



BOSTON COLLEGE CORPORATION
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

Boston College Corporation

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 Executive Leadership Team and were represented by the following in 2024/25:

Claire Foster Principal and CEO; Accounting Officer (resigned 7 November 2025)

Lynette Leith Principal and CEO; Accounting Officer (appointed 10 November 2025)

Matt Smith Deputy Principal (appointed 7 August 2024)

Debbie Holland Chief Operating officer

Jen Durrant Executive Director People

Tom Hughes Assistant Principal Quality, Performance and Standards

Abid Hussain Assistant Principal Student Experience

Board of Governors

A full list of Governors is given on page 14 of these financial statements.

Janet Hemmant acted as Clerk to the Corporation throughout the period.

Professional advisers

Financial statements auditors and reporting accountants:

RSM UK Audit LLP
Rivermead House
7 Lewis Court
Grove Park
Leicester
Leicestershire
LE19 1SD

Internal auditors

ICCA Education Training and Skills
11th Floor
McLaren House
46 Priory Queensway
Birmingham
B4 7LR

Bankers

National Westminster Bank Plc
10 Market Place
Boston
Lincolnshire
PE21 6EJ

Solicitors

Irwin Mitchell Solicitors
Riverside East
2 Millsands
Sheffield
S3 8DT

Boston College Corporation

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Boston College Corporation

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for the year ended 31 July 2025

REPORT OF THE GOVERNING BODY

Objectives and Strategy

The members present their annual report together with the financial statements and auditor's report for Boston 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 Boston College (the College). The College is an exempt charity for the purposes of part 3 of the Charities Act 2011.

Mission, Vision, Strategy and Objectives

Vision

The College's vision is 'Brilliant Today, Better Tomorrow' reflecting the College's long standing affinity with the term 'brilliant' to mean outstanding in all its forms and across all aspects of the organisation. The importance of continuous improvement 'better tomorrow' has also never been more critical in a constantly changing world.

Mission

To inspire lifelong learning, growing people to be their brilliant best, energising our communities and brightening all our futures.

This mission is supported by the College's key values:

- Bravery
- Respect
- Inspiration
- Growth
- Hope
- Truth
- Energy
- Nurture

Implementation of strategic plan

The new strategic plan 2025-2028 was approved by Corporation in July 2025. The college's strategy is articulated through the 5 key pillars – People, Performance, Productivity, Partnerships and Personality. These pillars ensure that we continue to be balanced in terms of our approach, recognising the interconnectivity of all aspects of our organisation. The plan will become operationalised in various forms with our aims and objectives mapped into a balanced scorecard.

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

REPORT OF THE GOVERNING BODY (CONTINUED)

Mission, Strategy and Objectives (continued)

The College's primary strategic aims are:

- People: to attract, develop and retain adaptable, high-calibre talent, ensuring an inclusive and student-focused culture.
- Personality: to enhance our reputation as a regional leader of inclusive, educational and skills excellence.
- Productivity: to maximise efficiency and resources while continuously improving and investing in our offer.
- Performance: to maintain and improve student achievement, enjoyability and employability outcomes.
- Partnerships: to strengthen and expand employer, civic, community and educational partnerships for the benefit of our students.

Key Performance indicators

Key performance indicator	Measure/Target	Actual for 2024/25
Operating Surplus / (Deficit) as a % of income	>1.0%	(2.5%)
Cash balances	> £1.5m	£2.3m
Pay Costs as % of income (excluding FRS 102 pension costs)	71%	71%
Sector EBITDA* as a % of Income	>6%	2.6%
Adjusted Current Ratio**	>1.5	1.22
Financial Health Score	Good	Requires Improvement

*Earnings before Interest, Tax, Depreciation and Amortisation.

** Adjusted Current Ratio = current assets less restricted cash over current liabilities less capital grants due in one year and accrual for holiday pay.

The College is required to complete the annual Finance Record for the Department for Education ("DfE"). The College is assessed by the DfE as having a 'Requires Improvement financial health grading.

Resources

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

The College employs 474 people, (2023/24: 428) of whom 168 (2023/24: 154) are teaching.

The College enrolled 5,316 students. The College's student populations include 1,923 16–18-year-old students, 458 apprentices, 154 higher education students, 73 advanced learner loan students, 2,082 adult learners and approximately 626 Local Authority community learning students.

The College has £13.7m (2023/24: £14.2m) of net assets including £nil pension asset (2023/24: £nil) and one long-term debt of £1.3m (2023/24: £1.4m).

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

REPORT OF THE GOVERNING BODY (CONTINUED)

Resources (continued)

Tangible resources include the main college site, the Peter Paine Performance Centre, the Mayflower, the Sam Newsom Music Centre, and the Red Lion Quarter at Spalding campus. The Mayflower building is recognised as an asset under construction at 31 July 2025, build commenced in June 2024 and practical completion is November 2025.

Some of our successes for the 12 months are listed below:

- ISO22301, ISO27001, ISO45001 and cyber essentials plus accreditations – a full suite of accreditations
- The Mayflower build commenced in June 2024, following a significant cost reduction exercise and is opening in November 2025
- AoC Student of the Year finalist
- Successful funding bids for UKSPF round 2, Skills bootcamps, Levelling Up funding to create the Creative and Digital hub, UK Food valley funding
- Estates Strategy 2025-2030 published
- New student social spaces and dining area utilising the DfE capital allocation funds
- Matrix accreditation

Stakeholder relationships

Boston College is proud to work with a number of key stakeholders. These include:

- Students and their families
- Student union – past, current and future
- Employers that we work with
- Staff – the Executive Leadership Team are named on the first page
- The voluntary sector
- Charities
- Greater Lincolnshire LEP
- Education Sector Funding Bodies
- Association of Colleges
- Schools
- Universities
- FE Commissioner
- Local and Regional Authorities
- The local community
- Other FE institutions
- Trade unions
- Professional bodies
- Suppliers

The College values these important relationships and engages in regular engagement with them through service provision, meeting attendance, conferences, the college website, direct interaction and through opportunities for collaborative working.

Financial position

Financial results

The College generated a surplus before other gains and losses in the year of £519,000 (2023/24 profit of £990,000). The College proactively manages its spending, ensuring efficiency savings were made from management of vacancies and strict control of non-pay spend but did see an income shortfall that resulted in an end of year deficit of £475,000, after local government pension scheme adjustments.

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

REPORT OF THE GOVERNING BODY (CONTINUED)

Financial position (continued)

Financial results (continued)

The total comprehensive expenditure in 2024/25 of £476,000 (2023/24 income of £167,000) is stated after accounting for the actuarial gain on the Lincolnshire County Council Pension Fund for the year of £13,099,000, offset by the impact of the asset ceiling £14,094,000.

Developments

Tangible fixed asset additions during the year amounted to £10,179,000. This was split between premises of £9,365,000 and equipment purchased of £814,000. The premises additions included £9,107,000 for the Mayflower building project funded through Boston Towns Deal funding, £149,000 for additional workshop spaces, £79,000 on the Agrifood hub fully funded by the UK Food Valley and £30,000 on roofing to the changing rooms at the Peter Paine centre. The equipment additions related to IT investment, specialist equipment for the Local Skills investment fund, T levels and equipment for teaching.

Reserves

The College has accumulated reserves of £13.7m and cash of £2.3m.

Sources of income

The College has significant reliance on the Education Sector Funding bodies for its principal funding sources, largely from recurrent grants. In 2024/25 these organisations provided 80% of the College's total income.

Group Companies

The College had one subsidiary company trading during 2024/25, Eastern Enterprises Limited, whose principal activity related to commercial lettings in the property known as the Red Lion Quarter in Spalding. Surpluses generated by the company are transferred to the College under gift aid. In the current year, the surplus generated was £35,454. The College has one dormant company called Boston College Group.

Current and future performance and development

Student numbers

In 2024/25 the College has delivered activity that has produced £17,155k in funding body main allocation (2023/24: £15,359k). Inclusive of Adult Community Learning activity, the College had approximately 5,162 FE students during the year (2023/24: 5,404).

Student Achievements

Student achievement of Education & Training qualifications at all levels has declined by 1.0% at 80.9% comparative to last year and remains below national average by 3.7% across all qualifications and ages.

Apprenticeship achievement has declined by 3.6% at 55.5% overall, comparative to last year, and is 1.9% below the national average.

Higher Education achievement improved by 7% comparative to last year, on BA/BSc courses 70% of students achieved a 1st or 2:1, and for 2024/25 56.5% of HE students of Boston College were the first in their family to study HE.

Boston College Corporation

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for the year ended 31 July 2025

REPORT OF THE GOVERNING BODY (CONTINUED)

Current and future performance and development (continued)

E & T Achievement % (all ages, all levels)

2021-22	2022-23	2023-24	2024-25	Nat. Ave
78.4%	81.6%	81.9%	80.9%	84.6%

E & T Achievement % by age (all levels)

Age	2021-22	2022-23	2023-24	2024-25	Nat. Ave
16-18	74.9%	84.2%	84.8%	81.2%	85.7%
19+	82.2%	77.0%	81.7%	80.1%	82.4%

Apprenticeships

Age	2021-22	2022-23	2023-24	2024-25	Nat. Ave
All	59.5%	55.5%	59.1%	55.5%	57.4%

Higher Education

Age	2022-23	2023-24	2024-25
All	78.2%	79.5%	86.5%

Curriculum Developments & Quality

Higher Technical Qualifications (HTQs) and Higher National Provision

During 2024/25, Boston College has strategically expanded its curriculum offer in alignment with the government's Skills for Jobs agenda and Local Skills Improvement Plan priorities. The College has successfully introduced HTQs in three key sectors: engineering, sports coaching, and leadership and management. These qualifications provide enhanced progression pathways for learners and meet identified employer skills needs within the region.

The College introduced T Levels in 2024/25 and experienced challenges, reflecting national trends in student recruitment and the demanding entry requirements of these programmes. Against a funded allocation of 68 students, actual recruitment reached 35 students across four pathways: Early Years Education and Childcare, Engineering, Accounting, and Health Adult Nursing pathway.

Despite these recruitment challenges, the College has been successful in securing industry placements for all T Level students enrolled in 2024/25, working effectively employers to provide high-quality work experience opportunities that are integral to these programmes.

Curriculum Reform

Throughout 2024/25, the College has continued to balance its curriculum offer in response to student and employer preferences. Evidence demonstrates that BTECs remain the qualification of choice for many students, and the College has maintained this provision to ensure students have appropriate pathways that match their learning needs and career aspirations. This responsive approach reflects the College's commitment to putting learners at the centre of curriculum planning.

Boston College Corporation

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REPORT OF THE GOVERNING BODY (CONTINUED)

Current and future development and performance (continued)

Curriculum Developments & Quality (continued)

SEND Review and Improvement

Following an external review conducted by Weston College, the College has undertaken a comprehensive review of its Special Educational Needs and Disabilities (SEND) provision. This review has resulted in the establishment of a dedicated SEND Committee, a strategic governance body with delegated authority from the Corporation to oversee SEND provision across all college areas.

The newly established SEND Committee, chaired by the principal, operates under comprehensive Terms of Reference and is responsible for monitoring the SEND Improvement Action Plan 2025-2027. This ambitious two-year plan addresses six strategic themes: Leadership of SEND, Staff Development and Quality First Teaching, Learner Experience and Enrichment, Transition and Progression, Curriculum Offer and Support, and Partnerships and Community Engagement.

Future Developments

The Corporation has approved the new strategic plan which sets out the College's ambitions for the future through to July 2028. The plan sets out our mission, vision and values; along with our strategic targets and strategic objectives through our five key pillars:

Performance

To maintain and improve student achievement, enjoyability and employability outcomes.

Productivity

To maximise efficiency and resources while continuously improving and investing in our offer.

People

To attract, develop, and retain adaptable, high-calibre talent, ensuring an inclusive and student-focused culture.

Partnerships

To strengthen and expand employer, civic, community and educational partnerships for the benefit of our students.

Personality

To enhance our reputation as a regional leader of inclusive, educational and skills excellence.

The College's investment in its physical resources underpins delivery of its strategic objectives and longer-term sustainability. Scanning the market for capital investment opportunities is important to invest in the College estate.

Enrolments are ahead of 2025/26 partly due to an overall increase in demographics and due to reputation and being the place of choice for learners. Apprenticeship income has continued to grow during 2024/25 and continues to be a key growth area for the College. Higher education is also a priority growth area with numbers increasing in 2025/26. The College has submitted its third Access and Participation Plan and is awaiting approval. The college continue to grow the adult curriculum using local market intelligence and industry skills boards to ensure the adult offer suits the needs of the local community.

The most recent pension valuations saw increases in contribution rates which are included within forecasts, with financial support provided by government for Teachers Pension Scheme. The continuing pressure on pay and further living wage increases means that the college continues to pay close attention to staff to income ratios and its sound financial management practices ensuring curriculum efficiency and financial sustainability.

The College is leaner, more efficient and in a sound position moving forward. The College believes it will be able to continue in operation and meet its liabilities taking account of the current position and principal risks for the foreseeable future and therefore can be regarded as a "going concern".

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

REPORT OF THE GOVERNING BODY (CONTINUED)

Current and future development and performance (continued)

Financial Plan

In July 2025, the Corporation approved a financial plan establishing objectives through 31st July 2026, alongside projections extending to 31st July 2027. The Corporation has confirmed that available resources are sufficient to support planned activities, with the College maintaining robust cash reserves and sustaining "Good" financial health status throughout the forecast period to 2024.

The Adult Skills fund exceeded its 2024/25 allocation at 101.3% delivered, generating an additional £19,000 payment receivable in 2025/26 marking the first year without a clawback position. Looking ahead, the College is developing its adult education strategy in alignment with the Local Skills Investment Plan and the Accountability Statement, both of which support the Skills for Jobs White Paper objectives. This approach ensures the adult curriculum remains responsive to local community requirements. Financial projections include both efficiency improvements and revenue growth initiatives designed to maintain operational effectiveness and achieve surplus positions.

The College recognises that while the current financial environment presents challenges and uncertainty, potential adverse variations can be effectively managed through comprehensive risk management frameworks and contingency planning measures.

Treasury policies and objectives

The College has treasury management arrangements in place to manage cash flows, banking arrangements and the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks. Investment return has risen in 2024/25 due to the increasing interest rates seen in the year. All future borrowing is subject to DfE approval. The College has a treasury management policy in place.

Cash flows and liquidity

During 2024/25, the College generated a cash inflow of £466,000 while maintaining ongoing investment in estate and infrastructure development. The Mayflower construction project, which spans 2024/25 and 2025/26, has impacted cash flow due to a funding gap between available grant monies and the total contract value. To support capital investment requirements, the financial plan targets £1m in cash generation for 2025/26.

The College has a single bank loan in place which amounted to £1.3m on 31 July 2025. The borrowing was authorised by the Accounting Officer and complies with the requirements of the College's conditions of funding with the Education and Skills Funding Agency. This bank loan was renegotiated in 2021/22 to ensure the college maintains its liquidity and continues to invest in the estate and infrastructure.

All future borrowing requires the authorisation of the DfE and complies with the requirements of Managing Public Money.

Reserves policy

The College has adopted a formal reserves policy which was reviewed and approved by the Finance and Resources Committee in September 2024. The College holds and maintains reserves to achieve all elements of its Strategic Plan. The College believes that the most appropriate measure of the level of reserves to be maintained is the level of unrestricted cash held by the College, as measured at the year-end date of 31st July each year. On 31 July 2025 the College held £2.3m (2024 £1.9m) cash reserves against a £1.5m required cash reserve and £13.7m (2024 £14.2m) accumulated reserves against a required reserve of £10m, providing an adequate level of reserves at this time.

Boston College Corporation

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REPORT OF THE GOVERNING BODY (CONTINUED)

Principal risks and uncertainties

The College has worked to continually develop and embed the systems of internal control, including financial, operational and risk management which are designed to protect the College's assets and reputation.

Based on the strategic plan, the Executive Leadership Team undertakes a comprehensive review of the risks to which the College is exposed. They identify systems and procedures, including specific actions to mitigate any potential impact on the College. These internal controls are implemented, and the subsequent year's appraisal reviews their effectiveness and progress against ongoing risk mitigation actions. In addition to the annual review, the Executive Leadership Team also considers any risks which may arise because of a new area of work being undertaken by the College.

A risk register is maintained at college level which is reviewed at least annually by the Corporation and more frequently where necessary. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the College and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

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

1. Cyber Attack

Cyber attacks are increasingly more aggressive and more frequent and so the risk is a failure to ensure all college data and systems are protected, secure and available. Mitigations include dedicated cyber security eyes on approach, insurance cover, robust disaster recovery plans, cyber essentials plus, and ISO22301 accreditations.

2. Reductions in Funding

The College has considerable reliance on continued government funding through the further education sector funding body (80% in 2024/25) and this is expected to continue. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms, particularly in the context of public sector spending constraints.

This risk is mitigated in several ways:

- Creating contingency plans for increased / decreased levels of activity based on priorities.
- Understanding and focusing on government priorities for funding to guarantee that activity generates income.
- Continuing to explore alternative income sources and access any suitable ones.
- Maintain close relationship with relevant funding agencies.
- Monitor performance targets frequently and take remedial action as necessary.
- Curriculum planning process ensures appropriate plans in place to deliver appropriate activity.
- Constant improvement and enhancement of curriculum offer and estate.

3. Inflation and increasing costs

The financial health of the college is at risk from high levels of inflation and increasing costs at a higher rate than funding increases. Mitigations include budget spend restrictions, regular reforecasting to provide early warning of the impact, negotiation of contracts with supplier.

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

REPORT OF THE GOVERNING BODY (CONTINUED)

Staff and student involvement

The College considers good communication with its staff to be very important and to this end publishes regular newsletters and bulletins which are sent to all staff. The College uses staff meetings and briefings as additional mechanisms for staff communication. The College encourages staff and student involvement through membership of the Corporation and other cross-college groups such as the Equality & Diversity Group, Climate Action Group and the Staff Council. An Enrichment Coordinator is employed to involve learners more effectively in the review and improvement of all services within the College which impact directly on users. The co-ordinator has worked to develop materials and activities which promote 'learner voice' within the College, ensuring learners were fully aware of the benefits that the 'learner voice' brought them as individuals and the impact it has had in the development of college services.

Public Benefit

Boston College is an exempt charity under Part 3 of the Charities Act 2011 is regulated by the Secretary of State for Education. The members of the Governing Body, who are trustees of the Charity, are disclosed on page 14.

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

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

- High-quality teaching and excellent outcomes for learners
- Working with employers to meet skills needs thereby improving their profitability and increasing productivity
- Supporting disadvantaged and unemployed learners to access education
- Excellent student progression into work and/or Higher Education
- Strong student support systems
- Links with the Local Skills Investment Plan (LSIP)

The delivery of public benefit is covered throughout the report of the governing body.

Equality and Diversity

Advancing Equality, Diversity and Inclusion so that it is central to our College culture is one of our key strategic aims. It will help fulfil our vision to be a brilliant college that transforms people's lives and makes an outstanding contribution to the economy of Greater Lincolnshire by working in partnership with employers and other key stakeholders.

We recognise our duties under the Equality Act. Certain groups with 'Protected Characteristics' are covered under the Act from discrimination, harassment and victimisation. The Protected Characteristics are: -

- age
- disability
- gender reassignment
- marriage and civil partnership (but only in respect of eliminating unlawful discrimination)
- pregnancy and maternity
- race – this includes ethnic or national origins, colour or nationality
- religion or belief – this includes lack of belief
- sex/gender
- sexual orientation

Boston College Corporation

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REPORT OF THE GOVERNING BODY (CONTINUED)

Equality and Diversity (continued)

The Equality Act also includes the Public Sector Equality Duty, which requires public authorities such as ourselves to help:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
- advance equality of opportunity between people from different groups
- foster good relations between people from different groups

Underpinning this statement are our employer, student and visitor policies and procedures. Each give consideration to equality, diversity and inclusion and are routinely analysed and monitored to ensure they achieve the desired impacts and outcomes.

Boston College Corporation

FINANCIAL STATEMENTS

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REPORT OF THE GOVERNING BODY (CONTINUED)

Trade union facility time

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

Relevant Union Officials

Numbers of employees who were relevant union officials during the relevant period	FTE employee number
2	0.034

Percentage of time spent on facility time

Percentage of time	Number of employees
1-50%	2

Percentage of pay bill spent on facility time

Total cost of facility time	£2,679
Total pay bill	£13,929,789
Percentage of total bill spent on facility time	0.019%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time	0.074%
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Accessibility

The College continually monitors, adapts and extends its curriculum offer to ensure that it effectively serves its community. Learners with complex needs are well catered for at the Jean Ingelow Centre, growth is dependent on the numbers approved for high needs funding by the Local Authority and capacity at the site.

Due to the predominantly rural location of the College, efforts are made to offer outreach services both through direct provision in main centres of population outside Boston and collaboration with partner organisations within the wider community. Reductions in government funding for adult provision has limited the range and scope of outreach provision so, whilst curriculum planning processes continue to take account of the need to provide education and training across a wide geographical spread, methods to do this more cost-effectively are being developed.

Higher Education opportunities in Boston have increased since September 2013 when the College started its full-time HE offer of local, affordable Higher National diplomas and Foundation degrees. The provision is growing steadily and the approved Access and Participation Plan will lead to more growth.

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REPORT OF THE GOVERNING BODY (CONTINUED)

Events after the end of the reporting period

There were no post balance sheet events.

Going Concern

Following thorough assessment, the Corporation has determined that the College possesses sufficient resources to maintain operational viability for the foreseeable future and assessed up to 31 July 2027. This conclusion, together with the considerations detailed in the future developments section on page 6, supports the continued application of the going concern basis in preparing these financial statements.

Cash flow forecasts for the upcoming three months indicate temporary pressure on liquidity, with cash reserves declining to 11 days. However, projections show recovery from February 2026 onwards, rising above 20 cash days and reaching 28 cash days by year-end. These short-term cash constraints are attributable to capital expenditure requirements for the Mayflower construction project.

The College's position is strengthened by robust 2025/26 enrolment figures and anticipated apprenticeship expansion. Cash balances are projected to exceed £1.0m from February 2026 onwards, demonstrating the College's capacity to continue as a going concern. Accordingly, the going concern basis remains appropriate for the preparation of these financial statements.

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 10 December 2025 and signed on its behalf by:



D Earnshaw
Chair

Boston College Corporation

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

The College endeavours to conduct its business:

- i. in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
- ii. in accordance with the guidance to colleges from the Association of Colleges in The Code of Good Governance; and
- iii. 'whilst not having adopted the UK Corporate Governance Code 2018 (UK Corporate Governance Code 2024 from 1 January 2025), the corporation has due regard to its principles and guidance'.

The College is committed to exhibiting best practice in all aspects of corporate governance.

In the opinion of the Governors, the College complies with all the provisions of the adopted Code of Good Governance and it has complied throughout the year ended 31 July 2025. This opinion is based on an internal review of compliance with the adopted Code under the oversight of the Search and Governance Committee.

The Governing Body recognises that, as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times. In carrying out its responsibilities, it takes account of The Code of Good Governance issued by the Association of Colleges which the College formally adopted on 14 October 2015. In addition, the College adopted the Remuneration Code in May 2019.

We have not adopted and therefore do not apply the UK Corporate Governance Code 2018 (UK Corporate Governance Code 2024 from 1 January 2025). However, we have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code we consider to be relevant to the further education sector and best practice.

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

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for the year ended 31 July 2025

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTD)

The Corporation

The members who served the Corporation during the year and up to the date of signature of this report were as follows:

Name	Date of Appointment	Term of Office	Date of Resignation	Committees Served	Corporation meeting Attendance 2024-25 %
Mr D Bland	9 Apr 2024	4 years		A/St	60
Mr G Booth	15 Mar 2023	4 years	31 Jul 2025	F&R/R/S&G	80
Mr J Cawthorne	11 Dec 2024	To end of 2025/26 academic year		St	75
Mr D Earnshaw	6 Dec 2021	4 years		F&R/R	100
Mr D Elkington	14 Dec 2022	2 years	13 Dec 2024	A	0
Mr D Fannin	12 May 2021	4 years		St/F&R/R	100
Mrs C Foster	27 Apr 2020			F&R/St/S&G	100
Mr M Gildersleeves	11 Dec 2024	4 years		F&R/R/S&G	100
Mr N Hodgkiss	3 Jul 2024	To Oct 2027		F&R/St	80
Mrs H Lee	30 Oct 2023	4 Years		S&G	40
Ms J Matulioniene	15 Mar 2023	4 years		St	60
Ms J Mellon	11 Dec 2024	To end of 2025/26 academic year			25
Mr D Parnell	7 Jul 2021	4 years		F&R/R/S&G	80
Mrs K Priestley	14 Dec 2022	4 years	31 Jul 2025	A	20
Ms S Trivedi	12 Mar 2025	4 years		A	100
Ms S Williamson	20 Oct 2021	4 years		A	40
Mr N Worth	16 Dec 2023	4 years		S&G/St	80
Ms F Wrisberg	18 Oct 2023	4 years		F&R/St	100

Mrs J Hemmant is Clerk to the Corporation.

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTD)

The Corporation (continued)

"F&R" Finance and Resources committee, "R" Remuneration, "A" Audit, "S&G" Search and Governance, "St" Standards.

The following persons also acted as directors of one or more of the College's two wholly owned subsidiaries, Boston College Group and Eastern Enterprises Limited.

Claire Foster Principal and CEO (resigned 7 November 2025)

Lynette Leith Principal and CEO (appointed 3 November 2025)

Debbie Holland Chief Operating Officer

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 and personnel related matters such as health and safety and environmental issues. The Corporation meets at least once a term.

The Corporation conducts its business through a number of committees. Each committee has terms of reference, which have been approved by the Corporation. The standing committees are Finance and Resources, Remuneration, Search and Governance, Audit and Standards.

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

Boston College
Skirbeck Road
Boston
Lincs
PE21 6JF

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 for ensuring that all applicable procedures and regulations are complied with. The appointment, evaluation and removal of the Clerk are matters for the Corporation as a whole.

Formal agendas, papers and reports are supplied to governors in a timely manner prior to Board meetings. Briefings are also provided on an ad hoc basis. Members also receive information relevant to their role from a number of national bodies including the Association of Colleges.

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

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

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STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTD)

The Corporation (continued)

As a result of reclassification of colleges to the central government sector on 29 November 2022, consideration has been applied to ensuring compliance with new reclassification requirements whilst reviewing policies and procedures as part of its current review process.

Appointments to the Corporation

Any new appointments to the Corporation are a matter for the consideration of the Corporation as a whole. The Corporation has a Search and Governance committee which is responsible for the selection and nomination of new members, other than staff and student members, for the Corporation's consideration.

The Corporation is responsible for ensuring that appropriate training is provided as required and held a Strategy Day and CPD event for all governors during 2024/25. This event included presentations by external speakers. The Finance and Resources also ran a CPD session for members on budget setting. Members and the Clerk receive briefings from organisations such as the Association of Colleges, participate in sector webinars and meetings and have access to online training materials.

Members of the Corporation (other than the Principal) are appointed for a term of office not exceeding four years. The maximum number of terms of office for members is determined by the Corporation based on need.

Corporation performance

The Corporation and its committee's routinely monitor their performance and carry out formal self-assessment annually. Governance at Boston College is good. Governors are outward looking and have used good practice seen in other colleges to improve their own performance. They have high aspirations for learners at the College and provide a high level of challenge to senior managers to ensure that outcomes for learners and the quality of teaching and learning are continually improving and that the College is financially stable. An external governance review carried out in 2023/24 by the Association of Colleges concluded that there is strong evidence that governance is effective and consistently impacts positively on college effectiveness and outcomes.

Remuneration Committee

Throughout the year ending 31 July 2025, the College's remuneration committee comprised four members of the Corporation. The committee's responsibilities are to make recommendations to the Board on the remuneration and benefits of the Accounting Officer and the Clerk.

Details of remuneration for the year ended 31 July 2025 are set out in Note 7 to the financial statements.

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTD)

The Corporation (continued)

Audit Committee

The Audit Committee comprises up to five members of the Corporation (excluding the Accounting Officer). It also has one coopted member. The committee operates in accordance with written terms of reference approved by the Corporation.

The Audit Committee met on three occasions during 2024/25 with an average attendance of 73%. Attendance of individual committee members was:

Mr A Atkins	67% (Coopted)
Mr D Bland	100%
Mr D Elkington	0%
Mrs K Priestley	100%
Ms S Williamson	100% (Chair)

The committee provides a forum for reporting by the College's internal, regularity and financial statements auditors, who have access to the committee for independent discussion without the presence of College management. The committee also receives and considers reports from the FE funding body as they affect the College's business.

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

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

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

Finance and Resources Committee

The Finance and Resources Committee comprises six members of the Corporation and has responsibility for the review of the College's financial performance. The committee also takes a lead role in oversight of human resources and property matters and the governance of information security.

Standards Committee

The Standards Committee comprises eight members of the Corporation and has responsibility for the review of the College's non-financial performance. The committee sets targets and reviews the College's performance against a set of key indicators. The committee plays a key role in the review of academic performance and feedback from stakeholders.

Search and Governance Committee

The Search and Governance Committee comprises six members of the Corporation and has responsibility for governance structures and processes. It ensures that the Corporation has the appropriate balance of skills, experience, and knowledge to enable it to discharge its duties and responsibilities effectively.

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTD)

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 she is personally responsible, in accordance with the responsibilities assigned to her in the conditions of funding between the College and the funding body. She is also responsible for reporting to the Corporation any material weaknesses or breakdowns in internal control.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of College policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Boston College for the year ended 31 July 2025 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The risk and control framework

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

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

The College has an internal audit service, which operates in accordance with the requirements of the DfE's Post 16 Audit Code of Practice. The work of the internal audit service is informed by an analysis of the risks to which the College is exposed, and annual internal audit plans are based on this analysis. The analysis of risks and the internal audit plans are endorsed by the Corporation on the recommendation of the Audit Committee. At a minimum annually, the Head of Internal Audit (HIA) provides the governing body with a report on internal audit activity in the College. The report includes the HIA's independent opinion on the adequacy and effectiveness of the College's system of risk management, controls, and governance processes.

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTD)

Internal Control (continued)

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

The specific areas of work undertaken by the audit committee in 2024/25 and that were undertaken both remotely and onsite are:

- Funding Review
- Apprenticeship Strategy and Delivery
- HR and Payroll
- IT Data Security, Infrastructure & Disaster Recovery
- Mock Funding Audit

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 in their management letters and other reports.

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

The Accounting Officer and senior leadership team receive reports setting out key performance and risk indicators and consider possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments and reinforced by risk awareness training. The Accounting Officer and Executive leadership team and the Audit Committee also receive regular reports from internal audit and other sources of assurance, which include recommendations for improvement.

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTD)

Internal Control (continued)

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 it receives reports thereon from the senior management team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its November 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 10 December 2025 and signed on its behalf by:



D Earnshaw
Chair



Accounting Officer – L Leith

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

GOVERNING BODY'S STATEMENT ON THE COLLEGE'S REGULARITY, PROPRIETY AND COMPLIANCE WITH FUNDING BODY TERMS AND CONDITIONS OF FUNDING

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

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

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



Lynette Leith
Accounting officer

10 December 2025

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

STATEMENT OF RESPONSIBILITIES OF THE MEMBERS OF THE CORPORATION

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

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

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

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

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

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

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

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

Approved by order of the members of the corporation on 10 December 2025 and signed on its behalf by:



David Earnshaw - Chair of governors

INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF BOSTON COLLEGE

Opinion

We have audited the financial statements of Boston College (the "College") and its subsidiaries (the "Group") for the year ended 31 July 2025 which comprise the consolidated and college statements of comprehensive income, the consolidated and college balance sheets, the consolidated and college statements of changes in reserves, the consolidated statement of cash flows and notes to the financial statements, including 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 Accounts Direction issued by the Department for Education.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the College's affairs as at 31 July 2025 and of the Group's and the College's surplus of income over expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Accounts Direction issued by the Department for 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 Group and College in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the 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 contained within the Report and Financial Statements. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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.

We have nothing to report in respect of the following matters where the Office for Students' accounts direction requires us to report to you if:

- the College's grant and fee income, as disclosed in the note 3 and 4 to the accounts, has been materially misstated;
- The College's expenditure on access and participation activities for the financial year has been materially misstated.

INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF BOSTON COLLEGE

Responsibilities of the Corporation of Boston College

As explained more fully in the Statement of the Corporation's Responsibilities set out on page 22, the Corporation is responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Corporation determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Corporation is responsible for assessing the Group's and the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Corporation either intend to liquidate the Group or 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.

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

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

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

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

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

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and College operate in and how the group and college are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

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

The most significant laws and regulations that have an indirect impact on the financial statements are those which are in relation to the Education Inspection Framework under the Education and Inspections Act 2006, Keeping Children Safe in Education under the Education Act 2002 and the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. We performed audit procedures to inquire of management whether the group is in compliance with these law and regulations and inspected correspondence and inspected correspondence with licensing or regulatory authorities.

INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF BOSTON COLLEGE

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

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

Use of our report

This report is made solely to the Corporation, as a body, in accordance with the Accountability Agreement published by the Department for Education and our engagement letter dated 22 July 2025. Our audit work has been undertaken so that we might state to the Corporation, as a body, those matters we are engaged to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Corporation, as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK AUDIT LLP

Chartered Accountants

Rivermead House

7 Lewis Court

Grove Park

Leicester

LE19 1SD

[Date]

18 December 2025

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

CONSOLIDATED AND COLLEGE STATEMENT OF COMPREHENSIVE INCOME

		2025		2024	
	Notes	Group £'000	College £'000	Group £'000	College £'000
INCOME					
Funding body grants	3	17,155	17,155	15,359	15,359
Tuition fees and education contracts	4	2,683	2,683	2,688	2,688
Other income	5	993	942	1,041	994
Investment income	6	644	680	516	554
Total income		<u>21,475</u>	<u>21,460</u>	<u>19,604</u>	<u>19,595</u>
EXPENDITURE					
Staff costs	7	13,915	13,915	12,226	12,226
Other operating expenses	8	5,350	5,335	4,969	4,960
Depreciation and amortisation	11 & 12	1,592	1,592	1,421	1,421
Interest and other finance costs	9	126	126	88	88
Total expenditure		<u>20,983</u>	<u>20,968</u>	<u>18,704</u>	<u>18,695</u>
Surplus before other gains and losses		492	492	900	900
Profit on disposal of tangible fixed assets		<u>27</u>	<u>27</u>	<u>90</u>	<u>90</u>
Surplus before tax		519	519	990	990
Taxation	10	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Surplus for the year		519	519	990	990
Re-measurement of net defined benefit pension scheme	21	2,167	13,099	1,422	1,422
Impact of asset ceiling in relation to net defined pension scheme		<u>(3,162)</u>	<u>(14,094)</u>	<u>(2,245)</u>	<u>(2,245)</u>
OTHER COMPREHENSIVE EXPENDITURE FOR THE YEAR		<u>(995)</u>	<u>(995)</u>	<u>(823)</u>	<u>(823)</u>
Total Comprehensive Income for the year		<u>(476)</u>	<u>(476)</u>	<u>167</u>	<u>167</u>
Surplus for the year attributable to the Corporation of the College		<u>519</u>	<u>519</u>	<u>990</u>	<u>990</u>
Total Comprehensive Income for the year attributable to the Corporation of the College		<u><u>(476)</u></u>	<u><u>(476)</u></u>	<u><u>167</u></u>	<u><u>167</u></u>

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

CONSOLIDATED AND COLLEGE BALANCE SHEETS AS AT 31 JULY 2025

	Notes	Group 2025 £000	College 2025 £000	Group 2024 £000	College 2024 £000
Fixed assets					
Tangible assets	11	35,424	35,424	26,776	26,776
Intangible assets	12	281	281	220	220
Investments	13	-	-	-	-
Total fixed assets		<u>35,705</u>	<u>35,705</u>	<u>26,996</u>	<u>26,996</u>
Current assets					
Stock	14	5	5	26	26
Debtors	15	2,164	2,215	2,270	2,305
Pension asset	21	-	-	-	-
Cash at bank and in hand		<u>2,333</u>	<u>2,259</u>	<u>1,867</u>	<u>1,794</u>
Total current assets		<u>4,502</u>	<u>4,479</u>	<u>4,163</u>	<u>4,125</u>
Current liabilities					
Creditors - amounts falling due within one year	16	<u>(3,517)</u>	<u>(3,494)</u>	<u>(3,414)</u>	<u>(3,376)</u>
Net current assets		<u>985</u>	<u>985</u>	<u>749</u>	<u>749</u>
Total assets less current liabilities		36,690	36,690	27,745	27,745
Creditors – amounts falling due after more than one year	17	(22,967)	(22,967)	(13,543)	(13,543)
Provisions for liabilities					
Defined benefit pension scheme	21	-	-	-	-
Other provisions	18	<u>(37)</u>	<u>(37)</u>	<u>(40)</u>	<u>(40)</u>
Total net assets		<u>13,686</u>	<u>13,686</u>	<u>14,162</u>	<u>14,162</u>
Unrestricted reserves					
Income and expenditure reserve		11,444	11,444	11,798	11,798
Revaluation reserve		<u>2,242</u>	<u>2,242</u>	<u>2,364</u>	<u>2,364</u>
Attributable to the College Corporation and total unrestricted reserves		<u>13,686</u>	<u>13,686</u>	<u>14,162</u>	<u>14,162</u>

The financial statements on pages 26 – 54 were approved and authorised for issue by the Corporation on 10 December 2025 and were signed on its behalf on that date by:



D Earnshaw
Chair



L Leith
Accounting Officer

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

CONSOLIDATED AND COLLEGE STATEMENT OF CHANGES IN RESERVES

Group	Income and expenditure reserve £'000	Revaluation reserve £'000	Total £'000
Balance at 1 August 2023	11,509	2,486	13,995
Surplus for the year	990	-	990
Other comprehensive income	(823)	-	(823)
Transfers between revaluation and income and expenditure reserves	122	(122)	-
Total comprehensive income for the year	289	(122)	167
Balance at 31 July 2024	11,798	2,364	14,162
Surplus for the year	519	-	519
Other comprehensive expenditure	(995)	-	(995)
Transfers between revaluation and income and expenditure reserves	122	(122)	-
Total comprehensive income for the year	(354)	(122)	(476)
Balance at 31 July 2025	11,444	2,242	13,686

College	Income and expenditure reserve £'000	Revaluation reserve £'000	Total £'000
Balance at 1 August 2023	11,509	2,486	13,995
Surplus for the year	990	-	990
Other comprehensive income	(823)	-	(823)
Transfers between revaluation and income and expenditure reserves	122	(122)	-
Total comprehensive income for the year	289	(122)	167
Balance at 31 July 2024	11,798	2,364	14,162
Surplus for the year	519	-	519
Other comprehensive income	(995)	-	(995)
Transfers between revaluation and income and expenditure reserves	122	(122)	-
Total comprehensive income for the year	(354)	(122)	(476)
Balance at 31 July 2025	11,444	2,242	13,686

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	2025 £'000	2024 £'000
Operating activities			
Cash inflow / (outflow) generated from operations	20	518	(111)
Taxation paid		-	-
Net cash from operating activities		<u>518</u>	<u>(111)</u>
Investing activities			
Investment income		47	31
Purchase of tangible fixed assets		(10,179)	(2,275)
Purchase of intangible fixed assets		(93)	(176)
Receipt of capital grant		10,348	2,108
		<u>123</u>	<u>(312)</u>
Financing activities			
Interest paid		(126)	(88)
Repayments of borrowings		(49)	(64)
		<u>(175)</u>	<u>(152)</u>
		466	(575)
		<u>1,867</u>	<u>2,442</u>
Cash and cash equivalents at beginning of the year		1,867	2,442
Cash and cash equivalents at end of the year		<u>2,333</u>	<u>1,867</u>
Cash and cash equivalents comprise			
Cash at bank and in hand		2,333	1,867
Bank overdraft		-	-
		<u>2,333</u>	<u>1,867</u>

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Policies

General Information

Boston College is a corporation established under the Further and Higher Education Act 1992 as an English general college of further education. The address of the College's principal place of business is given on page 13. The nature of the College's operations are set out in the Report of the Governing Body.

Basis of accounting

These financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (the F & HE SORP 2019), the College Accounts Direction for 2024 to 2025, and Regularity Advice 9: Accounts Direction issued by the Office for Students and in accordance with Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102). The College is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102.

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

The consolidated 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.

Reduced disclosures

In accordance with the F & HE SORP 2019, the College in its separate financial statements, which are presented alongside the consolidated financial statements, has taken advantage of the disclosure exemptions available to it in respect of presentation of a cash flow statement and financial instruments.

Basis of consolidation

The consolidated financial statements include the College and its subsidiaries. Of these, only Eastern Enterprises Limited traded during 2024-25. The results of any subsidiaries acquired or disposed of during the period are included in the consolidated income and expenditure account from the date of acquisition or up to the date of disposal. Intra-Group sales and profits are eliminated fully on consolidation. In accordance with FRS 102, the activities of the student union have not been consolidated because the College does not control those activities. All financial statements are made up to 31 July 2025.

Going Concern

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

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

Going Concern (continued)

Following thorough assessment, the Corporation has determined that the College possesses sufficient resources to maintain operational viability for the foreseeable future. This conclusion, together with the considerations detailed in the future developments section on page 6, supports the continued application of the going concern basis in preparing these financial statements.

Cash flow forecasts for the upcoming three months indicate temporary pressure on liquidity, with cash reserves declining to 11 days. However, projections show recovery from February 2026 onwards, rising above 20 cash days and reaching 28 cash days by year-end. These short-term cash constraints are attributable to capital expenditure requirements for the Mayflower construction project.

The College's position is strengthened by robust 2025/26 enrolment figures and anticipated apprenticeship expansion. Cash balances are projected to exceed £1.0m from February 2026 onwards, demonstrating the College's capacity to continue as a going concern. Accordingly, the going concern basis remains appropriate for the preparation of these financial statements.

Recognition of income

Grants – government and non-government

Government revenue grants are accounted for under the accrual model and are recognised where a reliable estimate of the fair value of the asset received or receivable can be made on a systematic basis over the periods in which the related costs for which the grant compensates are recognised.

Funding body recurrent grants are measured in line with best estimates for the year of what is receivable and depend on the particular income stream involved. Any under achievement for the Adult Skills Fund, outside of the permitted tolerance level, is adjusted for and reflected in the level of recurrent grant recognised in the income and expenditure account. The final grant income is normally determined with the conclusion of the year end reconciliation process with the funding body following the year end.

16-18 learner-responsive funding is not normally subject to reconciliation and is therefore not subject to contract adjustments and is recognised when receivable.

The recurrent grant from OFS represents the funding allocations attributable to the current financial year and is recognised when received or receivable.

Grants from non-government sources, including grants relating to assets, are recognised in income when the College has met the performance-related conditions and the grant will be received. Income received in advance of performance related conditions being met is recognised as a liability.

Government capital grants for assets, other than land, are accounted for under the accrual model. The 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.

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

Other income

Income from the supply of services is recognised at fair value of the consideration received or receivable and represents the value of services to the extent there is a right to consideration.

Income from tuition fees is recognised over the period for which it is received and includes all fees payable by students or their sponsors.

All income from short-term deposits is accrued in the period in which it is earned on a receivable basis.

Accounting for post-employment benefits

Post-employment benefits to employees of the College are principally provided by the Teachers' Pension Scheme (TPS) and the Lincolnshire County Council Pension Fund (LCCPF). These are defined benefit schemes, which are externally funded.

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

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

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. The cost of any unused holiday entitlement the College expects to pay in future periods is recognised in the period the employees' services are rendered.

Enhanced pensions

The actual cost of any enhanced ongoing pension to a former member of staff is paid by the College annually. An estimate of the expected future cost of any enhancement to the ongoing pension of a former member of staff is charged in full to the College's income and expenditure account in the year that the member of staff retires. In subsequent years a charge is made to provisions in the balance sheet using the enhanced pension spreadsheet provided by the funding body.

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

Fixed asset investments

College Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses in the separate financial statements of the College.

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

Tangible fixed assets

Tangible fixed assets are stated at deemed cost less accumulated depreciation and accumulated impairment losses.

Land and buildings

Land and buildings are stated at deemed cost at the date of transition to FRS102 less accumulated depreciation and accumulated impairment losses.

Equipment

Equipment (excluding IT equipment) costing less than £1,000 per individual item or set of items acquired together is recognised as expenditure in the period of acquisition. All other equipment and IT equipment is capitalised and recognised at cost less accumulated depreciation and accumulated impairment losses.

Depreciation and residual values

Freehold land is not depreciated and it is considered to have an infinite useful life. Depreciation on other assets is calculated, using the straight line basis, to write off the cost of each assets to its estimated residual value over its expected useful lives, as follows:

- Freehold buildings – over periods up to 50 years
- Long leasehold buildings – over the shorter of 50 years and the remaining lease term
- Equipment – between 3 and 6 years
- Motor Vehicles – 4 years

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Subsequent costs, including replacement parts, are only capitalised when it is probable that such costs will generate future economic benefits. Any replaced parts are then derecognised. All other costs of repairs and maintenance are expenses as incurred.

Assets under construction

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

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

Intangible fixed assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets are amortised on a straight-line basis over their useful life. If a reliable estimate of useful life is not possible, the life shall not exceed 5 years.

An intangible asset will be recognised only if future economic benefits flow to the College and the cost of the asset can be measured reliably. Examples of intangible assets include software costs and website development costs.

Impairment of fixed assets

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

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

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

Borrowing costs

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

Operating leases

All leases are operating leases and annual rents are charged to comprehensive income on a straight line basis over the lease term.

Stock

Stock is valued at the lower of cost and net realisable value and estimated selling price less costs to complete and sell. Where necessary, provision is made for obsolete, slow-moving and defective items.

Cash and cash equivalents

Cash includes cash in hand, deposits and repayable on demand and overdrafts.

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.

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

Financial Instruments

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

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

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

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets measured at fair value through the profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Taxation

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

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

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

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

Provisions and contingent liabilities

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

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

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

Agency arrangements

The College acts as an agent in the collection and payment of certain Discretionary Support Funds and Free Meals in Further Education. Related payments received from the funding body and subsequent disbursements to students are excluded from the Income and Expenditure account and are shown separately in note 24, except for the 5 per cent of the grant received which is available to the College to cover administration of Learner Support Fund applications and payments.

2 Critical Accounting Judgements and Estimation Uncertainty

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

Critical areas of judgement

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

- Determined whether leases entered into by the College either as a lessor or a lessee are operating or finance lease. 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.

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 Critical Accounting Judgements and Estimation Uncertainty (CONTINUED)

- Impairment of fixed assets

The College considers whether tangible fixed assets are impaired. Where an indication of impairment is identified the estimation of the recoverable amount of the asset or the recoverable amount of the cash-generating unit is required. These will require an estimation of the future cash flow and selection of an appropriate discount rates in order to calculate the net present value of those cash flows.

- Lincolnshire County Council Pension Fund

The present value of the Lincolnshire County Council Pension Fund defined benefit assets 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 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions asset at 31 July 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3 Funding Body Grants

	2025 Group £000	2025 College £000	2024 Group £000	2024 College £000
Recurrent grants				
Department for Education – adult	1,626	1,626	1,311	1,311
Department for Education – 16-18	12,376	12,376	11,437	11,437
Department for Education – apprenticeships	1,637	1,637	1,450	1,450
Office For Students	114	114	139	139
Specific grants				
Department for Education – provider relief scheme	-	-	-	-
Teacher Pension Scheme contribution grant	654	654	503	503
National Insurance contributions grant	87	87	-	-
Releases of government capital grants	661	661	519	519
Total	17,155	17,155	15,359	15,359

4 Tuition fees and education contracts

	2025 Group £000	2025 College £000	2024 Group £000	2024 College £000
Adult Education fees	122	122	177	177
Apprenticeship fees and contracts	7	7	10	10
Fees for FE loan supported courses	150	150	178	178
Fees for HE loan supported courses	1,050	1,050	1,119	1,119
International students fees	-	-	-	-
Total tuition fees	1,329	1,329	1,484	1,484
Education contracts	1,354	1,354	1,204	1,204
Total	2,683	2,683	2,688	2,688

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 Other income

	2025 Group £000	2025 College £000	2024 Group £000	2024 College £000
Catering and residences	497	497	568	567
Other income generating activities	195	144	188	142
Miscellaneous income	301	301	285	285
Total	993	942	1,041	994

6 Investment income

	2025 Group £000	2025 College £000	2024 Group £000	2024 College £000
Income from bank deposits	47	48	31	31
Gift aid	-	35	-	38
Net interest on defined pension liability (note 21)	597	597	485	485
Total	644	680	516	554

7 Staff costs and key management personnel remuneration – Group and College

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

	2025 No.	2024 No.
Teaching staff	168	154
Non-teaching staff	306	274
	474	428
Staff costs for the above persons	2025 £000	2024 £000
Wages and salaries	10,250	9,194
Social security costs	1,017	807
Other pension costs	2,077	1,743
Payroll sub total	13,344	11,744
Contracted out staffing services	555	461
	13,899	12,205
Restructuring costs – contractual	16	21
Restructuring costs – non contractual	-	-
	13,915	12,226

The group paid 2 severance payments in the year.

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

7 Staff costs and key management personnel remuneration – Group and College (continued)

All restructuring costs were approved by the Executive Leadership Team.

Severance payments

The group paid 2 severance payments in the year, disclosed in the following bands:

Severance Payment amount	Number of severance payments made
0- £25,000	2
£25,001 – £50,00	0
£50,001 - £100,000	0
£100,001 - £150,000	0
£150,000 +	0

Included in staff restructuring costs are special severance payments totalling £nil (2024 £nil). Individually, the payments were: £nil

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the College and in 2024/25 were represented by the Executive Leadership Team which comprised the Principal, Deputy Principal, Chief Operating Officer, Executive Director People, Assistant Principal Quality Performance and Standards and Assistant Principal Student Experience.

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

	2025 No.	2024 No.
The number of key management personnel including the Accounting Officer was:	<u>6</u>	<u>6</u>

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

	2025 No.	2024 No.
£60,001 to £65,000 p.a.	1	1
£65,001 to £70,000 p.a.	-	-
£70,001 to £75,000 p.a.	3	1
£110,001 to £115,000 p.a.	-	-
£115,001 to £120,000 p.a.	-	-
£120,001 to £125,000 p.a.	-	-
£125,001 to £130,000 p.a.	1	1
	<u>5</u>	<u>3</u>

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 Staff costs and key management personnel remuneration (continued)

Key management personnel (including the Accounting Officer) total compensation is made up as follows:

	2025	2024
	£'000	£'000
Salaries	471	432
National Insurance	60	52
	531	484
Pension contributions	126	108
Total emoluments	657	592

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

The above emoluments include amounts payable to the Accounting Officer (who is also the highest paid of key management personnel) of:

	Accounting Officer 2025	Accounting Officer 2024
	£'000	£'000
Salaries	130	128
Benefits in kind	-	-
	130	128
Pension contributions	37	32

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 Staff costs and key management personnel remuneration (continued)

The governing body has adopted the AoC’s Senior Staff Remuneration Code in May 2019 and assesses pay in line with its principles.

The remuneration package of the Principal and Chief Executive Officer is subject to annual review by the Remuneration Committee of the governing body who use benchmarking information to provide objective guidance.

The Principal and Chief Executive Officer reports to the Chair of Governors, who undertakes an annual review of her performance against the college’s overall objectives using both qualitative and quantitative measures of performance.

The remuneration of the accounting officer Claire Foster was determined on the 20 November 2023 by the Remuneration Committee and approved by the Corporation on 13 December 2023. The accounting officer was not involved in setting their remuneration. The Remuneration Committee reviewed a report that took advice on the appropriate salary payable that is in line across the sector.

The relationship between the accounting officer’s emoluments, expressed as a multiple of all other employees based on full-time equivalents, is set out below for both basic salary and total remuneration.

	2025 No	2024 No
Principal and CEO’s salary as a multiple of the median of all staff	4.7	5.0
Principal and CEO’s total remuneration as a multiple of the median of all staff	4.7	5.0

Governors’ remuneration

The Accounting Officer and the staff members only receive remuneration in respect of services they provide undertaking their roles of Principal and staff members under contracts of employment and not in respect of their roles as governors. The other members of the Corporation did not receive any payments from the college in respect of their roles as governors.

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8 Other operating expenses

	2025 Group £000	2025 College £000	2024 Group £000	2024 College £000
Teaching costs	723	723	519	519
Non-teaching costs	3,197	3,182	3,098	3,089
Premises costs	1,430	1,430	1,352	1,352
Total	5,350	5,335	4,969	4,960

	2025 Group £000	2025 College £000	2024 Group £000	2024 College £000
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Deficit before taxation is stated after charging/(crediting):

Auditors' remuneration:

Financial statements audit	50	50	48	48
Internal audit	14	14	13	13
Other services provided by financial statements auditors				
- Audit related assurance services and regularity	3	3	4	4

Write offs and losses

The total value of debts written off or other losses incurred is £24,606 (2024: £27,870). There were 2 individual transactions where the value was £5,000 or more. For the avoidance of doubt, all such transactions must be disclosed not just those where consent was obtained from DfE.

Guarantees, letters of comfort and indemnities

The college has not provided any guarantees, letters of comfort, and indemnities not entered into in the normal course of business.

Compensation payments and ex-gratia payments

The college has made 1 compensation payment and no ex-gratia payments during the period.

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8 Other operating expenses (continued)

Included within expenditure are the following transactions, individual transactions exceeding £5,000 are identified separately:

	Total	Individual items above £5,000	
		Amount	Reason
	£	£	
Compensation payments	17,500	17,500	Settlement of a tribunal claim, fully recovered through insurance.
Write off and losses	24,606	6,550	Settlement of a student complaint
		5,153	International debt from company that had liquidated.
Guarantees, letters of comfort and indemnities	-		

9 Interest and other finance costs – Group and College

	2025	2024
	£000	£000
Bank loans and overdrafts	126	88
Net interest on defined pension liability (note 21)	-	-
	<u>126</u>	<u>88</u>

10 Taxation

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

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11 Tangible fixed assets - Group and College

	Land and buildings		Equipment	Assets in the Course of Construction	Total
	Freehold £000	Leasehold £000	£000	£000	£000
Cost or valuation					
At 1 August 2024	30,551	1,242	7,378	1,352	40,523
Additions	228	30	814	9,107	10,179
Disposals	-	-	(77)	-	(77)
Adjustment	49	-	-	-	49
At 31 July 2025	<u>30,828</u>	<u>1,272</u>	<u>8,115</u>	<u>10,459</u>	<u>50,674</u>
Depreciation					
At 1 August 2024	8,473	161	5,113	-	13,747
Charge for year	608	7	945	-	1,560
Elimination in respect of disposals	-	-	(69)	-	(69)
Adjustments	-	-	12	-	12
At 31 July 2025	<u>9,081</u>	<u>168</u>	<u>6,001</u>	<u>-</u>	<u>15,250</u>
Carrying amount at 31 July 2025	<u>21,747</u>	<u>1,104</u>	<u>2,114</u>	<u>10,459</u>	<u>35,424</u>
Carrying amount at 31 July 2024	<u>22,078</u>	<u>1,081</u>	<u>2,265</u>	<u>1,352</u>	<u>26,776</u>

Land and buildings were revalued as at 31 July 1997 for the purposes of these financial statements at depreciated replacement cost by James Eley and Son, a firm of independent chartered surveyors. These assets are held at book value.

Land and buildings include land valued at Group and College £1,035,000 (2024 £1,035,000) which is not depreciated as it is considered to have an infinite useful life.

Leasehold costs relate to the Peter Paine Sports Centre in Boston. The College has agreed to lease the building on a 99 year lease commencing 2011.

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12 Intangible Assets – Group and College

	Software £000	Website £000	Total £000
Cost or valuation			
At 1 August 2024	240	42	282
Addition	93	-	93
At 31 July 2025	333	42	375
Amortisation			
At 1 August 2024	29	33	62
Charge for year	29	3	32
At 31 July 2025	58	36	94
Carrying amount at 31 July 2025	275	6	281
Carrying amount at 31 July 2024	211	9	220

13 Non-current Investments

	2025 £	2024 £
Investments in subsidiary companies	4	4

Interest in group undertakings

		Proportion of nominal value of issued shares held by:		
	Country of incorporation or registration	Description of shares held	Group	College
Boston College Group Limited (dormant company)	England and Wales	Ordinary £1 shares	100%	100%
Eastern Enterprises Limited	England and Wales	Ordinary £1 shares	100%	100%

Eastern Enterprises Limited operated wholly within the United Kingdom. The principal activity during the year was to charge commercial lettings in the property known as the Red Lion Quarter in Spalding.

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

14 Stock

	Group and College	
	2025	2024
	£000	£000
Raw materials and consumables	5	26

15 Debtors

	Group	College	Group	College
	2025	2025	2024	2024
	£000	£000	£000	£000
Amounts falling due within one year:				
Trade debtors	218	218	559	553
Amounts owed by subsidiary undertakings	-	97	-	41
Prepayments and accrued income	1,411	1,365	1,227	1,227
Amounts owed by the Department for Education	535	535	484	484
Total	2,164	2,215	2,270	2,305

Trade debtors includes £53,000 (2024 £47,000) for bad debt provision.

16 Creditors: amounts falling due within one year:

	Group	College	Group	College
	2025	2025	2024	2024
	£000	£000	£000	£000
Bank loans and overdraft	116	116	67	67
Trade creditors	856	856	491	491
Other taxation and social security	547	547	426	426
Other creditors	179	156	130	92
Accruals	53	53	419	419
Holiday pay accrual	291	291	282	282
Government capital grants	869	869	680	680
Government grants – revenue	501	501	473	473
Amounts owed to:				
Department for Education	105	105	446	446
Total	3,517	3,494	3,414	3,376

17 Creditors: amounts falling due after one year

	Group	College	Group	College
	2025	2025	2024	2024
	£000	£000	£000	£000
Bank Loan	1,293	1,293	1,389	1,389
Government capital grants	21,674	21,674	12,154	12,154
Total	22,967	22,967	13,543	13,543

Government capital grants includes £4.8m that relates to GLLEP funding, £2.3m is ringfenced for the EMAT centre, £2.1m for the DTLA centre and £0.4m for the Care Core. It also contains £9.6m that relates to Boston Towns Deal Funding.

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17 Creditors: amounts falling due after one year (continued)

Bank loans and overdrafts

	Group 2025 £000	College 2025 £000	Group 2024 £000	College 2024 £000
Bank loans and overdrafts are repayable as follows:				
In one year or less	116	116	67	67
Between one and two years	116	116	67	67
Between two and five years	348	348	201	201
In five years or more	829	829	1,122	1,122
Total	1,409	1,409	1,457	1,457

The loan was renegotiated in June 2021 into two new loans, half of the loan value is capital repayment plus interest and the other half is interest only. Interest is charged at 2.12% over base rate.

18 Provisions for liabilities

Group and College	Enhanced Pension £000	Other £'000	Total £'000
At 1 August 2024	40	-	40
Amounts utilised	-	-	-
Changes in period charged to Statement of Comprehensive Income	(3)	-	(3)
At 31 July 2025	37	-	37

The enhanced pension provision relates to the cost of staff who have already left the College's employment and commitments for reorganisation costs from which the College cannot reasonably withdraw at the balance sheet date. The provision has been recalculated in accordance with guidance issued by the funding bodies.

The principal assumptions for this calculation are:

	2025	2024
Price inflation	2.7%	2.8%
Discount rate	5.5%	4.8%

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19 Financial commitments

Capital commitments

Group and College

	2025	2024
	£'000	£'000
Commitments contracted for at 31 July	-	8,000

20 (a) Notes to the cash flow statement

	2025	2024
	£'000	£'000
Surplus / (Deficit) after tax for the year	519	990
Adjustment for:		
Depreciation and amortisation	1,592	1,421
Deferred capital grants released to income	(661)	(519)
Profit on disposal of fixed assets	(27)	(90)
Investing activities – receipt of capital grant	-	-
Investment income	(644)	(516)
Interest payable	126	88
(Decrease) in provisions	(3)	(7)
Pensions costs less contributions payable	(398)	(338)
Operating cash flow before movements in working capital	504	1,029
Decrease / (Increase) in stocks	22	(17)
Decrease / (Increase) in debtors	91	(934)
(Decrease) in creditors	(99)	(189)
Cash inflow / (outflow) generated from operations	518	(111)

20 (b) Analysis of changes in net debt

	At 1 August 2024	Cash flows	At 31 July 2025
£000	£000	£000	£000
Cash and cash equivalents	1,867	466	2,333
Overdraft facility repayable on demand	-	-	-
	1,867	466	2,333
Loans falling due within one year	(67)	(49)	(116)
Loans falling due after more than one year	(1,389)	96	(1,293)
Total	411	513	924

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21 Retirement Benefits

The College's employees belong to two principal post-employment benefit plans: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Lincolnshire Pension Fund (LPF) for non-teaching staff, which is managed by West Yorkshire Pension Fund. Both are multi-employer defined-benefit plans.

Total pension cost for the year	2025 £000	2024 £000
Teachers' Pension Scheme: contributions paid	1,202	994
Lincolnshire Pension Fund		
Contributions paid	1,276	1,109
FRS 102 (28) charge	(398)	(338)
Charge to the Statement of Comprehensive Income	878	771
Enhanced pension charge to Statement of Comprehensive Income	(3)	(1)
Total Pension Cost for Year within staff costs	2,077	1,764

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 2024 and of the LPF 31 March 2022.

Contributions amounting to £126,297 (2024 £124,618) were payable to the scheme at 31 July and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. 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. The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme on as a defined benefit plan so it is accounted for as a defined contribution plan.

Valuation of the Teachers' Pension Scheme

The Government Actuary's Department conducts a formal actuarial review of the TPS every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

As a result of the last scheme valuation, based on 2020 data, employer contributions were increased in April 2024 from a rate of 23.6% to 28.6%. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses.

A copy of the latest valuation report can be found by following this link [Valuation result | 10 | 2023](#) (teacherspensions.co.uk)

The next valuation, based on 2024 data, is expected to take effect in 2027.

DfE agreed to pay a Teachers Pensions employer contribution grant to cover the additional costs during the 2024-25 academic year, and currently through to July 2026.

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation was carried out as at 31 March 2024 and in accordance with The Public Service Pensions (Valuation and Employer Cost Cap) Directions 2014 except it has been prepared following the Government's decision to pause the operation of the cost control mechanisms at the time when legal challenges were still pending.

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21 Retirement Benefits (continued)

Valuation of the Teachers' Pension Scheme (continued)

The valuation report was published in October 2023. The key results of the valuation and subsequent consultation are:

- Total scheme liabilities for service (pensions currently payable and the estimated cost of future benefits) of £279 billion
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £nil
- Notional past service deficit of £18.4m
- Discount rate is 5.1% (2013 4.15%) (this change has had the greatest financial significance)

As a result of the valuation, new employer contributions rates were set at 28.6% of pensionable pay from April 2024 onwards (compared to 23.68% from 2019). DfE has agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2024-25 academic year

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website. The pension costs paid to TPS in the year amounted to £1,202,080 (2024: £993,696). The next valuation result is due to be implemented from 1 April 2024.

Lincolnshire Pension Fund

The Lincolnshire Pension Fund is a funded defined-benefit plan, with the assets held in separate funds administered by Lincolnshire County Council. The total contributions made for the year ended 31 July 2025 were £1,583,827, of which employer's contributions totalled £1,275,929 and employees' contributions totalled £307,898. The agreed contribution rates for future years are 23.8% for employers and range from 5.5% to 12.5% for employees, depending on salary.

The current valuation does not reflect the expected increase in benefits and therefore liability as a result of Guaranteed Minimum Pension ('GMP') equalisation between men and women which is required as a result of the removal of the Additional State Pension. Methodologies for a long-term solution are still being investigated by the Government as set out in the published (January 2018) outcome of the Government Consultation 'Indexation and Equalisation of GMP in Public Sector Pensions Schemes' and therefore the expected impact cannot be reliably estimated and consequently no provision/liability has been recognised. The next scheme valuation for LGPS will be 31 March 2025, with the new employer contribution rates applicable from 1 April 2026.

The College is aware that the Court of Appeal has recently upheld the decision in the Virgin Media vs NTL Pension Trustees II Limited case. The decision puts into question the validity of any amendments made in respect of the rules of a contracted-out pension scheme between 6 April 1997 and 5 April 2016. The judgment means that some historic amendments affecting s.9(2B) rights could be void if the necessary actuarial confirmation under s.37 of the Pension Schemes Act 1993 was not obtained. On the 5 June 2025, the Government announced its intention to introduce legislation to give affected pension schemes the ability to retrospectively obtain written confirmation that historical benefit changes met the necessary standards. However, details of the legislation have not been announced and it's not clear how this interacts with the investigations made by the UK Government's Actuary's Department therefore the potential impact if any, on the valuation of scheme liabilities remains unknown.

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21 Retirement Benefits (continued)

Principal Actuarial Assumptions

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

	At 31 July 2025	At 31 July 2024
Rate of increase in salaries	2.85%	2.80%
Future pensions increases	2.85%	2.80%
Discount rate	5.80%	5.10%
Inflation assumption (CPI)	2.85%	2.80%
Commutation of pensions to lump sums	50%	50%

The average life expectancy for a pensioner retiring at 65 on the reporting date is:

	At 31 July 2025 years	At 31 July 2024 Years
<i>Retiring today</i>		
Males	21.4	19.5
Females	23.4	22.6
<i>Retiring in 20 years</i>		
Males	23.0	20.7
Females	25.1	24.1

Principal Actuarial Assumptions

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

	Fair value at 31 July 2025 £'000	Fair value at 31 July 2024 £'000
Equity instruments	19,839	16,082
Debt instruments	5,108	4,607
Property	2,609	2,350
Cash	908	969
Infrastructure	1,620	1,414
Absolute Return Fund	5,671	7,705
	<u>35,755</u>	<u>33,127</u>
Actual return on plan assets	<u>1,696</u>	<u>1,280</u>

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21 Retirement Benefits (continued)

Principal Actuarial Assumptions (continued)

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	20,996	21,530
Present value of plan liabilities	(20,996)	(21,530)
	-	-

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

	2025	2024
	£'000	£'000
Amounts included in staff costs		
Current service cost	(878)	(751)
Past service cost	-	(20)
Administration Expenses	(27)	(24)
Net interest on the net defined benefit pension liability	627	509
Total	(278)	(286)
Amount recognised in Other Comprehensive Income:		
Return on pension plan assets	719	1,280
Experience losses arising on defined benefit obligations	(212)	105
Changes in assumptions underlying the present value of plan liabilities	1,660	37
Impact of Asset Ceiling in relation to Net Defined Pension Liability	(3,162)	(2,245)
Amount recognised in Other Comprehensive Income	(995)	(823)

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21 Retirement Benefits (continued)

	2025	2024
	£'000	£'000
Changes in the present value of defined benefit obligations		
Defined benefit obligations at start of period	21,530	20,358
Current service cost	878	751
Past service cost	-	20
Interest cost	1,072	1,037
Contributions by scheme participants	308	262
Actuarial (Gains) / Losses	(1,448)	(142)
Benefits paid	(1,344)	(756)
Defined benefit obligations at end of period	20,996	21,530
Changes in fair value of plan assets		
	2025	2024
	£'000	£'000
Fair value of plan assets at start of period	21,530	20,358
Interest income	1,696	1,546
Return on plan assets (excluding net interest on the net defined benefit liability)	719	1,280
Other Actuarial Gains/Losses	-	-
Administration Expenses	(27)	(24)
Employer contributions	1,276	1,109
Contributions by scheme participants	308	262
Benefits paid	(1,344)	(756)
Impact of Asset Ceiling in relation to Net Defined Pension Liability	(3,162)	(2,245)
Fair value of plan assets at end of period	20,996	21,530

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

Boston College Corporation

FINANCIAL STATEMENTS

for the year ended 31 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22 Access and participation expenditure – Group and College

	2025 £'000	2024 £'000
Access investment	44	37
Financial support provided to students	5	4
Support for disabled students		
Research and evaluation related to access and participation	8	3
	<hr/>	<hr/>
Total access and participation expenditure	57	44

The College's access and participation plan is available on the College's website at [Boston-College-Access-and-Participation-Plan-2022-23-to-2026-27.pdf](#)

23 Related party transactions

Key management compensation disclosure is given in note 7.

During the year the College purchased goods and services of £2,800 (2024 - £958) and provided management services of £61,586 (2024 - £60,348) to its subsidiary. There were amounts £36,000 (2024 - £1,333) owed to the subsidiary and £97,000 (2024 - £69,192) owed by the subsidiary at the reporting date.

24 16-19 Bursaries

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

In the accounting period ended 31 July 2025, the college received a total of £739,144, brought forward £494,169 and disbursed £686,966 to learners from DfE 16-19 discretionary and vulnerable bursaries and FEFM funding after charging £38,054 for administration costs.

As at 31 July 2025, the cumulative unspent 16-19 discretionary and vulnerable bursary funds and FEFM funding is £508,293, of which £0 relates to funds that are in scope to be returned to DfE in March 2026.

Comparatives for the accounting period ended 31 July 2024 are £683,584 received from DfE, brought forward £586,988, £724,263 disbursed to learners after charging £31,811 for administration costs, and total cumulative unspent funds of £494,169, of which £0 was repaid to DfE.

Amounts disbursed as agent learner support funds

	2025 £'000	2024 £'000
Funding body grants	1,233	1,255
Disbursed to students	(687)	(724)
Administration costs	(38)	(31)
	<hr/>	<hr/>
Balance unspent as at 31 July, included in creditors	508	500

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.

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY TO THE CORPORATION OF BOSTON COLLEGE AND THE SECRETARY OF STATE FOR EDUCATION ACTING THROUGH DEPARTMENT FOR EDUCATION

Conclusion

We have carried out an engagement, in accordance with the terms of our engagement letter dated 22 July 2025 and further to the requirements of the Department for Education (the "DfE") as included in the Framework and Guide for External Auditors and Reporting Accountants of Colleges issued by the DfE, 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 Boston 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.

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

Basis for conclusion

The framework that has been applied is set out in the Framework and Guide for External Auditors and Reporting Accountants of Colleges and in any relevant conditions of funding concerning adult education notified by a relevant funder.

We have complied with the independence and other ethical requirements of the FRC's Ethical Standard and the ethical pronouncements of the ICAEW. We also apply International Standard on Quality Management (UK) 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements and accordingly maintain comprehensive systems of continuing quality management. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

Responsibilities of the accounting officer of Boston College and Corporation

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 are applied for the purposes intended by Parliament and that the financial transactions conform to the authorities which govern them. The accounting officer is also responsible for preparing the Statement of Regularity, Propriety and Compliance. The Corporation of Boston College (who are also the trustees for the purposes of charity law) are responsible for the proper conduct and financial operation of Boston College and appointment of the accounting officer.

Responsibilities of the reporting accountant

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 Framework and Guide for External Auditors and Reporting Accountants of Colleges.

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 the procedures performed vary in nature and timing from, and are less in extent than for a reasonable assurance engagement; consequently a limited assurance engagement 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.

We report to you whether anything has come to our attention in carrying out our work, which suggests that in all material respects, expenditure disbursed and income received during the period 1 August 2024 to 31 July 2025 have not been applied for the purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY TO THE CORPORATION OF BOSTON COLLEGE AND THE SECRETARY OF STATE FOR EDUCATION ACTING THROUGH DEPARTMENT FOR EDUCATION (CONTINUED)

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including the specific requirements of the College Financial Handbook, the accountability agreement with the Secretary of State for Education and those of any other public funder and high level financial control areas where we identified a material irregularity is likely to arise. It also included areas assessed as presenting a higher risk of impropriety. We undertook detailed testing, on a sample basis, on the identified areas where a material irregularity is likely to arise or potential impropriety, where such areas are in respect of controls, policies and procedures that apply to classes of transactions. Our work was undertaken with due regard to the 'Tests and evidence to support conclusion on regularity' guidance in the Framework and Guide for External Auditors and Reporting Accountants of Colleges.

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.

Use of our report

This report is made solely to the Corporation of Boston 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 Boston College and the Secretary of State for Education those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Corporation of Boston College and the Secretary of State for Education for our work, for this report, or for the conclusion we have formed.

RSM UK Audit LLP

RSM UK AUDIT LLP
Chartered Accountants
Rivermead House
7 Lewis Court
Grove Park
Leicester
LE19 1SD
[Date]

18 December 2025