



**REPORT AND FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31 JULY 2025

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

KEY MANAGEMENT PERSONNEL, BOARD OF GOVERNORS AND PROFESSIONAL ADVISERS

Key management personnel

Key management personnel are defined as members of the College Management Team and were represented by the following in 2024-25:

Philip Rumsey	Principal & CEO; Accounting Officer
Alice Thornton	Deputy Principal
Lesley Clemmet	Director of Finance & Resources
Tania Exley-Moore	Assistant Principal
David Robinson	Assistant Principal

Board of Governors

A full list of Governors is given on pages 11-12 of these financial statements. During this period, Heather Campbell acted as Clerk to the Corporation.

Principal & Registered Office

Sandybed Lane
Scarborough
YO12 5LF

Professional advisers

Financial statements auditors and reporting accountants:

Azets Audit Services
Wynyard Park House
Wynyard Avenue
Wynyard
TS22 5TB

Internal auditors:

WBG
168 Bath Street
Glasgow
G2 4TP

Solicitors:

The Endeavour Partnership LLP
Tobias House
St Mark's Court
Teesdale Business Park
Teesside
TS17 6QW

Bankers:

Lloyds Bank plc
1 St Nicholas Street
Scarborough
YO11 2YY

Insignis Asset Management
St John's Innovation Centre
Cowley Road
Cambridge
CB4 0WS

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Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

STRATEGIC REPORT

Objectives and Strategies

The members present their strategic report together with the financial statement and auditor's report for Scarborough Sixth Form 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 Scarborough Sixth Form College (the College). The College is an exempt charity for the purposes of Part 3 of the Charities Act 2011.

Mission and Strategy

Our mission is to inspire and educate our students in a supportive, inclusive environment that enables them to fulfil their potential, enjoy successful careers and lead happy lives. The mission is supported by clear statements of values and expectations.

The College's Strategic Plan covering 2023-2025 identified six core values that underpin the work at the College and the ethos by which the students are educated. ASPIRE:

Ambition – aim to achieve the best possible outcomes in all we do
Support – achieve more when working with others and seek guidance when needed
Progress – leave the College better qualified and better equipped for the future
Integrity – do things in the right way and do right by others
Respect – be well mannered, tolerant and challenge those who discriminate
Enjoyment – achieve more through happiness

Five key target areas for improvement have been established to achieve this:

- 1) Financial Viability – increase income to secure long – term viability and improve what the College delivers.
- 2) Student Experience – ensure every student receives the very best education, care, advice, and guidance to enable them to progress to high-quality destinations and lead happy lives.
- 3) Staff Experience – ensure staff are well looked after, valued and have access to high quality professional development to enable them to perform at the very highest level.
- 4) Estates and Infrastructure – ensure the site and infrastructure is fit for purpose to ensure the best experience possible for all aspects of the College.
- 5) Governance and External Relationships – ensure the College leadership team are supported and challenged effectively and the College enjoys an outstanding reputation locally and nationally.

A full copy of the Strategic Plan is available from the College.

Resources

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

- 142 people are employed (expressed as an average head count basis) of whom 56 are teaching staff.
- The College was funded for 979 students in the financial year to July 2025. The funded number for the financial year ending July 26, based on enrolments in September 2024, is confirmed as 1033.
- The College has £7.2 million of net assets (including £nil pension asset) and minimal interest free long - term debt of £0.13m in the form of SALIX loans. Tangible resources include the College's site, which consists of 8.4 acres of land and 7 buildings. The College also holds £1.10m in short term deposits, some of which it plans to use for further capital investment in IT, and improvements and repairs to the estate in accordance with the College's Property Strategy.
- The College has a distinct ethos and a good reputation in the local community.

Scarborough Sixth Form College

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for the year ended 31 July 2025

STRATEGIC REPORT (CONTINUED)

Objectives and Strategies (continued)

Resources (continued)

- In its last Ofsted inspection in March 2023, the College was rated Good overall and achieved an Outstanding rating for provision for learners with high needs.

Stakeholder Relationships

In line with other Colleges, Scarborough Sixth Form College has many stakeholders. These include:

- Students;
- Parents;
- Local schools;
- Education Sector Funding Bodies;
- FE Commissioner
- Staff;
- Local employers (with specific links);
- Local Authorities;
- LEPs (Local Enterprise Partnerships);
- The local community;
- Other FE and HE institutions;
- Trade unions;
- Professional bodies.

The College recognises the importance of these relationships and engages in regular communication with them through newsletters, meetings, focus groups and surveys.

Development and Performance

Financial results

The College generated a loss before other gains and losses in the year of £128,000 (2023-24: £157,000 surplus). Total comprehensive income for the year was £7.027 million (2023-24 £6.574 million). The loss includes an increase in the current service and past service costs of the Local Government Pension Scheme of £30,000 (2024-25 £217,000, 2023-24 £187,000). The College achieved an ESFA financial health rating of 'Good' in 2024-25. The budget forecast a 'Requires Improvement' rating which was turned around following the announcement of additional grants for National Insurance, and the Post 16 School Budget Grant towards pay increases. The budget allowed for costs associated with academisation which did not come to fruition, and energy costs which were more favourable than budget following release from a five-year agreement creating the opportunity to change gas supplier. Catering income was also higher than anticipated with less volatile food prices than in the previous year.

Developments

Tangible fixed asset additions during the year amounted to £483,000, split between £122,000 for equipment and £361,000 for building works.

Building works included a new fire alarm system which was 80% funded by a CIF grant. Projects still underway at the year-end were a new engineering classroom, and refurbishment of the upper LRC to transform it into a more comfortable study space for students.

The project to enhance security of the site with door entry systems and car park barriers was completed and now has full connectivity to the new fire alarm system.

Equipment additions included an upgrade to the College's Edge Switches which was funded by a Connect the Classroom DFE grant. Upgrades were made to the Computing PCs and peripherals to enhance teaching of the

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

STRATEGIC REPORT (CONTINUED)

Development and Performance (continued)

Developments (continued)

subject and ensure the most up to date versions of software can be used. The projector replacement programme was completed with all classrooms now using large TV screens with Apple connectivity rather than dated projector screens. Upgrades have been made to the management team PCs and exploration of how best to upgrade all staff PCs are underway.

Reserves

The College has accumulated reserves of £4.359 million and cash and short-term deposits of £2.2 million. These reserves were planned over several years and have been maintained to cope with the decline in the student cohort, and to fund improvements to the College facilities, in particular the IT infrastructure and projects identified in the College's Property Strategy.

Sources of Income

The College has significant reliance on the education sector funding bodies for its principal funding source, largely from recurrent grants, most notably from the DFE for 16-18 provision. In 2024-25 the funding body provided 88% of the College's total income.

Future Prospects

Curriculum Developments

Managing the range of courses offered by the College is a challenging balance between offering an outstanding choice of curriculum and affording it; small numbers on courses are not cost effective but are maintained where possible with the cost being offset by the more popular courses. The curriculum is reviewed annually, and proposed changes come to the College Management Team where the cost of delivery, the expertise of staff, the community need, and resource requirements are all discussed with a business case being put forward for new developments before a decision is made. The College is now running its sixth year of the Education and Childcare T Level and offered T Levels in 5 further subjects for 2025. Uptake for these additional T Levels was low in September 2025's applications, so these courses did not run, but will continue to be offered for next year.

Physical developments

The College Estate is in good condition and is well maintained with significant refurbishments and improvement in facilities having taken place over recent years. These have significantly improved the building condition and have created excellent facilities and a very positive learning environment for students. The projects have been funded by a combination of government grants and from College reserves. The College has invested heavily in making the Estate more energy efficient and reducing its carbon emissions, with the boiler replacement, LED lighting projects, and investment in portable IT to bring about reductions in energy consumption and printing and paper consumables.

The College's Property Strategy for 2025-2030 has been approved by the Corporation and identifies key projects to maintain and improve the fabric of the buildings, improve fire safety even further, and other initiatives to enhance the learning environment. Surveys have identified where roofs are coming to the end of their life with some requiring immediate repair or replacement and the College's fire doors are out of line with current regulations. A firm of specialists has been appointed to explore these issues further and identify time frames for an improvement programme and investment, with the possibility of obtaining grant funding towards them.

Funding and student numbers

The College's recurrent grant income for 2025-26 is expected to be £5.9 million for 16-18-year-olds based on 1,033 learners under the lagged funding methodology. Enrolment in September 2025 shows the number of students still on roll by day 42, standing at 1,027. This will form the basis of funding in 2026/27.

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

STRATEGIC REPORT (CONTINUED)

Future Prospects (continued)

Financial Plan

The College governors approved a financial plan in June 2025 which sets objectives for the period to 2027. The forecast financial health rating for 2025-26 is 'Requires Improvement' due to the lower than hoped for enrolment numbers in September 2024. It was anticipated in the financial plan that the health rating for 2026/27 would be improved to a position of 'Good' but the day 42 numbers suggest this will now be a challenge. Capital plans will be reviewed in the context of the confirmed day 42 numbers to ensure cashflow and solvency remain healthy. Reserves have been planned and managed so the College can be confident about the future and maintain high standards of teaching and learning over the next two years. The capital position may be further improved if applications for grant funding to finance projects identified in the College's Property Strategy are successful.

Treasury policies and objectives

The College has treasury management arrangements in place to manage cash flows; banking arrangements and the risks associated with those activities. All borrowing requires the authorisation of the Corporation based on the recommendations of the Finance and Estates Committee. Any borrowing authorised by the Corporation must have prior written approval from the DfE via the College Borrowing Requests procedure.

Cash flows and Liquidity

Net cash flow from operating activities was -£114,000 (2023-24: £61,000).

Interest free borrowing, in the form of two SALIX loans, stands at 1.8% of income on 31st July 2025. Repayments made in the year amount to 0.4% of income.

The College does not foresee any issues in relation to cashflow. The strong cash position is due to a planned retention of surpluses from previous years to cover those years when the student cohort was predicted to be at its lowest. Investment and development plans will be carefully managed in the context of the slightly lower-than-expected enrolment numbers in September 2024 which will impact income in 2025-26. Reserves will be maintained at a level sufficient to bolster the College until student numbers rise again.

Reserves Policy

The College has no formal Reserves Policy but recognises the importance of retaining an appropriate level of reserves to ensure the solvency of the College whilst providing adequate resources to support College operations and strategic aims. The level of reserves is reviewed annually in July when preparing the financial plan for the next two years. Due consideration is given as to the key risks and sensitivities within the plan.

The College's financial objectives include for a minimum reserve of 25% of income. As at the balance sheet date, the Income and Expenditure reserve stood at £4.3 million which equates to 64% of income (2023-24: £4.6 million). The defined benefit pension scheme surplus of £2.7m is not recognised on the balance sheet, if this were included the reserves would be £7.0 million which equates to 104% of income (2023-24: £6.1million).

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.

Principal Risks and Uncertainties

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

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

STRATEGIC REPORT (CONTINUED)

Principal Risks and Uncertainties (continued)

The College Management Team (CMT) undertake 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, CMT will also consider any risks which may arise because 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 evaluated using a simple scoring system.

The main risk factors affecting the College are outlined below. Not all the factors are within the College's control. Other factors besides those listed below may also adversely affect the College.

1. Funding for students

The College has considerable reliance on continued government funding through the further education sector funding bodies. In 2024-25, 89% of the College's revenue was ultimately public funded and this level of requirement is expected to continue. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

This risk is mitigated in a number of ways:

- Ensuring the College is rigorous in delivering high quality education and training and so continues to have strong levels of enrolment
- Adapting the curriculum to serve the needs of the students in a sustainable way
- Considerable focus and investment is placed on maintaining and managing key relationships with the various funding bodies
- Ensuring the College is focused on priority sectors which will continue to benefit from public funding.
- Regular dialogue with funding bodies
- Close monitoring of government funding
- Strong and close financial management.

2. Quality of examination and assessment outcomes

A fall in performance in this respect will potentially harm the reputation of the College in the local community and reduce the number of students enrolling at the College.

This risk is mitigated by:

- Quality Assurance processes to ensure teaching methods are effective and produce good results
- Human Resource processes to recruit and retain skilled curriculum staff
- Provision of additional support for students at risk of failing exams.

3. Competition from other providers

Fewer students may enrol at the College because of increased competition from other providers, a change in reputation of other providers, or new providers entering the market. Other providers may use incentives to entice more students in. In recent years competition has been increased by the entry of new providers into the FE and HE market, and intensification of competition due to financial pressures. In addition, an increasing number of year 6 pupils in the local area are choosing to go to secondary schools outside of the area, which are 11-18 schools.

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

STRATEGIC REPORT (CONTINUED)

Principal Risks and Uncertainties (continued)

Competition from other providers (continued)

There may be increased threat from local 11-16 feeder schools in Multi Academy Trusts bringing in academies with sixth forms, potentially increasing competition.

As well as increased competition, the College's ability to recruit sufficient student numbers to remain financially viable can be affected by unexpected falls in attainment from one or more feeder schools.

This risk is mitigated by

- Close monitoring and modelling of numbers by the College Management Team and effective financial and staff planning
- Continuous review of College provision to ensure the College curriculum matches learner needs
- A clear marketing plan that identifies key priorities and activities to meet enrolment targets
- Proactive engagement with local change agents and stakeholders.
- Management of reputation by oversight of key communications
- Strong liaison with feeder schools to encourage progression and maintain intelligence of student trends

4. Increase in sector pay awards and pension costs

Pay awards for teachers in schools may impact on the pay award expectations of staff and unions within the sixth form College sector, though there is no additional funding available for Colleges. If the College is unable to provide competitive salaries, this may affect the recruitment and retention of teaching staff.

This risk is mitigated by:

- Close monitoring of government funding
- Strong and close financial management.
- Membership of Sixth Form Colleges' Association, which deals with national negotiations with unions and lobbying of government bodies.

5. Failure of or disruption to IT systems

The College is reliant on the security and robustness of IT systems, particularly since the launch of the portable device project and the move towards iPad based teaching and learning. The failure of hardware or software, a loss of connectivity, or a cyber-attack could result in staff and students being unable to access the tools necessary to provide a high-quality learning experience.

This risk is mitigated by:

- Holding a contingency stock of iPads, PCs and peripherals
- A robust firewall with anti-virus software and intrusion prevention
- Routine updates to operating systems
- Specific controls for cyber-attacks and regular offline and offsite backups
- Monitoring of network performance
- Maintaining spare capacity in the main network to ensure continuity in the event of failure
- Installation of UPS and back-up power supply for main servers
- Live app updates on potential cyber threats from the College's cyber insurers

Key Performance Indicators

The Corporation monitored a range of internal performance indicators through the year in addition to comprehensive data on achievement, value-added, retention and attendance. These indicators include student survey data, graded lesson observations and student performance in mock examinations or other assessments.

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

STRATEGIC REPORT (CONTINUED)

Key Performance Indicators (continued)

The College is committed to observing the importance of sector measures and indicators and makes use of external data provided from a variety of sources, including:-

- DfE's Key Stage 5 Performance Tables including value-added and attainment scores
- Alps value added reports
- Sixth Form Colleges' Association (SFCA) 'Six Dimensions' analysis of sixth Form College performance
- Ofsted's Data Dashboard.

The College continues to be successful in its provision with high A level pass rates, including a good proportion of high grades and outstanding results for BTEC courses. In-year retention of students is near to the sector benchmark and value-added is very good for A level and outstanding for BTEC.

The College's financial health rating is "Good" at the end of 2025, which follows three years of 'Outstanding'. The College Financial Forecasting Return (CFFR) submitted in July 2025 reported a forecast rating of "Requires Improvement" for 2025-26 based on lower enrolment numbers in September 2024. Cautious management of capital expenditure plans will ensure reserves are maintained at the level required to maintain cashflow.

The Late Payment of Commercial Debts (Interest) Act 1998, in the absence of agreement to the contrary, requires organisations to make payments within 30 days. During the accounting period 1 August 2024 to 31 July 2025, the college paid 94% per cent of its invoices within 30 days. The college incurred no interest charges in respect of late payment for this period. Many of the invoices which took longer than 30 days to pay were due to reasons at the supplier end.

Public Benefit

The College is an exempt charity under the Part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education. The members of the Governing Body, who are trustees of the charity, are disclosed on pages 11 and 12.

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 over 1,000 students, including 21 students with high needs. The College provides courses without charge to young people.

The College is committed to providing information, advice, and guidance to the students it enrolls and to finding suitable courses for as many students as possible having regard to their academic potential.

The guidance sets out the requirement that all organisations wishing to be recognised as charities must demonstrate, explicitly, that their aims are for the public benefit.

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

- High-quality teaching, with students making above average progress and achieving good qualifications
- Widening participation and tackling social exclusion
- Excellent progression by students to Higher Education, training and employment
- Strong student support systems
- Links with employers, industry and commerce
- Links with Local Enterprise Partnerships (LEPs).

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FINANCIAL STATEMENTS

for the year ended 31 July 2025

STRATEGIC REPORT (CONTINUED)

Equality and Disability Statements

Statement of Equality

Scarborough Sixth Form College has a philosophy of treating individuals fairly and of mutual respect for all members of the College and will not tolerate unlawful discrimination on the grounds of Age, Disability, Gender reassignment, Offending background, Pregnancy and maternity, Marriage and civil partnership, Race, Religion or belief, Sex or Sexual orientation. The College will also consider socio-economic disadvantage when making strategic decisions about how to exercise its functions.

The College has a commitment to provide for the needs of all who study and work at the College in an inclusive and supportive environment that promotes the integration of all College members fully in the life of the College. All key Equality & Diversity documents are published on the staff network. For members of the public they are available either on the College website or on request at Reception.

Employment of disabled persons

The College considers all applications for employment from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled every effort is made to ensure that employment with the College continues. The College's policy is to provide training, career development and opportunities for promotion which are, as far as possible, identical to those for other employees, making reasonable adjustments where appropriate.

Disability statement

The College seeks to achieve the objectives set down in the Equality Act 2010.

Much of the site is now accessible for students and staff with mobility problems. Where access to classrooms is difficult the class moves, if necessary. Refurbishments in recent years have included new disabled access lifts to the specialist facilities in Block B, to the upper floor of the Learning Resource Centre and to social areas. Lighting and acoustics have been improved in corridors in Block A to help students with visual impairments.

The College has a disability statement, known as "Able to Learn" which is reviewed each autumn. This aims to provide students with all the necessary information and encouragement to access support from the College. The statement is summarised as follows:-

"The College aims to enable people to access, participate and progress within and from a learning programme. We are working towards providing an inclusive learning environment with a curriculum that ensures that the learning needs of all individuals are met including those with learning difficulties and/or disabilities".

Individual advice and support

Every student is given individual advice and guidance on entering the College to ensure that individual needs are picked up early and responded to. Specialist help is engaged where needed to support learning. Liaison with local schools is established to ensure that students with disabilities are fully informed about opportunities at the College and to enable them to visit beforehand and make their individual needs known.

Trade union facility time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require the College to publish the following information on facility time arrangements for trade union officials at the College. The data below relates to the period from 1 August 2024 to 31 July 2025.

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FINANCIAL STATEMENTS

for the year ended 31 July 2025

STRATEGIC REPORT (CONTINUED)

Trade union facility time (continued)

<i>Numbers of employees who were relevant union officials during the relevant period</i>	<i>Full-time equivalent employee number</i>
1	1

<i>Percentage of time</i>	<i>Number of employees</i>
0%	1
1-50%	Nil
51-99%	Nil
100%	Nil

<i>Total cost of facility time</i>	£0
<i>Total pay bill</i>	£5,085,692
<i>Percentage of total pay bill spent on facility time</i>	0%

<i>Time spent on paid trade union activities as a percentage of total paid facility time</i>	0%
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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 16th December 2025 and signed on its behalf by:

Signed by:

 Rachel Dolby
 515DDDB6BA0141C...

R Dolby
 Chair

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

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 better understanding of its governance and legal structure. The statement covers the period from 1 August 2024 to 31 July 2025 and up to the date of approval of the annual report and financial statements.

The College endeavours to conduct its business:

- i. in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
- ii. in accordance with the Charity Commission's Code of Governance for larger charities which was adopted by the Corporation at a meeting on the 12 July 2022

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.

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

The Corporation

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

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

Name	Date of Appointment	Term of Office	Date of Resignation	Status of Appointment	Committees Served During the Year	Attendance
R Dolby	13 December 2022	4 years		Independent Member	Chair of Corporation Finance & Estates Search & Conduct Remuneration Corporation	100% 100% 100% 100%
I Brabbs	11 October 2001 Re-appointed 1 September 2005 1 September 2009 1 September 2013 1 September 2017 1 September 2021	4 years		Independent Member	Vice-Chair Finance & Estates Search & Conduct Remuneration Corporation	67% 100% 100% 100%
P Rumsey	1 September 2018	N/A		Principal	Finance & Estates Employment & Welfare Search & Conduct Corporation	100% 100% 100% 50%
G Bullen	8 December 2015 Re-appointed: 31 August 2019 11 July 2023	4 years	3 December 2024	Independent Member	Audit Corporation	100% 50%
N Hughes	22 May 2018 Re-appointed: 23 May 2022	4 years		Independent Member	Finance & Estates Search & Conduct Remuneration Corporation	100% 100% 100% 75%
R Jones	21 October 2014 Re-appointed: 21 October 2018 19 October 2021	4 years		Independent Member	Employment & Welfare Corporation	100% 100%
D Mundy	28 September 2013 Re-appointed 27 June 2017 4 July 2018 14 December 2021	4 years 1 year 4 years		Independent Member	Corporation	75%
J Saunby	20 October 2015 Re-appointed: 20 October 2019 17 October 2023	4 years		Staff Member	Audit Corporation	100% 100%
A Borrett	20 April 2021 Re-appointed 16 April 2023	2 years		Parent Member Independent Member	Employment & Welfare Corporation	100% 50%
D Flinton	12 October 2021	4 years		Independent Member	Audit Corporation	100% 100%
T Griffin	13 December 2022 Re-appointed 15 October 2024	4 years		Parent Governor Independent Member	Employment & Welfare Corporation	67% 50%
H Kirk	17 October 2023	4 Years	10 March 2025	Parent Governor	Finance & Estates Corporation	0% 0%
O Onwuchekwa	17 October 2023 Re-appointed 17 December 2024	4 years		Parent Governor Independent Member	Employment & Welfare Corporation	67% 75%
N Bland	19 December 2023	4 years		Independent Member	Audit Search & Conduct Corporation	67% 100% 50%
E Siddall	8 October 2024	4 years	28 October 2025	Independent Member	Audit Employment & Welfare Corporation	100% 100% 75%
Olivia Redford	18 April 2023	1 Year	17 April 2024	Student Member	Corporation	33%
Rachel D'Souza	18 April 2023	1 Year	17 April 2024	Student Member	Corporation	33%
Phoebe Philps	16 April 2024	1 Year	15 April 2025	Student Member	Corporation	100%

Scarborough Sixth Form College

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for the year ended 31 July 2025

Tia Welford	8 July 2025	1 Year	Student Member	Corporation	100%
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Heather Campbell was appointed as Clerk to the Corporation on 1 October 2017. The Clerk has completed the Educational Training Foundation workshops for Governance Professionals.

It is the Corporation's responsibility to bring independent judgement to bear on issues of strategy, performance, resources, value for money, the safeguarding of assets 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 usually meets twice in the autumn term, once in the spring term, and twice in the summer term. All planned meetings took place during the year to July 2025.

The Corporation conducts its business through several committees. Each committee has terms of reference, which have been approved by the Corporation. These committees are Finance & Estates, Employment & Welfare, Remuneration, Audit and Search & Conduct.

Full minutes of all meetings except those deemed to be confidential by the Corporation are available on the College's website (at www.s6f.ac.uk) or from the Clerk to the Corporation at:

Scarborough Sixth Form College, Sandybed Lane, Scarborough, YO12 5LF.

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

Formal agendas, papers and reports are supplied to governors in a timely manner, prior to Board meetings. Briefings to Governors 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 roles of the Chair and Principal are separate.

Appointments to the Corporation

Any new appointments to the Corporation are a matter for the consideration of the Corporation as a whole. The Corporation has a Search & Conduct Committee consisting of the Chair, the Principal and two other members and 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.

Independent Members of the Corporation are appointed for a term of office not exceeding four years.

Where an independent member has served more than two 4-year terms of office their reappointment was made by the Corporation following a rigorous review of the reappointment of the member by the Search and Conduct Committee and the recommendation of the reappointment by the Committee by reason of the member's experience and/or value to the Corporation.

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

Corporation Performance

The latest external review of governance was carried out between November 2024 and February 2025 by Stone King. Recommendations were received by the Board Review sub committee who were due to agree an action plan on 1st October 2025. Due to the meeting not being quorate this is now rescheduled to 16th December 2025. Recommendations arising from the review and action plan will be fed into the College Self-Assessment Report and College Strategic Plan.

All governors receive SFCA Governance Webinar Programme updates and have undergone a skills analysis exercise as specified as an action in the previous Governance Review. New Governors are also required to complete the skills analysis exercise.

Remuneration Committee

Throughout the year ending 31 July 2025 the Corporation's Remuneration Committee comprised 3 members of the Corporation including the Chair but excluding the Principal and all Staff and Student governors. The committee is chaired by the Vice Chair of the Corporation. The Committee's responsibilities are to make recommendations to the Corporation on the remuneration and benefits of the Principal, all other Senior Post Holders, and the Clerk.

The remuneration of the Principal and all other Senior Post Holders is determined by the Remuneration Committee in accordance with the provisions of the Senior Post Holder Remuneration Code of the Association of Colleges which was adopted by the Corporation at a meeting on 9th July 2024. In accordance with the requirements of the Remuneration Code the Remuneration Committee has provided a Remuneration Annual Report to the Corporation which reflects the senior pay disclosures in note 8 of the Financial Statements.

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

Audit Committee

The Audit Committee comprises five members of the Corporation (excluding the Principal and Chair). The committee operates in accordance with written terms of reference approved by the Corporation.

The Audit Committee normally meets on a termly basis and provides a forum for reporting by the College's internal, regularity and financial statements auditors, who have access to the committee for independent discussion, without the presence of College management. The committee also receives and considers 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.

Internal Control

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.

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

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

Internal Control (continued)

Scope of responsibility

business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of College policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Scarborough Sixth Form 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 governing body
- regular reviews by the governing body of periodic and annual financial reports which indicate financial performance against forecasts
- setting targets to measure financial and other performance
- clearly defined capital investment control guidelines
- the adoption of formal project management disciplines, where appropriate.

The College has an internal audit service, which operates in accordance with the requirements of the DFE's Framework and Guide for External Auditors and Reporting Accountants for Colleges. The work of the internal audit service is informed by an analysis of the risks to which the College is exposed, and annual internal audit plans are based on this analysis. The analysis of risks and the internal audit plans are endorsed by the Corporation on the recommendation of the Audit Committee. 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.

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

Internal Control (continued)

Risks faced by the corporation

The College maintains a Risk Register which is subject to termly review by the Audit Committee and annual review by the Corporation. The Risk Register details specific risks which could cause operational, financial, compliance, and other risks. The impact and likelihood of these risks is scored using a simple matrix.

Control weaknesses identified

There were no significant control weaknesses or failures identified by the internal auditors during the year to July 2025. All internal audit recommendations made were graded as low or medium priority.

Responsibilities under funding agreements

The Department for Education and Education and Skills Funding Agency introduced new controls for the College on 29 November 2022 on the day the Office for National Statistics reclassified colleges a public sector organisation in the national accounts. The ESFA chief executive communicated these changes to all college accounting officers and introduced a new College Financial Handbook on 1st August 2024. The college has reviewed its policies, procedures and approval processes in line with these new requirements to ensure there are systems in place to identify and handle any transactions for which DfE approval is required. All requirements of the Handbook were complied with throughout the year to 31st July 2025.

Statement from the audit committee

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

During the year to 31 July 2025 the audit committee approved an internal audit plan of 19 days.

The specific areas of focus of internal audit in 2024-25 and up to the date of the approval of the financial statements are:

- Business Continuity Planning
- Overall Financial Controls
- Risk Management
- Safeguarding

The Audit Committee has reviewed termly reports in accordance with the College's Risk Management and Board Assurance Annual Report. This includes review of the College's Strategic Risk Register.

Review of effectiveness

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

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

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

Internal Control (continued)

Review of effectiveness (continued)

The Principal has been advised on the implications of the result of his review of the effectiveness of the system of internal control by the Audit Committee which oversees the work of the internal auditor and other sources of assurance, and a plan to address suggested areas of improvement 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 carried out the annual assessment for the year ended 31 July 2025 by considering documentation from the College management team, the Audit Committee and internal audit, and taking account of events since 31 July 2025.

Based on the advice of the Audit Committee and the Principal, 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 16th December 2025 and signed on its behalf by:

Signed by:


Rachel Dolby
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R Dolby
Chair

DocuSigned by:


Phil Rumsey
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P Rumsey
Accounting Officer

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of the Corporation of Scarborough Sixth Form College I confirm that I have had due regard to the framework of authorities governing regularity, propriety and compliance, including the College's accountability agreement with DfE, and the requirements of the College Financial Handbook. I have also considered my responsibility to notify the Corporation's board of governors and DfE of material irregularity, impropriety and noncompliance 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.

DocuSigned by:



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P Rumsey
Accounting Officer

Date 24 December 2025

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

STATEMENT OF RESPONSIBILITIES OF THE MEMBERS OF THE CORPORATION

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

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

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

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

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

Approved by order of the members of the Corporation on 16th December 2025 and signed on its behalf by:

DocuSigned by:

R Dolby
Chair
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Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

INDEPENDENT AUDITORS' REPORT TO THE CORPORATION OF SCARBOROUGH SIXTH FORM COLLEGE

Opinion

We have audited the accounts of Scarborough Sixth Form College for the year ended 31 July 2025 which comprise the Statement of Comprehensive Income and Expenditure, the Statement of Changes in Reserves, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Accounts Direction 2024 to 2025 issued by the Department for Education (DfE).

In our opinion, the financial statements:

- give a true and fair view of the state of the College's financial position as at 31 July 2025 and of the College's financial performance and cashflows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Statement of Recommended Practice: Accounting; Accounting for Further and Higher Education (the 2019 FE HE SORP) and the Accounts Direction 2024 to 2025 issued by the DfE.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Colleges' 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 12 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 annual report, other than the financial statements and our auditor's report thereon. The corporation is responsible for the other information. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

INDEPENDENT AUDITORS' REPORT TO THE CORPORATION OF SCARBOROUGH SIXTH FORM COLLEGE (continued)

Other information (continued)

we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Framework for Auditors and Reporting Accountants of Colleges issued by the Department for Education.

We have nothing to report in respect of the following matters where the framework for Auditors and Reporting Accountants for Colleges requires us to report to you if, in our opinion:

- the College corporation has not kept adequate accounting records;
- the annual accounts are not in agreement with the accounting records; and
- we have not received all information and explanations required for the audit.

Responsibilities of the Corporation

As explained more fully in the Statement of the Corporation's Responsibilities, the Corporation is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Corporation determines 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 intends to liquidate the College or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Independent 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

INDEPENDENT AUDITORS' REPORT TO THE CORPORATION OF SCARBOROUGH SIXTH FORM COLLEGE (continued)

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

- Enquiry of senior leadership and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the College through enquiry and inspection;
- Reviewing financial statement disclosures and testing of supporting documentation to assess compliance with applicable laws and regulations including compliance with the Accounts Direction 2024 to 2025 issued by the Department for Education;
- Performing audit work over the recognition of grant income;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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 Independent Auditor's Report.

Use of our report

This report is made solely to the Corporation, as a body, in accordance with the College Accounts Direction issued by the Department for Education. Our audit work has been undertaken so that we might state to the Corporation, as a body, those matters we are required to state to them in an auditors' 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.

Signed by:



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Angela Ingham FCA (Senior Statutory Auditor)

For and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor
Wynyard Park House
Wynyard Avenue,
Wynyard TS22 5TB

Date: 24 December 2025

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY

To: The Corporation of Scarborough Sixth Form College and Secretary of State

In accordance with the terms of our engagement letter dated 5 August 2025 and further to the requirements of the 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 Scarborough Sixth Form College during the period 1 August 2024 to 31 July 2025 have not been applied to the purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

The framework that has been applied is set out in the College Auditor Framework issued by DfE and in any relevant conditions of funding concerning adult education notified by a relevant funder.

This report is made solely to the Corporation of Scarborough Sixth Form College and 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 Scarborough Sixth Form College and the Secretary of State for Education 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 Scarborough Sixth Form 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 Scarborough Sixth Form College and the reporting accountant

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

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

Approach

We conducted our engagement in accordance with the extant framework and guide for external auditors and reporting accountants of Colleges. We performed a limited assurance engagement as defined in our engagement letter.

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

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion. Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the College's income and expenditure.

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY (CONTINUED)

Approach (continued)

The work undertaken to draw to our conclusion includes:

- Review of the College's self-assessment questionnaire, discussions with the Accounting Officer and other key personnel
- Review of corporation and committee minutes
- Review of internal audit reports
- Review of finance and other relevant policies
- Review of a sample of purchases and expenses
- Review of payroll including compromise and similar agreements
- Review of credit and debit card transactions
- Review of fixed asset movements
- Consideration of transactions with related parties
- Consideration of business interest registers and declarations
- Consideration of funding returns
- Consideration of insurance policies

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 for the purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Signed by:



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Reporting Accountant
Azets Audit Services

Date: 24 December 2025

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

	Notes	2025 £000	2024 £000
INCOME			
Funding body grants	2	6,147	5,906
Tuition fees and education contracts	3	77	41
Other grants and contracts	4	2	1
Other income	5	670	525
Investment income	6	129	90
Donations and endowments	7	2	11
Total income		7,027	6,574
EXPENDITURE			
Staff costs	8	5,041	4,494
Other operating expenses	9	1,581	1,499
Depreciation	12	533	424
Interest and other finance costs	10	-	-
Total expenditure		7,155	6,417
Surplus/(deficit) before other gains and losses		(128)	157
Loss on disposal of fixed assets		-	-
Surplus/(deficit) before tax		(128)	157
Taxation		-	-
Surplus/(deficit) for the year		(128)	157
Actuarial gain/(loss) in respect of pensions scheme	24	(130)	(97)
Total comprehensive income for the year		(258)	60
Represented by:			
Restricted comprehensive income		-	-
Unrestricted comprehensive income		(258)	60
		(258)	60

The Statement of Comprehensive Income and Expenditure is in respect of continuing activities.

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

STATEMENT OF CHANGES IN RESERVES

	Income and expenditure account	Revaluation Reserve	Total
	£000	£000	£000
Balance at 1 August 2023	4,480	2,956	7,436
Surplus from the income and expenditure account	157	-	157
Other comprehensive income	(97)	-	(97)
Transfers between revaluation and income and expenditure reserves	40	(40)	-
	100	(40)	60
Balance at 31 July 2024	4,580	2,916	7,496
Deficit from the income and expenditure account	(128)	-	(128)
Other comprehensive income	(130)	-	(130)
Transfers between revaluation and income and expenditure reserves	37	(37)	-
	(221)	(37)	(258)
Balance at 31 July 2025	4,359	2,879	7,238

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

BALANCE SHEET AS AT 31 July 2025

	Notes	2025 £000	2024 £000
Non-current assets			
Tangible assets	12	8,233	8,288
		8,233	8,288
Current assets			
Stock		16	7
Trade and other receivables	13	296	214
Investments	14	1,107	1,056
Cash and cash equivalents	19	1,074	1,390
		2,493	2,667
Less: Creditors - amounts falling due within one year	15	(1,216)	(1,328)
Net current assets		1,277	1,339
Total assets less current liabilities		9,510	9,627
Creditors - amounts falling due after more than one year	16	(2,272)	(2,131)
Provisions			
Defined benefit asset/(liability)	18	-	-
Total net assets		7,238	7,496
Unrestricted reserves			
Income and expenditure account		4,359	4,580
Revaluation reserve		2,879	2,916
Total unrestricted reserves		7,238	7,496

The financial statements on pages 24 to 49 were approved and authorised for issue by the Corporation on 16 December 2025 and were signed on its behalf on that date by:

Signed by:

 Rachel Dolby
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R Dolby
 Chair

DocuSigned by:

 Phil Rumsey
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P Rumsey
 Accounting Officer

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

STATEMENT OF CASH FLOWS

	Notes	2025	2024
		£000	£000
Cash flow from operating activities			
Surplus/(deficit) for the year		(128)	157
Adjustment for non-cash items			
Depreciation		533	424
Loss in disposal of fixed assets		2	6
Release of capital deferred grant		(161)	(134)
(Increase)/decrease in stocks		(9)	-
(Increase)/decrease in debtors		(24)	(58)
Increase/(decrease) in creditors due within one year		(152)	(207)
Pensions costs less contributions payable		(130)	(97)
Adjustment for investing or financing activities			
Investment income		(45)	(30)
Interest payable		-	-
Net cash flow from operating activities		(114)	61
Cash flows from investing activities			
Proceeds from sale of fixed asset		2	-
Investment income		45	30
Withdrawal of deposits		-	414
New deposits		(51)	-
Payments made to acquire fixed assets		(461)	(920)
Capital grant received		294	352
		(171)	(124)
Cash flows from financing activities			
Interest paid		-	-
New unsecured loans		-	-
Repayment of amounts borrowed		(31)	(30)
		(31)	(30)
Increase/(decrease) in cash and cash equivalents in the year		(316)	(93)
Cash and cash equivalents at beginning of the year	19	1,390	1,483
Cash and cash equivalents at end of the year	19	1,074	1,390

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE ACCOUNTS

1 Accounting policies

Statement of accounting policies

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

Basis of preparation

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

The preparation of financial statements in compliance with FRS102 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.

Going concern

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

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

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 FRS102. 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. 16-18 funding is not subject to reconciliation and is therefore not subject to contract adjustments.

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

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE ACCOUNTS (CONTINUED)

1 Accounting policies (continued)

Recognition of income (continued)

Capital grant funding

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

Fee income

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

Investment income

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

Agency arrangements

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

Accounting for post-retirement 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.

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.

North Yorkshire Local Government Pension Scheme (LGPS)

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

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE ACCOUNTS (CONTINUED)

1 Accounting policies (continued)

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.

Intangible fixed assets

Intangible assets costing £2,500 or more are capitalised and recognised when future economic benefits are probable and the cost of the value or the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight line basis over its expected useful life, as follows:

Purchased computer software	25% per annum
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Tangible fixed assets

Tangible fixed assets are stated at deemed cost less accumulated depreciation. Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Land and buildings

Land and buildings inherited from the local education authority are stated in the balance sheet at valuation on the basis of depreciated replacement cost as the open market value for existing use is not readily obtainable. The associated credit is included in the revaluation reserve. The difference between depreciation charged on the historic cost of assets and the actual charge for the year calculated on the revalued amount is released to the income and expenditure account reserve on an annual basis.

New buildings and building improvements since incorporation are included in the balance sheet at cost.

Freehold land is not depreciated as it is considered to have an infinite useful life. Freehold buildings and major adaptations to buildings are depreciated over their expected useful economic life of between 2.5% to 10% on a reducing balance basis.

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

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

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

Assets under construction

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

Subsequent expenditure on existing fixed assets

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

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE ACCOUNTS (CONTINUED)

1 Accounting policies (continued)

Tangible fixed assets (continued)

Equipment

Equipment costing less than £2,500 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 reducing balance basis over its useful economic life as follows:

Computer equipment and electrical equipment	25% per annum
Fixtures and fittings	5% - 10% per annum
Plant and machinery	5% - 10% per annum
Other equipment	10% - 25% per annum
Other furniture	10% - 25% per annum
Motor vehicles	16.67% per annum

Where equipment is acquired with the aid of specific government grants, it is 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. 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.

Borrowing costs

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

Leased assets

Costs in respect of operating leases are charged on a straight-line basis over the lease term to the Statement of Comprehensive Income and Expenditure. There are no assets held under finance leases.

Investments

Listed investments held as non-current assets and current asset investments, which may include listed investments, are stated at fair value, with movements recognised in Comprehensive Income.

Inventories

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

Cash and cash equivalents

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

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

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE ACCOUNTS (CONTINUED)

1 Accounting policies (continued)

Financial liabilities and equity

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

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

Foreign currency translation

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

Taxation

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

The College receives no similar exemption in respect of value added tax. For this reason the College is generally unable to recover input VAT it suffers on goods and services purchased. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate.

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 and Expenditure 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.

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE ACCOUNTS (CONTINUED)

1 Accounting policies (continued)

Judgements in applying accounting policies and key sources of estimation uncertainty

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

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

Other key sources of estimation uncertainty

- *Tangible fixed assets*

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

- *Local Government Pension Scheme*

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 July 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability. The UK corporate bond yields at 31 July 2025 are at their highest levels for many years resulting in higher accounting discount rates at the year end. This places a significantly lower value on the pension obligations compared to previous years and will be one of the main reasons a net asset has been reported. We have ensured that our assumptions are appropriate for the College and the valuation has been based on the following estimates:

- There is a minimum funding requirement in relation to LGPS
- There is the ability to recover a surplus through the ability to reduce future contributions (not refund)
- In calculating the surplus, the present value of current and past service costs is offset against the future contributions over the future period
- The present values in the above calculations are calculated using an annuity representing participation into perpetuity.

There is no known intention to exit the LGPS and therefore the economic benefit of a refund would be highly unlikely and on that basis recognition of an asset is considered inappropriate. We have however considered the economic benefit available to the College as a future contribution reduction and whether it is appropriate to recognise the net asset in full. Under FRS 102, a net asset restriction may apply as the prevailing view is that a minimum funding requirement for future service exists in the LGPS. We requested our actuaries consider the impact of the minimum funding requirement on the asset ceiling and as a result we have restricted the asset to £nil based upon an asset restriction

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE ACCOUNTS (CONTINUED)

1 Accounting policies (continued)

- *Local Government Pension Scheme (continued)*

calculation. We consider this to be appropriate and a more accurate reflection of the pension positions as at 31 July 2025.

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE ACCOUNTS (CONTINUED)

		2025 £000	2024 £000
2	Funding body grants		
	Recurrent Grants		
	Education and Skills Funding Agency (16-18)	5,315	5,302
	Specific Grants		
	Education and Skills Funding Agency (16-18)	586	470
	Education and Skills Funding Agency (Adult)	85	-
	Releases of government capital grants	161	134
	Total	6,147	5,906
3	Tuition fees and education contracts		
		2025 £000	2024 £000
	Fees for FE loan supported course	-	-
	Total tuition fees	-	-
	Education contracts	77	41
	Total	77	41
4	Other grants and contracts		
		2025 £000	2024 £000
	Other grants and contracts	2	1
	Total	2	1
5	Other income		
		2025 £000	2024 £000
	Catering income	403	367
	Other income generating activities	7	6
	Miscellaneous income	260	152
	Total	670	525
6	Investment income		
		2025 £000	2024 £000
	Interest receivable	45	30
	Net interest on defined pension asset [note 24]	84	60
	Total	129	90

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE ACCOUNTS (CONTINUED)

7	Donations and endowments	2025 £000	2024 £000
	Donations	2	11
	Total	2	11

8 Staff costs

The average number of persons (including key management personnel) employed by the College during the year, described as an average head count basis, was:

	2025 Number	2024 Number
Teaching staff	56	54
Support staff	86	79
Total	142	133

Staff costs for the above persons

	2025 £000	2024 £000
Wages and salaries	3,709	3,378
Social Security costs	404	331
Other pension costs	893	746
Payroll subtotal	5,006	4,455
Contracted out staffing services	35	19
	5,041	4,474
Restructuring cost	-	20
Total staff costs	5,041	4,494
Staff restructuring costs comprise:		
Redundancy payments – contractual	-	10
Severance payments – contractual	-	-
- non contractual	-	10
Other restructuring costs – contractual	-	-
	-	20

Key management personnel

Key management personnel are those persons having responsibility for planning, directing and controlling the activities of the College and are represented by the College Management Team, which comprises the Principal, the Deputy Principal, the Director of Finance and Resources and 2 Assistant Principals.

Emoluments of key management personnel, accounting officer and other higher paid staff

	2025 Number	2024 Number
The number of key management personnel, including the Accounting Officer was:	5	6

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE ACCOUNTS (CONTINUED)

8 Staff costs (continued)

Emoluments of key management personnel, accounting officer and other higher paid staff (continued)

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

	Key Management Personnel	
	2025 Number	2024 Number
£60,001 to £65,000 p.a.	-	-
£65,001 to £70,000 p.a.	2	4
£70,001 to £75,000 p.a.	1	-
£75,001 to £80,000 p.a.	-	-
£80,001 to £85,000 p.a.	1	-
£85,001 to £90,000 p.a.	-	1
£90,001 to £95,000 p.a.	-	-
£95,001 to £100,000 p.a.	-	-
£100,001 to £105,000 p.a.	-	-
£105,001 to £110,000 p.a.	-	1
£110,001 to £115,000 p.a.	-	-
£115,001 to £120,000 p.a.	1	-
	5	6

Key management personnel compensation is made up as follows:

	2025 £000	2024 £000
Basic salary	410	464
Benefits in kind	-	-
	410	464
Pension contributions	112	107
	522	571

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

The above compensation includes amounts payable to the Principal who is the Accounting Officer (and who is also the highest paid officer) of:

	2025 £000	2024 £000
Salaries	119	110
Benefits in kind	-	-
	119	110
Pension contributions	34	28
	153	138

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE ACCOUNTS (CONTINUED)

8 Staff costs (continued)

Emoluments of key management personnel, accounting officer and other higher paid staff (continued)

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

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

Relationship of Principal's pay and remuneration expressed as a multiple:

	2025 Multiple	2024 Multiple
Principal's basic salary as a multiple of the median of all staff	3.7	3.7
Principal's total remuneration as a multiple of the median of all staff	3.9	3.9

Compensation for loss of office paid to former key management personnel

	2025 £000	2024 £000
Compensation paid to former post-holder – non-contractual	-	10
	<hr/>	<hr/>
	-	10

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.

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE ACCOUNTS (CONTINUED)

9	Other operating expenses	2025 £000	2024 £000
Teaching costs	89	110	
Non-teaching costs	951	819	
Catering costs	260	240	
Premises costs	281	330	
Total	1,581	1,499	

Other operating expenses include:

	2025 £000	2024 £000
Auditors' remuneration		
Financial statements audit	18	13
Internal audit	12	16
Other services provided by the financial statements auditors (TPS audit)	1	1
Losses on disposal of fixed assets (where not material)	2	6
Hire of assets under operating leases	16	15
Payment to subcontractor	-	-

10	Interest and other finance costs	2025 £000	2024 £000
On bank loans, overdrafts and other loans	-	-	
Net interest on defined pension liability [note 24]	-	-	
Total	-	-	

11 Taxation

The members do not believe the College is liable for any Corporation tax arising out of its activities during this year.

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE ACCOUNTS (CONTINUED)

12 Tangible fixed assets

	Freehold land & buildings £000	Assets in course of construction £000	Equipment £000	Total £000
Cost or valuation				
At 1 August 2024	11,309	17	2,423	13,749
Additions	344	17	122	483
Disposals	-	-	(6)	(6)
Transfers	17	(17)	-	-
At 31 July 2025	11,670	17	2,539	14,226
Depreciation				
At 1 August 2024	4,001	-	1,460	5,461
Charge for the year	203	-	330	533
Elimination in respect of disposals	-	-	(1)	(1)
At 31 July 2025	4,204	-	1,789	5,993
Net book value at 31 July 2025	7,466	17	750	8,233
Net book value at 31 July 2024	7,308	17	963	8,288

Land and buildings were valued in 1993 at depreciated replacement cost by North Yorkshire County Council.

If inherited land and buildings had not been valued, they would have been included at the following historical cost amounts:

	£000
Cost	Nil
Aggregate depreciation based on cost	Nil
Net book value based on cost	Nil

13 Debtors

	2025 £000	2024 £000
Amounts falling due within one year:		
Trade receivables	5	10
Prepayments and accrued income	198	186
Amounts owed by the Department for Education	93	18
Total	296	214

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE ACCOUNTS (CONTINUED)

14	Current investments	2025 £000	2024 £000
	Short term deposit	1,107	1,056
	Total	1,107	1,056
15	Creditors: amounts falling due within one year	2025 £000	2024 £000
	Other loans	29	29
	Trade payables	58	71
	Other taxation and social security	200	168
	Accruals and deferred income	336	302
	Holiday pay accrual	374	340
	Deferred income – government capital grants	193	175
	Amounts owed to the Department for Education	26	243
	Total	1,216	1,328
16	Creditors: amounts falling due after one year	2025 £000	2024 £000
	Other loans	103	134
	Deferred income – government capital grants	2,169	1,997
	Total	2,272	2,131
17	Maturity of debt		
	Other loans		
	Other loans are repayable as follows:	2025 £000	2024 £000
	In one year or less	29	29
	Between one and two years	29	30
	Between two and five years	74	88
	In five years or more	-	16
	Total	132	163

The College's other loans are interest free and are repayable by instalments due between March 2022 and September 2029. The loan is unsecured.

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE ACCOUNTS (CONTINUED)

18 Provisions

	Defined benefit (assets)/obligations £000
At 1 August 2024	-
Expenditure in the period	(263)
Additions in the period	263
At 31 July 2025	-

Defined benefit (assets)/obligations relate to the liabilities under the College's membership of the Local Government Pension Scheme. Further details are given in note 24.

19 Cash and Cash equivalents

	At 1 August 2024 £000	Cash flows £000	At 31 July 2025 £000
Cash and cash equivalents	1,390	(316)	1,074
Overdrafts	-	-	-
Total	1,390	(316)	1,074

20 Capital and other commitments

	2025 £000	2024 £000
Commitments contracted for at 31 July	75	419

21 Lease obligations

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

Future minimum lease payments due	2025 £000	2024 £000
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Land and Buildings

Other	-	-
Not later than one year	13	16
Later than one year and not later than five years	7	18
Total	20	34

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE ACCOUNTS (CONTINUED)

22 Contingencies

There are no contingent liabilities to report.

23 Events after the reporting period

There are no events after the reporting period.

24 Defined benefit obligations

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

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

Contributions amounting to £105,749 (2024: £94,700) were payable to the schemes at 31 July and are included in creditors.

Total pension cost for the year

	2025 £000	2024 £000
Teachers' Pension Scheme: contributions paid	676	559
LGPS:		
Contributions paid	263	224
FRS 102 charge	(46)	(37)
Charge to the Statement of Comprehensive Income & Expenditure	217	187
Total pension cost for year within staff costs	893	746

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE ACCOUNTS (CONTINUED)

24 Defined benefit obligations (continued)

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions 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 at the effective date of £262 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222 billion giving a notional past service deficit of £40 billion (compared to £22 billion in the 2016 valuation).

As a result of the valuation, new employer contribution rates rose from 23.68% to 28.68% from April 2024.

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

The pension costs paid to TPS in the year amounted to £889,133 (2024: £745,011).

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE ACCOUNTS (CONTINUED)

24 Defined benefit obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by the North Yorkshire Pension Fund. The total contributions made for the year ended 31 July 2025 was £339,777 (2024: £289,369) of which employers' contributions totalled £263,535 (2024: £224,605) and employees' contributions totalled £76,242 (2024: £64,764). The agreed contribution rates for future years for employees are 5.5% to 12.5% (depending on salary); and for employers were 20.6% with effect from 1 April 2024.

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

	At 31 July 2025	At 31 July 2024
Rate of increase in salaries	3.75%	3.85%
Future pension increases	2.50%	2.60%
Discount rate for scheme liabilities	5.80%	5.00%
Inflation assumption (CPI)	2.50%	2.60%

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

	At 31 July 2025 Years	At 31 July 2024 Years
<i>Retiring today</i>		
Males	21.9	21.8
Females	24.5	24.4
<i>Retiring in 20 years</i>		
Males	22.5	22.4
Females	25.2	25.2
<i>Sensitivity Analysis</i>		
	At 31 July 2025 £000	At 31 July 2024 £000
Discount rate +0.1%	5.417	5.823
Discount rate -0.1%	5.587	6.025
Mortality assumption – 1 year increase	5.373	5.770
Mortality assumption – 1 year decrease	5.625	6.078
CPI rate +0.1%	5.504	5.930
CPI rate -0.1%	5.494	5.918

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE ACCOUNTS (CONTINUED)

24 Defined benefit obligations (continued)

LGPS principal actuarial assumptions (continued)

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

	Fair value at 31 July 2025 £000	Fair value at 31 July 2024 £000
Equity instruments	5,122	4,951
Property	484	426
Debt instruments	1,910	1,426
Multi asset credit	434	396
Cash	246	269
Total fair value of plan assets	8,196	7,468
 Actual return on plan assets	 546	 624

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

	2025 £000	2024 £000
Fair value of plan assets	8,196	7,468
Present value of plan liabilities	(8,196)	(7,468)
Net pensions liability [note 18]	-	-

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

	2025 £000	2024 £000
Amounts included in staff costs		
Current service cost	217	187
Past service cost	-	-
Total	217	187

	2025 £000	2024 £000
Amounts included in interest payable		
Net interest payable	(84)	(60)
Total	(84)	(60)

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE ACCOUNTS (CONTINUED)

24 Defined benefit obligations (continued)

LGPS principal actuarial assumptions (continued)

Amounts recognised in other comprehensive income and expenditure

	2025 £000	2024 £000
Return on pension plan assets	168	285
Actuarial gains/(losses) on liabilities	855	65
Non-recognition of pension asset	(1,153)	(447)
Amount recognised in other comprehensive income	(130)	(97)

Movement in net defined benefit liability during year

	2025 £000	2024 £000
Net defined benefit liability in scheme at 1 August	-	-
Movement in year:		
Current service cost	(217)	(187)
Employer contributions	263	224
Past service cost	-	-
Net interest on the defined liability	84	60
Actuarial gain or loss	1,023	350
Non-recognition of pension asset	(1,153)	(447)
Net defined benefit liability at 31 July	-	-

Asset and liability reconciliation

Changes in the present value of defined benefit obligations

	2025 £000	2024 £000
Defined benefit obligations at start of period	7,468	6,722
Current service cost	217	187
Interest cost	294	279
Contributions by scheme participants	76	65
Actuarial (gains)/losses on liabilities	(855)	(65)
Estimated benefits paid	(157)	(167)
Past service costs	-	-
Curtailments and settlements	-	-
Non-recognition of pension asset	1,153	447
Defined benefit obligations at end of period	8,196	7,468

Changes in fair value of plan assets

	2025 £000	2024 £000
Fair value of plan assets at start of period	7,468	6,722
Interest on plan assets	378	339
Return on plan assets	168	285
Employer contributions	263	224
Contributions by scheme participants	76	65
Estimated benefits paid	(157)	(167)
Fair value of plan assets at end of period	8,196	7,468

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE ACCOUNTS (CONTINUED)

24 Defined benefit obligations (continued)

The actuarial valuation report as at 31 July 2025 produced an estimated asset as a result of changes in discount rates used in the valuation. As the asset is unlikely to be realised we have not recognised it in the financial statements, we have reduced the value of scheme assets and included an adjustment in the Statement of Comprehensive Income and Expenditure account to reflect the adjustment.

25 Related party transactions

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

The total expenses paid to, or on behalf of, the Governors during the year was £nil (2023-24: £nil). This represents travel and subsistence expenses and other out of pocket expenses incurred in attending Governor meetings and charity events in their official capacity.

No transactions were identified which should be disclosed under Financial Reporting Standard 8 Related Party Disclosures.

No governor, other than staff governors and the Principal, has received any remuneration or waived payments from the College during the year (2024: None).

26 Amounts disbursed as agent

Learner Support Funds (Excluding FSM)	2025 £000	2024 £000
16-18 bursary grants	296	292
Disbursed to students	(119)	(134)
Administration costs	(8)	(8)
Balance unspent as at 31 July, included in creditors	169	150

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

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

In the accounting period ended 31 July 2025, the college received a total of £344k and disbursed £131k from DfE 16-19 discretionary and vulnerable bursaries and FEFM funding after charging £9k for administration costs.

As at 31 July 2025, the cumulative unspent 16-19 discretionary and vulnerable bursary funds and FEFM funding is £204k, of which £22k 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 £333k received from DfE, £147k disbursed to learners after charging £9k for administration costs, and total cumulative unspent funds of £177k, of which £13k was repaid to DfE.

Scarborough Sixth Form College

FINANCIAL STATEMENTS

for the year ended 31 July 2025

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Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	22 December 2025 11:56
Certified Delivered	Security Checked	24 December 2025 12:14
Signing Complete	Security Checked	24 December 2025 12:17
Completed	Security Checked	24 December 2025 12:17
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