>	<u>895</u>
Pension contributions	249	165
Total emoluments	<u>1,467</u>	<u>1,060</u>

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

	Group and College	
	2024	2023
	£'000	£'000
Salaries	137	144
Benefits in kind	2	2
	<u>139</u>	<u>146</u>
Pension contributions	<u>35</u>	<u>11</u>

BISHOP BURTON COLLEGE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 Staff costs and key management personnel remuneration (continued)

The remuneration of the accounting officer for 2023-24 was determined on 6 November 2023 by Corporation. The accounting officer was not involved in setting his remuneration. The factors taken into account by Corporation in determining the accounting officer's remuneration for the year to 31 July 2024 was based upon his job description, including the delivery of the College strategic objectives, and also pay increases awarded to other staff.

The remuneration of all senior post holders was also determined by the College's Corporation after taking into account the performance delivered and pay increases awarded to other staff. Other key management personnel increases in remuneration were approved by the Board as part of the 3% overall increase awarded to staff for the year.

The Corporation has adopted the principles of the AoC Senior Staff Remuneration Code and applied these principles when assessing the pay of Senior Post Holders.

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

	2024	2023
	No	No
Basic salary as a multiple of median basic salary of staff	4.94	5.15
Total remuneration as a multiple of median total remuneration of staff	6.44	4.68

	Year ended 31 July		Year ended 31 July	
	2024	2024	2023	2023
	Group	College	Group	College
	£000	£000	£000	£000
Compensation for loss of office paid to former member of the senior management team				
Compensation paid to 1 former post-holder				
- Contractual	6	6	-	-
- Non contractual	22	22	-	-
Total staff costs	<u>28</u>	<u>28</u>	<u>-</u>	<u>-</u>

All severance payments were approved by the College's Remuneration Committee.

Governors' remuneration

The Accounting Officers and the staff member only receive remuneration in respect of services they provide undertaking their roles of Principal and staff members under contracts of employment and not in respect of their roles as governors. The other members of the Corporation did not receive any payments from the College in respect of their roles as governors.

The total expenses paid to or on behalf of the Governors during the year was £2,021 to 7 governors (2023: £1,678 to 4 governors). This represents travel and subsistence expenses and other out of pocket expenses incurred in attending Governor meetings and charity events in their official capacity. No Governor has received any remuneration or waived payments from the College or its subsidiaries during the year (2023: None).

BISHOP BURTON COLLEGE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8 Other operating expenses

	2024		2023	
	Group £'000	College £'000	Group £'000	College £'000
Teaching costs	2,162	2,162	1,800	1,800
Non-teaching costs	4,906	4,769	5,465	5,326
Premises costs	3,438	3,386	3,502	3,453
Total	10,506	10,317	10,767	10,579

Surplus/(deficit) before other gains and losses is stated after charging:

	2024		2023	
	Group £'000	College £'000	Group £'000	College £'000
Auditors' remuneration, excluding VAT:				
Financial statements audit	62	56	59	53
Other services provided by Financial statements auditors	16	11	24	19
Internal audit	18	18	19	19
Operating lease rentals – land and buildings	37	37	36	36
Operating lease rentals – plant and equipment	255	255	246	246

* The financial statements audit fee for the College is £56,000 (2023: £53,000).

Included within expenditure are the following transactions, individual transactions exceeding £5,000 are identified separately:

	Total £'000	Individual items above £5,000	
		Amount £'000	Reason
Compensation payments	-	-	
Write off and losses	76	6	*
		9	*
		9	*
Guarantees, letters of comfort and indemnities	-	-	

* *Write offs and losses*

Write offs and losses over £5,000 were in relation to tuition fees of £6,000 and 9,000 from 2018 and £9,000 from 2021 where the debt agency could not trace the student and there is no prospect of recovery.

9 Interest and other finance costs

	Group and College	
	2024 £'000	2023 £'000
Bank loans	468	470
Total	468	470

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10 Taxation

	2024		2023	
	Group	Group	Group	College
	£'000	£'000	£'000	£'000
UK corporation tax at 25% (2023 - 21%) for subsidiary undertakings	-	-	-	-
Total taxation on surplus	-	-	-	-

11 Intangible fixed assets

Group and College

	Goodwill	Total
	£'000	£'000
Cost		
At 1 August 2023 and 31 July 2024	814	814
Amortisation		
At 1 August 2023 and 31 July 2024	814	814
Carrying amount at 31 July 2024	-	-
Carrying amount at 31 July 2023	-	-

Goodwill representing the excess of the consideration arising on the transfer of FE provision at Riseholme College compared with the fair value of the net assets acquired.

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12 Tangible fixed assets

Group

	Long leasehold land £'000	Long leasehold buildings £'000	Freehold land and buildings £'000	Assets under construction £'000	Equipment £'000	Total £'000
Cost or valuation						
At 1 August 2023	2,739	1,735	99,155	757	11,361	115,747
Additions	-	-	-	2,053	-	2,053
On disposals	-	-	-	-	(10)	(10)
Transfer	-	-	1,345	(2,077)	732	-
At 31 July 2024	2,739	1,735	100,500	733	12,083	117,790
Depreciation						
At 1 August 2023	176	180	26,245	-	8,146	34,747
Charge for the year	22	90	1,835	-	817	2,764
On disposals	-	-	-	-	(2)	(2)
At 31 July 2024	198	270	28,080	-	8,961	37,509
Net book value						
At 31 July 2024	2,541	1,465	72,420	733	3,122	80,281
At 31 July 2023	2,563	1,555	72,910	757	3,215	81,000

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12 Tangible fixed assets (continued)

College

	Long leasehold land £'000	Long leasehold buildings £'000	Freehold land and buildings £'000	Assets under construction £'000	Equipment £'000	Total £'000
Cost or valuation						
At 1 August 2023	2,739	1,735	99,305	757	11,361	115,897
Additions	-	-	-	2,053	-	2,053
On disposals	-	-	-	-	(10)	(10)
Transfer	-	-	1,345	(2,077)	732	-
At 31 July 2024	2,739	1,735	100,650	733	12,083	117,940
Depreciation						
At 1 August 2023	176	180	25,812	-	8,146	34,314
Charge for the year	22	90	1,835	-	817	2,764
On disposals	-	-	-	-	(2)	(2)
At 31 July 2024	198	270	27,647	-	8,961	37,076
Net book value						
At 31 July 2024	2,541	1,465	73,003	733	3,122	80,864
At 31 July 2023	2,563	1,555	73,493	757	3,215	81,583

Group and College

Freehold land was valued at 1 August 2014 at existing use replacement value by a firm of independent chartered surveyors. Freehold buildings were valued in 1993 at depreciated replacement cost by a firm of independent chartered surveyors. Other tangible fixed assets inherited from the LEA at incorporation have been valued by the college on a depreciated replacement cost basis with the assistance of independent professional advice.

Freehold land and buildings includes land valued at £24,075,000 (2023: £24,075,000) which is not depreciated as it is considered to have an infinite useful life.

The College has entered into a 125 year lease for land, on which the Riseholme campus is built. The carrying amount of these buildings at 31 July 2024 is £18,391,000 (2023: £18,775,000). This is included within freehold land and buildings due to the expected life of the building being less than the length of the lease. The depreciation charge for the year on these buildings is £384,000 (2023: £384,000).

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13 Investments

	2024		2023	
	Group £'000	College £'000	Group £'000	College £'000
Shares in subsidiary undertakings less provision for diminution	-	-	-	-
Other unquoted investments at cost	-	-	-	-
	-	-	-	-

The College owns 100 per cent of the issued ordinary shares of the following subsidiary undertakings all of which are registered in England and Wales.

	Principal activity	Class of shares held
Bishop Burton Farm Limited	Dormant	Ordinary £1
Bishop Burton Farm Enterprises Limited	Provision of training facilities	Ordinary £1
Bishop Burton Riseholme Limited	Dormant	Ordinary £1

The College is a member of Yorkshire and Humber Institute of Technology Limited and Lincolnshire Institute of Technology, both are companies limited by guarantee.

14 Agricultural assets and other stocks

	2024		2023	
	Group £'000	College £'000	Group £'000	College £'000
Livestock and related other farm stocks	461	461	581	581
Other stocks	29	29	27	27
Total	490	490	608	608

Livestock and related other farm stocks

Livestock is valued in accordance with the current RICS Valuation Standards (Global and UK) by a valuer who conforms to the requirements of the above mentioned statements and also in accordance with the Central Association of Agricultural Valuers "Guidance Notes on Agricultural Stock Valuations for Tax Purposes". HMRC Helpsheet HS232 "Farm Stock Valuations" (previously BEN 19) and the requirements of FRS 102 section 34.

Reconciliation of the movement in valuation in the year:

	Group and College £'000
Valuation at 1 August 2023	581
Increase from purchases	81
Decrease from sales	(437)
Changes in fair value of agricultural assets	236
Valuation at 31 July 2024	461

BISHOP BURTON COLLEGE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15 Debtors

Amounts falling due within one year:

	2024		2023	
	Group £'000	College £'000	Group £'000	College £'000
Trade debtors	843	843	675	675
Other debtors	-	-	86	86
Amounts owed by group undertakings	-	15	-	15
Prepayments and accrued income	581	581	500	500
Amounts owed by the ESFA	214	214	132	132
Total	1,638	1,653	1,393	1,408

Trade debtors are stated inclusive of a bad debt provision of £379,000 (2023: £416,000).

16 Creditors: amounts falling due within one year

	2024		2023	
	Group £'000	College £'000	Group £'000	College £'000
Bank loans	897	897	860	860
Trade creditors	1,076	1,076	807	807
Other creditors	586	586	550	550
Other taxation and social security	299	299	308	308
Accruals and deferred income	1,303	1,303	2,297	2,297
Holiday pay accrual	265	265	249	249
Amounts owed to the ESFA	165	165	93	93
Government capital grants	1,320	1,320	1,283	1,283
Total	5,911	5,911	6,447	6,447

17 Creditors: amounts falling due after more than one year

	2024		2023	
	Group £'000	College £'000	Group £'000	College £'000
Bank loans	7,094	7,094	7,990	7,990
Government capital grants	25,072	25,072	25,430	25,430
Total	32,166	32,166	33,420	33,420

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18 Maturity of debt

Bank loans

Bank loans are repayable as follows:

	2024		2023	
	Group £'000	College £'000	Group £'000	College £'000
In one year or less	897	897	860	860
Between one and two years	2,270	2,270	3,054	3,054
Between two and five years	3,244	3,244	3,002	3,002
In five years or more	1,580	1,580	1,934	1,934
Total	7,991	7,991	8,850	8,850

Bank loans are repayable and are charged interest as follows:

- £1,427,000, repayable in instalments due between August 2018 and November 2029. This is at a fixed rate of interest of 4.94%.
- £4,820,000, repayable by instalments falling due between August 2018 and September 2024. This is at a fixed rate of interest of 5.41%. Repayment of the balancing instalment of £2,606,000 due in September 2024 was refinanced with the bank to be repayable by instalments falling due between September 2024 and March 2030. This is at a fixed interest rate of 5.32%.
- £3,700,000, repayable by instalments falling due between August 2018 and November 2031. This is at a rate of interest fixed at 2.55% plus the margin of 1.5%.
- £2,400,000 repayable by instalments falling due between October 2022 and January 2027. This is at a variable rate of interest calculated using the Bank of England Sterling Overnight Index Average rate.

Some bank loans are secured by a charge on certain freehold properties of the College.

19 Provisions for liabilities

Group and College

	Enhanced pension entitlements £'000	Total £'000
At 1 August 2023	18	18
Amounts utilised	(12)	(12)
Amounts in year credited to the Statement of Comprehensive Income	-	-
At 31 July 2024	6	6

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

The principal assumptions for this calculation are:

	2024	2023
	%	%
Price inflation	4.8	5.0
Discount rate	2.8	2.8

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

20 (a) Note to Statement of Cash Flows

	Group	
	2024	2023
	£'000	£'000
Surplus/(deficit) after tax for the year	379	(40)
Adjustments for:		
Depreciation	2,764	2,684
Investment income	(575)	(107)
Interest payable	468	470
Profit on disposal of tangible fixed assets	1	-
Decrease in provisions	(12)	(3)
Pension costs less contributions payable	(507)	150
Operating cash flow before movements in working capital	2,518	3,154
Decrease in agricultural assets and other stocks	118	4
(Increase) in debtors	(245)	(461)
(Decrease)/increase in creditors	(931)	1,151
Cash generated from operations	<u>1,460</u>	<u>3,848</u>

(b) Analysis of changes in net debt

	At 1 August 2023 £000	Cash flows £000	At 31 July 2024 £000
Cash	7,343	(1,752)	5,591
Loans falling due within one year	(860)	(37)	(897)
Loans falling due after more than one year	(7,990)	896	(7,094)
Total	<u>(1,507)</u>	<u>(893)</u>	<u>(2,400)</u>

BISHOP BURTON COLLEGE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21 Retirement benefits

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 East Riding Pension Fund (ERPF) for non-teaching staff. Both are multi-employer defined-benefit plans.

Total pension cost for the year

	Group			
	2024			2023
	£'000	£'000	£'000	£'000
Teachers' Pension Scheme: contributions paid		1,624		1,527
East Riding Pension Fund:				
Contributions paid	1,663		1,528	
Deficit funding	-		48	
FRS 102 (28) charge	(507)		150	
Charge to the Statement of Comprehensive Income		1,156		1,726
Enhanced pension (credit)/charge to Statement of Comprehensive Income		-		-
Total Pension Cost for year within staff costs		<u>2,780</u>		<u>3,253</u>

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

Contributions amounting to £326,000 (2023: £296,000) were payable to the schemes at 31 July and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. 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. The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme on as a defined benefit plan so it is accounted for as a defined contribution plan.

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21 Retirement benefits (continued)

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest actuarial valuation was carried out as at 31 March 2020 and in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 and the Employer Contribution Rate was assessed using agreed assumptions in line with the Directions and was accepted at the original assessed rate as there was no cost control mechanism breach.

The valuation report was published on 26 October 2023. The key results of the valuation and subsequent consultation are:

- Total scheme liabilities for service (the capital sum needed at 31 March 2020 to meet the stream of future cash flows in respect of benefits earned) of £262 billion
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £222 billion
- Notional past service deficit of £39.8 billion (2016 £22 billion)
- Discount rate is 1.7% in excess of CPI (2016 2.4% in excess of CPI) (this change has had the greatest financial significance).

As a result of the valuation, new employer contribution rates have been set at 28.6% of pensionable pay from 1 April 2024 until 1 April 2028 (compared to 23.68% under the previous valuation including a 0.08% administration levy). DfE agreed to pay a Teachers Pensions employer contribution grant to cover the additional costs during the 2023-24 academic year, and currently through to July 2025.

The pension costs paid to TPS in the year amounted to £1,624,000 (2023: £1,527,000).

Local Government Pension Scheme

The ERPF is a funded defined-benefit plan, with the assets held in separate funds administered by East Riding of Yorkshire Council. The total contributions made for the year ended 31 July 2024 were £2,038,000, of which employer's contributions totalled £1,663,000 and employees' contributions totalled £375,000. The agreed contribution rates for future years are 26.4% for employers and range from 5.5% to 14.8% for employees, depending on salary.

The next scheme valuation for LGPS will be 31 March 2025, with the new employer contribution rates applicable from 1 April 2026.

Principal Actuarial Assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2022 updated to 31 July 2024 by a qualified independent actuary.

	At 31 July 2024	At 31 July 2023
	%	%
Rate of increase in salaries	2.75	3.00
Rate of increase for pensions in payment/inflation**	2.75	3.00
Discount rate for scheme liabilities	5.00	5.05
Inflation assumption (CPI)**	2.75	3.00
Expected return on scheme assets at 31 July	10.00	4.50

* 30% for pre-April 2008 service and 65% for post-April 2008 service.

** Includes current CPI experiences of 9.9%

Salary increases assumption of 1% pa for 3 years until 31 July 2025 reverting to long term assumption of 2% thereafter (2018 – 1% until 31 July 2022 reverting to long term assumption of 2% thereafter).

BISHOP BURTON COLLEGE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21 Retirement benefits (continued)

Principal Actuarial Assumptions (continued)

The average life expectancy for a pensioner retiring at 65 on the reporting date is:

		At 31 July 2024	At 31 July 2023
<i>Retiring today</i>	Males	20.5 years	21.1 years
	Females	23.5 years	24.0 years
<i>Retiring in 20 years</i>	Males	21.2 years	21.9 years
	Females	25.0 years	25.5 years

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

	Fair Value at 31 July 2024 £'000	Fair Value at 31 July 2023 £'000
Equity instruments	32,576	28,119
Debt instruments	7,044	6,639
Property	3,522	3,515
Cash	880	781
Total fair value of plan assets	44,022	39,054
Actual return on plan assets	3,944	700

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

	2024 £'000	2023 £'000
Present value of plan liabilities	(32,892)	(31,075)
Present value of unfunded liabilities	(37)	(37)
Fair value of plan assets	44,022	39,054
Net asset	11,093	7,942
Restriction to level of asset ceiling	(11,093)	(7,942)
Net asset recognised in the balance sheet	-	-

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

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

	2024 £'000	2023 £'000
Amounts included in staff costs		
Current service cost	(1,156)	(1,726)
Net interest on the net defined benefit pension asset	414	60
Total	(742)	(1,666)

BISHOP BURTON COLLEGE
FINANCIAL STATEMENTS
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21 Retirement benefits (continued)

Changes in the present value of defined benefit obligations

	2024	2023
	£'000	£'000
Defined benefit obligations at start of period	31,112	35,698
Current service cost	1,156	1,726
Interest cost	1,584	1,270
Contributions by scheme participants	375	368
Actuarial gains	(284)	(7,100)
Benefits paid	(1,014)	(850)
Defined benefit obligations at the end of period	32,929	31,112

Changes in fair value of plan assets

	2024	2023
	£'000	£'000
Fair value of plan assets at start of period	39,054	37,475
Interest income	1,998	1,330
Return on plan assets (excluding net interest on the net defined benefit scheme)	1,946	(845)
Employer contributions	1,663	1,576
Contributions by scheme participants	375	368
Benefits paid	(1,014)	(850)
Fair value of plan assets at end of period	44,022	39,054

The College is aware that the Court of Appeal has recently upheld the decision in the Virgin Media vs NTL Pension Trustees II Limited case. The decision puts into question the validity of any amendments made in respect of the rules of a contracted-out pension scheme between 6 April 1997 and 5 April 2016. The judgment means that some historic amendments affecting s.9(2B) rights could be void if the necessary actuarial confirmation under s.37 of the Pension Schemes Act 1993 was not obtained. Until further investigations have been completed by the UK Government's Actuary's Department and/or any legislative action taken by the government, the potential impact if any, on the valuation of scheme liabilities remains unknown.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an FE body in the statutory sector closure, where there is no transfer or merger, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 12 November 2024.

22 Capital commitments

Capital commitments at the end of the financial year for which no provision has been made:

	2024		2023	
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Commitments contracted for at 31 July	-	-	138	138

BISHOP BURTON COLLEGE

FINANCIAL STATEMENTS

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

23 Commitments under operating leases

Group and College

The total future minimum lease payments due under non-cancellable operating leases as follows:

	Land & Buildings		Other	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Not later than one year	21	36	256	261
Later than one year and not later than five years	79	100	335	391
Later than 5 years	58	64	58	-
	<u>158</u>	<u>200</u>	<u>649</u>	<u>652</u>

24 Access and participation expenditure – Group and College

	2024	2023
	£'000	£'000
Access investment	43	43
Financial support provided to students	51	89
Support for disabled students	51	58
Research and evaluation related to access and participation	18	20
Total access and participation expenditure	<u>163</u>	<u>210</u>

The College's access and participation plan is available on the College's website at www.bishopburton.ac.uk.

25 Related party transactions

Key management compensation disclosure is given in note 7.

Transactions with subsidiary

Staff costs of £429,000 (2023: £459,000) were recharged to its subsidiary and gift aid of £495,000 (2023: £336,000) is due. There were amounts £15,000 (2023 – £15,000) owed by the subsidiary at the reporting date.

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY TO THE CORPORATION OF BISHOP BURTON COLLEGE AND THE SECRETARY OF STATE FOR EDUCATION ACTING THROUGH THE EDUCATION AND SKILLS FUNDING AGENCY

Qualified conclusion

We have carried out an engagement, in accordance with the terms of our engagement letter dated 5 August 2024 and further to the requirements of the grant funding agreements and contracts with the Education and Skills Funding Agency (the "ESFA") and the Department for Education (the DfE) or those of any other public funder, to obtain limited assurance about whether the expenditure disbursed and income received by Bishop Burton College during the period 1 August 2023 to 31 July 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Matters arising

During the financial year ended 31 July 2024 the college made a non contractual termination payment to an employee in excess of the delegated authority given to the college under the ESFA's bite-size guide "college requirements for special payments, including severance, compensation and ex-gratia payments". The amount of the non contractual special payment that required ESFA consent was £12,430, which was greater than the equivalent to 3 months gross salary.

Basis for qualified conclusion

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

We have complied with the independence and other ethical requirements of the FRC's Ethical Standard and the ethical pronouncements of the ICAEW. We also apply International Standard on Quality Management (UK) 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements and accordingly maintain comprehensive systems of continuing quality management. We believe the assurance evidence we have obtained is sufficient to provide a basis for our qualified conclusion.

Responsibilities of Corporation of Bishop Burton College for regularity

The Corporation of Bishop Burton College is responsible, under the grant funding agreements and contracts with the ESFA and the requirements of the Further & Higher Education Act 1992, subsequent legislation and related regulations and guidance, for ensuring that expenditure disbursed and income received are applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. The Corporation of Bishop Burton College is also responsible for preparing the Governing Body's Statement of Regularity, Propriety and Compliance.

Reporting accountant's responsibilities for reporting on regularity

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 Code.

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 the procedures performed vary in nature and timing from, and are less in extent than for a reasonable assurance engagement; consequently a limited assurance engagement 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.

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY TO THE CORPORATION OF BISHOP BURTON COLLEGE AND THE SECRETARY OF STATE FOR EDUCATION ACTING THROUGH THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 August 2023 to 31 July 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including the specific requirements of the grant funding agreements and contracts with the ESFA and those of any other public funder and high level financial control areas where we identified a material irregularity is likely to arise. We undertook detailed testing, on a sample basis, on the identified areas where a material irregularity is likely to arise where such areas are in respect of controls, policies and procedures that apply to classes of transactions.

This work was integrated with our audit of the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

Use of our report

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

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Date 19/12/2024