THE BLACKPOOL SIXTH FORM COLLEGE

Report and Financial Statements
For the Fourteen Months Ended 30 September 2024

Contents

Strategic Report

Nature, Objectives and Strategies

The members present their report and the audited financial statements for the fourteen months ended 30 September 2024.

Legal Status

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

The Corporation was incorporated in England and Wales, as The Blackpool Sixth Form College.

On 28th November 2023 the college was granted an academy order and converted to an academy joining The Coastal Collaborative Trust on the 1st October 2024. On this date the assets and liabilities of the Corporation transferred into the academy trust, and the Corporation ceased to be active.

Mission

The mission statement for the college as approved by the members is:

Inspiring learning, developing character, building futures

Public Benefit

The college is an exempt charity under the Part 3 of the Charities Act 2011 and following the Machinery of Government changes in July 2016 is regulated by the Secretary of State for Education. The Directors of the Corporation, who are trustees of the charity, are disclosed on page 16.

In setting and reviewing the college's strategic objectives, the Corporation has had due regard for the Charity Commission's guidance on public benefit and particularly upon its supplementary guidance on the advancement of education. The guidance sets out the requirement that all organisations wishing to be recognised as charities must demonstrate, explicitly, that their aims are for the public benefit.

The delivery of public benefit is illustrated throughout this report and the college has its own Statement of Public Value.

Implementation of Strategic Development Plan

In July each year the college's one-year strategic development plan is issued with the most recent being for the academic year 2024/25. The strategic development plan addresses the college's aims and objectives for the coming year. The strategic development plan is reviewed and updated each year, taking into consideration standards, curriculum, support and leadership and the Corporation monitors the performance of the college against this plan

The targets in the 2023/24 strategic development plan which directly affected the financial status of the college were:

- to navigate the college through the academisation process;
- to ensure high levels of in-year retention and internal progression;
- to review and enhance the college campus to meet current and future demand.

Some of the specific targets which either directly or indirectly demonstrated the public benefit of the college were:

- to establish the new curriculum offer (at level 2 & 3) in response to the changing educational landscape;
- to respond to the national skills priorities and the local skills improvement plan;
- to further develop students' learning and employability skills to support successful next steps;
- to strengthen the culture of respect and personal responsibility;
- to further implement the digital strategy;
- to further develop health and wellbeing strategies and support for staff and students.

Of the strategic development plan objectives for 2023/24, 55% were fully achieved, 35% were partially achieved, and 10% were not achieved.

Although the college has become an academy and joined The Coastal Collaborative Trust with effect from the 1st October 2024 it will still continue to function in largely the same way. The targets included in the strategic development plan for 2024/25 which directly affect the financial status of the college therefore remain relevant and are:

- to maintain a healthy market share and have strong and stable student recruitment;
- to engage in collaborative initiatives across the Coastal Collaborative Trust to benefit all students and staff;
- to invest further in attractive and high- quality accommodation, facilities and technologies;
- to recruit and retain dedicated and highly skilled staff;
- to encourage and develop efficiency across all aspects of college work.

In 2024/25 some specific targets which either directly or indirectly demonstrate the public benefit of the college include:

- to embed a culture of care, connection, collaboration and curiosity;
- to meet or exceed Sixth Form national benchmarks across all key performance indicators (retention, pass rates, achievement, progress and progression);
- to provide a broad and ambitious choice of courses at level 2 and 3;
- to enrich student experience, knowledge and employability skills beyond the classroom including via career academies, the pastoral curriculum and enrichment;
- to forge dynamic partnerships with schools, employers and the local community;
- to raise aspirations of students so there is no ceiling to student achievement;
- to enrich the approach to inclusivity and diversity;
- to implement effective approaches to mental health and wellbeing.

Financial Objectives

The college remains committed to strong financial management. It is the college's long term aim to sustain strong financial health. To achieve this it will continue to:

- set realistic budgets which are closely monitored and reviewed regularly;
- produce timely and accurate financial reports for the Senior Leadership Team (SLT) and the Corporation;
- work closely with the relevant funding agencies and keep abreast of funding developments;
- ensure that expenditure is approved and represents value for money;
- have in place effective financial regulations and procedures that are shared and understood;
- monitor cash flows;
- seek to balance income and expenditure in any financial year and work to avoid any deficits and to effect surpluses;
- include financial analysis and risk management as an integral part of the college's decision making processes, including in relation to capital projects;
- seek alternative sources of income without prejudicing the college's primary mission;
- ensure any capital projects are affordable and within Education and Skills Funding Agency (ESFA) and Department of Education (DfE) guidelines;
- closely monitor capital projects and their effect on college finances;
- closely monitor business planning processes, applications and curriculum development to ensure efficient staffing levels;
- seek revenue savings through energy efficiencies, the reduction in reactive maintenance expenditure, effective procurement and the use of consortia and networks.

Performance Indicators

The college is committed to observing the importance of sector measures and indicators.

The college is required to complete the annual Finance Record for the Education and Skills Funding Agency (ESFA), which is used to produce the college Financial Health grading. This was measured as “Outstanding” at 31 July 2023. The college also has an Ofsted “Outstanding” grade for inspection (December 2021).

The college also measures itself against other key performance indicators which are benchmarked against internal and national targets:

- achievement rates;
- value added; and
- progression to positive destinations.

ALPS (A-Level Performance System) continues to be used as a measure of value added alongside Level 3 value added using the Six Dimensions system.

ALPS grades 1-3, indicates high performance of the student cohort (top 25%), grades 4-6, indicate average performance of the student cohort and grades 7-9 indicate below average performance of the student cohort (bottom 25%).

In 2023/24 the college achieved the following key performance indicator scores:

- a 2-year pass rate of 99.6% at vocational (2022/23 99.4%);
- an ALPs score for value added band 6 for A level (2022/23 band 5) and an ALPs score for value added band 3 for vocational (2022/23 band 3).

Current year data is taken from raw results published on results day and may be subject to change once reviews of marking, etc. have taken place. The academic year 2022/23 has been used for comparison purposes. 2018/19 is the academic year recommended as a comparison point nationally.

As at the end of September 2024, the 2023/24 data is showing that 60.9% of upper sixth completers have gone on to higher education, compared to 56.8% last year. Of the remainder, 11.2% (2022/23: 10.7%) are taking a gap year and 21.8% (2022/23: 23.2%) have gone on to further education, an apprenticeship, the armed forces or employment. There are 0.0% (2022/23: 0.4%) of students currently seeking employment. At the date of reporting it is not possible to confirm the destination of 6.1% of upper sixth completers compared to 8.9% last year.

Inspection

In December 2021 the college was inspected by Ofsted and was awarded an overall “Outstanding” grade, with “Outstanding” achieved in all areas of inspection. Inspectors praised the high-quality, comprehensive and ambitious curriculum, and the calm, professional and inclusive learning environment where students feel safe and can flourish.

Financial Position

Financial Results

The college generated an operating surplus in the fourteen months of £770,000 compared to an operating surplus of £337,000 in the year to 31 July 2023.

The college has accumulated reserves and net assets of £15.9m and cash balances of £5.0m.

The college had significant reliance on the ESFA as its principal funding source, largely from recurrent grants. In 2023/24 the ESFA provided 92% (2022/23 92%) of the college's total income.

Treasury policies and objectives

Treasury management is the management of the college's cash flows, its banking, borrowing and deposit arrangements, the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks.

The college has a separate treasury management policy in place. Until recently the college had two loans to support the campus redevelopment project of which the college has completed the first five phases with the overwhelming majority of students being taught within these buildings. The first loan, drawn down in September 2010, was originally £3.4m, borrowed from Lloyds TSB over a term of 22 years. The second loan, £2.3m drawn down in December 2011, also borrowed from Lloyds TSB was made available for borrowing by the European Investment Bank over a term of 16 years. In June 2024 these loans were repaid using cash reserves held by the college. Confirmation from Lloyds Bank that the loans had been fully repaid and the accounts closed was received on 28th June 2024.

Any further borrowing arrangements would require the authorisation of the Corporation, and would be undertaken in accordance with the requirements of the Financial Memorandum, Funding Agreement, Managing Public Money and the 'Dear Accounting Officer' (DAO) letter of 29 November 2022, seeking DfE consent in line with these documents.

Cash flows and liquidity

At £0.38m (2022/23 £1.576m) the operating cash inflow remains positive. There has been capital expenditure of £737k, and cash outflows from financing activities total £2,806k. The college has paid off its long-term loans in the period. The cash balance of £5.0m will continue to be utilised to support the college through a period of austerity following increased costs. It may also be used to support the college to undertake the final stages of the campus redevelopment programme in the future.

Reserves policy

The college is required to hold sufficient reserves to enable it to meet its charitable obligations should there be an unexpected revenue shortfall, to offer flexibility to plan and fund major projects to develop and maintain buildings and facilities, and to complete its accommodation strategy.

The college is committed to retaining the balance on the income and expenditure reserve at a minimum of 25% of income. The current level of unrestricted reserves is £14.4m, which is 87.9% of income.

Current and Future Development and Performance

Student numbers

In the academic year 2023/24 the college was showing generated funding of £10.5m on its final funding return (2022/23 £10.6m) which is below the main ESFA allocation of £10.6m (2022/23 £11.1m). The college had 2,077 (2022/23 2,252) funded students but had 2,066 on roll at the accounting date. This decrease in student numbers has been reflected in the funding allocation for 2024/25. In addition to the allocation for the academic year 2023/24 the college has received within the accounts £1.8m of its allocation for 2024/25.

Student achievements

Students continue to succeed at the college. Pass rates for A level remain high at 97.2% and for vocational courses at 99.4%.

In terms of value added the college has achieved an ALPS 3 in BTEC RQF. A level has achieved ALPS 5.

There has been a decrease this year in the proportion of students achieving or exceeding their minimum expected grade (MEG) in A level, however, this should be contextualised within the changing landscape of qualification assessments due to the pandemic.

MEGs are calculated using prior attainment data in ALPS and in a normal year this is an early indicator of performance against the national Level 3 value added measure which is published in February, however, as a result of the on-going impact of the pandemic, value added in the performance tables was not published in February 2024.

Curriculum developments

In 2023/24, the college continued to offer A levels (or equivalent). All A level subjects are linear and assessment normally takes place during the summer term of the second year of study. GCSE provision in maths and English includes an opportunity for eligible students to take a November resit wherever appropriate. The Route3 programme offers the opportunity for students to complete further studies at level 2 before embarking on a level 3 study programme. The college introduced its first T Level course in Health in September 2024.

The college continues to develop the curriculum to ensure that it meets the needs of students and the skills needs in the local, regional and national economy as detailed in the college's accountability agreement.

Payment performance

The Late Payment of Commercial Debts (Interest) Act 1998, which came into force on 1 November 1998, require colleges, in the absence of agreement to the contrary, to make payments to suppliers within 30 days of either the provision of goods or services or the date on which the invoice was received. The target set by the Treasury for payment to suppliers within 30 days is 95%. During the accounting period 1 August 2023 to 30 September 2024, the college paid 92.64% (2022/23 94.54%) of its invoices within 30 days but did not incur any late payment charges.

Events after the end of the reporting period

The college became an academy on 1st October 2024 and joined The Coastal Collaborative Trust. There have been no other significant post-balance sheet events.

Future prospects

As the college has become an academy with effect from 1st October 2024 the structure of the funding agreement has altered. However, funding from the DfE for 2024/25 has been confirmed for 2,066 students which is a decrease of 11 students against the funding received for 2023/24. The Corporation believe that academisation will ensure the college has a stable financial future

In 2024/25 the college has received £360k (2023/24 £348k) which it uses to support students, based on household income, through support for transport, external visits, and learning materials along with an access fund. Through this financial support students from low income backgrounds are supported to enable them to access education to increase their life chances.

Resources

Tangible Assets

The college has £20.1m in fixed assets. During the year work was done to improve the Holland building which houses the Department of Performing Arts, Music and Media, some energy efficiency measures were put in place across the site and assets were purchased to support the new T level qualification.

Financial

The college has £15.9m of net assets. As at 30 September 2024 the college had no long term loans outstanding (31 July 2023: £1.86m repayable by 2032 and £0.76m repayable by 2027).

People

In 2023/24 the college employed an average of 223 people (2022/23: 240), of whom 101 (2022/23: 104) are teaching staff.

Reputation

The college enjoys a strong reputation locally, regionally and nationally and it works hard to ensure that this status continues, to ensure that students are keen to study here and staff are attracted to work here. The college has seen a significant increase in staff satisfaction over the last few years and the most recent survey reported staff satisfaction to be sustained at 95% (an increase of 13 percentage points since 2015). No staff survey was completed in 2023/24 however under the new People Strategy there will be regular surveys with the first being completed during the first term of 2024/25. In June 2020 the college was delighted to be awarded Pearson's 'BTEC College of the Year', recognising the commitment and passion of staff and students. This reputation is further enhanced by the "Outstanding" Ofsted inspection grade in

December 2021, and by the provision of the college's modern facilities. The college works closely with all the local partner high schools, a range of other stakeholders and external groups and has an excellent reputation in the local community. The college has also achieved a variety of external accreditations including Dyslexia Friendly, Quality in Careers, Mindful Employer status and the Lancashire LGBT Quality Mark.

Principal Risks and Uncertainties

The college's Risk Management Policy was reviewed in December 2023 and within it declares the college's approach to risk management and internal control. The following key principles outline this approach:

- The directors have responsibility for overseeing risk management within the college as a whole;
- An open and receptive approach to solving risk problems is adopted by the directors;
- The Senior Leadership Team support, advise and implement policies approved by the directors;
- The college makes conservative and prudent recognition of the implications of risks;
- All staff are responsible for encouraging good risk management practice within their designated managed area; and
- Key risks are identified and closely monitored on a regular basis.

The directors have assessed the risk appetite of the college and concluded that as the college is a proactive organisation with a strong reputation and a sound financial base the acceptable level of risk appetite to be used as a guiding principle in the governance and management of the college would be 'moderate'. This reflects the Corporation's willingness to pursue ambitious development plans as long as any associated risks are assessed and suitable control measures are implemented.

The college maintains a risk register which is reviewed at least twice a year by the Audit Committee. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the college and the actions being taken to reduce and mitigate the risks. Risks are graded using a RAG rating system. The highest-ranking risks reported to the Audit Committee in June 2024 included:

- Risk of failure to recruit sufficient students to achieve enrolment targets

There is strong local competition to recruit students who consequently have a wide choice of institutions available to them. The failure to achieve student number targets would have an impact on the college's reputation as well as its financial position. The risk is mitigated through having a strong and well-funded marketing team who work closely with local schools through visits and activities in school as well as experience and open days at college. The Principal maintains close links with the local schools and through collection and monitoring of recruitment data the college can adjust its offer to ensure it is students' first choice, has developed strategies to increase the application to enrolment rate and works hard to ensure students are enrolled on the right courses.

- Risk of reduction in income due to reliance on a single funding stream

As the majority of the college's income currently comes from the ESFA there is a risk that a failure to achieve student targets and recruitment levels could result in a significant loss of income. The college has high fixed costs so any loss of income could result in a deterioration in the college's financial health. The college has mitigated this risk through its academisation which will generate additional funding and broaden the existing funding streams. It also continues to explore other income generating activities.

Not all factors are within the college's control, and other factors besides those listed above may also adversely affect the college.

Prevent duty

In July 2015 a legal duty was placed on colleges, amongst others, to show "due regard to the need to prevent people from being drawn into terrorism". The college has implemented robust safeguards in recognition of this and included the matter on its risk register as part of college safeguarding risks so that it can be monitored regularly by the Corporation.

Stakeholder Relationships

The college has many stakeholders, including:

- students and their parents and carers
- employees
- directors
- Education and Skills Funding Agency (ESFA)
- Department for Education (DfE)
- Sixth Form Colleges Association (SFCA)
- Blackpool Education Improvement Board (BEIB)
- Priority Education Improvement Board (PEIA)
- Responsible Business Network (RBN)
- The Lancashire Colleges (TLC) group
- local authorities including Blackpool Council, Lancashire County Council, Wyre Borough Council and Fylde Council
- local transport providers
- awarding organisations
- members of the North West Coast SCITT (formerly Fylde Coast SCITT)
- members of the Fylde Coast Education Partnership
- participants in the Fylde Coast Academy Trust
- participants in the Coastal Collaborative Trust
- local community
- community groups who use the college facilities
- partner high schools
- other sixth form and further education colleges
- universities and other training providers
- employers and work experience providers

The college recognises the importance of these relationships and engages in regular contact and communication with them in many ways. Communication methods include such things as the website, social media channels and newsletters. The college also engages with stakeholders through events such as the employability networking event, awards evenings and performances as well as through more formal meetings and reports.

Taxation

None of the college's activities are subject to corporation tax.

Equality

The college is committed to ensuring the promotion of equality of opportunity for all members of the college community. The college seeks to create a climate where all forms of discriminatory behaviour are challenged, diversity is celebrated and a culture is generated in which all staff and students are encouraged to flourish and achieve their full potential. The college is keen to advance equality of opportunity for all (in particular, between people who share a protected characteristic and those who do not) and ensure that it underpins all policies, valuing all members of the college community equally. The college aims to foster good relations between all members of its community and, in particular, between people who share a protected characteristic and those who do not.

The college's Equality and Diversity Policy embodies these commitments and details the support and actions taken to ensure the commitments are fulfilled. These commitments are reinforced through the college's core values which underlie everything the college does; respect, inclusion, global citizenship, support, integrity, excellence and high aspirations, and enthusiasm.

Trade union facility time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require the college to publish information on facility time arrangements for trade union officials at the college for the relevant period (1 April 2023 to 31 March 2024).

Number of employees who were relevant union officials during the relevant period	FTE employee number
4	4

Percentage of time	Number of employees
0%	0
1-50%	4
51-99%	0
100%	0

Total cost of facility time	£10,339
Total pay bill	£9,539,079
Percentage of total bill spent on facility time	0.11%

Time spent on paid trade union activities as a percentage of total paid facility time	1.23%

Disability Statement

The college adheres to the Special Educational Needs and Disability Code of Practice and in particular the responsibilities required of colleges as detailed in chapter 7 of the Code of Practice. The Code of Practice provides statutory guidance on duties relating to Part 3 of the Children and Families Act 2014. The Equality Act sets out the legal obligations post-16 institutions have towards disabled young people. The college will not directly or indirectly discriminate against, harass or victimise disabled young people and will make reasonable adjustments, including the provision of auxiliary aids and services, to ensure that disabled young people are not at a substantial disadvantage compared with their peers.

The college aims to create an environment in which all students are treated as individuals, receive personal support, and provide mutual support for each other whatever the circumstances.

Going Concern

On 28th November 2023 the college was granted an academy order which gave the opportunity to convert to an academy in the future, should the Corporation choose to do so. The college has now made the decision to convert to an academy and joined The Coastal Collaborative Trust on the 1st October 2024. On this date the assets and liabilities of the Corporation transferred into the academy trust at their book value, and the Corporation ceased to be active. The other member of The Coastal Collaborative Trust is Hodgson Academy, with other local schools due to join in the near future.

Disclosure of information to auditors

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

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

Mr S Cooke, Chair of Directors

Professional Advisers

Financial statements auditors and reporting accountants:

ForvisMazars LLP
90 Victoria Street
Bristol
BS1 6DP

Internal auditors:

RSM Risk Assurance Services LLP
9th Floor
3 Hardman Street
Manchester
M3 3HF

Solicitors:

Eversheds
Cloth Hall Court
Infirmary Street
Leeds

Walker Morris
Kings Court
12 King Street
Leeds

Bankers:

Lloyds Bank
42-46 Market Street,
Manchester,
M1 1PW

Registered Office:

Blackpool Old Road
Blackpool
Lancashire
FY3 7LR

Key Management Personnel

Key management personnel are defined as the Principal and Accounting Officer and the Deputy Principal and were represented by the following in 2023/24:

Nicola Craven	Principal and Accounting Officer (from 19/02/2024)
Jill Gray	Principal and Accounting Officer (to 18/02/2024)
Gail Yeadon	Deputy Principal

Statement of Corporate Governance and Internal Control

The following statement is provided to enable readers of the annual report and accounts of the college to obtain a better understanding of its governance and legal structure. This statement covers the period from 1 August 2023 to 30 September 2024 and up to the date of approval of the annual report and financial statements.

The college endeavours to conduct its business:

i. in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
ii. in full accordance with the guidance to colleges from the Association of Colleges in The Code of Good Governance ("the Code"); and
iii. having due regard to the UK Corporate Governance Code 2018 insofar as it is applicable to the further education sector, including compliance with the principles of effective leadership, the appointment of a skilled and effective board of directors and good risk management.

The college is committed to exhibiting best practice in all aspects of corporate governance. On 1 July 2015 the college formally adopted the Association of Colleges Code of Good Governance for English Colleges published in March 2015, and continue to comply with this.

We have not adopted and therefore do not apply the UK Corporate Governance Code. However, we have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code we consider to be relevant to the further education sector and best practice.

The governing body is known as the Corporation and its members are referred to as Directors. In the opinion of the Directors, the college complies with all the provisions of the Code in so far as they apply to the Further Education Sector, and it has complied throughout the fourteen months ended 30 September 2024. The Corporation recognises that, as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times.

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

The Corporation

The members who served on the Corporation during the year and up to the date of signature of this report were as listed below, and have the title 'Director'.

Name	Date of appointment/ re-appointment	Term of office	Date of resignation/ retirement	Category of membership	Committees served during 2023/24	Corporation meeting attendance	Audit meeting attendance
Mr N Andrews	05/12/22	4 years		Staff		2 of 3	
Cllr C Baxter (Chair from 10/03/22 to 02/07/24)	10/06/19 21/03/23	4 years		Member	Administration and Finance; Search and Governance; Remuneration; Audit (observer)	2 of 3	2 of 3
Ms K Burnett	23/02/23	4 years		Member	Admin & Finance	3 of 3	
Mr A Burr	24/09/18 23/09/22	4 years	02/07/24	Staff	Administration and Finance; Search and Governance	3 of 3	
Hon. Alderman D Clapham	27/03/12 31/07/17 31/07/18	4 years (extended)	31/07/24	Member	Audit; Search and Governance; Remuneration	3 of 3	3 of 3
Mr K Collumbine	05/12/22	2 years	02/07/24	Student	Administration and Finance	3 of 3	
Mr S Cooke (Chair from 02/07/24)	09/05/23	4 years		Member		3 of 3	
Ms C Coyne	16.02.17 11/06/21	4 years	18/12/23	Member	Audit	1 of 1	1 of 1
Ms N Craven	19/02/24	Ex officio		Principal	All except Remuneration and Audit	2 of 2	1 of 1
Ms J Gray	01/01/15	Ex officio	18/02/24	Principal	All except Remuneration and Audit	3 of 3	2 of 2
Ms N Karunasekara	13/12/22	4 years		Member	Audit	3 of 3	3 of 3
Ms J Mannino	26/03/24	4 years		Member		2 of 2	
Mr J Mannino	28/01/20	4 years	27/01/24	Member	Safeguarding	0 of 1	
Mr L Marwood	13/11/23	2 years		Student		3 of 3	
Ms D Taaffe	05/02/16 28/01/20	4 years	27/01/24	Member	Audit; Remuneration	1 of 1	1 of 1
Ms Z Walsh	07/05/24	4 years		Parent		1 of 1	
Ms S Woodhouse	19/04/21	4 years		Parent	Audit; Remuneration	3 of 3	2 of 3

The Fylde Coast Academy Trust provided the clerking service to the Corporation until July 2024. Blackpool Council's Democratic Governance are now providing the clerking service.

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

The Corporation is provided with regular and timely information on the overall financial performance of the college together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel related matters such as health and safety and environmental issues. The Corporation meets at least once each term and also holds an annual conference.

The Corporation conducts its business through a number of committees. Each committee has terms of reference, which have been approved by the Corporation. These committees are Standards Board (of which all Directors are members), Administration and Finance, Remuneration, Search and Governance, and Audit. The Corporation is also a member of the Fylde Coast Academy Trust DSL Network and a designated Safeguarding Director attends these meetings. Minutes from all these meetings are shared with members and, except for those deemed confidential, are available from the clerking service at:

Democratic Governance
Chief Executives
Blackpool Council
Number One, Bickerstaffe Square
Blackpool
FY1 3AH

By post:
Democratic Governance
PO Box 4
Blackpool
FY1 1NA

The clerking service maintains a register of financial and personal interests of the Directors. The register is available for inspection at the above address.

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

Formal agendas, papers and reports are supplied to Directors in a timely manner, prior to Board meetings. Briefings are also provided on an ad-hoc basis. Meetings have been held either in person or virtually, and continue to be minuted.

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 of the Corporation and Accounting Officer of the college are separate.

Appointments to the Corporation

Any new appointments to the Corporation are a matter for the consideration of the Corporation as a whole. The Corporation has a Search and Governance Committee normally comprising a Chair, and up to five other members of the Corporation, including the Accounting Officer, which is responsible for the selection and nomination of any new member for the Corporation's consideration. The Corporation is responsible for ensuring that appropriate training is provided as required.

Members of the Corporation are appointed for a term of office not exceeding 4 years. The usual maximum number of terms is two, although exceptionally the board can extend this if it feels it appropriate. Student Directors are usually appointed for a term of 2 years, or the currency of them being a student at the college, whichever is shorter.

The members of the Corporation at 30th September 2024 will form the local governing body of the new academy with some members becoming trustees of The Coastal Collaborative Trust.

Corporation performance

The Directors' Self-Assessment Report graded college governance as 'Outstanding'. Key strengths included:

- The governing board is a committed team that works well with senior leaders and the governance professional (clerk to the board);
- The chair is elected every two years, leads with integrity, is supported by a vice chair and ensures the board stays strategic and does not shy away from making the right decisions for the college;
- The college employs a dedicated governance professional with an up-to-date job description who supports the board with independent advice and guidance;
- Succession is planned, the recruitment process is designed to ensure new board members are recruited to fill skills gaps and ensure diversity of knowledge, experience, perspectives and approaches;
- The governing board is the right size with a proportionate committee structure;
- The governing board and the principal have agreed the college's values which are evident in policies and practice, ensure ethical behaviours and underpin a healthy culture across the college;
- The governing board and principal have established a clear and ambitious vision which describes what the college should look like in three to five years and what students will achieve;
- Those governing have agreed with the principal a limited number of measurable strategic aims which need to be met in order for the college to achieve its vision; these aims drive the board's business;
- Those governing hold the principal to account for the quality of education, ensuring college leaders develop, implement and deliver a broad and balanced curriculum which is taught effectively;
- Those governing are involved in the identification and assessment of key strategic risks;
- Those governing are confident that the decisions the governing board makes have led to both improved outcomes for students and ongoing financial stability for the college.

The governance self-assessment of their performance and effectiveness was validated by Ofsted in December 2021 when the college was rated as Outstanding. The inspection report stated:

"The work of governors is highly effective. Governors have a thorough strategic understanding of the strengths and areas for improvement across all college activities.

Records of their meetings are clear and detailed. These demonstrate how governors use their skills and experience to fully support senior leaders and challenge the information they receive appropriately and rigorously. This ensures that quality improvement actions are very effective and implemented swiftly. Governors are ambitious for their students. They have an excellent understanding of the curriculum rationale and the impact that it has on ensuring high levels of social justice and student achievement. Governors have a high level of trust and confidence in the Senior Leadership Team"

All directors have access to a wide range of training and development to complement their individual roles. The Chair of the Board meets annually with each board member to discuss their personal development needs and the relevant training is then provided either by the college directly or by an external source, e.g. Sixth Form Colleges Association (SFCA). All directors have access to the SFCA governance webinars either via the live webinars or the recordings from each session. The Clerk is provided by a professional clerking service run by Blackpool Council.

An independent external review of governance has not taken place during 2023/24.

Remuneration Committee

Throughout the fourteen months ending 30 September 2024 the college's Remuneration Committee comprised the Chair of the Corporation and two other members from a Committee not represented by the Chair. The Committee's responsibilities are to review the performance of, and to make recommendations to the Board on the remuneration and benefits of the Accounting Officer and the other senior post holder. Since May 2014 a clerking service has been provided by Fylde Coast Academy Trust, replaced by Blackpool Council's Democratic Governance service in August 2024, and it is the Committee's responsibility to consider the Service Level Agreement and fee for this clerking service.

Details of remuneration for the fourteen months ended 30 September 2024 are set out in note 7 to the financial statements.

Audit Committee

The Audit Committee comprises three members of the Corporation (excluding the Accounting Officer and Chair). The committee operates in accordance with written terms of reference approved by the Corporation and assesses its own effectiveness and performance on an annual basis against a set of key performance indicators.

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

The college's internal auditors review the systems of internal control, risk management controls and governance processes in response to requests from management and the committee and report their findings to management and the Audit Committee.

Management is responsible for the implementation of agreed audit recommendations, and regular reports are provided to the committee to ensure such recommendations have been implemented.

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

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 effective and efficient use of resources, the solvency of the institution and the corporate body and the safeguarding of their assets. This is done in accordance with the responsibilities assigned to her as required by Section 5(3)(c) of Part 2 of Schedule 4 of the Further and Higher Education Act 1992, and in the Funding Agreement between the college and the funding bodies. She is also responsible for reporting to the Corporation any material weaknesses or breakdowns in internal control.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of college policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the college for the fourteen months ended 30 September 2024 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 30 September 2024 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Corporation.

The risk and control framework

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

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

The college has an internal audit service, which operates in accordance with the requirements of the ESFA's *Post 16 Audit Code of Practice*. The work of the internal audit service is informed by an analysis of the risks to which the college is exposed, and annual internal audit plans are based on this analysis. The analysis of risks and the internal audit plans are endorsed by the Corporation on the recommendation of the Audit Committee, who provide an annual report on the effectiveness of the college's system of risk management, controls and governance processes.

Responsibilities under funding agreements

The college receives grant funding via a funding agreement, referred to as the Accountability Agreement, between the Secretary of State for Education and the college, which sets out the terms and conditions on which any grant is made. The Governing Body is responsible for ensuring that the conditions of the grant are met. As part of this agreement, the college must adhere to the Post-16 Audit Code of Practice, which requires it to have sound systems of financial and management control. The Financial Regulations of the college form part of this overall system of accountability.

On 29th November 2022, the Department for Education (DfE) and Education and Skills Funding Agency (ESFA) introduced new controls for the college on the day that the Office for National Statistics (ONS) reclassified colleges as public sector organisations in the national accounts. The ESFA chief executive communicated these changes to all college accounting officers and explained plans to introduce a college financial handbook. This was published in 2024 and became effective from 1 August 2024. The college has reviewed its policies, procedures and approval processes in line with these new requirements to ensure there are systems in place to identify and handle any transactions for which DfE approval is required.

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 that the corporation has effective internal controls in place.

The specific areas of work undertaken by the Audit Committee in 2023/24 and up to the date of the approval of the financial statements included:

- receiving and recommending audit reports from external auditors;
- reviewing cyber security and risk management reports and taking part in discussions regarding work in these areas;
- receiving updates and taking part in discussions regarding internal procedures and processes of control and assurance;
- receiving updates and taking part in discussions regarding progress on audit recommendations;
- reviewing and taking part in discussions regarding key performance indicators and terms of reference;
- receiving information and taking part in discussions regarding the FE reclassification and the impact upon the college.

Review of effectiveness

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

- the work of the internal auditors and other specialist advisors;
- the work of the Senior Leadership Team within the college who have responsibility for the development and maintenance of the internal control framework; and
- comments made by the college's financial statements auditors and the reporting accountant for regulatory assurance in their management letters and other reports.

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

The Accounting Officer and Senior Leadership Team receive reports setting out key performance and risk indicators and consider possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments and reinforced by risk awareness training. The Principal and Senior Leadership Team and the Audit Committee also receive regular reports from internal audit and other sources of assurance, which include recommendations for improvement. The Audit Committee's role in this area is confined to a high-level review of the arrangements for internal control. The Corporation's agenda and the agenda for each committee meeting include a regular item for consideration of risk and control and receive reports thereon from the Senior Leadership Team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its December 2024 meeting, the Corporation will carry out the annual assessment for the fourteen months ended 30 September 2024 by considering documentation from the Senior Leadership Team and internal audit and specialist advisors.

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

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

Mr S Cooke, Chair of Directors

Mrs N Craven, Accounting Officer

Statement of Regularity, Propriety and Compliance

As accounting officer, I confirm that the corporation has had due regard to the framework of authorities governing regularity, priority and compliance, and the requirements of grant funding agreements and contracts with ESFA, and has considered its responsibility to notify ESFA of material irregularity, impropriety and non-compliance with those authorities and terms and conditions of funding.

I confirm on behalf of the corporation that after due enquiry, and to the best of my knowledge, I am able to identify any material irregular or improper use of funds by the corporation, or material non-compliance with the framework of authorities and the terms and conditions of funding, under the corporation's grant funding agreements and contracts with ESFA, or any other public funder. This includes the elements outlined in the 'Dear accounting officer' letter of 29 November 2022 and ESFA's bite sized guides.

I confirm that no instances of material irregularity, impropriety or funding non-compliance, or non-compliance with the framework of authorities have been discovered to date. If any instances are identified after the date of this statement, these will be notified to ESFA.

Mrs N Craven, Accounting Officer Date:

On behalf of the corporation, I confirm that the Accounting Officer has discussed their statement of regularity, propriety and compliance with the board and that I am content that it is materially accurate.

Mr S Cooke, Chair of Directors Date:

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 Corporation's grant funding agreements and contracts with ESFA 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 Institutions, the College Accounts Direction 2023 to 2024 issued by the ESFA, 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;
- assess whether the corporation is a going concern, noting the key supporting assumptions, qualifications or mitigating actions as appropriate;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare financial statements on the going concern basis unless it is inappropriate to assume that the college will continue in operation.

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

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

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

Members of the Corporation are responsible for ensuring that expenditure and income are applied for the purposes intended and that the financial transactions conform to the authorities that govern them. In addition, they are responsible for ensuring that funds from ESFA, and any other public funds, are used only in accordance with ESFA's grant funding agreements and contracts and any other conditions, that may be prescribed from time to time by ESFA, or any other public funder, including that any transactions entered into by the corporation are within the delegated authorities set out in the 'Dear accounting officer' letter of 29 November 2022 and ESFA's bite size guides. 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 ESFA and other public bodies are not put at risk.

Approved by orders of the members of the Corporation on and signed on its behalf by:

Mr S Cooke, Chair of Directors

Independent auditor's report to the members of The Blackpool Sixth Form College

Opinion

We have audited the financial statements of The Blackpool Sixth Form College (the 'College') for the period ended 30 September 2024 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 College's affairs as 30th September 2024 and of its surplus of income over expenditure for the period 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 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.

Emphasis of matter

We draw attention to note 1 in the financial statements, which explains that the Corporation transferred all assets and liabilities into The Coastal Collaborative Trust on 1 October 2024 and therefore the members of the Corporation do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in Note 1. Our opinion is not modified in respect of this matter.

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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Post 16 Audit Code of Practice issued by the Education and Skills Funding Agency 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
- the information given in the report of the Members of the Corporation, including the operating and financial review and statement of corporate governance, is inconsistent with the financial statements; 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 25, 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 College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Corporation either intend to liquidate the College or to cease operations, or have no realistic alternative but to do so.

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 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 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 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 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 legislation 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 posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, revenue recognition (which we pinpointed to the cut-off assertion), 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.

Use of the audit report

This report is made solely to the Corporation as a body in accordance with Article 22 of the College's Articles of Government. Our audit work has been undertaken so that we might state to the Corporation 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.

Forvis Mazars LLP

Chartered Accountants and Statutory Auditor

90 Victoria Street, Bristol, BS1 6DP

Date

To: The corporation of The Blackpool Sixth Form College and Secretary of State for Education acting through Education and Skills Funding Agency ("ESFA")

In accordance with the terms of our engagement letter dated November 2024 and further to the requirements and conditions of funding in ESFA's grant funding agreements and contracts, or those of any other public funder, 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 The Blackpool Sixth Form College during the period 1 August 2023 to 30 September 2024 have not been applied to the purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

The framework that has been applied is set out in the Post-16 Audit Code of Practice (the Code) issued by ESFA and in any relevant conditions of funding, concerning adult education notified by a relevant funder.

This report is made solely to the corporation of The Blackpool Sixth Form College and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the corporation of The Blackpool Sixth Form College and ESFA 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 The Blackpool Sixth Form College and ESFA for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Blackpool Sixth Form College and the reporting accountant

The corporation of The Blackpool Sixth Form College is responsible, under the requirements of the Further & Higher Education Act 1992, subsequent legislation and related regulations and guidance, for ensuring that expenditure disbursed, and income received, are applied for the purposes intended by Parliament, and the financial transactions conform to the authorities that govern them.

Our responsibilities for this engagement are established in the United Kingdom by the Code our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Code. 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 2023 to 30 September 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Code issued by ESFA. We performed a limited assurance engagement as defined in that framework.

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 and propriety.

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 financial memorandum with the ESFA/funding agreement with the ESFA.
- 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.
- Reviewed approved policies and procedures operating during the year for each funding stream that has specific terms attached.
- 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 the requirements of HM Treasury's "Managing Public Money" document.

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 2023 to 30 September 2024 has not been applied to purposes intended by Parliament, and that the financial transactions do not conform to the authorities that govern them.

Signed:

ForvisMazars LLP

Date:

The Blackpool Sixth Form College
Statement of Comprehensive Income
30 September 2024

	Notes	Fourteen months ended 30 September 2024 £000	Year ended 31 July 2023 £000
Income			
Funding body grants	2	15,080	12,812
Tuition fees and education contracts	3	-	-
Research grants and contracts	4	15	36
Other income	5	1,024	941
Investment income	6	251	55
Total Income		**16,370**	**13,844**
Expenditure			
Staff costs	7	10,756	9,490
Other operating expenses	8	3,757	3,131
Depreciation	11	896	717
Interest and other finance costs	9	191	169
Total Expenditure		**15,600**	**13,507**
Surplus before tax		**770**	**337**
Taxation	10	-	-
Surplus for the year		**770**	**337**
Actuarial (loss)/gain in respect of pension schemes	17	(168)	1,019
Total comprehensive income for the year		**602**	**1,356**
Represented by:			
Unrestricted comprehensive income for the year		602	1,266
Restricted comprehensive income for the year		-	90
		602	**1,356**

	Income and expenditure account £'000	Revaluation reserve £'000	Restricted reserve £'000	Total £'000
Balance at 1 August 2022	12,317	1,428	175	13,920
Surplus from the income and expenditure account	247	-	90	337
Other comprehensive income	1,019	-	-	1,019
Transfers between revaluation and income and expenditure reserves	45	(45)	-	-
	1,311	(45)	90	1,356
Balance at 31 July 2023	13,628	1,383	265	15,276
Surplus from the income and expenditure account	770	-	-	770
Other comprehensive income	(168)	-	-	(168)
Transfers between revaluation and income and expenditure reserves	52	(52)	-	-
Transfers between restricted and income and expenditure reserves	109	-	(109)	-
Total comprehensive income for the year	763	(52)	(109)	602
Balance at 30 September 2024	14,391	1,331	156	15,878

The Blackpool Sixth Form College
Balance Sheet
As at 30 September 2024

	Notes	As at 30 September 2024 £'000	As at 31 July 2023 £'000
Non current assets			
Tangible Fixed assets	11	20,124	20,289
		20,124	**20,289**
Current assets			
Stocks		10	22
Trade and other receivables	12	524	329
Cash and cash equivalents	16	5,035	7,948
		5,569	**8,299**
Less: Creditors – amounts falling due within one year	13	(1,955)	(2,777)
Net current assets		**3,614**	**5,522**
Total assets less current liabilities		**23,738**	**25,811**
Creditors – amounts falling due after more than one year	13	(7,860)	(10,535)
Provisions			
Defined benefit obligations	15	-	-
Total net assets including pension liability		**15,878**	**15,276**
Unrestricted reserves			
Income and expenditure account		14,391	13,628
Revaluation reserve		1,331	1,383
		15,722	15,011
Restricted reserves			
Income and expenditure account		156	265
Total reserves		**15,878**	**15,276**

The financial statements on pages 34 to 61 were approved and authorised for issue by the Corporation on and were signed on its behalf on that date by:

Mr S Cooke
Chair of Directors

Mrs N Craven
Accounting Officer

The Blackpool Sixth Form College
Statement of Cash Flows
for the fourteen months ended 30 September 2024

	Notes	Fourteen months ended 2024 £'000	Year ended 2023 £'000
Cash flow from operating activities			
Surplus for the year		770	337
Adjustment for non-cash items			
Depreciation	11	896	717
Decrease/(increase) in stock		12	(4)
Increase in trade and other receivables	12	(195)	(95)
(Decrease)/increase in creditors due within one year	13	(513)	562
Capital grant movement	3	(368)	(297)
Pensions costs less contributions payable	17	(168)	247
Adjustment for investing or financing			
Investment income	6	(251)	(55)
Interest payable	9	191	150
Loss on sale of fixed assets	11	5	14
Net cash flow from operating activities		379	1,576
Cash flows from investing activities			
Proceeds from sale of assets		-	-
Investment income	6	251	55
Payments made to acquire fixed assets	11	(737)	(172)
		(486)	(117)
Cash flows from financing activities			
Interest paid	9	(191)	(150)
Receipt of government grants		12	76
Repayments of amounts borrowed	14	(2,627)	(313)
		(2,806)	(387)
(Decrease)/increase in cash and cash equivalents in the year		**(2,913)**	**1,072**
Cash and cash equivalents at beginning of the period	16	7,948	6,876
Cash and cash equivalents at end of the period	16	5,035	7,948

1. Notes to the Accounts

Statement of accounting policies and estimation techniques

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

Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education Institutions 2019 ("the 2019 HE FE SORP"), the College Accounts Direction for 2023 to 2024 and in accordance with Financial Reporting Standard 102 – the "Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS102).

The preparation of financial statements in compliance with FRS102 requires the use of critical accounting estimates. It also requires management to exercise judgement in applying the college's accounting policies.

Basis of accounting

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

Going concern

The activities of the college, together with the factors likely to affect its future development and performance are set out in the Strategic Report and events after the reporting period (note 18 on page 60). The financial position of the college, its cashflow, liquidity and borrowings are described in the Financial Statements and accompanying notes.

In June 2024 the college repaid its long term loans on which £1.86m and £0.76m was outstanding at 31 July 2023. These loans had been negotiated in 2007 and 2011 and were secured through a negative pledge. Lloyds Bank have confirmed that both loan accounts are now closed and there are no amounts outstanding.

In 2022-23 the college was granted an academy order which gave it the opportunity to convert to an academy in the future, if the Corporation chose to do so. During 2023-24 the date of conversion was agreed as the 1st October 2024, on which date the assets and liabilities of the Corporation would transfer into The Coastal Collaborative Trust and the college's Corporation would cease to be active.

Following the transfer of activities into The Coastal Collaborative Trust, activities in the Corporation ceased. As a result the Corporation is not considered a going concern. No adjustments have been made to the financial statements as at 30 September 2024 in relation to this as the net assets were transferred at their book value on 1 October 2024 and this is therefore considered their recoverable amount.

Recognition of income

Government revenue grants include funding body recurrent grants and are accounted for under the accrual model as permitted by FRS102. Funding body recurrent grants are measured in line with best estimates for the period of what is receivable and depend on the particular income stream involved. 16-18 learner-responsive funding is not normally subject to a reconciliation and is therefore not subject to contract adjustments.

1. Statement of accounting policies and estimation techniques (continued)

Government capital grants are capitalised, held as deferred income and recognised in income over the expected useful life of the asset, under the accrual method as permitted by FRS102. Other capital grants are recognised in income when the college is entitled to the funds subject to any performance related conditions being met.

Income from non-exchange transactions is recognised on entitlement as restricted income.

Income from short-term deposits is credited to the income and expenditure account in the period in which it is earned.

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

Post-employment benefits

Post-employment benefits to employees of the college are provided by the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). These are defined benefit schemes, which are externally funded. They were contracted out of the State Second Pension until 5 April 2016.

The TPS is an unfunded scheme. Contributions to the TPS are charged to the income and expenditure account so as to spread the cost of pensions over employees' working lives with the college in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of valuations using a prospective benefit method. The TPS is a multi-employer scheme and there is insufficient information available to enable the college to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution plan and the contributions recognised as an expense in the income statement in the periods during which services are rendered by employees.

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

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

1. Statement of accounting policies and estimation techniques (continued)

Short term employment benefits

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

Non-current assets - tangible fixed assets

Land and buildings

Land and buildings inherited from the Local Education Authority are stated in the balance sheet at valuation on acquisition. The valuation is based on depreciated replacement cost as the market value is not readily obtainable. The associated credit is included in the revaluation reserve.

Other land and buildings are included in the balance sheet at cost. Freehold land is not depreciated as it is considered to have an infinite useful life. Freehold buildings are depreciated over their expected useful economic life to the college of 50 years. A full year's depreciation is charged in the year of acquisition.

Where land and buildings are acquired with the aid of specific grants, they are capitalised and depreciated as above. The related grants are credited to a deferred capital grant account within creditors and are released to the income and expenditure account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Finance costs, which are directly attributable to the construction of land and buildings, are not capitalised as part of the cost of those assets.

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

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

Assets under construction

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

Subsequent expenditure on existing fixed assets

Where significant expenditure is incurred on tangible fixed assets it is charged to income in the period it is incurred, unless it increases the future benefit to the college, in which case it is capitalised and depreciated on the relevant basis:

1. Statement of accounting policies and estimation techniques (continued)

Equipment, plant and machinery

Equipment, plant and machinery costing less than £1,000 per individual item is written off to the income and expenditure account in the year of acquisition. All other items are capitalised at cost and depreciated over their useful economic life as follows:

Equipment	20% per year on a reducing balance basis
Computer equipment	33% per year on a straight line basis
Plant and machinery	5% per year on a straight line basis

A full year's depreciation is charged in the year of acquisition. Where equipment is acquired with the aid of specific grants it is capitalised and depreciated in accordance with the above policy, with the related grant being credited to a deferred capital grant account within creditors and released to income and expenditure account over the expected useful economic life of the related equipment.

Leased assets

Costs in respect of operating leases are charged on a straight-line basis over the lease term to the Statement of Comprehensive Income. Any lease premiums or incentives relating to leases signed after 1st August 2014 are spread over the minimum lease term.

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

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

Maintenance of premises

The cost of routine corrective maintenance is charged to income as incurred.

Taxation

The college is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the college is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 505 of the ICTA 1988 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.

1. Statement of accounting policies and estimation techniques (continued)

The college is partially exempt in respect of Value Added Tax and can only recover minimal input VAT in respect of its taxable activities. The college is unable to recover input VAT it suffers on goods and services purchased in relation to education provision. Non-pay expenditure is therefore shown inclusive of VAT with any partial recovery netted off against these figures.

Cash and cash equivalents

Cash includes cash in hand and short-term deposits (3 months or less) held with recognised banks and building societies.

Financial liabilities and equity

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

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

Provisions and contingent liabilities

Provisions are recognised when

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

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

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

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

1. Statement of accounting policies and estimation techniques (continued)

Stock

Stock is valued at the lower of cost and selling price less costs to sell.

Judgements in applying accounting policies and key sources of estimation uncertainty

Key sources of estimation uncertainty

- *Tangible fixed assets*

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

- *Local Government Pension Scheme*

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 17, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 30 September 2024. 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.

- *Bursary income and expenditure*

Bursary funding from the Education and Skills Funding Agency is recognised in funding body income, with all associated expenditure included in other operating expenses. This judgement has been applied on the basis that the college acts as Principal as opposed to Agent, retaining the ability to control the use of the funds received.

2 Funding Body Grants

	Fourteen months ended 30 September 2024 £000	Year ended 31 July 2023 £000
Recurrent grants		
Education and Skills Funding Agency -16-19	13,485	11,877
Specific grants		
Education and Skills Funding Agency	1,147	603
Other non-recurrent grants	80	35
Release of government capital grants	368	297
Total	**15,080**	**12,812**

3 Tuition Fees and Education Contracts

	Fourteen months ended 30 September 2024 £000	Year ended 31 July 2023 £000
Apprenticeship fees and contracts	-	-
Total	**-**	**-**

4 Other Grants and Contracts

	Fourteen months ended 30 September 2024 £000	Year ended 31 July 2023 £000
Other grants and contracts	15	36
	15	**36**

5 Other Income

	Fourteen months ended 30 September 2024 £000	Year ended 31 July 2023 £000
Other income generating activities	330	179
Catering	694	672
Donation	-	90
	1,024	**941**

6 Investment Income

	Fourteen months ended 30 September 2024 £000	Year ended 31 July 2023 £000
Other interest receivable	251	55
	251	**55**

7 Staff Costs

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

	Fourteen months ended 30 September 2024 Number	Year ended 31 July 2023 Number
Teaching staff	101	104
Non teaching staff	122	136
	223	**240**

	Fourteen months ended 30 September 2024 £000	Year ended 31 July 2023 £000
Staff costs for the above persons:		
Wages and salaries	8,292	7,178
Social security costs	830	690
Other pension costs (including FRS102(28) adjustments of £168k in 2024 and £228k in 2023)	1,634	1,622
Total staff costs	**10,756**	**9,490**

In 2023-2024 there was a change of Accounting Officer with the outgoing Accounting Officer leaving on 18 February 2024 and the incoming Accounting Officer starting on 19 February 2024. At no point in the year were there more than two senior post-holders.

Teaching staff received a pay award increase between 6.5% and 8.44%, effective 1st September 2023.

Support staff received a pay award increase of 6.5%, effective 1st September 2023. In addition the Support Staff Standards Payment of £390 per annum was incorporated into basic pay levels and will therefore be paid on a permanent basis.

Key management personnel salaries were subject to separate review. The college paid 12 severance payments in the fourteen months to 30 September 2024 as outlined below (Year to 31 July 2023; Nil). All severance payments were within statutory and contractual requirements.

	Number
£0 - £25,000	12

7 Staff costs (continued)

Key management personnel

Key management personnel are those persons having authority for planning, directing and controlling the activities of the college and are represented by the Principal and Deputy Principal.

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

	2024 Number	2023 Number
The number of key management personnel including the Accounting Officer was:	2	2

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:

	Fourteen months ended 30 September 2024		Year ended 31 July 2023	
	Number senior post-holders	Number Other Staff	Number senior post-holders	Number Other Staff
£60,001 to £65,000		9		1
£65,001 to £70,000		4		2
£70,001 to £75,000	1			1
£75,001 to £80,000		2		
£80,001 to £85,000		2		
£85,001 to £90,000	1			
£90,001 to £95,000		1	1	
£110,001 to £115,000	1			
£135,001 to £140,000			1	
	3	**18**	**2**	**4**

The above tables include the two Accounting Officers separately as their periods of office did not overlap. 13 members of staff would not be included if the figures were for a 12 month period. Including part time workers grossed up to full time equivalent, no additional members of staff were paid above £60,000 in 2023/24 (2022/23: Nil).

Key management personnel emoluments are made up as follows:	Fourteen months ended 30 September 2024 £000	Year ended 31 July 2023 £000
Salaries	272	234
Employers National Insurance	34	31
	306	**265**
Pension contributions	70	55
Total key management personnel emoluments	**376**	**320**

7 Staff costs (continued)

Bonuses were awarded and paid to key management personnel during the year. There were no salary sacrifice arrangements in place.

The above emoluments include amounts payable to the Accounting Officer (who is also the highest paid senior post holder) of:

	Fourteen months ended 30 September 2024 £000	Year Ended 31 July 2023 £000
Salary	151	133
Bonus	7	6
	158	139
Pension contributions	40	33

The salary and pension contributions above represent the combined amount paid to the current and previous Accounting Officer.

The remuneration package of the Principal is subject to annual review by the Remuneration Committee of the governing body who use benchmarking information to provide objective guidance. The Principal reports to the Chair of the Governing Body, who undertakes an annual review of her performance against the college's overall objectives using both qualitative and quantitative measures of performance.

Relationship of Principal pay and remuneration expressed as a multiple:

Principal's basic salary as a multiple of the median of all staff: 3.12
Principal's total remuneration as a multiple of the median of all staff: 3.2

These figures are in respect of the Principal in post at 30th September 2024.

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

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

8 Other Operating Expenses

	Fourteen months ended 30 September 2024 £000	Year ended 31 July 2023 £000
Teaching costs	461	658
Non-teaching costs	2,219	1,776
Premises costs	1,077	697
Total	**3,757**	**3,131**

Other operating expenses include:	**Fourteen Months ended 30 September 2024 £000**	**Year ended 31 July 2023 £000**
Auditors' remuneration:		
Financial statements audit	28	26
Other services provided by financial statements auditor:		
VAT advice	12	
Other services – Pension return	2	2
Internal audit	-	-
Hire of plant and machinery - operating leases	9	8

9 Interest and other finance costs

	Fourteen months ended 30 September 2024 £000	Year ended 31 July 2023 £000
On bank loans, overdrafts and other loans:	191	150
	191	150
Net interest on defined pension liability (see note 17)	-	19
	191	**169**

10 Taxation

The Directors do not believe the college was liable for any corporation tax arising out of activities during this or the prior year.

11 Tangible Fixed Assets

	Freehold land and buildings	Assets under construction	Plant & Machinery	Equipment	Computers	Leased Assets	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or Valuation							
At 1 August 2023	26,818	84	2,386	2,309	1,511	10	33,118
Additions	484	-	51	111	91	-	737
Transfers	84	(84)	-	-	-	-	-
Disposals	-	-	(10)	(2)	(42)	-	(54)
At 30 September 2024	**27,386**	**-**	**2,427**	**2,418**	**1,560**	**10**	**33,801**
Depreciation							
At 1 August 2023	7,747	-	1,468	2,122	1,482	10	12,829
Charge for year	628	-	143	69	56	-	896
Eliminated in respect of disposals	-	-	(5)	(1)	(42)	-	(48)
At 30 September 2024	**8,375**	**-**	**1,606**	**2,190**	**1,496**	**10**	**13,677**
Net book value At 30 September 2024	**19,011**	**-**	**821**	**228**	**64**	**-**	**20,124**
Net book value At 31 July 2023	19,071	84	918	187	29	-	20,289
Inherited	1,331	-	-	-	-	-	1,331
Financed by capital grant	8,037	-	369	46	12	-	8,464
Other	9,643	-	452	182	52	-	10,329
Net book value At 30 September 2024	**19,011**	**-**	**821**	**228**	**64**	**-**	**20,124**

11 Tangible Fixed Assets (continued)

Inherited land and buildings were valued in 1994 at depreciated replacement cost by a firm of independent chartered surveyors.

Other tangible fixed assets inherited from the LEA at incorporation have been valued by the college on depreciated replacement cost basis with the assistance of independent professional advice.

Land and buildings with a net book value of £1,331,000 (2023: £1,383,000) have been financed by local education sources. Should these assets be sold, the college may be liable, under the terms of the Finance Memorandum, to surrender the proceeds.

Included in the net book value of freehold land and buildings at 30 September 2024 is £592,000 (31 July 2023: £592,000) relating to land which is not depreciated

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

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

12 Trade and other receivables

	30 September 2024 £000	31 July 2023 £000
Amounts falling due within one year		
Trade receivables	74	37
Prepayments and accrued income	328	142
Other receivables	122	150
Total	**524**	**329**

13 Creditors

	30 September 2024 £000	31 July 2023 £000
Amounts falling due within one year		
Bank loans and overdrafts	-	325
Trade payables	-	211
Other taxation and social security	161	162
Accruals and deferred income	734	515
Amount owing to the ESFA	382	705
Other creditors	162	118
Deferred income – government capital grants	301	295
Deferred income – government revenue grants	69	59
Holiday pay accrual	146	387
Total	**1,955**	**2,777**

	30 September 2024 £000	31 July 2023 £000
Amounts falling due after more than one year		
Bank loans and overdrafts	-	2,302
Deferred income – government capital grants	7,860	8,233
Total	**7,860**	**10,535**

14 Bank loans and overdrafts

	30 September 2024 £000	31 July 2023 £000
Bank loans and overdrafts are repayable as follows:		
In one year or less	-	325
Between one and two years	-	340
Between two and five years	-	1,015
In five years or more	-	947
Total	**-**	**2,627**

Bank loans outstanding at 31 July 2023 were secured by a negative pledge and at 31 July 2023 £302,000 was repayable in monthly installments at a rate linked to base rate. £1,697,000 was repayable in monthly installments at a fixed rate of 5.31% plus 0.85% margin and £637,000 was repayable in monthly installments at a fixed rate of 2.875% plus 1% margin. In June 2024 both these loans were settled in full.

15 Provisions

	At 1 August 2023 £000	Movement in the period £000	At 30 September 2024 £000
Defined benefit obligations	-	-	-
Total	**-**	**-**	**-**

Defined benefit obligations relate to the liabilities under the college's membership of the Local Government Pension Scheme. Further details are given in Note 17.

16 Cash and cash equivalents

	At 1 August 2023 £000	Cashflows £000	Other changes £000	At 30 September 2024 £000
Cash and cash equivalents	7,948	(2,913)	-	5,035
Total	**7,948**	**(2,913)**	**-**	**5,035**

17 Defined benefit obligations

The college's employees belong to two principal post-employment benefit plans: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Lancashire County Council. Both are defined-benefit plans.

Total pension cost		**Fourteen months ended 30 September 2024**		**Year ended 31 July 2023**
	£000	**£000**	**£000**	**£000**
Teachers Pension Scheme: contributions paid		1,328		1,004
Local Government Pension Scheme				
Contributions paid	474		390	
FRS 102 (28) charge	(168)		228	
Charge to the Statement of Comprehensive Income (staff costs)		306		618
Total Pension Cost for Year		**1,634**		**1,622**

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest formal actuarial valuations of the TPS was 31 March 2020 and the LGPS 31 March 2022. Contributions amounting to £42,288 (31 July 2023: £46,716) were payable to the LGPS and £124,389 (31 July 2023: £114,296) were payable to the TPS at 30 September and are included within creditors.

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 FRS102 (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 FRS102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The college has set out above the information available on the plan and the implications for the college in terms of the anticipated contribution rates. The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.
The latest actuarial review of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education (the Department) in October 2023. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262 billion, and notional assets (estimated future contributions together with notional investments held at the valuation date) of £222 billion giving a notional past service deficit of £40 billion.

17 Defined benefit obligations (continued)

As a result of the valuation, employer contribution rates were set at 28.6% of pensionable pay from April 2024 onwards (compared to 23.6% from September 2019). The Department agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2024/25 and 2023/24 academic years.

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

The pension costs paid to TPS for employer and employee contributions in the fourteen months amounted to £1,810,161 (Year to 31 July 2023: £1,397,946).

Local Government Pension Scheme

The LGPS is a funded defined-benefit plan, with the assets held in separate trustee-administered funds. The total contributions made for the fourteen months ended 30 September 2024 were £643,061 (Year to 31 July 2023: £536,735), of which employer's contributions totalled £474,412 (Year to 31 July 2024: £390,492) and employees' contributions totalled £168,649 (Year to .31 July 2023: £146,243). The agreed future contribution rates for the sixth form college are 17.4% to April 2025, increasing to 18.2% for 2025/26 after which the next valuation will determine the rates payable. There is a contribution rate between 5.5% and 12.5% for employees depending on their salary level.

On 26 October 2018, the High Court handed down a judgement involving the Lloyds Banking Group's defined benefit pension schemes. The judgement concluded the schemes should be amended to equalise pension benefits for men and women in relation to guaranteed minimum pension benefits, ('GMP'). The Government will need to consider this outcome in conjunction with the Government's recent consultation on GMP indexation in public sector schemes before concluding on any changes required to LGPS schemes.

These accounts show a past service cost of £Nil (Year to 31 July 2024: £Nil) in respect of the McCloud / Sergeant judgement which ruled that the transitional protection for some members of public service schemes implemented when they were reformed constituted age discrimination. The calculation of adjustment to past service costs arising from the outcome of the Court of Appeal judgement 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
- future pay growth
- 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.

17 Defined benefit obligations (continued)

Principal Actuarial Assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2022 updated to 30 September 2024 by a qualified independent actuary.

	At 30 September 2024	At 31 July 2023
Rate of increase in salaries	4.1%	4.2%
Rate of increase for pensions in payment / inflation	2.7%	2.8%
Discount rate for scheme liabilities	5.1%	5.0%
Inflation assumption (CPI)	2.6%	2.7%

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

	At 30 September 2024	At 31 July 2023
Retiring today:		
Males	21	21
Females	23.5	23.4
Retiring in twenty years:		
Males	22.2	22.2
Females	25.3	25.2

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

		Value at 30 September 2024		Value at 31 July 2023
		£'000		£'000
Equities	47.7%	5,273	48.4%	4,777
Government bonds	0.1%	11	0.4%	39
Bonds	0.1%	11	0.0%	-
Property	8.5%	940	9.5%	937
Cash	1.4%	155	0.6%	59
Other	42.2%	4,665	41.1%	4,056
Total fair value of plan assets		**11,055**		**9,868**
Actual return on plan assets		**844**		**209**

17 Defined benefit obligations (continued)

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

	2024 £'000	2023 £'000
Fair Value of plan assets	(11,055)	(9,868)
Present value of plan liabilities	8,444	8,161
Restriction in recognition of plan assets	2,611	1,707
Net pensions liability (Note 15)	-	-

The FRS 102 asset has not been recognised as it does not reflect any asset ceiling and a decision was taken not to recognise one given that contributions have not reduced materially and the data is very volatile, amongst other factors. The actuarial gain recognised in the Statement of Comprehensive Income is the amount required to retain a "nil" pension asset value presentation.

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

	2024 £'000	2023 £'000
Amounts included in staff costs:		
Employer service cost (net of employer contributions)	72	(213)
Administration expenses	(17)	(15)
Net interest received/(cost)	113	(19)
Past service cost	-	-
Total	168	(247)

	At 30 September 2024 £'000	At 31 July 2023 £'000
Amount recognised in other comprehensive income:		
Remeasurements (liabilities)	478	2,841
Remeasurements (assets)	258	(115)
Restriction in recognition of plan assets	(904)	(1,707)
Total	(168)	1,019

17 Defined benefit obligations (continued)

	2024 £'000	2023 £'000
Movement in net defined liability during period		
Deficit in scheme at 1 August	-	(772)
Movement in year:		
Employer service cost	(402)	(602)
Employer contributions	474	389
Administration expenses	(17)	(15)
Net interest	113	(19)
Past service cost		-
Actuarial gain or loss	736	2,726
Restriction in recognition of plan assets	(904)	(1,707)
Net defined liability at 30 September 2024 (31 July 2023)	**-**	**-**

Asset and liability reconciliation

	At 30 September 2024 £'000	At 31 July 2023 £'000
Changes in the present value of defined benefit obligations		
Defined benefit obligations at start of period	8,161	10,071
Service cost	402	602
Interest cost	473	351
Employee contributions	169	146
Remeasurement losses/(gain)	(478)	(2,841)
Benefits/transfers paid	(283)	(168)
Past Service cost	-	-
Defined benefit obligations at end of period	8,444	8,161
Changes in fair value of plan assets		
Fair value of plan assets at start of period	9,868	9,299
Interest on plan assets	586	332
Remeasurement gain/(losses)	258	(115)
Employer contributions	474	389
Employee contributions	169	146
Benefits/transfers paid	(283)	(168)
Administration expenses	(17)	(15)
Fair value of plan assets at end of period	11,055	9,868

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. 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 Corporation will continue to monitor the developments and consider the impact on the LGPS liabilities recognised by the actuaries.

18 Events after the reporting period

On 26 June 2023 the Corporation voluntarily applied to become an academy, and on 28th November 2023 was awarded an academy order by the Department for Education. The academy order allowed the Corporation to voluntarily start the formal process to convert to an academy in the future, when it was fully satisfied that it was the most suitable direction for the future of Blackpool Sixth. On 1st October 2024 the college converted to an academy and became a part of The Coastal Collaborative Trust which is a multi-academy trust currently consisting of Hodgson Academy, with other local schools due to join in the near future.

19 Capital and other commitments

	30 September 2024 £000	31 July 2023 £000
Commitments contracted for at the end of the period	11	130

20 Lease Obligations

At the end of the period the college had future minimum lease payments under non-cancellable operating leases as follows:

	30 September 2024 £000	31 July 2023 £000
Future minimum lease payments due		
Equipment		
Not later than one year	7	7
Later than one year and not later than five years	10	17
Later than five years	-	-
	17	24

The lease expense accounted for during the fourteen months to 30 September 2024 amounted to £9k (Year 2022/23: £8k).

21 Related Party Transactions

Due to the nature of the college's 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 Director of the Corporation may have an interest. All transactions involving organisations in which a Director may have an interest are conducted at arm's length and in accordance with the college's financial regulations and normal procurement procedures. The agenda for each meeting contains a standard item for declaration of interest in connection with any of the items on the agenda.

The total expenses paid to or on behalf of the directors during the fourteen months to 30 September 2024 was £Nil (Year to 31 July 2023: £Nil). No director has received any remuneration or waived payments from the college during the fourteen months to 30 September 2024 (Year to 31 July 2023: None).

Fylde Coast Academy Trust – an associate of The Blackpool Sixth Form College

There were sales ledger transactions in the fourteen months to 30 September 2024 amounting to £Nil (Year to 31 July 2023: £Nil). There were purchase ledger transactions in the fourteen months amounting to £17,000 (Year to 31 July 2023: £15,000), primarily in relation to the provision of governance services. At the end of the period the Fylde Coast Academy Trust owed college £Nil (31 July 2023: £Nil) and college owed Fylde Coast Academy Trust £Nil (31 July 2023: £Nil).

Fylde Coast SCITT – an associate of The Blackpool Sixth Form College

There were sales ledger transactions in the fourteen months to 30 September 2024 amounting to £94,456 (Year to 31 July 2023: £113,592) primarily in relation to the recharge of staffing costs for staff secondment and staff on joint employment contracts, and for placement costs. There were no purchase ledger transactions in the period (Year to 31 July 2023: £Nil). At the end of the period the Fylde Coast SCITT owed college £21,160 (31 July 2023: £28,594) and college owed Fylde Coast SCITT £Nil (31July 2023: £Nil).

Hodgson Academy – a member of the Coastal Collaborative Trust

There were sales ledger transactions in the fourteen months to 30 September 2024 amounting to £171,953 (Year to 31 July 2023: £113,592) primarily in relation to the recharge of staffing costs for staff secondment and staff on joint employment contracts, and for placement costs. There were purchase ledger transactions amounting to £6,653 in the period (Year to 31 July 2023: £Nil). At the end of the period Hodgson Academy owed college £41,213 (31 July 2023: £28,594) and college owed Hodgson Academy £Nil (31July 2023: £Nil).

Lytham St Annes High School – a member of the Coastal Collaborative Trust

There were no sales ledger transactions in the fourteen months to 30 September 2024(Year to 31 July 2023: £Nil). There were purchase ledger transactions amounting to £636 in the period (Year to 31 July 2023: £Nil). At the end of the period Lytham St Annes High School owed college £Nil (31 July 2023: £Nil) and college owed Lytham St Annes High School £Nil (31July 2023: £Nil).

There were no transactions in the year with the other members of The Coastal Collaborative Trust.