

BHASVIC

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**



BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Financial Statements for the Year Ended 31 July 2025

KEY MANAGEMENT PERSONNEL, BOARD OF GOVERNORS AND PROFESSIONAL ADVISERS

Key management personnel

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

William Baldwin	Principal and Accounting officer
James Moncrieff	Deputy Principal (Quality and Curriculum)
Jutta Knapp	Vice Principal (Resources)
Alison Cousens	Vice Principal (Student Services)
Mark Monahan	Assistant Principal (Digital and Communication)

Board of Governors

A full list of Governors is given on page 15-16 of these financial statements.

Mrs Louise Pennington acted as Clerk to the Corporation throughout the period.

Professional advisers

Financial Statement and regularity auditors:
Alliotts LLP (appointed May 2023)
3 London Square
Cross Lanes
Guildford
Surrey
GU1 1UJ

Internal Auditors:
MacIntyre Hudson (appointed June 2021)
Peterbridge House
The Lakes
Northampton
NN4 7HB

Bankers:
Lloyds TSB PLC
2 City Place
Beehive Ring Road
Gatwick
West Sussex
RH6 0PA

Solicitors:
Irwin Mitchell
Belmont House
Station Way
Crawley
West Sussex

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Strategic Report

OBJECTIVES AND STRATEGIES

The governing body present their annual report together with the financial statements and auditor's report for Brighton Hove and Sussex Sixth Form College for the year ended 31 July 2025.

Legal Status

The Corporation was established under The Further and Higher Education Act 1992 for the purpose of conducting Brighton Hove and Sussex Sixth Form College (BHASVIC) and was incorporated in England. The College is an exempt charity for the purposes of Part 3 of the Charities Act 2011.

Mission

The College's mission as approved is: To transform lives through learning. We will accomplish this by:

- Meeting the individual learning needs of students and supporting them to achieve
- Encouraging students to participate in the wider opportunities the College offers
- Working in partnership with other organisations.

Implementation of Strategic Plan

The College's strategic plan is for the period 1 August 2021 to 31 July 2025. The Corporation monitors the performance of the College against the Strategic Plan via the Annual Report and College Development Plan and Self-Assessment Report.

The College's key achievements during 2024-25 as a result of implementing its College Development plan are given below:

Area of Strategic Plan	Achievements 2024-25
Contemporary To be a modern college prioritising: <ul style="list-style-type: none"> • Sustainability and Climate Change • Digital Transformation • The Learner Journey: from Applicant to Alumni • First-class Accommodation and Resources 	<ul style="list-style-type: none"> • We continue to embed climate education across courses broadening this out beyond just the climate to look at sustainability through economic, social and political lenses. • We produced and implemented an A.I. roadmap identifying areas for A.I. integration and training. • We conducted a comprehensive review of all student communications to improve clarity, consistency, and access to information. • We secured planning permission to build a new student services building but lack the capital funds to move forward with this project. We completed an extension to our Piazza café and have the funds to build an artificial sports pitch and are working towards a planning application for this.
Creative To encourage creative, innovative and reflective approaches to our: <ul style="list-style-type: none"> • Curriculum Intent • Culture • Leadership & Governance • Income Generation 	<ul style="list-style-type: none"> • We have navigated curriculum developments around the status and delivery of Applied General Qualifications (BTECs) with preparation for the delivery of Alternative Academic Qualifications. • Our 'High Challenge, Low Threat' organisational culture remains strong as evidenced through staff satisfaction (98% recommend BHASVIC as a good place to work, 98% feel trusted to do their job well). • Leadership is strong (92% of staff feel that Senior Managers give clear leadership and promote a positive culture). • Governance remains robust with some high calibre individuals recruited to the board. • Income generation was strong with catering, venue hire and evening languages in line with targets.
Learning	<ul style="list-style-type: none"> • Ofsted visited for a full inspection in December 2022 and graded the college as 'Outstanding' in all areas.

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<p>To achieve outstanding levels of performance based on:</p> <ul style="list-style-type: none"> Curriculum Implementation Support and Guidance Staff Development Impact and Outcomes 	<ul style="list-style-type: none"> Outcomes for learners were very strong – with 70% of grades A*-B. We overhauled our tutorial programme for delivery in 2025-26 academic year. Student satisfaction remains above 90%. 81% of students were placed at their first choice University with 44 offers for Oxford/Cambridge and 41 medics successfully placed. Our Closing the Gap work saw retention and outcomes of students from low-income backgrounds improve significantly. Staff training focused on Digital skills especially A.I., EDI and Closing the Gap.
<p>Community Where every individual feels part of a community and where we play an active role in our own community, focusing on:</p> <ul style="list-style-type: none"> Wellbeing Equality, Diversity and Inclusion Students as leaders and citizens Partnerships & Stakeholder engagement 	<ul style="list-style-type: none"> Wellbeing remains a priority for staff and students. 91% of staff agree that 'leaders and managers are considerate of my wellbeing'. EDI INSET focused on Education for Sustainable Development, De-colonisation and Closing the Gap. Our involvement in and leadership of Citizens Brighton and Hove is extensive. BHASVIC students helped to secure reductions in transport costs for 16-18 year olds across the city. We self-assess as Good for contributing to local skills and work hard to ensure students are work ready. The Principal was invited to join the Skills Minister's, Jacqui Smith's 'FE Leaders Advisory Group'.

Resources

The college employs 361 people, of whom 212 are teaching staff.

In 2024-25 the College has delivered activity that has produced £18,793k in funding body main allocation funding (2024 - £17,026k). The College had 3,759 16-18 ESFA funded students and no students who were not eligible for funding.

The College has £10,125 of net assets, with no pension liability, (2024 £9,642k with no pension liability), and long term debt of £9,577k, which includes £6,228k of deferred capital grant, (2024 long term debt of £10,124k including £6,470k deferred capital grant).

The College has a very good reputation locally and nationally. Maintaining this reputation is essential for the College's success at attracting students and external relationships.

STAKEHOLDER RELATIONSHIPS

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

- Its current, future and past students;
- Education sector funding bodies;
- Its staff and their trade unions. The Senior Leadership Team are named on page 2. The trade unions of which BHASVIC staff are members are the National Education Union and Unison;
- Parents;
- Local employers (with specific links);
- Local authorities;
- Brighton and Hove Learning Partnership;
- The local community;
- Other FE institutions;
- Professional bodies.

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Strategic Report (continued)

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

Public Benefit

BHASVIC is an exempt charity under the Part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education. The members of the Governing Body, who are trustees of the charity, are disclosed on pages 15-17. In setting and reviewing the College's strategic objectives, the Corporation has had due regard for the Charity Commission's guidance on public benefit and particularly upon its supplementary guidance on the advancement of education.

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

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

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.

Development and Performance

Curriculum Developments

Exam Results: Our results this year retain our exceptional outcomes. At A level there is a 99.4% pass rate (99.1% *previous year*) with 69.5% A*-B grades overall (69.7% *previous year*). To consistently hit 70% for high grades year on year is remarkable. Our A*-A grade rate of 38.5% (41.5% *previous year*) is still over 10% above national average. The slight drop in A*-A grades may be accounted for by the 'Covid effect' – this cohort of students came in with lower GCSE results than the Covid adjusted years and our early analysis of the DfE's Value Added measure (L3VA) shows we have improved significantly at 0.53 (0.26 *previous year*) with an even more impressive 0.57 for our students from low-income backgrounds (DfE refer as Disadvantaged), showing that this work continues to have a positive impact. Students on BTEC/VTQs achieved a 99.8% pass rate with 58% high grades – which is also in line with last year. Value Added here is also 0.50 and an even more impressive 0.70 for students from low income backgrounds. It's incredible that these outcomes can be sustained year on year, particularly given some of the pressures we have faced. As a larger college, with more staff, more students, better retention (more students progressing from their first year of study into their second year), with larger class sizes and with eight days of industrial action disrupting last year, our staff have once again helped to produce first class outcomes for our students.

Curriculum Offer: Following the introduction of Alternative Academic Qualifications (AAQs), we are intending to introduce additional/new courses to our student offer. These are Medical Science and Sustainability. Our Health and Social Care, Computing and Information Technology Applied General courses are migrating to new AAQs and these qualifications and their syllabi are an improvement over the previous BTEC offer – they contain more contemporary content for students and the assessment models will enable students to learn and develop skills more effectively.

Closing The Gap Strategy: This project sees its second year of results. Value-Added is stronger for students from low-income backgrounds at BHASVIC than for all students, in both A Level and GCSE. Normally and nationally, students from low-income backgrounds do less well, with negative Value-Added. Such a positive result demonstrates that the project is maturing well and we should be confident that the improved outcomes for students who experience socio-economic disadvantage (and therefore greater barriers to success), can be sustained into the future. We have also launched a new project which focuses on the experiences and successes of students with additional learning support needs and disabilities, and intend for similar improvements in outcomes for our SEND students in 2026.

Class sizes: In the academic year 2022/23, due to financial pressures, we made the difficult decision to increase our class sizes from 22 to 24. We phased this increase over two years with class sizes moving to 23 in 2023/24 and then

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Strategic Report (continued)

24 last year. To support our teaching staff with workload, so that the 9% increase in teacher caseload is manageable and mitigates any negative impact on quality, we have embedded more effective assessment practices, use of artificial intelligence, two days of marking and planning time in the Autumn and Spring term and a reduction in after college events and demands. Although the class size increase has impacted teacher workload, we have mitigated this well with those actions and staff morale overall remains very positive.

Tutorial: We have scoped and prepared for a significant improvement in our curriculum offer to students for their Personal Development. Our tutorial programme, which covers social, health, wellbeing, careers, values and civic education will be transformed into a more ambitious and extensive experience for students over their two years of study with us. This will enable students to increased skills for their future and to enable them to be safer, successful and more dynamic members of society.

Artificial Intelligence: we have scoped a significant project to develop the use of chatbots for student and teacher A Level courses. We are utilising in-house expertise, which is high-level with regard to both artificial intelligence technology and A Level teaching experience. This combination and a carefully designed project will enable us to roll out and evolve the effective use of this technology for deeper learning. Currently, there are significant risks that Artificial Intelligence undermines students' genuine learning ("the one doing the thinking is the one doing the learning") and supercharges malpractice. This project will enable us to help students to enhance and improve their academic knowledge and skills whilst also enabling them to experience and learn how to use A.I. for genuine learning.

Local Skills Improvement Fund: FE Sussex successfully bid for a grant to enhance our technology in education and to collaborate with local employers to improve skills in the local community. BHASVIC achieved all the KPIs required from the DfE to deliver the various strands of the project. The resources we gained from the fund will enable us to continue to explore virtual reality software to develop employability skills and to have access to unique audiovisual equipment for creative and sports industries.

Financial results

The college generated a surplus before other gains and losses in the year of £523k (2023-24 surplus of £378k), with total comprehensive income of £483k (2024 £284k), which included £39k loss on the Local Government pension scheme.

Cash flows and liquidity

At £1,268k (2024 £765k), net cash inflow from operating activities was relatively strong.

The size of the College's total borrowing and its approach to interest rates has been calculated to ensure a reasonable cushion between the total cost of servicing debt and operating cash flow. During the year this margin was comfortably exceeded, with interest paid of £168k covered by the operating cashflow.

Developments

The college's redevelopment involved tangible fixed asset additions during the year amounted to £1,385k. This was primarily £729k spent on the Piazza Café extension, £50k furnishing and equipping that extension, £67k on new boilers as well as £350k on IT equipment as part of the annual refresh. £50k was also spent on professional fees relating to our proposed installation of a new artificial football pitch and netball court.

Reserves

The college has accumulated reserves of £10,125k and cash and short-term investment balances of £2,832k. The college wishes to continue to accumulate reserves and cash balances to create sufficient balances to meet future capital requirements.

Sources of income

The college has significant reliance on the education sector funding bodies for its principal funding source, largely from recurrent grants. In 2024-25 the funding bodies provided 94% of the college's total income.

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Strategic Report (continued)

Streamlined Energy and Carbon reporting

The college is committed to reducing its carbon emissions and has taken the following measures in the year to improve energy efficiency:

- Continued with the implementation of the Carbon Trust Action Plan to meet the college's 2030 NetZero target
- Offer students and staff a Carbon Literacy qualification

The college'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)		
<u>Scope 1 emissions in metric tonne CO2e</u>		
Gas consumption	207.81	179.72
Total		
<u>Scope 2 emissions in metric tonnes CO2e</u>		
Purchased electricity	174.22	181.64
Total gross emissions in metric tonnes CO2e	382.03	361.36
<u>Intensity ratio</u>		
Metric tonnes CO2e per student/staff member/floor area	0.10 / 1.06 / 0.025 tCO2e per m ²	0.10 / 1.03 / 0.024 tCO2e per m ²

Qualification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factor for Company Reporting.

The chosen intensity measurement ratio is student / staff member / floor area.

Future Developments

Financial Health

The College is assessed as having a "Good" financial health grading with healthy cash reserves and continues to have good support from the bank.

Student demand remains high and despite recent investments in new buildings there is still significant pressure on the college estate.

Financial plan

The college governors approved a financial plan in July 2024 which sets objectives for the period to 2025. The college aims to maintain its health rating of 'Good' and achieve a surplus in the year to 31 July 2026. There are no significant changes to the college's provision during the term of the plan.

Future prospects

The College is under Plan Led Funding and 16-19 recurrent funding for 2025-26 has been confirmed at £20,491,546.

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Strategic Report (continued)

Treasury policies and objectives

Treasury management is the management of the College's cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks, and the College has a separate treasury management policy in place.

Commercial borrowing is not permissible following reclassification as a public sector organisation.

Reserves Policy

Included within the amount of total Reserves held by the College are unrestricted reserves. The purpose of reserves is twofold, to finance future planned capital expenditure as well as supporting the core activities of the College.

An adequate amount of unrestricted reserves is required to ensure that the College has sufficient working capital to cover day to day expenditure, any deficits that may arise, contingency finance for unforeseen expenditure and to contribute to capital expenditure. It seems appropriate to maintain cash reserves in the region of £1,500k for working capital as well as £500,000 for contingencies. The College has accumulated reserves of £10,125k (2024 £9,642k) and cash and short-term investment balances of £2,832k (2024 £3,382k).

PRINCIPAL RISKS AND UNCERTAINTIES

The Senior Leadership Team scores and tracks the likelihood and impact of risks on a termly basis noting any mitigation or action to be taken. The risk register is maintained at management level with assurances provided to Corporation committees when risks score above a certain threshold. The process is reviewed once a term by the Audit Committee.

The Risk Register separates out Strategic, Operational and Inherent Risks. Three overarching key risks remain interlinked and fundamental to the success of the college: Finances, Quality and Reputation. Outlined below is a description of the main risk factors that the College is currently facing. Not all the factors are within the College's control.

Finances

The College has considerable reliance on continued government funding through the education sector funding body. Funding per student has not increased in line with costs – thus we have faced real terms cuts on an annual basis. Each year it is becoming increasingly difficult to achieve a balanced budget and maintain the quality of our provision on the funding allocation received. We have had to increase class sizes to off-set these pressures. The biggest issue in the 2024-25 year was the potentially unfunded increase in staff pay. Eight days of strike action and a government U-turn saw sense prevail but it was further evidence of the risk of remaining a stand-alone sixth form college when those with Academy status continue to be treated more favourably, despite delivering the same product. In spite this, our financial health remains 'Good'. We have managed to record a surplus this year through prudent budgeting and careful spending.

Capital funding is becoming an area of increasing concern. The SFC sector lacks any meaningful capital grant allocation and the Spending review has not changed this. We are reliant on portacabins to deliver a significant proportion of our curriculum delivery. This sub-optimal accommodation is partly owned and partly rented and will cost us more to service in the long run that a permanent building would, which can also be retained as an asset. It is short-term thinking by the government to fail to address this, made worse by the removal of our ability to access loans commercially. It is the worst of both worlds and a frustrating position to be in.

Our loans were novated from Lloyds to the DfE in March 2025. The irony that it is now costing us more to service these loans is not lost on us.

Student Numbers

Despite being oversubscribed, achieving target student numbers is always difficult when 'at capacity' yet is so fundamental to our financial stability. We have a history of year-on-year growth and hitting/exceeding target enrolments. For 2024-25 we recruited 3,750 funded students which was an additional 230 students to help cope with the large

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Strategic Report (continued)

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

demographic increase of 16-year olds in the city as well as to secure our finances. This creates difficulties as we do not have adequate space for the students we have. We will not be able to grow further without adequate access to capital, meaning that we are unable to respond to further demographic pressures which in turn (without growth) creates associated financial pressures.

Quality

The College is in a very strong position in relation to performance outcomes for both progress and attainment. Ofsted completed a full inspection of the college in December 2022 (our first for ten years) and graded the college as 'Outstanding' in all areas. We remain focused on sustaining this in order to maintain the recruitment of students upon which the colleges financial health depends.

Despite financial pressures, student outcomes at BHASVIC were very strong and we remain in the top 5% of providers for both exam results AND Value Added. 69.5% of grades were A*-B at A level which is over 15% above national average – given that we are a non-selective provider this is especially pleasing.

We await the outcomes of a curriculum review, SEND review and new Ofsted framework, but are confident in our ability to navigate these.

Digital

Cyber security remains a priority. A follow-up Audit confirmed that any risks initially flagged as significant (High or Medium) have now been mitigated down to Low or Advisory. Staff training in cyber security is regular and nearly all our products are now SaaS cloud based. We have developed our Cyber Incident Response Plan and upgraded our firewall. A.I. provides us with threats as well as opportunities and our A.I. roadmap has helped us to navigate these to date, but we remain agile and responsive to new guidance and legislation here.

The Designation of the College

In 2024-25 the designation of BHASVIC as a stand-alone sixth form college was a key area of risk and uncertainty. In 2016, the DfE provided a pathway for SFCs to convert to Academies and from the then 120 SFCs, fewer than 40 remain. The DfE's (non-stated) policy seems to be that 'bigger is better' and that can be seen in the rise of College Groups and Multi-Academy Trusts. Financially, the college would be significantly better off as an Academy, and since the ONS has reclassified colleges into the public sector, none of the advantages of being an Academy have been extended to us (Capital grants, VAT rebate, rates reduction and we have had to fight for Funded Teacher pay rises for example). Whilst our finances and quality remain strong, we will continue to stand alone, but the Governing body keep this under constant review.

Performance indicators

Key Performance Indicator	Measure / Target	2024-25
16-19 Student numbers	3,530	3,750
Operating surplus as % of income (excl. FRS 102 defined benefit pension adjustment)	≥3%	2.46%
Cash days in hand	>30	50
Current assets : current liabilities	2:1	2.34:1
Staff costs as % of income (excl. FRS 102 defined benefit pension adjustment)	74%	75%
Borrowing as % of income	<45%	17%
Sector EBITDA as a % of income	≥4%	6%

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Strategic Report (continued)

Payment performance

The Late Payment of Commercial Debts (Interest) Act, in the absence of agreement to the contrary, requires organisations to pay suppliers within 30 days of the supplier performing its obligation. The College strives to pay all its suppliers within agreed terms and during the accounting period 1 August 2024 to 31 July 2025, the College incurred no interest charged in respect of late payment for this period.

Equality, Diversity and Inclusion

The college is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positively differences in age, disability, pregnancy and maternity, family responsibility, marital and civil partnership, race, colour, ethnicity, nationality, religion and belief, sex, gender identity, sexual orientation, and trade union activity. We strive vigorously to remove conditions, which place people at a disadvantage and we will actively combat discrimination. This policy will be resourced, implemented and monitored on a planned basis. The College's Equality, Diversity and Inclusivity Policy is published on the college website.

The college considers all applications from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment with the college continues. The college's policy is to provide training, career development and opportunities for promotion, which are, as far as possible, identical to those for other employees. An Equality, Diversity and Inclusivity Action Plan is published each year and is monitored by managers and governors.

Disability Statement

The college seeks to achieve the objectives set down in the Equality Act 2010 and seeks to advance positive attitudes towards anyone with a disability. The college will make all reasonable adjustments to every aspect of the college to avoid disadvantage to any student, staff or visitor with a disability.

- a) The college has a designated Equality, Diversity and Inclusion Coordinator who provides information and advice to staff and students. The Additional Learning Support Department makes provision for students with disabilities.
- b) There is a range of specialist equipment, such as radio aids, which the college can make available for use by students and a range of assistive technology is available in the Additional Learning Support Department.
- c) The admissions policy for all students is published on the college website. Appeals against a decision not to offer a place are dealt with under the complaints policy.
- d) The college has made a significant investment in the appointment of specialist staff to support students with learning difficulties and / or disabilities. There are a number of Additional Learning Support Assistants who can
- e) provide in class 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) Counselling and welfare services are accessible to students via an on-line referral system accessed via the BHASVIC website, or via contact with Personal Tutors/ Teachers/ Guidance Managers, who can refer issues with the consent of the student, via a designated email. A triage system is in place in the Student Services Centre to allocate appointments, though students can also drop in to access more immediate support when necessary. This system is outlined on the college website and communicated to students as part of the induction process. The College Code of Conduct is issued to all students at induction.

Trade Union facility time

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

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full time equivalent employee number
3	2.82

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Strategic Report (continued)
Trade Union facility time (continued)

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	0
1 – 50%	3

Percentage of pay bill spent on facility time

Total cost of facility time	£7,000
Total pay bill	£15,176,171
Percentage of pay bill spent on facility time (total cost of facility time ÷ total pay bill) x 100	0.046%

Paid trade union activities

Time spent in paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	18%
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Going Concern

The financial position of the College, its cash flow, liquidity and borrowing are presented in the Financial Statements and accompanying Notes. The College currently has £3,654,456 of secured loans outstanding with the DfE on terms agreed in May 2025. These terms are based on PWLB annual interest rate applied from 1 April annually. The College's forecasts and financial projections indicate that it will be able to operate within this existing facility and covenants for the foreseeable future.

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

Events after the end of the reporting period

There were no significant events after the reporting period.

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 8 December 2025 and signed on its behalf by:



Kirstin Baker

Co-Chair



Simon Porges

Co-Chair

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE

Financial Statements for the Year Ended 31 July 2025

Statement of Corporate Governance and Internal Control

The following statement is provided to enable readers of the annual report and accounts of the College to obtain 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 the financial statements.

The Corporation is the legal entity that operates Brighton Hove and Sussex Sixth Form College (BHASVIC) (the College). The legal status of the Corporation is both a statutory Corporation established under the FHEA 1992 and an exempt charity. The College is an activity through which the Corporation achieves its charitable purpose. The Corporation's Board (Governing Body) has overall responsibility for the conduct of the College.

In the opinion of Governors, 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 FE code of good governance ("the code") and it has complied with the Code for the year to 31 July 2025 and evidence for this is based upon its internal review of compliance with the Code, as reported to Governors via the Search and Governance Committee. The Governing Body recognises that, as a body entrusted with public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times. In carrying out its responsibilities, it takes full account of the latest version of the Code of Good Governance for English Colleges issued by the Association of Colleges in 2023, which it formally adopted in July 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/ reappointment	Date term of office ends	Date of resignation / end of term	Status of appointment	Committees Served	Attendance Note 1 refer below
Kirstin Baker	30 March 2023	31 Mar 2026		External	Co-Chair of Governors from 30 August 2023, Resources and Premises Group, Search and Governance, Remuneration. Co-Chair of Governors chairs S & G Committee Chair on alternate basis from 24/25 year	100% (3 of 3)
William Baldwin	15 August 2016	Ex officio		Principal	Resources; Quality & Curriculum; Search and Governance; Premises Group	100% (3 of 3)
Guy Carr	27 March 2024	31 March 2028		External	Audit Committee	67% (2 of 3)
Geoff Davies	1 April 2025			External	Resources	100% (1 of 1)
Jo Davis	1 April 2019 Reappointed Dec 21 wef 31/3/22, reappointed as Governor until 31 st December 2025.	31 Dec 2025		External	Audit (Chair), Search and Governance, Remuneration	100% (3 of 3)
Deya de Brun	4 July 2024	July 2025		Student	Quality and Curriculum	50% (1 or 2)

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Financial Statements for the Year Ended 31 July 2025

Jasmine Howard	3 July 2025	July 2026		Student	Quality and Curriculum	100% (1 of 1)
Katy Hiles	1 January 2023	31 Dec 2024	31 Dec 2024	Parent	Quality and Curriculum	100% (1 of 1)
Paul Lovegrove	11 July 2022, reappointed December 2024	31 July 2025 31 July 2029		External	Audit until March 2024; Resources wef April 2024	67% (2 of 3)
Alison Mansell	30 March 2023	31 March 2026		External	Quality and Curriculum to November 2024, Resources Committee from November 2024	33% (1 of 3)
Michael McLean	1 April 2019, Reappointed Dec 2021 wef 31 March 2022	31 March 2022 31 March 2025	31 March 2025	External	Resources	100% (2 of 2)
Eve Liu	1 January 2025			Parent	Audit, Quality and Curriculum	50% (1 of 2)
Dibran Miha Lopez	4 July 2024	July 2025		Student	Quality and Curriculum	0% (0 of 2)
Daniel Colaco Osorio	1 January 2023	31 Dec 2024	31 Dec 2024	Parent	Quality and Curriculum, Audit (from 30 Aug 2023)	100% (1 of 1)
Marcus Palmer	18 March 2019, Reappointed March 2022 Reappointed March 2025	31 March 2028		External	Resources (Chair from July 2020), Search and Governance, Remuneration (Chair from 24/25 academic year)	67% (2 of 3)
Neil Perry	9 July 2012 Reappointed July 2015, July 2018, July 2021, 31 July 2024	Annual reappointment	Retired 31 Dec 2024	External	Vice-Chair of Corporation (from 1 Aug 2018), Remuneration (Chair – until end 23/24 year)), Search and Governance (Chair until end 23/24 year), Audit.	100% (1 of 1)
Chris Piper	19 March 2018, 31 March 2021 Reappointed 2 years to 31.03.26 at Dec 2023 Corp	31 March 2024 31 March 2026		External	Quality and Curriculum (co-Chair), Search and Governance, Remuneration	100% (3 of 3)
Simon Porges	1 January 2021 1 January 2023	31 Dec 2022 31 Dec 2025	31 Dec 2022	Parent External	Vice-Chair of Corporation from July 2022 until July 2023 and Co-Chair of Governors from 30 August 2023. Audit Committee (until July 2023), Search and Governance/Remuneration. Co-Chair of Governors chairs S & G Committee Chair on alternate basis from 24/25 year	100% (3 of 3)
Wilhelmenia Rantala	3 July 2023	31 July 2027		External	Quality and Curriculum	n/a (maternity leave)
Jo Redfern-Evans		31 Dec 2019 31 Dec 2022 31 Dec 2025		External	Quality and Curriculum	67% (2 of 3)
Reeya Reesaul	3 July 2025	July 2026		Student	Quality and Curriculum	100% (1 of 1)
Nachi Subramanian	1 January 2025			Parent	Audit, Quality and Curriculum	100% (2 of 2)

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE

Financial Statements for the Year Ended 31 July 2025

Florence Topping	11 December 2024			Staff (Support)	Resources	100% (3 of 3)
Tom Trafford	4 July 2024	31 July 2028		Staff (Teaching)	Quality and Curriculum	100% (3 of 3)
Jo Usher	11 July 2022	July 2025	Retired Dec 2024	Staff (support)	Resources	N/A
Neil Wells	1 January 2025			External	Quality and Curriculum	50% (1 of 2)
Andrew Wright	26 January 2021 reappointed 31/1/24	31 January 2028		External	Quality and Curriculum (co-Chair), Search and Governance, Remuneration	33% (1 of 3)

Note 1: Attendance at Corporation meetings during the period of the individual Governor's membership from 1 August 2024 until the date of this report.

Note 2: There were three Corporation meetings during this period, none of which were held remotely.

Note 3: Governor attendance benchmark per annum for Corporation meetings, is 70% which was achieved overall in 2024/25 academic year, being 81%.

Note 4. Neil Perry remained as the sole Vice-Chair until 31 December 2024, at which point he retired.

At 31 July 2025 the following were members of committees but not members of the Corporation:

Rob Milton – retired 31 July 2025	Audit
Jack Fosberry – appointed 4th July 2024, wef 24/25 academic year	Audit
Sian Thomas – appointed 3 July 2025 until 31 December 2025, after which she will be appointed as a Governor and Chair of Audit Committee from 1 January 2026	Audit

Louise Pennington acts as Clerk to the Corporation/Governance Director and is a qualified Company Secretary, being an Associate of the Chartered Governance Institute and is also a Fellow of the Chartered Insurance Institute.

The Governance Framework

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

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

The Corporation conducts its business through a number of committees. Each committee has terms of reference, which are reviewed annually and have been approved by the Corporation. The committees are Resources Committee, Premises Group which reports to the Resources Committee, Quality and Curriculum Committee, Audit Committee, Search and Governance Committee and Remuneration Committee. Full minutes of all meetings, once approved, except those deemed to be confidential by the Corporation, are available on the College's website (bhasvic.ac.uk) or from the Governance Director at the College's registered address: Brighton Hove & Sussex Sixth Form College 205 Dyke Road, Hove, East Sussex, BN3 6EG

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

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

Formal agendas, papers and reports are supplied to governors in a timely manner, prior to Corporation and committee meetings. Briefings are also provided on an ad-hoc basis.

The Corporation has a strong and independent non-executive element and no individual or group dominates its decision-making process. The Corporation considers that each of its non-executive members is independent of management

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE

Financial Statements for the Year Ended 31 July 2025

Statement of Corporate Governance and Internal Control (continued)

and free from any business or other relationship, which could materially interfere with the exercise of their independent judgement.

There is a clear division of responsibility in that the roles of the Chair of the Corporation and Principal of the College are separate.

The full Corporation is the appointing authority in relation to the appointment of a Member. The procedure for selection of all Members is through the recommendation of the Search and Governance Committee of the Corporation. The Corporation is responsible for ensuring that appropriate training is provided as required. The Search and Governance Committee comprises the Chairs and Vice Chair (if appointed) of the Corporation, the Committee Chairs and the Principal. Until the July 2023 Corporation meeting, Members of the Corporation were appointed for a term of office of not more than three years, notwithstanding that the AoC's Code of Good Governance recommends a maximum of two terms of four years. Members retiring at the end of their term of office shall be eligible for re-election and will normally not serve more than three terms. The Governing Body does have more than one Governor who has served more than 8 years, being the maximum service recommended by the AoC's Code of Good Governance. The Corporation's Search and Governance Committee reviews all Governor appointments and reappointments to ensure that there remains a good balance, without bias within the overall Corporation membership and reappoints Governors for a longer than the recommended service, where they provide exceptional service and they contribute to the overall skill set and experience. As reported in last year's Governance statement, following the recommendation from S&G Committee, it was resolved at the July 2023 Corporation meeting to change the membership term of office from 3 years to 4 years for all new Governor appointments and reappointments, in order to bring this in line with common practice in the sector as well as the AoC's Code, which recommends a maximum of two terms of four years. Furthermore, for members, including co-opted members, where the terms of office are due to end in March 2024, and where the members have not yet served 8 years, it was resolved to invite those members to extend their membership for another 2 years, being the maximum recommended overall term.

Corporation Performance

The Search and Governance Committee of the Corporation annually reviews the Corporation's own performance at its Autumn Term meeting and the Self-Assessment Report (SAR) arising from this, is recommended to Corporation for approval. References and excerpts from the Governance SAR are included within the whole College SAR which is also approved by Corporation and available in the relevant meeting papers at that time. The Corporation reviewed its self-assessment grade for the 2024/25 academic year at its December 2025 meeting, followed the advice of the Search and Governance Committee, and endorsed the recommendation that the Corporation's grade should be 'Outstanding'.

The Corporation is responsible for ensuring that appropriate training is provided to Governors as required. During the 2024/2025 academic year, Governors were offered various training programmes, webinars and events, including the Education Training Foundation's (ETF) Governance Development Programme and the SFCA governance webinars, along with other AoC (Association of Colleges) training options including AoC network meetings. A record of all Governor training is maintained by the Clerk and a summary of training is circulated for review annually to the Search and Governance Committee. Furthermore, annually Governors are issued with an individual governance self-assessment questionnaire, which includes a section on Governor training needs, the details of which are also reviewed by the Search and Governance Committee and actioned appropriately. Other training and developments are offered to Governors as appropriate, subject to budgetary restrictions and in-house pre-Corporation and pre-Committee training sessions are also provided as needed; records of such training are also maintained, presented and reviewed by S & G Committee annually. All new Governors participate in the Corporation's internal Governor induction process.

The Clerk to the Corporation participates in regular training and governance related events and for the year to 31st July 2025 this included various AoC and SFCA governance professionals' and other governance related events, including the SFCA Annual Governance Professionals' Conference, along with general training provided to all Staff (including Safeguarding) and also pre-Corporation Meeting training provided to Corporation Members.

The Governing Body appointed Stone King LLP for its External Board Review (EBR) which was completed during Spring and Summer Terms 2023. Actions based on the EBR recommendations were incorporated into the Governance Self-Assessment Report and Action Plan and progress monitored regularly via the Search and Governance Committee. A copy of the EBR Report was uploaded to the Governance section of the College's website. As Colleges are required to

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE

Financial Statements for the Year Ended 31 July 2025

Statement of Corporate Governance and Internal Control (continued)

complete an EBR every 3 years, the Governing Body will be reviewing options at the start of the 2025/2026 academic year.

Remuneration Committee

The Committee membership comprises the Chair/Co-Chairs of Governors, Vice-Chair (if appointed) and Committee Chairs. Its responsibilities include consideration of the remuneration and the conditions of service of the Senior Post Holders and taking decisions on remuneration. In reaching its decision, the Committee takes into account the need to recruit and retain, to recognise performance and to maintain appropriate differentials. It gives due regard to the interests of the public and to the financial health of the College, together with the DfE guidance on Senior Pay, where applicable. It is guided by survey data from the Sixth Form Colleges Association and by information on any cost of living awards for teachers and support staff in Sixth Form Colleges.

The remuneration package for the Principal is subject to annual review by the Remuneration Committee of the governing body which uses benchmarking information to provide objective guidance.

The Principal reports to the Chair/s of Corporation, who undertake an annual review of his performance against the college's overall objectives using both qualitative and quantitative measures of performance.

Every three – four years each Senior Postholder will be subject to a 180 appraisal and the reviewer will obtain views from all those whom the Senior Postholder line manages.

Details of remuneration for the year ended 31 July 2025 are set out in note 6 to the financial statements.

As reported in previous year's Annual Report and Financial Statements, the Corporation, having adopted the AoC Code of Good Governance, also adopted the Remuneration Code incorporated therein. The College has due regard for the requirements of the Remuneration Code as set out in Annex 1 of the Code, which are applicable to the College. In accordance with the Code, the Remuneration Committee produced an Annual Remuneration Report to the Board for the period 1 August 2023 to 31 July 2024, which was approved by the Corporation at the December 2024 Meeting and published on the College's website. This process will be repeated during the Autumn Term 2025, with the Annual Remuneration Report being considered at the December 2025 Corporation meeting and once approved, it will be published on the College's website.

Audit Committee

The Audit Committee comprises Members of the Corporation or others co-opted on to the Committee. The Chair of Corporation, the Principal, Staff and Students may not be members. The Committee acts in accordance with written terms of reference approved by the Corporation. Its purpose is to advise the Corporation on the adequacy of the College's systems of internal control and its arrangements for risk management, control and governance processes.

The Audit Committee usually meets on a termly basis and provides a forum for reporting by the College's internal (MacIntyre Hudson) and external (Alliotts) 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 body as they affect the College's business.

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 College's internal auditors (MacIntyre Hudson) 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.

As advised in previous year's Annual Report, following guidance issued to Colleges by the ESFA during the 2021/2022 academic year, that External Auditors should report directly to Corporation, the Board had agreed to take the approach of inviting the Chair/a Co-Chair of Governors to attend the annual Autumn Term Audit Committee meetings, at which the External Audit Findings Report is presented to the Audit Committee. This enables the Chair (or Co-Chair) of

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE

Financial Statements for the Year Ended 31 July 2025

Statement of Corporate Governance and Internal Control (continued)

Governors to provide the necessary reassurance to the Board, regarding the assurance received by the Auditors, at the subsequent Corporation meeting held annually in December.

During the accounting period, the Audit Committee met three times on the following dates and all meetings were quorate:

25 November 2024
13 March 2025 (online Teams Meeting)
19 June 2025

The Audit Committee comprises Members of the Corporation or others co-opted on to the Committee. The Chair of Corporation, the Principal, Staff and Students may not be members. The Committee acts in accordance with written terms of reference approved by the Corporation. Its purpose is to advise the Corporation on the adequacy of the College's systems of internal control and its arrangements for risk management, control and governance processes.

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During the accounting period, the Audit Committee met three times on the following dates and all meetings were quorate:

25 November 2024
13 March 2025 (online Teams Meeting)
19 June 2025

Attendance record for Audit committee members:

Member	Term of Office (Start/Finish)	Attendance
Jo Davis (Chair)	From April 2019 (Chair from July 2020)	100% (3 of 3)
Guy Carr	Appointed March 2024	100% (3 of 3)
Daniel Colaco Osorio	From 30 August 2023/retired 31 December 2024	100% (1 of 1)
Jack Fosberry	Appointed wef 24/25 academic year) on 4 th July 2024 (co-opted Committee Member)	100% (3 of 3)

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Financial Statements for the Year Ended 31 July 2025

Neil Perry	From April 2019/retired 31 st December 2024	100% (1 of 1)
Rob Milton	Appointed July 2022 (co-opted Committee Member/retired 31 July 2025)	33% (1 of 3)
Eve Liu	From 1 January 2025	50% (1 of 2)
Nachi Subramanian	From 1 January 2025	100% (2 of 2)

The College's internal auditors monitor 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 College's external auditors, Alliotts were appointed as External Auditors from 1st April 2023 for a 5 year term.

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

Internal Control
Scope of responsibility

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

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

The purpose of the system of internal control

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

Capacity to handle risk

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

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE

Financial Statements for the Year Ended 31 July 2025

Statement of Corporate Governance and Internal Control (continued)

The risk and control framework

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

- Comprehensive budgeting systems with an annual budget, which is reviewed and agreed by the Corporation
- Regular reviews by the Corporation of periodic and annual financial reports which indicate financial performances 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.

BHASVIC have a reduced scope internal audit service, provided by MacIntyre Hudson, which operates in accordance with the requirements of the DfE's College Finance Handbook. The work of the internal audit service is informed by an analysis of the risks to which the College is exposed, and annual internal audit plans are based on this analysis. The analysis of risks and the internal audit plans are endorsed by the College's governing body on the recommendation of the audit committee. At least annually the internal audit service provides the governing body with a report on internal audit activity in the college. The report includes the independent opinion of the internal audit service provider on the adequacy and effectiveness of the College's system of internal control, risk management controls and governance processes.

Risks faced by the Corporation

Overall responsibility for risk management within the College rests with the Principal as Accounting Officer, together with the Governing Body, with the Audit Committee providing assurance to the Board, regarding the effectiveness of the arrangements which are in place. The Senior Leadership Team scores and tracks the likelihood and impact of risks on a termly basis noting any mitigation or action to be taken. The Risk Register is maintained at management level with assurance provided to Corporation Committees when risk scores are above a certain threshold. The process is reviewed once per term by the Audit Committee. All Audit Committee meetings consider risk as a standing agenda item and regularly reviews both the Risk Register, Risk Assurance Map and Risk Management Policy, together with various risk related reports provided by the External and Internal Auditors. "Fraud" is also a standing item on the Audit Committee meeting agendas. Further information relating to risk has been included in the Principal Risk and Uncertainties section of this Annual Report. The Board also places reliance on the Search and Governance Committee which monitors and reviews risks relating specifically to governance, in addition to its responsibilities relating to good governance practice, such as effective succession planning.

Control weaknesses identified

No control weaknesses have been identified during the year, and no concerns were raised by the Audit Committee.

Responsibilities under accountability agreements

The Department for Education and Education and Skills Funding Agency introduced new controls for colleges on 29 November 2022 on the day that the Office for National Statistics reclassified colleges as public sector organisations in the national accounts. The ESFA Chief Executive communicated these changes to all college accounting officers and explained plans to introduce a college financial handbook in 2024.

The college has reviewed its policies, procedures and approval processes in line with the 2024-25 college finance handbook and its accountability agreement with DfE, in line with any new requirements, to ensure there are systems in place to identify and handle any transactions for which DfE (or HM Treasury) approval is required

Statement from the Audit Committee

The Audit Committee has advised the Governing Body that the College has in place an effective framework for governance and risk management. The Audit Committee has also confirmed that the Governing Body has effective internal controls in place.

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Financial Statements for the Year Ended 31 July 2025

Statement of Corporate Governance and Internal Control (continued)

The specific areas of work undertaken by the Audit Committee in 2023-2024 academic year and up to the date of this approval of these Financial Statements are:

- i) Audit Findings Report (with the Financial Statements for Information) for the year to 31 July 2025, Letters of Representation for Financial Statements and Regularity Audit.
- ii) Regularity Audit Framework Questionnaire
- iii) Annual Report of the Audit Committee
- iv) Update on Audit recommendations
- v) Internal Audit Reports Learner numbers, Exams, Safeguarding, Payroll, and the Annual audit report
- vi) DfE bursary audit carried out by external provider
- vii) Policies/Other Documents: Anti-Fraud and irregularity policy
- viii) Performance Indicators for External and Internal Auditors.
- ix) Reappointment and remuneration –Internal and External Auditors.
- x) External Audit Planning Memorandum, for the year ended 31st July 2025
- xi) Internal Audit Plan including Audit Strategy
- xii) Risk Management: The Committee receives regular risk management reports and noted progress against the risk management action plan. It also reviewed the Risk Register and considers that effective controls are in place. The Committee was also presented with and considered the Risk Register and Risk Assurance Map, the latter of which included risk assurance for other Corporation Committees.
- xiii) Other Matters: Principal's Report to all Committees including relevant sector updates/strategic matters etc, Minutes (main and confidential where applicable) and action points, progress with internal and external audit recommendations, Audit Committee self-assessment and review of terms of reference, review of Committee Members' training needs, Fraud Report. The Risk Management Policy is also regularly reviewed.

Discussions, recommendations and conclusions arising from the Audit Committee business for the 2024-25 year until the date of approval of the financial statements, are recorded within the respective Audit Committee minutes which are uploaded to the College's website once approved.

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 and the regularity auditors in their management letters and other reports.

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Financial Statements for the Year Ended 31 July 2025

Statement of Corporate Governance and Internal Control (continued)

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 a plan to address weaknesses and ensure continuous improvement of the system is in place.

The senior leadership team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms which are embedded within the departments and reinforced by risk awareness training. The senior management team and the audit committee also receive regular reports from internal audit, which includes 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 leadership team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its December 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 internal audit, and taking account of events since 31 July 2025

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

Approved by order of the members of the Corporation on 8 December 2025 and signed on its behalf by:



Kirstin Baker



William Baldwin


Simon Porges

Co - Chairs

Accounting Officer

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Financial Statements for the Year Ended 31 July 2025

Statement of Regularity, Propriety and Compliance

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

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

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



William Baldwin

Accounting Officer

Date: 8 December 2025

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE

Financial Statements for the Year Ended 31 July 2025

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

In preparing the financial statements the Corporation is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether UK applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess whether the Corporation is a going concern, noting the key supporting assumptions, qualifications or mitigating actions as appropriate; and
- prepare financial statements on the going concern basis, unless it is inappropriate to assume that the College will continue in operation.

The corporation is also required to prepare a strategic report, which 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 College and which enable it to ensure that the financial statements are prepared in accordance with relevant legislation including the Further and Higher Education Act 1992 and Charities Act 2011, and relevant accounting standards. It is responsible for taking steps that are reasonably open to it to safeguard assets of the College and to prevent and detect fraud and other irregularities.

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

Members of the Corporation are responsible for ensuring that expenditure and income are applied for the purposes intended and that the financial transactions conform to the authorities that govern them. In addition, they are responsible for ensuring that funds from 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 co-chairs 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 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.

Approved by order of the members of the Corporation on 8 December 2025 and signed on its behalf by:

Kirstin Baker



Simon Porges



Co - Chairs

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Financial Statements for the Year Ended 31 July 2025

INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF BRIGHTON HOVE & SUSSEX SIXTH FORM COLLEGE

Opinion

We have audited the financial statements of Brighton Hove and Sussex Sixth Form College (the 'College') for the year ended 31 July 2025 which comprise the college statement of comprehensive income, the college balance sheet, the college statement of changes in reserves, the college statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) and the College Accounts issued by the Department for Education.

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the governor's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the College's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the governors 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 Report and Financial Statements other than the financial statements and our auditor's report thereon. The governors are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE

Financial Statements for the Year Ended 31 July 2025

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Framework and Guide for External Auditors and Reporting Accountants of Colleges issued by the Department for Education requires us to report to you if, in our opinion:

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

Responsibilities of the Corporation of Brighton Hove and Sussex Sixth Form College

As explained more fully in the Statement of the Corporation's Responsibilities set out on page 24, the Corporation is responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Corporation determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the college through discussions with governors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the college, including Keeping Children Safe in Education, Ofsted, DfE and OfS regulatory requirements, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the college's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Financial Statements for the Year Ended 31 July 2025

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- reviewed all transactions listed;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 July 2023. 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,

Alliotts LLP

Alliotts LLP Alliotts LLP (Dec 11, 2025, 10:00am)

Chartered Accountants

3 London Square

Cross Lanes

Guildford

Surrey

GU1 1UJ

Date: 11 Dec 2025

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Statement of Comprehensive Income
For the year ended 31 July 2025

	Notes	2025 £'000	2024 £'000
INCOME			
Funding body grants	2	20,169	18,079
Other grants and contracts	3	-	177
Other income	4	1,118	1,026
Interest receivable	5	145	107
Total income		21,432	19,389
EXPENDITURE			
Staff costs	6	15,828	14,426
Other operating expenses	7	3,861	3,446
Depreciation	10	1,052	996
Interest and other finance costs	8	168	143
Total expenditure		20,909	19,011
Surplus/(Deficit) before other gains and losses		523	378
Loss on disposal of assets		-	-
Change in market value of investments		(1)	(13)
Surplus/(Deficit) before tax		522	365
Taxation	9	-	-
Surplus/(Deficit) for the year		522	365
Remeasurement of net defined pension liability	17	(39)	(81)
Total comprehensive income for the year		483	284

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Balance sheet as at 31 July 2025

	Notes	2025 £'000	2024 £'000
Fixed assets			
Tangible assets	10a	<u>18,146</u>	<u>17,813</u>
Current assets			
Stocks		6	5
Debtors	11	569	645
Investments	10b	131	132
Cash at bank and in hand	16	<u>2,701</u>	<u>3,250</u>
Total current assets		<u>3,407</u>	<u>4,032</u>
Less: Creditors – amounts falling due within one year	12	<u>(1,851)</u>	<u>(2,079)</u>
Net current assets		<u>1,556</u>	<u>1,953</u>
Total assets less current liabilities		19,702	19,766
Less: Creditors – amounts falling due after more than one year	13	(9,577)	(10,124)
Provisions			
Defined benefit obligations	17	-	-
Total net assets		<u><u>10,125</u></u>	<u><u>9,642</u></u>
Unrestricted Reserves			
Income and expenditure account		8,448	7,908
Revaluation reserve		1,677	1,734
Total reserves		<u><u>10,125</u></u>	<u><u>9,642</u></u>

The financial statements on pages 28 to 48 were approved by the Corporation on 8 December 2025 and were signed on its behalf on that date by:



Kirstin Baker
Co - Chair



Simon Porges
Co - Chair



William Baldwin
Principal

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
College Statement of Changes in Reserves

	Income and Expenditure account	Revaluation Reserve	Total
	£'000	£'000	£'000
Balance at 31 July 2023	7,567	1,791	9,358
Surplus for the year	365	-	365
Other comprehensive income	(81)	-	(81)
Transfers between revaluation and income and expenditure reserves	57	(57)	-
Total comprehensive income for the year	341	(57)	284
Balance at 31 July 2024	7,908	1,734	9,642
Surplus for the year	522	-	522
Other comprehensive income	(39)	-	(39)
Transfers between revaluation and income and expenditure reserves	57	(57)	-
Total comprehensive income for the year	540	(57)	483
Balance at 31 July 2025	8,448	1,677	10,125

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Cash Flow Statement

	Notes	2025 £'000	2024 £'000
Cash inflow from operating activities			
Surplus/(deficit) for the year		522	365
Adjustment for non cash items			
Depreciation		1,052	996
Loss on disposal of assets		-	-
Deferred capital grant release		(243)	(254)
Decrease/(Increase) in stocks		(1)	1
(Increase)/decrease in debtors		76	(325)
Increase/(Decrease) in creditors within one year		(201)	(49)
Pension scheme non-cash movements		(39)	(81)
Adjustment for investing or financing activities			
Fair value (gains)/loss on investments		1	13
Interest payable		168	143
Investment income		(67)	(44)
Net cashflow from operating activities		1,268	765
Cash flows from investing activities			
Investment income		67	44
Capital grants received		-	55
Payments made to acquire fixed assets		(1,385)	(367)
		(1,318)	(268)
Cash flows from financing activities			
New loan received		-	-
Interest paid		(168)	(142)
Interest element of finance lease rentals		-	(1)
Repayments of amounts borrowed		(331)	(333)
Capital elements of finance lease rentals		-	(14)
		(499)	(490)
Total Investing and financing activities		(1,817)	(758)
Increase in cash and cash equivalents		(549)	7
Cash and cash equivalents at the start of the year	16	3,250	3,243
Cash and cash equivalents at the end of the year	16	2,701	3,250

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE

Financial Statements for the Year Ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

Statement of accounting policies

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

General information

Brighton Hove and Sussex Sixth Form College is a Corporation established under the Further and Higher Education Act 1992 as a sixth form college, incorporated in England. The address of the College's principle place of business is 205 Dyke Road, Hove, East Sussex BN3 6EG. The nature of the College's operations are set out in the Report of the Governing Body.

Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice: 'Accounting for Further and Higher Education 2019' (the 2019 FE HE SORP), the 'College Accounts Direction for 2023 to 2024' and in accordance with Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and the 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 as modified by the use of previous valuations as deemed cost at transition for certain non – current assets.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years stated unless otherwise stated.

The financial statements are presented in sterling which is also the functional currency of the College.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

Going concern

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

The College currently has £3,654,456 of loans outstanding with the DfE on terms negotiated in May 2025. The College forecasts that it will be able to operate within these facilities for the foreseeable future.

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

Recognition of Income

Revenue Grant funding

Government revenue grants include funding body recurrent grants and other grants and are accounted for under the accrual model as permitted by FRS 102. Funding body recurrent grants are measured in line with best estimates for the period of what is receivable and depend on the particular income stream involved. The 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 funding is not subject to reconciliation and is therefore not subject to contract adjustments.

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Financial Statements for the Year Ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (continued)

1. Accounting policies (continued)

Recognition of Income (continued)

Capital Grant funding

Government capital grants for assets are accounted for under the accrual model as permitted by FRS 102. The grant income received or receivable will be recognised over the expected useful life of the asset, with any amount of the asset-related grant that is deferred being recognised as deferred income. The deferred income is allocated between creditors due within one year and those due after more than one year.

Fee income

Any income from tuition fees is recognised in the period for which it is received and includes all fees chargeable to students or their sponsors.

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

All other income is credited to the income and expenditure account in the period in which it is received or to which it relates, on an accruals basis.

Agency arrangements

The college acts as an agent in the collection and payment of certain discretionary support funds and any other arrangements. Related payments received from the funding bodies and subsequent disbursements to students are excluded from the income and expenditure of the college and are included in other creditors, except for the 5 per cent of the grant received which is available to the College to cover administration costs relating to the grant.

Accounting for post employment benefits

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

Teachers' Pension Scheme (TPS)

The TPS is an unfunded scheme. Contributions to the TPS are calculated so as to spread the cost of pensions over employees' working lives with the College in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of valuations using a projected unit method.

The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as an expense in the income statement in the periods during which services are rendered by employees. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

East Sussex Local Government Pension Scheme (LGPS)

The LGPS is a funded scheme, and the assets of the scheme are held separately. 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 charges, 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

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Financial Statements for the Year Ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (continued)

1. Accounting policies (continued)

obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in interest and other finance costs.

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

Short term Employment benefits

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

Tangible Fixed Assets

Land and buildings

Land and buildings inherited from the local education authority are stated in the balance sheet at valuation on the basis of depreciated replacement cost as the open market value for existing use is not readily obtainable. Land and buildings acquired since incorporation are included in the balance sheet at cost. Freehold land is not depreciated. Freehold buildings are depreciated over their expected useful economic life to the College of up to 55 years on a straight line basis. The College has a policy of depreciating major adaptations to buildings over the period of their useful economic life.

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 Government capital grant account, and are released to the income and expenditure account over the expected useful life of the related asset on a basis consistent with the depreciation policy.

Finance costs, which are directly attributable to the construction of land and buildings, are not capitalised as part of the cost of those assets. A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of any fixed asset may not be recoverable.

On adoption of FRS 102, the College followed the transitional provision to retain the book value of land and buildings, which were revalued in 1993, but not to adopt a policy of revaluations of these properties in the future.

Assets in course of construction

Assets in course of 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 assets

Where significant expenditure is incurred on tangible fixed assets it is charged to the income and expenditure account in the period it is incurred, unless it meets one of the following criteria, in which case it is capitalised and depreciated on the relevant basis:

- Market value of the fixed asset has significantly improved
- Asset capacity increases
- Substantial improvement in the quality of output or reduction in operating costs
- Significant extension of the asset's life beyond that conferred by repairs and maintenance.

Equipment

Equipment costing less than £1,000 per individual item is written off to the Statement of Comprehensive Income in the year of acquisition with the exception of the annual IT equipment upgrade which may include individual items below this level but is capitalised at cost. All other equipment is capitalised at cost.

Equipment is depreciated on the straight line method as follows:

Building improvements	10% per year
Computer equipment	Between 20% and 50% per year
Other equipment	20% per year

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Financial Statements for the Year Ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (continued)

1. Accounting policies (continued)

Leased assets

Costs of operating leases are charged on a straight line basis over the lease term.

Leasing agreements that transfer to the College substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital elements of the leasing commitments are shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged to the income and expenditure account in proportion to the reducing capital element outstanding.

Assets held under finance leases are depreciated over the shorter of the lease term or the useful economic lives of equivalent owned assets.

Stocks

Stocks are stated at the lower of their cost and net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stock.

Investments

Investments are units in the COIF charities investment fund and shares on the AIM market, as well as money on short term bank deposit. Current asset investments, which include listed investments, are stated at fair value, with movements recognised in Comprehensive Income. Investments comprising unquoted equity instruments are measured at fair value, estimated using a valuation technique.

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

The College has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

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

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

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 partially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 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 the charitable purpose.

The College receives no similar exemption in respect of Value Added Tax. For this reason the College is generally unable to recover input VAT it suffers on goods and services purchased. Non-pay expenditure is therefore shown inclusive of VAT with any partial recovery netted off against these figures.

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Financial Statements for the Year Ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (continued)

1. Accounting policies (continued)

Maintenance of premises

The cost of routine maintenance is charged to the income and expenditure account in the period it is incurred.

Provisions

Provisions are recognised when the College has a present or legal 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.

Judgements in applying accounting policies and key sources of 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

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

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

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, maintenance programmes, economic utilisation and physical condition of the assets are taken into account. Residual value assessments consider issues such as future market conditions and the remaining life of the asset.
- **Local Government Pension Scheme**
The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 17, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 July 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Notes to the Financial Statements (continued)

2 Funding body grants

	2025	2024
	£'000	£'000
ESFA 16-18 recurrent grant	18,793	17,026
Release of government capital grants	243	254
Other allocations	1,133	799
Total	<u>20,169</u>	<u>18,079</u>

3 Other grants and contracts

	2025	2024
	£'000	£'000
Energy efficiency grant	-	13
Skills Development Fund grant	-	164
	<u>-</u>	<u>177</u>

4 Other operating income

	2025	2024
	£'000	£'000
Catering operations	367	340
Other income generating activities	375	364
Miscellaneous income	376	322
Total	<u>1,118</u>	<u>1,026</u>

5 Investment income

	2025	2024
	£'000	£'000
Interest receivable	67	44
	<u>67</u>	<u>44</u>
Net return on pension scheme (note 17)	78	63
	<u>145</u>	<u>107</u>

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Notes to the Financial Statements (continued)

6 Staff costs

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

	2025	2024
	No.	No.
Teaching staff	212	199
Non teaching staff	<u>149</u>	<u>152</u>
	<u>361</u>	<u>351</u>

Staff costs for the above persons

	2025	2024
	£'000	£'000
Wages and salaries	11,645	10,901
Social security costs	1,209	1,031
Other pension costs	<u>2,974</u>	<u>2,494</u>
	15,828	14,426
Restructuring costs	<u>-</u>	<u>-</u>
	<u>15,828</u>	<u>14,426</u>

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College and are represented by the Senior Leadership Team, which comprises the Principal, the Deputy Principal and three Assistant Principals.

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

	2025	2024
The number of key management personnel including the Accounting Officer was:	<u>5</u>	<u>5</u>

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Notes to the Financial Statements (continued)

6 Staff costs (Continued)

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

	Key Management	
	2025	2024
	No	No
£55,001 to £60,000	-	-
£60,001 to £65,000	-	-
£65,001 to £70,000	-	2
£70,001 to £75,000	-	-
£75,001 to £80,000	-	1
£80,001 to £85,000	2	-
£85,001 to £90,000	1	-
£90,001 to £95,000	-	1
£100,001 to £105,000	1	-
£135,001 to £140,000	-	1
£145,001 to £150,000	1	-
	<u>5</u>	<u>5</u>

One member of staff received annual emoluments between £65,001 and £70,000 and one between £60,001 and £65,000. (2024 two members of staff between £60,001 and £65,000).

Key management personnel compensation is made up as follows:

	2025	2024
	£'000	£'000
Salaries	494	441
Employers National Insurance	64	54
Pension contributions	<u>159</u>	<u>124</u>
Total emoluments	<u>717</u>	<u>619</u>

The above emoluments include amounts payable to the Principal who is the accounting officer and who is also the highest paid member of staff. Their pay and remuneration is as follows:

	2025	2024
	£'000	£'000
Salaries	<u>145</u>	<u>135</u>
Employers National Insurance	26	17
Pension contributions	<u>35</u>	<u>34</u>

The Remuneration Committee will consider whether to adopt the remuneration code to assess pay in line with the principles of the code for future remuneration decision making.

The remuneration package for the Principal and key management personnel is subject to annual review by the Remuneration Committee of the governing body, who take careful account of the College's Remuneration and PDR policies for Senior Postholders. Consideration is given to the latest survey figures and individual PDR achievements as well as the past and likely future national pay settlements. In balancing reward for performance with the budgetary pressures on the college the committee made awards that reflect the likely national pay settlement.

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Notes to the Financial Statements (continued)

6 Staff costs (continued)

Relationship of Principal pay and remuneration expressed as a multiple:

	2025	2024
	%	%
Principal basic salary as a multiple of the median of all staff	3.13	3.08
Principal total remuneration as a multiple of the median of all staff	3.19	3.18

The members of the Corporation apart from the accounting officer and the staff members did not receive any payment from the institution other than the reimbursement of travel and subsistence expenses incurred in the course of their duties.

7 Other operating expenses

	2025	2024
	£'000	£'000
Teaching costs	485	640
Non teaching costs	2,014	1,789
Premises costs	1,362	1,017
Total	3,861	3,446

(Deficit) before tax is stated after charging:

	2025	2024
	£'000	£'000
Auditors' remuneration:		
Financial statements audit	32	31
Teachers pension audit	2	2
Internal audit	17	17
Hire of other assets – operating leases	172	173

8 Interest payable

	2025	2024
	£'000	£'000
On bank loans, overdrafts and other loans	168	142
	168	142
Interest on finance leases	-	1
Pension finance costs (note 17)	-	-
Total	168	143

9 Taxation

The members do not believe that the College was liable for any corporation tax arising out of its activities during either the current or the preceding year.

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Notes to the Financial Statements (continued)

10a Tangible fixed assets

	Freehold Property £'000	Assets in course of construction £'000	Equipment £'000	Total £'000
Cost or valuation				
At 1 August 2024	26,903	83	2,141	29,127
Additions	87	773	525	1,385
Disposals	-	-	-	-
Transfer	729	(729)		-
At 31 July 2025	27,719	127	2,666	30,512
Depreciation				
At 1 August 2024	9,855	-	1,459	11,314
Charge for the year	644	-	408	1,052
Disposals	-	-	-	-
At 31 July 2025	10,499	-	1,867	12,366
Net book value at 31 July 2025	17,220	127	799	18,146
Net book value at 31 July 2024	17,048	83	682	17,813

Land and buildings with a net book value of £13,769k have been financed by exchequer funds.
If inherited land and buildings had not been valued, they would have been included as £nil cost and £nil accumulated depreciation.

10b Investments	2025 £'000	2024 £'000
Listed investments	63	63
Unlisted investments	68	69
	131	132

The college owns 133,333 shares in Frenkel Topping plc, a company incorporated in England and Wales. Their principal activity is the provision of financial advice.

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Notes to the Financial Statements (continued)

11 Debtors

	2025	2024
	£'000	£'000
Amounts falling due within one year:		
Other debtors	31	23
Prepayments and accrued income	538	622
Total	<u>569</u>	<u>645</u>

12 Creditors: amounts falling due within one year

	2025	2024
	£'000	£'000
Bank loans and overdrafts	306	306
Other loans	-	27
Payments received in advance	117	108
Trade creditors	241	465
Other taxation and social security	302	250
Other creditors and accruals	491	529
Holiday pay	151	151
Deferred income - government capital	243	243
Total	<u>1,851</u>	<u>2,079</u>

13 Creditors: amounts falling due after one year

	2025	2024
	£'000	£'000
Bank loans	3,349	3,654
Deferred income - government capital	6,228	6,470
Total	<u>9,577</u>	<u>10,124</u>

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Notes to the Financial Statements (continued)

14 Maturity of debt

DfE loan repayable as follows:

	2025 £'000	2024 £'000
In one year or less or on demand	306	306
Between one and two years	306	306
Between two and five years	918	918
In five years or more	2,125	2,430
Total	3,655	3,960

The College drew down a loan of £4.2m in 2016. The interest rate is fixed at 1.96% for 5 years to May 2025 payable by instalments between October 2016 and June 2039. The balance on this loan of £2.78m was transferred to the DfE in May 2025. The College drew down a loan of £1.5m in 2020. The interest rate is variable at 1.68% above bank rate for 5 years payable by instalments between October 2021 and June 2039. The balance on this loan of £1.18m was transferred to the DfE in May 2025.

The net finance lease obligations to which the college is committed are:

	2025 £'000	2024 £'000
In one year or less	0	0
Between two and five years	0	0
Total	0	0

15 Provisions

	Defined benefit obligations £'000
At 1 August 2024	-
Expenditure in the period	39
Transferred to income and expenditure account	(39)
At 31 July 2025	-

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

16 Cash and cash equivalents	At 1 August 2024 £'000	Cashflows £'000	Other Changes £'000	At 31 July 2025 £'000
Cash and cash equivalents	3,250	(549)	-	2,701
	3,250	(549)	-	2,701
Debt due within 1 year	(333)	331	(331)	(333)
Debt due after 1 year	(3,653)	-	331	(3,322)
Finance leases	-	-	-	-
Current asset investments	132	-	(1)	131
Total	(604)	(218)	(1)	(823)

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Notes to the Financial Statements (continued)

17 Retirement benefits

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

Total pension cost for the year	2025 £'000	2024 £'000
Teachers Pension Scheme: contributions paid	2,282	1,850
Local Government Pension Scheme:		
Contributions paid	665	673
FRS 102 charge	<u>27</u>	<u>(29)</u>
Charge to the Statement of Comprehensive Income	692	644
Total pension cost for year within staff costs	<u>2,974</u>	<u>2,494</u>

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest formal actuarial valuation of the TPS was 31 March 2020 and of the LGPS 31 March 2023.

There were outstanding contributions of £332,862 (2024 £305,900) at the end of the financial year, and are included within creditors.

Teachers' Pension Scheme

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

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

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

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

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

The latest actuarial valuation of the TPS was carried out as at 31 March 2020 and published on 27 October 2023. As a result, employer contribution rates will rise to 28.68% of pensionable pay from April 2024. A full copy of the valuation report and supporting documentation can be found on the Teacher's Pension Scheme website.

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BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Notes to the Financial Statements (continued)

17 Retirement benefits (continued)
Teachers' Pension Scheme (continued)

The pension costs paid to TPS in the year amounted to £2,883.270 (2024: £2,447,923).

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate funds administered by East Sussex County Council. The total contribution made for the year ended 31 July 2025 was £924k of which employer's contributions totalled £665k and employees' contributions totalled £259k. The agreed contribution rates for future years are 19.8 % for employers and range from 5.5% to 12.5% for employees.

The following information is based upon a full actuarial valuation of the fund at 31 March 2023 updated to 31 July 2025 by Barnett Waddingham.

Principal Actuarial Assumptions	At 31 July 2025	At 31 July 2024
Rate of increase in salaries	3.80%	3.90%
Rate of increase for pensions in payment / inflation	2.80%	2.90%
Discount rate for scheme liabilities	5.75%	5.05%
Inflation assumption (CPI)	3.10%	3.20%
Commutation of pensions to lump sums pre April 2008		
Commutation of pensions to lump sums post April 2008		

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

	At 31 July 2025	At 31 July 2024
Retiring today		
Males	21.80	20.80
Females	24.10	23.80
Retiring in 20 years		
Males	23.40	21.80
Females	25.80	25.30

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Notes to the Financial Statements (continued)

17 Retirement benefits (continued)
Local Government Pension Scheme (Continued)

Actuarial Report

The actuarial report for the local government pension scheme at 31 July 2025 shows an actuarial gain which has resulted in a pension asset at the same date.

We have not recognised the pension asset as a positive position but have instead shown a break-even position as there is insufficient evidence to conclude that the 'asset' may be available to reduce future payments.

As assets should only be recognised to the extent that the College is able to recover the surplus either through reduced contributions in the future or refunds from the plan.

The college's estimated share of the assets in the scheme were:

	Value at 31 July 2025	Value at 31 July 2024
	£'000	£'000
Equities	10,381	9,931
Bonds	2,772	2,195
Property	2,272	2,128
Cash	219	197
Total market value of assets	15,644	14,451
Actual return on plan assets	731	1,054

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

	2025	2024
	£'000	£'000
Fair value of plan assets	15,644	14,451
Present value of plan liabilities	(12,798)	(13,243)
Net pensions asset	2,846	1,208

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

	2025	2024
	£'000	£'000
Current and past service costs	692	644
Net interest on the defined benefit pension liability	(78)	(63)
	614	581

Amounts included in Other Comprehensive Income

	2025	2024
	£'000	£'000
Return on pension plan assets	(11)	376
Adjustment recognised to cap the schemes surplus	(1,638)	(319)
Changes in demographic assumptions	(247)	154
Changes in assumptions underlying the present value of plan liabilities	1,997	(353)
Other experiences	(140)	61
Amount recognised in Other Comprehensive Income	(39)	(81)

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BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Notes to the Financial Statements (continued)

17 Defined benefit obligations (continued)

Local Government Pension Scheme (Continued)

Movement in net defined liability during the year

	2025	2024
	£'000	£'000
Deficit in scheme at 1 August	-	-
Movement in year:		
Current service cost	(692)	(644)
Employer contributions	665	673
Administration expenses	(12)	(11)
Net interest/return on assets	78	63
Actuarial gain or loss	(39)	(81)
Surplus in scheme at 31 July	-	-

Asset and Liability Reconciliation

	2025	2024
	£'000	£'000
Changes in the present value of defined benefit obligations		
Defined benefit obligations at start of period	13,243	12,026
Service cost	692	644
Interest cost	664	615
Contributions by Scheme participants	218	205
Changes in demographic assumptions	247	(154)
Changes in financial assumptions	(1,997)	353
Other experience	140	(61)
Estimated benefits paid	(409)	(385)
Defined benefit obligations at end of period	12,798	13,243

Reconciliation of Assets

Fair value of assets at start of period	14,451	12,915
Interest on plan assets	742	678
Return on plan assets	(11)	376
Other actuarial gains	-	-
Administration expenses	(12)	(11)
Employer contributions	665	673
Contributions by Scheme participants	218	205
Estimated benefits paid	(409)	(385)
Fair value of assets at end of period	15,644	14,451

The estimated value of employer contributions for the year ended 31st July 2026 is £703,000

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE**Notes to the Financial Statements (continued)****18 Contingencies**

There are no contingencies at the year end.

19 Post balance sheet events

The college will be applying for permission for the construction of an artificial football pitch and a netball court for completion in October 2026.

20 Financial Commitments

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

	2025 £'000	2024 £'000
Future minimum lease payments due		
Expiring within one year	341	309
Expiring within two and five years inclusive	393	445
	<u>734</u>	<u>754</u>

21 Related party transactions

There were no expenses paid to or on behalf of the Governors during the year; All governor training expenses are settled directly by the College. (2024: £0)

One of our Governors is an employee of an IT firm who supply the college with IT network solutions. He is not involved in any element of agreeing requirements, creating the solution or pricing. The amount paid in 2025 whilst he was in post was £27,000 (2024 £109,992)

Another of our Governors is the owner of a company that has a contract with the college to provide well-being, mental health and parent and carer support. This is a specialist service with this company being the only provider in the City. The amount paid in 2025 was £5,000 (2024: £5,000)

22 Amounts disbursed as agent - Learner support funds

	2025 £'000	2024 £'000
Underspend from earlier years	8	44
16-18 bursary grants	287	301
	<u>295</u>	<u>345</u>
Disbursed to students	(282)	(325)
Administration costs	(13)	(12)
	<u>-</u>	<u>8</u>

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

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Financial Statements for the Year Ended 31 July 2025

Independent reporting Accountant's report on regularity to the Corporation of Brighton Hove and Sussex Sixth Form College and the Secretary of State for Education

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

The framework that has been applied is set out in the extant Framework and Guide for External Auditors and Reporting Accountants of Colleges issued by the 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.

Respective responsibilities of Brighton Hove and Sussex Sixth Form College and the reporting accountant

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

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

Approach

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

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

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

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

The work undertaken to draw our conclusion included:

- Documenting the framework of authorities which govern the activities of the College;
- 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 on regularity, propriety and compliance with the framework authorities;
- Testing transactions with related parties;

BRIGHTON HOVE AND SUSSEX SIXTH FORM COLLEGE
Financial Statements for the Year Ended 31 July 2025

- Confirming through enquiry and sample testing that the College 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 list is not exhaustive and we perform additional procedures designed to provide us with sufficient appropriate evidence to express a limited assurance conclusion on regularity consistent with the requirements of the framework.

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

Use of our report

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

Alliotts LLP

Chartered Accountants

3 London Square,

Cross Lanes,

Guildford,

GU1 1UJ

[Date]

11 Dec 2025

Alliotts LLP

Alliotts LLP (Dec 11, 2025, 10:00am)