

PLUMPTON COLLEGE GROUP

Report and Financial Statements
for the year ended 31 July 2025

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Reference and Administrative Details

Board of Governors

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Clerk/Company Secretary

Laura Holt

Senior Management Team

J Kerswell	Principal and CEO; Accounting officer
J Hibbert	Deputy Principal
P Tanghe	Vice Principal
J Buckley	Vice Principal (to May 2025)
S Jeffers	HR Director
P Cook	Finance Director

Professional advisers

Financial statements auditors and reporting accountants

Forvis Mazars LLP

Park View House, 58 The Ropewalk, Nottingham, NG1 5DW

Internal Auditors

ICCA Education, Training and Skills Limited

11th Floor, McClaren House, 46 Priory Queensway, Birmingham, B4 7LR

Bankers

Virgin Money

Jubilee House, Gosforth, Newcastle upon Tyne, NE3 4PL

Solicitors

Brachers

Head Office, Somerfield House, 59 London Road, Maidstone, Kent, ME16 8JH

Vision and Values

Our Vision and Values

Our Vision

To be the leader of land and environmental education and training in the South East, renowned for our cutting-edge practice.

Our Purpose

To inspire and equip our students with the skills, knowledge and attributes which meet the future needs of industry.

Our People - Our Culture

To be a diverse and vibrant community in which staff and students embody our values, have a strong sense of belonging and flourish.

Our People - Our Partners

To have a nurturing and collaborative relationship with our local community and employers which enhances both the experience of our students and the professional development of the workplace.

Our People - Our Staff

To attract, develop and retain a highly skilled, ambitious team of staff empowered to deliver our core purpose.

Our Place

To play a transformational role in the environmental sustainability of land-based industries, showcasing best practice and integrating the highest standards of sustainability into our curriculum.

Values

- Ambitious and progressive
- Enterprising
- Professional
- Supportive
- Passionate about everything we do

Introduction by the Chair

I am delighted to share with you our Annual Report for 2024/25. This year has been one of exciting growth, fresh innovation, and meaningful impact. We've kept our focus firmly on supporting local and regional priorities and in strengthening our role as a key anchor institution for the land-based sector. We remain proud to serve as a hub for land-based education, skills development, and collaboration across the sector in the South East. Every programme, partnership, and investment this year has been shaped by our commitment to our students, our communities, and the evolving needs of the local workforce.

At the heart of everything we do are our learners. We're proud of their achievements, their satisfaction, and their engagement in our vibrant extracurricular programmes. These outcomes speak volumes about the quality of our teaching and support and about how well we connect students to real careers through hands on learning. A highlight this year was seeing that the courses we offer at One Garden Brighton were named as runners up in the 'Real-Life Learning' category at the prestigious AoC Beacon Awards.

Innovation continues to be a priority at Plumpton College. This year, we partnered with West Sussex County Council and the Department of Science, Innovation and Technology to explore 5G applications in agriculture. This has already led to exciting upgrades in our glasshouses and the commencement of planting of a new vineyard providing direct experiences for our students with next generation technologies and sustainable practices. Another milestone has seen the College leading the development of a national competency framework for the UK wine industry. This new framework creates clear, recognised pathways into careers in viticulture and winemaking, and reflects both our national influence and deep regional roots in the wine industry. We've also continued to expand our reach through initiatives like Free Courses for Jobs and a new three year Skills Bootcamp contract for East and West Sussex. These programmes are opening doors for adults to upskill, retrain, and enter priority sectors from agriculture and animal care to horticulture and sustainability. These developments all highlight our strategy to close skills gaps and strengthen local employment pathways.

As part of our strategy to improve our learning environment we opened our new Veterinary Studies Centre, an exciting flagship development under the South East Institute of Technology. This cutting-edge facility supports advanced clinical training and new curriculum areas like canine hydrotherapy and physiotherapy, providing our students with a professional learning environment that mirrors real industry standards. In addition, we have grown our animal collection, introducing zoological species to create realistic, hands-on training for animal management students. Soon, the collection will be open to the public bringing even more opportunities for community engagement and local learning.

None of these developments over the last year would be possible without collaboration. We're proud to work with local schools, councils, employers, Chambers of Commerce, and national land-based organisations. Our partnerships include national apprenticeship

contracts with the Royal Horticultural Society, the National Trust, and Tesco Booker, as well as higher education collaborations with the Royal Society for Veterinary Science and the University of Greenwich. Above all, these achievements are a testament to the passion and dedication of our students, staff, and wider community. In a time of challenge across the education sector, Plumpton College continues to show resilience, agility, and excellence in teaching, learning, and student outcomes.

As a Corporation, we remain ambitious offering pace, challenge and stretch. The Board remains strong with expert governors in the quality and breadth of its membership, and we continue to focus on ensuring that our membership is representative of the community we serve. We remain resolute that the college will provide the opportunity for our students, stakeholders, and partners to come together to share ideas and knowledge, to learn from our innovative curriculum and practices to help shape the future of a sustainable land-based sector and the leaders within it.

As always, it is our people who make all the difference in what we do. On behalf of the Corporation, I would like to take this opportunity to express our deepest gratitude to our students, staff and parents/carers for their versatility and positive response to the challenges over the last year.

As we enter our centenary year, we celebrate 100 years of dedication to land based education and to the testament of generations of students, staff and community partners who have shaped this journey and helped us to be the anchor institution we are today. Whatever the future has in store, we have no doubt that the wider community of Plumpton College can continue to apply its collective ingenuity and determination to inspire students, sustain and grow. The work we have done together puts us in a strong position to capture the opportunities and navigate the challenges it will bring and to renew and reimagine the future of land-based learning.

In the following annual report, we share just a few examples of the ways in which we are already doing just that. Plumpton College has never been stronger, nor more important for the local and national land-based economy. I look forward to working and continuing this exciting journey with them.

Julie Dougill

Chair of Corporation

Strategic Report

The Governors of Plumpton College are pleased to present their report and the audited financial statements for the Year Ended 31 July 2025.

Chief Executive's Report

I am very pleased to say that 2024/25 represented yet another year of continued growth and development across the college, further demonstrating our significant progress towards achieving the college's vision of being the leading provider of land and environmental education and training in the south-east.

For the fourth year in a row, we welcomed record numbers of students to Plumpton, reflecting the work over several years to showcase all aspects of our provision and promote the increasingly highly skilled future career opportunities available to students.

The greatest growth was seen in our 16-18 student numbers, recording 13% more than the previous year, against a demographic increase of just 3%. Our strategic focus and investments in subjects such as agriculture, horticulture and veterinary nursing have further strengthened our position as market leaders in these areas and is reflected in the growth in student numbers we continue to see in these all-important areas of regional, national and global priority.

The national skills deficit which exists in many of the sectors we serve continues to be borne out by employers' demands for students to be trained at higher technical levels. It was incredibly pleasing therefore to see our highest intake of Higher Education students for over five years, alongside the continued growth of our apprenticeship programme. The numbers of new-start apprenticeships have grown annually now for nine years, and last year saw us reach close to 600 apprentices, working with many employers locally and regionally, whilst also retaining our national partnerships with organisations such as Tesco Booker and the Royal Horticultural Society.

Leaders and managers continue to shape the curriculum offer across the various levels and provision types to ensure students are equipped with the very specific knowledge, skills and behaviours aligned to their respective sectors. 2024/25 saw us introduce the first T-Levels at Plumpton, in Agriculture and Animal Management, as well as the continued expansion of our 14-16 provision, with new food skills pathways developed to provide progression routes into our highly successful butchery and bakery apprenticeship programmes.

The college was also the first in the country to offer new apprenticeship programmes, at level 4 in Forestry and level 3 in Bakery, and saw its first intakes of degree students onto new Foundation Degrees in Sustainable Land Management and Sustainable Horticulture.

Our very successful adult learning programmes also continued to grow, with ever more numbers studying part time accredited horticulture pathways at One Garden Brighton, alongside a suite of new wine industry short courses, building on the successful completion of a national competency framework, written by Plumpton for the UK wine industry. We continue to maximise the opportunities to reach more adults wishing to upskill or change careers through government initiatives such as Free Courses for Jobs, and towards the end of the year, the college entered into a partnership with Uckfield College, which will provide up to 50% additional funding for adult provision in the coming academic year. This will allow continued further growth in our meeting the needs of this all-important target market, as will the successful award to Plumpton of a three-year Skills Bootcamp contract for East and West Sussex.

The education sector nationally has continued to experience challenges with persistent absence and in East Sussex, pupil attendance levels in Secondary Schools sit below the national average. By its very nature therefore, an increasing number of students start at Plumpton having not been in regular attendance at school and whilst many of them adapt successfully to college life and demonstrate far improved attendance compared to their pre-16 settings, we are still some way from achieving attendance rates at college akin to pre-covid times. Efforts made during the year to improve this did have some impact, notably with our level 3 students, but there are instances which remain below our high expectations and require further improvement.

Despite that, we have seen improvements in 16-18-year-old student retention to 93%, and coupled with improving examination performance in some areas, we have been able to record an improved overall 16-18 achievement rate to 83%, some 2% higher than the national average for 23/24.

This remains below where we would want and have typically been in the past, and therefore we are very much focused on improving this by another 3-4% in the year ahead. All those key contributory factors, such as teaching and learning standards, adaptive planning, and preparation for examination-based subjects make up the greatest priorities in our quality improvement plan going into next year and a number of other critical changes have been made to certain policies and procedures, as well as our infrastructure at cohort level, all designed to bring about improved attendance and pass rates.

Overall pass rates in English and Maths improved compared to the previous year, in part due to a more widely implemented functional skills strategy. Pass rates for functional skills exceeded national figures but we were disappointed with our high-grade results for GCSE English and Maths. Several changes, including to the timetabling of these subjects, have been made for the year ahead to address this.

FE student satisfaction rates improved considerably during and at the end of the year, with assessment and feedback practice scoring much more highly because of a sustained campaign and actions led by our central quality team. In Higher Education terms, completing degree students' feedback through the National Students Survey (NSS) led to improved figures in nine of the twelve question areas and with one question 'teaching on my course' placing us in the top five percent nationally.

For our adult students, achievement rates continue to sit above 90%, placing us in the upper quartile nationally and our apprenticeship achievement places us within the top 5% of all training providers in the country. That is a testament to the work of curriculum and central teams over several years to ensure that recruitment, onboarding and engagement processes all contribute to securing sector leading retention rates, with exceptionally high numbers of students then passing their end point assessments and achieving high grades.

When students do leave Plumpton, their progression rate onto higher levels of study or into work, regardless of type of provision, level of study or subject, continues to be above 90%. Whilst comparable benchmark data can be difficult to obtain, we feel this is educational sector leading and despite our year-on-year growth in student numbers, continues to be sustained. That in turn demonstrates the demand from employers and the fact our students are being equipped with the necessary skills, knowledge and behaviours they require. At the heart of those success factors that enable such readiness for employment is our college community and the professional workplace environment that we adopt.

All our students learn in real life commercial settings across the estate, exposing them to industry leading practice and ever-financially sustainable business models. The College farm has continued its trajectory of the past two years, with improving productivity further demonstrating the value of the technological investments made in previous years and with shrewd management, now provides an excellent resource to hundreds of students at a near break-even commercial level.

Over the past two years, a strategic focus on the standards and performance of our vineyard and winery has been brought together into a more coherent strategy, again ensuring that our students are working in and learning from an environment that demonstrates best industry practice and commercial viability.

One Garden Brighton continues to meet all our expectations in regard to its educational value and its wider impact on the college brand, with continually increasing numbers of students from Brighton now studying at Plumpton. Its educational value to the students based there was recognised in the national AoC Beacon awards, as runners-up in the category relating to 'real-life learning'. On a commercial level, One Garden has been subject to continued scrutiny, resulting in further changes to the business model, with a focus on simplifying the offer and better aligning it to our core educational purpose. The positive impact of this was seen in the final quarter of the year, and with the Plumpton School of

Bakery starting in earnest from October, we anticipate seeing continued improvements in financial performance alongside an enhanced educational purpose and a further strengthening of the College's brand.

The College continues to invest in its estate and facilities, with 2025 seeing the completion and opening of the new Veterinary Studies Centre, which alongside improvements to our commercial winery, comprise our part of the South East Institute of Technology. The Veterinary Studies Centre has allowed for an expansion to our clinical training facilities, reflecting our position as a leading provider of veterinary nursing nationally. The addition of the new therapy facilities will enable existing veterinary students to experience that same all important commercial and real-life nature of our business, whilst allowing the development of new curriculum in canine hydro and physiotherapy.

Development work finally began on expanding our animal collection, and notably the zoological aspects, again with the aim to provide a more realistic working environment for animal management students, particularly when open to the public.

The college also entered a very exciting partnership project with West Sussex County Council, funded by the Department of Science, Innovation and Technology, in which the commercial viability of 5G technology is explored in a real life applied commercial setting. That has resulted in the college receiving funding to invest in growing technology in our glasshouses and the planting of a new vineyard at Plumpton. Given its location, the latter in particular safeguards our future in this area, provides a better learning experience for students given its proximity to the winery and will afford the potential to capture sector leading data relating to the planting and management of vineyards.

Our partnership working remains so integral to all that we do with the college proactively engaging thousands of employers annually. Those relationships enable our curriculum to be informed by the needs of employers and then enhanced by them on so many levels, be that through the provision of work experience for students, hosting visits or providing careers talks. Increasingly we see employers helping to co-create curriculum with us, and our employer training service, LandPro, has again delivered record numbers of accredited courses and bespoke training packages to employees across the sector in the South East.

The College's profile within these industries and those strategic relationships have afforded more opportunities for us to contribute to leading industry events over the past year. These include co-creating, hosting and attending talks, conferences and roundtables as we fulfil that all important role as a hub of knowledge exchange for the industries we serve.

Our sustained efforts to create an environment in which people can flourish mean we continue to maintain a very settled, stable and high performing staff team, often bucking national and regional trends for attraction, retention and sickness rates. Our retention of

staff for 2025/26 best reflects this, at just under 90%, which again is significantly higher than the regional sector average (75%).

We continue to take every opportunity to listen, engage, empower and provide development opportunities for our staff and a great example of that over the past year relates to the establishment of our workload development project. Informed by staff, it comprises thirteen different workstreams all geared towards improving systems, processes and support mechanisms to enable staff to be their best in work and achieve a healthy balance outside of it. Several new initiatives have been implemented for the start of the new academic year, in which we will be monitoring impact and further refining and developing our approaches from the end of the first term.

In what remains an ever changing geo-political and economic climate, I am very pleased to report that our effective budgetary and financial management across the organisation has enabled us to deliver a small operating surplus and importantly an EBITDA of above 7%. Given the wider financial context of the sector, in which it is reported that only 36% of colleges have achieved 6%, this is yet another metric demonstrating the strength of our organisation.

As we enter our centenary year, with so much to celebrate from our past, the college sits proudly as one of only 11 remaining independent land based colleges nationally. Having nearly doubled in size over the last ten years, we continue to attract more students, work with more employers and develop more insightful and impactful strategic relationships than ever before, at a time when the sectors we support, and the communities from which our students derive, need us the most.

Our financial resilience, the professional working environment that we provide and our committed and ambitious staff body all continue to position us to play a leading role for years to come.

Principal Risks and Uncertainties

Plumpton College operates a robust risk management framework, underpinned by a clear risk rating methodology and a defined risk appetite statement. The College's Strategic Risk Register is the primary tool for tracking significant risks and ensuring that appropriate mitigating actions are taken. Risks are assessed by the Senior Management Team and reported to the Corporation at least quarterly, with each risk evaluated for both likelihood and impact using a structured matrix. The Governing Board sets the College's risk appetite, balancing the need to safeguard financial health, educational quality, and stakeholder wellbeing, while remaining open to opportunities that support innovation and long-term sustainability. This approach ensures that risk management is embedded in decision-making and governance, supporting the achievement of the College's strategic objectives and values.

Financial Sustainability and Cashflow

Despite increases in income the College faces risks relating to maintaining sufficient cash reserves and liquidity in line with sector benchmarks. To address this, the College regularly monitors its cashflow and reserves, and has improved debtor collection processes. Senior management reviews the cash position on an ongoing basis to ensure financial stability and a monthly cashflow forecast is prepared as part of the management accounts.

Funding and Income Volatility

There is uncertainty around adult education fee income and the impact of government policy changes on funding streams. The College actively monitors enrolments and income, engages with funding bodies and policy developments, and uses scenario planning and financial forecasting to manage these risks. The college has a well established business planning process to ensure that resources are properly allocated across funding streams in order to deliver the required capacity.

Capital Projects and Property

There is a risk of insufficient capital funding in order to deliver the required capacity of the college particularly given reclassification and the lack of capital funding programmes available. The College mitigates these risks by delivering projects in phases, pursuing value engineering and external funding, and ensuring regular compliance checks and capital investment planning are in place.

Staffing

The College faces risks related to staff cost management and organisational capacity, which can affect operational resilience. These risks are managed through monthly reviews of staffing costs and structures, ongoing recruitment, and alignment between HR and Finance to ensure accurate forecasting and resource planning.

Student Retention

There is a risk that student retention rates may fall below targets, which could impact funding and reputation. The College manages this risk by focusing on the student experience, providing additional support, and implementing strategies to retain students throughout their courses.

Attendance

Low student attendance is linked to poor achievement and can negatively affect the outcomes of learners and future retention. The College addresses this risk by implementing robust attendance and behaviour policies, providing timely interventions for students with low attendance, and offering additional support to encourage regular participation.

Health, Safety, and Compliance

Risks in this area include fire safety and compliance with health and safety regulations, which require ongoing vigilance. The College addresses these risks by keeping policies up to date,

providing regular training, monitoring compliance through the Health & Safety Committee, and making continual improvements to systems and staff awareness.

Cyber Attack

The College is exposed to the risk of cyber attacks, which could disrupt operations and compromise sensitive data. To mitigate this risk, the College continually monitors its IT systems, provides regular cyber security training for staff, and implements system improvements and robust security protocols.

Strategic and External Risks

Changes in educational policy, SEND reforms, and local government actions may impact funding, provision, and staff requirements. The College mitigates these risks by closely monitoring policy developments, engaging in strategic planning, adapting its provision as needed, and maintaining strong engagement with stakeholders.

Financial results

Total income for 2025 rose by 12.5% to £26.8m (2024: £23.9m). The College continued to develop its diversified income streams with growth in student numbers, demand from businesses and commercial income from Student Services, Plumpton Estate and One Garden Brighton. Funding body grants (including Local Authority high needs funding and release of deferred capital grants) are the largest source of income at £14.9m (2024: £13.4m) and represent 55.4% (2024: 56.1%) of total income.

Total expenditure for 2025 rose by 9.5% to £26.6m (2024: £24.3m) inclusive of FRS102 pension liability. Staff costs of £14.6m (2024: £13.5m) are the largest category of expenditure and represent 54.2% of income (2024: 56.6%). Interest and other finance costs increased to £630k (2024: £299k) as the college started repayments on the Agrifood funding.

The College Group has an operating surplus of £238k (2024: deficit £440k) before FRS102 pension charges to staff costs and this represents 0.9% of income (2024: deficit of 1.8% of income). This results in an EBITDA of £1.9m (after adding back interest and depreciation less the release of deferred capital grants) which represents 7.0% of adjusted income (2024: 3.8%) as adjusted income excludes the release of deferred capital grants of £1.1m. This results in a financial health score for performance of 70/100 (2024: 30/100).

The College continued to invest to improve its educational infrastructure. Capital additions were £5.5m (2024: £3.5m). This included the completion of the Vet Sciences project and equipment and facilities for new T-Level courses. Total borrowing was £8.2m (2024: £6.4m) which represents 33% of adjusted income (2024: 29%) and results in a financial health score for borrowing of 60/100 (70/100).

The current ratio of the college is 1.02 (2024: 1.18) which represents current assets divided by current liabilities (less deferred capital grants due within one year and holiday pay accrual). This results in a financial health score for solvency of 50/100 (2024: 50/100). The total financial health score for the college is therefore 180/300 (2024: 150/300) which results in an overall financial health rating of Good (2024: Requires Improvement).

	2025	2024
Performance (EBITDA)	70/100	30/100
Solvency (Current Ratio)	50/100	50/100
Borrowing (Borrowing Ratio)	60/100	70/100
Total Financial Health Score	180/300	150/300
Financial Health Rating	Good	Requires Improvement

The College inherited assets from the Local Authority following the 1992 Further and Higher Education Act and subsequently revalued some assets on adoption of FRS102. All non-land assets have been fully depreciated in the accounts. Land revaluation of £2,516k is non-depreciable and held in the revaluation reserve. All fixed assets are owned by the College and are accessed as required by the Group under a facilities agreement.

The College is a member of the East Sussex Local Government Pension scheme and its share of the assets of the fund is approximately 0.45%. The balance sheet includes a provision for defined benefit obligations that relate to this local government pension scheme. The triannual valuation on 31 March 2022 was updated to 31 July 2025 and has seen the fund move to surplus but is recognised at nil value in the balance sheet (2024: nil) as governors do not deem there will be a material reduction in contributions or a refund. As the pension provision is excluded from the EFA assessment of financial health and from the bank covenants, this movement has no material impact on the College financial health in the short or medium term.

Reserves policy

The Corporation has reviewed its reserves policy in the light of Charity Commission guidance (CC19) and the business risks and opportunities that it sees over the next 5 years. On an annual basis the College will set out the specific actions required to meet its reserves target. In the short-term the College needs cash, or access to cash, to meet normal fluctuations in our working capital during the year, these arise principally due to the timing of our main FE Grant-In-Aid income, and varies between months; uncertainty about the level and timing of other grant streams and non-grant income; risk of additional unbudgeted costs e.g. to meet unforeseen regulatory requirements or restructuring; sector wide difficulties in securing, or retaining, access to loan and working capital facilities.

The Corporation has accordingly set a Liquidity Target of cash totalling £1.2m, broadly equivalent to one month's staff costs. In the longer-term the College needs greater cash

reserves to repay existing long-term loans as they fall due and contribute to the fixed and working capital costs of developing new business and major projects.

Cash flows and liquidity

The College Group held cash and cash equivalents at the end of year of £1,505k (2024: £561k). The College continues to generate strong operating cashflows with modelling showing the cash balance increasing in the years ahead to achieve the reserves target.

Treasury policies and objectives

Treasury management is the management of the College cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks, in line with HM Treasury's Managing Public Money regulations.

Payment performance

The College Group is committed to the terms of the Prompt Payment Code, with a target of paying all invoices within 30 days of receipt and 95% within 60 days of the invoice date, excluding disputes.

Going Concern and Future prospects

The College has continued to adopt the going concern basis in preparing the financial statement and believes it will continue in operation and meet its obligations for at least a period of 12 months. The College continues to generate operating cashflows, developing well-diversified income streams whilst investing in developments at the Plumpton and Stanmer sites.

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 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 auditors are aware of that information.

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

Signed by:

248A8E80CCG4435

J Dougill, Chair of Governors

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL

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

The College endeavours to conduct its business:

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

In the opinion of the Governors, the College complies with all the provisions of the Code, and it has complied throughout the year ended 31 July 2025, with the exception of the maximum term of office for Governors. An explanation of the reasons for the maximum term of office being exceeded by one governor can be found on page 20. This opinion is based on an internal review of compliance with the Code. The Governing Body recognises that, as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times. In carrying out its responsibilities, it takes full account of The Code of Good Governance for English Colleges issued by the Association of Colleges in 2023, which it formally adopted on 27th February 2024.

Legal Status and Public Benefit Statement

The corporation was established under the Further and Higher Education Act 1992 for the purpose of conducting Plumpton College. The college has one wholly owned subsidiary 'One Garden Brighton Ltd'.

Plumpton 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 Board, who are trustees of the charity, are disclosed on pages 17-18. In setting and reviewing the college's strategic objectives, the Governing Board 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 including students with high needs. The college adjusts its courses to meet the needs of local employers and provides training to apprentices. 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 regardless of their educational background.

The Corporation

The members who served on the Corporation during the year and up to the date of signature of this report were as listed in the table below. Chair and Vice Chair are appointed annually.

Name	Background	Date of appointment	Appointment expires	Committee Membership	Committee meetings attended in 24/25	Corporation meetings attended in 24/25
Julie Dougill (Chair of Governors)	Local Authority	16 Dec 2014 re-appointed 6 Dec 2018 & 16 Dec 2022	15 Dec 2026	Search and Governance Finance Remuneration TAFG Academic	3/3 4/4 1/1 2/3	8/9
Jeremy Kerswell (Principal)	Plumpton College Principal	5 Oct 2015	N/A	Search and Governance Finance TAFG academic	3/3 4/4 2/3	9/9
Helen Atkinson	Finance Education	17 Sept 19 reappointed 17 Sept 23	16 Sept 27	Finance TAFG Academic	4/4 3/3	9/9
Louie Benn	Student Governor	8 th November 2022 re-appointed 27 Feb 24 and 24 th Nov 24	31 st July 2025	n/a	n/a	4/9
Jessica Berry	Education	19 th June 2024	31 st July 2025	TAFG Academic	3/3	7/8
Imogen Black	Student Governor	1 st September 2025	31 st July 2026	n/a	n/a	n/a
Peter Boxer	Civil Servant	1 st September 2024	30 th August 2028	Search and Governance	2/2	8/9
Hilary Brown	Academic Staff Governor	23 rd May 2024	31 st July 2025	TAFG Academic	1/3	6/9
Sage Copper	Student Governor	1 st September 2025	31 st July 2026	n/a	n/a	n/a
Steve Harper	Accounting	9 July 2024	8 Jul 28	Audit	4/4	8/9
Doug Jackson	Business / Agriculture	26 June 19 reappointed 26 June 2023	28 Nov 2024	Search & Governance Audit	0/1 0/4	0/3
Hilary Knight	Food and Drink Business	1 Jan 2021	31 Dec 2025	Search & Governance	3/3	8/9
Paul Layzell (Vice Chair)	HE	1 st September 2022	31 st Aug 2026	Search & Governance TAFG Academic Remuneration Audit	3/3 2/3 1/1 1/1	8/9
Michelle Lee	Student Governor	1 st September 2024	31 st July 2025	n/a	n/a	6/8
Scott O'Brien	Finance	8 th November 2022	7 Nov 26	Audit	4/4	8/9
Gillian Payne	Support Staff Governor	28 Sept 2021	27 Sep 2025	TAFG Academic	4/4	7/9
Tamara Roberts	Wine	1 st September 2022	31 st Aug 2026	Finance	3/4	7/9
Jade Simmaris	Vet Nursing and Business	1 st September 2025	31 st Aug 29	n/a	n/a	n/a
Mark Smith	Education	1 st September 2025	31 st Aug 29	n/a	n/a	n/a
Shawn Town	Horticulture	23 rd May 2024	22 nd May 2028	Audit Committee	4/4	7/9
Steve Webb	Finance / Horticulture	8 th November 2022	7 Nov 26	Finance	4/4	5/9

In addition the Corporation has co-opted the following non-members to sit on its Committees/Corporation. The Corporation is grateful for the expertise and insights these co-optees brought to the work of its Committees during the year.

Name	Background	Date of appointment	Appointment expires	Committee Membership	Committee meetings attended	Corporation meetings attended
Doug Jackson	Co-opted Member of Audit Committee	28 th Nov 24	4 th July 25	Audit Committee	0	n/a

Doug Jackson, Jess Berry, and Hilary Brown left the Corporation during the year. Corporation would like to thank them for their valuable contribution to the college. Corporation would also like to thank Louie Benn and Michelle Lee, who both completed their term of office and studies at the college in July, for bringing the valued student perspective to meetings.

It is the Corporation's responsibility to set and regularly review the College's mission and strategic objectives, to agree the framework for managing risk, and to articulate the Corporation's risk appetite. Governors bring independent judgement to bear on performance, resources and standards of conduct. The Corporation is provided with regular and timely information on the overall financial performance of the College together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel-related matters such as health and safety and environmental issues. The Corporation meet nine times in 24/25.

In 24/25, the Corporation also conducted its business through a small number of committees. Each committee has terms of reference, which have been approved by the Corporation; these are available on the College's website. These committees are Audit, Finance, TAFG (Task and Finish Group) Academic, Remuneration and Search and Governance. Full minutes of all meetings, except those deemed to be confidential by the Corporation, are available from the Governance Professional at the College's registered address.

In 25/26 the number of Corporation meetings will be reduced to six per year with increased monitoring and scrutiny through Audit and Risk Committee, Finance and Resources Committee, Curriculum, Quality and Student Support Committee, Search and Governance Committee and Remuneration Committee.

In addition to its formal committees, the Corporation has linked each external governor to one or more business or business support areas, involving regular meetings with both the senior and middle management in each area. This helps Governors to take the pulse of the College and improves the depth of Corporation discussion; it also makes the specialist expertise and insights of governors more accessible to managers.

The Governance Professional maintains a register of financial and personal interests of the governors. The register is available for inspection at the above address.

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

Formal agendas, papers and reports are supplied to governors in a timely manner, prior to Board meetings. Briefings are provided on an ad hoc basis. The Corporation has a strong and independent non-executive element and no individual or group dominates its decision-making process. The Corporation considers that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement. There is a clear division of responsibility in that the roles of the Chair and Accounting Officer are separate; the Chair's role has been defined in writing.

Appointments to the Corporation

Any new appointments to the Corporation are a matter for the consideration of the Corporation as a whole. The Corporation has a Search and Governance committee, consisting of five members of the Corporation, which is responsible for the selection and nomination of any new member for the Corporation's consideration. Members of the Corporation are appointed for a term of office not exceeding four years. The Search and Governance Committee is guided by an analysis of the skills the Corporation requires and by the aim of ensuring an appropriate diversity of experience, age, and gender on the Governing Board. The Corporation is responsible for ensuring that appropriate training is provided as required. All new Governors receive induction training. As regards subsequent governor development, most Corporation meetings are preceded by an in-depth briefing on new College initiatives or external developments such as new regulations or Government policies. Governor training in 2024/25 included Safeguarding and Prevent, Income Streams and the College Centenary. Governors are also encouraged to attend external courses. Governors attended the AoC Conference, AoC Finance and Audit Committee Chairs meetings, AoC Chairs and Vice Chairs meetings, AoC Curriculum and Quality meetings, AoC Audit Masterclass, AoC Review of External Board Reviews and ETF webinar on Managing Public Money. The Governance Professional attended the AoC Governance Professional Conference, and the AoC South East Governance Professionals network meetings, and a number of webinars hosted by AoC and ETF including the Managing Public Money webinar.

Members of the Corporation are appointed for a term of office not exceeding four years. Under the Code of Good Governance for English Colleges, governors should not normally serve more than two terms. One external governor in 2024/25 had served more than two terms. Corporation believes that reappointment beyond two terms calls for explicit justification, and should normally be limited to further terms of only one or two years duration. The performance of individual governors is taken into account in considering re-

appointments, and is particularly searching on a second or subsequent re-appointment. In December 2022, on the recommendation of the Search and Governance Committee, we re-appointed Julie Dougill for a third 4-year term of office. Julie has 100% attendance record for meetings and has made a significant governor contribution. In reaching a decision to re-appoint, consideration was given to the skills required by the board, continuity of leadership at the launch of a new strategy (Julie has served as Chair for only two years (much of which has been atypical due to Covid)) and succession planning for a new Chair including a hand over period.

Corporation performance

The governing body commissioned an external review of governance in 2024/5 which concluded *"There is strong governance at Plumpton with a highly functioning Board and excellent Chairs of the Board and committees"*. A copy of the Executive Summary is published on the college website. The review was conducted by Rob Lawson OBE, who is a National Leader in Governance (NLG) for the FE Commissioner. The Corporation carried out a self-assessment of its own performance for the year ended 31 July 2025 and graded itself as "Good" on the Ofsted scale. The self-assessment was informed by the External Board Review, individual governor input via a survey, governor one to one meetings with Chair or Vice Chair, Senior Management Team feedback, College Management Team evaluation of the Link Governor scheme, assessment against the code of governance, and committee self-assessments.

Remuneration Committee

Throughout the year ending 31 July 2025 the College's Remuneration Committee comprised four members of the Corporation. The Committee's responsibilities are to make recommendations to the Board on the remuneration and benefits of the Principal and Governance Professional. The Committee evaluate the specific remuneration packages of the Principal against:

- Recent performance (summary to be provided by the Chair as line manager, who is responsible for completing appraisals and setting targets for the Principal)
- Benchmarking data, including the AoC Senior Post Holders pay survey
- The college's approach to rewarding all of its staff, and in particular, consideration is given annually to the rate of increase of the average remuneration of all other staff.

Remuneration of other managers and staff is the responsibility of the Principal. In determining pay of Senior Staff the Principal will consider recent performance (using the college appraisal system), market rate and the rate of increase of the average remuneration of all other staff. All staff must request permission from the Principal if they intend to take on external work. The Governance Professional maintains a Register of Senior Staff's Interests and Senior Staff are requested to disclose annually all business interests. Corporation formally adopted the AoC Senior Staff Remuneration Code on 26th February 2019 and has due regard to the "Higher Education Senior Staff Remuneration Code" published by the Committee of University Chairs. Details of remuneration for the Year Ended 31 July 2025 are set out in note 7 to the financial statements.

Audit Committee

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

The Audit Committee's core task is to oversee the work of the external auditors (the 'financial statements auditors') in accordance with the Post 16 Audit Code of Practice prescribed by the DfE, but also to oversee the College's other audit and assurance work and to monitor implementation of the recommendations for improved controls that flow from this.

The Audit Committee advises the Corporation on the appointment of internal and external auditors, and their remuneration. It prioritises the internal audit programme and oversees implementation of agreed recommendations. It shapes the scope of the external audit and the management letter that flows from it. The Committee focuses not only on finance but also looks for wider assurance on internal controls, quality monitoring and management information systems. The Committee prepares an annual report to the Corporation on the robustness of the internal control system and on possible areas for improvement.

Following a tender process, Mazars were appointed in May 2023 on a one-year plus one-year contract. The internal Audit Programme for 24/25 completed by ICCA (Internal Auditors) comprised of a Mock funding Audit, Health and Safety Audit and Curriculum Planning Audit (there was a delay to starting the latter two internal audits and the work was completed in the Autumn Term 25). Further audit and assurance work were completed by other specialists e.g. JISC and Landex.

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

Committee member	Meetings attended
Scott O'Brien (Committee Chair)	4/4
Shawn Town	4/4
Steve Harper	4/4
Paul Layzell	1/1
Doug Jackson (Co-opted Member)	0/4

Internal control

Scope of responsibility

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

The Corporation has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the College's policies, aims and objectives, whilst safeguarding the public funds and assets for which he is personally responsible, in accordance with the responsibilities assigned to him in the Funding Agreement between Plumpton 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 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 Plumpton 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, a system of delegation and accountability, and a risk based approach (including an evaluation of the likelihood and impact of risks becoming reality). In particular, it includes:

- long-term strategic objectives through to 2027 agreed by the Corporation and supported by a suite of key performance measures
- comprehensive budgeting systems with an annual budget, which is reviewed and agreed by the governing Board
- regular reviews by the governing board of periodic and annual financial reports which indicate financial performance against forecasts
- setting targets to measure financial and other performance
- the adoption of formal project management disciplines, where appropriate.

The College's internal and external auditors operate in accordance with the DfE's College Finance Handbook and Post 16 Audit Code of Practice. Their work is informed by an analysis of the risks to which the college is exposed.

Control weaknesses identified

No significant concerns on internal controls were raised during the course of the 2025 external audit by Mazars.

Risks faced by the Corporation

Key risks are covered within the strategic report. Risk assessment and internal control are embedded on ongoing operations. Corporation regularly reviews the risk register, which covers business, operational and compliance risk as well as financial risk and the risk policy every two years. In addition, papers including the Principal's report, Management Accounts and project updates include dedicated sections reporting risk.

Responsibilities under accountability agreements

The college has reviewed its policies, procedures and approval processes in line with the 2024/5 college finance handbook and its accountability agreement with DfE to ensure there are systems in place to identify and handle any transactions for which DfE approval is required.

Statement from the audit committee

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

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

- monitored, and tracked the follow-up of external assurance work conducted by regulatory/funding bodies and by the internal auditors, together with internal assurance reviews conducted by management; this assurance work covered not only financial controls but also controls over academic quality and safeguarding.
- agreed a prioritised internal audit work programme

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 internal auditors
- the work of the Finance Director and other executive managers at the College with responsibility for development and maintenance of the internal control framework
- upward reports from departments setting out current performance against key performance indicators and prospective risks
- comments made by the College's financial statements auditors, the reporting accountant for regularity assurance, in their management letters and other reports
- the programme of external assurance and audit agreed with the Audit Committee
- The regularity self-assessment questionnaire

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. SMT and Audit Committee have a programme of audit and assurance work, both internal and external, and framed by reference to risk, which they regularly review and roll forward. The reports include recommendations for improvement, and SMT and Audit Committee monitor their implementation. 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.

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

Equality, Diversity and Inclusion

Plumpton College is committed to promoting equality, diversity, and inclusion for all students, staff, and visitors. We value and respect differences in race, gender, sexual orientation, ability, class, age, and other protected characteristics. The College actively works to remove barriers, challenge discrimination, and foster a supportive and inclusive environment.

Plumpton College is proud to be a Disability Confident Employer. The College welcome applications from disabled individuals and assesses all candidates based on their skills, abilities, and potential. For staff who acquire a disability, every reasonable effort is made to ensure continued employment, support, and equitable access to training, career development, and promotion opportunities.

The College complies with the Equality Act 2010, striving to eliminate discrimination, harassment, and victimisation, and to ensure equal opportunities for all.

The College has an active Equality, Diversity and Inclusion (EDI) Committee, made up of staff champions dedicated to improving practice and promoting inclusivity across all areas of College life. The College's Equality, Diversity and Inclusion Policy, is published on the College website.

Disability statement

Plumpton College is committed to ensuring that students and staff with disabilities are fully supported in line with the Equality Act 2010. The College actively works to remove barriers and promote an inclusive environment where everyone can achieve their potential.

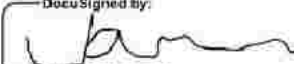
For students, the College provides accessible facilities, informed by a comprehensive disability access audit. The audit identified areas for improvement and guided capital investment in campus accessibility. Students also benefit from an Inclusive Learning and Development Team, specialist staff, and a range of assistive technologies, such as ClaroRead. Admissions policies are inclusive, and appeals are handled fairly through the College's complaints procedure. Counselling, wellbeing, and support services are clearly

outlined in the Student Handbook. Specialist programmes are described in College prospectuses, and student achievements and destinations are recorded and published in the standard College format.

For staff, the College fosters an inclusive workplace by providing training, guidance, and reasonable adjustments to enable all employees to succeed. A continuing programme of professional development ensures that staff understand disability issues and can apply inclusive practices across all areas of College life.

Plumpton College's commitment to disability inclusion, further recognised as a Disability Confident Employer, is embedded in both policy and practice, ensuring that all members of the College community are supported to participate fully and succeed.

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

DocuSigned by:

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J Kerswell
 Accounting Officer

Signed by:

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J Dougill
 Chair of Governors

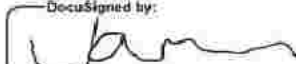
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

J Kerswell
 Accounting officer
 9th December 2025

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Streamlined Energy and Carbon Reporting (SECR) Disclosure Plumpton College 2024/25

Introduction

Plumpton College is committed to environmental sustainability, embedding it within our strategic plan and daily operations. Our sustainability strategy is built around five core objectives in our sustainability strategy which can be found at:

<https://www.plumpton.ac.uk/who-we-are/our-sustainability-strategy-2022-2027/>

This disclosure summarises our energy use, greenhouse gas emissions, and actions taken during the year ended 31 July 2025, in accordance with the College Accounts Direction and UK GAAP, and with reference to SECR guidance for large companies.

Organisational Boundary

This disclosure covers all activities of Plumpton College, including the main campus, farm estate, and associated facilities.

Energy Consumption

Total energy consumption (kWh):

Energy Type / Site	2023/24	2024/25
Heating Oil (scope 1)	1,668,492	1,240,199
Wood Chip & Pellets (scope 1)	591,926	407,165
College vehicles (scope 1)	833,141	869,438
Site West (scope 2)	214,289	260,936
Site East (scope 2)	743,425	690,281
Agri-Food (scope 2)	161,464	130,082
Farm (scope 2)	291,581	282,371
One Garden Brighton (scope 2)	200,889	195,685
Total	4,705,208	4,076,156

Heating oil has been converted from litres to kWh using a conversion factor of 1 litre = 10.35 kWh. Wood chip has been converted from kilograms to kWh using a factor of 1kg = 4.8 kWh. Transport fuel has been converted to kWh using a conversion factor of 10.7.

Greenhouse Gas Emissions

Total gross emissions (tonnes CO₂e):

	2023/24	2024/25
Heating Oil (scope 1)	428.8	318.7
Wood Chip & Pellets (scope 1)	8.9	6.1
College vehicles (scope 1)	208.7	217.8
Site West (scope 2)	41.4	50.4
Site East (scope 2)	143.5	133.2
Agri-Food (scope 2)	31.2	25.1
Farm (scope 2)	56.3	54.5

One Garden Brighton (scope 2)	38.8	37.8
Total	957.4	843.56

Electricity is purchased from 100% renewable sources so emissions are nil on a market-based method and would reduce total emissions by 301 tCO₂e (23/24: 311 tCO₂e).

Intensity ratios:

	2023/24	2024/25
employees	279	287
tCO ₂ e/employee	3.43	2.94

Methodology

Emissions calculated using UK Government conversion factors for greenhouse gases. Organisational boundary and reporting period align with financial statements.

Scope 1 (direct emissions): Heating oil, biomass, college vehicles.

Scope 2 (Indirect emissions): Electricity (zero due to renewable supply).

Actions Taken to Improve Energy Efficiency

- Implementation of the Heat Decarbonisation Plan (HDP) for all kerosene-heated assets
- Academic calendar adjusted to reduce heating emissions.
- Solar electricity generation maintained, with new installations planned.
- Waste management improved through the "Pick Up Plumpton" initiative
- Use of Vegware and peat-free growing media in gardens; minimised water usage and maximised composting.
- Shortlisted for Green Gown Awards and Brighton & Hove Business Awards for sustainability initiatives.
- Over 500 students engaged in sustainability projects in the last 12 months.

Governance and Future Plans

Sustainability is overseen by the Senior Management Team (SMT) and the Sustainability Committee. The college is on track to achieve its Net Zero target by 2046 with the next carbon footprint assessment scheduled for 2026/27.

Independent reporting accountant's report on regularity to the corporation Plumpton College and the Secretary of State for Education

In accordance with the terms of our engagement letter dated 20 June 2025 and further to the requirements of Department for Education (DfE), as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Colleges, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by Plumpton College during the period 1 August 2024 to 31 July 2025 have not been applied to the purposes intended by Parliament or the financial transactions do not conform to the authorities which govern them.

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

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

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

Approach

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

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

not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

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

The work undertaken to draw to our conclusion includes:

- Reviewed the statement on the College's regularity, propriety and compliance with Funding body terms and conditions of funding.
- Reviewed the College's completed self-assessment questionnaire on regularity.
- Read the accountability agreements, grant funding agreements and contracts with the ESFA/DfE.
- Tested a sample of expenditure disbursed and income received to consider whether they have been applied to purposes intended by Parliament and in accordance with funding agreements where relevant.
- Tested a sample of individual learner records.
- Tested a sample of credit card transactions.
- Tested a sample of expense claims in respect of KMP and Members of the Corporation.
- Tested a sample of suppliers and reviewed and assessed adherence to procurement policies.
- Tested a sample of bursary expenditure and reviewed whether such expenditure was in line with funding agreements.
- Obtained the policy for personal gifts and/or hospitality.
- Obtained the register of personal interests.
- Obtained the financial regulations/financial procedures.
- Obtained the College's whistleblowing policy.
- Reviewed the College's compliance with Part 5 of the College Financial Handbook in respect of delegated authorities.
- Considered whether the college has complied with the requirements concerning senior pay controls as summarised in part 2 of the College Financial Handbook.

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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Forvis Mazars LLP

Chartered Accountants and Statutory Auditor

Park View House, 58 The Ropewalk, Nottingham NG1 5DW

Date: 19/12/2025

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

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

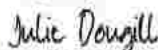
The corporation is responsible for the maintenance and integrity of its website(s); the work carried out by auditors does not involve consideration of these matters and, accordingly, auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially 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 ESFA, DfE, and any other public funds, are used only in accordance with the accountability agreement, funding agreements and contracts and any other conditions, that may be prescribed from time to time by 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 9th December 2025 and signed on its behalf
by:

Signed by:

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Julie Dougill
Chair of governors

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF PLUMPTON COLLEGE

Opinion

We have audited the financial statements of Plumpton College (the 'College') and its subsidiary (collectively the 'Group') 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 Cashflows and notes to the financial statements; including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) and the 2019 Statement of Recommended Practice: Accounting for Further and Higher Education.

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and College's affairs as at 31 July 2025 and of its surplus of income over expenditure for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

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

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the Members 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 contained within the annual report. Our opinion on the financial

statements 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and College and its environment obtained in the course of the audit, we have not identified material misstatements in the report of the Members of the Corporation and statement of corporate governance and internal control.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Corporation

As explained more fully in the Statement of Responsibilities of the Members of the Corporation set out on page [X], 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 determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the Group and College and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: compliance with the ESFA funding agreements, the OfS regulatory framework, the OFSTED regulatory framework, safeguarding, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, HM Treasury's "Managing public money".

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Group and College is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Group and College which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax and pension legislation.

In addition, we evaluated the Members of the Corporation and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to the pension asset, revenue recognition (which we pinpointed to the cut off) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Members of the Corporation and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Other required reporting

Opinion on other matters prescribed in the OfS Audit Code of Practice issued under the Further and Higher Education Act 1992

In our opinion, in all material respects:

- funds provided by the OfS and UK Research and Innovation (including Research England) have been applied in accordance with the relevant terms and conditions attached to them; and
- the requirements of OfS's accounts direction have been met.

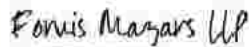
Matters on which we are required to report by exception

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

- the provider's grant and fee income, as disclosed in the notes to the financial statements, has been materially misstated; or
- the provider's expenditure on access and participation activities, as disclosed in the financial statements, has been materially misstated.

Use of the audit report

This report is made solely to the Corporation as a body in accordance with the College's Articles of Government. Our audit work has been undertaken so that we might state to the Corporation those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College and 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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Forvis Mazars LLP

Chartered Accountants and Statutory Auditor

Park View House, 58 The Ropewalk, Nottingham NG1 5DW

Date: 19/12/2025

PLUMPTON COLLEGE**Statement of Comprehensive Income****For the year ended 31 July (£'000)**

		2025		2024	
		Group	College	Group	College
Income					
Funding body grants	2	14,861	14,861	13,386	13,386
Tuition fees and education contracts	3	4,530	4,530	4,126	4,126
Other grants and other contracts	4	-	-	-	-
Other income	5	7,453	6,550	6,351	5,192
Total income		26,844	25,941	23,863	22,704
Expenditure					
Staff costs including FRS102 pension adjustment	6	14,562	14,317	13,515	12,820
Other operating expenses	8	9,301	8,810	8,595	7,928
Depreciation	10	2,113	2,113	1,894	1,894
Interest and other finance costs	9	630	612	299	284
Total expenditure		26,606	25,852	24,303	22,926
Operating surplus / (deficit)		238	89	(440)	(222)
Pension finance income/(cost)	9	133	133	78	78
Surplus/(deficit) before other gains and losses		371	222	(362)	(144)
Profit on disposal of assets		742	742	50	50
Surplus/(deficit) before tax		1,113	964	(312)	(94)
Taxation	18	-	-	-	-
Surplus/(deficit) for the year		1,113	964	(312)	(94)
Actuarial (loss) in respect of pension schemes	23	(186)	(186)	(117)	(117)
Total Comprehensive Income		927	778	(429)	(211)

All items of income and expenditure relate to continuing activities. The notes from page 40 to 60 form part of these financial statements.

Reconciliation of operating surplus to EBITDA

Operating surplus/(deficit)	238	(440)
Interest	630	299
Depreciation	2,113	1,894
Less FRS102 adjustment	(54)	(39)
Less: Release of deferred capital grant (note 2)	(1,069)	(871)
EBITDA	1,858	843
% of adjusted income	7.4%	3.8%

Adjusted income is income less deferred capital grant less 95% of bursary income

PLUMPTON COLLEGE
Statement of Changes in Reserves
For the year ended 31 July (£'000)

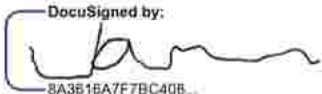
	Income and expenditure account	Revaluation reserve	Total
Group			
Balance at 31 July 2024	12,102	2,516	14,618
Surplus from income and expenditure	1,113	-	1,113
Other comprehensive income	(186)	-	186)
Transfers between revaluation and reserves	-	-	-
Total comprehensive income for the year	927	-	927
Balance at 31 July 2025	13,029	2,516	15,545
College			
Balance at 31 July 2024	13,170	2,516	15,686
Surplus from income and expenditure	964	-	964
Other comprehensive income	(186)	-	(186)
Transfers between revaluation and reserves	-	-	-
Total comprehensive income for the year	778	-	778
Balance at 31 July 2025	13,948	2,516	16,464

PLUMPTON COLLEGE**Balance Sheet****At 31 July (£'000)**

		2025		2024	
		Group	College	Group	College
Non current assets					
Tangible fixed assets	10	40,287	40,287	36,919	36,919
Current assets					
Stock		1,726	1,694	1,481	1,448
Trade and other receivables	11	2,048	2,947	2,111	3,151
Cash at bank and in hand	16	1,505	1,486	561	523
		5,279	6,127	4,153	5,122
Creditors: Amounts falling due within one year	12	(6,185)	(6,114)	(5,035)	(4,936)
Net current liabilities		(906)	13	(882)	186
Total assets less current liabilities		39,381	40,300	36,037	37,105
Deferred capital grants	13	(16,016)	(16,016)	(15,524)	(15,524)
Creditors: Amounts falling due after one year	13	(7,820)	(7,820)	(5,895)	(5,895)
Total net assets		15,545	16,464	14,618	15,686
Provisions					
Defined benefit obligations	17	-	-	-	-
Other provisions	17	-	-	-	-
Total net assets including pension liability		15,545	16,464	14,618	15,686
Unrestricted reserves					
Income and expenditure account		13,029	13,948	12,102	13,170
Revaluation reserve		2,516	2,516	2,516	2,516
Total unrestricted reserves		15,545	16,464	14,618	15,686

The notes from page 40 to 60 form part of these financial statements. The financial statements were approved by Corporation on 9th December 2025 and authorised for issue and were signed on its behalf by:

J Kerswell
Accounting Officer

DocuSigned by:

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J Dougill
Chair of Governors

Signed by:

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PLUMPTON COLLEGE**Statement of Cash Flows****For the year ended 31 July (£'000)**

	2025		2024	
	Group	College	Group	College
Cash flows from operating activities				
Surplus/(deficit) for the year	1,113	964	(312)	(94)
Adjustment for non cash items				
Depreciation	2,113	2,113	1,894	1,894
Release of deferred capital grants	(1,069)	(1,069)	(871)	(871)
(Increase)/decrease in stocks	(240)	(245)	(284)	(284)
(Increase)/decrease in debtors	63	204	(29)	(253)
Increase/(decrease) in creditors due within one year	911	943	(4,140)	(4,142)
Increase/(decrease) in creditors due after one year	(92)	(92)	4,684	4,684
(Decrease) in provisions	-	-	-	-
(Decrease) in pension provision	-	-	-	-
Actuarial gain on assets of pension scheme	(186)	(186)	(117)	(117)
Adjustment for investing or financing activities				
Interest payable	630	612	299	284
Pension finance cost	(133)	(133)	(78)	(78)
(Profit) on sale of fixed assets	(742)	(742)	(50)	(50)
Net cash flow from operating activities	2,368	2,369	996	973
Cash flows from investing activities				
Proceeds from sale of fixed assets	742	742	50	50
Capital grant receipts	2,050	2,050	2,847	2,847
Payments made to acquire fixed assets	(5,484)	(5,484)	(3,520)	(3,519)
Net cash flow from investing activities	(2,692)	(2,692)	(623)	(622)
Cash flows from financing activities				
Interest paid	(630)	(612)	(299)	(284)
Pension finance cost	133	133	78	78
New unsecured loans	2,374	2,374	-	-
Finance lease additions less repayments	(91)	(91)	104	104
Repayments of amounts borrowed	(518)	(518)	(256)	(256)
Net cash flow from financing activities	1,268	1,286	(373)	(358)
Increase/(decrease) in cash equivalents in the year	944	963	-	(7)
Cash and cash equivalents at the beginning of the year	561	523	561	530
Cash and cash equivalents at the end of the year	1,505	1,486	561	523

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July (£'000)

1 ACCOUNTING POLICIES

The Corporation aims to apply accounting policies which are towards the conservative end of the FE accounting spectrum.

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 (SORP): Accounting for Further and Higher Education 2019 (the 2019 FE HE SORP) the College Accounts Direction for 2024-25 and in accordance with Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland". (FRS102). The College is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102. The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the College's accounting policies.

Basis of accounting

The financial statements are prepared under the historical cost convention.

Basis of consolidation

The consolidated financial statements include the college and its subsidiary, One Garden Brighton Limited, controlled by the group. Control is achieved where the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Under the purchase method of accounting, the results of subsidiary and associated undertakings acquired or disposed of during the year are included in the consolidated income and expenditure account from or up to the date on which control of the undertaking passes. Intra-group sales and profits are eliminated fully on consolidation.

In accordance with FRS 102, the activities of the student union have not been consolidated because the college does not control those activities.

Going concern

These financial statements have been prepared on the Going Concern basis. 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.

The College has a SALIX loan repayable in 2025, a commercial loan repayable in 2028, and two loans from the Secretary of State for Education repayable in 2044 and 2045.

The College forecasts and financial projections indicate that it will be able to operate within this facilities and covenants for the foreseeable future. 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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July (£'000)

1 ACCOUNTING POLICIES (continued)

Recognition of income

Revenue Grant Funding: Government revenue grants include funding body recurrent grants and other grants are accounted for under the accrual model as permitted by FRS 102. Funding body recurrent grants are measured in line with best estimates for the period of what is receivable and depend on the particular income stream involved. Grants (including research grants) from non-government sources are recognised in income when the College is entitled to the income and performance related conditions have been met.

Capital Grant Funding: Government capital grants are capitalised, held as deferred income and recognised in income over the expected useful life of the asset, under the accrual model as permitted by FRS 102. Other, non-governmental, capital grants are recognised in income when the College is entitled to the funds subject to any performance related conditions being met.

Deferred Grants: Where part of a 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.

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

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

Donations and legacies: Donations (except in relation to legacies) are accounted for when receivable. The level of income from legacies is not material but they are recognised where there is clear entitlement, the amount can be accurately measured and there is reasonable probability of receipt.

Investment income: All income from short term deposits is credited to the statement of comprehensive income in the period in which it is earned on a receivable basis.

Income from commercial activities: Income raised through the operation of commercial activities and related trading activities under the College's management, such as the farm and viticulture, is taken into account at the point at which ownership of the goods or services transfers to the customers.

Other income: All other income is recognised once the College has entitlement to the resources, it is probable (more likely than not) that the resources will be received and the monetary value of income can be measured with sufficient reliability.

Post employment benefits

Post-employment benefits to employees of the College are principally provided by the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). These are defined benefit plans, which are externally funded and contracted out of the state second pension (Note 23).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July (£'000)

1 ACCOUNTING POLICIES (continued)

In accordance with FRS102 section 28, the Statement of Comprehensive Income includes:

- The cost of benefits accruing during the year in respect of current and past service (staff costs)
- Net interest on the net defined benefit liability/asset (pension finance costs)
- Actuarial gains and losses are recognised immediately (Actuarial gain/(loss) in respect of pension schemes)

Post-employment benefits to employees of the Group are principally provided by Nest, a defined contribution plan.

Short term employment benefits

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.

Fixed assets

Expenditure in respect of buildings, motor vehicles, plant and equipment, computer hardware and software and fixtures and fittings is treated as an asset and capitalised when:

- it is recognised as having been purchased for long-term use,
- has a useful life greater than one reporting period, and
- is not likely to be converted quickly into cash.

Expenditure in relation to the above items costing less than £2,500 is written off to the statement of comprehensive income in the period of acquisition. The exception to this is where items each costing less than £2,500 in relation to one item when aggregated would exceed this value.

Grant funded assets: Where assets are acquired with the aid of specific grants, the asset is capitalised and depreciated in accordance with the policy stated below. The related grant is credited to a deferred grant account and released to the income and expenditure account over the expected useful economic life of the related asset.

Inherited Assets: The College was incorporated on 1st April 1993. At 31st July 1994, the assets which were inherited from the Local Authority were independently valued and included in the Balance Sheet at the valuation provided at this time. Any difference in respect of buildings between the valuation and the historic cost was credited to a revaluation reserve and is being released to the statement of comprehensive income in equal sums over a 30 year period.

FRS 102 revaluations: On 1st August 2014, in accordance with the transitional provisions governing the introduction of FRS 102, the College revalued all its land (but not its buildings) to the market value. This was a one-off revaluation and the College has opted not to carry out regular subsequent valuations.

Assets under construction: Accounted for at cost, based on the value of architects' certificates (or other form of professional valuation) and other direct costs, incurred to 31st July. They are not depreciated until they are brought into use, when a full year's depreciation is charged in the first year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July (£'000)

1 ACCOUNTING POLICIES (continued)

Subsequent expenditure: Where expenditure is incurred on modifying, refurbishing, updating, prolonging or otherwise improving tangible fixed assets it is charged to the statement of comprehensive income in the period it is incurred, unless it both exceeds £10,000 and:

- In respect of non-specialised buildings capable of independent disposal, the market value of the fixed asset is significantly improved as a result of the expenditure, or
- The earnings capacity of the asset is significantly increased, either in volume or price terms (or both), or
- There is a subsequent reduction in operating costs, or
- The expenditure is likely to extend the asset's life by a period equivalent to its original book life, in which case it is capitalised and depreciated on the relevant basis.

Acquired computer software licences: Initially capitalised at cost, which includes the purchase price (net of any discounts and rebates) and other directly attributable cost of preparing the asset for its intended use. Direct expenditure including employee costs, which enhances or extends the performance of computer software beyond its specifications and which can be reliably measured, is added to the original cost of the software. Costs associated with maintaining the computer software or recurring licencing fees are recognised as an expense when incurred.

Computer software licences are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to the statement of comprehensive income using the straight-line method over their estimated useful lives.

Disposals: An asset is derecognised upon disposal or when there is no future economic benefit to the College. On disposal of an item, the difference between the disposal proceeds and its carrying amount is recognised in the statement of comprehensive income within the profit or loss on disposal account. Any amount in revaluation reserve relating to that asset is transferred to retained profits directly.

Depreciation is calculated on a straight-line basis to write off the cost of each item of property (excluding land), plant and equipment, motor vehicles, fixtures and fittings and IT equipment over their expected useful lives.

A full year's depreciation is charged in the year of acquisition, no charge is made in the year of disposal.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. The effects of any revision are recognised in the statement of comprehensive income when the change of estimation arises.

Asset Type

Land - N/A

Buildings - up to 50 years

Vehicles - 8 years

Plant and Equipment - 8 years

Fixtures and Fittings - 4 years

Computers - 4 years

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July (£'000)

1 ACCOUNTING POLICIES (continued)

Leased assets

Costs in respect of operating leases are charged on a straight line basis over the lease term. Any lease premiums or incentive relating to leases signed after August 2014 are spread over the minimum lease term.

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

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

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

Borrowing costs

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

Investments

Investment in subsidiaries are accounted for at cost less impairment in the individual financial statements. Plumpton College owns the whole of the issued share capital of One Garden Brighton Limited amounting to £1 (1 ordinary share of £1) which was incorporated on 17th July 2019 and began trading on 29th March 2021.

Inventories (Stock)

All material inventories are stated at the lower of cost on a first in first out basis; and net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stocks. Livestock stock valuation is carried out by a firm of independent professional valuers.

Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the College as they fall due. Cash equivalents are short term, highly liquid measurements that are readily convertible to known amounts of cash with insignificant risk of change in value. They include cash in hand, deposits repayable on demand and overdrafts.

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 the statement of comprehensive income in the period in which they arise.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July (£'000)

1 ACCOUNTING POLICIES (continued)

Taxation

Corporation Tax: The College is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly the College is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax 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.

Value Added Tax: The College is partially exempt in respect of Value Added Tax, so that it can only recover a proportion of VAT charged on its inputs. In view of the level of complexity of the calculations involved in order to arrive in calculating the amount of input VAT which is Irrecoverable and the inability to subsequently separately identify which VAT is not recovered, it is not possible to reapportion this VAT between the costs of such inputs or the cost of tangible fixed assets as appropriate. As a result of this, the Irrecoverable VAT is reflected as an aggregated cost line in the Financial Statements.

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

Provisions and contingent liabilities

Provisions are recognised when:

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

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

A contingent liability arises from a past event that gives the College a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the College. Contingent liabilities are not recognised in the Balance Sheet.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July (£'000)

1 ACCOUNTING POLICIES (continued)

Other key sources of estimation uncertainty

- 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 (Note 23), will impact the carrying amount of the pension liability. The actuary has used a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 to value the pensions liability at 31 July 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Whilst the pension scheme is currently in surplus, the College management deem it appropriate not to recognise a surplus as pension fund valuations fluctuate and the College has no immediate way to extract a surplus from the scheme.

- 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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July (£'000)

	2025		2024	
	Group	College	Group	College
2 FUNDING BODY GRANTS				
Education and Skills Funding Agency (study programmes)	12,024	12,024	10,909	10,909
Education and Skills Funding Agency (adult skills fund)	1,182	1,182	1,193	1,193
Subcontracted in ASF income	168	168	-	-
Skills Bootcamps	30	30	-	-
Office for Students	141	141	214	214
Local Authority high needs funding	247	247	199	199
Specific Grants				
Release of deferred capital grants	1,069	1,069	871	871
Total funding body grants	14,861	14,861	13,386	13,386
3 TUITION FEES AND EDUCATION CONTRACTS				
Adult education fees	1,159	1,159	1,238	1,238
Apprenticeship fees and contracts	1,909	1,909	1,733	1,733
Fees for Further Education loan supported courses	201	201	208	208
Fees for Higher Education loan supported courses	1,185	1,185	864	864
	4,454	4,454	4,043	4,043
Education contracts	76	76	83	83
Total tuition fees and education contracts	4,530	4,530	4,126	4,126
4 OTHER GRANTS AND OTHER CONTRACTS				
Coronavirus job retention scheme	-	-	-	-
Total other grants and other contracts	-	-	-	-
5 OTHER INCOME				
Catering and residence operations	1,304	1,304	1,156	1,156
Farming activities	2,023	2,023	1,651	1,651
Other income generating activities	683	638	459	415
Rents and lettings	70	70	83	83
Other grant income	1,173	1,173	798	798
Other income	2,200	1,342	2,204	1,089
Total other income	7,453	6,550	6,351	5,192

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July (£'000)

	2025		2024	
	Group	College	Group	College
6 STAFF COSTS				
Wages and salaries	10,682	10,478	10,128	9,535
Social security costs	1,143	1,132	955	915
Other pension costs	2,283	2,279	1,944	1,931
	<u>14,108</u>	<u>13,889</u>	<u>13,027</u>	<u>12,381</u>
Contracted out staffing costs	476	459	518	469
Fundamental restructuring costs	32	23	10	10
FRS102 adjustment (Note 23)	(54)	(54)	(40)	(40)
Total staff costs	<u>14,562</u>	<u>14,317</u>	<u>13,515</u>	<u>12,820</u>

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

One member of staff involved in the restructuring was a member of the Senior Management Team.

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

Severance payment amount	Number of severance payments made			
	Group	College	Group	College
£0 - £25,000	4	3	3	3

Included in staff restructuring costs are special severance payments totalling £5,827.

(2024: £nil). Individually, the payments were: £1,200 and £4,627

The average number of persons (including key management personnel) employed by the College during the period, analysed by category and described as full time equivalents, was as follows. This excludes agency, bank and short course lecturer fees.

	2025		2024	
	Group	College	Group	College
Teaching staff	111	111	105	105
Non teaching staff	176	164	174	158
	<u>287</u>	<u>275</u>	<u>279</u>	<u>263</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July (£'000)

7 KEY MANAGEMENT PERSONNEL

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

The number of key management personnel and other staff who received annual emoluments, excluding pension contributions and employer's national insurance but including benefits in kind, in the following ranges was as follows. There is no performance related pay and all staff including the accounting officer receive the same cost of living pay award.

Total emoluments include amounts payable to the Accounting Officer, who is also the highest paid officer, the Principal and Chief Executive Officer.

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

	2025	2024	2025	2024
	Other staff		Key management personnel	
7 KEY MANAGEMENT PERSONNEL (continued)	4	5		
£60,001 to £65,000				1
£65,001 to £70,000				
£70,001 to £75,000			1	
£75,001 to £80,000				1
£80,001 to £85,000			1	1
£85,001 to £90,000			2	
£95,001 to £100,000				2
£100,001 to £105,000			1	
£130,001 to £135,000				1
£135,001 to £140,000			1	
The number of key management personnel including the Accounting Officer:	4	5	6	6

In addition to the above there are three part-time members of staff and one member of staff on maternity who received less than £60k in the year but would have received between £60k and £65k on a full-time basis

Salary	574	550
National Insurance	74	68
Other emoluments	23	21
Pension contributions	141	128
Total emoluments of key management personnel	812	767

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July (£'000)

Salary	137	132
National Insurance	18	17
Other emoluments	23	21
Pension contributions	46	39
Total emoluments of accounting officer	224	209

Accounting Officer Pay Multiple

Basic salary divided by median pay of all other employees	4.1	4.1
Total emoluments divided by median pay of all other employees	6.6	6.4

The pension contribution in respect of the Accounting Officer are in respect of employer's contributions to the Teachers' Pension Scheme and are paid at the same rate as for other employees. "Other emoluments" relate to the occupancy of the College property by the Accounting Officer for the better performance of his duties. This is a condition of his employment. The emolument is pensionable. The value of the emolument, i.e. the rental equivalence, is re-assessed every two years with the last assessment taking place on 31/07/2024. However under the rules of the Teachers' Pension Scheme the pensionable element of this residence emolument is capped at one-sixth of the Principal's salary. The members of the Corporation other than the Principal and staff members did not receive any payment from the institution other than the reimbursement of travel and subsistence expenses incurred in the course of their duties. The Principal's expenses for the year were less than £5k.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July (£'000)

	2025		2024	
	Group	College	Group	College
8 OTHER OPERATING EXPENSES				
Teaching costs	1,032	1,032	883	882
Non teaching costs	4,892	4,419	4,640	3,987
Examination costs	814	814	661	661
Premises costs	2,563	2,545	2,411	2,398
Total other operating expenses	9,301	8,810	8,595	7,928
Other operating expenses include:				
Financial statements and regularity audit	41	41	40	40
Internal audit and assurance	3	3	12	12
Hire of plant and machinery - operating leases	273	272	183	183
	317	316	235	235
Other operating expenses include:				
OfS Access and participation spending				
Access investment			-	-
Financial support to students	29	29	20	20
Disability support			-	-
Research and evaluation (access and participation)			-	-
	29	29	20	20
Funding body grants and Tuition fees include:				
OfS Income				
Grant income from the Office for Students (note 2)	141	141	214	214
Fee income for taught awards (note 3)	1,185	1,185	864	864
Total Income	1,326	1,326	1,078	1,078
9 INTEREST AND OTHER FINANCE COSTS				
On bank loans, overdrafts and other loans	630	612	299	284
Net interest on defined pension liability (Note 23)	(133)	(133)	(78)	(78)
Total Interest and other finance costs	497	479	221	206

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July (£'000)

10 TANGIBLE FIXED ASSETS	Leasehold improvement	Freehold land and buildings	Assets under construction	Equipment	Total
COST OR VALUATION					
At 1 August 2024	56	48,998	2,563	9,721	61,338
Transfers		2,083	(2,518)	432	(3)
Additions		2,784	1,736	1,013	5,533
Less: Disposals		(3)		(668)	(671)
Less: Impairment					-
At 31 July 2025:	<u>56</u>	<u>53,862</u>	<u>1,781</u>	<u>10,498</u>	<u>66,197</u>
DEPRECIATION					
At 1 August 2024	-	17,551	-	6,868	24,419
Charge for year		1,105		1,008	2,113
Less: Disposals		(2)		(620)	(622)
Less: Impairment					-
At 31 July 2025:	<u>-</u>	<u>18,654</u>	<u>-</u>	<u>7,256</u>	<u>25,910</u>
NET BOOK VALUE					
At 31 July 2025	<u>56</u>	<u>35,208</u>	<u>1,781</u>	<u>3,242</u>	<u>40,287</u>
At 31 July 2024	<u>56</u>	<u>31,447</u>	<u>2,563</u>	<u>2,853</u>	<u>36,919</u>

Inherited land and buildings were valued for the purpose of the 1994 financial statements at depreciated replacement cost and subsequently under the transitional provision of FRS102 inherited land was revalued at 1st August 2014. Both revaluations were undertaken by firms of independent chartered surveyors, in accordance with the RICS Statement of Asset Valuation Proactive and Guidance notes. Other tangible fixed assets inherited from the Local Education Authority at incorporation have been valued by the Corporation on a depreciated replacement cost basis with the assistance of independent professional advice.

All fixed assets are owned by the College and accessed as required by the Group under a facilities agreement.

The College inherited assets from the Local Authority following the 1992 Further and Higher Education Act and subsequently revalued some assets on adoption of FRS102. All non-land assets have been fully depreciated in the accounts. Land revaluation of £2,516k is non-depreciable and held in the revaluation reserve.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July (£'000)

	2025		2024	
	Group	College	Group	College
11 TRADE AND OTHER RECEIVABLES				
Trade receivables	299	296	928	913
Prepayments and accrued income	1,525	1,523	1,089	1,085
Other taxation and social security	185	192	77	102
Intercompany debtor - amounts owed by subsidiary	1	898	1	1,035
Other	38	38	16	16
Total trade and other receivables	2,048	2,947	2,111	3,151
12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR				
Bank loans, overdrafts and finance leases (Note 14)	693	693	552	552
Payments received in advance	17	17	33	33
Trade payables	1,329	1,305	1,130	1,084
Other tax and social security	245	239	227	215
Other creditors	585	574	258	251
Accruals and deferred income	1,230	1,200	1,276	1,242
Holiday pay accrual	53	53	53	53
Deferred income - capital grants	993	993	720	720
Deferred income - capital grants unspent as at 31st July	1,002	1,002	786	786
Amounts owed to the ESFA	38	38	-	-
Total creditors within one year	6,185	6,114	5,035	4,936
13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR				
Bank loans and finance leases (Note 14)	7,520	7,520	5,895	5,895
Other creditors	300	300	-	-
Deferred income - capital grants	16,016	16,016	15,524	15,524
Total creditors after more than one year	23,836	23,836	21,419	21,419
14 MATURITY OF DEBT				
(a) Bank loans and overdrafts				
Bank loans and overdrafts repayable in one year or less	640	640	456	456
Between one and two years	644	644	522	522
Between two and five years	1,468	1,468	1,639	1,639
In five years or more	5,320	5,320	3,598	3,598
Total	8,072	8,072	6,215	6,215

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July (£'000)

	2025		2024	
	Group	College	Group	College
14 MATURITY OF DEBT (continued)				
(b) Finance leases				
At 31 July the finance leases are as follows:				
Finance leases repayable in one year or less	53	53	96	96
Between one and two years	54	54	52	52
Between two and five years	34	34	84	84
In five years or more	-	-	-	-
Total finance leases	141	141	232	232

15 FINANCIAL COMMITMENTS

At 31 July the commitments (under non-cancellable operating leases) as follows:

Land and Buildings

Not later than one year	107	107	92	92
Later than one year and not later than five years	145	145	2	2
Later than five years	16	16	-	-
	268	268	94	94

Equipment

Not later than one year	65	65	204	204
Later than one year and not later than five years	22	22	100	100
Later than five years	-	-	-	-
	87	87	304	304

2025	2024
Cashflow	

16 CASH AND CASH EQUIVALENTS

Cash and cash equivalents	1,505	944	561
Total cash and cash equivalents	1,505	944	561

17 PROVISIONS

At 1 August 2024

Total	Defined benefit obligations	Other
-	-	-

Expenditure/additions in the period

At 31 July 2025

-	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July (£'000)

17 PROVISIONS (continued)

Defined benefit obligations relate to the liabilities under the College's membership of the Local Government Pension Scheme (Note 23).

18 TAXATION

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

19 CAPITAL COMMITMENTS

Construction is underway on animal enclosures as part of the Institute of Technology project to be completed in 25/26 financial year, with remaining commitments of £412k funded by a mixture of grants.

20 SUBSIDIARY UNDERTAKINGS

One Garden Brighton Ltd, a wholly owned subsidiary of Plumpton College was established in 2019 and began trading on 29th March 2021. At 31 July 2025 One Garden Brighton owed £0.87m (2024: £1.034m) to the College. The strategy for One Garden Brighton is to focus on continuous improvement towards generation of profit by, wherever possible, increasing revenue and more expedient control of expenditure to achieve break-even within the shortest possible timeframe before moving into surplus and repaying the college in subsequent years.

21 RELATED PARTIES

Due to the nature of the College operations and the composition of the Corporation (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 Corporation may have an interest. All transactions involving organisations in which a member of the Corporation may have an interest, are conducted at arm's length and in accordance with the College's financial regulations and normal procurement procedures. Transactions with the Education and Skills Funding Agency are detailed (Note 2, 12, 13).

The College holds a 27% interest in Woodland Enterprise Ltd (WEL), a company limited by guarantee (£1). WEL owns a leasehold site and facilities at Flimwell, at which it is seeking to develop skills in wood production and use. The College previously appointed two directors (the Principal and the Estate Manager) to the WEL Board but both directorships have now ceased. It has an arm's length sub-lease with WEL for two workshops on the site, and provides various management services to WEL. During the year rent was paid to WEL of £240 (2024 £240). This interest will end when the College disposes of the property, which is anticipated to occur in the 2025/26 financial year. The College owns the whole of the issued share capital of One Garden Brighton Limited amounting to £1 (1 ordinary share of £1) which was incorporated on 17th July 2019.

22 POST BALANCE SHEET EVENTS

None

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July (£'000)	2025	2024
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23 DEFINED BENEFIT OBLIGATION

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

The total pension cost for the year

Teachers Pension Scheme contributions paid		1,380	1,112
Local Government Pension contributions paid	890		817
Local Government Pension FRS 102 (28) charge/(credit)	(54)		(40)
	<u>836</u>		<u>777</u>
Charges to statement of comprehensive income (staff costs)			777
	<u>836</u>		<u>777</u>
Total pension cost for the year within staff costs (Note 6)		<u>2,216</u>	<u>1,889</u>

Teachers' Pension Scheme

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

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

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

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

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

The latest actuarial review of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education (the Department) in April 2024. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222 billion giving a notional past service deficit of £40 billion.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July (£'000)

23 DEFINED BENEFIT OBLIGATION (continued)

As a result of the valuation, new employer contribution rates were set at 28.68% of pensionable pay from April 2024 onwards (compared to 23.68% prior to that). DfE agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2025-26 academic year.
A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.

Local Government Pension Scheme

The LGPS is a funded defined benefit Scheme, with the assets held in separate funds administered by East Sussex County Council.

The agreed contribution rates for future years are 18.9% for the College and range from 5.5% to 12.5% for employees, depending on salary according to a national scale.

The following information is based upon a full actuarial valuation of the fund at 31 March 2022 updated to 31 July 2024 by Barnett Waddingham LLP.

	2025	2024
Discount rate for scheme liabilities	5.85%	5.10%
Future pension increases	2.80%	2.85%
Rate of increase in salaries	3.80%	3.85%

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

Retiring today		
Males	21.8	20.8
Females	24.1	23.8
Retiring in 20 years		
Males	23.4	21.8
Females	25.8	25.3

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

	Fair value	
Equities	15,287	14,862
Bonds	4,082	3,286
Property	3,346	3,186
Cash	322	295
Total market value of assets	23,037	21,629

The return on the Fund (on a bid value to bid value basis) for the year to 31 July 2025 is calculated to be 4.98% based on the Fund asset statements and Fund cashflows.

Based on the above, the Employer's share of the assets of the Fund is approximately 0.45%.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July (£'000)	2025	2024
23. DEFINED BENEFIT OBLIGATION (continued)		
Amount included in the balance sheet in respect of the defined benefit pension plan and enhanced pensions benefits is as follows:		
Present value of the defined benefit obligation	18,257	19,454
Fair value of fund assets (bid value)	23,037	21,629
College adjustment to surplus to achieve a nil balance sheet 2023	(1,138)	(1,138)
College adjustment to surplus to achieve a nil balance sheet 2024	(1,037)	(1,037)
College adjustment to surplus to achieve a nil balance sheet 2025	(2,605)	-
Net defined benefit liability/(asset)	<u>-</u>	<u>-</u>

Amounts recognised in the Statement of Comprehensive Income in respect of the plan:

Service cost	780	721
Net interest on the defined liability (asset)	(133)	(78)
Administration expenses	18	17
Total loss	<u>665</u>	<u>660</u>
Asset and Liability Reconciliation		
Changes in the present value of defined benefit obligations		
Defined benefit obligations at start of period	19,454	18,519
Current service cost	780	721
Interest cost	979	935
Change in financial assumptions	(3,122)	-
Change in demographic assumptions	439	(236)
Experience loss/(gain) on defined benefit obligation	238	(106)
Estimated benefits paid net of transfers in	(805)	(648)
Past Service costs, including curtailments	-	-
Contributions by Scheme participants and other employers	295	270
Unfunded pension payments	(1)	(1)
Defined benefit obligations at the end of period	<u>18,257</u>	<u>19,454</u>
Changes in fair value of plan assets		
Fair value of plan assets at start of period	21,629	19,657
Interest on plan assets	1,112	1,013
Return on plan assets	(26)	578
Other actuarial gains/(losses)	-	-
Administration expenses	(18)	(17)
Employer contributions	851	777

Contributions by Scheme participants	295	270
Estimated benefits paid	(806)	(649)
Fair value of plan assets at end of period	<u>23,037</u>	<u>21,629</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July (£'000)

23 DEFINED BENEFIT OBLIGATION (continued)

Amounts recognised in Other Comprehensive Income:

Return on fund assets in excess of interest	(26)	578
Other actuarial gain/(loss) on assets	-	-
Change in financial assumptions	3,122	-
Change in demographic assumptions	(439)	236
Experience gain/(loss) on defined benefit obligations	(238)	106
College adjustment to surplus to achieve a nil balance sheet	<u>(2,605)</u>	<u>(1,037)</u>
Total	<u>(186)</u>	<u>(117)</u>

McCloud/Sergeant Judgement

These accounts show a past service cost of £230 million in respect of the McCloud / Sergeant judgment which ruled that the transitional protection for some members of public service schemes implemented when they were reformed constituted age discrimination. This provision is just under 2% of the total scheme liability. The calculation of adjustment to past service costs, £7 billion, arising from the outcome of the Court of Appeal judgment is based on a number of key assumptions including:

- the form of remedy adopted
- how the remedy will be implemented
- which members will be affected by the remedy
- the earning assumptions
- the withdrawal assumption

The other financial and demographic assumptions adopted to calculate the past service cost are the same as those used to calculate the overall scheme liability. Adopting different assumptions, or making other adjustments to reflect behavioural changes stemming from the judgment, would be expected to change the disclosed past service cost. Similarly, allowing for variations in individual members' future service or salary progression is expected to produce higher costs. The past service cost is particularly sensitive to the difference between assumed long term general pay growth and the CPI. If the long term salary growth assumptions were 0.5% pa lower, then the past service cost disclosed here would be expected to reduce by 50% and conversely a 0.5% pa increase would increase the estimated cost by 65%.

In June 2023 the High Court ruled in the case of Virgin Media Limited v NTL Pension Trustees. The ruling was that certain pension scheme rule amendments were invalid if they were not accompanied by the correct actuarial confirmation.

This High Court ruling was appealed. In a judgment delivered on 25 July 2024, the Court of Appeal unanimously upheld the decision of the High Court.

On 5 June 2025, the Government announced that it will introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards. Once the legislation has been passed, this will mean that pension schemes will be able to obtain written confirmation from an actuary about the benefit changes that were previously made and apply that confirmation retrospectively without making the plan amendments void, if the changes met the necessary standards. At the date of approval of these financial statements, while it is known there is potential for additional pension liabilities to be recognised as a result of this ruling, the impact in monetary terms is not known and it is reasonable to form the view that it is not reasonably estimable. Accordingly, no adjustments to reflect the impact of the ruling have been made in these financial statements.

The Governors will continue to monitor the developments and consider the impact on the LGPS liabilities recognised by the College.