



**ASKHAM BRYAN COLLEGE**

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

## **KEY MANAGEMENT PERSONNEL, BOARD OF GOVERNORS AND PROFESSIONAL ADVISERS**

### **Key Management Personnel**

Key management personnel are defined as members of the College leadership team and were represented by the following in 2024/25:

Dr Tim Whitaker - Principal/Chief Executive and Accounting Officer

Sharon Sheppard – Vice Principal

Laura Black – Vice Principal, resigned 09/09/2024

Clare Williams – Vice Principal, retired 31/08/2025

Emma Barbary – Chief Finance Officer

Sofia McGreavy – Executive Director of People and Organisational Development appointed 12/08/2024, resigned 29/08/2025

Judith Clapham - Director of Governance and Clerk to the Corporation throughout the period, supported by Sharon West - Interim Clerk to the Corporation from 14/05/2025

### **Board of Governors**

A full list of Governors is given on pages 19 to 21 of these financial statements.

### **Professional Advisers**

#### **Financial statements auditors and reporting accountants:**

Armstrong Watson Audit Limited, Third Floor, 10 South Parade, Leeds, LSI SQS

#### **Internal auditors:**

WBG Services LLP, 168 Bath Street, Glasgow, G2 4TP

#### **Bankers:**

Lloyds Bank PLC, 25 Gresham Street, London, EC2V 7HN

Santander UK PLC, 2 Triton Square, Regents Place, London, NW1 3AN

#### **Solicitors:**

Eversheds Sutherland, Bridgewater Place, Water Lane, Leeds, LSII SOR

Andrew Jackson Solicitors LLP, Marina Court, Castle Street, Hull, HUI ITJ

Burnetts Solicitors, Victoria House, Wavell Drive, Rosehill, Carlisle, CAI 2ST

Hill Dickinson LLP, No.1, 1 At Pauls Square, Liverpool, L3 9SJ

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## REPORT OF THE GOVERNING BODY

### OBJECTIVES AND STRATEGIES:

The members present their report and the audited financial statements 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 Askham Bryan College (the 'College'). The College is an exempt charity for the purposes of Part 3 of the Charities Act 2011.

### Mission, Vision, Strategy and Values

The College's Strategic Plan 2021-2026 sets out the College mission '*Learning is in our nature*' supported by a shared goal '*We are a specialist land-based provider developing talent, to respond to current and future challenges for the economy and environment.*'

The Strategic Plan is shaped around four strategic themes, each with this own vision for 2030 which directs the five-year roadmap:

**Strategic Theme 1:** Technical and professional land-based curriculum which is high quality, industry-relevant and enhances our students' employability.

*Vision 2030: We will be a leading college nationally for animal science and conservation, and sustainable food production.*

**Strategic Theme 2:** Outstanding resources that deliver an exceptional and inclusive student experience.

*Vision 2030: We will re-purpose our campuses to be environments combining natural beauty with pioneering practices and digital technologies.*

**Strategic Theme 3:** Engagement bringing people and place together, to build mutually beneficial relationships and celebrate successes.

*Vision 2030: We will be a national hub for skills, training and knowledge exchange for our core specialisms, with a focus on bio-economy, including incubation of related start-up businesses.*

**Strategic Theme 4:** Sustainability and wider contribution to the Circular Economy is embedded into College life.

*Vision 2030: We will be financially vibrant, enabling us to invest in exemplar sector practices and innovations, informed by our commitment to our natural capital and our people.*

Underpinning the delivery of the mission and strategic objectives, the College has defined the values, behaviours and qualities it requires from its staff defined as the 'DNA'. The DNA has four distinct but interdependent strands:

### **Delivering with purpose, Building relationships through trust, Taking ownership, Always learning**

The College DNA is hardwired into the strategy, setting the standards and forming the foundations of culture and is a core enabler to the success of the College strategic vision.

## REPORT OF THE GOVERNING BODY (CONTINUED)

The strategic plan is underpinned by Curriculum, Estates, People and the Financial Implementation Plans and is the roadmap to achieving the College's vision and ambition:

**Curriculum Plan** – outlines the College's approach to curriculum planning and development over the next five years. The plan focuses on the continued growth and development of a responsive curriculum with an emphasis on technical and professional land-based education including STEM, and the bio-economy which leads to high student outcomes and progression to positive destinations.

**People Plan** – outlines a comprehensive delivery plan for people-related initiatives and priorities to be taken forward over the five-year period to deliver the College's ambition to:

- Attract, reward and retain talent, being known as an employer of choice.
- Unlock people potential to foster a climate of engagement and innovation.
- Develop credible specialists who equip our students with skills for the future.
- Offer an inclusive and caring environment which values personal wellness.
- Anticipate challenges and mitigate risk to build organisation resilience.
- Ensure a quality service that supports the College and makes things happen.

**Estates Plan** – identifies the challenges that the College must address over the next 5 years and sets out the priorities and actions required in managing the estate efficiently and effectively. The plan sets out the vision for 2030 where the ambition is an estate which connects nature with a state-of-the-art teaching and learning environment.

**Financial Implementation Plan** – sets out the strategic approach which is being taken to manage the financial position of the College ensuring it proactively meets curriculum needs and demands. The implementation plan details the financial aims and objectives required to deliver long term financial sustainability to support the achievement of the Colleges vision and ambition.

The Governing Body monitor and assess the progress being made in relation to the College's 10-year vision through Key Corporate Measures and Targets which are a strategic approach to measuring the overall progress. Measures and targets are set for years one, two, five and ten, with the target at year 5 a minimum aspiration and at year 10 aspirational.

## RESOURCES:

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

- Tangible resources include land and buildings, shown in the balance sheet at £24,603,000 together with equipment fixtures and fittings at a value of £7,639,000 and £738,000 of assets in the course of construction.
- Financial Resources - The Group has net assets of £22,412,000 and long-term debt of £15,934,000 (bank loans £3,465,000, obligations under finance leases £26,000 and deferred capital grants £12,443,000).
- People - The College employs 445 people, of whom 175 are teaching staff or staff directly engaged in the delivery of curriculum.
- Student - The college enrolled approximately 3,680 learners. The college's student population includes 1,413 16-to-18-year-old students, 480 apprentices, 421 higher education students, and 1,179 adult learners.

## REPORT OF THE GOVERNING BODY (CONTINUED)

- Reputation - The College has an excellent reputation locally, regionally as well as nationally for specialist subjects. Maintaining this reputation is essential for the College's success in attracting students and developing and retaining relationships with its stakeholders.

An Ofsted inspection of the College took place between 19 and 22 September 2024, with the College being reassessed as a 'Good' provider.

The College achieved the following grades:

• Overall effectiveness	<b>Good</b>
• The quality of education	<b>Good</b>
• Behaviour and attitudes	<b>Good</b>
• Personal development	<b>Good</b>
• Leadership and management	<b>Good</b>
• Education programmes for young people	<b>Good</b>
• Adult learning programmes	<b>Good</b>
• Apprenticeships	<b>Good</b>
• Provision for learners with high needs	<b>Good</b>

The report highlighted Askham Bryan College learners benefit from a calm, purposeful and engaging learning environment that reflects many of the industries and professions to which they will progress. Ofsted has praised the strong relationships with councils, employers and industry organisations, and its strong contribution to meeting skills needs. Leaders and managers review the curriculum frequently to keep it in line with industry standards and the needs of students, apprentices and employers. Teachers are suitably qualified with relevant industry experience. They use their knowledge well to ensure that students and apprentices are taught relevant and up-to-date techniques. Students and apprentices settle well into college life and have considerable opportunities to take part in competitions, social action projects and sporting events. The report notes that the arrangements for safeguarding are effective.

### STAKEHOLDER RELATIONSHIPS:

In line with other colleges and universities, the College has many stakeholders including:

- Current, future and past students
- Funding bodies
- Further Education Commissioner
- Banks and lenders
- Staff and their trade unions
- Employers
- Local authorities
- Local communities
- Mayoral combined authorities
- Schools and HE Institutions – the wider College community
- Professional organisations in the sectors in which the College operates
- Sector regulators – Ofsted, Office for Students

## **REPORT OF THE GOVERNING BODY (CONTINUED)**

The College recognises the importance of these relationships and engages in regular communication and consultation with them. Since Devolution in York and North Yorkshire in early 2024, the College has engaged in significant stakeholder discussions with the new mayor and his executive team. The new mayor has stated that the bioeconomy, including food, farming and sustainable environments are a key economic driver for the region. The College is very well placed to assist in this growth particularly around the skills agenda, with discussions and developments remaining ongoing.

### **PUBLIC BENEFIT:**

The College is an exempt charity under the Part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education. The members of the Governing Body, who are trustees of the charity, are disclosed on pages 19 – 21.

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

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

- High-quality teaching and learning providing students with the skills and knowledge they need to progress into further study or employment
- Creating opportunities irrespective of previous achievement which widens participation and tackles social exclusion in our community, reducing the number of young people not in education or training (NEETS)
- Excellent employment record for students
- Strong student support systems assisting students to achieve
- Proactive partnerships with a range of stakeholders including employers, industry and commerce including mayoral combined authorities which cover the catchment area of the College.

### **DEVELOPMENT AND PERFORMANCE:**

#### **Financial Objectives**

The College's financial objectives are designed to support the delivery of the College's strategic objectives and are supported by the KPIs used by the Department for Education (DfE) when assessing the financial health of a college. Financial objectives have been monitored and reported on throughout the year through the preparation of monthly management accounts, the annual budget and quarterly reforecasts.

Financial objectives for the 2024/25 financial year were approved by the Governing Body to monitor the College's financial performance and support its strategic direction. Actual performance against these performance indicators is shown below:

## REPORT OF THE GOVERNING BODY (CONTINUED)

Financial Objective	DfE Benchmark	2024/25 Budget	2024/25 Actual
Operating Surplus/(Deficit) before FRS102 pension costs as a % of income (excluding exceptional items)	3-5%	(3.7%)	(2.8%)
Borrowing as a percentage of income	<40%	14%	14%
Cash days in hand	>25	71	100
Adjusted Current Ratio	1.00	2.09	2.76
Staff cost as a percentage of income (land-based College benchmark)	55%	56%	54%
Financial Health	Outstanding	Requires Improvement	Good

The Governing Body has set a number of operational and strategic financial objectives which incorporate specific and measurable financial performance measures in the Financial Implementation Plan 2021-2026 which aligns to the College Strategic Plan to support its strategic aims. The Financial Implementation Plan has been set to ensure the long-term financial sustainability of the College to resource its core activities and support strategic planning and decision making in order to achieve the College's vision.

The College is committed to observing the importance of the DfE measures and indicators within the framework and is monitoring performance against these measures through the completion of the DfE annual finance record and through improved monthly financial reporting.

Applying the DfE methodology to the 2024/25 financial position has resulted in the rating of 'Good'.

### Financial Results

As represented in the 2024/25 budget, the year was again expected to be financially challenging with the 16-19 funding allocation impacted by lower student number recruitment in 2023/24 negatively impacting on 2024/25 due to lagged funding. Despite this the Group did however maintain tight control of its financial performance objectives throughout the year by closely managing its financial position, identifying and monitoring areas of concern and where possible, taking decisive action to mitigate any budget variances.

The Group's continuing financial performance before other gains and losses generated a surplus in the year of £147,000 which included an exceptional one-off release of an historic provision. Before the release of the provision the Group generated a deficit of £532,000 (2023/24 deficit of £665,000). In addition, the statement of comprehensive income includes non-cash pension adjustments, before LGPS FRS102 pension charges and pension interest receivable the reported deficit is £601,000 (2023/24 deficit of £765,000).

During the year the Group continued to invest its cash reserves in the development of resources to deliver high quality education including the refurbishment of sports facilities in the gym and sports hall to deliver high quality education.

In April 2024, work commenced on the refurbishment of the Teaching Block for delivery of T Levels (total project cost of £2.6m) to create a state-of-the-art learning environment, with immersive digital facilities. The project was funded by a £1.15m grant from the T Level Capital Fund Building and



## **REPORT OF THE GOVERNING BODY (CONTINUED)**

Facilities Improvement Fund, and the balance being from the Group's cash reserves. Work completed in December 2024 with the building opening to staff and students in January 2025.

Significant works were also undertaken during the year to upgrade the condition of the Group's estate, concentrating on the areas of highest need first as well as upgrading and improving mechanical and electrical services to improve overall sustainability and energy efficiency. These works have been funded by the Further Education Capital Transformation Allocation, Reclassification Capital and Energy Efficiency capital allocations, which were paid to the Group in early 2023. By July 2025, the majority of work had been completed, however works are planned to continue up until the funding deadline of March 2026 (Further Education Capital Transformation Allocation).

In January 2024, the Group was successfully awarded a £401,273 grant from the North Yorkshire Combined Authority zero-carbon fund (total project value £665,400), for the installation of a micro anaerobic digester to convert biogas from slurry produced in the College dairy to electricity and heat which would then be used on campus, offsetting a substantial part of the cost to power the dairy and heat some adjacent buildings. The plant was commissioned and generating electricity from late-September 2024, with the second stage of the project, distribution of heat to the Agritech teaching building and Coverdale student residential accommodation block, being completed in June 2025. In September 2025, the project was awarded the large business Environmental Award at West & North Yorkshire Chamber of Commerce's annual Raising the Bar Awards that celebrate the social impact of Yorkshire's business community.

### **Group Companies**

The College has two subsidiary companies, Askham Bryan College Company Limited and Askham Bryan College Enterprises Limited. The principal activity of Askham Bryan College Company Limited is the operation of farms whilst Askham Bryan College Enterprises Limited carries out commercial activity.

In the current year Askham Bryan College Company Limited generated a surplus of £52,968 (2023/24 deficit of £305,681). The year-on-year improvement in performance was resultant from a higher milk price, improved forage quality and feed efficiency. Looking forward, the lack of rainfall during Spring/Summer 2025 is expected to affect yield potential of arable crops as the crops have struggled to find moisture and nutrients and, in some areas, failed to germinate.

A surplus was generated by Askham Bryan College Enterprises Limited of £20,423 (2023/24 deficit of £36,136). Visitor numbers have been boosted by the opening of the Heritage Conservation farm in September 2024, followed by the opening of the Native species corridor in March 2025 with new enclosures including owls, Scottish Wildcats, harvest mice and hedgehogs.

External professional advice is being sought by the College to review the group structure including the operation of the subsidiary companies, ensuring the structure remains fit for purpose. This work will consider any alternative options available, with a view to simplifying the group structure. At the time of signing the financial statements, no formal decision on the future group structure has been taken.

## **REPORT OF THE GOVERNING BODY (CONTINUED)**

### **Reserves**

The net assets of the Group as at 31 July 2025 stand at £22,412,000, which is a small reduction from the prior year of £125,000 (2023/24: £22,537,000) with cash reserves being used to fund various estates developments. The pension scheme valuation at 31 July 2025 resulted in a pension surplus of £11.719m (2023/24 £6.27m) but was restricted to nil as economic benefit from this surplus is not available via a reduction in future service contribution.

The Group adopted a Reserves Policy during 2024/25 to guide financial decision-making in future. The policy outlines the minimum level of unrestricted cash reserves to be held at each month end to ensure the Group can both meet any short-term obligation but also ensure long-term sustainability. The reserves policy is not the only means of assessing going concern but contributes to this. The Group keeps cash and reserves to ensure that it can meet unexpected costs, deal with income shortfalls resulting from enrolment reductions of government funding changes and meet the future costs of improving the estate

### **Treasury Policies and Objectives**

Treasury management is the management of the Group cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks.

Short-term borrowing for temporary revenue purposes is authorised by the Accounting Officer. Such arrangements are restricted by limits in the Group's Financial Memorandum as agreed with the DfE. All other borrowing requires the authorisation of the Governing Body.

## **CURRENT AND FUTURE DEVELOPMENT AND PERFORMANCE:**

### **Cash Flows and Liquidity**

The cash flow for 2024/25 showed an overall decrease in cash and cash equivalents during the year of £3,454,000 (2023/24: decrease in cash of £2,754,000), with cash reserves being used to fund various estates developments. The statement of Cash Flows analyses the movements in cash flows in more detail.

The Financial Implementation Plan recognises the need to retain sufficient cash reserves to both protect the College from the long-term effects of unforeseen financial events and to provide the financial resources to fund future developments, aligned to the Strategic Plan.

Expected breaches to covenant thresholds at 31 July 2025 were forecast with one of its lenders Santander UK plc. Early dialogue commenced with the bank and the necessary changes were agreed to maintain a minimum level of cash, reduce the interest cover test threshold and waive the debt service cover test. The variation agreement was executed on 12 December 2024, and the Group complied with its bank covenants at 31 July 2025.

### **Payment Performance**

The Late Payment of Commercial Debts (Interest) Act 1998 which came into force on 1 November 1998, requires Colleges, in the absence of agreement to the contrary, to make payments to suppliers within 30 days of either the provision of goods and services or the date on which the invoice was

## **REPORT OF THE GOVERNING BODY (CONTINUED)**

received. The target set by the treasury for this is 95 per cent. During the year the College processed 5,705 invoices to suppliers and paid 77% within 30 days, 83% within 40 days and 91% within 60 days.

The average payment period was 35 days, where delays in payment days were resultant from either the late receipt of invoices from suppliers and/or the time taken to address queries and reach a resolution. The College incurred no interest charge in respect of late payment for this period.

Performance against the target is reviewed quarterly to ensure continued improvements are achieved.

### **Sources of Income**

The Group has significant reliance on the education sector funding bodies with funding from the DfE, largely from recurrent grants, which in 2024/25 amounted to 67% of the Group's total income (2023/24: 67%).

### **Student Numbers**

In 2024/25 the College has delivered learning activity to 1,413 16-19-year-old students that generated programme funding via the lagged DfE methodology of £9,714,609 and T level funding of £2,024,363 (2023/24: 1,382 16-19-year-old students, programme funding £10,292,278). In addition, the College has approximately 2,267 students (2023/24: 1,356) from other sources of funding.

### **Performance Indicators**

The College measures progress against its strategic plan using several agreed key measures and targets aligned to the four strategic themes outlined in the overall College strategic plan. The College governors are able to monitor against key measures via a live data dashboard that aligns to the strategic plan.

The College has continued to improve its information systems, embed digital resources and launch the Quality First Teaching framework, a unique process for teacher development. All of this demonstrates the Colleges ambition, to improve how we do things and that we live by our values, which we call our DNA; Delivering with Purpose, Taking Ownership, Building Trust and Always Learning.

Strategic Theme 1 – 'Technical and professional land-based curriculum which is high quality, industry relevant and enhances our students' employability.' The relentless focus on high quality teaching and learning has materialised in a significant improvement in student retention and achievement rates across all provision types. Student attendance, achievement and progression remain a core focus. An Ofsted inspection of the College took place between 19 and 22 September 2024, with the College being reassessed as a 'Good' provider.

Strategic Theme 2 – 'Outstanding resources that deliver an exceptional and inclusive student experience.' Student satisfaction is positive as evidenced in the National Student Survey results, with students reporting high satisfaction. The Ofsted care standards inspection on 13-15 May 2025 confirmed a 'good' outcome. The Group has continued to invest in its built estate with several key new and improved buildings and during the year instructed a master plan for the York campus to identify options and priorities for the short (0-2 years), medium (3-5 years) and long-term (5 years+) aligned to the 2030 strategic vision.

## **REPORT OF THE GOVERNING BODY (CONTINUED)**

Strategic Theme 3 – 'Engagement bringing people and place together, to build mutually beneficial relationships and celebrate successes.' Stakeholder engagement and public perception has made good progress. The recent Ofsted inspection under the Education Inspection Framework, graded the College as making a strong contribution to Skills. During the year commercial income from short course provision has expanded significantly, achieving an 80% successful delivery rate across both internal delivery and assessments. Overall employer satisfaction is good.

Strategic Theme 4 – 'Sustainability and wider contribution to the Circular Economy is embedded into College life.' The financial position is in line with expectations despite significant financial challenges to income and pay costs. The Climate Action Roadmap for FE Colleges is being used to support the College in mapping out its journey towards being a 'Leading College' on sustainability and the Streamlined Energy and Carbon Reporting measures and reports environmental performance helping to inform the adoption of energy reduction and efficiency measures to reduce the Colleges impact on climate change. The Group has continued to work hard to address staffing challenges and is committed to national initiatives such as Early Career Teaching, Taking Teaching Further, and the DfE Targeted Retention scheme for English and maths. Recruiting and retaining teaching staff and wider support colleagues such as Learning Support Practitioners has remained a challenge. Looking forward into 2025/26 a new apprenticeship for teachers will be operational and changes in recruitment practices, onboarding experience and culture is expected to see improvements in staff satisfaction.

### **Future Developments**

In June 2025, the DfE announced a £190 million additional investment in the sector for students funded via the 16 to 19 funding formula for 2025/26 with increases in national funding rates (increase of 5.4%). Other elements of 16 to 19 funding including T level (which had been expected to decrease), disadvantaged funding, and English and maths funding have also increased. The programme cost weighting of specialist courses were also increased, reflecting the specialist resources held by the College to deliver land-based programmes. The additional funding will enable the College to address immediate challenges of inflationary cost increases and the award a staff pay uplift as recommended by the Association of Colleges.

### **PRINCIPAL RISKS AND UNCERTAINTIES:**

The College's ability to achieve its vision and strategic objectives is affected by its capacity to mitigate the risks and uncertainties it faces. The College has well established systems of internal control including financial, operational and risk management, which are designed to protect the solvency of the College, ensure effective and efficient use of resources and to safeguard its assets and reputation.

Based on the Strategic Plan, a risk register is maintained at both College (strategic) and department level which is continually reviewed by the Senior Leadership Team, appointed Risk Champions and the Risk Management Group to ensure that any emerging risks are identified, prioritised and mitigated and opportunities maximised. The Strategic Risk Register identifies the key risks and the impact and likelihood of those risks occurring. Risks are prioritised in a RAG (Red, Amber, Green) manner using a consistent scoring system which gives the College an easily recognised visual picture but with appropriate detail beside each risk identifying the appropriate controls and the actions being taken to reduce and mitigate the risks.

## REPORT OF THE GOVERNING BODY (CONTINUED)

The College strategic risk register is presented for discussion at each meeting of the Audit Committee.

The strategic risk register, alongside the Key Corporate Measures and Targets, internal and external audits are the mechanisms designed to provide assurance of delivery of the Colleges Strategic Plan for the Corporation.

The broad categories of risk facing the College are outlined below. Not all the factors are within the College's control.

- Failure to generate sufficient income from the recruitment of students in a highly competitive environment and to deliver training to meet the needs of employers (particularly apprenticeships).
- The extent to which the College can attract, retain, and develop high calibre people to drive continuous improvement and curriculum development.
- Ensuring long term financial sustainability to support delivery of the strategic plan.
- Failure to have controls and mitigations in place to avoid/reduce the likelihood of a serious cyber security incident.
- Failure to maintain a high-quality estate and to attract the necessary investment to respond to meet strategic objectives, curriculum needs and demands.

Our response to the risks has been:

- To focus the development of curriculum to meet local skills needs and enable access to funding.
- To facilitate the best possible student experience.
- To develop strategies to ensure students are retained and remain engaged and are offered appropriate opportunities to progress.
- To develop stakeholder relationships, engaging and involving employers in the design of the curriculum offer.
- To develop a comprehensive People Plan setting out people related initiatives and priorities, investing and developing talented staff.
- To obtain Cyber Essentials accreditation and invest in the appropriate skills and IT security infrastructure, staff awareness and training.
- To develop a long-term Estates Strategy (and costed campus master plan) which sets out the priorities and actions required in managing the estate efficiently and effectively.

Of the risks identified, the risks of long-term financial sustainability continues to present significant challenge.

### **EQUALITY, DIVERSITY AND INCLUSION:**

#### **Equal Opportunities**

The College is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positively, differences in race, belief, gender, sexual orientation, ability, class and age. We strive vigorously to remove conditions that place people at a disadvantage and we will actively combat discrimination.

## **REPORT OF THE GOVERNING BODY (CONTINUED)**

The College Equality, Diversity and Inclusion (EDI) Policy which reflects the ethos of the College in relation to the protected characteristics as described by the Equality Act 2010 is available on the College website. The College considers all applications bearing in mind the aptitudes of the individuals concerned. Oversight of the College policy is the responsibility of the EDI Committee.

The College is committed to providing equality of opportunity and parity of treatment for all individuals, regardless of gender, age, disability, marital status, family/carer responsibilities, race, nationality, ethnicity, colour, religion/belief, political affiliation, gender reassignment, sexual orientation, philosophical belief, thereby engendering an environment in which people treat each other with mutual respect, irrespective of their background. This commitment is extended to past, present and future members of staff, Governors, students, applicants for employment/education and visitors to the College.

The College ensures equal opportunities by:

- Promoting good practice in all areas of College activity through clear guidance regarding equality of opportunity and establishing key principles and monitoring arrangements.
- Encouraging mutual respect within a caring community through celebrating and valuing diversity.
- Raising awareness through induction, training and sharing good practice.
- Meeting legal obligations required by relevant legislation. Reviewing and updating policies and procedures to ensure new and existing legislation is embedded.
- Preventing circumstances arising which could result in claims of discrimination against an individual or the College as a whole through identifying, challenging and removing unfair practices.
- Providing procedures and forums, through which concerns and complaints can be raised and appropriate, speedy action taken.

### **Disability statement**

The College is committed to ensuring that disabled people, including those identified as having special educational needs, can access, participate, and succeed in their learning. The College strives to provide an inclusive environment to meet the learning needs of all students, including those with disabilities, so that they can participate as fully as possible in the learning experience.

This is achieved through the following:

- The College campus is accessible and designed to facilitate access for disabled people.
- The College employs a team of well-qualified and highly skilled Learning Support Mentors and Practitioners who provide a wide range of additional learning support, advice, and guidance.
- The College Learning Support team has a range of specialist equipment and software available for loan to students with special educational needs and/or disabilities.
- The College operates a continuing program of staff development to support the inclusion of students with special educational needs and disabilities, as well as to update staff on wider disability issues and legislation.

The College is also committed to ensuring that disabled people are not disadvantaged during the recruitment and selection process or during their employment and provides practical support to current or prospective staff members with disabilities or long-term health conditions, often liaising

## REPORT OF THE GOVERNING BODY (CONTINUED)

with specialist organisations to ensure the most appropriate support is available. The College is recognised as a Disability Confident Employer, working to remove barriers, increase understanding, and ensure that disabled people have the opportunities to fulfil their potential and realise their aspirations.

### **Streamlined Energy and Carbon Reporting**

The College is committed to environmental sustainability and carbon reduction and to adopting appropriate measures to support the Government's net zero emissions by 2050 target as set out in the Climate Change Act 2008. The College recognises that it has a significant role to play in promoting sustainability and mitigating the impact of our operations on the environment and the lives of the individuals, communities and businesses we serve, with the potential to affect positive outcomes through community and educational engagement to work together towards a more environmentally sustainable future.

During the year the College successfully secured SALIX funding through Phase 5 Public Sector Low Carbon Skills Fund. This funding has enabled the development of a comprehensive Heat Decarbonisation Plan (HDP) for campuses at York and Stewart Park. The HDP outlines a capital investment requirement of approximately £25 million to transition the estate to net zero carbon emissions. This plan not only provides a clear roadmap for decarbonisation but also strengthens the Colleges position when applying for future grant funding. Achieving net zero will be contingent on our ability to attract significant external investment, and the HDP will be instrumental in demonstrating both need and readiness to potential funders.

The College has taken the following measures in the year to improve energy efficiency:

- The continuation of the programme of LED lighting replacements to reduce electricity usage. Replacement lighting was installed in 63 student residential bedrooms and common areas, and the main building offices, canteen and food hall.
- The installation of a 22KW micro anaerobic digester (AD plant) converting biogas from slurry produced in the College Dairy to electricity and heat to be used on campus, offsetting a substantial part of the cost to power the Dairy and heat some adjacent buildings. To date the average reduction in electricity is steady at around 45% of the previous year's usage.
- Replaced the roof of the science building with a new system designed to achieve a minimum U-value of 0.18 W/m<sup>2</sup>K, significantly improving upon the previous system, which had an estimated U-value between 0.35 and 0.40 W/m<sup>2</sup>K. A lower U-value indicates better insulation, resulting in reduced heat loss and improved energy efficiency. As part of the upgrade, the old double-glazed roof lights were removed and replaced with fewer, more efficient triple-glazed units.

The Streamlined Energy and Carbon Report (SECR) is the College's response to The Companies (Directors Report) and Limited Liability Partnership (Energy and Carbon Report Regulations 2018) that encompass March 2019 Environmental Reporting Guidelines and uses data for the year 1 August 2024 to 31 July 2025 and in order to compare, data from year 1 August 2021 to 31 July 2022 sets the baseline year for reporting purposes.

The College has this year included in the report Scope 3 emissions which is a voluntary activity, these emissions have been calculated and included in both the current reporting year and the base line year to provide a comparison. The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub>e per staff member, the recommended ratio for the sector.

## REPORT OF THE GOVERNING BODY (CONTINUED)

Greenhouse gas emissions and energy use data for the period - 1 August 2024 to 31 July 2025	Baseline Year 2021 – 2022	Reporting Year 2024 – 2025
Energy Consumption used to calculate emissions (kWh)	7,467,618	6,778,681
<b>Energy consumption breakdown (kWh)</b>		
Gas	4,266,798	3,945,723
Other Heating Fuel	271,420	126,868
Electricity	2,290,676	2,101,812
Transport Fuel	638,724	604,278
<b>Scope 1 emissions in metric tonnes CO<sub>2</sub>e</b>		
Gas consumption	781.51	721.67
Other heating fuel consumption	62.80	26.54
Owned transport	151.29	143.45
Fugitive emissions from refrigerants	98.01	1.67
Total scope 1	1,093.80	893.34
<b>Scope 2 emissions in metric tonnes CO<sub>2</sub>e</b>		
Purchased electricity	486.38	435.18
<b>Scope 3 emissions in metric tonnes CO<sub>2</sub>e</b>		
Water (supply and waste treatment)	13.03	15.23
Business travel in employee-owned vehicles	23.40	9.76
<b>Total gross emissions in metric tonnes CO<sub>2</sub>e</b>	<b>1,616.61</b>	<b>1,401.69</b>
Offsets		
Market based energy (electricity and gas)*	-	447.56
<b>Total net emissions in metric tonnes CO<sub>2</sub>e</b>	<b>1,616.61</b>	<b>954.13</b>
<b>Intensity ratio (FTE staff)</b>	<b>329</b>	<b>351</b>
Tonnes CO <sub>2</sub> e per member of staff	4.91535	2.7183

\* During the period covered by the report, the College purchased 2,101,813 kWh of electricity (equivalent to 434.93 tonnes CO<sub>2</sub>e), matched annually to Renewable Energy Guarantees of Origin certificates, enabling zero-emission reporting. Additionally, from 1 April 2025, the College purchased gas totalling 646,104 kWh (equivalent to 126.30 tonnes CO<sub>2</sub>e) backed by 10% Renewable Gas Guarantees of Origin, enabling zero-emission reporting on 10% of the units purchased (equivalent to 12.63 tonnes CO<sub>2</sub>e).

During the data collection, an error was identified in the gas units previously used to calculate usage. The error has now been corrected in both the reporting year and base year, which has resulted in an increase in the reported total CO<sub>2</sub>e figure compared to prior years. However, it is important to note that the overall trend of reducing CO<sub>2</sub>e emissions remains unchanged.

**Total net CO<sub>2</sub>e for the College in 2024/25 is 954.13 tonnes, a reduction of 41% (662.48 tonnes CO<sub>2</sub>e) from the baseline year of 2021/22.**



## REPORT OF THE GOVERNING BODY (CONTINUED)

### Trade Union Facility Time

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

Numbers of employees who were union officials in the relevant period	FTE employees
1	1

Percentage of time	No. of employees
0%	0
1-50%	1
51-99%	0
100%	0

Total cost of facility time	£399
<b>Total pay bill</b>	£15.1m
Percentage of total bill spent on facility time	0%

Time spent on paid trade union activities as a % of total paid facility time	2.7%
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### Going Concern

The financial statements have been prepared on a going concern basis. In determining the appropriate basis of preparation of the financial statements, the Corporation is required to consider whether the College and the group can continue in operational existence for the foreseeable future.

Information in relation to the College's activities, together with the factors likely to affect future prospects, performance and position is set out in this Report of the Governing Body.

In preparing an assessment of going concern, the College has prepared a cautious and prudent financial forecast that covers the period from August 2025 to July 2027. This forecast has been based upon the financial plan approved by the Corporation in July 2025, adjusted to reflect subsequent and known changes in income and costs and actual 2024/25 performance.

Sensitivity analysis has been performed on these forecasts to consider the impact of potential changes in key assumptions, which has considered 2025/26 enrolment as at October 2025 and models the financial plan and cashflow implications of the expected 16-18 funding allocation for 2026/27 and limited cost mitigations in pay and non-pay budgets.

Whilst there remains some uncertainty in certain income streams, future enrolments, and the costs basis, forecast cash reserve levels remain robust and both banks remain supportive of the College.

On the basis of the latest forecasts, the Corporation has considered its financial plans and concluded that the College and the group has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of these financial statements.

The adoption of a going concern basis in the preparation of the financial statements for financial year 2024/25 is deemed appropriate.

## **REPORT OF THE GOVERNING BODY (CONTINUED)**

### **Disclosure of Information to Auditors**

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

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



Graeme Osborn (Dec 16, 2025, 8:59am)

**Graeme Osborn**

**Chair of governors**

## STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL

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

The College endeavours to conduct its business:

- i. in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
- ii. in full accordance with the guidance to colleges from the Association of Colleges in The Code of Good Governance for English Colleges ("the Code");
- iii. having due regard with the guidance from the Committee of University Chairs (CUC) HE Code of Governance; and
- iv. having due regard to the UK Corporate Governance Code 2016 insofar as it is applicable to the further education sector.

The College is committed to exhibiting best practice in all aspects of corporate governance and in particular the College has adopted and complied with the Code.

In the opinion of the Governors, the College complies with/exceeds all the provisions of the Code, and it has complied throughout the year ended 31 July 2025. This opinion is based on an internal review of compliance with the Code reported to the Corporation during October 2023 and as seen during the external review. The Governing Body recognises that, as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times. In carrying out its responsibilities, it takes full account of The Code of Good Governance for English Colleges issued by the Association of Colleges in March 2015 (amended 2019), which it formally adopted on 15 July 2015 and subsequently the FE Code of Good Governance issued by the Association of Colleges in 2023, which it formally adopted on 19 October 2023.

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

## THE CORPORATION

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

Name	Date of Appointment or Re-appointment	Term of Office	Date of Resignation	Status of Appointment	Committees Served	Attendance 24/25 (Corporation only)
Ms L Haigh	13 May 2025	2 years		Independent	Finance & GP	4/5
Ms A Jelley	17 December 2022	4 years		Independent	Quality & Standards	5/5

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

Ms T Lightfoot	20 October 2024	4 years		Co-optee	Quality & Standards	0/5
Mr M Moorhouse	16 December 2021	4 years		Independent	Director College Companies Finance & GP (Chair) Search & Governance, Remuneration	5/5
Mr M Parkin	13 July 2024	4 years		Independent	Audit	2/5
Mr G Osborn (Vice Chair – appointed 20 October 2022)	17 December 2024	2 years		Independent	Search & Governance Remuneration	5/5
Mr T Shaw	16 December 2021	4 years		Independent	Audit {Chair}, Quality & Standards, Search & Governance, Remuneration	5/5
Mrs M Vevers  (Resigned 31/7/25 - Appointed Chair 11 February 2019)			31 July 2025	Independent	Search & Governance, Remuneration	5/5
Ms Anne Tyrrell	1 August 2025	2 years		Independent	Quality & Standards	0/0
Stephanie Burrell	1 January 2024	2 years	24 November 2025	Boardroom Apprentice	Finance & GP	
Mr T Whitaker CEO	19 April 2019	Ex Officio		Accounting Officer	Finance & GP, Search & Governance, Quality & Standards	5/5
Mr T Aii	16 March 2023	4 years		Staff Governor		3/5
Ms D Lendhill	16 March 2023	4 years		Staff Governor		2/5
Ms H Clegg	1 August 2025	1 year		Student Governor		0/0

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

Mr R Holding	1 August 2023	+ 1 year		Student Governor		3/5
Mr P Hutchinson				Co-optee	Audit	0/0
Mr C Moss	17 December 2024	2 years		Co-optee	Audit	N/A (in attendance)
Mr D Reeve	11 July 2024	2 years		Co-optee	Audit	0/0
Mr B Humphrey	17 October 2024	2 years		Co-optee	Quality & Standards	0/0
Mr J Sadler	1 March 2022	4 years		Independent	Finance & GP	2/5
Miss J Clapham – acts as Clerk to the Corporation (appointed 6 January 2012)						
Ms S West – Interim Clerk to the Corporation (appointed 14 May 2025)						

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, quality matters and personnel-related matters such as health and safety and environmental issues. The Corporation meets at least once a term.

The Corporation conducts its business through a number of committees. Each committee has terms of reference, which have been approved by the Corporation. These committees are Quality and Standards, Finance and General Purposes, Search and Governance, Remuneration and Audit. Full minutes of the Corporation meetings, except those deemed to be confidential by the Corporation, are available on the College's website at [www.askham-bryan.ac.uk/the-college/governance](http://www.askham-bryan.ac.uk/the-college/governance) or from the Director of Governance at the College's registered address.

Director of Governance/Clerk to the Corporation  
Askham Bryan College, Askham Bryan, York, YO23 3FR

The Director of Governance maintains a register of financial and personal interests of the governors. The register is available from the Director of Governance at the above address.

All governors are able to take independent professional advice in furtherance of their duties at the College's expense and have access to the Clerk to the Corporation, who is responsible to the 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 governors in a timely manner, prior to Board meetings. Briefings are provided on an ad hoc basis.

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.

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

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

### **Appointments to the Corporation**

Any new appointments to the Corporation are a matter for the consideration of the Corporation as a whole. The Corporation has a Search and Governance Committee, consisting of Chairs of the Committees, which 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 appointed for a term of office not exceeding four years. Members cannot serve for more than two terms of office (maximum of 8 years), except in exceptional circumstances and not without the specific approval of the Corporation.

### **Corporation Performance**

An internal audit on Corporate Governance provided substantial assurance and its Self-Assessment Report for 2024/25, the College has self-assessed as Good for overall effectiveness and effectiveness of Leadership and Management, which has been subjected to external verification by Land Based Colleges Aspiring to Excellence (LANDEX) and also the enhanced Ofsted inspection.

The governing body is committed to development and in order to achieve more effective and efficient governance, a Governor Self-Assessment procedure is in place to address any areas for development and identify any training needs. Annually and collectively the Corporation reviews itself. The process includes an evaluation of papers, meetings, attendance and an assessment against Committee Terms of Reference.

During the year Governors have undertaken a series of online mandatory training sessions on topics including Safeguarding, Prevent, Equality and Diversity. Governors have participated in an Understanding College Finance session and for those that required it induction, appraisal and performance management and recruitment. Briefings in curriculum and corporate support areas for Governors provide opportunities to meet with students and staff and there is a special focus topic section in Corporation meetings, which has included an external landscape session and quality of education. They have also had an Away Day with a focus on the three main priorities. The Clerk/Director of Governance engaged in governance sessions delivered by the Education Training Foundation, AoC and the Clerks' Network.

The governing body has undertaken an external board review, which was undertaken by Julie Dougill over the period November 2023 – January 2024. The reviewer is the Chair of Plumpton College, an independent Land Based College, is the elected Chair of the AoC Southeast Chairs' group and is the Chair of the AoC National Chairs' Council. The review was moderated by Sandra Prail, MBE, a National Leader of Governance.

The review has been conducted against the published AoC framework for FE College External Board Reviews. The Framework comprises 3 core areas for evaluation known as Board Dimensions – namely, Composition, Structure and Interaction. The Review concluded that:

The overall conclusion on Board effectiveness is that there is strong evidence that the Board is highly proficient and consistently impacts positively on college strategy, effectiveness, and outcomes.

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

The following table summarises the headline strengths and areas for development for each Board dimension:

	Strength	Area for Development
<b>Board Composition</b>	1.1. The broad and diverse set of skills and expertise of Corporation members to enable oversight, support, and challenge.	1.1. Diversity – Continue to prioritise increasing diversity of the Corporation by agreeing a set of KPIs to report on Governor diversity including protected characteristics and diversity of thought to help inform future targeted recruitment campaigns.
	1.2. Governors lead on the College strategy and have a clear vision for the College, its role in meeting local skills needs and its students.	1.2. Succession planning – Continue targeted recruitment drive to appoint governors with FE/HE schools' focus and from HR.
	1.3. Positive attitude and mindset of Corporation members.	1.3. Strengthen your processes for the deployment of governors to ensure workloads are balanced and are used to inform succession planning.
	1.4. No current member of Corporation exceeds a term of office over 8-years.	
	1.5. Using shadow governors to support succession planning.	
<b>Board Structure</b>	2.1. Robust and effective governance processes.	2.1. Strengthen further opportunities for more formal and innovative ways to gather student and staff voice.
	2.2. Director of Governance is experienced, qualified and highly valued in her role.	2.2. SAR process for governance - Gather feedback from the Executive team on the impact of governance. Consider developing appraisal style questionnaire for Chair of Corporation and Committee Chairs to use in SAR process. Consider how the new AoC Code of Good Governance can be aligned with the Governance SAR process.

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

	2.3. Reporting template enables governors to focus on key issues, risks and impact.	2.3. Continue your work on developing the online portal to support governance in the College and ease administrative burden on Director of Governance.
	2.4. Keen focus by Corporation on strategy and their strategic direction.	
	2.5. Corporation papers and supporting documents do not exceed 100 pages.	
<b>Board Interaction</b>	3.1. The Board has established a positive Corporation culture based on open communication, support, and challenge.	3.1. Consider ways the training and development which the new Executive team are undertaking can be developed to involve the governing board as planned for the Strategic Away Day.
	3.2. Strong and effective triumvirate	3.2. Review Area/Corporate Briefing scheme template to include measuring governance impact.
	3.3. Strong strategic focus on developing external relationships with stakeholders.	3.3. Continue to review succession planning for Director of Governance in relation to their role within the College.
	3.4. Governors enjoy their role and are proud of being part of the College.	
	3.5. Governors are aware of their statutory roles and responsibilities and comply with all provisions within the Code of Conduct.	

A key element of the Review is the identification of effective governance practice. Many examples are noted. The reporting template for board papers provides the opportunity for the author to present an executive and evaluative summary of key points, to identify risks and consider impact. This has improved the performance of Corporation by enabling governors to focus their discussion and decision making on strategy and reduced the length of papers for Corporation meetings. This is a particular example of effective practice that others might learn from. The recommendations are being monitored via the Audit Committee.

### Remuneration Committee

Throughout the year ending 31 July 2025 the College's Remuneration Committee comprised the Chairs of the Committees/Corporation. The Committee's responsibilities are to make recommendations to the Board on the remuneration and benefits of the Accounting Officer and other key management personnel. The College has adopted the AoC's Senior Post Holder Remuneration Code.



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

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

### Audit Committee

The Audit Committee comprises up to five members (excluding the Accounting Officer and Chair of governors). The Committee operates in accordance with written terms of reference approved by the Corporation.

The Audit Committee meets on a termly basis and provides a forum for reporting by the College's internal auditors, reporting accountants and financial statements auditors, who have access to the Committee for independent discussion, without the presence of College management. The Committee also receives and considers reports from the main FE funding bodies as they affect the College's business.

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

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

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

The Audit Committee met four times in the year to 31 July 2025. The members of the Committee and their attendance records are shown below:

<b>Committee member</b>	<b>Meetings attended</b>
Trevor Shaw	4/4
Chris Moss	4/4
Paul Hutchinson	1/1
Matthew Parkin	3/4
David Reeve	4/4

### Finance and General Purposes Committee

The Finance and General Purposes Committee monitors the College's financial position and capital developments and assists the Corporation in enabling it to discharge its financial responsibility, examining annual estimates and accounts (including the accounting policies on which they are based) and recommending their approval to the Corporation.

### Quality and Standards Committee

The Quality and Standards Committee advises the Corporation on matters of quality and standards, monitoring quality assurance processes and the Self-Assessment Report and evaluating the College's performance against national benchmarks.

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

### Internal control

#### *Scope of responsibility*

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

The Corporation has delegated the day-to-day responsibility to the Principal/Chief Executive, 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 the Accounting Officer is personally responsible, in accordance with the responsibilities assigned to the Accounting Officer in the Funding Agreement between the College and the funding bodies. The Accounting Officer is also responsible for reporting to the Corporation any material weaknesses or breakdowns in internal control.

#### *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; 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 at 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 have been in place for the period ending 31 July 2025 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Corporation.

#### *The risk and control framework*

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

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

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

Page 13 of the Report of the Governing Body set out how the Corporation manage risk and identifies the principle risks and uncertainties facing the College.

The College has an internal audit service, which operates in accordance with the requirements of the DfE's Framework for 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 Committee. In addition to the Risk Register the College Management and Governors have developed a Board Assurance Framework, showing the mapping of assurance sources against the risks identified. Independent reports are provided on internal audit activity in the College to the Audit Committee and in turn to the governing body. The Audit Committee produce an annual report on the effectiveness of the College's system of risk management, controls and governance processes. The Internal Auditors provide the Corporation with an annual report on internal audit activity in the College, which includes an independent opinion on the adequacy and effectiveness of the College's system of risk management, controls and governance processes.

### *Statement from the audit committee*

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

The internal auditors were able to complete a programme of scheduled audits including:

- HR Recruitment Practices;
- Procurement;
- Compliance with the College Financial Handbook;
- Funding (16 to 19s) Review;
- Curriculum Planning;

No significant internal control weaknesses were identified from the audits within the year and have provided assurance to the Audit Committee as to the adequacy and effectiveness of the College's risk management, control and governance processes.

All internal audit reports outline the level of assurance, and an action plan is put in place to address any areas of improvement identified. The Audit Committee review and monitor the progress of action plans and the Internal Auditor completes an annual follow-up review to confirm the actions have been taken and the recommended actions embedded.

### *Responsibilities under accountability agreements*

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

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

### *Review of effectiveness*

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

- the work of the internal auditors
- the work of the executive managers within the College who have responsibility for the development and maintenance of the internal control framework
- comments made by the College's financial statements auditors, the reporting accountant for regularity assurance and the appointed funding auditors (where relevant) in their management letters and other reports
- the work of other audits conducted and guidance provided by external professional organisations
- the review of its policies and procedures which has resulted in a programme of revision

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

The Senior Leadership Team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments and reinforced by risk awareness training. The Senior Leadership Team and the Audit Committee also receive regular reports from internal audit and other sources of assurance, which include recommendations for improvement. The Audit Committee's role in this area is confined to a high-level review of the arrangements for internal control. The Corporation's agenda includes a regular item for consideration of risk and control and receives reports thereon from the Senior Leadership Team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its 11 December 2025 meeting, the Corporation carried out the annual assessment for the year ended 31 July 2025 by considering documentation from the Senior Leadership Team and internal audit and taking account of events since 31 July 2025

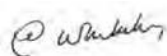
Based on the advice of the Audit Committee and the Accounting Officer, the Corporation is of the opinion that the College has an adequate and effective framework for governance, risk management and control, and has fulfilled its statutory responsibility for *"the effective and efficient use of resources,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



Graeme Osborn (Dec 16, 2025, 8:59am)

**Graeme Osborn**  
Chair of governors



Dr Tim Whitaker (Dec 16, 2025, 7:36am)

**Dr Tim Whitaker**  
Accounting Officer

## **GOVERNING BODY'S STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE WITH FUNDING BODY TERMS AND CONDITIONS OF FUNDING**

As accounting officer of the corporation of Askham Bryan 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, funding non-compliance, or non-compliance with the framework of authorities have been discovered to date. If any instances are identified after the date of this statement, these will be notified to DfE.



**Dr Tim Whitaker** (2025, 7:36am)

**Accounting Officer**

**11 December 2025**

## STATEMENT OF RESPONSIBILITIES OF THE MEMBERS OF THE CORPORATION

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

Within the terms and conditions of the 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's College Accounts Direction and the UK's Generally Accepted Accounting Practice. In preparing the financial statements, the corporation is required to:

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

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

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

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

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

## STATEMENT OF RESPONSIBILITIES OF THE MEMBERS OF THE CORPORATION (CONTINUED)

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:**



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**Graeme Osborn** (16, 2025, 8:59am)  
**Chair of governors**

## **INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF ASKHAM BRYAN COLLEGE**

### **OPINION**

We have audited the financial statements of ASKHAM BRYAN COLLEGE (the "College") and its subsidiaries (the "Group") for the year ended 31 July 2025 which comprise the consolidated and College Statement of comprehensive income, the consolidated Statement of changes in reserves, the consolidated and College Balance sheets, the consolidated Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Statement of Recommended Practice: Accounting for Further and Higher Education and the DfE College Accounts Direction 2024 to 2025.

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the Group's and the College's affairs as at 31 July 2025 and of the Group's and the College's total comprehensive 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 requirements of the Statement of Recommended Practice: Accounting for Further and Higher Education and the College Accounts Direction issued by the Office for Students and the College Accounts Direction 2024 to 2025 issued by the DfE.

### **BASIS OF 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 United Kingdom, including the Financial Reporting Council'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 Corporation's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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



## **INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF ASKHAM BRYAN COLLEGE (CONTINUED)**

### **OTHER INFORMATION**

The Members of the Corporation are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, 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 this gives rise to 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), the 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**

In the light of our knowledge and understanding of the Group and the College and its environment obtained in the course of the audit, we have not identified material misstatements in the Corporation's report including the Strategic report.

We have nothing to report in respect of the following matters in relation to which the Framework and Guide for External Auditors and Reporting Accountants of College issued by the Department for Education requires us to report to you if, in our opinion:

- the College has not kept adequate accounting records; or
- the College financial statements are not in agreement with the accounting records and returns; or
- all the information and explanations required for the audit were not received; or
- the going concern basis of accounting and disclosure of material uncertainties is appropriate.

## **INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF ASKHAM BRYAN COLLEGE (CONTINUED)**

### **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 notes 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 MEMBERS OF THE CORPORATION**

As explained more fully in the Statement of responsibilities of the Members of the Corporation, the Corporation is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the Corporation members 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.

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 responsible individual 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 Corporation through discussions with the Corporation and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operation of the company

## **INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF ASKHAM BRYAN COLLEGE (CONTINUED)**

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management;
- identified laws and regulations were communicated within the audit team regularly and the team; and
- remained alert to instances of non-compliance throughout the audit.

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

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

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

- performed analytical procedures as a risk assessment tool to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- tested the operating effectiveness of key controls over purchase cycles on a sample basis; and
- reviewed the application of accounting policies including the application of capitalisation of tangible assets, and timing of recognition of grant income; and
- Considered during our work on regularity, propriety and compliance.

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;
- reading the minutes of meetings of those charged with governance; 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 the directors and other management and the inspection of regulatory and legal correspondence, if any.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). The 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 5th November 2025. 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

## **INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF ASKHAM BRYAN COLLEGE (CONTINUED)**

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.

*Armstrong Watson Audit Limited*

*Karen Rae (Dec 17 2025 12:09pm)*  
Karen Rae FCA (Senior Statutory Auditor)  
for and on behalf of  
Armstrong Watson Audit Limited  
Chartered Accountants & Statutory Auditors  
Leeds  
Date: 17 Dec 2025

## **INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON REGULARITY TO THE CORPORATION OF ASKHAM BRYAN COLLEGE AND SECRETARY OF STATE FOR EDUCATION**

In accordance with the terms of our engagement letter dated 5th November 2025 and further to the requirements of Department of 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 that in all material respects, the expenditure disbursed and income received by Askham Bryan College during the period 1 August 2024 to 31 July 2025 have not been applied to the purposes identified by Parliament or the financial transactions do not conform to the authorities which govern them.

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

### **Respective responsibilities of the Accounting Officer of ASKHAM BRYAN 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 discussed and income received during the period 1 August 2024 to 31 July 2025 have not been applied for the purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Colleges issued by DfE which requires a limited assurance engagement as set out in our engagement letter. The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

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

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

## INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON REGULARITY TO THE CORPORATION OF ASKHAM BRYAN COLLEGE AND SECRETARY OF STATE FOR EDUCATION (CONTINUED)

The work undertaken to draw our conclusion includes:

- A review of the accuracy of the Corporation's self-assessment of compliance with regularity and propriety requirements and review of appropriate evidence and documentation.
- Review of expenditure systems for compliance with corporation policy and scheme of delegation.
- Consideration of staff expense claims in line with policy
- Review of procedures in respect of government procurement cards.
- Review of Corporation minutes.
- Consideration of advisory matters from internal auditors reports.

### 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.

*Armstrong Watson Audit Limited*

Karen Rae, FCA  
(Signed on 17 Dec 2025, 12:09pm)

For and on behalf of  
Armstrong Watson Audit Limited  
Chartered Accountants & Statutory Auditors  
Leeds

Date 17 Dec 2025

## CONSOLIDATED AND COLLEGE STATEMENTS OF COMPREHENSIVE INCOME AND EXPENDITURE

	Notes	Year ended 31 July 2025		Year ended 31 July 2024	
		Group	College	Group	College
		£'000	£'000	£'000	£'000
<b>INCOME</b>					
Funding body grants	2	19,422	19,420	18,095	18,095
Tuition fees and education contracts	3	3,557	3,557	3,342	3,342
Other grants and contracts	4	-	-	-	-
Other income	5	5,490	3,737	5,132	3,849
Investment income	6	328	328	524	524
Donations and Endowments	7	140	140	-	-
<b>Total income</b>		<b>28,938</b>	<b>27,182</b>	<b>27,093</b>	<b>25,810</b>
<b>EXPENDITURE</b>					
Staff costs	8	15,182	14,810	13,726	13,403
Other operating expenses	9	11,879	10,642	11,870	10,636
Depreciation and amortisation	12 & 13	2,194	2,121	1,908	1,837
Interest and other finance costs	10	214	214	254	254
Intercompany loan provision		-	(53)	-	306
Pension Provision	20	{679}	{679}	-	-
<b>Total expenditure</b>		<b>28,790</b>	<b>27,055</b>	<b>27,758</b>	<b>26,436</b>
<b>(Deficit)/Surplus before other gains and losses</b>		<b>147</b>	<b>127</b>	<b>(665)</b>	<b>(626)</b>
Gain/(loss) on disposal of assets		(203)	(203)	(125)	(128)
<b>(Deficit) for the year</b>		<b>(56)</b>	<b>(76)</b>	<b>(790)</b>	<b>(754)</b>
Actuarial (loss)/gain in respect of pensions schemes	24	{69}	{69}	(100)	{100}
<b>Total Comprehensive Income for the year</b>		<b>(124)</b>	<b>(145)</b>	<b>(890)</b>	<b>(854)</b>

There were no recognised gains or losses other than as reported above.

The accompanying accounting policies and notes on pages 43 to 71 form part of these financial statements

## CONSOLIDATED AND COLLEGE STATEMENT OF CHANGES IN RESERVES

Group	Income and expenditure account £'000	Total £'000
<b>Balance at 1 August 2023</b>	23,427	23,427
Deficit from the income and expenditure account	(790)	(790)
Other comprehensive income	(100)	(100)
<b>Balance at 31 July 2024</b>	<b>22,537</b>	<b>22,537</b>
<b>Balance at 1 August 2024</b>	22,537	22,537
Deficit from the income and expenditure account	(56)	(56)
Other comprehensive income	(69)	(69)
<b>Balance at 31 July 2025</b>	<b>22,412</b>	<b>22,412</b>


College	Income and expenditure account £'000	Total £'000
<b>Balance at 1 August 2023</b>	22,299	22,299
Surplus/(Deficit) from the income and expenditure account	(754)	(754)
Other comprehensive income	(100)	(100)
<b>Balance at 31 July 2024</b>	<b>21,445</b>	<b>21,445</b>
<b>Balance at 1 August 2024</b>	21,445	21,445
Surplus/(Deficit) from the income and expenditure account	(76)	(76)
Other comprehensive income	(69)	(69)
<b>Balance at 31 July 2025</b>	<b>21,300</b>	<b>21,300</b>



## BALANCE SHEETS AS AT 31 JULY

	Notes	Group	College	Group	College
		2025 £'000	2025 £'000	2024 £'000	2024 £'000
<b>Non-current assets</b>					
Intangible fixed assets	12	219	219	308	308
Tangible fixed assets	13	32,980	32,564	30,251	29,908
Investments	14	127	15	127	15
		<b>33,326</b>	<b>32,798</b>	<b>30,686</b>	<b>30,231</b>
<b>Current assets</b>					
Stocks	15	623	-	559	-
Trade and other receivables	16	1,607	1,929	1,503	1,669
Cash and cash equivalents	21	7,486	7,024	10,940	10,499
		<b>9,716</b>	<b>8,953</b>	<b>13,002</b>	<b>12,168</b>
<b>Less: Creditors – amounts falling due within one year</b>	17	<b>(4,696)</b>	<b>(4,571)</b>	<b>(4,763)</b>	<b>(4,604)</b>
<b>Net current assets</b>		<b>5,020</b>	<b>4,382</b>	<b>8,239</b>	<b>7,564</b>
<b>Total assets less current liabilities</b>		<b>38,346</b>	<b>37,180</b>	<b>38,925</b>	<b>37,795</b>
Creditors – amounts falling due after more than one year	18	(15,934)	(15,880)	(15,642)	(15,604)
<b>Provisions</b>					
Other provisions	20	-	-	(746)	(746)
Defined benefit obligations	24	-	-	-	-
<b>Total net assets</b>		<b>22,412</b>	<b>21,300</b>	<b>22,537</b>	<b>21,445</b>
<b>Restricted Reserves</b>	28	130	130	-	-
<b>Unrestricted Reserves</b>					
Income and expenditure account		22,282	21,170	22,537	21,445
<b>Total unrestricted reserves</b>		<b>22,282</b>	<b>21,170</b>	<b>22,537</b>	<b>21,445</b>
<b>Total Reserves</b>		<b>22,412</b>	<b>21,300</b>	<b>22,537</b>	<b>21,445</b>

The financial statements on pages 39 to 71 were approved and authorised for issue by the Corporation on 11 December 2025 and were signed on its behalf on that date by:

  
**Graeme Osborn**  
 Chair of governors

  
**Dr Tim Whitaker**  
 Accounting Officer

## CONSOLIDATED STATEMENT OF CASH FLOWS

	2025	2024
	£'000	£'000
<b>Cash flow from operating activities</b>		
Surplus/(Deficit) for the year	(56)	(790)
Depreciation and impairment	2,194	1,908
(Increase)/Decrease in stocks	(64)	(12)
Decrease/(Increase) in debtors	(104)	(641)
(Decrease)/Increase in creditors due within one year	(67)	32
(Decrease) in creditors due after one year	(1,277)	(767)
Increase/(Decrease) in provisions	(746)	(72)
Pensions costs less contributions payable	(44)	(77)
<b>Adjustment for investing or financing activities</b>		
Investment income	(328)	(524)
Interest payable	214	254
(Gain)/Loss on sale affixed assets	203	125
<b>Net cash flow from operating activities</b>	<b>(75)</b>	<b>(564)</b>
<b>Investing activities</b>		
Proceeds from sale of fixed assets	-	49
Investment Income	328	524
Payments made to acquire fixed assets	(3,119)	(2,137)
	<b>(2,791)</b>	<b>(1,564)</b>
<b>Financing activities</b>		
Interest paid	(239)	(277)
Repayments of amounts borrowed	(349)	(349)
	<b>(588)</b>	<b>(626)</b>
<b>Increase/(Decrease) in cash and cash equivalents in the year</b>	<b>(3,454)</b>	<b>(2,754)</b>
Cash and cash equivalents at beginning of the year	10,940	13,694
<b>Cash and cash equivalents at end of the year</b>	<b>7,486</b>	<b>10,940</b>

## NOTES TO THE ACCOUNTS

### 1. Statement of Accounting Policies and Estimation Techniques

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

#### Basis of Preparation

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

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

#### Basis of Accounting

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

The Consolidated accounts are presented in Sterling which is also the functional currency of the College.

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

In accordance with FRS102 the College has taken advantage of the exemptions from the following disclosures in respect of its individual financial statements. These disclosures are given on a consolidated basis:

- Statement of Cash Flows - Presentation of a Statement of Cash Flows and related notes and disclosures.

#### Basis of Consolidation

The consolidated financial statements include the College and its subsidiaries, Askham Bryan College Company Limited and Askham Bryan College Enterprises Limited both of which are controlled by the Group. Control is achieved where the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Under the purchase method of accounting, the results of subsidiary and associated undertakings acquired or disposed of during the year are included in the consolidated income and expenditure account from or up to the date on which control of the undertaking passes. Intra-group sales 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

## **Going Concern**

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

In preparing an assessment of going concern, the College has prepared a cautious and prudent financial forecast that covers the period from August 2025 to July 2026. This forecast has been based upon the financial plan approved by the Corporation in July 2025, adjusted to reflect subsequent and known changes in income and costs and actual 2024/25 performance.

Sensitivity analysis has been performed on these forecasts to consider the impact of potential changes in key assumptions, which has considered 2025/26 enrolment as at October 2025 and models the financial plan and cashflow implications of the expected 16-18 funding allocation for 2026/27 and limited cost mitigations in pay and non-pay budgets.

Whilst there remains some uncertainty in certain income streams, future enrolments, and the costs basis, forecast cash reserve levels remain robust and the banks remain supportive of the College.

On the basis of the latest forecasts, the Corporation has considered its financial plans and concluded that the College and the group has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of these financial statements.

The adoption of a going concern basis in the preparation of the financial statements for financial year 2024/25 is deemed appropriate.

## **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 Skills Fund 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 and is recognised when receivable.

The recurrent grant from the 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 FRS102. The deferred income is allocated between creditors due within one year and those due after one year. 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, Apprenticeship employer support grants and Higher Education Access to Learning Fund. 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.

### ***Accounting for Post-Employment Benefits***

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

#### ***Teachers' Pension Scheme (TPS)***

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

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

#### ***Local Government Pension Scheme (LGPS)***

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

Net interest on the net defined benefit liability/asset is also recognised in the Statement of Comprehensive Income and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in interest and other finance costs.

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

### **Short Term Employment Benefits**

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

### **Non-Current Assets – Tangible Fixed Assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets that had been revalued to fair value on or prior to the date of transition to the 2015 FE HE SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

#### ***Land and buildings***

Freehold buildings are depreciated on a straight-line basis over their expected useful lives of between 20 and 50 years. The College has a policy of depreciating major adaptations to buildings over the period of their useful economic life of between 20 and 50 years. Alterations and reconfigurations are depreciated over the period of their useful economic life of between 10 and 20 years.

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

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

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

On adoption of FRS 102, the College followed the transitional provision to retain the book value of land and buildings, which were revalued in 1996, as deemed cost but not to adopt a policy of revaluations of these properties in the future.

### ***Assets Under Construction***

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

### ***Subsequent Expenditure on Existing Fixed Assets***

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

### ***Equipment***

Equipment costing less than £2,000 per individual item is recognised as expenditure in the period of acquisition. All other equipment is capitalised at cost.

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

- motor vehicles 3-10 years
- computer equipment 3-5 years
- furniture, fixtures and fittings 3-25 years

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

### ***Intangible assets***

Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to profit or loss on a straight-line basis over their useful lives, and for purchased computer software this is 3 or 5 years.

### ***Donated assets***

Donated assets that are of significant value and meet the Group's capitalisation thresholds, and which the Group would otherwise treat as Property, plant and or equipment if purchased, are capitalised at their fair value on receipt.

The fair value of donated assets is determined based on independent valuation, where possible, or using the best available evidence. Valuations may be provided by recognised valuers. Where external valuations are unavailable, in-house experts, who are recognised authorities on the specific area they curate undertake the valuations.

Once capitalised, donated assets are depreciated in accordance with the Group's depreciation policies. Assets with indefinite useful lives are not depreciated but are subject to regular review for impairment in line with FRS 102.

The value of donated assets is recognised as income in the Statement of Comprehensive Income in the financial year in which the donation is received. This treatment aligns with the principles set out in FRS 102 Section 24 for government grants and donated assets.

Legacy gifts are recognised as income in the Statement of Comprehensive Income in the financial year in which notification is received of an interest in a deceased's estate, probate has been granted, and the amount can be reliably estimated. Outstanding legacies where entitlement is not yet certain are disclosed as contingent assets.

## **Borrowing costs**

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

## **Leased assets**

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

## **Investments in Subsidiaries**

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

## **Stocks**

Livestock, crops, fertilisers and sundry stock are valued as at the end of the financial year by Stephenson and Sons. Produce and livestock are valued on a deemed cost basis and all other stocks are valued at cost.

Animals which are utilised for educational purposes in both the College and Askham Bryan College Enterprises Ltd have no value attributed to them.

## **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 College has calculated that the difference between the historical cost and amortised cost basis is not material and so these financial instruments are stated on the balance sheet at historical cost. Loans and investments that are payable or receivable within one year are not discounted.

## **Foreign currency translation**

Transactions denominated in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the end of the financial period with all resulting exchange differences being taken to income in the period in which they arise.



## **Taxation**

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

The College is partially exempt in respect of Value Added Tax, and typically is restricted to claim less than 7% of the VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature.

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

## **Provisions and contingent liabilities**

Provisions are recognised when the Group 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 Group 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 Group. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

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

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

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

- Determine whether leases entered into by the Group 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 and intangible 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. See note 13 for details of impairment loss on assets in the year.

### ***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. The group carrying value of tangible fixed assets at 31 July 2025 is £32,980,000 (2023/24: £30,251,000)

- ***Local Government Pension Scheme***

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 July 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability. The valuation at 31 July 2025 has resulted in a pension surplus of £11.719m however, this has been restricted to nil as economic benefit from this surplus is not available via a reduction in future service contributions. As on 31 July 2025, there is a nil net asset/ liability position (2023/24: nil asset/ liability position).

2 Funding body grants	Year ended 31 July		Year ended 31 July	
	2025	2025	2024	2024
	Group	College	Group	College
	£'000	£'000	£'000	£'000
<b>Recurrent grants</b>				
Department for Education- adult	1,060	1,060	414	414
Department for Education– 16-18	14,268	14,268	13,666	13,666
Department for Education– apprenticeships	1,710	1,710	1,969	1,969
Office for Students	578	578	618	618
<b>Specific grants</b>				
Teacher Pension Scheme contribution grant	765	765	619	619
Releases of government capital grants	1,015	1,013	782	782
Education and Skills Funding Agency	26	26	27	27
<b>Total</b>	<b>19,422</b>	<b>19,420</b>	<b>18,095</b>	<b>18,095</b>

Grant and Fee Income Analysis	Year ended 31 July		Year ended 31 July	
	2025	2025	2024	2024
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Grant Income from the Office for Students	578	578	618	618
Grant income from other bodies	18,844	18,842	17,477	17,477
Fee income for higher education taught awards	3,130	3,130	2,904	2,904
<b>Total</b>	<b>22,552</b>	<b>22,550</b>	<b>20,999</b>	<b>20,999</b>

The fee income included in the above analysis includes courses at Level 4 and above.

3 Tuition fees and education contracts	Year ended 31 July		Year ended 31 July	
	2025	2025	2024	2024
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Fees for FE loan supported courses	273	273	265	265
Fees for HE loan supported courses	3,130	3,130	2,904	2,904
Apprenticeship fees and contracts	22	22	27	27
Education contracts	10	10	10	10
International student fees	122	122	136	136
<b>Total</b>	<b>3,557</b>	<b>3,557</b>	<b>3,342</b>	<b>3,342</b>

4 Other grants and contracts	Year ended 31 July		Year ended 31 July	
	2025	2025	2024	2024
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Other grants and contracts	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

5 Other income	Year ended 31 July		Year ended 31 July	
	2025	2025	2024	2024
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Catering and residences	2,898	2,898	2,885	2,885
Other income generating activities	2,592	839	2,247	964
<b>Total</b>	<b>5,490</b>	<b>3,737</b>	<b>5,132</b>	<b>3,849</b>

6 Investment income	Year ended 31 July		Year ended 31 July	
	2025	2025	2024	2024
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Other interest receivable	328	328	524	524
<b>Total</b>	<b>328</b>	<b>328</b>	<b>524</b>	<b>524</b>

7 Donations and Endowments	Year ended 31 July		Year ended 31 July	
	2025	2025	2024	2024
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Donated assets	10	10	-	-
Legacy gifts	130	130	-	-
<b>Total</b>	<b>140</b>	<b>140</b>	<b>-</b>	<b>-</b>

As at 31 July 2025, legacy income of £130k (2024: £0) was accrued based on information provided by executors.

## 8 Staff costs

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

	<b>2025</b>	<b>2025</b>	<b>2024</b>	<b>2024</b>
	<b>Group</b>	<b>College</b>	<b>Group</b>	<b>College</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>
Teaching staff	175	175	179	179
Non-teaching staff	270	256	256	240
	<b>445</b>	<b>431</b>	<b>435</b>	<b>419</b>

<b>Staff costs for the above persons</b>	<b>2025</b>	<b>2025</b>	<b>2024</b>	<b>2024</b>
	<b>Group</b>	<b>College</b>	<b>Group</b>	<b>College</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Wages and salaries	11,391	11,097	10,591	10,331
Social security costs	1,218	1,188	1,028	1,005
Other pension costs	2,499	2,451	2,116	2,076
<b>Payroll subtotal</b>	<b>15,108</b>	<b>14,736</b>	<b>13,735</b>	<b>13,412</b>
Restructuring costs – Contractual	74	74	(9)	(9)
<b>Total Staff Costs</b>	<b>15,182</b>	<b>14,810</b>	<b>13,726</b>	<b>13,403</b>

### Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College and are represented by the College Executive Team which comprises the Principal/Chief Executive Officer, Vice Principals, Chief Financial Officer, Director of Governance and one member of the Senior Leadership Team – the Executive Director of People and Organisational Development.

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

	<b>2025</b>	<b>2024</b>
	<b>No.</b>	<b>No.</b>
The number of key management personnel including the Accounting Officer	7	9

	<b>Key Management Personnel</b>		<b>Other Staff</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>
£50,000 to £54,999 p.a.	-	1	-	-
£55,000 to £59,999 p.a.	-	1	-	-
£60,000 to £64,999 p.a.	-	1	4	4
£65,000 to £69,999 p.a.	-	-	2	1
£70,000 to £74,999 p.a.	-	-	-	-
£75,000 to £79,999 p.a.	1	2	-	-
£80,000 to £84,999 p.a.	2	2	-	-
£90,000 to £94,999 p.a.	1	-	-	-
£95,000 to £99,999 p.a.	-	1	-	-
£100,000 to £104,999 p.a.	1	-	-	-
£110,000 to £114,999 p.a.	1	-	-	-
£130,000 to £134,999 p.a.	-	1	-	-
£135,000 to £139,999 p.a.	1	-	-	-
	<b>7</b>	<b>9</b>	<b>6</b>	<b>5</b>

Including part time workers grossed up to full time equivalents, 6 members of other staff were paid in the £60,000 – £69,999 p.a banding (2023/24: 5)

Key management personnel remuneration is made up as follows:

	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Salaries	551	586
Employer's national Insurance (paid to HMRC)	69	72
Benefits in kind	5	4
Pension contributions	116	124
Total key management personnel compensation	<b>741</b>	<b>786</b>

The above remuneration includes amounts payable to the Accounting Officer during the year (who is also the highest paid officer) of:

	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Salaries	135	133
Employer's national insurance (paid to HMRC)	18	17
Benefits in kind	1	1
Pension contributions	39	34
	<u>193</u>	<u>185</u>

The Principal and Chief Executive Officer resides in a College property rent free at the York site to better aid the performance of their duties including safeguarding responsibility for the large number of under-18 learners resident on-site, which informs the full-time and permanent presence of a senior postholder on-site.

The governing body has adopted AoC's Senior Staff Remuneration Code in July 2019 and assesses pay in line with its principles at meetings of the Remuneration Committee.

The remuneration package of the Principal/Chief Executive is subject to annual review by the Remuneration Committee of the governing body who use benchmarking information to provide objective guidance.

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

### **Median Pay 2025**

Median basic salary of the Principal and Chief Executive expressed as a multiple of all other employees:  
Accounting Officer 1 August 2024 to 31 July 2025 4.6 (2023/24: 4.6)

Median total emoluments of the Principal and Chief Executive expressed as a multiple of all other employees:  
Accounting Officer 1 August 2024 to 31 July 2025 5.2 (2023/24: 5.2)

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

## 9 Other operating expenses

	2025 Group £'000	2025 College £'000	2024 Group £'000	2024 College £'000
Teaching costs	2,557	2,557	2,112	2,112
Non-teaching costs	5,061	3,824	5,152	3,918
Premises costs	4,261	4,261	4,606	4,606
<b>Total</b>	<b>11,879</b>	<b>10,642</b>	<b>11,870</b>	<b>10,636</b>

### Other operating expenses include:

	2025 £'000	2024 £'000
Auditors' remuneration:		
Financial statements audit*	87	85
Other services provided by the financial statements auditors	11	11
Internal audit	15	19
Gains/(losses) on disposal of non-current assets	(203)	(125)
Hire of assets under operating leases	422	554

\* The 2024/25 Financial statement audit cost is split between the Group – College £73k, Askham Bryan College Company Ltd £7k and Askham Bryan College Enterprises Ltd £7k.

## 10 Interest and other finance costs – Group and College

	2025 £'000	2024 £'000
On bank loans, overdrafts and other loans	239	277
	239	277
Pension finance (income)/costs (note 24)	(25)	(23)
<b>Total</b>	<b>214</b>	<b>254</b>

## 11 Taxation – Group Only

	2025 £'000	2024 £'000
United Kingdom corporation tax	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

The members do not believe that the College was liable for any corporation tax arising out of its activities during either year. The subsidiaries are subject to corporation tax, however, the loss generated in College has resulted in group relief reducing the charge to nil in both years.



## 12 Intangible fixed assets – Group and College

	Software £'000	Total £'000
<b>Cost or valuation</b>		
At 31 July 2024	<b>766</b>	<b>766</b>
Additions	37	37
Disposals	-	-
At 31 July 2025	<b>803</b>	<b>803</b>
<b>Amortisation</b>		
At 31 July 2024	<b>458</b>	<b>458</b>
Charge for the year	126	126
Eliminations in respect of disposals	-	-
At 31 July 2025	<b>584</b>	<b>584</b>
<b>Net book value at 31 July 2025</b>	<b>219</b>	<b>219</b>
Net book value at 31 July 2024	308	308

### 13 Tangible fixed assets (Group)

	Land and buildings Freehold £'000	Equipment £'000	Assets in the course of construction £'000	Total £'000
<b>Cost or valuation</b>				
At 31 July 2024	<b>34,147</b>	<b>11,422</b>	<b>2,156</b>	<b>47,725</b>
Additions	-	147	4,853	5,000
Transfers	2,525	3,746	(6,271)	-
Disposals	(632)	(217)	-	(849)
At 31 July 2025	<b>36,040</b>	<b>15,099</b>	<b>738</b>	<b>51,876</b>
<b>Depreciation</b>				
At 31 July 2024	<b>10,912</b>	<b>6,562</b>	-	<b>17,474</b>
Charge for the year	967	1,101	-	2,068
Elimination in respect of disposals	(443)	(203)	-	{646}
At 31 July 2025	<b>11,436</b>	<b>7,460</b>	-	<b>18,896</b>
<b>Net book value at 31 July 2025</b>	<b>24,603</b>	<b>7,639</b>	<b>738</b>	<b>32,980</b>
<b>Net book value at 31 July 2024</b>	<b>23,235</b>	<b>4,860</b>	<b>2,156</b>	<b>30,251</b>

**Tangible fixed assets (College only)**

	Land and buildings Freehold £'000	Equipment £'000	Assets in the course of construction £'000	Total £'000
<b>Cost or Valuation</b>				
At 31 July 2024	<b>34,147</b>	<b>10,710</b>	<b>2,157</b>	<b>47,014</b>
Additions	-	-	4,853	4,853
Transfers	2,525	3,746	(6,271)	-
Disposals	(632)	(198)	-	(830)
At 31 July 2025	<b>36,040</b>	<b>14,258</b>	<b>738</b>	<b>51,036</b>
<b>Depreciation</b>				
At 31 July 2024	<b>10,913</b>	<b>6,193</b>	-	<b>17,106</b>
Charge for the year	967	1,028	-	1,995
Elimination in respect of disposals	(443)	(186)	-	(629)
At 31 July 2025	<b>11,437</b>	<b>7,035</b>	-	<b>18,472</b>
<b>Net book value at 31 July 2025</b>	<b>24,603</b>	<b>7,223</b>	<b>738</b>	<b>32,564</b>
Net book value at 31 July 2024	<b>23,234</b>	<b>4,517</b>	<b>2,157</b>	<b>29,908</b>

**14 Non Current Investments**

<b>Group</b>	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Non listed investments	127	127
	<b>127</b>	<b>127</b>
<b>College</b>	<b>2025</b>	<b>2025</b>
	<b>£'000</b>	<b>£'000</b>
Investments in Subsidiary Companies	<b>15</b>	<b>15</b>

The college owns 100 per cent of the issued ordinary £1 shares of Askham Bryan College Company Limited, a company incorporated in England and Wales, and 100 per cent of the issued ordinary £1 shares of Askham Bryan College Enterprises Limited, a company incorporated in England and Wales. The principal business activities of Askham Bryan College Company Limited are farming and agricultural research and of Askham Bryan College Enterprises Limited a wildlife park.

The Group holds a non-listed investment of £127k as a member of the Arla Foods Cooperative. The investment is valued based on delivery of milk to the Cooperative. Profit not paid back to members each year is invested back into the Cooperative and the valuation is based on the member's capital and liability accounts.

## 15 Stocks

	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
Farm livestock, produce and stores	623	-	559	-
	<b>623</b>	<b>-</b>	<b>559</b>	<b>-</b>

## 16 Debtors

	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
Amounts falling due within one year:				
Trade receivables	345	291	302	261
Amounts owed by group undertakings:				
Subsidiary undertakings	-	386	-	215
Prepayments and accrued income	1,070	1,060	1,088	1,080
Other taxation and social security debtor	-	-	29	29
Amounts owed by funding bodies	192	192	84	84
	<b>1,607</b>	<b>1,929</b>	<b>1,503</b>	<b>1,669</b>

Amounts owed by group undertakings in the College includes a provision to provide against the loan balance owed by Askham Bryan College Company Limited of £ 2,138,933. Due to the financial position of the subsidiary and the poor economic outlook there is a substantial risk that the College will not be able to recover its loan and consequently the loan continues to be provided against.

Assets held under finance leases are secured on the related leased assets and at the year-end date amounting to £12k due to creditors within one year and £26k due to creditors after more than one year.

## 17 Creditors: amounts falling due within one year

	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
Bank loans and overdrafts	349	349	349	349
Payments received in advance	8	8	6	6
Obligations under finance leases	12	-	12	-
Funding body grants not yet disbursed to students	9	9	8	8
Trade payables	565	480	348	246
Other taxation and social security	274	274	212	212
Accruals and deferred income	2,063	2,039	2,358	2,313
Short term government capital grants	961	957	712	712
Other creditors	283	283	262	262
Amounts owed to funding bodies	172	172	496	496
	<b>4,696</b>	<b>4,571</b>	<b>4,763</b>	<b>4,604</b>

Amounts included in accruals include a holiday pay accrual of £221,000 (2024/25 £231,000).

**18 Creditors: amounts falling due after one year**

	<b>Group</b>	<b>College</b>	<b>Group</b>	<b>College</b>
	<b>2025</b>	<b>2025</b>	<b>2024</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Bank loans	3,465	3,465	3,814	3,814
Obligations under finance leases	26	-	38	-
Long term government capital grants	12,443	12,415	11,790	11,790
	<b>15,934</b>	<b>15,880</b>	<b>15,642</b>	<b>15,604</b>

**19 Maturity of debt****Bank loans and overdrafts**

Bank loans and overdrafts are repayable as follows:

	<b>Group</b>	<b>College</b>	<b>Group</b>	<b>College</b>
	<b>2025</b>	<b>2025</b>	<b>2024</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
In one year or less	349	349	349	349
Between one and two years	349	349	349	349
Between two and five years	1,047	1,047	1,047	1,047
In five years or more	2,069	2,069	2,418	2,418
	<b>3,814</b>	<b>3,814</b>	<b>4,163</b>	<b>4,163</b>

The bank loans are from Lloyds Bank plc and Santander UK plc which are all secured against the campus and land at the York site and comprise:

**Lloyds:**

- A term loan of £1,694,997 with the loan profile amortised over 10 years from July 2022, floating at a margin of 2.5% over base rate, value outstanding as at 31 July 2025 £1,186,497.

**Santander:**

- A term loan of £3,750,000 from March 2019 for a period of 12 years with the loan profile amortised over 22 years. £2,000,000 of the loan value is at a fixed rate of 4.0855%; the balance floating at a margin of 2% over base rate, value outstanding as at 31 July 2025 £2,627,841.

## 20 Provisions (Group and College)

	<b>Pension £'000</b>	<b>Total £'000</b>
At 31 July 2024	<b>(746)</b>	<b>(746)</b>
Amounts utilised	67	67
Additions in year	-	-
Transferred to income and expenditure account	679	679
<b>At 31 July 2025</b>	<b>-</b>	<b>-</b>

### *Pension Provision*

The brought forward pension cost provision related to historical issues identified that may have resulted in the College owing additional pension contributions. During the year the investigation concluded with no evidence of liability being found, the provision has been subsequently released.

## 21 Analysis of changes in net debt (Group)

	<b>At 31 July 2024 £'000</b>	<b>Cash flow movements &amp; advances £'000</b>	<b>At 31 July 2025 £'000</b>
Cash at bank and in hand	10,940	(3,454)	7,486
<b>Total</b>	<b>10,940</b>	<b>(3,454)</b>	<b>7,486</b>
Finance leases	(SO)	12	(38)
Bank loan	(4,163)	349	(3,814)
<b>Net Funds</b>	<b>6,727</b>	<b>(3,093)</b>	<b>3,634</b>

## 22 Capital and other commitments

	<b>Group and College</b>	
	<b>2025 £'000</b>	<b>2024 £'000</b>
Commitments contracted for at 31 July	441	1,792

## 23 Lease obligations

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

	Group and College	
	2025	2024
	£'000	£'000
<b>Future minimum lease payments due</b>		
<b>Land and buildings</b>		
Not later than one year	118	117
Later than one year and not later than five years	103	169
Later than five years	-	-
	<u>221</u>	<u>286</u>
<b>Other</b>		
Not later than one year	169	297
Later than one year and not later than five years	204	410
Later than five years	-	-
	<u>373</u>	<u>707</u>

## 24 Defined benefit obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest formal actuarial valuation of the TPS was 31 March 2020 (and published on 27 October 2023) and of the LGPS 31 March 2022

<b>Total pension cost for the year</b>	<b>2025</b>	<b>2024</b>
	<b>£000</b>	<b>£000</b>
Teachers' Pension Scheme: contributions paid	1,510	1,269
Local Government Pension Scheme:		
Contributions paid	1,050	924
FRS 102 (28) charge	(44)	(77)
Charge to the Statement of Comprehensive Income	<u>1,006</u>	<u>847</u>
<b>Total Pension Cost for Year within staff costs</b>	<b><u>2,516</u></b>	<b><u>2,116</u></b>

At the year-end, there were outstanding contributions of £ 282,000 (2023/24: £261,000).

### **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 Government Actuary's Department conducts a formal actuarial review of the TPS every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

As a result of the last scheme valuation, based on 2020 data, employer contributions were increased in April 2024 from a rate of 23.68% to 28.68%. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses.

A copy of the latest valuation report can be found by following this link [Valuation result | 10 | 2023](#)

The next valuation, based on 2024 data, is expected to take effect in 2027.

The pension costs paid to TPS in the year amounted to £1,510,000 (2023/24: £1,269,000).

### **Local Government Pension Scheme**

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by North Yorkshire Local Authority. The total contributions made for the year ended 31 July 2025 were £1,412,000 (2023/24: £1,252,000).

Following the reclassification of Colleges within England as public sector bodies and, the subsequent guarantee put in place from the DfE, the actuary carried out a review of the contribution rate for the College. The LGPS actuary used the 'scheduled and subsumption body funding target' ((which is used for other (taxpayer-backed) scheduled bodies in the Fund)), rather than the more prudent 'intermediate funding target'. The employer contribution rate from 1 April 2025 to 31 March 2026 was subsequently reduced from 17.4% to 15.4%. The College's contribution rate will be reviewed again as part of the 31 March 2025 triennial valuation (effective from 1 April 2026).

Contribution rates range from 5.5% to 12.5% for employees, depending on salary.

The 2024 FRS102 valuation includes the potential estimated impact of Mccloud and GMP.



### 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	3.75%	3.9%
Future pensions increases	2.5%	2.6%
Discount rate for scheme liabilities	5.8%	5.0%
Inflation assumption (CPI)	2.5%	2.6%

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

	At 31 July 2025 years	At 31 July 2024 years
<i>Retiring today</i>		
Males	21.90	21.80
Females	24.50	24.40
<i>Retiring in 20 years</i>		
Males	22.50	22.40
Females	25.20	25.20

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

		Fair Value at 31 July 2025		Fair Value at 31 July 2024
		£'000		£'000
Equities	41.8%	15,423	48.1%	16,535
Property	23.3%	8,597	5.7%	1,959
Government & Corporate Bonds	5.9%	2,177	19.1%	6,565
Multi Asset Credit	5.3%	1,955	5.3%	1,822
Cash	3.0%	1,107	3.6%	1,237
Other	20.7%	7,638	18.2%	6,256
<b>Total fair value of plan assets</b>		<b>36,897</b>		<b>34,674</b>
<b>Actual return on plan assets</b>		<b>2,486</b>		<b>2,713</b>

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

	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Fair value of plan assets	36,897	34,374
Present value of plan liabilities	(25,178)	(28,104)
Unrecognised asset	(11,719)	(6,270)
<b>Net pensions liability</b>	<b>-</b>	<b>-</b>

The valuation at 31 July 2025 has resulted in a pension surplus of £11.719m (2023/24: £6.27m) however, this has been restricted to nil as economic benefit from this surplus is not available via a reduction in future service contributions. As on 31 July 2025, there is a nil net asset/ liability position.

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

	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
<b>Amounts included in staff costs</b>		
Current service cost	986	847
<b>Total</b>	<b>986</b>	<b>847</b>

**Amounts included in interest and other finance costs**

Net interest income/(cost)	25	23
	<b>25</b>	<b>23</b>

**Amount recognised in Other Comprehensive Income**

Return on pension plan assets	766	1,123
Experience loss arising on defined benefit obligations	4,300	359
Adjustment in respect of unrecognised asset	(5,135)	(1,582)
<b>Amount recognised in Other Comprehensive Income</b>	<b>(69)</b>	<b>(100)</b>

	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Net defined benefit (liability)/asset in scheme at 1 August	-	-
Movement in year:		
Current service cost	(986)	(847)
Employer contributions	1,050	924
Past service cost	(20)	-
Net interest on the defined (liability)/asset	339	246
Actuarial gain or loss	5,066	1,482
Unrecognised asset	(5,449)	(1,805)
<b>Net defined benefit liability at 31 July</b>	<b>-</b>	<b>-</b>

**Asset and Liability Reconciliation**

	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
<b>Changes in the present value of defined benefit obligations</b>		
<b>Defined benefit obligations at start of period</b>	28,104	27,441
Current service cost	986	847
Interest cost	1,381	1,344
Contributions by Scheme participants	362	328
Experience (gains)/losses on defined benefit obligations	(4,300)	(359)
Estimated benefits paid	(1,375)	(1,497)
Past service cost	20	-
<b>Defined benefit obligations at end of period</b>	<b>25,178</b>	<b>28,104</b>

**Changes in fair value of plan assets**

	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
<b>Fair value of plan assets at start of period</b>	34,374	31,906
Interest on plan assets	1,720	1,590
Return on plan assets	766	1,123
Employer contributions	1,050	924
Contributions by Scheme participants	362	328
Estimated benefits paid	(1,375)	(1,497)
<b>Fair value of plan assets at end of period</b>	<b>36,897</b>	<b>34,374</b>

**Guaranteed Minimum Pensions (GMP) Indexation and Equalisation**

Following changes to the State Pension in April 2016, there was a risk that members of the LGPS who were 'contracted out' of the State Pension between 6 April 1978 and 6 April 1997, and who would reach their State Pension Age (SPA) after April 2016, would be worse off. This is because State Pension reforms removed the facility for the State to pay 'top up' payments to ensure their total pension was fully inflation protected.

On 26 October 2018 the High Court ruled in the Lloyds Bank case that equalisation for the effect of unequal GMPs is required. The ruling confirmed that trustees have a duty "to equalise benefits for men and women so as to alter the result which is at present produced in relation to GMPs".

HM Treasury has gone on record since the Lloyds judgement to say, "Public sector schemes already have a method to equalise guaranteed minimum pension benefits, which is why we will not have to change our method as a result of this judgment."

HM Treasury's comment relates to Government's commitment to fully index GMPs in the future. The LGPS actuary has therefore allowed for full indexation of GMPs for members whose State Pension Age is on or after 6 April 2016. This recognises the cost of the Government's commitment to compensate public service scheme members from the removal of the Additional Pension element of the State Pension from this date, and for the outcome of the Lloyds judgement which found GMPs to be illegally sex discriminatory. An approximate allowance for the impact of GMP equalisation on current members was included in previous years.

In October 2020 a second ruling in the Lloyds Bank case clarified that compensation would be required to members who transferred out benefits since May 1990. The Government has not yet acknowledged a liability in public service schemes nor indicated an approach to rectify this. As a result, this has not been included in the liability. The actuary has confirmed that at present there is no methodology to calculate what the potential liability will be. Therefore, this has not been factored into the year-end liability.

### **McCloud Judgement**

In December 2018, the Court of Appeal ruled against the Government in two cases: Sargeant and others v London Fire and Emergency Planning Authority [2018] UKEAT/0116/17 /LA and Mccloud and others v Ministry of Justice [2018] UKEAT/0071/17 /LA. The cases related to the Firefighters' Pension Scheme (Sargeant) and to the Judicial Pensions Scheme (Mccloud). For the purposes of the LGPS, these cases are known together as 'Mccloud'. The court held that transitional protections, afforded to older members when the reformed schemes were introduced in 2015, constituted unlawful age discrimination. On 27 June 2019 the Supreme Court denied permission for Government to appeal this judgement and on 15 July 2019 the Government issued a ministerial statement saying they committed to extending a remedy across all public sector schemes which included similar transition protection arrangements, which includes the LGPS.

In summary, it is assumed that the remedy applies to all members in service on 1 April 2012, on retirement or prior withdrawal, and with extension to benefits payable to the dependants of those members. The resultant liability was updated as part of updating the 2023 valuation and no additional provisions have been made in the LGPS scheme.

### **Cost Management in the LGPS**

Legislation requires HM Treasury and the Scheme Advisory Board to undertake periodic valuations to monitor the cost of the LGPS to ensure it remains sustainable and affordable.

The outcomes of both reviews relating to the 2016 Valuations recommended no changes to the provisions of the Scheme. The legality of Government's decision to include Mccloud costs as a member cost within the 2016 HM Treasury process was challenged by a Judicial Review in 2023 brought by the trades unions. The Judicial Review was unsuccessful, however the unions have been given permission to appeal that decision. If that appeal is successful this may cause the 2016 HM Treasury process to be re-run and could result in changes in benefits or member contributions backdated to 1 April 2019. As a result of the Judicial Review early in 2024, no allowance for the potential cost of improving members' benefits is included in the actuaries calculations.

### **Goodwin Judgement**

In June 2020 an Employment Tribunal ruled, in relation to the Teachers' Pension Scheme, that provisions for survivor's benefits of a female member in an opposite sex marriage are less favourable than for a female in a same sex marriage or civil partnership, and that treatment amounts to direct discrimination on grounds of sexual orientation. The chief secretary to the Treasury announced in a written ministerial statement on 20 July 2020 that he believed that changes would be required to other public service pension schemes with similar arrangements.

Those changes are yet to be reflected in the LGPS Regulations, nor in the data we receive, so we will not allow for this ruling in our calculations. Employers may commission a valuation of estimated Goodwin liabilities within their request, but this will increase the costs and timescales of producing the figures.

Those changes are yet to be reflected in the LGPS Regulations, so the LGPS actuary has not allowed for this ruling in their calculations. The actuary has stated that they expect any impact to be around 0.2% to the defined benefit obligation, which for College amounts to c.£50k and as such is not material.

### **Virgin Media Judgement**

In June 2023, the High Court handed down a decision which was subsequently upheld by the Court of Appeal in July 2024. The ruling potentially has implications for the validity of amendments made by pension schemes, including the LGPS, which were contracted out on a salary related basis between 6 April 1997 and the abolition of contracting out in 2016. The ruling related to the requirement on the trustees to obtain the scheme actuary's confirmation that

a scheme continued to provide a minimum level of benefits following certain types of rule amendments. Without this confirmation, the amendment may be void and ineffective.

At the time of writing the government has not yet confirmation that they have been able to locate the actuarial confirmations from the Government Actuary's Departments for all LGS amendments between 1997 and 2016.

There remains uncertainty as the case may be subject to a further appeal or the Department for Work and Pensions bringing forward changes in legislation.

Given the uncertainty, the actuary has not made any allowance for the possible impact of the ruling as it is currently unclear whether any additional liabilities might arise, and if they were to arise, how they could be reliably measured.

## **25 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 of governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the College's financial regulations and normal procurement procedures.

The total expenses paid to or on behalf of the Governors during the year was £1,308; 4 governors (2023/24 : £1,656; 6 governors). This represents travel and subsistence expenses and other out of pocket expenses incurred in attending Governor meetings and charity events in their official capacity. No Governor has received any remuneration or waived payments from the College or its subsidiaries during the year (2023/24: None).

Dr Tim Whitaker is a National Director of Landex. During the year the College paid an annual subscription fee to the organisation of £6,750 and professional fees inclusive of CPD staff events amounting to £3,190, total£9,940 (2023/24: £9,668) and received income of £806 for catering provided to Landex events held at the College (2023/24: £1,068). The balance outstanding at the yearend was nil (2023/24: nil).

Sharon Sheppard is employed by City and Guilds as an External Moderator. During the year the College paid assessment and qualification costs to the organisation of£ 281,652 (2023/24: £253, 627). The balance outstanding at the yearend was £90 (2023/24: nil).

A member of the College Corporation is a Project Manager for the York and North Yorkshire Strategy Development Fund. During the year the College received grant funding from the Local Skills Improvement Fund of £25,016 (2023/24: £192,598). The balance outstanding at the yearend was nil (2023/24: £99,163).

Key management personnel compensation disclosure is given in note 8.

## 26 Amounts disbursed as agent - Learner support funds

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

The 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 £272,000 and disbursed £257,000 from DfE 16-19 discretionary and vulnerable bursaries and FEFM funding after charging £14,000 for administration costs.

As at 31 July 2025, the cumulative unspent 16-19 discretionary and vulnerable bursary funds and FEFM funding is £1,600, no funds are in scope to be returned to DfE in March 2026.

Comparatives for the accounting period ended 31 July 2024 are £300,000 received from DfE, £198,000 disbursed to learners after charging £14,000 for administration costs, and total cumulative unspent funds of £1,000, no funds were repaid to DfE.

	<b>2025</b> <b>£'000</b>	<b>2024</b> <b>£'000</b>
Funding body grants - bursary support	47	51
Funding body grants – discretionary learner support	233	251
Funding body grants – residential bursaries	205	205
Other Funding body grants	10	19
	<hr/> 495	<hr/> 526
Disbursed to students	{462}	(493)
Administration costs	(24)	(25)
<b>Balance unspent as at 31 July, included in (debtors)/creditors</b>	<hr/> <b>9</b> <hr/>	<hr/> <b>8</b> <hr/>

## 27 Access and participation expenditure

	<b>2025</b> <b>£'000</b>	<b>2024</b> <b>£'000</b>
Access investment	147	153
Financial support provided to students	29	30
Support for disabled students	10	18
	<hr/> <b>186</b> <hr/>	<hr/> <b>201</b> <hr/>

The College's Access and Participation Plan is available on the Colleges website at:

<https://www.askham-bryan.ac.uk/access-and-participation-plan>

**28 Restricted Reserves**

	<b>2025</b> <b>£'000</b>	<b>2024</b> <b>£'000</b>
Legacy gifts	130	-
	<b>130</b>	<b>-</b>

**29 Plans for future events**

External professional advice continues to be sought to review the group structure including the operation of the subsidiary companies, ensuring the structure remains fit for purpose. This work will consider any alternative options available, with a view to simplifying the group structure, at the time of signing the financial statements no formal decision on the future group structure has been taken.