GRANTHAM COLLEGE

Annual Report and Financial Statements Year ended 31 July 2025

Grantham College

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Grantham College

Reference and Administrative Details

Board of Governors

Mrs A Treacy
Ms A Webb
Ms B Dungarwalla
Mr C Ford
Mrs C Dewhirst
Mr C Turner
Mr G Brewis
Mrs H Lockham
Ms L Smith
Mr M Argyle
Mr M Kalbassi
Mr M Ward
Mr N Jones
Mr N Manoussakis
Mr P Deane
Mrs S Ellis

Clerk/Company Secretary

Jane Taylor-Holmes

Senior Management team

Paul Deane	-	Principal, CEO & Accounting Officer
Claire Temprell	-	Vice Principal HR & Student Services
Tracy Scarborough	-	Vice Principal Curriculum & Quality
Lara Steptoe	-	Vice Principal Apprenticeships & Business Development
Tracey Hart	-	Director of Planning, Funding & Information (resigned 11th October 2024)
Anita Harrison	-	Director of Finance

Principal and Registered Office Stonebridge Road, Grantham, Lincolnshire, NG31 9AP

Professional advisers

External Auditors:

Price Bailey LLP
Chartered Accountants
Causeway House, 1 Dane Street
Bishop Stortford
Herts, CM23 3BT

Internal Auditors:

RSM Risk Assurance Services LLP
Fifth Floor, Central Square
29 Wellington Street
Leeds, LS1 4DL

Solicitors:

Chattertons Legal Services Ltd
1 Flavian Road
Lincoln, LN2 4GR

Bankers:

Lloyds Bank Plc
St Peters Hill
Grantham
Lincs, NG31 6QF

Grantham College

Members' Report

OBJECTIVES AND STRATEGY

The members present their annual report together with the financial statements and auditor's report for Grantham College for the year ended 31 July 2025.

Legal Status

The Corporation was established under the Further and Higher Education Act 1992 for the purpose of conducting Grantham College. The college is an exempt charity for the purposes of Part 3 of the Charities Act 2011.

Mission

The College's mission is "Inspire, Empower, Achieve".

To deliver inspirational vocational, technical, professional and higher education and training that empowers people, businesses and the community to achieve their goals.

Resources

The College has various resources which it can deploy in pursuit of its strategic objectives.
The College employs 187 (2024: 160) people (expressed as full-time equivalents), of whom 61 (2024: 50) are teaching staff.

Tangible resources are the College main sites on Stonebridge Road and Barracks site. Unfortunately, 2023/24 saw the closure of our Link Block due to the presence of RAAC as well as the closure of a small section within our Engineering building. Work was completed during 2024/25 to remove the RAAC present within the small area of Engineering, however, the Link Block remains closed as the college awaits DfE approval for the demolition and rebuild. Enabling works have taken place in respect of the Link Block and tendering has taken place for both the demolition and rebuild. The college has been fortunate to receive temporary classrooms funded by DfE to ensure students are not impacted with the Link Block closure. The college completed further refurbishment work within the other area of Engineering funded through Office for Students (OfS) capital funding in October 2024 as well as being able to utilise the remainder of the DfE Capital allocation funding received. Work was also completed in the year on the refurbishment of our Construction area, located on the Barracks site, through Local Skills Improvement Funding (LSIF) capital funding and the funding also provided investment in digital learning resources. During 2024/25 the college also received some funding via DfE HEI Skills Injection which enabled the college to invest in equipment for our media curriculum area.

The College has £6,832,000 (2024: £6,682,000) of net assets including a nil pension liability (2024: £nil pension liability) and no long-term debt. (2024: £45,113 long term debt).

The College continues to maintain a quality brand which is essential for the College's success at attracting students and maintaining strong external relationships.

STAKEHOLDER RELATIONSHIPS

In line with other colleges and universities, Grantham College has many stakeholders. These include:

- Current, future and past students;
- Education sector funding bodies and regulators;
- Staff;
- Local employers and the Employer Representative Body;
- LEP;
- Local Authorities
- Government Offices;
- The local community;
- Other FE & HE institutions;
- Trade unions;
- Professional bodies.

The College recognises the importance of these relationships and engages in regular communication with its stakeholders through the College Internet site and by meetings.

Public Benefit

Grantham 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 page 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 identifiable public benefits through the advancement of education to approximately 3,000 students, including 81 students with high needs.

The college provides courses without charge to young people, to those who are unemployed and adults taking English and maths courses. The college adjusts its courses to meet the needs of local employers and provides training to 363 apprentices. The college is committed to providing information, advice and guidance to the students it enrols and to finding suitable courses for as many students as possible regardless of their educational background.

The college also provides:

- High-quality teaching
- Widening participation and tackling social exclusion
- Excellent employment record for students
- Strong student support systems
- Links with employers, industry and commerce

DEVELOPMENT AND PERFORMANCE

In 2024/25 the College has delivered activity that has produced £5,639,000 of ESFA main allocation funding for 16-18 & 19+ Adult FE (2023/24 – £5,231,000). The College had the following student numbers:

	2025	**2024**
16-18:	779	719
19+ Adult FE:	771	562
Total	**1550**	**1281**
HE (including franchised):	69	71
Apprentices in learning:	363	326

The College also delivers activity in respect of full cost courses, Local Authority Tailored Learning, Advance Learning Loans, Multiply, Skills Bootcamps, Building Better Futures, infills from schools and when these student numbers are taken into consideration with the above, the College has supported approximately 3,000 students within 2024/25.

Curriculum developments

The College offers programmes of learning in all the prescribed sector subject areas as well as offering bespoke programmes for 14-16-year-olds from local schools. Grantham College continues to offer a range of courses from entry level, through to levels 1, 2 and 3, T Level Foundation and T Level Programmes expanding the provision routes to include Engineering and Manufacturing; Construction and Built Environment; Digital; Business and Administration; Education and Early Years; Health and Science; Media, Broadcast and Production; as well as Higher Education, offering HNC/Ds, HTQ's and Foundation degrees in partnership with Lincoln Bishop University as well as its own direct OfS funded provision.

The College is preparing for the Further Education and Skills Inspection Toolkit being implemented by Ofsted from 10 November 2025. This Toolkit will replace the Education Inspection Framework (EIF). The College is making a proposal to Lincoln Bishop University to deliver the Level 6 Top Up year at Grantham College. If approved students will not have to travel to Lincoln for their final year to gain their BA Hons.

The opening of Institute of Technology at Grantham College in early November 2021 enabled the college to expand its offer in Engineering & Digital courses from Level 3 upwards. We ensure our apprenticeship offer continues to meet local demand by reviewing new and existing standards during our curriculum planning process.

The college started delivery of Skills Bootcamps during 2021-22 and continues to do so. Skills Bootcamps are designed to be responsive and flexible to both employer and learner needs, enabling adult learners to train around their existing employment and personal commitments. We continue to offer industry-specific technical skills training across various sectors such as Digital, Green, Business,

Construction and Engineering. Having access to the industry specific technical skills training that Skills Bootcamps provide, enables unemployed learners to access job roles, supports employees into new job roles and provides the self-employed with new opportunities.

The College recognised the need for greater local demographic data, data on competitors and Labour Market Intelligence in curriculum planning and introduced the RCU Vector and MIDES Labour Market Intelligence (LMI) tools which utilise the latest demographic, competitor data and Skills data on Labour Market Intelligence. The college introduced the use of 4CAST to support curriculum planning in 2024/25 and since the introduction of all platforms, when planning the curriculum every curriculum area has been required to review the information above along with the use of the Local Skills Improvement Plan (LSIP), Industrial Skills Strategy and Accountability Statement. Information on priorities for community provision from the Local Authorities ensures the curriculum offer meets local need as well as being aligned to the strengths and capabilities of the college.

The College continues to use Tailored Learning funding to widen participation by offering a range of taster provision and other short courses along with a portfolio of Distance Learning courses to encourage adults to return to learning.

Financial Results

The College generated a surplus before other gains and losses in the year of £334,000 (2024: surplus of £240,000) with total comprehensive income surplus of £150,000 (2024: Deficit £135,000). The college saw an actuarial loss on the Local Government Pension Scheme in 2025 of £184,000 (2024: actuarial loss of £375,000).

The College has significant reliance on the education sector funding bodies for its principal funding source, largely from recurrent grants. In 2024/25 the funding bodies provided 76% of the College's total income (2024: 74.3%).

At the balance sheet date, the college held net current assets of £974,000 (2024: £102,000) and net assets of £6.832m (2024: £6.682m), which includes a defined benefit pension liability of £nil (2024: £nil).

The College has accumulated reserves of £6,832,000 (2024: £6,682,000) and cash balances of £1,635,000 (2024: £1,052,000). The College wishes to continue to accumulate reserves and cash balances in order to create a contingency fund.

Tangible fixed asset additions during the year amounted to £872,000. This was split between buildings refurbishment of £628,000 and equipment purchased of £244,000. Additions totalling £85,700 related to the completion of the refurbishment work within our Engineering area funded through Office for Students (OfS); T Level Specialist Equipment allocations allowed the college to invest £10,100 within our Health & Social Care curriculum area; Remaining FE Capital allocation funding saw investment of £29,100 on heating improvements within the college; Completion of refurbishment work funded through Local Skills Improvement Funding (LSIF) within our Construction area saw additions in 2024/25 totalling £281,000. DfE HEI Skills allocation also saw £48,500 invested within our Media curriculum area.

The college has also continued to receive funding from DfE in relation to mitigating the impact of

RAAC and 2024/2025 saw additions totalling £377,600 for the RAAC removal work within Engineering as well as additional networking and wifi units for the temporary classrooms being used due to the loss of the Link Block and architect fees, surveys, cost option appraisals and other professional services in readiness for work commencing on Phase 2 of RAAC replacement project in respect of the Link Block.

College self-funded investment totalled £40,000 and included replacement of a further maintenance vehicle, replacement of teaching equipment and IT investment.

Treasury Policies and Objectives

Treasury management is the management of the College's cash flows, its banking and money market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks. The College has a separate treasury management policy in place to manage cash flows, banking arrangements and the risks associated with those activities which is reviewed bi-annually or when changes effect the policy. The College also has a gifts and hospitality policy which covers the procedure for receipt of gifts and hospitality by college employed staff.

Cash flows and liquidity

The size of the College's total borrowing and its approach to interest rates has been calculated to ensure a reasonable cushion between the total cost of servicing debt and operating cash flow. During the year, this margin was comfortably exceeded. There was a net operating cash inflow of £583,000 (2024: outflow £199,000).

The college continued to make repayments on the remaining loan taken out to assist in the development of the college estate with the final repayment due in January 2026.

Reserves Policy

The College recognises the importance of reserves in the financial stability of any organisation and ensures that there are adequate reserves to support the College's core activities. It has been calculated that unrestricted reserves of £5.4m, which is approximately 50% of anticipated annual revenue income, would be needed to continue core activities for six months.

At 31 July 2025, the Income and Expenditure reserve (unrestricted), including pension reserves was in a surplus position of £4.537m (2024: £4.314m). Pension reserves shows a £Nil balance (2024: £Nil) and Revaluation reserves (restricted) show a surplus of £2.148m (2024: surplus £2.196m).

The college keeps cash and reserves to ensure that it can meet unexpected costs, deal with income shortfalls resulting from enrolment reductions, government funding changes and meet future costs of improving buildings and reducing carbon emissions.

The level of reserves will be monitored and reported on within the monthly management accounts and included within the Finance Reports presented to Board of Governors who will review if required.

Future prospects

The Ofsted inspection in January 2023 confirmed that Grantham College is a 'Good' college and has the capacity and capability to effectively meet the needs of the local area, individuals and employers. The college has demonstrated that it can adapt in its delivery of teaching and maintain quality, and it has good prospects for continuing to do this in the future.

The Ofsted Residential inspection in October 2023 saw the college rated as 'Outstanding' and inspectors noted the significant improvement within the area since the previous inspection in November 2019.

The college has seen capital investment from the Office for Students (OfS) which enabled the college to invest in the further refurbishment of our engineering area as well as investing in industry standard specialist engineering equipment, Capital investment from DfE in respect of T Level Specialist Equipment and HEI Skills as well as funding from Local Skills Improvement Funding has allowed investment in equipment that ensures the college can meet the needs of students, enhance their learning and provide industry experience.

The college is currently looking at areas across the college campus in respect of the FE College Condition allocation to ensure improvements are made. Areas requiring improvements are being ranked high to low with those ranked as high being prioritised. During 2025/26 work will continue in relation to mitigating RAAC once approval received from DfE.

Implementation of Strategic Plan

In September 2022 the College adopted a strategic plan for the period 2022 to 2025 and the College approves a 2-year financial plan each July. The Corporation monitors the performance of the College against these plans. The plans are reviewed and updated each year. The College's strategic objectives are:

- Ensure that student and apprentice progression, employability and career opportunities are central to everything we do so that we help to improve social mobility, reduce employers' skills gaps and support the creation of a thriving local economy and community.
- Develop and deliver a vocational, technical, professional and higher education curriculum which supports the above whilst increasing access & inclusivity.
- Maintaining a financially robust and sustainable organisation that allows us to continue to invest in delivering our mission.
- Create a values driven organisation where all staff are supported & empowered to deliver the above, continuously improve & inspire our students to strive for and achieve the highest standards.

The College is on target for achieving these objectives.

Financial Targets

The College has set financial targets and reviews these annually and this includes a review of the ESFA financial dashboard for the College. Currently our financial health is assessed as "Good" for the year to 31 July 2025.

The financial targets are:

- To achieve an overall ESFA financial health grade of "Good" or better
- To ensure no more than 1 of the 3 ESFA financial health sub grades fall below "Good" and none are rated "inadequate"
- To ensure pay expenditure (excluding year end pension adjustments) is no more than 74% of income unless the above can still be achieved with a higher percentage.

The college continues to see a continuing impact of increasing non-controllable salary and non-salary costs.

The budget and financial plan approved by the board in July 2024 for 2024/25 showed that the College would deliver two of these financial targets in 2024/25, with financial health grade predicted at "Good", EBITDA predicted at 4.45%, with payroll costs showing 75.04% of income.

At 31 July 2025, EBITDA was 4.98% and payroll costs (excluding FRS102 pension costs) at 31 July 2025 were 71.05% of income compared to 75.04% in the original budget.

For target 2 the College ensured that no more than 1 of the 3 ESFA financial health sub grades fell below "Good", in fact the adjusted ratio and borrowings as a % of adjusted income were rated outstanding. The EBITDA measure falls within "requires improvement" at 4.98% however still ensures the overall financial health is assessed as "Good" in 2025.

The College continues to strive to meet the financial targets agreed above and will continue to support the delivery of the College's Strategic Plan. A review of the final financial target may be needed as we continue to see rising employer pension contributions as well as rising costs associated with National Minimum Wage, Real Living Wage and the reduction of the Employers National Insurance threshold.

The budget and financial plan for 2025/26 approved in July 2025 by the Board shows EBITDA as 4.24% and the financial health grade as "Good". The College is aware that tight control over budgets is required to ensure this, and regular reforecasting will be carried out throughout the year and reported to Board.

PRINCIPAL RISKS AND UNCERTAINTIES

The College continues to undertake further work during the year to develop and embed the system of internal control, including financial, operational and risk management which is designed to protect the College's assets, reputation and financial stability. The governing body has overall responsibility for risk management and its approach to managing risks and internal controls.

Based on the strategic plan, the Risk Management Group undertakes a comprehensive review of the

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

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

The risk register is also presented and reviewed at both Finance & Resource committee and Standard committee meetings. The risk registers presented show associated risks falling under the committees remit along with the associated risks for the college as a whole.

This is supported by a risk management training programme to raise awareness of risk throughout the College. Outlined below is a description of the principal risk factors that may affect the College. Not all the factors are within the College's control. Other factors besides those listed below may also adversely affect the College.

1. Government Funding

The College has considerable reliance on continued government funding through the ESFA and its successor organisations. In 2024/25, 79% (2024: 74.3%) the College's revenue was ultimately public funded and this level of requirement is expected to continue. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

The College is aware of a number of issues which may impact on future funding and financial stability:

- Changes in demography
- Academies, UTCs and Free Schools plus continued growth/expansion of 6th form provision in local schools has meant increased competition for 16-18 year olds.
- Slow growth in the Local, Regional and National economy has meant little growth in disposable income for both individuals and organisations which have affected adult numbers.
- Advanced Learning loans, Free Course for Jobs, the apprentice levy and real terms cuts in adult funding.
- Continuing limits on spending for post 16 education and the impact on staff recruitment and retention.
- Devolution.
- Tightening visa controls on international students.

- Increasing National Minimum Wage and employer pensions contributions and reduction of Employers National Insurance threshold.
- Inflation and energy costs.
- Incidences of cybercrime in the sector.

The risks are mitigated in a number of ways:

- Ensuring that the curriculum offer is responsive to each market and is developed to meet demands.
- Ensuring pay and conditions of employment are competitive.
- Minimising energy consumption through careful investment and usage of estate
- Ensuring the College delivers a high-quality product measured by achievement rates, customer satisfaction and student progression.
- Continued investment in its resources, both human and physical.
- Funding is derived through a number of direct and indirect contractual arrangements.
- Strategic analysis of the sector and region, with established relationships with all the key stakeholders.
- Continuing collaboration to improve efficiency and effectiveness.
- Ensuring current and potential future funders are aware of the contribution of FE to the local and regional economy and national and regional policy objectives.
- Regular reviews of fee levels to ensure viability and competitiveness.
- Close scrutiny of costs and viability to ensure the college achieves good financial health.
- Preparing and adapting to deliver online learning.
- Investing in cyber security training and support.

2. Tuition fee policy

In line with the majority of other colleges, Grantham College will seek to increase tuition fees annually in accordance with the fee assumptions. The price elasticity of adult learning does seem to show that adult learning is price sensitive and shows that demand both locally and nationally reduces as fees increase. This potential reduction in adult numbers combined with the reduction in qualifications funded and the increased restriction on the classification of benefits entitled for funding remission will impact on the growth strategy of the College in relation to its adult and employer-based work.

This risk is mitigated in a number of ways:

- By ensuring the College is rigorous in delivering high quality education and training, thus ensuring value for money for students.
- Monitoring the impact of advanced learning loans for adults, the impact of adult funding changes, the impact of Free Courses for Jobs and the impact of devolution on adult funding.
- Close monitoring of the demand for courses as prices change.
- Review curriculum offer to match the skills gaps identified within the local and regional economy.

3. Maintain adequate funding of pension liabilities.

The financial statements report the share of any Local Government Pension Scheme gain/deficit on the College's balance sheet in line with the requirements of FRS 102. Any risk of reporting a deficit is mitigated in part by agreeing a deficit recovery plan, if required, with the Lincolnshire County Council pension scheme during the triannual valuation.

KEY PERFORMANCE INDICATORS

The College uses a number of key performance indicators to monitor its performance in relation to the curriculum offer. The main indicators are set out below:

a. student number growth and achievement of ESFA funding targets
b. student attendance, retention, pass and achievement rates.
c. student satisfaction
d. growth in other funding streams to include higher education, international and full cost.
e. effectiveness and efficiency of curriculum delivery
f. effectiveness and efficiency of staff utilisation

In 2024/25 the College student number targets in the 16-18 year old category were above expectation with 779 16-18 year old students being enrolled against a forecast of 727 in the July 2024 Financial Plan, meaning the college hit 105.9 % of target and student numbers were above target by 52 students. During 2024/25 the College achieved 84.04% of the adult skills funding received and 93.08% of the Free Courses for Jobs funding received and not the ESFA tolerance of 97%.

The college therefore showed a potential claw back amount of £119.28k within its 2024/25 outturn in respect of Adult Skills Funding and a potential claw back amount of £1.7k in respect of Free Courses for Jobs funding. Apprentice income achieved 114.73% of the target set for 2024/25.

The College continues to work towards becoming an outstanding organisation, and internal quality and curriculum processes are in place to push the organisation towards that goal. The college was inspected by Ofsted in January 2023 and maintained Overall Effectiveness 'Good'. Attendance in 2024/25 overall requires improvement at 81%. The College Achievement Rate for non-apprentice provision was 75.8%. Overall apprenticeship achievement rates are 56.2%.

Curriculum efficiency and effectiveness will continue to be monitored closely throughout 2025/26 to

ensure that the College is maximising the use of funding and resourcing to ensure the best educational experience for the students. Curriculum efficiency is monitored for all curriculum areas to ensure that courses are developed and delivered in the most efficient way possible, and staff are teaching to their contracted hours thereby maximising staff utilisation.

Aside from ESFA funding the College is continually looking to secure other methods and sources of funding and will continue to source additional funding e.g via Lottery. Local authority as well as through the growth of full cost and higher education.

The College is committed to monitoring performance compared to relevant sector measures and indicators and uses the data available on the GOV.UK website and from the AoC to drive improvement including measures such as National achievement rates tables, student and employer satisfaction, college accounts benchmarking and reports from the FE Commissioner, Ofsted and the Office for Students. The College is required to complete the annual Finance Record for the Department for Education ("DfE"). The College is assessed by the DfE as having a "Good" financial health grading for the year ended 31 July 2025.

Student achievements

Students continue to prosper at the College. The Ofsted inspection in January 2023 confirmed that Grantham College is a 'Good' college, "leaders and mangers collaborate effectively with the local authority, local enterprise partnerships, employers and universities to understand skills needs".

The College Achievement Rate for non-apprentice provision is 75.8% (2024: 72%). Overall apprenticeship achievement rates are 56.2% (2024: 58%).

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 or services or the date on which the invoice was received. The target set by the Treasury for payment to suppliers within 30 days is 95 per cent. During the accounting period 1 August 2023 to 31 July 2025, the College paid 91% (2024: 86%) of its invoices within 30 days. The College incurred no interest charges in respect of late payment for this period.

Fundraising Statement

The College only held small fundraising events during the year. The College does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events. All fundraising undertaken during the year was monitored by the Members.

Streamlined Energy and Carbon Reporting

The college is committed to reducing its carbon emissions and investing in energy efficiency across its sites, and this is taken into consideration when reviewing the college capital & maintenance programmes.

The college also tries where possible to work with suppliers who are working towards sustainability and carbon emission reduction.

The college's greenhouse gas emissions and energy use for the period calculated in line with the 2019 HM Government Environmental Reporting Guidelines, the GHG Reporting Protocol – Corporate Standard and the 2021 UK Government's Conversion Factors for Company Reporting are as follows:

Greenhouse gas emissions and energy use data	**2024-2025**	**2023-2024 (restated)**
Energy consumption used to calculate emissions (kWh)	2,198,931	2,099,053
Energy consumption break down (kWh) (optional):		
Gas	1,607,170	1,499,854
Electricity - Location Based Power	460,977	478,077
Electricity - Self Generated Renewable Power	76,387	63,377
Transport fuel	54,397	57,745
Scope 1 emissions in metric tonnes CO2e		
Gas consumption	293.95	274.32
Owned transport	13	13.81
Total scope 1	306.95	288.13
Scope 2 emissions in metric tonnes CO2e		
Electricity - Location Based Power	95.45	99
Electricity - Self Generated Renewable Power	15.82	13.12
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee owned vehicles	0	0
Total gross emissions in metric tonnes CO2e	**418.22**	**400.25**
Intensity ratio		
Metric tonnes CO2e per member of staff (staff/TC02e)	408 / 1.025	365 / 1.096

The Streamlined Energy and Carbon Report is produced separately on an annual basis and published on the college website.

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 relevant period	FTE employee number
0	187

Percentage of time	Number of employees
0%	0
1-50%	0
51-99%	0
100%	0
Total cost of facility time	£0
Total pay bill	£7,383,553
Percentage of total bill spent on facility time	0%

Equal opportunities

Grantham College celebrates the diversity of our staff, partners and any visitors to our services. We respect and celebrate difference and warmly welcome all students regardless of race, disability, sex, sexual orientation, gender reassignment, marriage and civil partnership, pregnancy and maternity, age, religion or belief. The College Equality Objectives are developed, published and regularly reviewed to meet the public sector under the Equality Act 2010. As part of our Equality Duty we aim to eliminate unlawful discrimination and other conducts; advance equality of opportunity; and foster good relations between people who share a protected characteristic and those who do not. The Diversity, Equity, and Inclusion Policy is reviewed annually with commitment to DEI a strategic priority for the College. The College seeks to promote and value diversity and to take positive action to increase participation from underrepresented groups. The College welcomes applications from all sectors of society in terms of its employment of people with disabilities.

Disability statement

The college seeks to achieve the objectives set down in the Equality Act 2010:

a) As part of its accommodation strategy the college updated its access audit. Experts in this field conducted a full access audit in 2019, and the results of this formed the basis of funding capital projects aimed at improving access.
b) The college has appointed an Access Co-ordinator, who provides information, advice and arranges support where necessary for students with disabilities.
c) There is a list of specialist equipment, such as radio aids, which the college can make available for use by students and a range of assistive technology is available in the learning centre.
d) The admissions policy for all students is described in the college charter. Appeals against a decision not to offer a place are dealt with under the complaints policy.
e) The college has made a significant investment in the appointment of specialist lecturers to

support students with learning difficulties and/or disabilities. There are a number of student support assistants who can provide a variety of support for learning. There is a continuing programme of staff development to ensure the provision of a high level of appropriate support for students who have learning difficulties and/or disabilities.

f) Specialist programmes are described in college prospectuses, and achievements and destinations are recorded and published in the standard college format.
g) Counselling and welfare services are described in the College Student Guide, which is issued to students together with the Complaints and Disciplinary Procedure leaflets at induction.

Going Concern

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

EVENTS AFTER THE REPORTING PERIOD

There were no significant post balance sheet events.

DISCLOSURE OF INFORMATION TO AUDITORS

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

Approved by order of the members of the Corporation on 9 December 2025 and signed on its behalf by:

C Turner

Chair

Grantham College

Statement of Corporate Governance and Internal Control

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

GOVERNANCE CODE

The College endeavours to conduct its business:

1. In accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
2. In full accordance with the guidance to colleges from the Association of Colleges FE Code of good governance ("the Code");

In the opinion of the Governors, the College complies with all the provisions of the Association of Colleges Code of Good Governance, and it has complied throughout the year ended 31 July 2025. This opinion is based on an internal review of compliance with the Code undertaken by the Search & Governance Committee and reported to the board on the 25th March 2025. The Governing Body recognises that, as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times. In carrying out its responsibilities, it takes full account of The Code of Good Governance for English Colleges issued by the Association of Colleges in 2025, which it formally adopted in March 2025.

The Corporation

Members of 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	Office Term	Date of reappointment	End date of current term	Resignation	Committees	Corporation Attendance 2024/25
Mr G Brewis (Chair to 9 July 2025)	18 December 2017	7	14 December 2021	17 December 2025		Corporation, Standards, Finance & Resource, Search & Governance, Senior Postholder	6
Mr C Turner (Chair from 9 July 2025)	12 October 2021	3		11 October 2025		Corporation, Standards	6
Ms J Adams	12 December 2023	-			9 June 2025	Corporation, Finance & Resources, Senior Postholder	1
Mrs C Dewhirst	12 October 2021	3		11 October 2025		Corporation, Audit, Standards	4
Mr P Deane	Appointed as Principal & Chief Executive. August 2018	-				Corporation, Finance & Resources, Search & Governance, Standards	6
Ms B Dungarwalla	21 June 2022	3		20 June 2026		Corporation, Audit, Search & Governance.	4
Mrs S Ellis	7 November 2023	1		6 November 2027		Corporation, Standards	4
Mr N Jones	18 May 2021	4		17 May 2025		Corporation, Audit	6
Mrs H Lockham	14 October 2025	-					-
Ms L Smith	30 March 2021	4	25 March 2025	29 March 2029		Corporation, Standards	6
Mrs A Treacy	5 July 2022	3		6 July 2026		Corporation, Finance & Resources	6
Mr M Ward	14 October 2025	-					-
Ms A Webb	10 December 2024	-		9 December 2027		Corporation, Standards	2
Mrs P Williams	8 July 2025	-			22 October 2025	Corporation	1
Mr M Argyle	9 July 2012					Audit	0
Mr C Ford	9 July 2012					Search & Governance	0
Mr M Kalbassi	July 2019					Search & Governance	0
Mr N Manoussakis	1 September 2014					Finance	0
Mrs J Taylor-Holmes	September 2017					Clerk to Corporation	6

The Governance Framework

It is the Corporation's responsibility to bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct.

The Corporation 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 each 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:

- Finance and Resources
- Standards
- Search & Governance
- Audit

Full minutes of all meetings, except those deemed to be confidential by the Corporation, are available from the Clerk to the Corporation at Grantham College, Stonebridge Road, Grantham, NG31 9AP.

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

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

Formal agendas, papers and reports are supplied to members in a timely manner, prior to Board meetings. Briefings are also 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.

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

Appointments to the Corporation

Any new member appointments to the Corporation are a matter for the consideration of the Corporation as a whole. The Corporation has a Search & Governance committee, consisting of five members (P Deane / G Brewis / B Dungarwalla / C Ford / M Kalbassi) of the Corporation, 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.

Corporation performance

The Corporation operates a traditional structure with 4 Committees and also holds regular training/strategic workshops for Governors on current issues and policies of importance to the Corporation. These workshops, which last for around two hours, are a key element of the Governor role. The Committees are Audit, Finance & Resources, Standards and Search & Governance. These Committees have been established to examine the detail of the key areas of quality of teaching, learning and assessment, finance and resources; the minutes of meetings are reported back to Corporation. The Corporation meets 4 times a year. Most Governors are members of the Corporation and a member of one or more of the Committees. Quality of teaching, learning and assessment is afforded a high priority on the Corporation agenda, being a key element of the Principal's Report, which also considers topics of strategic interest at particular times within the academic year. Performance against the Strategic Plan and Key Performance Indicators covering Quality and Finance are considered at every full Corporation meeting. The business and finance elements of the College are also seen as critical to success and reported at every meeting of the Corporation. The Corporation emphasises the culture and values of the College and partnership working based on mutual trust between the senior management team and Governors. A clear focus on teaching and learning, on the experiences of learners, and continuous improvement is controlled by a strong and capable Chair; the Corporation has used a rigorous process of self-evaluation throughout the year.

During 2023/24, the Board commissioned an External Review of Governance. After a comprehensive procurement exercise, in September 2023, the Board appointed Fiona Chalk of Governance4FE who carried out a review over the period of October 2023 to February 2024. This included a scoping exercise with the CEO, Chair and Clerk to the Corporation, the circulation of a questionnaire and follow up conversations with Board members, members of the Executive Team, the Principal, the Chair, and the Clerk to the Corporation, observation of a Board meeting in October 2023, perusal of documentation and finally a facilitated discussion with the Board on the findings of the draft report in February 2024. The final report was presented to the Board in March 2024.

The report from the external review of governance was generally positive, and found;

The current structure of the Board and committees is fit for purpose. Committees work well and are suitably tasked with clear Terms of Reference, although a Scheme of Delegation would give greater clarity on where accountability and responsibility lies; Relationships between the Board and Executive are effective and could be further supported through opportunities for social/informal engagement for governors/executive members to get to know each other; Reports are well written and whilst data

provision is improving, board reporting lacks detail on the assumptions behind the data and the strategic implications of it; The Board is engaged in the setting of vision, ethos, and values. Board members have clarity on the organisation's goals, and their passion for improving the lives of students is clearly articulated; Governors are clearly committed to improving governance, embracing improvement strategies and good governance practices, as recommended by the governance professional.

The report and recommendations arising from the external review of governance were presented to the Board at its Strategic Development session in February 2024. In group work Governors identified their 3-5 top priorities from the list of recommendations. These priorities refer to; implementing a Scheme of Delegation and a Strategic Board Scorecard to monitor ongoing achievement of the strategic plan; further work to develop the ambassadorial role of Governors; to develop the appraisal of the Principal; further develop interactions with students at the College and having an annual conversation between the Board and the Executive to help clarify the expectations of each other, in regard to governance, and where governance oversight should be focused for the next 12 months. An action plan to implement the recommendations will be developed by the Search and Governance Committee following the completion of the internal self-assessment of Governance and presented to the Board for approval.

This summary has been approved by the reviewer.

The Governance Improvement Plan was developed during 2024/25 and is reviewed at each Search and Governance committee meeting and reported to Corporation.

Senior Post Holder Employment and Remuneration Committee

Throughout the year ending 31 July 2025, the College's committee comprised of 3 members (G Brewis / C Ford (Lay Chair) & M Kalbassi). The Committee's responsibilities are to make recommendations to the Board on the remuneration and benefits of the Senior Postholder.

The college has adopted the AoC Senior Staff remuneration code and details of remuneration for the year ended 31 July 2025 are set out in note 6 to the financial statements.

The College has adopted the Association of Colleges Code of Good Governance Remuneration Code.

Audit Committee

The Audit Committee comprises of 4 members. 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, 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, reporting accountants and financial statements auditors and their remuneration for both audit and non-audit work, as well as reporting annually to the Corporation.

The audit committee met three times in the year to 31 July 2025. The members of the committee and their attendance records are shown below:

Committee Member	Meetings Attended 2024/25	Total Meetings 2024/25
Mr M Argyle (Chair)	3	3
Mrs C Dewhirst	3	3
Ms B Dungarwalla	1	3
Mr N Jones	2	3

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 they are personally responsible, in accordance with the responsibilities assigned to them in the Financial Memorandum between Grantham College and the funding bodies. They are also responsible for reporting to the Corporation any material weaknesses or breakdowns in internal control.

The purpose of the system of internal control

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

Capacity to handle risk

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

The risk and control framework

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

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

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

Risks faced by the Corporation

The Corporation receives regular reports to assist with identifying, evaluating and managing risk. Risk Management is a standing item at the Audit Committee where updates are given on the Risk register and Risk register action plan and these updates are also reported to the Corporation, as well as relevant risks being reported to both Standards Committee and Finance & Resources Committee. The Finance & Resources Committee also receive regular financial updates which include year-end outturn prediction, variances against budget, cash flow update and loan covenants.

Control weaknesses identified

During 2024/25 the internal auditors carried out 2 internal audits covering Payroll and Risk Management Deep Dive. These audits are based on the Risk register, and the college received 2

Reasonable Assurance from these. There were 7 low, 3 medium, and no high priority recommendations made within the audit reports and 1 advisory recommendation. These are monitored and reported to the Audit Committee.

The internal auditors identified 5 low priority and 1 advisory priority control weaknesses in the college's Payroll systems and 2 low priority and 3 medium priority control weaknesses in Risk Management Deep Dive. The college is ensuring that these control weaknesses are actioned, and updates reported to Audit Committee via the Audit Follow Up Register.

Also carried out during 2024/25, a funding assurance review looking at Study Programme Learner files and PDSAT reports. No assurance is given in respect of these, but identifies areas for improvement or non-compliance with funding rules. This information is also included within the Audit Follow Up Register to enable actions to be monitored.

The Audit Committee received all internal audit reports and are satisfied that the actions being taken and monitored by the Audit Follow Up register are sufficient to address all control weaknesses regardless of whether these are Low/Medium/High Priority.

Responsibilities under accountability agreements

The Corporation has met its contractual responsibilities under its accountability agreements with DfE. Regular reports are presented against all funding contracts and agreements are closely monitored by the Finance & Resource committee, who monitor performance against target and the Standards committee, who monitors quality of delivery in line with DfE requirements. The college internal & external auditors also monitor performance against DfE contractual requirements.

The college has reviewed its policies, procedures and approval processes in line with the 2024-2025 college finance handbook and its accountability agreement with DfE to ensure there are systems in place to identify and handle any transactions for which DfE or HM Treasury approval is required.

Statement from the audit committee

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

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

- Receiving Risk Management updates
- Receiving Internal audit reports
- Receiving audit follow up report.

Review of effectiveness

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

- the work of the internal auditors
- the work of the executive managers within the college who have responsibility for the development and maintenance of the internal control framework.
- comments made by the college's financial statements auditors, the reporting accountant for regularity assurance, the appointed funding auditors in their management letters and other reports.

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

The senior management 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 management 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 management team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception.

At its December 2025 meeting, the Corporation carries out the annual assessment for the year ended 31 July 2025 by considering documentation from the senior management 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 9 December 2025 and signed on its behalf by:

.....
C Turner

Chair

.....
P Deane

Accounting Officer

Grantham College

Statement of Regularity, Propriety and Compliance

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

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

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

.....

P Deane

Accounting Officer

9 December 2025

Grantham College

Statement of Responsibilities of the Members of the Corporation

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

Within the terms and conditions of the College's accountability agreement, funding agreements and contracts with ESFA & DfE, the Corporation is required to prepare financial statements which given 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, and
- prepare financial statements on the going concern basis, unless it is inappropriate to assume that the corporation will continue in operation.

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

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

The Corporation is responsible for the maintenance and integrity of its website; 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 the ESFA, 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 the DfE or any other public funder, including that any transactions entered into by the corporation are within the delegated authorities set out in the College Financial Handbook. On behalf of the corporation, the chair of the board of governors is responsible for discussing the accounting officer's statement of regularity, propriety and compliance with the accounting officer.

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

Approved by order of the members of the corporation 9 December 2025 and signed on its behalf by:

……

C Turner

Chair of Governors

Grantham College

Independent Auditor's Report to the Corporation of Grantham College

Opinion

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

The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice : Accounting for Further and Higher Education 2019 edition, the College Accounts Direction 2024 to 2025 issued by the Department for Education (DfE College Accounts Direction) and the Regulatory advice 9: Accounts direction issued by Office for Students (OfS Accounts Direction).

In our opinion, the financial statements:

- give a true and fair view of the state of the College's affairs as at 31 July 2025 and of the College's income and expenditure, gains and losses, changes in reserves and statement of cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Statement of Recommended Practice: Accounting for Further and Higher Education, and the DfE College Accounts Direction;
- meet the requirements of the OfS Accounts Direction.

Basis for opinion

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

Independent Auditor's Report to the Corporation of Grantham College
continued

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 College's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the OfS Accounts Direction

We are required to report on the following matters prescribed in the OfS Accounts Direction. In our opinion, in all material respects:

- funds from whatever source administered by the Group or the College for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation; and
- funds provided by the Office for Students, UK Research and Innovation (including Research England) and the Department for Education have been applied in accordance with the relevant terms and conditions.

Grantham College

Independent Auditor's Report to the Corporation of Grantham College

Continued

Matters on which we are required to report by exception

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

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

We have nothing to report to you in respect of the following matters in relation to which the OfS Accounts Direction requires us to report to you, if in our opinion:

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

Responsibilities of the Corporation

As explained more fully in the Statement of the Responsibilities of the Members of the Corporation set out on page 30, the Corporation is responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Corporation determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Grantham College

Independent Auditor's Report to the Corporation of Grantham College
continued

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:

We gained an understanding of the legal and regulatory framework applicable to the College and the sector in which it operates and considered the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations. This included those regulations directly related to the financial statements.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified.

These included the following:

- We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness.
- We reviewed key authorisation procedures and decision making processes for any unusual or one-off transactions.
- We reviewed minutes of Governor Board meetings and other relevant sub-committees of the Board such as the Finance Committee and agreed the financial statement disclosures to underlying supporting documentation.
- We have made enquiries of the senior management team including the Accounting Officer regarding laws and regulations applicable to the College and obtained the report details of any breaches where applicable in order to assess the impact upon the College.
- We reviewed the risk management processes and procedures in place including a review of the Risk Register and Board assurance reporting and the Internal Scrutiny Reports.

Grantham College

Independent Auditor's Report to the Corporation of Grantham College
Continued

- We have reviewed any correspondence with the ESFA / DfE and reviewed the procedures in place for the reporting of incidents to the Board including serious incident reporting of any such matters to the Regulator if necessary.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our Report

This Report is made solely to the Corporation, as a body, in accordance with Article 22 of the College's Articles of Government. Our audit work has been undertaken so that we might state to the Corporation, as a body, those matters we are engaged to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Corporation, as a body, for our audit work, for this Report, or for the opinions we have formed.

Suzanne Goldsmith FCA (Senior Statutory Auditor)

Price Bailey LLP
Chartered Accountants
Statutory Auditor
Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT
Date: 18 December 2025

Grantham College

Reporting Accountant's Assurance Report on Regularity

To: The Corporation of Grantham College and the Secretary of State for Education

In accordance with the terms of our engagement letter dated 6 September 2023 and further to the requirements and conditions of Department for Education (DfE), as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Colleges, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by Grantham College during the period 1 August 2024 to 31 July 2025 have not been applied to the purposes identified by Parliament and the financial transactions do not conform to the authorities which govern them.

This report is made solely to the Corporation of Grantham 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 Grantham 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 Grantham 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 Grantham College and the reporting accountant

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

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the extant Framework and Guide for External Auditors and Reporting Accountants of Colleges. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material

respects, expenditure disbursed and income received during the period 1 August 2024 to 31 July 2025 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Grantham College

Reporting Accountant's Assurance Report on Regularity

Approach

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

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

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

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

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

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

Grantham College

Reporting Accountant's Assurance Report on Regularity

Continued

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.

Price Bailey LLP

Chartered Accountants, Statutory Auditor

Causeway House

1 Dane Street

Bishop's Stortford

CM23 3BT

Date

18 December 2025

.....

Price Bailey LLP

Grantham College

Statement of Comprehensive Income and Expenditure

	Notes	2025	2024
INCOME		**£'000**	**£'000**
Funding body grants	2	8,745	7,427
Tuition fees and education contracts	3	1,048	1,089
Other grants and contracts	4	215	453
Other income	5	959	1,023
Total income		**10,967**	**9,992**
EXPENDITURE			
Staff costs	6	7,203	6,943
Other operating expenses	7	2,512	1,979
Depreciation - Tangible Assets	10	895	820
Depreciation - Intangible Assets		18	0
Interest and other finance costs	8	5	10
Total expenditure		**10,633**	**9,752**
Surplus / (Deficit) before other gains and losses		**334**	**240**
Actuarial gain in respect of pensions schemes	19	(184)	(375)
Total comprehensive income / (deficit) for the year		**150**	**(135)**
Represented by:			
Restricted comprehensive Income		**(25)**	**93**
Unrestricted comprehensive Income / (deficit)		**175**	**(228)**
		150	**(135)**

All items of income and expenditure relate to continuing activities.

The notes on pages 44-69 form part of the financial statements.

Grantham College

Statement of Changes in Reserves

Statement of Change in Reserves

	Income and expenditure account	Revaluation Reserve	Restricted Reserve	Total
	£'000	£'000	£'000	£'000
Balance at 1 August 2023	4,494	2,244	79	6,817
Surplus/(Deficit) from I & E account	147	0	93	240
Trans between reval & I&E reserves	48	(48)		0
Actuarial Gain on LGPS Pension Scheme	(375)	0		(375)
Balance at 31 July 2024	4,314	2,196	172	6,682
Surplus/(Deficit) from I & E account	359	0	(25)	334
Trans between reval & I&E reserves	48	(48)		0
Actuarial Gain on LGPS Pension Scheme	(184)	0		(184)
Total Comprehensive Income	223	(48)	(25)	150
Balance at 31 July 2025	4,537	2,148	147	6,832

The notes on pages 44-69 form part of the financial statements.

Grantham College

Balance Sheet as at 31 July 2025

	Notes	2025 £'000	2024 £'000
Non Current Assets			
Tangible Fixed Assets	10	12,010	12,895
Intangible Asset		112	0
		12,122	**12,895**
Current Assets			
Stock		28	33
Trade & Other Receivables	11	834	613
Short Term Investments	11a	0	0
Cash & Cash Equivalents	16	1,635	1,052
		2,497	**1,698**
Creditors - amounts falling due within one year	12	(1,523)	(1,596)
Net Current Assets		**974**	**102**
Total Assets less Current Liabilities		**13,096**	**12,997**
Creditors - amounts falling due after more than one year	13	(6,248)	(6,299)
Provisions			
Defined benefit obligations	19	0	0
Other Provisions	15	(16)	(16)
Total Net Assets		**6,832**	**6,682**
Unrestricted Reserves			
Income & Expenditure Account		4,537	4,314
Pension Reserve		0	0
Revaluation Reserve		2,148	2,196
Total Unrestricted Reserves		**6,685**	**6,510**
Total Restricted Reserves		**147**	**172**
Total Reserves		**6,832**	**6,682**

The financial statements on pages 44 to 69 were approved and authorised for issue by the Corporation on 9 December 2025 and were signed on its behalf on that date by:

C Turner, Chair

P Deane, Accounting Officer

Grantham College

Statement of Cash Flows

	Notes	2025	2024
		£'000	£'000
Cash flow from operating activities			
Surplus/(Deficit) for the year		334	240
Adjustment for non-cash items			
Depreciation		913	820
(Increase)/decrease in stocks		5	4
(Increase)/decrease in debtors		(221)	652
Increase/(decrease) in creditors		111	(436)
Increase/(decrease) in other provisions		(0)	(3)
FRS102 adjustments for LGPS		(184)	(375)
Adjustment for investing or financing activities			
Interest paid		5	10
Interest receivable		0	(5)
(Profit)/Loss on sale of fixed assets		21	(1)
Net cash flow from operating activities		984	906
Cash flows from investing activities			
Proceeds from sale of fixed assets		144	1
Interest receivable		0	5
Payments made to acquire fixed assets		(40)	(37)
		104	(31)
Cash flows from financing activities			
Interest paid		(5)	(10)
Repayments of amounts borrowed		(88)	(89)
Deferred capital grant released		(574)	(442)
Revenue grant released		0	0
Capital grant receipts		1,124	894
Capital grant expenditure		(962)	(1,427)
		(505)	(1,074)
Increase / (decrease) in cash and cash equivalents		**583**	**(199)**
Cash and cash equivalents at beginning of the year	16	1,052	1,251
Cash and cash equivalents at end of the year	16	1,635	1,052

Grantham College

Notes to the Accounts

1. Statement of accounting policies and estimation techniques

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

Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (the 2019 FE HE SORP), the College Accounts Direction for 2024/25 and in accordance with Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102). The college is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102.

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

Basis of accounting

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

Basis of consolidation

In accordance with FRS102, the activities of the student union have not been consolidated because the College does not control these activities.

Going concern

The activities of the College, together with the factors likely to affect its future development and performance are set out in the Strategic Report, Accountability Statement and government decision making. FE Sector continues to remain under enormous pressure with continued non-controllable cost increases, we have seen funding rate increases for 16-18's, and additional support following the reduction in employers' national insurance threshold. In reviewing these accounts, alongside last year's performance and forward forecasts; whilst the pressures impacting Grantham College are similar to other colleges, our cost base and income potential, together with the level of cash reserves and low gearing ratio, mean that the college continues to be confident to produce its accounts on a Going concern basis. The college regularly meets with their banks relationship team and management accounts are provided on a quarterly basis. Currently the forecast shows non-restricted cash is £649k in July 2026 and 24 cash days. Cash levels fluctuate throughout 2025/26 and 2026/27 and regular monitoring continues.

At 31 July 2025 the college has £43k (2024: £125k) of loans outstanding with bankers on terms

negotiated in 2006. The term of the existing agreement is for 20 years, unsecured with the final payment due January 2026. The Corporation considers that the College has adequate resources to continue in operational existence for the foreseeable future. The College has a positive 2-year plan and a good current ratio. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

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.

The recurrent grant from OFS 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 conditions are met.

Capital grant funding

Government capital grants are capitalised, held as deferred income and recognised in income over the expected useful life of the asset, under the accrual model as permitted by FRS 102. Other non-government 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.

Agency Arrangements

The college acts as an agent in the collection and payment of certain discretionary support funds and any other arrangements. Related payments received from the funding bodies and subsequent disbursements to the 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.

Investment income

All income from deposits is credited to the income and expenditure account in the period in which it is

earned on a receivable basis.

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.

Lincolnshire 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 is also recognised in the Statement of Comprehensive Income and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in interest and other finance costs.

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

Short term Employment benefits

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

Enhanced Pensions

The actual cost of any enhanced ongoing pension to a former member of staff is paid by the college annually. An estimate of the expected future cost of any enhancement to the ongoing pension of a former member of staff is charged in full to the College's income in the year that the member of staff retires. In subsequent years a charge is made to provisions in the balance sheet.

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 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 land is not depreciated as it is considered to have an infinite useful life. Freehold buildings are depreciated on a straight-line basis over their expected useful lives of 50 years.

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

Equipment

Equipment costing less than £1,000 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:

- Land & Buildings — Up to 50 years
- Solar Panels — 25 years
- Surveyor/Architect/Professional Fees — 10 years
- Plant & Machinery — Up to 10 years
- Furniture & Equipment — Up to 10 years
- Fixtures & Fittings — Up to 5 years
- Motor Vehicles — Up to 7 years
- Main Computer system/equipment inc PC's — Up to 7 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.

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. Any lease premiums or incentives relating to leases signed after 1 August 2014 are spread over the minimum lease term.

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

Assets held under finance leases are recognised initially at the fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Inventories

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

Cash and cash equivalents

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

Investments

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 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.

Taxation

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

The College is partially exempt in respect of Value Added Tax, so that it can only recover a certain percentage 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.

Provisions and contingent liabilities

Provisions are recognised when:

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

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

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

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

The college currently has no contingent liabilities.

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

Judgements in applying accounting policies.

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

- Determine whether leases entered into by the college either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.

- Determine whether there are indicators of impairment of the college's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected

future financial performance of the asset and where it is a component of a larger cash- generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty

- Tangible fixed assets, 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 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 19 will impact the carrying amount of the pension liability. The actuary has used a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 to value the pensions liability at 31 July 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Funding body Grants

	2025 £'000	2024 £'000
Recurrent grants		
ESFA - adult	670	511
ESFA – 16-18	4,969	4,645
ESFA – apprenticeships	1,622	1,350
OFS – Teaching Fund	37	42
Specific grants		
ESFA – 16-19 Tuition Fund	0	76
Specific grants		
Release of deferred capital grant	574	442
Projects	65	2
H.T.E Growth Fund	0	0
Projects – Employer Incentive Payments	0	0
Other ESFA income	343	273
Income from schools	65	86
Donated Temporary Asset **	400	0
Total	**8,745**	**7,427**

** Relates to DfE provided classrooms currently on site due to closure of Link Block due to presence of RAAC.

3 Tuition fees and education contracts

	2025 £'000	2024 £'000
Adult education fees	157	225
Employer contribution re apprentices	7	12
Total	**164**	**237**
Fees for HE loan supported courses – University Partners	156	161
Education contracts	406	381
Fees for HE loan supported courses	322	310
Total	**1,048**	**1,089**

4 Other grants and contracts

(Restricted Funds)

	2025	2024
	£'000	£'000
European Commission	131	236
Other grant income	84	217
Total	**215**	**453**

5 Other income

	2025	2024
	£'000	£'000
Catering and residences	463	518
Other income generating activities	357	348
Miscellaneous income	139	157
Total	**959**	**1,023**

6 Staff costs

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

	2025	2024
	No.	No.
Teaching staff	61	50
Non-teaching staff	126	110
	187	**160**

Staff costs for the above persons

	2025	2024
	£'000	£'000
Wages and salaries	5,295	5,346
Social security costs	480	407
Other pension costs	1,097	992
Payroll sub total	**6,872**	**6,745**
Contracted out staffing services	331	198
Total Staff Costs	**7,203**	**6,943**

The corporation does not have any salary sacrifice arrangements in place.

Key Management Personnel

Key management personnel are identified as those people having authority and responsibility for planning, directing and controlling activities of the College. Details of key management personnel are listed on the key management personnel, board of governors and professional advisers page at the beginning of the financial statements.

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

	2025 No.	2024 No.
The number of key management personnel including the Accounting Officer was:	5	6

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

	Key Management Personnel		Non Key Management Personnel	
	2025 No.	2024 No.	2025 No.	2024 No.
£25,001 to £30,000 p.a.	-	-	31	25
£30,001 to £35,000 p.a.	-	-	19	22
£35,001 to £40,000 p.a.	-	-	15	15
£40,001 to £45,000 p.a.	-	-	2	2
£45,001 to £50,000 p.a.	-	-	3	4
£50,001 to £55,000 p.a.	2	3	1	-
£55,001 to £60,000 p.a	-	-		-
£60,001 to £65,000 p.a	-	2		-
£65,001 to £70,000 p.a	2	-		-
£70,001 to £75,000 p.a	-	-		-
£115,001 to £120,000 p.a.	-	-		-
£120,001 to £125,000 p.a	-	-		-
£125,001 to £130,000 p.a	-	-		-
£130,001 to £135,000 p.a	-	-		-
£135,001 to £140,000 p.a	1	1		-
£140,001 to £145,000 p.a	-	-		-
	5	**6**	**71**	**68**

Key management personnel compensation is made up as follows:

	2025 £'000	2024 £'000
Basic Salary	390	424
Pension Contributions	98	105
Employer' National Insurance	49	51
Total key management personnel	537	580

The governing body adopted AoC's Senior Staff Remuneration Code in July 2019 and assesses pay in line with its principals. The remuneration package of key management staff, including the Principal and Chief Executive, is subject to annual review by the Remuneration Committee of the governing body who justify the remuneration on the following grounds The above compensation includes amounts paid to the Principal and Chief Executive who is the Accounting Officer and who is also the highest paid member of staff. Their pay and remuneration is as follows:

	2025 £'000	2024 £'000
Basic Salary	139	137
Pension Contributions	34	34

The pension contributions in respect of the Principal & Accounting Officer and senior post-holders in respect of employer's contributions are paid to the Teachers' Pension Scheme and the Local Government Pension Scheme at the same rate as for other employees.

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

	2025 £'000	2024 £'000
Principal and CEO's basic salary as a multiple of the median of all staff	5.83	6.17
Principal and CEO's total renumeration as a multiple of the median of all staff	5.83	6.83

The members of the Corporation other than the Principal & Chief Executive 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.

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.

7 Other operating expenses

	2025 £'000	2024 £'000
Teaching costs	555	485
Non-teaching costs	838	681
Premises costs	719	813
Donated Temporary Asset Depreciation**	400	0
Total	**2,512**	**1,979**

Other operating expenses include:

	2025 £'000	2024 £'000
Auditors' renumeration:		
Financial statements audit	28	23
Internal audit fees	18	16
Hire of assets under operating leases	0	0
Restricted expenditure relating to restricted income	238	363
	284	**402**

** Relates to DfE provided classrooms currently on site due to closure of Link Block due to presence of RAAC.

7a Access and Participation expenditure

	2025 £'000	2024 £'000
Access Investment	5	2
Financial Support to Students	4	3
Research and Evaluation (access and participation)	2	2
Total	**11**	**7**

8 Interest and other finance costs

	2025 £'000	2024 £'000
On bank loans, overdrafts and other loans	5	10
Net interest on defined pension liability/asset	(3)	(156)
Total	**2**	**(146)**

9 Taxation

The members do not believe that the college was liable for any Corporation tax arising out of its activities during either year.

10 Tangible fixed assets

	Freehold Land and buildings	Equipment	Total
	£'000	£'000	£'000
Cost or valuation			
At 1 August 2024	22,249	6,295	28,544
Additions	628	244	872
Disposals	(29)	(33)	(62)
Impairment	(1,248)	0	(1,248)
At 31 July 2025	**21,600**	**6,506**	**28,106**
Depreciation			
At 1 August 2024	11,443	4,206	15,649
Charge for the year	417	478	895
Elimination in respect of disposals	(28)	(32)	(60)
Impairment	(388)	0	(388)
At 31 July 2025	**11,444**	**4,652**	**16,096**
Net book value at 31 July 2025	10,156	1,854	12,010
Net book value at 31 July 2024	10,806	2,089	12,895

The College has taken the value of its fixed assets as deemed cost.

During 2024/25 the College has impaired the Link Block within its fixed assets as the asset is no longer in use due to the presence of RAAC and the College is currently waiting for DfE approval for demolition and rebuild.

Land and buildings were valued in 1994 at depreciated replacement cost by the Lincolnshire County Council Land and Buildings Consultancy, in accordance with the RICS Statement of Asset Valuation Practice and Guidance notes. Other tangible fixed assets inherited from the LEA at incorporation have been valued by the College on a depreciated replacement cost basis with the assistance of independent professional advice. Included in land and buildings is freehold land with a net book value of £756,000 (2024: £756,000) that has not been subject to depreciation.

Buildings with a net book value of £3,659,318 (2024: £3,500,161) have been partly financed by exchequer funds, through for example the receipt of capital grants. Should these assets be sold, the College may be liable, under the terms of the Financial Memorandum with the relevant funding body, to surrender the proceeds.

11 Trade and other receivables

	2025 £'000	2024 £'000
Amounts falling due within one year:		
Trade receivables	202	182
Prepayments and accrued income	632	431
Total	**834**	**613**

11a Short Term Investments

	2025 £'000	2024 £'000
Amounts falling due within one year:		
Investments	0	0
Total	**0**	**0**

12 Creditors: amounts falling due within one year

	2025 £'000	2024 £'000
Bank loans and overdraft	43	86
Payments received on account	134	159
Trade payables	319	211
Other taxation and social security	300	237
Accruals	115	180
Deferred income - government capital grants	353	495
ESFA Clawback provision	249	217
Other creditors	10	11
Total	**1,523**	**1,596**

At 1 August 2024, the college had one remaining bank loan which is unsecured, although the College has been required to provide a negative pledge over the College campus.

The remaining loan was for a sum of £1,375,000 and is provided for a term of 20 years, due for final

repayment in January 2026. Repayments consist of monthly payments of capital and interest over the period of the loan. The loan offers fixed and floating interest rate option throughout the term, and as at 31 July 2025 was subject to floating rate terms of 0.65% over bank base rate.

The College also had a Salix loan totalling £6,192 (2024: £6,192) which was provided over a term of 5 years, with the final payment made in October 2024 and provided interest free.

13 Creditors: amounts falling due after one year

	2025 £'000	2024 £'000
Bank Loans	0	45
Deferred income - government capital grants	6,248	6,254
Total	**6,248**	**6,299**

14 Maturity of debt

Bank loans and overdrafts

Bank loans and overdrafts are repayable as follows:

	2025 £'000	2024 £'000
In one year or less	43	86
Between one and two years	0	45
Between two and five years	0	0
Total	**43**	**131**

15 Provisions

	Defined benefit obligations	Enhanced Pensions	Total
	£'000	£'000	£'000
At 1 August 2024	-	(16)	**(16)**
Expenditure in the period	-	2	**2**
Actuarial gain / (loss)	-	(2)	**(2)**
At 31 July 2025	**0**	**(16)**	**(16)**

At the year-end 31 July 2025 the LGPS scheme had a nil overall scheme asset / liability following the asset ceiling adjustment (2024: £NIL), as shown in note 19.

In accordance with FRS102 paragraph 28.22, an entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Since the College cannot request a refund of the contributions and cannot at this time confirm that there will be any reductions in future contributions payable to the scheme, the pension scheme asset has not been recognised within these financial statements, and the pension scheme gain has only been recognised up to a scheme value of zero on the Balance Sheet.

Defined benefit obligations relate to the liabilities under the college's membership of the Local Government Pension Scheme. Further details are given in note 19.

The enhanced pension provision relates to the cost of staff who have already left the College's employment. The principal assumptions for this calculation are:

	2025	2024
Rate of increase in salaries	3.85%	3.90%
Future pensions increases (CPI)	2.85%	2.90%
Discount rate for scheme liabilities	5.80%	5.05%
Inflation assumption (RPI)	3.10%	3.20%

16 Cash and Cash Equivalents

	At 1 August 2024 £'000	Cash Flows £'000	Other Changes £'000	At 31 July 2025 £'000
Cash and cash equivalents	993	68	0	1,061
Restricted Cash *	59	515	0	574
Total	**1,052**	**583**	**0**	**1,635**

* Capital grants received in advance and proceeds from sale of assets.

17 Lease obligations

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

	2025 £'000	2024 £'000
Future minimum lease payments due		
Land and buildings		
Not later than one year	-	-
Later than one year and not later than five years	-	-
Later than five years	-	-
Total	**-**	**-**
Other		
Not later than one year	44	43
Later than one year and not later than five years	80	43
Later than five years	-	-
Total	**124**	**86**

18 Contingencies

There are no contingent liabilities at 31 July 2025 (2024: £1.65m) following the impairment of the Link Block building currently not in use due to the presence of RAAC. The college continues working with DfE in relation to this until the matter has been resolved. The Government are funding longer term refurbishment or rebuilding projects.

19 Defined benefit obligations

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

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

Total pension cost for the year		**2025 £000**		**2024 £000**
Teachers' Pension Scheme: contributions		555		489
Local Government Pension Scheme:				
Contributions paid	723		721	
FRS 102 (28) charge	(181)		(219)	
Charge to the Statement of Comprehensive Income		542		502
Total Pension Cost for Year within staff costs		**1,097**		**991**

Teachers' Pension Scheme

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

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

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

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

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

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

As a result of the valuation, employer contribution rates increased to 28.68% in April 2024 (compared to 23.68% during 2022/3).

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

The pension costs paid to TPS in the year amounted to £554,000 (2024: £496,000).

Local Government Pension Scheme

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by Lincolnshire County Council. The total contributions made for the year ended 31 July 2025 were £909,656 (2024: £896,274), of which employer's contributions totalled £723,199 (2024: £714,215) and employees' contributions totalled £186,457 (2024: £182,059). The agreed contribution rates for future years are 24.5% for employers and range from 5.5% to 12.5% for employees, depending on salary.

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

	At 31 July 2025	At 31 July 2024
Rate of increase in salaries	3.85%	3.90%
Future pensions increases (CPI)	2.85%	2.90%
Discount rate for scheme liabilities	5.80%	5.05%
Inflation assumption (RPI)	3.10%	3.20%

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

	At 31 July 2025	At 31 July 2024
Retiring today		
Males	21.4	19.5
Females	23.4	22.6
Retiring in 20 years		
Males	23.0	20.7
Females	25.1	24.1

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

	Split of assets at 31 July 2025	Fair Value at 31 July 2025	Split of assets at 31 July 2024	Fair Value at 31 July 2024
		£'000		£'000
Equity instruments	55%	11,221	49%	9,003
Debt instruments	14%	2,889	14%	2,578
Property	7%	1,476	7%	1,315
Cash	3%	514	3%	542
Infrastructure	5%	916	4%	791
Absolute return fund	16%	3,208	23%	4,312
Total fair value of	**100%**	**20,224**	**100%**	**18,541**

	2025	2024
	£'000	£'000
Fair value of plan assets	20,224	18,541
Present value of plan liabilities	(12,696)	(13,203)
Asset Ceiling Adjustment	(7,528)	(5,338)
Net pensions asset / (liability)	**-**	**-**

The estimated value of the Local Government Pension Scheme provided by the scheme's actuary resulted in a nil asset/liability at the year end.

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

	2025 £'000	2024 £'000
Amounts included in staff costs		
Current service cost	542	495
Total	**542**	**495**
Amounts included in interest and other finance costs		
Net interest expense	(3)	(156)
	(3	**(156)**
Amount recognised in Other Comprehensive Income		
Return on pension plan assets	415	715
Experience gain / (loss) arising on defined benefit obligations	(119)	55
Other actuarial gains on assets	-	-
Changes in assumptions underlying the present value of plan liabilities	8,968	4,883
Amount recognised in Other Comprehensive Income	**9,264**	**5,653**

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

		2025 £'000	2024 £'000
Net defined benefit (liability)/asset in scheme at 1 August		0	0
Movement in year:			
	Current service cost	(542)	(495)
	Employer contributions	723	714
	Past service cost	-	-
	Net interest on the defined	3	156
	Actuarial gain or loss	(184)	(375)
Net defined benefit (liability)/asset at 31 July		**-**	**-**

Asset and Liability Reconciliation	2025 £'000	2024 £'000
Changes in the present value of defined benefit obligations		
Defined benefit obligations at start of period	**13,203**	**11,980**
Current service cost	542	495
Interest cost	657	610
Contributions by Scheme participants	186	182
Experience gains and losses on defined benefit obligations	119	(55)
Changes in financial assumptions	(2,084)	484
Estimated benefits paid	(571)	(464)
Changes in demographic assumptions	644	(29)
Defined benefit obligations at end of period	**12,696**	**13,203**
Fair value of plan assets at start of period	**18,541**	**16,544**
Interest on plan assets	945	863
Return on plan assets	415	715
Administration expenses	(15)	(13)
Employer contributions	723	714
Contributions by Scheme participants	186	182
Estimated benefits paid	(571)	(464)
Other actuarial gains	0	0
Fair value of plan assets at end of period	**20,224**	**18,541**

20 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.

Jane Taylor-Holmes is the Clerk for the Corporation and is self-employed. Services were provided by the Clerk during the year totalling £10,288.80 (2024: £10,288.80) and £922.20 (2024: £825) was included in the creditors at the year-end.

Chris Turner is employed by examination Awarding Body, Pearson Education and is also a Governor of Grantham College. Services were provided by Pearson Education during the year totalling £74,351.65 (2024: £64,928.40) and £991.84 (2024: £1,976.47) was included in creditors at the year-end.

Paul Deane is the Principal & Chief Executive at Grantham College and is also a Director of Lincolnshire Institute of Technology (LIoT). Services were provided by LIoT during the year totalling £10,200 (2024: £12,979) and there was a nil balance (2024: nil balance) included in creditors at the year-end.

Anita Harrison is the Director of Finance at Grantham College with a related party declaration in respect of Brewers Decorating Centre. No services were provided by Brewers during the year (2024: £201.18) and a nil balance (2024: nil balance) included in creditors at the year-end.

Alison Webb is employed by Lincoln Bishop University (formerly Bishop Grossette University) and was appointed a Governor of Grantham College in December 2024. Lincoln Bishop University are the College's Higher Education Partner University and have been for over 10 years. Income received in respect of higher education fees during the year totalled £156,210.88 (2024: £160,632), and there was a nil balance (2024: nil balance) included in debtors at the year-end.

No Governor has received any reimbursement of expenses, remuneration or waived payments from the College during the year (2024: none).

21 Amounts disbursed as agent - Learner support funds

	2025	2024
	£000	£000
Balance unspent as at 1 August	82	93
Funding body grants – hardship funds	221	198
Disbursed to students	(157)	(180)
Administration costs	(2)	(1)
Clawback Provision	(51)	(28)
Balance unspent as at 31 July, included in creditors	93	82

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 accounting period ended 31 July 2025, the college received a total of £130,585 and disbursed £125,122 from DfE 16-19 discretionary and vulnerable bursaries and FEFM funding after charging £NIL for administration costs.

As at 31 July 2025 the cumulative unspent 16-19 discretionary and vulnerable bursary funds and FEFM funding is £85,535, of which £NIL relates to funds that are in scope to be returned to DfE in March 2026. Comparatives for the accounting period ended 31 July 2024 are £114,819 received from DfE, £117,100 disbursed to learners after charging £NIL for administration costs, and total cumulative unspent funds of £80,072, of which £NIL was repaid to DfE.

22 Capital Commitments

At the year ending July 2025 the College has £56,297 (2024: £247,117) in capital commitments including £5,694 for self-funded refurbishment and equipment and £50,604 for DfE capital funded building work.

23 Post Balance Sheet Event

There are no events after the reporting period.

24 Other Funds

Current year:

	Funds B/fwd at 01/08/24	Income	Expenditure	Gain / (loss)	Transfers	Funds C/fwd at 31/07/2025
Income and expenditure account	4,314	10,754	(10,579)		48	4,537
Pension reserve	0					0
Revaluation reserve	2,196				(48)	2,148
Total unrestricted reserves	6,510	10,754	(10,579)	0	0	6,685
Restricted funds:						
European Commission grant funding	49	131	(138)			42
Other project grant funding	123	82	(100)			105
Total restricted reserves	172	213	(238)	0	0	147
Total funds	6,682	10,967	(10,817)	0	0	6,832

Prior year:

	Funds B/fwd at 01/08/23	Income	Expenditure	Gain / (loss)	Transfers	Funds C/fwd at 31/07/2024
Income and expenditure account	4,494	9,536	(9,764)		48	4,314
Pension reserve	0					0
Revaluation reserve	2,244				(48)	2,196
Total unrestricted reserves	6,738	9,536	(9,764)	0	0	6,510
Restricted funds:						
European Commission grant funding	(10)	239	(180)			49
Other project grant funding	89	217	(183)			123
Total restricted reserves	79	456	(363)	0	0	172
Total funds	6,817	9,992	(10,127)	0	0	6,682

Net Assets by fund - current year:	Unrestricted funds 2025	Restricted funds 2025	Total funds 2025
	£	£	£
Tangible Fixed assets	12,010	0	12,010
Intangible Assets	112	0	112
Current assets	2,350	147	2,497
Creditors due within one year	(1,523)	0	(1,523)
Creditors due in more than one year	(6,248)	0	(6,248)
Provisions for liabilities and charges	(16)	0	(16)
	6,685	147	6,832

Net Assets by fund - prior year:	Unrestricted funds 2024	Restricted funds 2024	Total funds 2024
	£	£	£
Tangible Fixed assets	12,895	0	12,895
Current assets	1,526	172	1,698
Creditors due within one year	(1,596)	0	(1,596)
Creditors due in more than one year	(6,299)	0	(6,299)
Provisions for liabilities and charges	(16)	0	(16)
	6,510	172	6,682