

# **THE BOURNEMOUTH & POOLE COLLEGE**

**Report and Financial Statements  
For the year ended  
31 July 2025**

**THE BOURNEMOUTH AND POOLE COLLEGE  
REPORTS and FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

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## **Key Management Personnel, Board of the Corporation and Professional Advisers**

### **Key management personnel**

**Key management personnel are defined as members of the College's Executive Team and were represented by the following throughout 2024/25:**

Mr P Sayles	Principal and CEO: Accounting Officer
Ms S Hutchings	Chief Operating Officer
Ms A Leaverland	Vice Principal, Curriculum
Ms D Smith	Assistant Principal People and Student Experience
Mr A Carr	Executive Director of HE and Skills

### **Board of the Corporation**

**A full list of the Board of the Corporation is given in the Statement of Corporate Governance and Internal Control.**

**Mrs M Barnard acted as Clerk to the Corporation throughout the period.**

### **Professional advisers**

#### **Financial Statements auditor and reporting accountants:**

Alliotts LLP  
Chartered Accountants  
3 London Square,  
Cross Lanes,  
Guildford  
GU1 1UJ

#### **Internal auditor:**

Validera – HW Controls & Assurance  
Unit 3 Crompton Court  
Attwood Road  
Burntwood  
Staffs.  
WS7 3GG

#### **Bankers:**

NatWest Bank  
Bournemouth Branch  
The Square  
5 Old Christchurch Road  
Bournemouth  
Dorset  
BH1 1DU

# Strategic Report

## OBJECTIVES AND STRATEGY

The Board of the Corporation present their annual report together with the financial statements and auditor's report for Bournemouth and Poole College for the year ended 31 July 2025.

### Legal Status

The Corporation was established under The Further and Higher Education Act 1992 for the purpose of conducting The Bournemouth & Poole College. The College is an exempt charity for the purposes of Part 3 of the Charities Act 2022.

### Our Purpose

To improve the lives of people through education

### The Bournemouth and Poole College Strategy 2024 to 2030

A new College Strategy was launched in 2024. The key delivery strands of this strategy, outlining the benefit of our work to society, industry and individuals, are as follows:

#### **Strand 1: Deliver high-quality Education**

At the heart of what we do is high-quality education delivery and support to enable a diverse range of students to succeed on their courses, in their careers, in future study and life.

#### **Strand 2: Shape our curriculum to meet need**

Through working closely with employers across nearly every sector of the economy, we aim to train people in the skills that are needed to create prosperity and a better society.

#### **Strand 3: Educate more people**

Through communicating our purpose and extending our reputation, we will attract more people to change their lives through studying with us.

#### **Strand 4: Work in Strategic Partnership**

Through working with other organisations, we increase the opportunities for our students and our contribution to society and the economy; and support the ambitions of our partners.

The enabling foundation strands underpin these objectives as outlined below:

#### **Strand 5: Great resources for Education**

We will maximise investment in the facilities, equipment and software needed to deliver high-quality, up to date education, and create a great learning and social environment.

#### **Strand 6: Our People**

We will value, support and develop our most important asset: our staff, whether they work directly with students or provide the professional services which allow learning to happen.

#### **Strand 7: Sound Finances**

Without secure finances, little is possible. We manage our money well, to provide stability and good value, but importantly to maximise investment in colleagues and resources.

#### **Strand 8: Ambitious, Excellent Governance**

Ambitious, expert, strategic, ethical and conscientious governance by our Independent Board steers our mission and choices and supports and challenges us to succeed.

## **Resources**

- The College group employs 689 people, of whom 242 are teaching staff.
- The College enrolled over 9,000 students. The College's student population includes 2,434 16-to-18-year-old funded students, 2,240 apprentices, 129 higher education students, 81 international students and 2,942 adult funded students; as well as full cost and learner loan adult students.
- The College has £16.2m (2024: £15.3m) of net assets and long-term debt of £4.2m (2024 £4.5m).
- The College has a net pension asset position for 2024/25.
- Tangible resources include the College's three sites at Poole, Bournemouth and Tower Park. The College has a DfE led and funded project for a new building at Bournemouth campus and redevelopment of heritage grade 2 buildings. Construction is underway and is due for completion in 2026.
- The College's last Ofsted inspection was in January 2025 and it was rated Good.

## **Stakeholders**

The College's stakeholders include:

- Current, future and past students
- Staff and their trade unions. The trade unions of which Bournemouth and Poole College staff are members are the University and College Unions, National Education Union and Unison
- Employers
- Professional organisations in the sectors we work
- Schools and universities
- The wider community, third sector and charitable groups
- Local councils, Local Enterprise Partnership

## **Public Benefit**

The Bournemouth & Poole 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 Board of the Corporation, who are trustees of the charity, are disclosed on pages 20-21. In setting and reviewing the College's strategic objectives, the Board of the Corporation has had due regard for the Charity Commission's guidance on public benefit and particularly upon its supplementary guidance on the advancement of education.

In delivering its mission, the College provides identifiable public benefits through the advancement of education to over 9,000 students, including 267 students with high needs.

The College provides courses without charge to young people, to those who are unemployed and adults taking English and Maths courses. The College adjusts its courses to meet the needs of local employers and provides training to over 2,200 apprentices. The College is committed to providing information, advice and guidance for students and to finding suitable courses for as many as possible regardless of their educational background.

## DEVELOPMENT AND PERFORMANCE

Financial Performance	2024-25 £'000	2023-24 £'000
Total Income	38,896	35,517
Total Expenditure	(37,946)	(34,487)
<b>Operating Surplus before pension adjustments and disposals</b>	<b>950</b>	<b>1,030</b>
FRS102 pension adjustments	423	324
Exceptional Item - disposal of Bournemouth assets	-	(1,359)
<b>Surplus/(deficit) for the year</b>	<b>1,373</b>	<b>(5)</b>

The group generated an operating surplus of £950k (2023/24 £1,030k). Income growth of £3.3m with associated increase in pay of £2.8m and non-pay of £0.6M (excluding FRS102 pension adjustments).

We have significant reliance on the education sector funding bodies as our principal funding source, largely from recurrent grants. In 2024/25 the funding bodies provided 81% of our total income (2023/24: 78%).

The cash inflow from operating activities was £2,407k (2023/24: inflow £1,734k). Total cash balances increased by £1,140k in year due mainly to capital grant timing (cash receipts in a current year with some expenditure in future year). Cash at bank and in hand on 31 July 2025 was £7,633k (23/24: £6,492k).

At the balance sheet date, the group held net current assets of £3.4m and net assets of £16.2m. The actuarial report for the Local Government Pension Scheme at 31 July 2025 showed an actuarial gain which would have resulted in a pension asset. We have reported a break-even position as there is insufficient evidence to conclude this gain will be available to reduce future payments.

### Developments

At our Poole campus we completed a £0.9m project funded by the Local Skills Improvement Fund to create a Green Energy Centre.

At our Bournemouth campus work is progressing well on our £36m Department for Education funded new building for teaching a wide range of subjects such as Digital and Media, Catering, Hair and Beauty and a significant heritage restoration of our Grade II listed clock tower building. The new building is on schedule to open for the September 2026 student intake.

### Group companies

**The College has two subsidiary companies:**

- Southern Educational Facilities Management Limited (SEFM) provides cleaning services to the College and the College reimburses SEFM at cost so no profits or losses accrue in the company.
- Southern Educational Professional Services Limited (SEPS) employs non-teaching staff that would traditionally have been employed by the College and in so doing be able to offer a NEST pension scheme with a lower employer contribution rate than the Dorset County Pension Scheme. SEPS provides the services of these staff to the College and the College reimburses SEPS at cost so no profits or losses accrue in the company.

## Streamlined Energy and Carbon Reporting

The most up to date available greenhouse gas emissions and energy use data is for the period 1 August 2023 to 31 July 2024:

UK Greenhouse gas emissions and energy use data	2023-24	2022-23
<b>Energy consumption used to calculate emissions (kWh)</b>		
Gas	1,834,013	2,215,604
Electricity	2,021,422	1,964,208
Transport Fuel	69,407	177,858
<b>Total</b>	<b>3,924,842</b>	<b>4,357,670</b>
<b>Scope 1 emission in metric tonnes CO2e</b>		
Gas consumption	335.44	404.44
Owned transport	17.27	19.97
<b>Total</b>	<b>352.71</b>	<b>424.41</b>
<b>Scope 2 emissions in metric tonnes CO2e</b>		
Purchased electricity	418.58	379.84
<b>Total</b>	<b>418.58</b>	<b>379.84</b>
<b>Scope 3 emissions in metric tonnes CO2e</b>		
Business travel	32.03	24.99
<b>Total</b>	<b>32.03</b>	<b>24.99</b>
<b>Total gross emissions in metric tonnes CO2e</b>	<b>803.32</b>	<b>829.24</b>
<b>Intensity ratio</b>		
Staff members average Full Time Equivalent (FTE)	508	496
Metric tonnes CO2e per FTE staff member	1.58	1.67

The College group has three main sites, all with their own gas-fueled boilers and electricity to purchase from the grid network. The College consolidated its vehicle fleet in 2024 and has reduced its leases from 19 to 15, and introducing 5 electric vehicles for the first time. There are approx. 508 FTE staff some of whom claim business mileage.

## Quantification and Reporting Methodology

We have followed the DfE Streamlined Energy and Carbon Reporting (SECR) 2022 Guidance. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

## Intensity Measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per staff member; the recommended ratio for the sector.

## Measures taken to improve energy efficiency

The college is committed to reducing carbon emissions and has taken the following steps to improve energy efficiency:

- LED lighting has been installed in our public areas and we continue the upgrade on a rolling programme, we are 80% complete overall and will complete the remainder as we refurbish in the coming years as part of a rolling programme
- We have installed 200 Solar PV panels and plan to install more in 2027/28 after the defect period is complete for our roof replacement project at Poole.
- The majority of our buildings have cladding to improve thermal energy.
- We have Department for Education project investment funding for our grade 2 listed building in Bournemouth to add roof insulation and upgrade M&E plant which will be completed in 2026.
- The Department for Education funded new building being built at our Bournemouth campus will replace Horsa Huts and poor condition buildings demolished in 2023 and will be complete in 2026 – the new contemporary designed building should achieve net zero status.
- Our other small project works take a full fabric approach to ensure we take every opportunity to improve condition, u-values and are future proof.
- Where possible we consolidate areas/buildings to “mothball” underutilized space
- We procure energy efficient IT including desktop and laptop PCs and server units.
- We have reduced the College Estates van fleet from 10 petrol vans to 8, 5 of which are EV vans and have reduced the diesel minibus fleet from 8 to 6 plus 1 diesel flatbed truck.
- We promote our cycle to work scheme and are working on a wider Green Travel Plan.
- The College has replaced legacy oversized gas heating systems with either energy efficient gas boilers or electric systems and those carbon reductions are evidenced in our 2023/24 SECR.
- The MFD fleet was reduced by 25% from 52 to 39 MFDs

## Year on Year Comparison

Year	Carbon tonne equivalent (tCO2e)	Intensity Ratio	Commentary
2021/22	926.85	1.77	Both Intensity ratio and tCO2e reduced from previous year due to reduced transport and business mileage while the College returned to normal operations following COVID, and Gas consumption was less. The Staff average FTE was static @ 522
2022/23	829.24	1.67	<u>Significant reduction of 10.4% in overall tCO2e from previous year 2021/22</u> , mostly due to the cost saving initiatives put in place to mitigate the industry wide utility price hikes. Scope 2, Electricity, decreased by 81.03 (18%) tCO2e, compared to the previous year 2021/22. Staff average FTE dropped from 522 to 496.
2023/24	803.32	1.58	<u>A reduction of 3.1% in overall tCO2e from previous year 2022/23</u> , mostly due to the decommission of T Block building and its gas heavy Catering Learning moving to electric resulting in Scope 1, Gas decrease of 69 (17%) tCO2e, compared to the previous year 2022/23. Staff average FTE increased from 496 to 508.

## **FUTURE DEVELOPMENTS**

An increasing number of 16-18 year-olds in the local area through to 2028 provides opportunity for the College to introduce additional provision, including assisting the higher number of students with additional support needs. We aim to strengthen our reputation through effective marketing and great events and build further on our schools engagement.

Through working closely with employers across nearly every sector of the economy, we aim to train people in the skills needed to create prosperity and a better society. We plan to expand apprenticeships in high demand areas by large scale employer partnerships.

For our adult learners we will continue to develop our portfolio of courses, developing modular options where possible and will work in conjunction with our university partnerships, whilst embedding relationships with key employers into our programmes.

Our strategic plan 2024-2030, outlined in the beginning of this report, is underpinned by implementation plans that will deliver against our objectives and progress will be tracked through the plans and against an agreed set of KPIs.

## **Treasury policies and objectives**

With regard to Financial Condition, detail in the Financial Regulations stipulates that:

The Principal shall not:

- Allow the College's financial health assessment to fall below requires improvement
- Spend funds that would exceed any approved overdraft facility
- Enter into any long-term borrowing arrangement
- Breach any loan covenants
- Deliver surpluses that are lower than agreed
- Allow the cash flow delivery to be lower than agreed.

## **Reserves**

The College has no formal Reserves Policy but recognises the importance of reserves in the financial stability of any organisation and ensures that there are adequate reserves to support the College's core activities. The College has no restricted reserves. As at the balance sheet date the Income and Expenditure reserve stands at £13,414k (2024: £12,447k), excluding pension reserves. It is the Corporation's intention to increase reserves over the life of the strategic plan through the generation of annual operating surpluses. The Local Government Pension Scheme valuation has resulted in a surplus valuation for July 2025, but for prudence this has not been reflected in the total reserves.

## **PRINCIPAL RISKS AND UNCERTAINTIES**

The College has well developed strategies for managing risk and strives to embed risk management in all that it does. Risk management processes are designed to protect its assets, reputation and financial stability. The Board of the Corporation has overall responsibility for risk management and its approach to managing risks and internal controls is explained in the Statement of Corporate Governance.

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

The current version of our risk register identifies the top four risks as:

- Failure to sufficiently protect staff, learners and the College estate from critical incidents
- Significant loss of data and operational disruption through a cyber-attack including unauthorised access, data breach, ransomware, phishing attacks and other malicious activities
- A member of staff or a student fails to comply with our Health and Safety Framework, putting staff and students at risk
- An employer(s) providing significant learners to the College ceases to contract with the College at short notice resulting in income loss and reputational risk

### **Financial plan**

The College governors approved a financial plan in June 2025 which sets objectives for the period until 2027 and the numbers incorporated in this plan were submitted to the Department for Education in the College Financial Forecast Report alongside an accompanying commentary. In all three years of the plan the College will meet its bank loan covenant tests and achieve a financial health grade of good.

### **KEY PERFORMANCE INDICATORS**

A new college strategy was been launched in 2024 and KPIs have been developed to support the implementation of the strategy. These KPIs are aligned to the key strands of the strategy and progress will be reviewed with the Board regularly.

#### **Student Achievements**

Students continue to prosper at the College.

Education & Training (Classroom) Achievement				
	24/25	23/24	22/23	National Rate
16-18 year-olds	82.40%	83.60%	83.70%	83.40%
19+	88.10%	88.10%	87.40%	87.80%
Maths	76.60%	69.40%	69.60%	
English	76.30%	74.30%	78.50%	
Total	85.10%	85.60%	85.60%	85.50%

Apprenticeship Achievement				
	24/25	23/24	22/23	National Rate
16-18 year-olds	57.40%	59.90%	59.50%	59.50%
19+	68.60%	67.10%	66.50%	64.40%
Total	64.00%	63.90%	63.50%	62.30%

#### **Payment Performance**

The Late Payment of Commercial Debts (Interest) Act 1998, in the absence of agreement to the contrary, requires organisations to make payments to suppliers within 30 days of either the provision of goods or services or the date on which the invoice was received. The target set by the Treasury for payment to suppliers within 30 days is 95 per cent. During the accounting period 1 August 2024 to 31 July 2025, the College paid 94% of its invoices within 30 days. The College incurred no interest charges in respect of late payment for this period.

## **Equality, Diversity and Inclusion**

Our Equality, Diversity and Inclusion Policy is available on our website, and the key principles are set out below.

We champion equality and diversity which, for us, is about being pro-active, practical and positive. We promote equality because we believe it is the right thing to do and we value diversity because it makes the College a more creative place to learn and work.

Because we receive public funds, we are bound by the Equality Act 2010 and the Public Sector Equality Duty. This requires us, in all that we do, to have due regard to the need to:

- eliminate unlawful discrimination and harassment,
- advance equality of opportunity between people who share a protected characteristic and those who do not,
- foster good relations between people who share a protected characteristic and those who do not.

Our equality priorities are set to provide protection from discrimination or harassment on the basis of eight characteristics: age, race, gender, gender identity, religion/ belief, sexuality and disability, marriage and civil partnership and pregnancy, maternity and paternity.

Equality and diversity are managed by the Senior Leadership. There is an Equality, Diversity and Inclusion Group that researches and promotes best practice and helps to write the annual Equality Action Plan. Progress against the Plan is monitored by the Group and also by the Corporation. We also have six Equality Champions who help us to keep issues in the spotlight.

Our Policy sets out our approach to Equality, Diversity and Inclusion in the following areas:

- students and studying,
- staff and working,
- leadership and managing,
- local community and procurement,
- places and spaces - our environment.

## **Gender Pay Gap Reporting**

The pay gap for 2024 is:

Mean	Median
10.4%	15.4%

The gender distribution across the quartiles of the College:

Quartile	Male	Female
Lower	29.2%	70.8%
Lower Middle	34.5%	65.5%
Upper Middle	42.9%	57.1%
Upper	57.5%	42.5%

The College publishes its annual gender pay gap report on its website.

## **Disability Statement**

The college seeks to achieve the objectives set out in the Equality Act 2010. We publish a Property Strategy Access and Inclusion Statement to achieve these objectives and complete access audits to inform future capital projects aimed at improving access.

The College has an appointed staff member who provides information and advice and arranges support where necessary for students with disabilities.

There is a list of specialist equipment, such as radio aids, which the College can make available for use by students and a range of assistive technology is available in the Study Advice Centres.

We have a Student Admissions Policy and 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 learning support staff who can 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.

Specialist programmes are described in College prospectuses and achievements and destinations are recorded and published in the standard College format.

Counselling and welfare services and the Complaints and Disciplinary Procedures are described in the College Student Handbook, which is issued to students at induction.

## **Trade union facility time**

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

### **Employees in your organisation**

- 500 to 1,500 employees

### **Trade union representatives and full-time equivalents**

- Trade union representatives: 4
- FTE trade union representatives: 0.8

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

- 0% of working hours: 0 representatives
- 1 to 50% of working hours: 4 representatives
- 51 to 99% of working hours: 0 representatives
- 100% of working hours: 0 representatives

### **Total pay bill and facility time costs**

- Total pay bill: £24,407,486
- Total cost of facility time: £30,617
- Percentage of pay spent on facility time: 0.13%

### **Paid trade union activities**

- Hours spent on paid facility time: 850
- Hours spent on paid trade union activities: 0
- Percentage of total paid facility time hours spent on paid TU activities: 0.00%

## **GOING CONCERN**

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

The budget for 2025/26 assumes an operating surplus of £600k and the College expects a positive cashflow all year.

## **EVENTS AFTER THE REPORTING PERIOD**

There are no significant post balance sheet events.

## **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 11 December 2025 and signed on its behalf by:**



**D Ford**  
**Chair of Governors**  
**Statement of Corporate Governance and Internal Control**

## **Statement of Corporate Governance and Internal Control**

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

We endeavour to conduct our business:

- In accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
- In full accordance with the guidance to colleges from the Association of Colleges in Further Education Code of Good Governance ("The Code"); and
- Having due regard to the UK Corporate Governance Code 2024 insofar as it is applicable to the further education sector.

We are committed to exhibiting best practice in all aspects of corporate governance and in particular we have adopted and complied with The Code. We have not adopted and therefore do not apply the UK Corporate Governance Code. However, we have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code we consider to be relevant to the further education sector and best practice.

In the opinion of the Corporation, the College complies with all the provisions of The Code and it has complied throughout the year ended 31 July 2025. 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 corporate governance at all times. In carrying out its responsibilities, it takes full account of The Code issued by the Association of Colleges which it formally adopted on 19 October 2023.

The College is an exempt charity within the meaning of Part 3 of the Charities Act 2022. The members of the Corporation, who are also the Trustees for the purposes of the Charities Act 2022, confirm that they have had due regard for the Charity Commission's guidance on public benefit and that the required statements appear within our Strategic Report under the heading Objectives and Strategy.

### **The Corporation**

Lists of members who served on the Corporation during the year and up to the date of signature of this report are set out on pages 20-21. It is the Corporation's responsibility to bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct.

The Corporation is provided with regular and timely information on the overall financial performance of the College together with other information such as performance against funding targets, proposed capital expenditure, academic quality indicators and HR related matters, including health and safety and environmental issues.

In 2024/25 the Corporation operated a committee governance model. The requirement was for at least three Corporation meetings during the year and this was the case. Throughout the year the Corporation was supported in the conduct of its business by a number of committees, each of which has terms of reference that have been approved by the Corporation. These committees are Audit & Risk, Curriculum, Quality & Standards, Finance & Resources, Remuneration, Search & Governance, Human Resources and Markets and Development.

Full minutes of the Board, the Audit & Risk and the Search & Governance Committee meetings, except those deemed to be confidential by the Corporation, are available on the College's website or from the Clerk to the Corporation at:

The Bournemouth and Poole College  
North Road  
Poole  
BH14 0LS

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

## **Statement of Corporate Governance and Internal Control (continued)**

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

Formal agendas, papers and reports are supplied to members in a timely manner, prior to Board and Committee meetings. Briefings are also provided on a regular basis and Board members participate in strategic planning events each year. The Corporation has overall responsibility for reviewing and approving the annual Financial Statements, taking assurance from the opinions of the, Finance & Resources Committee and the Audit & Risk Committee.

The Corporation has a strong and independent non-executive element and no individual or group dominates its decision-making process. The Corporation considers that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement.

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

All members are non-executive volunteers and carry out their roles without receiving payment or personal financial benefit.

### **Appointments to the Corporation**

Any new appointments to the Corporation are a matter for the consideration of the Corporation as a whole. The Corporation has a Search & Governance Committee, consisting of four members of the Corporation including the Principal. The Committee is responsible for the selection and nomination of any new member for the Corporation's consideration. The Corporation is responsible for ensuring that appropriate training is provided as required.

Members of the Corporation are initially appointed for a 4-year term of office. This may be extended to two terms. Membership will only be extended beyond 8 years in exceptional circumstances.

There has been a focus on widening diversity of Board Members over recent years, the Board has a good balance of gender split, age profile and Members from a range of professional sectors and backgrounds. The increased diversity has resulted in Board Members generally being in full time employment.

### **Governance Professional**

The Board is supported by an experienced and efficient Director of Governance/Clerk to the Corporation. The Director of Governance has undertaken a number of development activities in the year to 31 July 2025, including attendance at relevant Eversheds and Stone King briefing sessions, attendance at the AoC Annual Conference 2024, Governance Professionals Annual Conference and at a number of AoC Regional Governance and Governance Professional events. In spring 2021 the Director of Governance successfully completed The Technical Aspects of being a Governance Professional - Intermediate level programme (accredited by the Institute of Leadership & Management).

### **Corporation Performance – SAR Statement**

The Board has assessed that corporate governance is strong. Governance documents are reviewed annually to ensure compliance and accountability. Board Members use their wide-ranging skills to provide rigorous scrutiny and to contribute to and ratify the strategic direction of the College. They challenge management reports appropriately and ensure that risk management is carried out. The Board receives regular performance reports and monitors under-performing areas. Agreed performance targets are regularly monitored and Board Members are well informed about the financial health of the College.

Safeguarding training for Board Members, including Prevent training, is up to date and is regularly refreshed. Emphasis is placed on the promotion of Equality and Diversity throughout all aspects of the Corporation's business.

## **Statement of Corporate Governance and Internal Control (continued)**

Board Members have attended a broad range of training events during the year 1 August 2024-31 July 2025. The Chair of the Corporation attended the AoC National Conference in November 2024. Relevant Committee Members have attended AoC Chairs' network events (including Audit, Curriculum, SEND and EDI).

Board Members also carry out learning visits and networking activities with College SLT members and other managers. At learning visits and other college events, Board Members have opportunities to speak to a range of staff and students.

During 2024-25 Members have attended a range of events in College including The Annual Teachers' Conference and Student Parliament events.

The Board annually reviews its own performance through individual committee self-assessment. Performance reviews of individual Members were carried out by the Chair and the Governance Professional during Summer 2025. The Chair's performance was reviewed by the Corporation on 26 June 2025.

During 2023-24, the Board had an External Governance Review. This took place during the summer term 2024, and was completed by the AoC. A report was received which included a number of recommendations from which an action plan has been developed and completed. The next External Governance Review will be completed in Summer term 2027.

### **Remuneration Committee**

The College adopted the Colleges' Senior Postholder Remuneration Code in 2019 and at that time some updates were made to the Committee's terms of reference to ensure compliance.

Throughout the year ending 31 July 2025 the College's Remuneration Committee comprised three members of the Corporation. The Committee's responsibilities are to make recommendations to the Board on the remuneration and benefits of the Accounting Officer and other senior post-holders.

Details of remuneration for the year ended 31 July 2025 are set out in note 8 to the financial statements.

### **Audit & Risk Committee**

Throughout the year ending 31 July 2025 the Audit & Risk Committee comprised four members of the Corporation (excluding the Accounting Officer) plus one external co-opted member. The Committee operates in accordance with the written terms of reference approved by the Corporation.

The Audit & Risk Committee meets on a termly basis 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 those reports from the main FE funding bodies that affect the College's business. The Audit & Risk Committee is responsible for reviewing the corporate statements within the draft annual Financial Statements before presentation to the Corporation, taking into consideration the opinion of the Finance and Resources Committee on the reliability of the year-end accounts, the management letter from the External Audit and Regularity Audit, and that correct accounting treatments have been applied.

The College's internal auditors monitor 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 & Risk Committee.

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

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

## **Statement of Corporate Governance and Internal Control (continued)**

### **Finance and Resources Committee**

The Finance & Resources Committee consists of a minimum of four Board members, the Chief Operating Officer and the Director of Finance. The committee meets at least termly to more thoroughly review and monitor the College's management accounts on behalf of the Corporation. It also has a responsibility to review the draft annual Financial Statements each November and to give an opinion to the Audit & Risk Committee regarding the reliability of the year-end accounts, to give assurance that they are in line with expected outcomes based on the monthly management accounts.

### **Internal Control**

#### *Scope of Responsibility*

The Corporation is ultimately responsible for the College's system of internal control and for reviewing its effectiveness. However, such a system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss. The Corporation has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the College's policies, aims and objectives, whilst safeguarding the public funds and assets for which he is personally responsible, in accordance with the responsibilities assigned to him in the Financial Memorandum between the College and the funding bodies. He is also responsible for reporting to the Corporation any material weaknesses or breakdowns in internal control.

#### *The Purpose of the System of Internal Control*

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

#### *Capacity to Handle Risk*

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

#### *The Risk and Control Framework*

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

- comprehensive budgeting systems with an annual budget, which is reviewed and agreed by the Corporation
- regular reviews by the Finance & Resources Committee and the Corporation, of periodic and annual financial reports which indicate financial performance against forecasts
- setting and monitoring targets to measure financial and other performance
- clearly defined capital investment control guidelines
- the adoption of formal project management disciplines, where appropriate.

The College has an internal audit service, which operates in accordance with the requirements of the Institute of Internal Auditors International Professional Practice Framework, the Public Sector Internal Audit Standards and the Department for Education Framework and Guide for External Auditors and Reporting Accountants of Colleges. The work of the internal audit service is informed by an analysis of the risks to which the College is exposed, and annual internal audit plans are based on this analysis. The analysis of risks and the internal audit plans are endorsed by the Corporation on the recommendation of the Audit & Risk Committee. At a minimum annually, the Head of Internal Audit (HIA) provides the Corporation with a report on internal audit activity in the College. The report includes the HIA's independent opinion on the adequacy and effectiveness of the College's system of risk management, controls and governance processes.

## **Statement of Corporate Governance and Internal Control (continued)**

### *Risks faced by the corporation*

Risks are identified through the following methods: risk assessment of the strategic plan to identify strategic level risks, operational risk identification within curriculum areas and business support departments and project risk identification through Project Steering groups. A risk management policy is in place that outlines the required approach for the identification, evaluation, control, review and reporting of risks. Risk Management processes are monitored by the College Internal Auditors in accordance with the Department for Education Framework and Guide for External Auditors and Reporting Accountants of Colleges and reported to the Corporation. Risks are tracked on the College Risk Register which is used to express risks in terms of event, consequence and impact and to rank the risks by severity of consequence. Risks are scored for impact and likelihood of occurrence using an agreed scale and scoring mechanism to assess overall risk severity. Each risk is assessed twice, firstly the inherent risk before any action has been taken to manage it and secondly the residual risk after action has been taken to manage it. College level risks are reviewed by the College Executive and reported to the Audit Committee and the Board on a regular basis. Risk appetite is reviewed on a bi-annual basis in line with the Risk Management Policy to ensure it remains current and appropriate. The key risks are identified in the Strategic Report.

### *Control weaknesses identified*

There were no fundamental control issues requiring immediate action (i.e. critical) identified during the year. The internal audit reviews completed during the year determined that adequate controls and processes are in place within the College for the areas reviewed.

### *Responsibilities under accountability agreements*

The Department for Education 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 college financial handbook was introduced in 2024. The college has reviewed its policies, procedures and approval processes in line with these new requirements to ensure there are systems in place to identify and handle any transactions for which DfE approval is required. The College Financial Regulations have been updated to recognise the requirement to identify and handle any transactions for which DfE or HM Treasury approval is required.

### *Statement from the audit committee*

The audit committee has advised the board of governors that the corporation has an effective framework for governance and risk management in place. The audit committee believes the corporation has effective controls in place. The specific areas of work undertaken by the audit committee in 2024/25 and up to the date of the approval of the financial statements include:

- Internal Audits (Risk Management, Student Records, Apprenticeships, Payroll, Expenses & Benefits, Bursary & Learner Support, Work Experience)
- DfE Funding Assurance Review was carried out in 2024/25: by Wbg Services LLP, results are pending
- Risk Management - the register is updated and reviewed regularly, and the committee is of the opinion that this work gives adequate assurance on the effectiveness of the system of internal financial and management control, of the risk management framework, safeguarding of assets and controls to prevent fraud and irregularity.
- Ofsted inspection in January 2025 confirmed the college – overall effectiveness: Good
- External Board review was undertaken in Summer 2024 which concluded that the Board is highly proficient and consistently impacts positively on college strategy, effectiveness and outcomes.
- Fraud Register review in June 2025 concluded that there was adequate assurance that systems are in place to identify and deal with instances of fraud and irregularity
- External Auditors' performance was reviewed and the committee was satisfied with their performance
- Internal auditors, Validera, were appointed in July 2024 following the end of the previous contract with TIAA and a scheduled re-tender exercise
- Self-assessment of the Audit & Risk Committee in June 2025 concluded that it was effective in meeting its Terms of Reference

## **Statement of Corporate Governance and Internal Control (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
- comments made by the College's financial statements auditors and reporting accountant to regularity assurance.

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 & Risk 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 that is in place.

The Senior Leadership Team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments and reinforced by risk awareness training. The Senior Leadership Team and the Audit & Risk Committee also receive regular reports from internal audit, which include recommendations for improvement. The Audit & Risk Committee's role in this area is confined to a high-level review of the arrangements for internal control. The Corporation's agenda includes a regular item for consideration of risk and control and receives reports thereon from the Executive Team and the Audit & Risk Committee.

The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its 11 December 2025 meeting, the Corporation carried out the annual assessment for the year ended 31 July 2025 by considering documentation from the Executive Team and internal audit, and taking account of events since 31 July 2025.

Based on the advice of the Audit & Risk 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 11 December 2025 and signed on its behalf by:**



D Ford  
Chair of Governors



P Sayles  
Accounting Officer

## MEMBERS OF THE CORPORATION

The members who served on the Corporation during the year 2024/25

<u>Name</u>	<u>Date of Appointment</u>	<u>Term of Office</u>	<u>Date of Resignation</u>	<u>Committees Served</u>	<u>Attendance in 2024/25*</u>
Mr David Ford	April 2015 Re-appointed April 2018, April 2021 and April 2024	Until July 2027		Chair of the Corporation Member: Search & Governance, Remuneration, F&RC and HR	Board: 100% Search & Governance: 100% F&RC: 100% Remuneration:100% HR:66% M&DC
Mr John Dale	October 2019 Re-appointed June 2025	2 years		Member: Board, F&RC	Board: 100% F&RC: 100%
Mr Ian Jones	November 2019 Re-appointed June 2025	2 years		Member: Board, Audit & Risk	Board:75% Audit & Risk: 66% Search: 100% Remuneration: 100%
Mrs Caron Khan	August 2020 Re-appointed July 2023	3 years		Member: Board Chair of M&DC	Board: 25% M&DC: 100%
Mr Dan Tout	July 2019 Re-appointed July 2022	3 years	30 June 2025	Member: Board Chair: Audit & Risk	Board: 25% Audit & Risk: 100%
Miss Sue Wellman	March 2018, re-appointed March 2021 and March 2024	Until July 2026		Vice Chair of the Corporation, Chair of CQ&SC, Member: Remuneration, Search & Governance and HR	Board: 75% Search & Governance: 100% Remuneration: 100% CQ&SC: 100% HR: 100%
Ms Sadie Wetherell	1 September 2021 Re-appointed September 2024	3 years	28 January 2025	Member: CQ&SC HR	Board: 50% CQ&SC: 100% HR:100%
Dr Michael Fanner	1 October 2021	3 years	Resigned October 2023 Re-appointed 1 April 2024 – 31 August 2024	Board Lead for Safeguarding & Prevent Member: Board CQ&SC	NA
Ms Saba Rubaei	1 November 2021 Re-appointed November 2024	3 years		Member: Board Audit & Risk	Board: 100% Audit & Risk: 100%
Mr Michael Kennedy	14 February 2022 Re-appointed February 2025	3 years		Chair: F&RC Member: Board	Board: 75% F&RC: 100%

<u>Name</u>	<u>Date of Appointment</u>	<u>Term of Office</u>	<u>Date of Resignation</u>	<u>Committees Served</u>	<u>Attendance in 2024/25*</u>
Mrs Sharon Jones	1 September 2023	3 years		Member: Board CQ&SC	Board: 100% CQ&SC:100%
Rachel Trickey	1 September 2024	3 years		Member: Board CQ&SC	Board: 75% CQ&SC:66%
Professor Elizabeth Mytton	1 September 2024	3 years		Member: Board CQ&SC Board Lead for Safeguarding & Prevent	Board: 100% CQ&SC:100%
Kim Welsh	1 December 2024	3 years		Member: Board A&RC	Board: 0% A&RC:100%
Dr Neelam Parmar	1 December 2024	3 years		Member: Board CQ&SC, M&DC	Board: 100% CQ&SC:100%
Mr Phil Sayles	1 January 2022	Principal		Member: Board Search & Governance, F&RC, HR	Board: 100% Search & Governance:100% F&RC:100% HR: 100%
Mr Fran Bove	9 October 2023	2 years (Staff Member)	8 October 2025	Member: Board CQSC	Board: 100% CQ&SC: 66%
Mr Denzil Sheppard	1 March 2025	3 years (Staff Member)		Member: Board	Board: 100%
Mr Steve Burns	9 October 2025	3 years (Staff Member)		Member: Board	Board: 100%
Alistair Blackmore-Wells	1 September 2024	1 year (Student Member)		Student Board Member	Board: 33%
Tara Faloon	1 September 2024	1 year (Student Member)		Student Board Member	Board: 100%
Sofia Poulson	1 September 2025	1 year (Student Member)		Student Board Member	Board: 100%
Hadyn Tyrell	1 September 2025	1 year (Student Member)		Student Board Member	Board: 100%
Cassidy Maidment	1 September 2025	1 year (Student Member)		Student Board Member	Board: 100%
Mrs Neethu Stephen - Co-opted member of Audit & Risk Committee from 1 September 2020					Audit & Risk: 33%
<b>Overall Attendance 2024/25 for Board and Committees*</b>					<b>Total: 87%</b>

\* It should be noted that Members also attended various College events, meetings and external AoC events during the year.

### **Statement of Regularity, Propriety and Compliance**

As accounting officer of the corporation of Bournemouth & Poole College I confirm that I have had due regard to the framework of authorities governing regularity, propriety and compliance, including the college's accountability agreement with DfE, and the requirements of the College Financial Handbook. I have also considered my responsibility to notify the corporation's board of governors and DfE of material irregularity, impropriety and non-compliance with terms and conditions of all funding.

I confirm that I, and the board of governors, are able to identify any material irregular or improper use of all funds by the corporation, or material non-compliance with the framework of authorities.

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



**P Sayles**  
Accounting Officer

**Date:** 11 Dec 2025

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

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

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

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

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

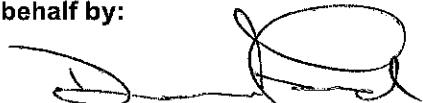
The corporation is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the corporation and which enable it to ensure that the financial statements are prepared in accordance with relevant legislation including the Further and Higher Education Act 1992 and Charities Act 2022, and relevant accounting standards. It is responsible for taking steps that are reasonably open to it to safeguard its assets and to prevent and detect fraud and other irregularities.

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

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

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

**Approved by order of the members of the corporation on 11 December 2025 and signed on its behalf by:**



**D Ford**  
**Chair of Governors**

## INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF BOURNEMOUTH & POOLE COLLEGE

### Opinion

We have audited the financial statements of Bournemouth & Poole College (the 'College') and its subsidiaries (the 'Group') for the year ended 31 July 2025 which comprise the consolidated and college statements of comprehensive income, the consolidated and college balance sheets, the consolidated and college statements of changes in reserves, the consolidated/college statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 College Accounts issued by the Department for Education.

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 2025 and of the Group's and the College's surplus of income over expenditure for the year then ended; and
- 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 Department of Education.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the 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 Strategic Report and Financial Statements other than the financial statements and our auditor's report thereon. The governors are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

## **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) 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 Framework and Guide for External Auditors and Reporting Accountants of Colleges issued by the Department for Education 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 to the accounts, 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 Bournemouth & Poole College**

As explained more fully in the Statement of the Corporation's Responsibilities set out on pages 14 to 23, 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.

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

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the college through discussions with governors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the college, including Keeping Children Safe in Education, Ofsted, DfE and OfS regulatory requirements, data protection, anti-bribery,

- employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

#### **Audit response to risks identified**

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- reviewed all transactions listed;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims

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

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 Department for Education and our engagement letter dated 17 July 2023. 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.

Alliotts LLP

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Alliotts LLP (Dec 12, 2025, 12:17pm)

#### **Alliotts LLP**

Chartered Accountants  
3 London Square  
Cross Lanes  
Guildford  
Surrey  
GU1 1UJ      12 Dec 2025  
Date:

## INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY

In accordance with the terms of our engagement letter dated 17 July 2023 and further to the requirements of Department for Education (DfE), as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Colleges, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by Bournemouth & Poole College during the period 1 August 2024 to 31 July 2025 have not been applied to the purposes intended by Parliament or the financial transactions do not conform to the authorities which govern them.

The framework that has been applied is set out in the extant Framework and Guide for External Auditors and Reporting Accountants of Colleges issued by the DfE and in any relevant conditions of funding concerning adult education notified by a relevant funder. In line with this framework, our work has specifically not considered income received from the main funding grants generated through the Individualised Learner Record data returns, for which the DfE or devolved authority has other assurance arrangements in place.

### **Respective responsibilities of Bournemouth & Poole College and the reporting accountant**

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

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

### **Approach**

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

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

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

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

The work undertaken to draw our conclusion included:

- Documenting the framework of authorities which govern the activities of the College;
- Undertaking a risk assessment based on our understanding of the general control environment and any weaknesses in internal controls identified by our audit of the financial statements;
- Reviewing the self-assessment questionnaire which supports the representations included in the Chair of Governors and Accounting Officer's statement on regularity, propriety and compliance with the framework authorities;
- Testing transactions with related parties;
- Confirming through enquiry and sample testing that the College has complied with its procurement policies and that these policies comply with delegated authorities; and
- Reviewing any evidence of impropriety resulting from our work and determining whether it was significant enough to be referred to in our regularity report.

This list is not exhaustive and we perform additional procedures designed to provide us with sufficient appropriate evidence to express a limited assurance conclusion on regularity consistent with the requirements of the framework.

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.

### **Conclusion**

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

### **Use of our report**

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

*Alliotts LLP*

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Alliotts LLP (Dec 12, 2025, 12:17pm)

**Alliotts LLP**

Chartered Accountants

3 London Square,

Cross Lanes,

Guildford.

GU1 1UJ 12 Dec 2025

Date:

THE BOURNEMOUTH AND POOLE COLLEGE  
 CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
 FOR THE YEAR ENDED 31 JULY 2025

	Notes	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
<b>INCOME</b>					
Funding body grants	2	31,511	31,511	27,852	27,852
Tuition fees and education contracts	3	5,289	5,289	5,538	5,538
Other grants and contracts	4	279	279	437	437
Other income	5	1,699	1,699	1,572	1,572
Endowment and investment income	6	114	114	118	118
<b>Total income</b>		<b>38,892</b>	<b>38,892</b>	<b>35,517</b>	<b>35,517</b>
<b>EXPENDITURE</b>					
Staff costs	8	25,988	25,987	23,157	23,157
Other operating expenses	9	8,912	8,912	8,168	8,168
Depreciation	15	2,504	2,504	2,528	2,528
Interest and other finance costs	12	120	120	310	310
<b>Total expenditure</b>		<b>37,524</b>	<b>37,523</b>	<b>34,163</b>	<b>34,163</b>
<b>Surplus before other gains and losses</b>		<b>1,368</b>	<b>1,369</b>	<b>1,354</b>	<b>1,354</b>
Profit/(loss) on disposal of assets		5	5	(1,359)	(1,359)
<b>Surplus/(Deficit) before tax</b>		<b>1,373</b>	<b>1,374</b>	<b>(5)</b>	<b>(5)</b>
<b>Surplus/(Deficit) for the year</b>	14	<b>1,373</b>	<b>1,374</b>	<b>(5)</b>	<b>(5)</b>
<b>Actuarial loss in respect of pension schemes</b>	25	<b>(423)</b>	<b>(423)</b>	<b>(170)</b>	<b>(170)</b>
<b>Total Comprehensive Income for the year</b>		<b>950</b>	<b>950</b>	<b>(175)</b>	<b>(175)</b>
<b>Represented by:</b>					
<b>Unrestricted comprehensive income</b>		<b>950</b>	<b>950</b>	<b>(175)</b>	<b>(175)</b>
<b>Restricted Endowment comprehensive income</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
		<b>950</b>	<b>950</b>	<b>(175)</b>	<b>(175)</b>
<b>Surplus/(Deficit) for the year attributable to:</b>					
<b>Non-controlling interest</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Group</b>		<b>1,373</b>	<b>1,373</b>	<b>(5)</b>	<b>(5)</b>
<b>Total Comprehensive Income for the year attributable to:</b>					
<b>Non-controlling interest</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Group</b>		<b>950</b>	<b>950</b>	<b>(175)</b>	<b>(175)</b>

All items of Income and Expenditure relate to continuing activities.

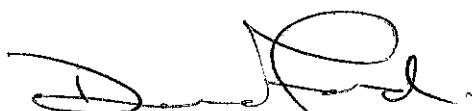
THE BOURNEMOUTH AND POOLE COLLEGE  
CONSOLIDATED AND COLLEGE STATEMENT OF CHANGES IN RESERVES

	Income and Expenditure account	Revaluation reserve	Total excluding Non- controlling interest
	Unrestricted		
	£'000	£'000	£'000
<b>Group</b>			
<b>Balance at 1st August 2023</b>	12,541	2,923	15,464
(Deficit) from the income and expenditure account	(5)	-	(5)
Other comprehensive income	(170)	-	(170)
Transfers between revaluation and income and expenditure reserves	81	(81)	-
<b>Total comprehensive income for the year</b>	(94)	(81)	(175)
<b>Balance at 31st July 2024</b>	<b>12,447</b>	<b>2,842</b>	<b>15,289</b>
Surplus from the income and expenditure account	1,373	-	1,373
Other comprehensive income	(423)	-	(423)
Transfers between revaluation and income and expenditure reserves	16	(16)	-
<b>Total comprehensive income for the year</b>	<b>966</b>	<b>(16)</b>	<b>950</b>
<b>Balance at 31st July 2025</b>	<b>13,414</b>	<b>2,826</b>	<b>16,240</b>
<b>College</b>			
<b>Balance at 1st August 2023</b>	12,542	2,923	15,465
(deficit) from the income and expenditure account	(5)	-	(5)
Other comprehensive income	(170)	-	(170)
Transfers between revaluation and income and expenditure reserves	81	(81)	-
<b>Total comprehensive income for the year</b>	<b>(94)</b>	<b>(81)</b>	<b>(175)</b>
<b>Balance at 31st July 2024</b>	<b>12,448</b>	<b>2,842</b>	<b>15,290</b>
Surplus from the income and expenditure account	1,374	-	1,374
Other comprehensive income	(423)	-	(423)
Transfers between revaluation and income and expenditure reserves	16	(16)	-
<b>Total comprehensive income for the year</b>	<b>966</b>	<b>(16)</b>	<b>950</b>
<b>Balance at 31st July 2025</b>	<b>13,414</b>	<b>2,826</b>	<b>16,240</b>

THE BOURNEMOUTH AND POOLE COLLEGE  
BALANCE SHEET AS AT 31 JULY 2025

	Notes	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
<b>Fixed assets</b>					
Tangible assets - Property & Equipment	15	28,771	28,771	27,232	27,232
Tangible assets - Heritage assets	16	313	313	313	313
<b>Total fixed assets</b>		<b>29,084</b>	<b>29,084</b>	<b>27,545</b>	<b>27,545</b>
<b>Current assets</b>					
Stock		13	13	13	13
Trade and other receivables	17	2,253	2,253	2,373	2,380
Cash and cash equivalents	24	7,633	7,490	6,492	6,398
<b>Total current assets</b>		<b>9,899</b>	<b>9,756</b>	<b>8,878</b>	<b>8,791</b>
Creditors: amounts falling due within one year	18	(6,445)	(6,303)	(6,125)	(6,037)
<b>Net current assets</b>		<b>3,454</b>	<b>3,453</b>	<b>2,753</b>	<b>2,754</b>
<b>Total assets less current liabilities</b>		<b>32,538</b>	<b>32,537</b>	<b>30,298</b>	<b>30,299</b>
Creditors: amounts falling due after more than one year	19	(15,744)	(15,744)	(14,448)	(14,448)
<b>Provisions</b>					
Defined benefit obligations	21	(253)	(253)	(261)	(261)
<b>Other provision</b>	21	(300)	(300)	(300)	(300)
<b>NET ASSETS</b>		<b>16,240</b>	<b>16,240</b>	<b>15,289</b>	<b>15,290</b>
Income and expenditure account excluding pension reserve		13,414	13,414	12,447	12,448
Pension reserve		-	-	-	-
Income and expenditure account including pension reserve		13,414	13,414	12,447	12,448
Revaluation reserve	23	2,826	2,826	2,842	2,842
<b>Total unrestricted reserves</b>		<b>16,240</b>	<b>16,240</b>	<b>15,289</b>	<b>15,290</b>
<b>TOTAL</b>		<b>16,240</b>	<b>16,240</b>	<b>15,289</b>	<b>15,290</b>

The financial statements on pages 29 to 57 were approved and authorised for issue by the corporation on 11 December 2025 and were signed on its behalf that date by



D.Ford  
Chair



P.Sayles  
Accounting Officer

**THE BOURNEMOUTH AND POOLE COLLEGE  
CONSOLIDATED STATEMENT OF CASHFLOWS  
as at 31 July 2025**

	Notes	2025 £'000	2024 £'000
<b>Cash inflow from operating activities</b>			
Surplus/(deficit) for the year		1,373	(5)
<b>Adjustment for non-cash items:</b>			
Depreciation		2,504	2,528
Release of government capital grants		(1,270)	(1,174)
Decrease/(Increase) in debtors		120	(1,115)
Increase/(Decrease) in creditors due within one year		(58)	414
Increase/(Decrease) in provisions		22	(139)
Pensions costs less contributions payable		(285)	(327)
<b>Adjustment for investing or financing activities:</b>			
Investment income		(114)	(118)
Interest payable		288	337
FRS 102 pension finance costs		(168)	(27)
(Surplus)/Deficit on sale of fixed assets		(5)	1,360
<b>Net cash flow from operating activities</b>		<b>2,407</b>	<b>1,734</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of fixed assets		5	2
Investment income		114	118
Receipt of government capital grant		3,246	2,414
Payments made to acquire fixed assets		(4,042)	(4,141)
		<b>(677)</b>	<b>(1,607)</b>
<b>Cash flows from financing activities</b>			
Interest paid		(288)	(337)
Repayments of amounts borrowed		(302)	(302)
		<b>(590)</b>	<b>(639)</b>
<b>Increase/(Decrease) in cash and cash equivalents in the year</b>		<b>1,140</b>	<b>(512)</b>
 Cash and cash equivalents at beginning of the year	24	6,492	7,004
Cash and cash equivalents at end of the year	24	<b>7,633</b>	<b>6,492</b>
<b>Increase/(Decrease)</b>		<b>1,141</b>	<b>(512)</b>

# THE BOURNEMOUTH AND POOLE COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

### 1. STATEMENT OF ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES

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

#### **Basis of Preparation**

These financial statements have been prepared in accordance with the Statement of Recommended Practice:

Accounting for Further and Higher Education 2019 (the 2019 FE HE SORP), the College Accounts Direction for 2024 to 2025 and 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). The College is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102.

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

#### **Basis of Accounting**

The financial statements are prepared in accordance with the historical cost convention modified by the revaluation of certain fixed assets.

#### **Going concern**

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

The College had total loans of £4.48 million as at 31 July 2025 (2024: £4.78million) and operates within requirements of the bank covenants.

The budget for 2025/26 assumes a surplus of £600k and the College expects a positive cashflow all year.

Accordingly, the College has a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future, and for this reason will continue to adopt the going concern basis in the preparation of its Financial Statements.

#### **Basis of Consolidation**

The consolidated financial statements include the College and its subsidiary undertakings, Southern Educational Facilities Management Limited and Southern Educational Professional Services Limited using acquisition accounting. Intra-Group sales, balances and profits are eliminated fully on consolidation. In accordance with FRS 102, the activities of the student union have not been consolidated because the College does not control those activities. All financial statements are made up to 31 July 2025. Southern Educational Facilities Management Limited was incorporated 24 May 2019 and Southern Educational Professional Services Limited was incorporated 15 July 2019. The investment in the subsidiaries are held at nil value in the College's accounts.

# THE BOURNEMOUTH AND POOLE COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

### Recognition of income

#### Revenue grant funding

Government revenue grants include funding body recurrent grants and other grants and are accounted for under the accrual model as permitted by FRS 102. Funding body recurrent grants are measured in line with best estimates for the period of what is receivable and depend on the particular income stream involved. Any under achievement for the Adult Education Budget is adjusted for and reflected in the level of recurrent grant recognised in the income and expenditure account. The final grant income is normally determined with the conclusion of the year end reconciliation process with the funding body following the year end, and the results of any funding audits. 16-18 learner-responsive funding is not normally subject to reconciliation and is therefore not subject to contract adjustments.

Levy-funded and DfE funding for co-investment model apprenticeships income is measured in line with best estimates of the provision delivered in the year. The recurrent grant from Office for Students represents the funding allocations attributable to the current financial year and is credited direct to the Statement of Comprehensive Income.

Where part of a government grant is deferred, the deferred element is recognised as deferred income within creditors and allocated between creditors due within one year and creditors due after more than one year as appropriate. Grants (including research grants) from non-government sources are recognised in income when the College is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

#### Capital grant funding

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

#### Fee income

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

#### Investment income

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

#### Agency arrangements

The College acts as an agent in the collection and payment of certain discretionary support funds. Related payments received from the funding bodies and subsequent disbursements to students are excluded from the income and expenditure of the College where the College is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

## THE BOURNEMOUTH AND POOLE COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

#### **Retirement benefits**

Retirement benefits to employees of the College are provided by the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS) which are multi-employer defined benefit schemes, which are externally funded and contracted out of the State Earnings-Related Pension Scheme (SERPS).

The TPS is an unfunded scheme. Contributions to the TPS are calculated so as to spread the cost of pensions over employees' working lives with the College in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by qualified Government actuaries on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 25, the TPS is a multi-employer scheme and the College is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised in the Statement of Comprehensive Income as they are paid each year. Differences between contributions payable in the year and contributions actually paid are shown as either prepayments or accruals.

The LGPS is a funded scheme. The assets of the LGPS are measured using closing fair values. LGPS liabilities are measured using the projected unit credit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Comprehensive Income and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

#### **Short term Employment benefits**

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

#### **Enhanced Pensions**

The actual cost of any enhanced ongoing 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 ongoing pension of a former member of staff is charged in full to the College's income and expenditure account in the year that the member of staff retires. In subsequent years a charge is made to provisions in the balance sheet using the enhanced pension spreadsheet provided by the funding bodies.

# THE BOURNEMOUTH AND POOLE COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

### Tangible Fixed Assets

#### Land and Buildings

Land and buildings inherited from the Local Education Authority are stated in the balance sheet at deemed cost. The associated credit is included in the revaluation reserve. The difference between depreciation charged on the historic cost of assets and the actual charge for the year calculated on the revalued amount is released to the income and expenditure account reserve on an annual basis. Building improvements made since incorporation are included in the balance sheet at cost. Freehold land is not depreciated. Freehold buildings are depreciated over their expected useful economic life of up to 50 years. Leasehold land and buildings are amortised over 50 years or, if shorter, the period of the lease.

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

Buildings under construction are accounted for at cost, based on the value of architects' certificates and other direct costs incurred to 31 July. Finance set-up costs directly attributable to freehold developments are capitalised up to the date of completion of the project. Buildings are not depreciated until they are brought into use. Depreciation in the first year of use is charged from the month the building comes into use.

Where land and buildings are acquired with the aid of specific grants, they are capitalised and depreciated as above. The related grants are credited to a deferred income account within creditors and are released to the income and expenditure account over the expected useful economic life of the related asset on a systematic basis consistent with the depreciation policy. The deferred income is allocated between creditors due within one year and those due after more than one year.

On adoption of FRS 102, the College followed the transitional provision to retain the book value of inherited land and buildings, which were revalued in 1993, but not to adopt a policy of revaluations of these properties in the future. Where significant expenditure is incurred on existing buildings, it is charged to the income and expenditure account in the period it is incurred, unless it meets one of the following criteria, in which case it is capitalised and depreciated on the relevant basis:

- Market value of the fixed asset has subsequently improved
- Asset capacity increases
- Substantial improvement in the quality of output or reduction in operating costs
- Significant extension of the asset's life beyond that conferred by repairs and maintenance

#### Equipment

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

Capitalised equipment has been depreciated on a straight-line basis over its useful economic life as follows:

Motor vehicles and general equipment	5 years
Computer equipment	3 years

Depreciation in the first year of use is charged in full. Fully depreciated items are removed from the balance sheet on an annual basis.

## THE BOURNEMOUTH AND POOLE COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

#### **Heritage Assets**

Where an asset is deemed to have historic, artistic, scientific, technological, geophysical, or environmental qualities, and is held principally for its contribution to knowledge and culture it is classified as a heritage asset. The College has a collection of artworks, consisting of sculptures and paintings, collected over the years for their educational value to art students in particular, but also to all vocational students and to the community as a whole.

Acquisitions are made by purchase or donation. Purchases are initially recorded at cost and donations are recorded at market value for insurance purposes ascertained by the College at the time of the donation.

Heritage assets which were acquired on incorporation for no consideration, and pieces of artwork acquired after that date and prior to 31 July 2010, were brought into the accounts during the year ended 31st July 2010 via a prior year adjustment, at their market value for insurance purposes, or at the most reliable valuation available for each piece. The comparatives were restated to reflect the increase to their 2010 value for insurance purposes, with the surplus on revaluation being reported in the Statement of Comprehensive income, and within the revaluation reserve.

The collection of artworks is deemed to have an indeterminate life and a high residual value: hence the Trustees do not consider it appropriate to charge depreciation.

Preservation costs – expenditure which, in the Trustees' view, is required to preserve individual pieces of artwork is recognised in the Income and Expenditure account when it is incurred.

Further information on the collection is given in Notes 16 in the accounts.

#### **Borrowing costs**

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

#### **Leased assets**

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

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

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

#### **Stocks**

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

# THE BOURNEMOUTH AND POOLE COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

### **Cash and cash equivalents**

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

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

### **Financial liabilities and equity**

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

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

Loans and investments that are payable or receivable within one year are not discounted.

### **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 Chapter 3 Part 11 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 a minor element of VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature.

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

### **Provisions and contingent liabilities**

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

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

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

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

# THE BOURNEMOUTH AND POOLE COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

### **Endowment Funds**

Funds are held by the Community Foundation for Bournemouth Dorset and Poole (Charity no 1122113) on behalf of the Group and College. Income from these funds is controlled by the Group and College and expended in accordance with the relevant trust deed. The Group and College have no legal title to the capital sums.

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

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

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

Other key sources of estimation uncertainty

- Tangible fixed assets Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- Local Government Pension Scheme. The present value of the Local Government Pension Scheme defined benefit asset 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 25, will impact the carrying amount of the pension asset. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions asset at 31 July 2023. 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 asset.
- Provisions. The accounts reflect a provision for the costs estimated in respect of dilapidations for the leased property which was used to house the previous joint venture company. Details are shown in note 21.

# THE BOURNEMOUTH AND POOLE COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

### 2 FUNDING BODY GRANTS

	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
<b>Recurrent grant</b>				
DfE - Adult	3,026	3,026	2,672	2,672
DfE - 16-18	19,789	19,789	17,173	17,173
DfE - Apprenticeships	5,845	5,845	5,468	5,468
Office for Students	223	223	241	241
<b>Specific Grants</b>				
DfE - 16-19 Tuition Fund	2	2	50	50
DfE - 16-18	48	48	11	11
DfE - Other revenue grants	91	91	14	14
DfE - Local Skills Improvement Fund	1	1	253	253
Teacher Pension Scheme contribution grant	1,055	1,055	796	796
Post 16 National Insurance Grant	161	161	-	-
Release of deferred capital grant	1,270	1,270	1,174	1,174
<b>TOTAL</b>	<b>31,511</b>	<b>31,511</b>	<b>27,852</b>	<b>27,852</b>

### 3 TUITION FEES AND EDUCATION CONTRACTS

	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
Adult education fees	544	544	789	789
Apprenticeship fees and contracts	2,947	2,947	3,066	3,066
Fees for FE loan supported courses	263	263	235	235
Fees for HE loan supported courses	61	61	355	355
International students' fees	122	122	126	126
Education contracts	1,352	1,352	967	967
<b>TOTAL</b>	<b>5,289</b>	<b>5,289</b>	<b>5,538</b>	<b>5,538</b>

### 3a TOTAL GRANT AND FEE INCOME

	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
Grant income from the OfS	223	223	241	241
Grant income from other bodies	31,288	31,288	27,611	27,611
<b>Total grants</b>	<b>31,511</b>	<b>31,511</b>	<b>27,852</b>	<b>27,852</b>
Fee income for taught awards (exclusive of VAT)	835	835	946	946
Fee income from non-qualifying courses (exclusive of VAT)	4,454	4,454	4,593	4,592
<b>Total tuition fees and education contracts</b>	<b>5,289</b>	<b>5,289</b>	<b>5,538</b>	<b>5,538</b>
<b>TOTAL</b>	<b>36,800</b>	<b>36,800</b>	<b>33,390</b>	<b>33,390</b>

# THE BOURNEMOUTH AND POOLE COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

### 4 OTHER GRANTS AND CONTRACTS

	Group 2025	College 2025	Group 2024	College 2024
	£'000	£'000	£'000	£'000
Other grant income	279	279	437	437
<b>TOTAL</b>	<b>279</b>	<b>279</b>	<b>437</b>	<b>437</b>

### 5 OTHER INCOME

	Group 2025	College 2025	Group 2024	College 2024
	£'000	£'000	£'000	£'000
Cafeterias	662	662	697	697
Other income generating activities (Sales of books, equipment and materials)	205	205	272	272
Miscellaneous income	832	832	603	603
<b>TOTAL</b>	<b>1,699</b>	<b>1,699</b>	<b>1,572</b>	<b>1,572</b>

### 6 ENDOWMENT AND INVESTMENT INCOME

	Group 2025	College 2025	Group 2024	College 2024
	£'000	£'000	£'000	£'000
Income from investments	8	8	56	56
Interest receivable	106	106	62	62
<b>TOTAL</b>	<b>114</b>	<b>114</b>	<b>118</b>	<b>118</b>

Investment income includes interest from a short-term bank deposit of £2,000k.

### 7.DONATIONS

	Group 2025	College 2025	Group 2024	College 2024
	£'000	£'000	£'000	£'000
Unrestricted donations	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# THE BOURNEMOUTH AND POOLE COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

### 8. STAFF COSTS

The average number of persons (including key management personnel) employed during the year was as follows:

	Group 2025	College 2025	Group 2024	College 2024
Average staff numbers by headcount:				
Teaching staff	242	242	233	233
Non-teaching staff	447	228	368	216
<b>TOTAL</b>	<b>689</b>	<b>470</b>	<b>601</b>	<b>449</b>
Average staff numbers by full time equivalent staff (FTE)				
Teaching staff	205	205	208	208
Non-teaching staff	358	182	300	176
<b>TOTAL</b>	<b>563</b>	<b>387</b>	<b>508</b>	<b>384</b>
	Group 2025	College 2025	As restated Group 2024	As restated College 2024
	£'000	£'000	£'000	£'000
<b>Staff costs for the above persons:</b>				
Wages and salaries	19,115	14,274	17,351	14,063
Social security costs	2,098	1,625	1,689	1,412
Other pension costs	3,633	3,500	3,069	2,979
<b>Payroll sub-total</b>	<b>24,846</b>	<b>19,399</b>	<b>22,109</b>	<b>18,454</b>
Contracted out staffing services	1,078	6,525	998	4,653
<b>Total</b>	<b>25,924</b>	<b>25,924</b>	<b>23,107</b>	<b>23,107</b>
Exceptional past service pension gain				
Fundamental restructuring costs-				
contractual	63	63	50	50
non-contractual	-	-	-	-
<b>Total</b>	<b>25,987</b>	<b>25,987</b>	<b>23,157</b>	<b>23,157</b>

Prior year comparatives now restated to include Contracted out cleaning staff reclassified from other operating expenses. See note 9

# THE BOURNEMOUTH AND POOLE COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

### 8. STAFF COSTS (continued)

#### Key management personnel

Key management personnel have the authority and responsibility for planning, directing and controlling the activities of the College and are represented by the College Executive Team which comprises the Principal, Chief Operating Officer, Vice Principal, Chief People Officer and Executive Director of Higher Education and Skills.

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

	Group & College 2025 No.	Group & College 2024 No.
The number of key management personnel including the Accounting Officer was:	5	5
	<hr/>	<hr/>

The number of key management personnel and other staff who received annual emoluments, excluding employer contributions to national insurance and pension but including benefits in kind, in the following ranges was:

	Key Management Personnel		Other Staff	
	Group & College 2025 No.	Group & College 2024 No.	Group & College 2025 No.	Group & College 2024 No.
£60,001 to £65,000	-	1	6	4
£65,001 to £70,000	-	1	1	1
£70,001 to £75,000	1	1	1	-
£75,001 to £80,000	1	-	-	-
£100,001 to £105,000	1	-	-	-
£105,001 to £110,000	1	-	-	-
£150,001 to £155,000	-	1	-	-
£155,001 to £160,000	1	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	5	4	8	5

Key management personnel compensation is made up as follows:

	2025 £'000	2024 £'000
Salaries	522	569
Pension contributions	138	123
Total key management personnel compensation	<hr/>	<hr/>
	660	692

# THE BOURNEMOUTH AND POOLE COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

### 8. STAFF COSTS - GROUP AND COLLEGE (continued)

The above compensation includes amounts paid to the Principal and Chief Executive who is the accounting officer and who is also the highest paid member of staff. Their pay and remuneration is as follows:

	Group & College 2025 £'000	Group & College 2024 £'000
Salary	157	153
Pension contributions	45	38
<b>TOTAL</b>	<b>202</b>	<b>191</b>

The Board of the Corporation adopted The Colleges' Senior Staff Remuneration Code in July 2019 (latest version published in September 2021) and assesses pay in line with its principles. The remuneration package of Senior Post Holders is subject to annual review by the Remuneration Committee, who use benchmarking information to provide objective guidance. The Principal and Chief Executive reports to the Chair of the Corporation, who undertakes an annual review of his performance against the college's overall objectives using both qualitative and quantitative measures of performance. The Remuneration Committee complies with The Colleges' Senior Post Holder Remuneration Code published by the AoC. Detailed salary benchmarking information regarding the remuneration of Senior Post Holders is considered from the College Senior Pay survey and annual summary report.

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

	2025 £'000	2024 £'000
Principal's basic salary as a multiple of the median of all staff	4.9	5.0
Principal and CEO's total remuneration as a multiple of the median of all staff	4.9	5.1

The median salary of staff was calculated based on FTE pay for all staff on payroll as at 31 July 2025. There was no compensation paid for loss of office to former key management personnel. The members of the Corporation other than the Accounting Officer and other staff governors did not receive any payment from the College other than the reimbursement of travel and subsistence expenses incurred in the course of their duties.

The College paid six severance payments in the year, disclosed in the following bands:

	2025	2024
0-£25,000	5	4
£25,001-£50,000	1	0
	<b>6</b>	<b>4</b>

## THE BOURNEMOUTH AND POOLE COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

#### 9. OTHER OPERATING EXPENSES

	Group	College	As restated Group	As restated College
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
Teaching costs	4,820	4,820	4,677	4,677
Non-teaching costs	1,984	1,984	1,810	1,810
Premises costs	2,108	2,108	1,681	1,681
<b>TOTAL</b>	<b>8,912</b>	<b>8,912</b>	<b>8,168</b>	<b>8,168</b>

Prior year comparatives restated to exclude Contract cleaning costs now reclassified under pay costs.  
See note 8.

	Group	College	Group	College
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
<b>Other operating expenses include:</b>				
<b>Auditors' remuneration:</b>				
Financial statements audit	38	38	41	41
Internal audit	11	11	7	7
Other services provided by the financial statement auditor	5	5	7	7
(Profit)/Loss on disposal of non-current assets	(5)	(5)	1,359	1,359
Depreciation	2,504	2,504	2,528	2,528
Hire of plant and machinery - operating leases	108	108	35	35

#### 10. ACCESS & PARTICIPATION EXPENDITURE

Access and Participation application plan for Bournemouth and Poole College can be found by following this link:

[Bournemouth-and-Poole-College-Access-and-Participation-Plan-2022-2023-to-2026-2027-submitted-July-2022.pdf](https://www.bournemouth.ac.uk/media/123456789/bournemouth-and-poole-college-access-and-participation-plan-2022-2023-to-2026-2027-submitted-july-2022.pdf)

The Access and Participation expenses detailed below include estimated staff costs.

These staff costs are included in the staffing note 8.

During the year the following costs relate to Access & Participation:

	Group	College	Group	College
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
Access investment	94	94	89	89
Financial support	9	9	7	7
Disabled student support	-	-	-	-
Research and evaluation.	14	14	12	12
	<b>117</b>	<b>117</b>	<b>108</b>	<b>108</b>

## THE BOURNEMOUTH AND POOLE COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

#### 11. WRITE OFFS, LOSSES, GUARANTEES, LETTERS OF COMFORT, COMPENSATION PAYMENTS

The total value of the debts written off during the year was £97k and there were no individual write off's being in excess of £5k.

There were two compensation payments amounting to £18k of which individual sums were £10,000 and £8,000 and related to employment matters and legal advice was sought in both cases. The business cases concluded that settlement prior to tribunal was the most cost-effective solution.

#### 12 INTEREST AND OTHER FINANCE COSTS

	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
On bank loans, overdrafts and other loans:	288	288	337	337
Net interest on defined pension liability (note 25)	(168)	(168)	(27)	(27)
<b>TOTAL</b>	<b>120</b>	<b>120</b>	<b>310</b>	<b>310</b>

#### 13 TAXATION

	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
United Kingdom corporation tax	-	-	-	-

The members do not believe that the Group or College was liable for any corporation tax arising out of its activities during either year.

#### 14. SURPLUS/(DEFICIT) ON CONTINUING OPERATIONS FOR THE YEAR

The surplus/(deficit) on continuing operations is made up as follows:

	2025 £'000	2024 £'000
College's surplus/(deficit) for the year	1,374	(5)
	<b>1,374</b>	<b>(5)</b>

The College owns 100% of the issued ordinary £1 shares of Southern Educational Facilities Management Limited and Southern Educational Professional Services Limited, companies incorporated in England and Wales.

## THE BOURNEMOUTH AND POOLE COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

#### 15. TANGIBLE FIXED ASSETS (GROUP AND COLLEGE)

	Land and Buildings		Equipment	TOTAL
	Freehold	Leasehold		
	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>				
At 1 August 2024	43,443	1,992	9,506	54,941
Additions	2,967	-	1,075	4,042
Disposals	-	-	(4)	(4)
At 31 July 2025	46,410	1,992	10,577	58,979
<b>Depreciation</b>				
At 1 August 2024	18,283	1,958	7,468	27,709
Charge for the year	1,368	-	1,136	2,504
Eliminated on disposals	-	-	(4)	(4)
At 31 July 2025	19,651	1,958	8,600	30,209
Net book value				
At 31 July 2025	26,759	34	1,977	28,771
Net book value				
At 1 August 2024	25,160	34	2,038	27,232

Inherited land and buildings were valued at open market value for existing use on 3 February 1993 at an amount of £6,985,000. They were acquired at incorporation at nil cost.

#### 16 TANGIBLE FIXED ASSETS - HERITAGE ASSETS (GROUP AND COLLEGE)

	Sculptures		Paintings & Other	TOTAL
	£'000	£'000		
<b>Cost or valuation</b>				
At 1 August 2024	303	10	313	
Disposals	-	-	-	-
At 31 July 2025	303	10	313	

A market valuation of the artwork acquired by the College on incorporation for no consideration was carried out for insurance purposes by Hazlitt Holland-Hibbert in September 2010.

## THE BOURNEMOUTH AND POOLE COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

#### 17. DEBTORS

	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
<b>Amounts Falling Due Within One Year</b>				
Trade debtors	537	537	666	666
Amount due from subsidiary undertakings	-	-	-	7
Prepayments and accrued income	999	999	1,075	1,075
Amounts owed by the DfE	717	717	632	632
	<b>2,253</b>	<b>2,253</b>	<b>2,373</b>	<b>2,380</b>

#### 18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
<b>Bank loans and overdrafts</b>				
Bank loans and overdrafts	302	302	302	302
Trade payables	627	627	325	325
Amounts due to subsidiary undertakings	-	102	-	-
Pension scheme contributions	424	396	403	382
Other taxation and social security	476	366	397	331
Payments received in advance	734	734	1,134	1,134
Deferred income- government capital grants	1,350	1,350	972	972
Amounts owed to the DfE	319	319	371	371
Accruals	1,388	1,378	1,234	1,233
Accrual - holiday pay	825	728	987	987
	<b>6,445</b>	<b>6,303</b>	<b>6,125</b>	<b>6,037</b>

#### 19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
<b>Bank loans</b>				
Bank loans	4,182	4,182	4,484	4,484
Deferred capital grants	11,562	11,562	9,964	9,964
	<b>15,744</b>	<b>15,744</b>	<b>14,448</b>	<b>14,448</b>

## THE BOURNEMOUTH AND POOLE COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

#### 20. MATURITY OF DEBT

	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
In one year or less	302	302	302	302
Between one and two years	302	302	302	302
Between two and five years	1,208	1,208	1,208	1,208
In five years or more	2,672	2,672	2,974	2,974
	<hr/> 4,484	<hr/> 4,484	<hr/> 4,786	<hr/> 4,786

The college has loans used to fund the college capital investments. The loans are secured on the college's land and buildings. One bank loan is repayable by instalments falling between 29/02/2016 and 27/11/2040. The other loan is repayable by instalments falling due between Dec 2015 and Sept 2040.

Until February 2022 interest was payable on this loan at 1.5% above LIBOR.

From February 2022 interest is chargeable on these loans by the calculation of the Risk-Free Rate which calculates the sum of the Margin of 1.5% plus the Credit Adjustment Spread percentage which fluctuates daily.

The interest is calculated daily and then charged against the loan quarterly.

#### (b) Finance leases

The net finance lease obligations to which the institution is committed are:

	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
Not later than one year	-	-	-	-
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
	<hr/> -	<hr/> -	<hr/> -	<hr/> -

Finance lease obligations are secured on the assets to which they relate.

# THE BOURNEMOUTH AND POOLE COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

### 21 PROVISIONS FOR LIABILITIES AND CHARGES

	Group & College	Group & College	Group & College	Group & College
	Defined Benefit Obligations	Enhanced Pension Provision	Other	Total
	£'000	£'000	£'000	£'000
At 1 August 2024	-	261	300	561
Additions in year	-	-	-	-
Expenditure in the year	-	(30)	-	(30)
Transferred to income and expenditure account	-	22	-	22
<b>At 31 July 2025</b>	<b>-</b>	<b>253</b>	<b>300</b>	<b>553</b>

The Enhanced Pension Provision relates to the ongoing cost for staff who have left the College. It is calculated in accordance with guidance issued by the funding bodies.

Other Provisions is a provision of £300k for dilapidations charge for the leased property Redlands which was used to house the previous joint venture company.

### 22. LEASE OBLIGATIONS

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

	Group & College	Group & College
	2025	2024
	£'000	£'000
<b>Future minimum lease payments due</b>		
<b>Land and buildings</b>		
Not later than one year	-	-
Later than one year and not later than five years	-	-
Later than five years	-	-
	<hr/>	<hr/>
<b>Other</b>		
Not later than one year	139	33
Later than one year and not later than five years	365	37
Later than five years	-	-
	<hr/>	<hr/>
	504	70

## THE BOURNEMOUTH AND POOLE COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

#### 23. REVALUATION RESERVE

	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
<b>At beginning of year</b>	2,842	2,842	2,923	2,923
Transfer from revaluation reserve to general reserve in respect of:				
Disposal of revalued land & buildings	-	-	(65)	(65)
Depreciation on revalued assets	(16)	(16)	(16)	(16)
<b>At 31 July</b>	<b>2,826</b>	<b>2,826</b>	<b>2,842</b>	<b>2,842</b>

#### 24 CASH AND CASH EQUIVALENTS

<b>Group:</b>	<b>1 August 2024</b>	<b>Cashflows</b>	<b>31 July 2025</b>
Cash at bank and in hand	6,492	1,140	7,633
<b>College:</b>			
<b>College:</b>	<b>1 August 2024</b>	<b>Cashflows</b>	<b>31 July 2025</b>
Cash at bank and in hand	6,398	1,092	7,490

#### 25. DEFINED BENEFIT OBLIGATIONS

The College Group's employees belong to three principal post-employment benefit plans:

- Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, this is a multi-employer defined-benefit plan.
- Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Dorset County Council and is a multi-employer defined-benefit plan.
- NEST - for non-teaching staff commencing employment with Southern Educational Facilities Management Limited and Southern Educational Professional Services Limited. This is a government-run defined contribution plan. Contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

## THE BOURNEMOUTH AND POOLE COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

#### Total Group pension cost for the year:

	2025	2024
	£'000	£'000
Teachers Pension Scheme contribution paid	2,320	1,867
Local Government Pension Scheme:		
Contributions paid	1,413	1,398
FRS 102 (28) adjustment	(255)	(297)
Charge to the Statement of Comprehensive Income	1,158	1,101
NEST Scheme: Contributions paid	134	90
Enhanced pension charge to Statement of Comprehensive Income	22	11
<b>Total Group pension cost for year within staff costs</b>	<b>3,633</b>	<b>3,069</b>

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

#### Teachers' Pension Scheme

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

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

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The College is unable to identify its share of the underlying assets and liabilities of the plan.

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

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

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

As a result of the valuation, new employer contribution rates increased by 5% to 28.68% from April 2024 (previously 23.68%) and impacted staff costs in 2023/24.

DfE has agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2024-25 academic year.

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

The pension costs paid to TPS in the year amounted to £3,032k (2024: £2,494k).

# THE BOURNEMOUTH AND POOLE COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

### 25. DEFINED BENEFIT OBLIGATIONS (continued)

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by Dorset Local Authority. The total contribution made for the year ended 31 July 2025 was £1,752k, of which employer's contributions totalled £1,388k and employees' contributions totalled £366k. The agreed contribution rate for future years for the College is 24% and for employees the rates are from 5.5% to 12.5%, depending on salary according to a national scale.

The latest scheme valuation for LGPS was 31 March 2025, any revision to the 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 2025 by a qualified independent actuary.

	At 31 July 2025	At 31 July 2024
Rate of increase in salaries	2.80%	2.85%
Pension increases (CPI)	2.80%	2.85%
Discount rate for scheme liabilities	5.75%	5.05%
Inflation assumption (RPI)	3.10%	3.20%
Commutation of pensions to lump sums	50.00%	50.00%

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

	At 31 July 2025	At 31 July 2024
<i>Retiring today</i>		
Males	22.1	21.8
Females	24.1	23.9
<i>Retiring in 20 years</i>		
Males	23.4	23.1
Females	25.5	25.3

# THE BOURNEMOUTH AND POOLE COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

### 25. DEFINED BENEFIT OBLIGATIONS (continued)

The College's estimated share of assets and liabilities in the scheme and the expected rates of return were:

	Value at 31 July 2025	Value at 31 July 2024
	£'000	£'000
Equities	41,581	38,786
Other Bonds	4,192	4,015
Other Assets	13,549	12,909
Property	4,320	4,737
Cash	1,521	983
<b>Total market value of assets</b>	<b>65,163</b>	<b>61,430</b>

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

	2025	2024
	£'000	£'000
Fair value of plan assets	65,163	61,430
Present value of plan liabilities	(54,128)	(58,772)
<b>Net pension asset</b>	<b>11,035</b>	<b>2,658</b>

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

	2025	2024
	£'000	£'000
<b>Amounts included in staff costs</b>		
Current service cost and administration expenses	1,127	1,102
Past service costs	-	-
	<b>1,127</b>	<b>1,102</b>

	2025	2024
	£'000	£'000
<b>Amounts included in Interest and other finance charges</b>		
Net interest cost	(168)	(27)
	<b>(168)</b>	<b>(27)</b>

#### Amounts recognised in Other Comprehensive Income

	2025	2024
	£'000	£'000
Return on pension plan assets	1,825	3,026
Other actuarial gains	-	-
Changes in assumptions underlying the present value of plan liabilities	6,695	(832)
Experience (loss)/profit on defined benefit obligation	(566)	294
Adjustment to reflect pension asset to zero	(8,377)	(2,658)
<b>Amounts recognised in Other Comprehensive Income</b>	<b>(423)</b>	<b>(170)</b>

# THE BOURNEMOUTH AND POOLE COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

### Local Government Pension Scheme Actuarial Report

The actuarial report for the local government pension scheme at 31 July 2025 showed an actuarial gain which has resulted in a pension asset at the same date.

We have not recognised the pension asset as a positive but have instead shown a break-even position as there is insufficient evidence to conclude that the 'asset' may be available to reduce future payments.

An asset should only be recognised to the extent that the College is able to recover the surplus either through reduced contributions in the future or refunds from the plan.

We have made further disclosure in the Strategic Report and in the note on judgements to adequately reflect this.

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

	2025 £'000	2024 £'000
Surplus/(deficit) in scheme at 1 August	2,658	(154)
<b>Movement in the year:</b>		
Current service cost	(1,082)	(1,067)
Administrative expenses	(45)	(35)
Employer contributions	1,382	1,399
Past service gain	-	-
Net interest on the defined (liability)	168	27
Changes in demographic assumptions	(344)	133
Curtailments and settlements	-	-
Actuarial gain	8,298	2,355
Net defined benefit asset at 31 July	<u>11,035</u>	<u>2,658</u>

	2025 £'000	2024 £'000
<b>Asset and Liability Reconciliation</b>		
<b>Changes in the present value of defined benefit obligations</b>		
<b>Defined benefit obligations at the start of period</b>	58,772	57,817
Current service cost	1,082	1,067
Interest cost	2,906	2,888
Employee contributions	364	366
Liabilities assumed on settlements	-	-
Changes in financial assumptions	(7,039)	965
Changes in demographic assumptions	344	(133)
Experience loss on defined benefit obligation	566	(294)
Past service costs, including curtailments	-	-
Benefits paid	(2,867)	(3,904)
<b>Defined benefit obligations at the end of period</b>	<u>54,128</u>	<u>58,772</u>

## THE BOURNEMOUTH AND POOLE COLLEGE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

#### 25. DEFINED BENEFIT OBLIGATIONS (continued)

	2025	2024
	£'000	£'000
<b>Reconciliation of Assets</b>		
<b>Fair value of plan assets at start of period</b>	61,430	57,663
Interest on plan assets	3,074	2,915
Return on plan assets	1,825	3,026
Other actuarial gains	-	-
Administrative expenses	(45)	(35)
Employer contributions	1,382	1,399
Scheme participants/other employer contributions	364	366
Benefits paid	(2,867)	(3,904)
<b>Fair value of plan assets at end of period</b>	<b>65,163</b>	<b>61,430</b>

#### 26. CONTINGENT LIABILITIES

There are no contingent liabilities.

#### 27. CAPITAL COMMITMENTS

	Group & College	Group & College
	2025	2024
	£'000	£'000
Commitments contracted for at 31 July	2,141	2,636

#### 28. RELATED PARTY TRANSACTIONS

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

The members of the Corporation other than the Accounting Officer and the staff member did not receive any payment from the institution other than the reimbursement of travel and subsistence expenses incurred in the course of their duties

No Governor has received any remuneration or waived payments from the College or its subsidiaries during the year (2024: nil).

# THE BOURNEMOUTH AND POOLE COLLEGE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025 (CONTINUED)

During the year the College had transactions and balances as at 31 July 2025 with its two wholly-owned subsidiaries as follows:

### Southern Educational Facilities Management Limited:

	2025 £'000	2024 £'000
Purchases	591	516
Amount owed to subsidiary undertaking	12	-
Amount owed by subsidiary undertaking	-	3

### Southern Educational Professional Services Limited:

	2025 £'000	2024 £'000
Purchases	4,876	3,139
Amount owed to subsidiary undertaking	90	-
Amount owed by subsidiary undertaking	-	4

## 29. AMOUNTS DISBURSED AS AGENT

### Learner Support Fund

	Group & College	Group & College
	2025 £'000	2024 £'000
Funding body grants - bursary support	388	413
Funding body grants - discretionary learner support	31	48
Other funding body grants	36	25
	<hr/>	<hr/>
Disbursed to students	455	486
Audit and administration	(440)	(419)
Balance unspent as at 31 July and included in creditors	(15)	(14)
	<hr/>	<hr/>
	-	53

The College distributes 16-19 discretionary and vulnerable bursaries and free meals in further education (FEFM) funds to students as an agent for DfE.

In the accounting period ended 31 July 2025, the College received a total of £632,632 and disbursed £605,632 from DfE 16-19 discretionary and vulnerable bursaries and FEFM funding after charging £27,000 for administration costs.

As at 31 July 2025 the cumulative unspent 16-19 discretionary and vulnerable bursary funds and FEFM funding is £nil, of which £nil relates to funds that are in scope to be returned to DfE in March 2026.

Comparatives for the year ended 31 July 2024 are £670,294 received from DfE, £635,270 disbursed to learners after charging £27,029 for administration costs, and total cumulative unspent funds of £7,995, of which £nil was repaid to DfE.