

St Helens College

Report and Financial Statements

for the year ended 31st July 2025

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St Helens College - Reference and Administrative Details

Board of Governors

A full list of Governors is provided on pages 23 - 25 of these financial statements.

Clerk/Company Secretary

Carys Bibby - Governance Director

Key management personnel

Simon Pierce - Principal and Chief Executive, Accounting Officer

Stephanie Donaldson - Deputy CEO and Chief Finance Officer

Mohammed Ramzan – Deputy Principal, Curriculum and Quality

Philip Grant - Vice Principal, Curriculum (resigned April 2025)

Julia Callaghan - Commercial Director

Janet Hulme - Head of People and Organisational Development

Principal and registered office

Water Street, St Helens, WA10 1PP

Professional advisors

Financial statements auditors and reporting accountants

Menzies LLP

One Express, One George Leigh Street

Ancoats, Manchester, M4 5DL

Internal auditors

TIAA Limited

Artillery House, Fort Fareham

Newgate Lane, Fareham, PO14 1AH

Bankers

Lloyds Bank

13/15 Hardshaw Street, St Helens, WA10 1QZ

Legal advisors

Eversheds Sutherland (International) LLP

Eversheds House, 70 Great Bridgewater Street

Manchester, M1 5ES

St Helens College – Members Report

The Governing Board present their annual report together with the financial statements and auditor's report for St Helens College for the year ended 31 July 2025.

Legal status

The Corporation was established under the Further and Higher Education Act 1992 for the purpose of conducting St Helens College.

St Helens College merged with Knowsley Community College, under a Type B merger, on 12 December 2017, thus triggering the dissolution of Knowsley Community College.

St Helens College has one active subsidiary, Waterside Training Limited, a specialist industrial training provider.

Following a review into the classification of Further Education Colleges for the purposes of national accounts, with effect from 29 November 2022 St Helens College is part of central government. The College continues to be a self-governed charity regulated by the Secretary of State for Education but is now subject to the framework for financial management set out in *Managing Public Money*.

The College is an exempt charity for the purposes of Part 3 of the Charities Act 2011.

Mission, Vision, Strategy and Objectives

With a mission to "Transform lives through excellence in education and training", the College's Strategic Plan 2022-2025, sets out its ambition to be one of the best technical and vocational colleges in the country and positions the College as a major contributor to the employment and skills ecosystems of St Helens and Knowsley and the wider Liverpool City Region.

Six strategic goals continue to provide a framework for more detailed operational activities, transforming the way the College works with students, staff, employers, and local communities:

- Outstanding student experience
- Exceptional curriculum
- Growth
- Transformed estate
- Employer of choice
- Anchor institution

St Helens College – Members Report (continued)

Most importantly, students and apprentices remain at the heart of everything the College undertakes. From cultivating aspirational and inclusive learning environments through outstanding curriculum and facilities, to delivering high quality teaching and learning, the College is committed to providing them with every opportunity to thrive and achieve the very best outcomes.

Developed in consultation with our teams, the College values define who we are, how we engage with our students, stakeholders, and one another and how they guide us in work:

- Ambition
- Excellence
- Collaboration
- Innovation
- Respect
- Trust
- Care

The Governing Board will launch a refreshed strategic plan for the period 2026-2029 in the new year.

Resources

The Group (including the College and its subsidiary undertaking Waterside Training) employed an average of 603 staff during 2024/25 of whom 283 were teaching staff.

The Group enrolled 8,090 students including 2,700 16 to 19 year-olds, 3,610 funded adult learners, 420 fee paying adults, 1,060 apprentices and 300 higher education students.

The Group has £50.9m of net assets (2024: £54.3m) including £3.6m of pension assets (2024: £6.7m), deferred capital grants of £35.1m (2024: £35.9m) and long-term debt of £4.8m (2024: £5.4m). Cash held at the year-end was £5.5m (2024: £4.4m).

Tangible resources include main campuses at both St Helens town centre and in Knowsley as well as technology centres in both locations, and 3 other sites.

The Group continues to enjoy a good reputation locally and nationally. A high-quality brand is essential for its success in attracting students and apprentices and maintaining stakeholder confidence.

In its latest Ofsted inspection in March 2023, the College was rated 'Requires Improvement' for overall effectiveness, with a rating of 'Good' for its Apprenticeships and for High Needs provision, both significantly improved since the last inspection in January 2020. An Ofsted monitoring visit in February 2024 identified the College to be making reasonable progress against each of the improvement areas identified at inspection.

St Helens College – Members Report (continued)

The College is working to achieve at least the 'Expected Standard' across all judgements in the new Further Education Inspection Toolkit launched in September 2025. A full inspection is expected before the end of 2025/26.

During 2024/25 the Senior Team has continued to place teaching, learning and assessment at the centre of all college operations. This has been underpinned by the continued implementation of the College's Teaching and Learning Strategy, co-developed with teachers and support staff, which sets out the College's ambition and goals for the continued professional development of its teaching staff.

Under the theme of 'advancing excellence in teaching and learning', the College has made significant investment in its universal, targeted and tailored continuous professional development opportunities for all staff, focusing on the craft of teaching and also on the improvement actions identified in the last Ofsted inspection. A wide range of sessions have been facilitated by recognised external trainers and speakers, experienced Ofsted Inspectors and towards the end of the academic year, by teaching staff themselves who shared their progress in delivering the 'supported experiments in learning' initiative.

A Teaching and Learning Manager leads a team of Teacher Development Coaches that provide targeted support for curriculum teams and tailored coaching for individual teachers.

The College has also invested heavily in tools, to support teacher development including the 'Teaching HOW2s' platform and 'Teachermatic AI'. Staff feedback has been very positive with teachers reporting increased confidence in using new techniques.

Stakeholder Relationships

As an anchor institution, the College enjoys strong and productive relationships with a wide range of stakeholders, both locally and across the Liverpool City Region, that enable it to respond to the existing and emerging skills needs of employers and its local communities. The Senior Leadership Team actively seeks strategic engagement with local authorities and business groups and aims to be central to skills improvement planning. Regular discussions with civic leaders and employers and a detailed understanding of the employment and skills strategies of the Liverpool City Region Combined Authority, employer representative bodies and local authorities in St Helens and Knowsley, underpin the development of the College's Strategic Plan, Operational Plan and Curriculum Business Plans.

The College's Stakeholder Engagement Strategy sets out how the College will communicate and collaborate with its various stakeholders, including students and apprentices, college staff, employers, local communities, and key partner organisations.

St Helens College – Members Report (continued)

The strategy, which seeks to ensure a more deliberate approach to stakeholder management, aims to achieve the following objectives:

1. To understand the needs, interests, and expectations of its stakeholders and to consider them in the College's decision-making processes;
2. To build trust and mutual understanding between the College and its stakeholders, and to enhance its reputation and credibility;
3. To identify opportunities and challenges for the College and to develop solutions that benefit both the College and its stakeholders; and,
4. To position the College as a local, regional, and national influencer and thought leader.

The College is now having a much greater influence on the communities it serves, both from a geographical perspective and in strategically important sectors such as Construction, Advanced Manufacturing and Health and Social Care.

Much of this can be attributed to the impact of new senior team members including: the former Vice Principal for Curriculum who developed and strengthened relationships with stakeholders in Knowsley; and, specific Directors for Young People, Adults and HE, and Apprenticeships, who now represent the College on a range of local civic and community boards.

The College has been proactive in establishing and leading locally based arrangements, for example, establishing 'Employer Civic Partnership' groups in both boroughs to lead the coherent development of adult learning and skills with partners from the voluntary sector, local authorities, Chamber of Commerce and Liverpool City Region Combined Authority. As a result, the College has piloted activities with the voluntary and community sector that will improve and develop its leaders and their progression and attract a greater number of volunteers.

The continuing relationship with the youthwork provider, Vibe, has provided training for staff and leadership development programmes for student campus representatives and influenced the development of a new Personal Development programme based on relationships.

The College's refreshed Higher Education Strategy positions the College as a local market leader and a regional specialist in higher education technical and vocational training, whilst an Associate College Agreement with the University of Chester strengthens the College's academic credibility and expands progression routes for college students.

Overall, there are much greater expectations from the College as a delivery partner, reflected in increased engagement from a wide range of stakeholders and in the positive

St Helens College – Members Report (continued)

regard for the College reported in the outcomes of the stakeholder perception study undertaken to inform the development of the refreshed strategy.

The College continues to grow, reflecting its position as the provider of choice for an increasing number of individuals, employers and local partners. Young people's participation has increased steadily with the College continuing to enjoy a dominant market share in St Helens whilst responding to demand for additional places for students with SEND and an increased local NEET offer.

The impact of the College's Employer Engagement Strategy is evidenced by the year-on-year growth in Apprenticeship income, with the College now working with over 500 employers and 1,000 apprentices in learning. This reflects the strength of relationships with existing employer clients as well as the new business with small and large employers across the city region.

Increased employer satisfaction rates and confidence in the College have enabled a strengthened Business Development Team to win business from competitors and grow in new sectors such as Residential Childcare and Health. There is a strong and proactive approach to engagement through a range of employer recruitment activities, including bigger ticket events such as the 'St Helens Builds' trade show in Partnership with St Helens Council.

The College continues to provide a range of employability and employer-led programmes to support the recruitment needs of local employers, for example a collaboration with DWP to create new Early Years provision as part of the 'Do Something Big' campaign. Mature partnerships enable the delivery of a range of initiatives including a Rail Engineering for ex-offenders, Kings Trust community-based NEET engagement programme, and employability training for the logistics sector.

College-led industry forums have enhanced curriculum design ensuring its relevance and responsiveness, whilst Skills Advisory Panels in each borough provide strategic advice in respect of curriculum planning, including the identification of emerging opportunities and potential barriers to engagement.

There are strong relationships with large employers and SMEs, which provide a wide range of support to the College including, provision of work experience and industry placements, guest speakers and masterclasses, site tours, life briefs, projects and trade events. There are generous donations of materials and specialist equipment, which enhance the students' experience and provide access to the most up-to-date skills training. College staff have also benefited from improved employer engagement through Industry Upskilling Days.

The College continues to be the provider of choice for key local initiatives, including the development of the Parkside site and the regeneration of the St Helens and Newton-le-Willows town centres and is already working with Vinci Building on social values projects for students in St Helens town centre.

St Helens College – Members Report (continued)

Public Benefit

St Helens College is an exempt charity under the Part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education as Principal Regulator for all FE Corporations in England. The members of the Governing Body, who are trustees of the charity, are disclosed on pages 23-25.

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

In delivering its mission, the College provides identifiable public benefits through the advancement of education to 8,090 students, including 145 students with high needs. The College provides courses without charge to young people, to those who are unemployed and adults taking English and maths courses. The College adjusts its provision to meet the needs of local employers and provides training to over 1,000 apprentices.

The College is committed to providing information, advice and guidance to the students it enrolls and to finding suitable courses for as many students as possible regardless of their educational background.

Public Value Statement (PVS)

The College seeks to add value to the social, economic, and physical well-being of the communities it serves by:

1. providing education and training in accordance with the College's mission, statement of aims and values, which maximise the life and job prospects of individuals and meet the needs of the employers and the communities in general;
2. raising aspirations of individuals and communities by promoting prospects and celebrating success;
3. ensuring a broad curriculum offer with good progression routes from entry level;
4. promoting healthy lifestyles and good citizenship skills to all students and colleagues;
5. being responsive to the changing needs and circumstances;
6. actively listening to and engaging with the stakeholders of the College, aiming to provide the best possible service;
7. being a respectful and responsible employer;
8. always acting with corporate integrity.

St Helens College – Members Report (continued)

Financial Review

Financial results

The Group (including the College and its subsidiary undertaking Waterside Training) incurred a deficit before other gains and losses in the year of £0.6m (2023/24: deficit of £0.4m). The surplus before FRS102 pension adjustments and additional depreciation on donated assets was £0.2m (2023/24: surplus of £0.5m). Group income has increased to £38.3m (2023/24: £36.6m) with increases in 16 -19 funding (£18.2m to £19.8m), Apprenticeships income (£3.7m to £3.9m), Adult Skills income (£4.5m to £4.7m) offset by decreases in Higher Education income (£2.0m to £1.8m) and Adult Learner Loans (£0.3m to £0.2m).

Staff costs (before agency costs, restructuring costs and FRS102 pension adjustments) have increased by £1.6m (£20.5m to £22.1m) due to a pay award effective from January 2025 and an increase in average staffing numbers from 587 to 603, reflecting the growth in income. Agency costs remained high at £0.9m (2023/24: £0.9m) due to staff vacancies, whilst restructuring costs decreased from £195k to £90k.

Other operating expenses increased by £0.3m (£10.7m to £11.0m). Growth in student numbers and general inflation resulted in higher overheads including exam fees, bus passes, food costs, licences and other premises costs.

Whilst total comprehensive income states a loss of £3.4m (2023/24: gain of £2.0m), this includes an actuarial loss of £2.8m (2023/24: gain of £2.4m) on revaluation of the government pension scheme and depreciation of £0.5m (2023/24: £0.5m) on a donated asset.

The Group has net assets at 31 July 2025 of £50.9m (2024: £54.3m), which includes a cash balance of £5.5m (2024: £4.4m), net current liabilities of £0.2m (2024: £0.6m) and a defined benefit pension asset of £3.6m (2024: £6.7m).

The Group has significant reliance on the education sector funding bodies for its principal funding source, largely from recurrent grants. In 2024/25 the FE funding bodies provided 85% of the Group's total income (2023/24: 83%).

The College has one subsidiary company, Waterside Training Limited, which is a specialist industrial training provider and is 89% owned by the College. In the year to 31 July 2025, its turnover was £1.9m (2023/24: £1.8m), and it made an operating gain before gift aid payments of £288k (2023/24: gain of £317k). Gift aid payments of £317k (2023/24: £270k) to the College were provided for. It has net assets of £309k at 31 July 2025 (2024: £337k).

St Helens College – Members Report (continued)

Future developments

The Group set a budget for 2025/26 which makes provision for a surplus year-end outturn and a 'Good' financial health score as defined by the DfE. This reflects several factors, including the increased number of young people enrolled in September 2024 and increased funding rates. Additional 16-19 funding had been announced but was unconfirmed at the time of approval of the Budget and was later confirmed higher than estimated, which means the College started 2025/26 in a positive financial position. The budget consolidates a full year of the previous pay award with a continued ambition to make regular pay awards on an annual basis.

The Group also set ambitious targets for further growth in apprenticeship income and to grow the number of students on study programmes. Early indications are that some growth in 16-18 numbers will be achieved, and this along with improved retention in 2025/26, should further increase Group income in 2026/27, with some increases in costs. This should enable the Group to maintain a financial health score of Good in future years.

The Group continues to invest in its estate to maintain modern and vibrant facilities, and develop new or improved workshops and learning spaces on many campuses. During the year, a new energy efficient kitchen was installed in the St Helens town centre campus and LED lighting was installed in a number of sites, both supported by DfE Capital Grants, which has enabled the College to implement energy and cost saving measures.

Financial plan

The Governing Body approved a 3 Year Financial Strategy (2024 – 2027) in July 2024 that demonstrates how the College will be responsive to the financial challenges of the sector and ensure that it has a robust financial model underpinning its future plans. To facilitate the College in achieving its six strategic goals, this strategy sets out five core financial priorities to maintain financial sustainability, increase income surplus and enable growth:

1. To achieve long-term financial sustainability and resilience, whilst effectively matching resources to the College's strategic goals;
2. To effectively plan and deliver a programme of capital development that develops the College's estate and delivers on our environmental and sustainability ambitions;
3. To ensure effective and robust financial risk management and control processes;
4. To enable investment in our people as an employer of choice, supporting development, reward and continuous improvement to deliver an exceptional curriculum and outstanding student experience.
5. To grow and diversify income and develop commerciality and opportunity through effective engagement and collaboration with employers, partners, our community and other external organisations across the wider Liverpool City Region.

St Helens College – Members Report (continued)

To deliver the Finance Strategy the College will:

- Monitor and review the Medium-Term Financial Plan, which underpins the Finance Strategy and demonstrates how resources will be managed to deliver the College's Strategic Plan and key priorities;
- Ensure that the Financial Strategy is delivered in accordance with the College's Accountability Agreement, College Financial Handbook, *Managing Public Money* and relevant legislation and accounting standards;
- Enable a robust framework of financial control through effective systems and procedures and appropriate risk management and assurance arrangements, which are subject to continual review and update;
- Maintain alignment with key organisational strategies including (but not limited to) the Curriculum Strategy, Higher Education (HE) Strategy, People Strategy, Estates capital programme, Environmental and Sustainability Strategy, Marketing Strategy, and Employer Engagement Strategy;
- Quantify future resource needs and work together collaboratively to protect and develop the College's resources and to deliver for students, apprentices, employers, and other stakeholders; and,
- Ensure accurate and responsive data reporting and monitoring arrangements and undertake benchmarking where appropriate.

Treasury policies and objectives

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

The Group's Treasury Management Policy is incorporated in the Group's Financial Regulations.

Following reclassification of colleges into the public sector on 29th November 2022, the College is currently restricted from entering into any new bank borrowing agreements.

The Group has no plans to increase its borrowings and is confident it can continue to pay its obligations as per the loan agreements in place prior to the reclassification of colleges.

Cash flows and liquidity

Net cash flows from operating activities were £2.2m (2023/24: £1.1m). The earnings before interest, release of capital grants and depreciation decreased by £0.1m (£1.8m to £1.7m), but an increase in short term creditors led to the higher net cash flow compared to 2023/24.

St Helens College – Members Report (continued)

Net cash for the year increased by £1.1m (2023/24: decrease of £0.1m). The increase in net cash compared to 2023/24 was due largely to the increase in short term creditors and because in 2023/24 there were repayments of £0.8m in funding body clawbacks.

The size of the Group's total borrowing and its approach to interest rates has been calculated to ensure a reasonable cushion between the total cost of servicing debt and operating cash flow. This was achieved during 2024/25 with the £304k of interest paid clearly exceeded by the £2.2m of operating cash flow.

Reserves Policy

The Group adopted a formal Reserves Policy during 2024/25. The policy gives guidance on the minimum level of cash working capital and unrestricted reserves balances to ensure the College can both meet any short-term obligations and also ensure long-term sustainability. The reserves policy is not the only means of assessing going concern but contributes to this.

The College aims to build up cash balances to provide continuity even if there are unexpected costs or loss of income and also to provide funds for future investment.

The College seeks to ensure that cash balances (excluding restricted cash) do not drop below £2m. During 2024/25 this was achieved and the balance at 31 July 2025 excluding restricted cash (being unspent capital grants) was £3.1m (2024: £2.1m). Cashflow is monitored on a weekly basis to ensure that pending obligations can be met.

As at the balance sheet date, the Income and Expenditure reserve surplus stands at £50.9m (2024: £54.3m), which includes deferred capital grants of £35.1m (2024: £35.9m) and pension asset of £3.6m (2024: £6.7m). The Group has no restricted reserves at the 31 July 2025 (2024: £nil).

It is the Group's intention to increase reserves through the generation of annual operating surpluses.

Principal Risks and Uncertainties

The Group continues to develop and improve the system of internal control, including financial, operational and risk management, which is designed to protect the Group's assets and reputation. The College has a Risk Management Framework in place that is overseen by the Audit Committee.

At an operational level all risks are managed locally and reviewed at a corporate impact level by the Risk Management Group, chaired by the Deputy CEO and Chief Finance Officer, which meets regularly throughout the year. The Risk Management Group undertakes a comprehensive review of the risks to which the Group is exposed and assesses the effectiveness of controls in place to mitigate these risks. The Risk Management Group will

St Helens College – Members Report (continued)

also consider any risks that may arise because of new activities being undertaken by the Group or from external factors (for example, political, technology and environmental risks).

The Corporate Risk Register is updated in consultation with the Senior Leadership Team and reviewed at each meeting of the Audit Committee. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Group and the actions being taken to treat the risks. Risk treatment and subsequent residual risk score are aligned to the corporate risk appetite agreed by the Governing Body. The Audit Committee further examines corporate risks through deep dive sessions at each meeting of the Committee, directing these toward new or emerging risks or areas of potential concern or focus.

Risks relating to curriculum efficiency, achieving growth in student numbers, student retention and attendance were re-evaluated at the start of the new academic year and monitored throughout the year. Other corporate risks, which were closely monitored throughout the year included qualification review and reform, Ofsted, cyber security, environmental sustainability and the college response to climate change, emergency planning and business continuity arrangements and legislative / regulatory changes and response.

During the year, one new risk was added to the Corporate Risk Register in regard to the College's response to advancing artificial intelligence (AI) technology.

The main risk factors affecting the College are outlined below along with the action taken to minimise them. Not all the factors are within the College's control. Other factors besides those listed below may also adversely affect the College.

Financial Sustainability:

The College relies on Government funding bodies for 85% of its total income and, recognises that Government policies may change and therefore current or increased levels of public funding are not guaranteed. The College developed a Finance Strategy (2024-27) and three-year medium-term financial plan to ensure that it can be responsive to the financial challenges facing the sector and has a robust financial model underpinning its future plans.

Growth in student numbers and overall income is essential to increased levels of surpluses, enabling the College to offer an exceptional curriculum and outstanding student experience and to continue to invest in its estate and workforce.

Progress against the financial aims and objectives outlined in the Finance Strategy is reviewed regularly, in consideration of the College's curriculum strategy, qualification reform, sustainability and other supporting strategies and external risk and opportunity factors. This enables the College to maintain financial sustainability, be responsive to

St Helens College – Members Report (continued)

financial risk, and develop a balanced approach to growth that meets the needs of the College and its students, recognising the volatility, uncertainty, complexity and ambiguity of the landscape within which the sector operates.

Curriculum Quality and Ofsted Inspection:

During the 2024/25 academic year the senior team have continued to build upon the rapidly improving culture and clear sense of direction across the organisation, further increasing the pace and momentum of college-wide improvement. A strengthened focus on the quality of education by senior leaders and governors has resulted in further investment in teaching and learning, providing a consistent, high-quality approach to professional practice across the College. Following the monitoring visit in February 2024, which judged the College to be making reasonable progress across all five areas for improvement identified at the previous full Ofsted inspection, the College continues to implement its Ofsted Readiness Plan with rigour. Achievement rates across all ages have risen significantly since the last inspection, reflecting the positive impact of the collective focus on quality, high expectations, and continuous improvement

Environmental Sustainability and the College Estate:

The College Environmental Sustainability Strategy is underpinned by an action plan to support carbon reduction, reduce energy usage and waste and help to promote environmental initiatives. An Environmental Sustainability Steering Group, overseen by the Finance, Resource & Commercial Committee is supported by a series of task and finish groups, to proactively address actions and activities identified in the action plan. The seventeen United Nations Sustainable Development Goals (SDGs) have been embedded into the curriculum, and the College signed the SDG Accord on 14 November 2024. The College is committed to ensuring its buildings are equipped to meet and address the threat of climate change by being energy efficient and meeting waste and carbon standards throughout their lifetimes. To ensure that the College's limited resources are used effectively to take forward its environmental ambitions, environmental sustainability risk considerations are included in all formal decision-making processes.

A revised Estates Strategy is under development, which will set out the College's plans to best utilise available resources to deliver a fit-for-purpose estate that enables the College to deliver on its curriculum ambitions whilst meeting its environmental sustainability aims. The College's ability to invest in its estate is limited by the capital funds available; however, the College is proactively exploring options to identify and release capital to enable reinvestment and development of the estate. An Estates Working Group has been established to oversee this activity.

St Helens College – Members Report (continued)

Cyber Security and Artificial Intelligence (AI) technology:

The College takes proactive steps to significantly reduce the risk of cyber-security attacks and security breaches, including firewalls, anti-virus and anti-spyware prevention and control measures. The College also has a planned programme of IT infrastructure investment, training and communications and simulation testing. Whilst these measures significantly reduce the risk of attacks, the College also has robust backup procedures and business continuity arrangements in place.

An AI steering group has been established to oversee the College's approach to embracing AI technology, harnessing the benefits of AI for staff and students whilst ensuring appropriate safeguards and security controls are in place.

Staff Recruitment and Retention:

Recruitment and retention of staff, particularly in some curriculum areas, remains a challenge for the College and for the sector as a whole. The College has developed a range of strategies to address this issue and to promote the College as an employer of choice and staff turnover has reduced during the year, indicating that initiatives are having a positive effect. A new recruitment system launched in 2024 has improved the recruitment process for both recruiting staff and applicants. The College is committed to professional development for all staff and during the year has continued to develop an enhanced suite of people policies and staff benefits / engagement initiatives. The College achieved the Investors in Diversity Silver accreditation during 2024.

Key Performance Indicators

The Group's key performance indicators, targets and results are set out below.

Key Performance Indicator	Target for 2025/26 per Budget	Actual 2024/25	Target for 2024/25 per Budget	Actual 2023/24
DfE Financial Health	Good	Requires Improvement	Requires Improvement	Good
Bank Covenant Measures	All achieved	All achieved	All achieved	All achieved
EBITDA/Income %	5.3%	4.7%	5.2%	5.2%
Staff Costs/Income % ¹	67.6%	66.3%	66.0%	65.3%
Average Class Size	14.9	14.8	15.8	14.4

¹includes sub-contractor costs but excludes employer pension revaluation costs.

St Helens College – Members Report (continued)

Student achievements

The impact of improved teaching and learning can be seen in the 3.8 % rise in classroom-based achievement rates for young people and adults. Overall retention has improved by 3% and pass rates have also increased.

Adult achievement also improved and achievement rates for both age groups are now close to the national average for General Further Education.

Apprenticeship achievements increased and are above national averages, with many high performing standards and high grades achieved at end point assessment. This is against a backdrop of a further growth in apprenticeship income.

Higher education achievement rates also improved through increased completion rates and there was an increase in the proportion of students achieving First and Upper Second Class Degrees.

Streamlined Energy and Carbon Reporting

In July 2023, the Corporation approved its Environmental Sustainability Strategy and during the year developed an Action Plan to deliver on its environmental sustainability ambitions, which was endorsed by the Governing Board in May 2024 and delivery of this is overseen by the Finance, Resource & Commercial Committee. An Environmental Sustainability Steering Group leads this activity, underpinned by a series of Task and Finish Groups that will reduce carbon emissions, enable the College to be more sustainable and embed environmental sustainability into the College's curriculum. The College signed the Sustainable Development Goals (SDG) Accord in November 2024. During the year, the following have been achieved:

- Continued the programme of converting lighting to low energy LED lighting across the estate;
- Redirected shredded paper waste to be used as animal bedding in the Animal Management Department;
- Included energy saving measures and the reduction of gas fuelled equipment in the catering kitchen refurbishment project;
- Continued to replace old inefficient equipment with modern energy efficient equipment.

St Helens College – Members Report (continued)

The Group's greenhouse gas emissions and energy use for the period are set out below:

UK Greenhouse gas emissions and energy use data for the period	1 August 2024 to 31 July 2025	1 August 2023 to 31 July 2024
Energy consumption used to calculate emissions (kWh)		
Gas	364,594	429,747
Electricity	3,680,138	3,709,647
Transport Fuel	35,397	32,309
<u>Scope 1 emissions in metric tonnes CO2e</u>		
Gas consumption	66.68	78.60
Owned transport	8.44	7.71
Total	75.12	76.31
<u>Scope 2 emissions in metric tonnes CO2e</u>		
Purchased electricity	761.97	768.17
<u>Scope 3 emissions in metric tonnes CO2e</u>		
Business travel in employee-owned vehicles	18.77	20.58
Total gross emissions in metric tonnes CO2e	855.86	865.06
<u>Offsets</u>		
Market based power (electricity)	761.97	768.17
Total net emissions in metric tonnes CO2e	93.89	96.89
<u>Intensity ratio</u>		
FTE Staff	504	492
Net metric tonnes CO2e (inc. water) per member of staff	0.19702	0.23076

Qualification and Reporting Methodology

The College has followed the 2019 HM Government Environmental Reporting Guidelines, the GHG Reporting Protocol – Corporate Standard and the 2025 UK Government's Conversion Factors for Company reporting. Data was gathered using a combination of reports and actual bills.

Payment performance

The Late Payment of Commercial Debts (Interest) Act 1998, which came into force on 1 November 1998, requires colleges, in the absence of agreement to the contrary, to make payments to suppliers within 30 days of either the provision of goods or services or the date on which the invoice was received. In 2024/25, the Group paid 54% (2023/24: 54%) of its invoices within 30 days of receipt. Group standard policy is to pay invoices by the end of the month following the date of the invoice. During 2024/25, the Group paid 99% (2023/24: 99%) of its invoices in accordance with its policy or with payment terms agreed with the supplier. The Group incurred no interest charges in respect of late payment for this year.

St Helens College – Members Report (continued)

Trade union facility time

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

Numbers of employees who were union officials during the relevant period	FTE employee number
5	4.0

Percentage of time on facility hours	Number of employees
0%	-
1-50%	5
51-99%	-
100%	-

Total cost of facility time	£17.9k
Total pay bill	£23,696k
Percentage of total bill spent on facility time	.08%

Time spent on paid trade union activities as a percentage of total paid facility time	100%
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Equality, Diversity and Inclusion

St Helens College is committed to ensuring equality of opportunity for all who learn and work here and recognises that some individuals or groups require additional opportunities or support to enable this. We respect and value differences in race, gender, sexual orientation, disability, religion or belief and age and seek to create an inclusive workplace and study environment. We strive to be inclusive and remove conditions that place people at a disadvantage. We will actively combat discrimination, in line with our values of respect, trust and care. The College's Equality and Diversity Policy is published on the College's intranet and external website. The College has achieved Investors in Diversity Silver accreditation and will be working towards achieving Gold accreditation during 2025/26, embracing the FREDIE principles (Fairness, Respect, Equity, Diversity, Inclusion and Engagement).

St Helens College publishes an Annual Equality Report and Equality Objectives to ensure compliance with all relevant equality legislation including the Equality Act 2010. Equality impact assessments are undertaken as and when required.

St Helens College – Members Report (continued)

The College considers all employment applications from disabled persons, bearing in mind the aptitudes of the individuals concerned, and guarantees an interview to any disabled applicant who meets the essential criteria for the post. Where an existing employee becomes disabled, every effort is made to ensure that employment with the College continues and that opportunities for training, career development and promotion are identical opportunities to those of non-disabled employees.

Gender Pay Gap Reporting

	As at 31 March 2024
Mean gender pay gap	11.3%
Median gender pay gap	12.84%
Mean bonus gender pay gap	N/A
Median gender bonus gap	N/A
Proportion of males/females receiving a bonus	N/A

The proportion of males and females in each quartile of the pay distribution are:

	Males	Females
1 - Lower quartile	32%	68%
2 – Lower middle quartile	31%	69%
3 – Upper middle quartile	49%	51%
4 – Upper quartile	53%	47%

The College publishes its annual gender pay gap report on its website. The latest report was produced in March 2025 based on data as of 31 March 2024.

Disability statement

St Helens Group seeks to achieve the objectives set down in the Equality Act 2010:

- The College is accessible to students and staff with a disability. The College regularly reviews the accessibility of its estates to disabled students and staff.
- Advice and support are available to all potential students prior to enrolment and throughout their programme. The College will identify individual learning needs on the application form, at interview, through the enrolment process and throughout their time at the College.
- The College will provide specialist equipment, as appropriate and reasonable, for use by students and staff dependent upon the nature of their disabilities and need.
- The College has a complaints policy and procedure for any students to make a formal complaint if they believe they have not been treated fairly at any time during the admissions process or whilst studying at the College.
- The College has made a significant investment in the appointment of specialist lecturers to support students with learning difficulties and/or disabilities. There are a

St Helens College – Members Report (continued)

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

- f) Specialist programmes are described in college prospectuses, and achievements and destinations are recorded and published in the standard college format.
- g) Counselling, welfare, health, wellbeing and safeguarding services are available to all students and staff.
- h) Careers officers are available to provide information and guidance on the range of programmes available to students with disabilities and/or learning difficulties and next step opportunities.

Going Concern

The financial statements have been prepared on a going concern basis. The Group maintained its cash position during 2024/25 with £2.2m generated from cash from operations, £1.3m of capital grant receipts and £0.2m of investment income used for £1.7m of capital spending and £0.9m to pay down bank loans and interest.

Cash flow forecasts have been prepared for the period through to July 2028, on a prudent basis, incorporating potential risks to funding income, other income streams, asset sales and costs. These forecasts indicate that even at cash low points the Group will continue to have sufficient cash to be able to continue to trade.

The budget for 2025/26 is for the Group to slightly increase its surplus compared to 2024/25 with increases in 16-19 funding and apprenticeship income largely offset by pay awards and an increase in staff numbers. The award of further 16-19 funding after the setting of the 2025/26 budget will allow the College to continue to invest in its staff and see surpluses grow in 2026/27 and beyond. Capital grants received will allow the Group to replace old capital equipment and modernize the teaching facilities, whilst the potential proceeds from the sale of surplus land would allow more substantial investment in the College's estate.

At 31 July 2025 the Group has moved into a minimal net current liabilities position and this together with the guaranteed receipt of 16-19 and adult funding for the following 12 months will ensure there are no short-term cash flow issues.

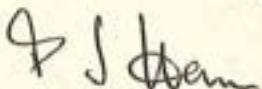
Therefore, the Corporation, based on a review of the cash forecasts prepared, is confident the Group will be able to continue to trade, and that there will be no breaches of the bank's covenants.

St Helens College – Members Report (continued)

Disclosure of Information to Auditors

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

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



Philip Han

Chair

St Helens College

Statement of Corporate Governance and Internal Control

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

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 Further Education Code of Good Governance ("the Code")

In the opinion of the Governors, the College complies with the provisions of the Code, and it has complied throughout the year ended 31 July 2025. This opinion is based on an internal review of compliance with the Code reported to the Board on 11 December 2025. The Governing Board recognises that, as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times. In carrying out its responsibilities, it takes full account of Further Education Code of Good Governance issued by the Association of Colleges in 2023, which it formally adopted on 16 May 2024, with effect from 1 August 2024.

The Corporation

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

Name	Date of appointment	Term of office	Date of resignation	Status	Committees served	Governing Board attendance
Philip Han	18-Jan-18 (29-Sep-23 as Chair)	8 years	-	External Governor	Finance, Resources and Commercial Committee; Performance and Remuneration Committee; Search and Governance Committee	100%

Name	Date of appointment	Term of office	Date of resignation	Status	Committees served	Governing Board attendance
Simon Pierce	N/A	N/A	-	Principal/CEO	Curriculum and Quality Committee; Finance, Resources and Commercial Committee; Search and Governance Committee	100%
Travis Brown	24-Oct-24	1 year	31-Jul-25	Student Governor	N/A	17%
Alison Cannon (Vice Chair from 21 March 2024)	18-Jan-18	8 years	-	External Governor	Audit Committee; Performance and Remuneration Committee; Search and Governance Committee	90%
Zulakha Desai	25-Mar-21	8 years	-	External Governor	Curriculum and Quality Committee	70%
Liz Duncan	21-May-20	8 years	-	External Governor	Curriculum and Quality Committee	30%
Alistair Greer	22-May-25	1 year	-	External Governor	N/A	100%
Paul Gowney	14-Dec-23	4 years	27-Feb-25	External Governor	Finance, Resources and Commercial Committee	75%
John Heritage	28-Mar-19	8 years	4-Jul-25	External Governor	Performance and Remuneration Committee; Search and Governance Committee	60%
Natalie Ibbs	14-Dec-23	4 years	-	External Governor	Finance, Resources and Commercial Committee	80%
Tim Jones	16-May-24	1 year	19-Sep-24	External Governor	Audit Committee	0%
Andrew Lang	25-Mar-21	8 years	-	External Governor	Audit Committee	90%

Name	Date of appointment	Term of office	Date of resignation	Status	Committees served	Governing Board attendance
Doug Laver	22-May-25	1 year	-	External Governor	N/A	100%
Isabel Lucas	6-Feb-25	1 year	-	Co-opted Member	Curriculum and Quality Committee	N/A
Ann Marr	22-May-25	1 year	-	External Governor	N/A	100%
Jen McGill	10-Nov-22	4 years	-	Staff Governor		80%
Clare Milsom	22-May-25	1 year	-	External Governor	N/A	100%
Andrew Moore	14-Dec-23	4 years	-	Co-opted Member	Audit Committee	N/A
Paul Oginsky	6-Feb-25	1 year	-	Co-opted Member	Curriculum and Quality Committee	N/A
Fego Orughele	24-Oct-24	1 year	31-Jul-25	Student Governor	Curriculum and Quality Committee	43%
Alun Owen	25-Mar-21	4 years	19-Mar-25	External Governor	Audit Committee; Curriculum and Quality Committee	50%
Jim Pinsent	12-Dec-17	8 years	-	External Governor	Finance, Resources and Commercial Committee	78%
Alex Singer	22-May-25	1 year	-	Co-opted Member	Finance, Resources and Commercial Committee	N/A
Tracéy Turner	10-Nov-22	4 years	-	Staff Governor		80%

The attendance information includes extraordinary meetings, which may be called at short notice.

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

St Helens College - Corporate Governance (continued)

matters such as health and safety and environmental issues. The Corporation meets each term.

The Corporation conducts its business through a number of committees. Each committee has terms of reference, which have been approved by the Corporation. These committees are Finance, Resources and Commercial, Curriculum and Quality, Performance and Remuneration, Search and Governance, and Audit. Full minutes of Corporation meetings, except those deemed to be confidential by the Corporation, are available on the College's website at www.sthelens.ac.uk or from the Governance Director at the College's registered address.

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

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

Formal agendas, papers and reports are supplied to governors in a timely manner, prior to Board meetings. Briefings may be provided on an ad hoc basis.

The Corporation has a strong and independent non-executive element, and no individual or group dominates its decision-making process. The Corporation considers that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement.

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

Appointments to the Corporation

Any new appointments to the Corporation are a matter for the consideration of the Corporation as a whole. The Corporation has a Search and Governance Committee, consisting of three members of the Corporation and the Principal who is also a Governor, which is responsible for the selection and nomination of any new member for the Corporation's consideration. The Corporation is responsible for ensuring that appropriate training is provided as required.

Members of the Corporation are appointed for a term of office not exceeding four years with the option to extend this for a further term of four years subject to Governing Board approval. In exceptional circumstances this may be extended by a further year.

St Helens College - Corporate Governance (continued)

Corporation performance

For 2024/25, the Corporation commissioned an external assessment of its governance arrangements in line with Department for Education requirements. The review was undertaken by Shirley Collier through the Association of Colleges, over the period March to June 2025. The overall conclusion was that the Governing Board of the College is proficient and impacts positively on college strategy, effectiveness, and outcomes.

The review highlighted several key strengths including governor skills and cognitive diversity and that governors have created a student-focused, inclusive culture, which enables the Executive Team to respond positively to challenge. The reviewer also reported that governance is facilitated by timely, clear agendas, minutes and action trackers and strong processes for link governors.

The Governing Board considered the external review report and have developed an action plan to ensure that the College continues to improve its governance.

Governors have completed mandatory training in safeguarding and Prevent, equality, diversity and inclusion, data protection, cybersecurity and health and safety at work. All governors received bespoke training in year on artificial intelligence (AI), safeguarding, and health and safety. Governors and the Governance Director and board are enrolled on the Education and Training Foundation's Governance Development Programme.

The Governance Director completed the induction level of Governance Professionals' Development Programme through the Education and Training Foundation.

Remuneration Committee

Throughout the year ending 31 July 2025, the College's Performance and Remuneration Committee comprised three members of the Corporation. The Committee's responsibilities are to make recommendations to the Board on the remuneration and benefits of the Accounting Officer and other key management personnel. The Corporation adopted The Association of College's Senior Postholder Remuneration Code in May 2019 and complies with the minimum requirements of this, namely that remuneration is fair and appropriate.

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

Audit Committee

During the financial year, the Audit Committee comprised of the below members of the Corporation (excluding the Accounting Officer and Chair) and co-optee. The Committee operates in accordance with written terms of reference approved by the Corporation.

St Helens College - Corporate Governance (continued)

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

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

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

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

The Audit Committee met 4 times during the year to 31 July 2025. The committee and their attendance records are as follows:

Committee Member	Meetings Attended
Andrew Lang	4
Alison Cannon	3
Alun Owen	2
Andrew Moore	4

Internal control

Scope of responsibility

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

The Corporation has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the College's policies, aims and objectives, whilst safeguarding the public funds and assets for which they are personally responsible, in accordance with the responsibilities assigned to

St Helens College – Internal Control (continued)

them in the Funding Agreement between St Helens College and the funding bodies and the OfS registration conditions. The Principal 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 St Helens College for the year ended 31 July 2025 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

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

The risk and control framework

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

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

St Helens College has an internal audit service, which operates in accordance with the requirements of the DfE's College Financial Handbook. The work of the internal audit service

St Helens College – Internal Control (continued)

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

Risks faced by the Corporation

A description of how the College identifies, evaluates and manages risk is set out in the Members' Report on pages 13 -16.

Control weaknesses identified

The internal auditors in their annual report to the Audit Committee have stated that, for the areas reviewed during the year, St Helens College has reasonable and effective risk management, control and governance processes in place. There was one area reviewed where it was assessed that the effectiveness of some of the internal control arrangements provided limited assurance. Recommendations were made to further strengthen the control environment in this area and the management responses indicated that the recommendations had been accepted and actioned promptly.

Responsibilities under accountability and funding agreements

The College has reviewed its policies, procedures and approval processes in line with the College Financial Handbook to ensure there are systems in place to identify and handle any transactions for which DfE approval is required. The College's Financial Regulations reflects the DfE's requirements and are updated annually, with the latest update in July 2025. The Corporation keeps under review compliance with DfE and devolved authority grant funding agreements and contracts, particularly ensuring that funding is used for the purposes given or generated.

Statement from the Audit Committee

The Audit Committee has advised the Governing Board that the Corporation has an effective framework for governance and risk management in place. The Audit Committee believes the Corporation has effective internal controls in place.

St Helens College – Internal Control (continued)

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

Audit Area	Assurance	Recommendations		
		Urgent	Important	Routine
Procurement	Reasonable	0	2	2
GDPR	Substantial	0	0	1
Health and Safety	Limited	2	2	2
Additional Learning Support and High Needs	Substantial	0	0	1
Apprenticeships	Reasonable	0	3	0
Business Continuity and Disaster Recovery	Substantial	0	0	1

The internal auditors also completed one advisory assignment, resulting in the production of a formal report:

- External Assurance of Sub-contracting controls

No instances were found where sub-contracting arrangements do not comply with funding rules, nor where the College has not complied with specific ESF match funding requirements.

Review of effectiveness

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

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

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

The senior management team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments and reinforced by risk awareness

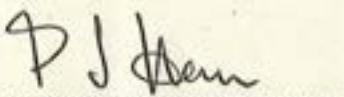
St Helens College – Internal Control (continued)

training. The senior management team and the Audit Committee also receive regular reports from internal audit and other sources of assurance, which include recommendations for improvement.

The Audit Committee's role in this area is confined to a high-level review of the arrangements for internal control. The Corporation's agenda includes a regular item for consideration of risk and control and receives reports thereon from the senior management team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its December 2025 meeting, the corporation carried out the annual assessment for the year ended 31 July 2025 by considering documentation from the senior leadership team and the annual report of the Audit Committee and taking account of events since 31 July 2025.

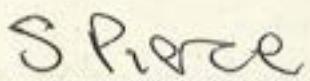
Based on the advice of the Audit Committee and the Accounting Officer, the Corporation is of the opinion that the College has an adequate and effective framework for governance, risk management and control, and has fulfilled its statutory responsibility for *"the effective and efficient use of resources,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

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



Philip Han

Chair of Governors



Simon Pierce

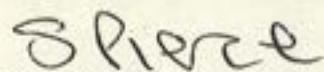
Principal and Accounting Officer

St Helens College

Statement of Regularity, Propriety and Compliance

As accounting officer of the Corporation of St Helens College, I confirm that I have had due regard to the framework of authorities governing regularity, propriety and compliance, including the College's accountability agreement with DfE, and the requirements of the College Financial Handbook. I have also considered my responsibility to notify the Corporation's board of governors and DfE of material irregularity, impropriety and noncompliance with terms and conditions of all funding. I confirm that I, and the Board of governors, are able to identify any material irregular or improper use of all funds by the Corporation, or material non-compliance with the framework of authorities.

I confirm that no instances of material irregularity, impropriety, 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 the DfE.



Simon Pierce

Principal and Accounting Officer

Date: 18/12/25

St Helens College

Statement of Responsibilities of the Members of the Corporation

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

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

In preparing the financial statements, the Corporation is required to:

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

The Corporation is also required to prepare a strategic report, in accordance with paragraphs 3.23 to 3.27 of the Further Education and Higher Education Statement of Recommended Practice (SORP), that describes what it is trying to do and how it is going about it, including information about the legal and administrative status of the Corporation.

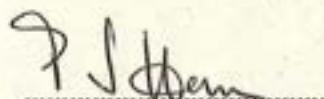
The Corporation is responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the Corporation, and enable it to ensure that the financial statements are prepared in accordance with the Further and Higher Education Act 1992, the Charities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

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

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

Members of the Corporation must ensure that there are appropriate financial and management controls in place to safeguard public and other funds and ensure they are used properly. In addition, members of the Corporation are responsible for securing economic, efficient and effective management of the Corporation's resources and expenditure so that the benefits that should be derived from the application of public funds from DfE and other public bodies are not put at risk. They are also responsible for ensuring funds from Office for Students or other sources are properly applied for the purposes for which they have been given and in accordance with relevant legislation or terms and conditions attached to them.

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



Philip Han

Chair

St Helens College

Independent Auditor's report to the Corporation of St Helens College

Opinion

We have audited the financial statements of St Helens College (the "College") and its subsidiary (the "Group") for the year ended 31 July 2025 which comprise the Consolidated and College Statements of Comprehensive Income and Expenditure, the Consolidated and College Balance Sheets, the Consolidated and College Statements of Changes in Reserves, the Consolidated and College Statement of Cash Flows and notes to the financial statements including a summary of significant accounting policies in Note 1. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and College's affairs as at 31 July 2025 and of the Group's income and expenditure, gains and losses, and changes in reserves and cash flows and the College's income and expenditure, gains and losses, and changes in reserves for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with 2019 Statement of Recommended Practice – Accounting for Further and Higher Education, Accounts Direction 2024 to 2025 issued by the Department for Education, and the Accounts Direction, for accounting periods beginning on or after 1 August 2019, issued by the Office for Students.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Members' Report and Financial Statements other than the financial statements and our auditor's report thereon. The Corporation is responsible for the other information contained within the Members' Report and Financial Statements. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Office for Students' Accounts Direction

We are required to report on the following matters by the Office for Students' Accounts Direction. In our opinion, in all material respects:

- funds from whatever source administered by the College for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the Office for Students, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and Department for Education have been applied in accordance with the relevant terms and conditions; and
- the requirements of the Office for Students' Accounts Direction for the relevant year's financial statements have been met.

Matters on which we are required to report by exception

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

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

Further, we are required by the Office for Students' Accounts Direction to report to you if the results of our audit work indicate that the College's expenditure on access and participation activities for the financial year disclosed in Note 9a has been materially misstated.

- We are also required by the Office for Students' Accounts Direction to report to you where the results of our audit work indicate that the College's grant and fee income, as disclosed in Note 7 to the financial statements has been materially misstated.

We have nothing to report in these respects.

Responsibilities of the Corporation of St Helens College

As explained more fully in the Statement of Responsibilities of the Members of the Corporation set out on pages 34 – 35, the Corporation is responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Corporation determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the Group and the College operate in and how the Group and the College are complying with the legal and regulatory frameworks;

- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Further and Higher Education SORP, the College Accounts Direction published by the Department for Education, and Regulatory Advice 9: Accounts Direction published by the Office for Students'. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The Group and the College are also subject to many other laws and regulations where the consequences of non-compliance could have a material impact on amounts or disclosures in the financial statements, including Further and Higher Education Act 1992, Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation. We performed audit procedures to inquire of management and those charged with governance whether the Group and the College are in compliance with these laws and regulations and inspected correspondence with licensing or regulatory authorities.

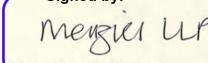
The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included, but were not limited to, testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and inspecting funding agreements and allocations.

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

Use of our report

This report is made solely to the Corporation, as a body, in accordance with the Funding Agreement published by the Department for Education and our engagement letter dated 31 October 2025. Our audit work has been undertaken so that we might state to the Corporation, as a body, those matters we are engaged to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Corporation, as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:


Menzies LLP
83E726A2B19F426...

One Express
1 George Leigh Street
Manchester
M4 5DL

Date: 19-Dec-2025

St Helens College

Consolidated and College Statements of Comprehensive Income and Expenditure

	Notes	Year ended 31 July		Year ended 31 July	
		2025		2024	
		Group	College	Group	College
INCOME					
Funding body grants	2	32,363	32,363	30,423	30,423
Tuition fees and education contracts	3	2,382	2,364	2,703	2,686
Other grants and contracts	4	670	670	510	510
Other income	5	2,337	2,047	2,462	2,366
Investment income	6	544	544	474	474
Total income		38,296	37,988	36,572	36,459
EXPENDITURE					
Staff costs	8	23,606	22,483	22,107	21,000
Fundamental restructure costs	8	90	76	195	195
Other operating expenses	9	11,019	12,149	10,707	11,711
Depreciation	12/13	3,909	3,898	3,643	3,633
Interest and other finance costs	10	304	304	334	334
Total expenditure		38,928	38,910	36,986	36,873
Deficit before other gains and losses		(632)	(922)	(414)	(414)
Loss on disposal of fixed assets		(2)	(2)	(6)	(6)
Deficit before tax		(634)	(924)	(420)	(420)
Taxation	11	(2)	-	-	-
Deficit for the year		(636)	(924)	(420)	(420)
Actuarial (loss)/gain in respect of pension schemes	25	(2,767)	(2,767)	2,391	2,391
Total Comprehensive (deficit)/income for the year		(3,403)	(3,691)	1,971	1,971

Deficit before other gains and losses		(632)	(922)	(414)	(414)
Defined Benefit Obligation FRS102 (LGPS)	25	678	678	629	629
Depreciation on Donated Assets		497	497	497	497
Interest Charge FRS102 (LGPS)	25	(341)	(341)	(252)	(252)
Adjusted Operating Surplus/(Deficit)		202	(88)	460	460

All Comprehensive Income is Unrestricted.

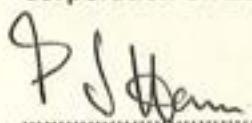
All items of income and expenditure relate to continuing activities.

St Helens College

Consolidated and College Balance sheets as at 31st July 2025

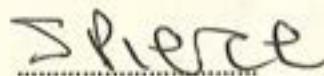
	Notes	Group	College	Group	College
		2025 £'000	2025 £'000	2024 £'000	2024 £'000
Non-current assets					
Tangible Fixed assets	12/13	85,413	85,395	87,619	87,599
Investments	14	-	100	-	100
		85,413	85,495	87,619	87,699
Current assets					
Stocks		58	58	47	47
Trade and other receivables	15	2,719	2,661	2,451	2,734
Cash and cash equivalents	20	5,520	5,244	4,413	4,111
		8,297	7,963	6,911	6,892
Less: Creditors – amounts falling due within one year	16	(8,520)	(8,476)	(7,544)	(7,525)
Net current liabilities		(223)	(513)	(633)	(633)
Total assets less current liabilities		85,190	84,982	86,986	87,066
Creditors – amounts falling due after more than one year	17	(37,920)	(37,920)	(39,417)	(39,417)
Provisions					
Defined benefit asset	19	3,635	3,635	6,739	6,739
Total net assets		50,905	50,697	54,308	54,388
Unrestricted Reserves					
Income and expenditure account		50,905	50,697	54,308	54,388
Total reserves		50,905	50,697	54,308	54,388

The financial statements on pages 40 to 69 were approved and authorised for issue by the Corporation on 11 December 2025 and were signed on its behalf by:



Philip Han

Chair



Simon Pierce

Principal / Accounting Officer

St Helens College

Consolidated and College Statements of Changes in Reserves

	Income and expenditure account	Restricted reserves	Total
	£'000	£'000	£'000
Group			
Balance at 1 st August 2023	52,337	-	52,337
Deficit from the income and expenditure account	(420)	-	(420)
Other comprehensive income	2,391	-	2,391
Total comprehensive income for the year	1,971	-	1,971
Balance at 31st July 2024	54,308	-	54,308
Deficit from the income and expenditure account	(636)	-	(636)
Other comprehensive deficit	(2,767)	-	(2,767)
Total comprehensive deficit for the year	(3,403)	-	(3,403)
Balance at 31st July 2025	50,905	-	50,905
College			
Balance at 1 st August 2023	52,417	-	52,417
Deficit from the income and expenditure account	(420)	-	(420)
Other comprehensive income	2,391	-	2,391
Total comprehensive income for the year	1,971	-	1,971
Balance at 31st July 2024	54,388	-	54,388
Deficit from the income and expenditure account	(924)	-	(924)
Other comprehensive deficit	(2,767)	-	(2,767)
Total comprehensive deficit for the year	(3,691)	-	(3,691)
Balance at 31st July 2025	50,697	-	50,697

St Helens College

Consolidated Statement of Cash Flows

	Notes	2025 £'000	2024 £'000
Cash flow from operating activities			
Deficit for the year		(636)	(420)
Adjustment for non-cash items			
Depreciation	12	3,909	3,643
Loss on Sale of Fixed Assets		2	6
Release of Government capital grants		(2,047)	(1,927)
(Increase) in stocks		(11)	(2)
(Increase) / Decrease in debtors	15	(268)	256
Increase / (Decrease) in creditors due within one year	16	854	(898)
Pensions costs less contributions payable	25	678	629
Net interest on the defined pension benefit	25	(341)	(252)
Adjustment for investing or financing activities			
Investment income	6	(203)	(222)
Interest payable	10	304	334
Net cash flow from operating activities		<u>2,241</u>	<u>1,147</u>
Cash flows from investing activities			
Capital grants received		1,251	1,373
Investment income	6	203	222
Payments made to acquire fixed assets	12	(1,705)	(1,955)
		<u>(251)</u>	<u>(360)</u>
Cash flows from financing activities			
Interest paid	10	(304)	(334)
Repayments of amounts borrowed	17	(579)	(548)
		<u>(883)</u>	<u>(882)</u>
Increase / (Decrease) in cash and cash equivalents in the year		<u>1,107</u>	<u>(95)</u>
 Cash and cash equivalents at beginning of the year	20	4,413	4,508
Cash and cash equivalents at end of the year	20	5,520	4,413

St Helens College

College Statement of Cash Flows

	Notes	2025 £'000	2024 £'000
Cash flow from operating activities			
Deficit for the year		(924)	(420)
Adjustment for non-cash items			
Depreciation	13	3,898	3,633
Loss on sale of fixed assets		2	6
Release of Government capital grants		(2,047)	(1,927)
(Increase) in stocks		(11)	(2)
Decrease in debtors	15	73	189
Increase / (Decrease) in creditors due within one year	16	829	(849)
Pensions costs less contributions payable	25	678	629
Net interest on the defined pension benefit	25	(341)	(252)
Adjustment for investing or financing activities			
Investment income	6	(203)	(222)
Interest payable	10	304	334
Net cash flow from operating activities		<u>2,258</u>	<u>1,119</u>
Cash flows from investing activities			
Capital grants received		1,251	1,373
Investment income	6	203	222
Payments made to acquire fixed assets	13	(1,696)	(1,955)
		<u>(242)</u>	<u>(360)</u>
Cash flows from financing activities			
Interest paid	10	(304)	(334)
Repayments of amounts borrowed	17	(579)	(548)
		<u>(883)</u>	<u>(882)</u>
Increase / (Decrease) in cash and cash equivalents in the year		<u>1,133</u>	<u>(123)</u>
 Cash and cash equivalents at beginning of the year	20	4,111	4,234
Cash and cash equivalents at end of the year	20	5,244	4,111

St Helens College

Notes to the Accounts

1. Statement of accounting policies and estimation techniques

St Helens College is a Corporation established under the Further Education and Higher Education Act 1992 as an English general College of Further Education. The address including the principal place of business is set out on page 3. The nature of operations is set out in the Members' Report.

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 College Accounts Direction for 2024 to 2025, the Framework for auditors and reporting accountants of colleges, the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (the 2019 FE HE SORP), regulatory advice 9: Accounts Direction issued by the Office For Students, and in accordance with Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102). The College is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102.

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

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention. Monetary amounts are rounded to the nearest whole £1,000 unless otherwise stated. The consolidated financial statements are presented in sterling which is also the functional currency of the College.

Basis of consolidation

The consolidated financial statements include the College and its subsidiary, Waterside Training Limited (the Group). Control is achieved where the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The results of subsidiaries acquired or disposed of during the period are included in the consolidated income and expenditure account from the date of acquisition or up to the date of disposal. Intra-group sales and profits are eliminated fully on consolidation. All financial statements are made up to 31 July 2025.

Going concern

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

The financial statements are prepared on a going concern basis. The Group has reported a Total Comprehensive Deficit of (£3,403k) for the year to 31 July 2025 (2023/24 comprehensive income of £1,971k); an increase in cash of £1,107k (2023/24: a decrease in cash of £95k) and at 31 July 2025 had net assets of £50,905k (2024: £54,308k).

St Helens College – Notes to the Accounts (continued)

The net assets figure of £50,905k includes an estimated surplus asset of £3,635k arising from the Group's membership of the Merseyside Local Government Superannuation Scheme and a liability of £35,118k in Government Capital Grants.

The Group has net current liabilities of £223k at 31 July 2025 but this includes £2,023k of deferred capital grants and thus working capital is £1,800k.

The Group currently has £5,435k of loans outstanding with bankers on 25-year loan agreements on terms negotiated in 2007. The group met the terms of its bank loan covenants in 2024/25.

The Group has a target of Good financial health per the DfE benchmarks for 2025/26 and is forecast to achieve this target for 2025/26 and 2026/27.

The Group has prepared cash flow forecasts through to 31 July 2028 on a conservative basis and by applying various sensitivities. These forecasts indicate that the Group will be able to continue to trade for the foreseeable future and that it will be able to operate within its existing bank covenants.

Accordingly, the Governors believe it is appropriate to continue to adopt the going concern basis in the preparation of the Financial Statements.

Recognition of income

Revenue Grant Funding

Government revenue grants include funding body recurrent grants and other grants and are accounted for under the accrual model as permitted by FRS 102. Funding body recurrent grants are measured in line with best estimates for the period of what is receivable and depend on the particular income stream involved. Any under or over achievement for the Adult Education Budget is adjusted for and reflected in the level of recurrent grant recognised in the income and expenditure account. The final grant income is normally determined with the conclusion of the year end reconciliation process with the funding body following the year end, and the results of any funding audits. 16-18 learner-responsive funding is not normally subject to reconciliation and is therefore not subject to contract adjustments.

The recurrent grant from OFS represents the funding allocations attributable to the current financial year and is credited direct to the Statement of Comprehensive Income.

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

Capital Grant Funding

Government capital grants are capitalised, held as deferred income and recognised in income over the expected useful life of the asset, under the accrual method as permitted by FRS 102. The deferred income is allocated between creditors due within one year and those due after more than one year. Other capital grants are recognised in income when the Group is entitled to the funds subject to any performance related conditions being met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the Balance Sheet and released to income as conditions are met.

St Helens College – Notes to the Accounts (continued)

Fee Income

Income from tuition fees is stated gross of any expenditure which is not a discount and is recognised in the period to which it is attributable with any fees not received disclosed as accrued income and any fees received in advance disclosed as deferred income in the balance sheet.

Investment Income

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

Other Income

Income from other revenue streams such as catering, nursery provision and rental income is recognised at the fair value of the consideration received or receivable for the sale of the goods or services to external customers. Turnover is shown net of Value Added Tax.

Accounting for post-employment benefits

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

Teachers' Pension Scheme (TPS)

The TPS is an unfunded scheme. Contributions to the TPS are calculated so as to spread the cost of pensions over employees' working lives with the Group 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 the Group is unable 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.

Merseyside Local Government Pension Scheme (LGPS)

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

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

St Helens College – Notes to the Accounts (continued)

The FRS 102 valuation of the LGPS pension scheme gives rise to a surplus recognised in the Balance sheet of £3.6m. The actual surplus of the LGPS scheme (based on its actual combination of assets and liabilities) at 31st March 2022 was £7.6m with the scheme being 108.6% funded.

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

Short Term Employment benefits

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

Tangible fixed assets

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

Land and buildings

Freehold buildings are depreciated on a straight-line basis over their expected useful lives as follows:

- Buildings – 50 years
- Major Refurbishments – 20 years
- Minor Refurbishments – 10 years

Freehold land is not depreciated.

Long leasehold buildings are depreciated over 25 or 50 years and short leasehold building over the length of the lease.

Freehold buildings are depreciated over their expected useful economic life to the Group of 50 years. The Group has a policy of depreciating major adaptations to buildings over the period of their useful economic life of 20 years, and minor adaptions over 10 years.

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

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

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

St Helens College – Notes to the Accounts (continued)

Assets under construction

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

Subsequent expenditure on existing fixed assets

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

Equipment

Equipment costing more than £2,000 per individual item (or with combined value of £10,000 or more for a group of similar items with individual values less than £2,000) are capitalised at cost.

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

• technical equipment	4 years
• motor vehicles	4 years
• computer equipment	2 - 4 years
• furniture, fixtures and fittings	4 years

Impairment of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, an estimate is made of the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairment of revalued assets is treated as a revaluation loss. All other impairment losses are recognised in comprehensive income.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in comprehensive income or, for revalued assets, as a revaluation gain. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Borrowing costs

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

Leased assets

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

St Helens College – Notes to the Accounts (continued)

Investments

Investments in subsidiaries

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

Investments in subsidiaries are assessed for impairment at each reporting date. Any impairment losses or reversals of impairment are recognised immediately in comprehensive income.

Inventories

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

Cash and cash equivalents

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

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

Financial liabilities and equity

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

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

Taxation

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

Accordingly, the College is potentially exempt from taxation in respect of income or capital gains received within categories covered by sections 478-488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The College is partially exempt in respect of Value Added Tax, so that it can only recover around 2% of the VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature.

St Helens College – Notes to the Accounts (continued)

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

Provisions and contingent liabilities

Provisions are recognised when

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

Agency arrangements

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

Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical areas of judgement

- *Leases*

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

- *Impairment of fixed assets*

Determine whether there are indicators of impairment of the group's tangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

St Helens College – Notes to the Accounts (continued)

Critical accounting estimates and assumptions

- *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 considered. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

In August 2022 a 125-year lease at a peppercorn rent for a site at Stockbridge Lane, Knowsley was entered into. A valuation on a depreciated replacement cost basis was carried out which gave a cost for the site of £30.3m. The asset was recorded as the donation of a gift at £30.3m in the year ended 31 July 2023 and the asset included within fixed assets. The buildings element of the valuation is being depreciated over 50 years giving an annual depreciation cost of £497k.

- *Local Government Pension Scheme*

The present value of the Local Government Pension Scheme defined benefit asset/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 25, will impact the carrying amount of the pension obligation. Furthermore, a roll forward approach which projects results from the actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions obligation or asset at 31 July 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The value of the College's share of net assets has been restricted due to the effect of the asset ceiling being the maximum value of the present value of the economic benefits available in the form of the unconditional right to reduced contributions from the plan. A corresponding charge has been made to other comprehensive income in the period.

St Helens College – Notes to the Accounts (continued)

2 Funding body grants	Year ended 31 July		Year ended 31 July	
	2025	2025	2024	2024
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Recurrent grants				
Department for Education – Adults	303	303	149	149
Department for Education – 16-19	19,777	19,777	18,209	18,209
Department for Education – Apprenticeships	3,855	3,855	3,701	3,701
Devolved Authority – Adults	4,360	4,360	4,393	4,393
Local Authority – 16-18 High Needs	321	321	295	295
Office for Students	287	287	320	320
Specific grants				
Department for Education – 16-19 Tuition Fund	-	-	330	330
Free Courses for Jobs Funding	405	405	376	376
National Insurance Grant	160	160	-	-
Teacher Pension Scheme Contribution Grant	1,078	1,078	853	853
Free School Meals	168	168	165	165
Office for Students capital grants	29	29	32	32
Releases of government capital grants	1,620	1,620	1,600	1,600
Total	32,363	32,363	30,423	30,423
<hr/>				
3 Tuition fees and education contracts	Year ended 31 July		Year ended 31 July	
	2025	2025	2024	2024
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Adult education fees	240	240	271	271
Apprenticeship fees and contracts	147	147	130	130
Fees for FE loan supported courses	214	214	293	293
Fees for HE courses	1,781	1,763	2,009	1,992
Total tuition fees	2,382	2,364	2,703	2,686
Education contracts	-	-	-	-
Total	2,382	2,364	2,703	2,686

St Helens College – Notes to the Accounts (continued)

4 Other grants and contracts	Year ended 31 July		Year ended 31 July	
	2025	2025	2024	2024
	Group	College	Group	College
		£'000	£'000	£'000
Other grant income	271		215	
Release of non-government capital grants	399		295	
Total	670	670	510	510

5 Other income	Year ended 31 July		Year ended 31 July	
	2025	2025	2024	2024
	Group	College	Group	College
		£'000	£'000	£'000
Catering and residences	579		650	
Other income generating activities	1,404		1,400	
Miscellaneous income	354		412	
Total	2,337	2,047	2,462	2,366

6 Investment income	Year ended 31 July		Year ended 31 July	
	2025	2025	2024	2024
	Group	College	Group	College
		£'000	£'000	£'000
Other interest receivable	203		222	
Net interest on defined pension benefit (note 25)	341		252	
Total	544	544	474	474

7 Analysis of Grant and Fee Income for Office for Students	2025		2024	
			£'000	£'000
	Grant income from the Office for Students		316	352
Grant income from other bodies			32,047	30,071
Fee income from taught awards (exclusive of VAT)			1,781	2,009
Fee income for research awards (inclusive of VAT)			-	-
Fee income for non-qualifying courses			601	694
Total			34,745	33,126

St Helens College – Notes to the Accounts (continued)

8 Staff costs – Group and College

The average number of persons (including key management personnel) employed by the Group and College during the year, on an average headcount basis, was:

	Group 2025 No.	College 2025 No.	Group 2024 No.	College 2024 No.
Teaching staff	283	283	268	268
Non-teaching staff	320	247	319	244
	603	530	587	512

Staff costs for the above persons

	2025 £'000	2025 £'000	2024 £'000	2024 £'000
Wages and salaries	17,111	16,155	16,231	15,332
Social security costs	1,721	1,682	1,454	1,420
Other pension costs	3,545	3,532	3,047	3,036
Other employee related costs	361	348	436	411
Payroll sub total	22,738	21,717	21,168	20,199
Contracted out staffing services	868	766	939	801
	23,606	22,483	22,107	21,000
Fundamental restructuring costs – Contractual	90	76	195	195
Total Staff costs	23,696	22,559	22,302	21,195

The number of staff to whom the restructuring costs relate in 2024/25 was 10 (2023/24: 18), disclosed in the following bands:

	2025	2024
£0 - £25,000	10	16
£25,001 - £50,000	-	1
£50,001 - £100,000	-	1

Included in staff restructuring costs is a special severance payment totalling £13,173 (2024: £57,224).

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College and are represented by the leadership team which comprises the Chief Executive Officer, Chief Financial Officer, Deputy Principal, Commercial Director and Director of People.

Staff costs in 2023/24 included compensation payments totalling £48,914 paid to 2 key management personnel for loss of office.

St Helens College – Notes to the Accounts (continued)

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

	2025 No.	2024 No.		
The number of key management personnel including the Accounting Officer was:	<u>5</u>	<u>3</u>		
The number of key management personnel and other staff who received annual emoluments, excluding pension contributions and national insurance contributions but including benefits in kind, in the following ranges was:				
	Key management personnel	Other staff		
	2025 No.	2024 No.	2025 No.	2024 No.
£60,001 to £65,000	-	-	2	3
£65,001 to £70,000	1	1	4	-
£70,001 to £75,000	-	-	-	-
£75,001 to £80,000	-	1	1	-
£80,001 to £85,000	1	-	-	-
£85,001 to £90,000	1	-	-	-
£100,001 to £105,000	2	-	-	-
£145,001 to £150,000	-	1	-	-
£150,001 to £155,000	1	-	-	-
	<u>6</u>	<u>3</u>	<u>7</u>	<u>3</u>

In 2024/25 a Vice Principal at the beginning of the year resigned in April 2025. On a full year basis, the total emoluments would have been in the £85,001 to £90,000 range.

In 2023/24 the Chief Finance Officer at the beginning of the year resigned January 2024. On a full year basis, the total emoluments would have been in the £135k to £140k range. An interim Chief Finance Officer was employed August 2023 - March 2024. On a full year basis, the total emoluments would have fallen in the £175k to £180k range. A new Chief Finance Officer was employed March 2024. On a full year basis, the total emoluments would fall in the £100k to £105k range.

In 2023/24 an interim Vice Principal at the start of the year resigned in November 2023 and another Vice Principal at the start of the year resigned in December 2023. On a full year basis their total emoluments would have fallen in the £130k to £135k and £100k to £105k ranges, respectively. Two Vice Principals were appointed in December 2023 and March 2024. On a full year basis their total emoluments would have fallen in the £100k to £105k and £85k to £90k ranges, respectively.

St Helens College – Notes to the Accounts (continued)

Key management personnel emoluments are made up as follows:

	2025 £'000	2024 £'000
Salaries	567	657
Employer's National Insurance	74	88
Holiday Pay	-	38
Benefits in kind	3	3
	<hr/> 644	<hr/> 786
Pension contributions – regular	141	131
	<hr/> 785	<hr/> 917
Total emoluments	<hr/>785	<hr/>917

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

The above emoluments include amounts payable to the Principal and Chief Executive who is the Accounting Officer. His pay and remuneration is as follows:

	2025 £'000	2024 £'000
Salaries	149	145
Benefits in kind	3	3
Pension contributions	43	37
	<hr/> 195	<hr/> 185

The Accounting Officer was the highest paid officer in 2024/25.

Salaries for new key management personnel are benchmarked to national averages where applicable or compared to current market rates. Pay awards for key management personnel who are not senior postholders are usually in line with those for all staff. The remuneration package of senior postholders, including the Principal and Chief Executive is subject to annual review by the Performance and Remuneration Committee of the Governing Body who use benchmarking information to provide objective guidance. The Principal and Chief Executive received an increase in salary of £1,128 (0.8%) with effect from 1 January 2025 (6.5% pay award on 1 January 2024).

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

The members of the Corporation other than the Accounting Officer and the staff members did not receive any payment from the institution other than the reimbursement of travel and subsistence expenses incurred in the course of their duties (note 26).

The College has adopted and complied with the Association of College's Senior Staff Remuneration Code and has regard for the Higher Education Senior Staff Remuneration Code published by the Committee of University Chairs.

St Helens College – Notes to the Accounts (continued)

Pay Multiples

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

Principal and CEO's basic salary (full time equivalent) as a multiple of the median of all staff

	2025	2024
	4.54	4.67

Principal and CEO's total remuneration (full time equivalent) as a multiple of the median of all staff

	2025	2024
	4.67	4.81

The pay multiple calculations have been determined by dividing the annual full-time equivalent salary of the Principal by the median annual full time equivalent salaries of the College's employees as at 31 July in each of the respective years. Hourly paid staff are excluded from the calculation as they only work during term time and only on a part time basis.

9 Other operating expenses

	2025 Group £'000	2025 College £'000	2024 Group £'000	2024 College £'000
Teaching costs	3,963	3,859	3,822	3,711
Non-teaching costs	3,397	3,952	3,328	3,840
Premises costs	3,659	4,338	3,557	4,160
Total	11,019	12,149	10,707	11,711

Other operating expenses include:	2025 £'000	2024 £'000
Auditors' remuneration:		
Financial statements audit ¹	57	58
Internal audit	14	24
Other services provided by the financial statements' auditor	2	-
Other services provided by the internal auditors	-	-
Hire of assets under operating leases	79	91
Payments to subcontractors	282	360

¹ Includes £50,000 (2024: £50,000) in respect of the College.

St Helens College – Notes to the Accounts (continued)

9a Access and Participation Expenditure

The College incurred the following expenditure in relation to its Access and Participation plan, which is published on the College's website www.sthelens.ac.uk.

	£	£
Access Investment	38,225	24,146
Financial Support to Students	60,185	69,760
Disability Support	2,260	2,193
Research and Evaluation	<u>43,897</u>	<u>43,026</u>

The above costs include £53,251 (2024: £51,585) in relation to staff costs, all of which are included in the staff costs per Note 8

10 Interest and other finance costs – Group and College

	2025 £'000	2024 £'000
On bank loans, overdrafts, and other loans:	<u>304</u>	<u>334</u>
Total	<u>304</u>	<u>334</u>

11 Taxation – Group only

	2025 £'000	2024 £'000
United Kingdom corporation tax at 19 per cent	<u>2</u>	<u>-</u>
Total	<u>2</u>	<u>-</u>

St Helens College – Notes to the Accounts (continued)

12 Tangible fixed assets (Group)

	Land and buildings		Equipment	Total
	Freehold	Long leasehold		
	£'000	£'000	£'000	
Cost or valuation				
At 1 August 2024	91,175	31,481	6,258	128,914
Additions	896	-	809	1,705
Disposals	-	-	(33)	(33)
At 31 July 2025	92,071	31,481	7,034	130,586
Depreciation				
At 1 August 2024	36,962	1,836	2,497	41,295
Charge for the year	2,434	548	927	3,909
Elimination in respect of disposals	-	-	(31)	(31)
At 31 July 2025	39,396	2,384	3,393	45,173
Net book value at 31 July 2025	52,675	29,097	3,641	85,413
Net book value at 31 July 2024	54,213	29,645	3,761	87,619

13 Tangible fixed assets (College)

	Land and buildings		Equipment	Total
	Freehold	Long leasehold		
	£'000	£'000	£'000	
Cost or valuation				
At 1 August 2024	91,175	31,481	6,226	128,882
Additions	896	-	800	1,696
Disposals	-	-	(33)	(33)
At 31 July 2025	92,071	31,481	6,993	130,545
Depreciation				
At 1 August 2024	36,962	1,836	2,485	41,283
Charge for the year	2,434	548	916	3,898
Elimination in respect of disposals	-	-	(31)	(31)
At 31 July 2025	39,396	2,384	3,370	45,150
Net book value at 31 July 2025	52,675	29,097	3,623	85,395
Net book value at 31 July 2024	54,213	29,645	3,741	87,599

St Helens College – Notes to the Accounts (continued)

14 Non-current investments

	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
Investments in subsidiary companies		100		100
Total		100		100

The College owns 89 per cent of the issued ordinary £1 shares of Waterside Training Limited, a company incorporated in England and Wales.

The principal activity of Waterside Training Limited is the delivery of training for individuals and companies in the engineering industry.

15 Trade and Other Receivables

	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
Amounts falling due within one year:				
Trade receivables	382	318	126	82
Amounts owed by group undertakings:				
Subsidiary undertakings	-	11	-	332
Prepayments and accrued income	1,881	1,876	1,491	1,486
Amounts owed by the DfE	455	455	834	834
Other debtors	1	1	-	-
Total	2,719	2,661	2,451	2,734

16 Creditors: amounts falling due within one year

	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
Bank loans and overdrafts	610	610	579	579
Trade payables	2,375	2,363	1,185	1,166
Amounts owed to group undertakings:				
Subsidiary undertakings	-	78	-	92
Other taxation and social security	942	920	676	646
Accruals and deferred income	1,678	1,590	2,179	2,119
Holiday pay accrual	155	155	177	177
Deferred income - government capital grants	2,023	2,023	1,932	1,932
Amounts owed to the DfE	158	158	306	306
Other creditors	579	579	510	508
Total	8,520	8,476	7,544	7,525

St Helens College – Notes to the Accounts (continued)

17 Creditors: amounts falling due after one year

	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
Bank loans	4,825	4,825	5,435	5,435
Deferred income – government capital grants	33,095	33,095	33,982	33,982
Total	37,920	37,920	39,417	39,417

18 Maturity of debt

(a) Bank loans and overdrafts

Bank loans and overdrafts are repayable as follows:

	Group 2025 £'000	College 2025 £'000	Group 2024 £'000	College 2024 £'000
In one year or less	610	610	579	579
Between one and two years	643	643	610	610
Between two and five years	2,145	2,145	2,034	2,034
In five years or more	2,037	2,037	2,791	2,791
Total	5,435	5,435	6,014	6,014

Bank loans with interest rates of between 5.23% and 5.39% repayable by instalments falling due between August 2026 and November 2032 totalling £5,435k, are secured on a portion of the freehold land and buildings of the Group.

19 Provisions

	Group and College		
	Defined benefit assets £'000	Other	Total
At 1 August 2024	(6,739)	-	(6,739)
Movements in year	3,104	-	3,104
At 31 July 2025	(3,635)	-	(3,635)

Defined benefit (assets) / obligations relate to the liabilities or assets under the College's membership of the Local Government Pension Scheme. Further details are given in Note 25.

St Helens College – Notes to the Accounts (continued)

20 Analysis of changes in net funds

	At 1 August 2024	Cash flows	At 31 July 2025
Group	£'000	£'000	£'000
Cash and cash equivalents	4,413	1,107	5,520
Bank loans	(6,014)	579	(5,435)
Net debt	(1,601)	1,686	85
College			
Cash and cash equivalents	4,111	1,133	5,244
Bank loans	(6,014)	579	(5,435)
Net debt	(1,903)	1,712	(191)

21 Capital and other commitments

	Group and College	
	2025 £'000	2024 £'000
Commitments	307	-

22 Lease obligations

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

	Group and College	
	2025 £'000	2024 £'000
Future minimum lease		
Land and buildings		
Not later than one year	1,124	1,074
Later than one year and not later than	4,943	4,727
Later than five years	5,839	7,093
	<u>11,906</u>	<u>12,894</u>
Other		
Not later than one year	59	59
Later than one year and not later than	115	174
Later than five years	-	-
	<u>174</u>	<u>233</u>

23 Contingent liabilities

There are no contingent liabilities at year end.

St Helens College – Notes to the Accounts (continued)

24 Events after the reporting period

There are no material events after 31 July 2025.

25 Defined benefit obligations

The Group'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 Merseyside Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Wirral MBC. Both are multi-employer defined-benefit plans.

Total pension cost for the year	2025 £000	2024 £000
Teachers' Pension Scheme: contributions paid	2,393	1,985
Local Government Pension Scheme:		
Contributions paid	461	422
FRS 102 (28) charge	678	629
Charge to the Statement of Comprehensive Income	1,139	1,051
Other pension contributions	13	11
Total Pension Cost for Year within staff costs	3,545	3,047

The LGPS contributions paid figure above of £461k does not include pension costs in relation to redundancies that are accounted for within restructuring costs in the financial statements.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those by employers, are credited to the Exchequer. The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme on as a defined benefit plan so it is accounted for as a defined contribution plan.

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation was carried out as at 31 March 2020 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023, the Employer Contribution Rate was assessed using agreed assumptions in line with the Directions and was accepted at the original assessed rate as there was no cost control mechanism breach. The valuation report was published in October 2023. The key results of the valuation are:

St Helens College – Notes to the Accounts (continued)

- Total scheme liabilities for service (the capital sum needed at 31 March 2020 to meet the stream of future cash flows in respect of benefits earned) of £262 billion;
- Value of notional assets (estimated future contributions together with proceeds from the notional investments held at the valuation date) of £222 billion;
- Notional past service deficit of £39.8 billion (2016: £22 billion)
- Discount rate is 1.7% in excess of CPI (2016: 2.4% in excess of CPI (this change has had the greatest financial significance)).

As a result of the valuation, new employer contribution rates have been set at 28.6% of pensionable pay from 1 April 2024 until 31 March 2027 (compared with 23.68% under the previous valuation including a 0.08% administration levy). DfE agreed to pay a Teachers Pensions employer contribution grant to cover additional costs during the 2024-25 academic year, and currently through to July 2026.

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

The employer pension costs paid to TPS in the year amounted to £2,393k (2024: £1,985k).

Local Government Pension Scheme

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by Wirral MBC Local Authority. The total contributions made for the year ended 31 July 2025 were £870,611, of which employer's contributions totalled £460,950 and employees' contributions totalled £409,661. The agreed contribution rates for employers throughout 2024-25 were 20.1% and ranged from 5.5% to 12.5% for employees, depending on salary.

On 26 October 2018, the High Court handed down a judgment involving the Lloyds Banking Group's defined benefit pension schemes. The judgment concluded the schemes should be amended to equalise pension benefits for men and women in relation to guaranteed minimum pension benefits, "GMP".

However, in response to this judgment HM Treasury stated that "public sector schemes already have a method to equalise guaranteed minimum pension benefits, which is why we will not have to change our method as a result of this judgment", clearly implying that the Government (who have the overall power to determine benefits provision) believe the judgment itself will not affect the benefits. Therefore, the natural conclusion for the main public service pension schemes including the Local Government Pension Scheme is that it is not appropriate for any provision to be included for the effect of the Lloyds Bank judgment, at least at the present time, and so we have not made any allowance for any additional liabilities at this stage. This is consistent with previous accounting disclosures.

There is a separate wider potential issue in relation to GMP equality in general. At present, the public service schemes are required to provide full CPI pension increases on GMP benefits for members who reached State Pension Age between 6 April 2016 and 5 April 2021. The UK Government may well extend this at some point in the future to include members who reached State Pension Age from 6 April 2021 onwards. A provision of £242,000 has been provided at 31 July 2025 (2024: £242,000) for the cost of extending GMP equalisation to members who reached State Pension Age after 2021.

St Helens College – Notes to the Accounts (continued)

Principal Actuarial Assumptions

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

	At 31 July 2025	At 31 July 2024
Rate of increase in salaries	4.0%	4.1%
Future pensions increases	2.6%	2.7%
Discount rate for scheme liabilities	5.9%	4.9%
Inflation assumption (CPI)	2.5%	2.6%
Commutation of pensions to lump sums	0.0%	0.0%

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

	At 31 July 2025 Years	At 31 July 2024 Years
<i>Retiring today</i>		
Males	20.6	20.8
Females	23.3	23.4
<i>Retiring in 20 years</i>		
Males	21.7	22.0
Females	24.7	25.1

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

	% Share of Assets 31 July 2025	Fair Value at 31 July 2025	% Share of Assets 31 July 2024	Fair Value at 31 July 2024 £'000
Equity instruments	42.80%	42,481	41.10%	39,223
Government bonds	16.10%	15,980	17.50%	16,701
Other bonds	4.90%	4,863	6.00%	5,726
Property	8.60%	8,536	8.70%	8,303
Cash	7.20%	7,146	5.50%	5,249
Other	20.40%	20,248	21.20%	20,232
Total fair value of plan assets		99,254		95,434
Rate of return on period end assets		6.60%		6.30%
Actual return on plan assets		6,545		6,047

St Helens College – Notes to the Accounts (continued)

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

	2025 £'000	2024 £'000
Fair value of plan assets	99,254	95,434
Present value of plan liabilities	(74,310)	(85,657)
Impact of asset ceiling	(21,309)	(3,038)
Net pensions asset (Note 19)	3,635	6,739

The value of the College's share of net assets has been restricted due to the effect of the asset ceiling being the maximum value of the present value of the economic benefits available in the form of the unconditional right to reduced contributions from the plan. A corresponding charge has been made to other comprehensive income in the period.

The College is aware of the 2023 ruling in the Virgin Media vs NTL Pension Trustee case and subsequent court of appeal ruling published in July 2024. These ruled that certain amendments made to the NTL Pension Plan were invalid because they were not accompanied by the correct actuarial confirmation. The Department of Work & Pensions has since announced that it will introduce legislation to allow changes to be certified retrospectively and as a result, the College no longer believes this to be a contingent liability.

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

	2025 £'000	2024 £'000
Amounts included in staff costs		
Current service cost less employer contributions	(645)	(598)
Administration expenses	(33)	(31)
Total	(678)	(629)
 Amounts included in investment income		
Net interest income (note 6)	341	252
	341	252

Amount recognised in Other Comprehensive Income

Return on pension plan assets	1,935	1,422
Experience (losses)/gains arising on defined benefit obligations	(858)	405
Changes in assumptions underlying the present value of plan	14,278	(1,104)
Effect of asset ceiling	(18,122)	1,668
Amount recognised in Other Comprehensive Income	(2,767)	2,391

St Helens College – Notes to the Accounts (continued)

Movement in net defined benefit asset during the year

	2025 £'000	2024 £'000
Net defined benefit asset in scheme at 1 August	6,739	4,725
Movement in year:		
Current service cost	(1,086)	(1,012)
Employer contributions	441	414
Administration expenses	(33)	(31)
Net interest on the defined liability	341	252
Actuarial gain or loss	(2,767)	2,391
Net defined benefit asset at 31 July	3,635	6,739

Asset and Liability Reconciliation

	2025 £'000	2024 £'000
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Changes in the present value of defined benefit obligations

Defined benefit obligations at start of year	85,657	82,755
Current service cost	1,086	1,012
Interest cost	4,120	4,145
Contributions by Scheme participants	402	380
Experience gains and losses on defined benefit obligations	858	(405)
Changes in financial assumptions	(13,532)	1,385
Changes in demographic assumptions	(746)	(281)
Estimated benefits paid	(3,535)	(3,334)
Defined benefit obligations at end of year	74,310	85,657

Reconciliation of Assets

Fair value of plan assets at start of year	95,434	91,958
Interest on plan assets	4,610	4,625
Return on plan assets	1,935	1,422
Employer contributions	441	414
Contributions by Scheme participants	402	380
Administration expenses	(33)	(31)
Estimated benefits paid	(3,535)	(3,334)
Fair value of plan assets at end of year	99,254	95,434

St Helens College – Notes to the Accounts (continued)

26 Related party transactions

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

The total expenses paid to or on behalf of the Governors during the year was £436 (2023/24: £431). The cost represents travel and subsistence expenses and other out of pocket expenses incurred in attending Governor meetings and charity events in their official capacity.

No Governor has received any remuneration or waived payments from the College or its subsidiaries during the year (2023/24: none).

The Sutton Academy – a secondary school St Helens College act as sponsor for. Sales of services £nil (2023/24: £4k), Purchase of services £nil (2023/24: £nil). As at 31 July 2025 the balance owed by Sutton was £nil (2024: £nil).

Waterside Training limited – an 89% owned subsidiary. Sales of services £295k (2023/24 £231k), Purchase of services £1,321k (2023/24: £1,243k). As at 31 July 2025 the net balance owed to Waterside was £67k (2024: due from Waterside £240k).

27 Amounts disbursed as agent

	2025	2024
	£'000	£'000
Unspent balance at 1 August	467	340
Funding body grants – 16-18	824	810
Funding body grants – adults	704	726
	<hr/>	<hr/>
	1,995	1,876
Disbursed to students	(1,280)	(1,325)
Clawback of prior year unspent funds	(99)	(8)
Administration costs	(76)	(76)
	<hr/>	<hr/>
Balance unspent as at 31 July, included in creditors	540	467

Funding body grants are available solely for students. Where the College only acts as a paying agent, the grants and related disbursements are excluded from the Statement of Comprehensive Income.

Independent Reporting Accountant's Assurance Report on Regularity to the Corporation of St Helens College and the Secretary of State for Education

In accordance with the terms of our engagement letter dated 31 October 2025 and further to the requirements of the Department for Education (DfE), as included in the extant framework and guide for external auditors and reporting accountants of Colleges, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by St Helens College during the period 1 August 2024 to 31 July 2025 have not been applied to the purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

The framework that has been applied is set out in the College Auditor Framework issued by DfE and in any relevant conditions of funding concerning adult education notified by a relevant funder. In line with this framework, our work has specifically not considered income received from the main funding grants generated through the Individualised Learner Record data returns, for which the DfE or devolved authority has other assurance arrangements in place.

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

Respective responsibilities of the accounting officer of St Helens College and the reporting accountant

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

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Documenting the framework of authorities which govern the activities of the Corporation;
- Undertaking a risk assessment based on our understanding of the general control environment and any weaknesses in internal controls identified by our audit of the financial statements;
- Reviewing the self-assessment questionnaire which supports the representations included in the Chair of Governors and Accounting Officer's statement of regularity, propriety and compliance with the framework of authorities;
- Testing a sample of transactions with related parties;
- Confirming through enquiry and sample testing that the Corporation has complied with its procurement policies and that these policies comply with delegated authorities; and
- Reviewing any evidence of impropriety resulting from our work and determining whether it was significant enough to be referred to in our regularity report.

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

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 August 2024 to 31 July 2025 has not been applied for the purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Signed:

Signed by:

Menzies LLP

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Menzies LLP

One Express
1 George Leigh Street
Manchester
M4 5DL

Date: 19-Dec-2025