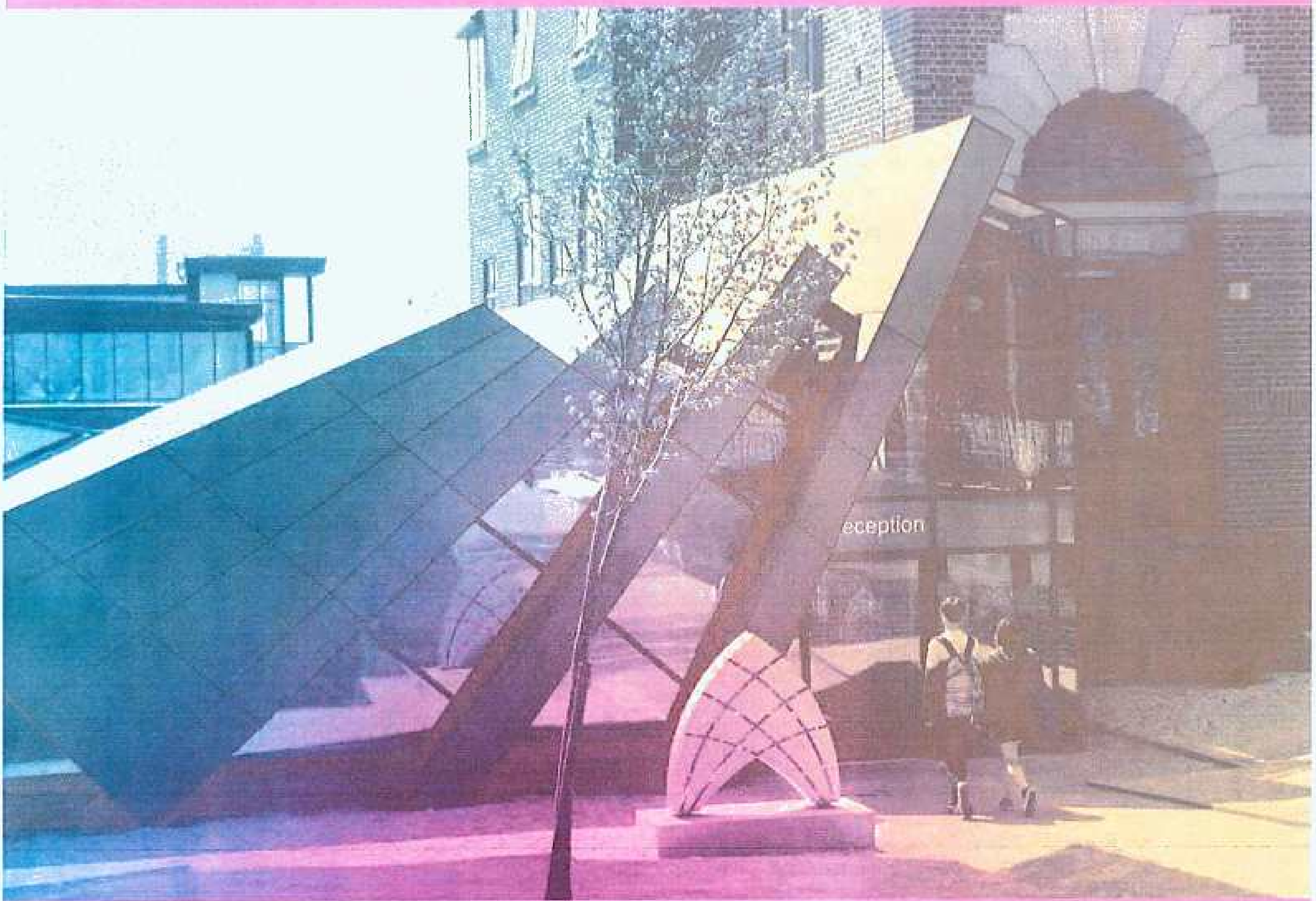
ASHTON
SIXTH FORM COLLEGE

Financial Statement

31 January 2019



Key Management Personnel, Board of Governors and Professional advisers

Key management personnel

Key management personnel are defined as senior members of the College Leadership Team and were represented by the following in the six months to 31 January 2019:

Mr Anton McGrath - Principal and Accounting Officer
Mrs Lisa Richards - Deputy Principal

Board of Governors

A full list of Governors is given on pages 17 and 18 of these financial statements.

Ms Shazia Nazir acted as Clerk to the Corporation throughout the period.

Professional Advisers

Financial Statement auditors and reporting accountants:
Grant Thornton UK LLP
Chartered Accountants and Registered Auditor
4 Hardman Square
Spinningfields
Manchester
M3 3EB

Internal Auditors:
RSM
St. Thomas's Road
Chorley
Lancashire
PR7 1HP

Bankers:
Barclays Bank PLC
1 Central Street
The Rock
Bury
BL9 0JN

Solicitors:
Eversheds
Eversheds House
70 Great Bridgewater Street
Manchester
M1 5ES

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Members' report

The members present their report and the audited financial statements for the six months ended 31 January 2019.

Nature, objectives and strategies

Legal status

The Corporation, throughout the period under review, was established under The Further and Higher Education Act 1992 and amended by the Apprenticeship, Skills, Children and Learning Act 2009 for the purpose of conducting Ashton Sixth Form College. The College was an exempt charity for the purposes of the Charities Act 2011.

Academy conversion

On 1 February 2019, the Corporation was formally dissolved and the assets and liabilities transferred to a newly created Multi Academy Trust, Stamford Park Trust (Company number 11736886). From this date Ashton Sixth Form College became an academy within Stamford Park Trust.

These financial statements are in respect of the College Corporation for the 6 months ended 31 January 2019, however, as the Corporation has been dissolved they have been approved by the Board of Trustees of Stamford Park Trust on behalf of the legacy College.

Basis of preparation

As detailed above, the College Corporation was formally dissolved on 1 February 2019. As a result these financial statements represent the final financial statements of the College Corporation and are prepared on a cessation basis.

As the activities of the legacy college are continuing within the new academy following the conversion, the narrative reporting has been written in the context of the continuation of the college's activities.

Throughout this report, the name 'Ashton Sixth Form College' or the 'College' has been used to refer to both the legacy College when referring to the period until 1 February 2019 and the new academy for any time thereafter.

The College's Vision and Mission

The ethos of Ashton Sixth Form College is centred on the individual. Each student at the college deserves the very best. The aim of this strategic plan is to cultivate the conditions to ensure that each student is able to reach their potential and progress to the next stage of their lives prepared for the challenges ahead. The Strategic Plan 2018-21 sets out the following Vision and Mission and Values:

The Vision

Transforming lives through learning.

The Mission

- To engender a love of learning through an excellent standard of teaching and learning for all.
- To lay the foundations for career success.
- To promote wellbeing and inspire students and staff to lead fulfilling lives.

Implementation of Strategic Plan

The strategic aims, adopted by the College to achieve the mission and its attendant objectives are as follows:

Strategic Aim 1

To achieve excellence in all aspects of our work:

1.1 To foster a love of learning and a culture of ambition of all.
1.2 To encourage innovation and outstanding practice in teaching and learning.
1.3 To provide a range of opportunities to support all students in fulfilling their potential.
1.4 To ensure excellence and consistent outcomes for all.

Strategic Aim 2

To deliver relevant and coherent 16-19 study programmes which meet the needs of students and the wider community:

2.1 To respond proactively to national changes in priorities, qualifications and outcomes.
2.2 To engage with key stakeholders in the local area to identify, understand and respond to their needs.
2.3 To enrol with integrity enabling all students to achieve and progress.

Strategic Aim 3

To deliver a relevant adult and Higher Education curriculum which meets the needs of students and the community:

3.1 To best use the adult education budget to contribute to local needs and ambitions.
3.2 To respond proactively to national changes in priorities, qualifications and outcomes.
3.3 To expand higher and adult education opportunities in areas of college expertise.
3.4 To enrol with integrity enabling all students to achieve and progress.

Strategic Aim 4

To enhance the well-being of students and staff:

4.1 To listen to and respond to student and staff feedback.
4.2 To reduce bureaucracy and workload.
4.3 To maintain a positive culture and supportive relationships.
4.4 To foster an ambitious yet supportive culture within a diverse and inclusive community.
4.5 To collaborate with our partners to develop innovative approaches to dealing with mental ill health.

Strategic Aim 5

To secure a sustainable and successful future for the college:

5.1 To set up a Multi-Academy Trust and establish structures and lines of accountability.
5.2 To work collaboratively to improve standards and opportunities through partnership.
5.3 To increase market share to consolidate the college's position in the local area.
5.4 To develop a new accommodation and finance plan to diversify income streams in response to curriculum changes and student choices.
5.5 To recruit and retain talented staff.
5.6 To mitigate as far as possible disruption to normal operations by security or health and safety issues.

Public benefit

Ashton Sixth Form College is an exempt charity under the Part 3 of the Charities Act 2011 and following the Machinery of Government changes in July 2016 is regulated by the Secretary of State for Education. The members of the Corporation, who are trustees of the charity, are disclosed in table 9.

In setting and reviewing the College's strategic objectives, the Corporation has had due regard for the Charity

Commission's guidance on public benefit and particularly upon its supplementary guidance on the advancement of education. The guidance sets out the requirement that all organisations wishing to be organised as charities must demonstrate, explicitly, that their aims are for the public benefit.

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

- High-quality teaching
- A track record of widening participation and tackling social exclusion
- Large numbers of students progressing to Higher Education
- An excellent employment record for students
- Strong student support systems
- Links with universities, employers, industry and commerce.

Key performance indicators

The College is committed to observing the importance of sector measures and indicators such as achievement rates. The College is also normally required to complete the annual Finance Record for the Education and Skills Funding Agency ("ESFA"), however for the short accounting period up to dissolution this is not required. The financial objectives and outturns for the period to 31 January 2019 and the year to 31 July 2018 are shown in table 1. To allow comparability with previous periods, the current ratio is calculated using figures prior to reclassifications arising from the cessation basis of reporting. The College has met three of the six objectives: borrowing as a percentage of income, current ratio and cash days in hand. These have been achieved partly through a continued effort to minimise any non grant funded capital expenditure, but also due to CIF grant funding received in advance of related expenditure. Of the targets not met, the most significant is the Operating Surplus target. This target is extremely challenging in the context of the re-growth in student numbers, combined with the lag funding methodology for the College's main 16-19 income stream. In the period under review there have also been costs incurred in the run up to conversion, most significantly £111,000 of breakage costs in respect of the early repayment of the Barclays loan. Similarly the pay cost target is now somewhat out of date and probably unachievable, due to the absence of any per capita funding increase for numerous years, but with significant pay cost pressures over the same period. Despite these economic pressures, the College has maintained quality delivering another strong year of outcomes (see table 7).

Financial objectives	**31st Jan 2019**	**31st July 2018**
Operating Surplus (before pension adjustments) as % of income (target >2%)	-3.6%	-2.6%
A current ratio above (target >1.2:1)	1.53	1.47:1
Borrowing as a % of Income (target <20%)	10%	10%
Pay costs (before pension adjustments and staff restructuring costs) as a percentage of income (target <68%)	70%	72%
Cash days in hand (target >25)	58	37
Percentage of Non ESFA 16-19 income (target >10%)	9%	9%

Table 1 Financial objectives & outturn (before pension adjustments and staff restructuring costs)

As was explained in previous reports, the College is now 'de-pooled' from the GMPF Sixth Form College pool and FRS 102 Section 28 defined benefit pension adjustments now apply. The financial statements presented here show a deficit of £359,000 for the six month period, but the underlying position before these pension adjustments is a deficit of £174,000. The financial objective outcomes outlined in table 1 are before pension adjustments as this represents a clearer picture of the operating performance of the College.

The continued regrowth in student numbers, along with the loan breakage costs associated with academy conversion, created the financial pressure that led to the deficit reported above.

Financial Position

Financial results

The College generated a deficit in the six month period of £359,000 (2017/18 year: £697,000). Excluding FRS 102 Section 28 defined benefit pension adjustments the operating position was a deficit of £174,000 (£237,000 deficit in 2017/18 year).

The College has at 31 January 2019 accumulated reserves of £7,797,000 and cash balances of £1,514,000. The cash balance was supported by funds received in advance of expenditure from ESFA in respect of the CIF grant funded Art & Design building project (£419,000). The related expenditure was incurred shortly after the period end. The College plans to continue to accumulate reserves and cash balances in order to fund on-going building and IT developments.

Tangible fixed asset additions during the period amounted to £981,000, with the vast majority being in respect of the Art & Design building project.

The College has significant reliance on recurrent grant funding. In the period to 31 January 2019 recurrent 16-19 grant funding from the ESFA provided 91% (91% in 2017/18) of the College's total income. This is likely to continue, particularly with the risk to the Adult Education budget as a result of the devolution of this funding.

Treasury policies and objectives

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

The College has separate cash treasury management procedures in place.

Short term borrowing for temporary revenue purposes is authorised by the Accounting Officer. All other borrowing requires the authorisation of the Corporation and shall comply with the requirements of the Funding agreement.

Cash flows

Cash inflow from operating activities for the six month period was £491,000 (2017/18 year: £582,000). During the period the College made routine repayments of £66,000 on the Barclays Bank PLC and Salix loans combined. On 21 January 2019, the remaining Barclays loan balance of £835,000 along with accrued interest and loan breakage costs totalling £114,000, was paid off by way of a loan of £949,000 from ESFA. This resulted in total borrowings of £996,000 at the end of the period (2017/18: £947,000). Capital expenditure in the period amounted to £981,000, but capital grants received totalled £1,160,000. Overall cash balances increased by £581,000.

Liquidity

The College has two loans in place, one a variable interest loan with the ESFA and the second an interest free loan with Salix.

The level of borrowing undertaken enabled the College to maintain good financial health, including a good liquidity position, throughout the period. The level of borrowing decided upon was determined by the necessity to maintain cash days above 25 and a current ratio of 1.2:1. Table 1 shows that these targets were achieved.

Reserves Policy

The College has no formal Reserves Policy but recognises the importance of reserves in the financial stability of any organisation, and ensures that there are adequate reserves to support the College's core activity. As at the balance sheet date the Income and Expenditure reserve stands at £7,797,000 (31 July 2018: £8,947,000). It is the Corporation's intention to increase reserves over the life of the strategic plan through the generation of annual operating surpluses.

Current and future developments and performance

Student numbers and funding

The ESFA student numbers and the financial targets and outturns are shown in table 2. As noted last year, the under recruitment in 2016/17, and subsequent sustained regrowth in student numbers, has continued to impact on the results this year due to the lag funding system. The 16-18 funding allocation for this academic year was based on prior year student numbers of 2,009 as opposed to 2018/19 student numbers of 2,123. The 'actual' column indicates what the funding would be based on actual student numbers in the year, i.e if. If there was no lag. Continued growth of student numbers into 2019/20 will cause a similar issue that year.

Category	Allocation 2018/19	Actual 2018/19
16-18 ESFA Students	2,009	2,123
16-18 EFA funding full academic year	8,644,000	9,126,000
16-18 ESFA funding 6 months to 31 Jan 2019	4,350,000	4,593,000

Table 2 Student numbers and funding outturn

The Adult Education Budget allocation for the full academic year 18/19 was £157,000. On conversion, this was scaled back to £81,000 for the period to 31 January 2019. The college, and its successor academy, are on track to slightly over-deliver across the full academic year.

In addition to the ESFA funded students in table 2 the College has other areas of activity, see table 3. During the period, the College had only one overseas student, and there are no plans for any further recruitment in this area.

Type of Provision	2018/19 (6 months)	2017/18 (year)
Full cost recovery income	£10,000	£5,000
International income	£8,000	£13,000
HE Loan income	£226,000	£450,000

Table 3 Non EFA/SFA enrolments

Competition remains a risk for the College. A small sixth form centre opened in the centre of Ashton under Lyne in September 2015 offering a maximum of 600 post 16 places. In addition, a new school sixth form, with up to 300 students, is planned to open in September 2020 (Laurus Ryecroft). In spite of this competition, the college has grown from 1925 students to 2208 in the last three years and increased its market share. Demographic patterns in Tameside and surrounding local authorities demonstrate a growth in the number of 16-18 year old students for the next ten years. The college has received a growing number of applications showing the popularity of the college as a destination of choice. Plans to increase other sources of income, particularly in HE, are also extremely difficult to achieve in practice.

Course	2018/19	2017/18
A level	85.4%*	97.9%
AS	n/a	n/a
Level 3 Voc.	91.5%	92.3%
Level 2 Voc.	82.0%	87.3%

Table 4 Achievement rates

* A level achievement rates cannot be compared to previous years. 2018/19 was

the first full run through of the new linear A level qualifications with two year retention as the norm. No definitive national benchmarks exist currently.

The College was last inspected by Ofsted in 2016 and received a grade of "good". Table 4 shows the achievement rate out-turn for the last two years. Achievement rates are a factor of student retention and pass rates combined. The college was validated as 'outstanding' for student outcomes in 2018, and has just been awarded the same judgement in October 2019, reflecting the fact that the outstanding outcomes achieved in 2018 are being generally maintained.

Course	2018/19 actual	2017/18 actual
A level	97.7%	99.4%
AS	n/a	n/a
Level 3 Voc.	98.6%	98.7%
Level 2 Voc.	89.3%	97.6%

Table 5 Student pass rates

For student pass rates (table 5), all categories show that strong provision is being maintained in the context of the new linear A levels and more challenging RQF Level 2 courses and a change in grade boundaries two days before results were announced.

Course	2018/19	2017/18
A level	87.5%*	98.5%
AS	n/a	NA
Level 3 Voc.	92.5%	93.5%
Level 2 Voc.	91.7%	89.4

Table 6 Student retention

* A level retention cannot be compared to the previous year as this figure represents two year retention for new linear A levels. Previous years' retention data was based on a one year plus one year figure, with retention statistics restarting at the beginning of the second year. There are no definitive benchmarks for two year retention currently.

Table 7 shows the College's achievement rates against Sixth Form College average. The table shows that the College is above benchmark in all categories.

Course	2018/19 Actual	2018/19 Bench Mark
A level	85.4%	80.9%*
AS	n/a	n/a
Level 3 Voc.	91.5%	88.4%
Level 2 Voc.	82.0%	81.5%*

Table 7 Achievement rates against benchmark

* Sixth Dimensions benchmarks

In the rigorous value added system used by sixth form colleges (Advanced Level Performance System (ALPS)) the College's overall score in 2018/19 was "good to satisfactory" for A levels, a fall from the "outstanding" rating for the last two years. This reflects the change to fully linear qualifications and the fact that benchmarks for ALPS are based on a mix mode of linear and modular examination. For BTEC qualifications, the college is rated as "outstanding" for the fifth year running, placing the college's vocational provision in the top 10% in the country. GCSE English and maths resits outcomes are also outstanding, with value added scores significantly in excess of the national benchmarks. Reviewing the overall performance of the College the College's overall self-assessed grade for value for money is considered to be "good".

Future prospects

The College is the leading provider of post 16 education in the metropolitan borough of Tameside as recognised by the overall Ofsted grade of good. The College continues to invest in buildings and equipment. Despite the fall in student numbers in 2016/17, the Board considers that there are robust risk management systems in place that will ensure the College will be able to continue in operation and meet its liabilities until the end of the current forecast period, i.e. 31st July 2021.

Resources

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

The College now comprises a mix of new and original 1920's buildings and after considerable investment in recent years the College has largely excellent facilities.

The main remaining projects being considered were set out in Phase 8 of the building improvement programme, and consisted of:

- Art & Design Centre new build
- HE & Skills Centre refurbishment
- IT Building ground floor conversion
- Main building refurbishment final phase
- Science & Technology ground floor conversion
- Sports Hall new build/refurbishment

The majority of the above schemes, with the major exception of the Sports Hall, were the subject of a successful bid for CIF (Condition Improvement Fund) grant support. The overall scheme budget is £2.08m, of which £1.77m is from CIF grant, with the balance of £0.31m from College reserves. The contractor for the main Art & Design Centre new build took possession of the site on 9 July 2018, and subsequent progress has been good, with practical completion achieved on 13 June 2019, and the building was ready for use in time for the start of the new academic year The final element of this development, the refurbishment of the old Art and Design building and conversion into an HE and Skills Centre was largely completed over the summer of 2019, and was ready for use in time for the start of term.

The other major remaining Phase 8 project is in respect of the Sports Hall. Designs have been prepared for a significant redevelopment, incorporating a gym on a mezzanine level. The estimated cost is of the order of £1.1m, although this may now be a little out of date. The latest cash flow projections suggest that a project of this size could not be undertaken until 2021 at the earliest, so it either needs to be deferred, or significantly reduced in scope. The changing rooms and classrooms have had no attention for a long time and are in poor condition. These areas will need some attention prior to 2021.

People

The College employs 159 staff (expressed as full time equivalents), of whom 88 are teaching staff. This represents a slight increase in overall staffing numbers from 2017/18 (156 in 2017/18).

Staff development has become a crucial area for intervention to improve performance through the development of focused improvement strategies for teaching and learning and through the promotion of best practice. Action plans for under-performing courses include peer observation, benchmarking and external visits to and from colleges. These external visits cited the College as having good or outstanding practice in the majority of subjects. The college has invested heavily in developing and upskilling middle leaders in both curriculum and support roles across the college which had led to a refocus on accountability and responsibility in this layer of leadership and management.

The College deploys a performance management review (PMR) system incorporating a mid-year review so that performance issues can be tackled in a timely fashion. The probationary review system also allows underperforming staff to be managed expediently. Support systems have been added such as a mentoring system for all new staff, along with a new comprehensive induction programme which focuses on culture, teaching and learning, and student support.

Reputation

Maintaining a quality brand is essential for the College. In June 2012 the College achieved the BTEC Outstanding College of the year award providing further evidence of the College's good reputation locally and nationally. The college received an AoC Award for partnership work in 2016/17 and has was nominated by the Times Educational Supplement as a candidate for the Sixth Form College of the Year Award in November 2018. Additionally, the College has been chosen as a partner to Pembroke College, Oxford as part of their raising aspirations programme, "Pembroke North". The North West Theology and Religious Studies Centre a space at the College designated for the use of this programme was opened in November 2013.

The College's policy remains to offer a breadth of provision from intermediate provision (GCSE equivalent) right through to level 7 (PGCE). The College also offers Entry level and Level 1 and 2 programmes for adults. The College's overarching aim is to boost widening participation in Tameside and the improve outcomes in the borough.

The College participates in a range of schemes in order to raise aspirations and promote social mobility, including Manchester and Leeds Access programmes. The Guidance Department brings together all areas of information, advice and guidance to ensure outstanding support for all students and promotes positive progression. The College also supports a strong gifted and talented programme of advice, guidance and extension activities through its 'Realising Aspirations; programmes, which begins in year 10 in a number of local high schools'

In May 2016 the College obtained an overall grade of "Good" from a full (4 day) inspection.

Principal risks and uncertainties

The College has undertaken further work during the year to develop and embed the system of internal control, including financial, operational and risk management which is designed to protect the College's assets and reputation.

Key risks are cross referenced to the strategic plan following a comprehensive review by the Senior Leadership Team (SLT). The SLT identify systems and procedures, including specific preventable actions which should mitigate any potential impact on the College. The internal controls are then implemented and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. There is a mid-year review by the SLT which considers any risks which may arise as a result of a new area of work being undertaken by the College.

A risk register is maintained at the College level which is reviewed twice a year by the SLT and the Audit Committee 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.

Outlined below is a description of the principal risk factors that may affect the College. Not all the factors are within the College's control. Other factors besides those listed below may also adversely affect the College.

1. Government funding

The College has significant reliance on recurrent grant funding through the ESFA. In 2018/19, 91% of the College's revenue was ultimately recurrent 16-19 grant funding from the ESFA and this level of dependency is expected to continue.

There is a potential risk to the College's Adult Education Budget as a result of the ongoing devolution of this funding to the Combined Mayoral Authorities, including Greater Manchester. At the time of writing, it is likely that devolved AEB funding will be secured for the next three years.

The College will continue to be proactive in responding to the funding situation to ensure that the College maintains at least "good" for financial health. The College continues to lobby, through its membership of the SFCA, for an improved funding settlement for the post 16 sector.

2. Tuition fee policy

The updated fee policy was approved in June 2018. Students aged 19 plus studying an adult skills programme at level 3 are required to pay their full fees or take out an Advanced Learner Loan. Some adults 19-23 studying at level 2 might be eligible for full fee remission in certain circumstances. For Maths and English, there is no charge as the programmes are fully funded at all ages for most people. For other subjects, they must pay a fee or they may be eligible for fee remission depending on their circumstances.

Fees are set with acknowledgement of the funding rate and the remission rate as relevant. Courses that are not funded are referred to as full cost recovery and a commercial fee is set for such a programme.

3. Increased competition

Competition for post 16 places remains fierce. A 16-19 Free School with 600 post sixteen spaces opened in September 2013 on the grounds of Manchester City Football Club, less than ten miles from the College.

As mentioned previously, a further sixth form centre with up to 600 places opened in September 2015 in the centre of Ashton under Lyne. In September 2020, Laurus Trust High School will open its school sixth form with planned numbers of 300 students.

However, a full review of marketing and liaison activities led to an upswing in student numbers in 2017/18 and 2018/19, recovering to 2123 (18/19) from 1925 in 2016/17. Numbers have since further increased to 2208 in the successor academy in 2019/2020. Demographic changes over the next ten years show a significant increase in the number of children in the education system which should protect student numbers for this period.

4. Maintain funding of pension liabilities

The financial statements report the share of the Local Government Pension Scheme deficit on the College's balance sheet in line with the requirements of FRS 102.

Currently the College considers the risk mitigated by adjustments, as required, to future pension contribution rates by the College and staff.

5. Failure to maintain the financial viability of the College.

The dip in student numbers in 2016/17 and subsequent continued regrowth in 2017/18 and 2018/19 has created financial challenges due to the lagged basis of funding. Notwithstanding that, the continuing challenge to the College's financial position remains the ongoing constraints on further education funding, although recent announcements will mitigate this from 2020/21. This risk is mitigated in a number of ways:

- By rigorous budget setting procedures and sensitivity analysis
- Regular in year budget monitoring
- Robust financial controls
- Exploring ongoing procurement efficiencies.

Area Review and Academisation

Ashton Sixth Form College was one of 21 Sixth Form and Further Education Colleges that was part of the Greater Manchester area review in 2015/16, which assessed the educational needs and college structure in the area. The aim of the review was to ensure that there was the right capacity to meet the needs of students and employers in the area and that institutions are financially stable and able to deliver high quality provision. The College fully engaged in the process and is committed to exploring all options which will support the College's mission.

The College Corporation voted to convert to 16-19 Academy status in 2016/17, a decision which was reinforced in 2017/18 following the outcomes from the Greater Manchester area review. The conversion was completed on 1 February 2019. On this date, the Corporation was formally dissolved and the assets and liabilities transferred to a newly created Multi Academy Trust, Stamford Park Trust (Company number 11736886). From this date Ashton Sixth Form College became an academy within Stamford Park Trust.

Related parties – A Plus Trust

The College was instrumental in creating a new company A Plus Trust. The Company was incorporated in England and Wales as a company limited by guarantee on 1st May 2013 under the Companies Act 2006. The college ceased to be a member of this company at the point of conversion to academy status, as a result of the dissolution of the College Corporation.

The company will be dissolved in the near future, to be replaced by a more informal organisation with the same overall aims and ambitions of A Plus Trust, which are to improve educational opportunities and outcomes for students in Tameside resulting in raised aspirations and social mobility. The remaining balance due from A Plus Trust to the college has been fully provided against in the financial statements to 31 January 2019.

Stakeholder relationships

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

- students;
- funding councils;
- staff;
- local employers (with specific links);
- local authorities;
- government offices/ regional development agencies;
- the local community;
- other FE institutions;
- HE institutions;
- trade unions; and
- professional bodies.

The College recognises the importance of these relationships and engages in regular communication with them through: regular newsletters, the College Internet site and by meetings and visits scheduled on a regular basis. A recent development has been the introduction of a parent portal, which allows parents access to their child's records.

Curriculum developments

The A Plus Trust, a formal collaboration between the College and seven local high schools with the aim of raising achievement within the borough ended in 2017/18 with the formation of the Aspire Plus Trust and the preparation for conversion for Ashton Sixth Form College and the development of the Stamford Park Trust. School liaison activities include, bespoke programmes in place to further develop links such as Year 9 Experience Day for West Hill boys, Year 6 transition days for students at Mossley Hollins and Realising Aspirations events for year 10 students from a number of local high schools. Many curriculum areas have forged strong links with High Schools and these include the Art, DTM, Performing Arts, Science, and Maths departments.

The ESFA (GMCA from August 2019) contract is always fully utilised to deliver adult programmes aimed at raising functional and vocational skill levels in the borough and demand always exceeds the allocation. The introduction of Advanced Learning Loans is impacting upon the previously high levels of level 3 take up amongst adult students. Maths and English remains in high demand.

Within Higher Education, there is a Foundation Year Art, Foundation Year Health, Foundation degrees for both Education and Early Childhood along with BA (Hons) top up years for Education and Early Childhood and PGCE/Certificate in Education for teaching in the post compulsory sector. In September 2016 the college introduced PGCE for primary and for secondary teaching. Health, Art and all three teacher training are full time programmes. Higher Education is an increasingly important area of activity for the College, however, the effects of part time Higher Education fee increases is a risk for the College. The College successfully passed a review from Stafford University into its franchised HE provision in 2018/19. The college plans to investigate the possibility of setting up a SCITT in 2019/20 to further develop its ITT offer.

Enterprise and Employability are aspects of the College's curriculum that have seen significant expansion in the past year. There is an ever growing range of activities for students to participate in including, small scale business start-ups. A wide range of guest speakers come into college to give talks and run workshops about an array of careers and the College organises an annual event 'imagine your future'. Now in its third year, 'IYF' is open to both College students as well as pupils from year eight upwards across the borough. The focus is careers as opposed to promoting the College and the full range of employment sectors attend. Work experience has increased significantly for both vocational and non-vocational students and this includes the introduction of Professional Packages for A level students. The college was selected as an innovator by the Careers and Enterprise Company (CEC) in 2017/18 and is a key player in the Greater Manchester Careers Hub. The college has made significant progress in all eight Gatsby benchmarks, ahead of the national implementation date.

The College maintains very good links with high schools accompanied by various marketing activities in the year, ranging from opening evenings to school year group presentations. A number of bespoke services are offered to schools and are organised on request, for example, Taster lessons in various curriculum areas.

Payment performance

The Late Payment of Commercial debts (interest) Act 1998, which came into force on 1 November 1998, requires colleges, in the absence of agreement to the contrary, to make payments to suppliers within 30 days of either the provision of goods or services or the date on which the invoice was received. The target set by the Treasury for payment to suppliers within 30 days is 95%. During the accounting period 1 August 2018 to 31 January 2019, the College paid 89% (2017/18 38%; 2016/17 89%) of its invoices within 30 days. The College incurred no interest charges in respect of late payment for this period.

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. The information below relates to the 'relevant period' 1 April 2018 to 31 March 2019, although the figures actually cover the 10 month period from 1 April 2018 until conversion.

Employees who were relevant union officials during the period	Employees FTE
1	0.8

% of working hours spent on Facility Time	No of employees
0% of working hours	1
1-50% of working hours	0
51-99% of working hours	0
100% of working hours	0

Total Pay Bill and Facility Time Cost	
Total pay bill	£5,675,000
Total cost of facility time	£0
% of pay spent on facility time	0.0%

There were no paid trade union activities. Post conversion, Stamford Park Trust is the 'relevant public body' for the purposes of these regulations, and updated information will be published in its financial statements.

Equality

The College is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positively differences in race, gender, sexual orientation, disability, religion or belief and age. We strive vigorously to remove conditions which place people at a disadvantage and we will actively combat bigotry. This policy is resourced, implemented and monitored on a planned basis. The College's Equality Policy and action plan is published on the College's Intranet site.

The College publishes an Annual Equality Report and Equality Objectives to ensure compliance with all relevant equality legislation including the Equality Act 2010. The College undertakes equality impact assessments on all new policies and procedures and publishes the results. Equality impact assessments are also undertaken for existing policies and procedures on a prioritised basis.

The College holds Disability Confident Committed status as an employer, and has committed to the principles and objectives of the Disability Confident standard. The College considers all employment applications from disabled persons, bearing in mind the aptitudes of the individuals concerned, and guarantees an interview to any disabled applicant who meets the essential criteria for the post. Where an existing employee becomes disabled, every effort is made to ensure that employment with the College continues. The College's policy is to provide training, career development and opportunities for promotion which, as far as possible, provide identical opportunities to those of non-disabled employees.

The College has committed to the 'Mindful Employer' initiative to assist the mental health wellbeing of staff. The College has achieved accreditation to the Committed to Equality (C2E) standard at the gold (highest) level. The College has also implemented an updated Equality & Diversity training programme which all staff have attended. Refresher training and training for new starters is carried out on an ongoing basis.

The college achieved Stonewall Champion status in 2018/19 and was active in promoting LGBTQ+ activities in the college.

Disability Statement

The College seeks to achieve the objectives set down in the Equality Act 2010:

- As part of its planned maintenance programme the College carries out an annual access audit.
- The College has appointed a Health, Safety and Welfare Manager, who provides information, advice and arranges support where necessary for students with disabilities.
- There is a list of specialist equipment, such as radio aids, which the College can make available for use by students and a range of assistive technology is available in the learning centre.

- The admissions policy describes the applications process for all students. Appeals against a decision not to offer a place are dealt with under the complaints policy.
- The College has made a significant investment in the appointment of specialist teachers to support students with learning differences and/or disabilities. There are a number of student support assistants who can provide a variety of support for learning. There is a continuing programme of staff development to ensure the provision of a high level of appropriate support for students who have learning differences and/or disabilities.
- Specialist programmes are described in College prospectuses, and achievements and destinations are recorded and published in the standard College format.
- Counselling and welfare services are described in the College Student Guide, which is issued to students together with the Complaints and Disciplinary Procedure leaflets at induction.

Post balance sheet events

On 1 February 2019, the Corporation was formally dissolved and the assets and liabilities transferred to a newly created Multi Academy Trust, Stamford Park Trust (Company number 11736886). From this date Ashton Sixth Form College became an academy within Stamford Park Trust

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 of any relevant audit information and to establish that the College's auditors are aware of that information.

Approved by the Trustees of Stamford Park Trust on 13 December 2019 and signed on its behalf by:

Mr S Foote (Chair of the Board of Trustees of Stamford Park Trust)
13 December 2019

Statement of Corporate Governance and Internal Control

The following statement is provided to enable readers of the annual report and accounts of the College to obtain a better understanding of its governance and legal structure throughout the period ended 31 January 2019.

This statement covers the period from 1 August 2018 to 31 January 2019 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 (Nolan). These are: selflessness, integrity, objectivity, accountability, openness, honesty and leadership;
II. in full accordance with the guidance to colleges from the Association of Colleges in the Code of Good Governance for English Colleges ("the Foundation Code"); and
III. having due regard to the UK Corporate Governance Code ("the Code") insofar as it is applicable to the further education sector.

The College is committed to exhibiting best practice in all aspects of corporate governance and in particular the College/Board has adopted and complied with the Foundation Code. We have not adopted and therefore do not apply the UK Corporate Governance Code. However, we have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code we consider to be relevant to the further education sector and best practice.

In the opinion of the Governors, the College complies with all the provisions of the Foundation Code, and it has complied throughout the period ended 31 January 2019. The Corporation recognises that, as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times. In carrying out its responsibilities, it takes full account of the Foundation Code issued by the Association of Colleges in March 2015, which it formally adopted on 30th June 2016

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.

The Corporation

Average attendance by Governors at Corporation meetings was 73% (80% in 2017/18). Attendance at each committee meetings is shown in table 8.

Meeting	Attendance 2018/19	Attendance 2017/18
Finance & Resources	60%	62%
Quality & Planning	88%	83%
Audit	50%	71%
Governance & Search	100%	93%
Remuneration	100%	83%

Table 8 Governors' attendance at Committees

The members who served on the Corporation during the period and up to the dissolution of the Corporation were as listed in the table 9. Ms S Nazir acted as the independent Clerk to the Corporation.

The resignations of Mr Stephen Foote, Mr Stephen Pleasant and Mr Malcolm Sugden were to allow them to take up positions as Trustees of Stamford Park Trust to facilitate the conversion process.

Name	Date of appoint-ment	Term of office	End of Term	Date of Resignation Retirement	Status of appointment	Committees served	% Attendance
Mr Colin Challenger	Dec 2014 May 2016	4 years 4 years	Dec 2019 May 2020		(i) Parent (ii)Governor	Finance & Resources; Governance & Search; Quality & Planning; Remuneration	100%
Mr Barrie Cheshire	Sept 2005 Oct 2009 Sept 2013 Sept 2017 Jan 2018 June 2018	4 years 4 years 4 years 4 mths 7 mths 6 mths 1 mth	Sept 2009 Sept 2013 Sept 2017 Dec 2017 Aug 2018 Dec 2018 Jan 2019		Governor	Governance & Search; Quality & Planning	50%
Mr Stephen Foote	Nov 1998 Jan 2003 Jan 2007 Jan 2011 Dec 2014	4 years 1 month	Dec 2018 Jan 2019	Dec 2018	Governor	Audit; Quality & Planning; Remuneration; Governance & Search	100%
Ms Kala Mandviwala	Sep 2008 Feb 2009 Nov 2016	1 year 4 years 4 years	Feb 2009 Nov 2016 Nov 2020		(i)Parent (ii)Governor	Remuneration	100%
Mr Steven Pleasant	Dec 2006 Dec 2010 Dec 2014 Nov 2018 Jun 2018	4 years 4 years 4 years 6 mths 6 mths 1 mth	Dec 2010 Nov 2014 Nov 2018 June 2018 Dec 2018 Jan 2018	Dec 2018	Governor	Finance & Resources	0%
Mr Kamlesh Rajput	Apr 2004 Apr 2006 Apr 2010 Apr 2014 Mar 2018	2 years 4 years 4 years 4 years 4 years	April 2010 April 2014 April 2018 Mar 2022		(i)Parent (ii)Governor	Audit	0%
Mr Malcolm Sugden	Oct 2013 Oct 2014 June 2018	2 years 4 years 6 mths 1 month	July 2015 Sept 2018 Dec 2018 Jan 2019	Dec 2018	(i)External (ii)Governor	Audit; Remuneration	100%
Mr Richard Allanson	Dec 2015	4 years	Dec 2019		Staff	Audit	33%

Ms Hazel Kindley	May 2016	4 years	May 2020		Staff	Quality & Planning	100%
Mr Anton McGrath	May 2016	Ex Officio			Principal	Quality & Planning; Finance & Resources, Remuneration; Governance & Search	100%
Chris Lyness	Dec 2016	4 years	Dec 2020		Governor	Audit; Quality & Planning	75%
David Smith	June 2017	4 years	June 2021		Governor	Finance & Resources; Quality & Planning	75%
Arabella Ahmed	Dec 2017	4 mths	Dec 2022	Dec 2018	Governor	Audit	33%
Mela Asmellash	Sept 2018	1 year	Aug 2019		Student (FE)	Quality & Planning	100%
Louise Hall	Jan 2017	4 years	Dec 2021		Governor	Finance & Resources	67%

Table 9 Governors serving on the Corporation during 2018/19

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

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

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

All governors are able to take independent professional advice in furtherance of their duties at the College's expense and have access to the Clerk to the Corporation, who is responsible to the Corporation for ensuring compliance with all applicable procedures and regulations. 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. Full minutes of all meetings, except those deemed to be confidential by the Corporation, are available from the clerk to the Corporation at:

Ashton Sixth Form College
Darnton Road
Ashton under Lyne
Lancashire
OL6 9RL

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.

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

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

Appointments to the Corporation

Any new appointments to the Corporation are a matter for the consideration of the Corporation as a whole. The Corporation has a Governance & Search committee comprised of five members, which is responsible for the selection and nomination of any new member for the Corporation's consideration. The Corporation is responsible for ensuring that appropriate training is provided as required.

Members of the Corporation are appointed for a term of office not exceeding four years, but can be reappointed at the end of their term of office.

Remuneration Committee

Throughout the period ended 31 January 2019, the College's Remuneration committee comprised five members. The committee's responsibilities are to make recommendations to the Board on the remuneration and benefits of the Accounting Officer and other senior post holders.

Details of remuneration for the period ended 31 January 2019 are set out in note 6 to the financial statements.

Corporation Performance

All Governors are asked to complete the meeting evaluation questionnaire for all Corporation meetings. This will require them to comment on their understanding of being a governor, structure of the meetings, the strategic role, stewardship, scrutiny, and the support they require, if any.

Audit Committee

The Audit Committee comprises of five members of the Corporation (excluding the Accounting Officer and Chair). The Committee operates in accordance with written terms of reference approved by the Corporation. Its purpose is to advise the Corporation on the adequacy and effectiveness of the College's systems of internal control and its arrangements for risk management, control and governance processes.

The Audit Committee meets on a termly basis and provides a forum for reporting by the College's internal 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 ESFA 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 and financial statements auditors and their remuneration for both audit and non-audit work as well as reporting annually to the Corporation.

Internal Control

Scope of responsibility

The Corporation is ultimately responsible for the College's system of internal control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable, 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 the Principal is personally responsible, in accordance with the responsibilities assigned to the Principal in the Financial Agreement between Ashton Sixth Form College and the funding bodies. He is also responsible for reporting to the Corporation any material weaknesses or breakdowns in internal control.

The purpose of the system of internal control

The system of internal control is 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 Ashton Sixth Form College for the period ended 31 January 2019 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Corporation has reviewed the key risks to which the College is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Corporation is of the view that there is a formal ongoing process for identifying, evaluating and managing the College's significant risks that has been in place for the period ending 31 January 2019 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Corporation.

The risk and control framework

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

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

The College has an internal audit service, which operates in accordance with the requirements of the ESFA' *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 minimum annually, the Head of Internal Audit (HIA) provides the Corporation 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 system of risk management, controls and governance processes.

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

The Accounting Officer has been advised on the implications of the result of their review of the effectiveness of the system of internal control by the audit committee which oversees the work of the internal auditor, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Principal and senior management team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments and reinforced by risk awareness training. The senior management team and the audit committee also receive regular reports from internal audit, which include recommendations for improvement. The audit committee's role in this area is confined to a high-level review of the arrangements for internal control. The Corporation's agenda includes a regular item for consideration of risk and control and receives reports thereon from the senior management team and the audit committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At the 25 June 2018 meeting, the Corporation reviewed and approved an updated risk register and action plan.

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*".

Going Concern and basis of preparation

The activities of the College, together with the factors likely to affect its future development and performance are set out in the Member's Report. The financial position of the College, its cashflow, liquidity and borrowings are described in the financial statements and accompanying Notes.

The College primarily meets its day to day working capital requirements through cash generated from its day to day operations. It also has loan facilities with the ESFA and Salix Finance Limited. The facility with the ESFA had a balance at 31 January 2019 of £949,000 due for repayment over the period to 1 September 2026. The facility with Salix Finance Limited had a balance at 31 January 2019 of £47,000 due for repayment over the period to 1 October 2020.

On 1 February 2019, the Corporation was formally dissolved and the assets and liabilities transferred to a newly created Multi Academy Trust, Stamford Park Trust (Company number 11736886). From this date Ashton Sixth Form College became an academy within Stamford Park Trust. As a result these financial statements represent the final financial statements of the College Corporation and are prepared on a cessation basis.

Approved by the Trustees of Stamford Park Trust on 13 December 2019 and signed on its behalf by:

Mr A McGrath
Accounting Officer (Stamford Park Trust)
13 December 2019

Mr S Foote
Chair of the Board of Trustees of Stamford Park Trust
13 December 2019

Statement of Regularity, Propriety and Compliance

The Board has considered its responsibility to notify the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of funding, under the college's grant funding agreement and contracts with ESFA. As part of our consideration we have had due regard to the requirements of the grant funding agreements and contracts with ESFA.

We confirm on behalf of the Board, that after due enquiry, and to the best of our knowledge, we are able to identify any material irregular or improper use of funds by the College, or material non-compliance with the terms and conditions of funding under the College's grant funding agreements and contracts with ESFA.

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

Mr A McGrath
Accounting Officer (Stamford Park Trust)
13 December 2019

Mr S Foote
Chair of the Board of Trustees of Stamford Park Trust
13 December 2019

Statement of Responsibilities of the Corporation

The members of the Board, as charity trustees, are required to present audited financial statements for each financial year.

Within the terms and conditions of the College's grant funding agreements and contracts with ESFA, the Corporation, through its Accounting Officer, is required to prepare financial statements and an operating and financial review for each financial year in accordance with the 2015 Statement of Recommended Practice – Accounting for Further and Higher Education, ESFA's College Accounts Direction and the UK's Generally Accepted Accounting Practice, and which give a true and fair view of the state of affairs of the College and its surplus / deficit of income over expenditure for that period.

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

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare financial statements on the going concern basis, unless it is inappropriate to assume that the College will continue in operation.

The Board is also required to prepare a Members' Report which describes what it is trying to do and how it is going about it, including information about the legal and administrative status of the College. The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the College, and which enable it to ensure that the financial statements are prepared in accordance with the relevant legislation, including the Further and Higher Education Act 1992 and Charities Act 2011, and relevant accounting standards. It is responsible for taking steps that are reasonably open to it to safeguard its assets and to prevent and detect fraud and other irregularities. The Corporation is responsible for the maintenance and integrity of the College's website; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the Board are responsible for ensuring that expenditure and income are applied for the purposes intended by Parliament and that the financial transactions conform to the authorities that govern them. In addition they are responsible for ensuring that funds from ESFA are used only in accordance with ESFA's grant funding agreements and contracts, and any other conditions that may be prescribed from time to time. Members of the Board 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 Board are responsible for securing economical, efficient and effective management of the College's resources and expenditure, so that the benefits that should be derived from the application of public funds from the ESFA are not put at risk.

Approved by the Trustees of Stamford Park Trust on 13 December 2019 and signed on its behalf by:

Mr S Foote
Chair of the Board of Trustees of Stamford Park Trust

Independent Auditor's Report to the board of trustees of Stamford Park Trust

Opinion

We have audited the financial statements of Ashton Sixth Form College ("the Legacy College") for the period ended 31 January 2019 which comprise Statement of Comprehensive income, Statement of Changes in Reserves, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Legacy College's affairs as at 31 January 2019 and of the Legacy College's deficit of income over expenditure for the year then ended; and
- have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Statement of Recommended Practice – Accounting for Further and Higher Education issued in March 2014).

Basis for opinion

We have been appointed as auditor under the terms of our engagement letter dated 10 December 2019. 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 Legacy College in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – basis of preparation

We draw attention to note 1 to the financial statements which describes the basis of preparation of the financial statements. As described in that note, the Corporation of the Legacy College has dissolved on 1 February 2019 following the conversion to academy status. As such, the financial statements have been prepared on a cessation basis. Our opinion is not modified in respect of this matter.

Other information

The Board of the Trust is responsible for the other information. The other information comprises the information included in the Report, set out on pages 3 to 24 other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Post-16 Audit Code of Practice issued by the Education and Skills Funding Agency requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Legacy College; or
- the Legacy College annual accounts are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board of the Designated Institute for the financial statements

As explained more fully in the Statement of Responsibilities of the Corporation set out on page 24, the Board of the Trust is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board of the Trust 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 Board of the Trust is responsible for assessing the Legacy College's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board of the Trust either intend to liquidate the College or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the Board of the Trust, as a body in accordance with our engagement letter dated 10 December 2019. Our audit work has been undertaken so that we might state to the Board of the Trust those matters we are required to state to it 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 Trust and the Board of the Trust as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP.

Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

Manchester

Date: 18 December 2019.

STATEMENT OF COMPREHENSIVE INCOME

for the six month period ended 31 January 2019

	Note	Period ended 31 Jan 2019 £'000	Year ended 31 July 2018 £'000
Income			
Funding body grants	2	4,485	8,601
Tuition fees and education contracts	3	309	573
Other income	4	31	96
Investment income	5	4	2
Total Income		4,829	9,272
Expenditure			
Staff costs	6	3,545	7,096
Other operating expenses	7	1,080	1,864
Depreciation	9	390	856
Interest payable	15	173	153
Total Expenditure		5,188	9,969
Deficit before other gains and losses		(359)	(697)
Loss on disposal of tangible fixed assets		-	-
Deficit before tax		(359)	(697)
Taxation	8	-	-
Deficit for the period/year		(359)	(697)
Actuarial (loss)/gain in respect of pensions	20	(811)	877
Total comprehensive income for the period/year		**(1,170)**	**180**
Represented by:			
Unrestricted comprehensive income		(1,170)	180
		(1,170)	**180**

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN RESERVES

for the six month period ended 31 January 2019

	Income and Expenditure Account	Revaluation Reserve	Total
	£'000	£'000	£'000
Balance at 1 August 2017	8,726	2,457	11,183
Deficit for the year	(697)	-	(697)
Other comprehensive income	877		877
Transfers between revaluation and income and expenditure reserves	41	(41)	-
Total comprehensive income for the year	221	(41)	180
Balance at 31 July 2018	8,947	2,416	11,363
Deficit for the period	(359)	-	(359)
Other comprehensive income	(811)	-	(811)
Transfers between revaluation and income and expenditure reserves	20	(20)	-
Total comprehensive income for the period	(1,150)	(20)	(1,170)
Balance at 31 January 2019	**7,797**	**2,396**	**10,193**

The accompanying notes form part of these financial statements.

BALANCE SHEET

	Note	31 Jan 2019 £'000	31 July 2018 £'000
Fixed assets			
Tangible assets	9	17,212	16,621
Current assets			
Stock		2	2
Trade and other receivables	10	287	175
Cash at bank and in hand	17	1,514	933
		1,803	1,110
Creditors: Amounts falling due within one year	11	(5,464)	(755)
Net current (liabilities)/assets		(3,661)	355
Total assets less current liabilities		13,551	16,976
Creditors: Amounts falling due after more than one year	12	-	(3,251)
Provisions			
Defined benefit obligations	20	(3,130)	(2,134)
Other provisions	16	(228)	(228)
Total net assets		**10,193**	**11,363**
Unrestricted reserves:			
Income and expenditure account		7,797	8,947
Revaluation reserve		2,396	2,416
Total unrestricted reserves		**10,193**	**11,363**

The financial statements on pages 28 to 57 were approved by the Trustees of Stamford Park Trust on the 13 December 2019 and signed on its behalf by:

Mr Stephen Foote

Chair

2019

Anton McGrath

CEO and Accounting Officer

2019

STATEMENT OF CASH FLOWS
for the six month period ended 31 January 2019

	Note	Period ended 31 Jan 2019 £'000	Year ended 31 July 2018 £'000
Cash inflow from operating activities			
Deficit for the period/year		(359)	(697)
Adjustment for non cash items			
Depreciation		390	856
Decrease in stock		-	1
(Increase)/Decrease in debtors		(112)	23
Increase/(decrease) in creditors due within one year		178	(52)
Deferred capital grants released to income		(42)	(86)
Pension costs and finance costs less contributions payable		185	460
Adjustment for investing or financing activities			
Investment income		(4)	(2)
Interest payable		142	79
Net cash flow from operating activities		**378**	**582**
Cash flows from investing activities			
Investment income		4	2
Payments made to acquire fixed assets		(868)	(187)
Deferred capital grants received		1,160	400
		296	215
Cash flows from financing activities			
Interest paid		(142)	(79)
New borrowings		949	-
Repayments of amounts borrowed		(900)	(132)
		(93)	(211)
Increase in cash and cash equivalents in the period/year		**581**	**586**
Cash and cash equivalents at beginning of the period	17	933	347
Cash and cash equivalents at end of the period	17	1,514	933

The accompanying notes form part of these financial statements.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

Legal status

The Corporation throughout the period ended 31 January 2019 was established under The Further and Higher Education Act 1992 and amended by the Apprenticeship, Skills, Children and Learning Act 2009 for the purpose of conducting Ashton Sixth Form College. The Corporation is an exempt for the purposes of the Charities Act 2011.

The College's registered address is as follows:

Darnton Road
Ashton under Lyne
Lancashire
OL6 9RL

On 1 February 2019 the College Corporation was formally dissolved and the assets and liabilities transferred to a newly created Multi Academy Trust, Stamford Park Trust (Company number 11736886). From this date Ashton Sixth Form College became an academy within Stamford Park Trust.

Cessation Basis

Ashton Sixth Form College Corporation was formally dissolved on 1 February 2019, and as a result the members of the board do not consider it appropriate to adopt the going concern basis of preparation and accordingly have prepared these financial statements on a cessation basis. The impact of this is that all long term liabilities have been reclassified as current and assets have been written down to their recoverable value – taking account of the transfer to the multi academy trust described above. These financial statements are the final financial statements of Ashton Sixth Form College Corporation and are prepared on a cessation basis – and not on a going concern basis.

Basis of preparation

Notwithstanding the cessation basis of accounting, these financial statements have otherwise been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2015 (the 2015 FE HE SORP), the College Accounts Direction for 2018 to 2019 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 financial statements are prepared in £ sterling.

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

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

The College primarily meets its day to day working capital requirements through cash generated from its day to day operations. It also has loan facilities with the Education and Skills

Funding Agency (ESFA) and Salix Finance Limited. The facility with the ESFA had a balance at 31 January 2019 of 949,000 due for repayment over the period to 30th September 2026. The facility with Salix Finance Limited had a balance at 31 January 2019 of £47,000 due for repayment over a period of just under 2 years.

Recognition of income

Revenue grant funding

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

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

Where part of a government grant is deferred, the deferred element is recognised as deferred income within creditors and allocated between creditors due within one year and creditors due after more than one year as appropriate.

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

Capital grant funding

Government capital grants are capitalised, held as deferred income and recognised in income over the expected useful life of the asset, under the accrual model as permitted by FRS 102. Other, non-governmental, capital grants are recognised in income when the College is entitled to the funds subject to any performance related conditions being met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the Balance Sheet and released to income as conditions are met.

Fee income

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

Investment income

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

Accounting for post-employment benefits

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

Teachers' Pension Scheme (TPS)

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

The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution plan and the contributions recognised as an expense in the income statement in the periods during which services are rendered by employees.

Greater Manchester Pension Fund, part of the Local Government Pension Scheme (LGPS)

The LGPS is a funded scheme, and has been accounted for in accordance with FRS102 section 28. The assets of the LGPS are measured using closing fair values. LGPS liabilities are measured using the projected unit credit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred.

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

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

Enhanced Pensions

The actual cost of any enhanced ongoing pension to a former member of staff is paid by a 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 in the year that the member of staff retires. In subsequent years a charge is made to provisions in the balance sheet.

Tangible fixed assets

Land and buildings

Land and buildings are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated as it is considered to have an infinite useful life. Freehold buildings are depreciated over their expected useful economic life to the College of between 20 and 50 years. The College has a policy of depreciating major adaptations to buildings over the period of their useful economic life; 25 years

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

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

On adoption of FRS102 the College followed the transitional provision to retain the book value of land and buildings, which were revalued in 1996, as deemed cost, but not to adopt a policy of revaluations of these properties in the future. These values are retained subject to the requirement to test assets for impairment.

Assets under construction

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

Subsequent expenditure on existing fixed assets

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

Equipment

Equipment costing less than £500 per individual item is written off to the income and expenditure account in the period of acquisition. All other equipment is capitalised at cost.

All assets are depreciated on a straight-line basis over their useful economic life as follows:

- General equipment - 10 years;
- Computer equipment - 4 years;

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

Borrowing costs

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

Leased assets

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

Inventories

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

Cash and cash equivalents

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

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

Financial liabilities and equity

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

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

Agency arrangements

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

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 is not registered for VAT. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature.

Provisions and contingent liabilities

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

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

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

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

Judgements in applying accounting policies and key sources of estimation uncertainty

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

- Determine whether leases entered into by the College are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the College's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty

- Tangible fixed assets

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

- Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, 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 2016 has been used by the actuary in valuing the pensions liability at 31 January 2019. 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.

2. FUNDING COUNCIL GRANTS

	Period ended 31 Jan 2019	Year ended 31 July 2018
	£'000	£'000
Recurrent grants		
Education and Skills Funding Agency - adult	84	198
Education and Skills Funding Agency – 16-18	4,350	8,228
HEFCE	-	8
Specific grants		
Education and Skills Funding Agency –other	9	81
Releases of deferred capital grants	42	86
Total	**4,485**	**8,601**

3. TUITION FEES AND EDUCATION CONTRACTS

	Period ended 31 Jan 2019	Year ended 31 July 2018
	£'000	£'000
Other 16-18 fees	15	11
Fees for FE loan supported courses	37	70
Fees for HE loan supported courses	250	479
International student fees	7	13
Total	**309**	**573**

4. OTHER INCOME

	Period ended 31 Jan 2019	Year ended 31 July 2018
	£'000	£'000
Catering and residence operations	10	28
Other income generating activities	9	51
Miscellaneous income	12	17
Other grant income	-	-
Total	**31**	**96**

5. INVESTMENT INCOME

	Period ended 31 Jan 2019	Year ended 31 July 2018
	£'000	£'000
Interest receivable	**4**	**2**

6. STAFF COSTS

The average number of persons (including key management personnel) employed by the College during the period, expressed as full time equivalents was:

	Period ended 31 Jan 2019	Year ended 31 July 2018
	No	No
Teaching staff	88	87
Non teaching staff	71	69
	159	**156**

Staff costs for the above persons:

	Period ended 31 Jan 2019	Year ended 31 July 2018
	£'000	£'000
Wages and salaries	2,732	5,204
Social security costs	244	514
Pension costs	547	1,153
Payroll sub total	**3,523**	**6,871**
Contracted out staffing services	22	61
	3,545	**6,932**
Restructuring costs - Contractual	-	99
- Non contractual	-	65
Total staff costs	**3,545**	**7,096**

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College and are represented by the senior post-holders who are the Principal and Deputy Principal.

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

	Period ended 31 Jan 2019	Year ended 31 July 2018
	No	No
The number of key management personnel including the Accounting Officer was	2	3

The Vice Principal left on the 31st March 2018 as a result of the post becoming redundant following a restructuring. Consequently the maximum number of individuals who served as key management personnel during the year to 31 July 2018 at any one time was three, but by year end there were two in post. There were two individuals in post throughout the period ended 31 January 2019.

The number of key management personnel who received annualised emoluments, excluding pension contributions and compensation for loss of office, but including benefits in kind, in the following ranges, was:

	Key management personnel	
	No.	No.
	2019	2018
	No.	No.
£50,001 to £55,000	-	1
£85,001 to £90,000	1	1
£115,001 to £120,000	-	1
£120,001 to £125,000	-	-
£125,001 to £130,000	1	-
	2	**3**

Two other staff members received annualised emoluments, excluding pension contributions but including benefits in kind, in excess of £60,000, both within the £60,000 to £65,000 range (2018: None).

Key management personnel emoluments are made up as follows

	Period ended 31 Jan 2019	Year ended 31 July 2018
	£'000	£'000
Salaries	112	264
Employers National Insurance	14	33
Benefits in kind	-	-
	126	297
Pension contributions	18	44
Total Emoluments	144	341

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 senior post-holder and Principal), as follows:

	Period ended 31 Jan 2019	Year ended 31 July 2018
	£'000	£'000
Salaries	67	120
Benefits in kind	-	-
	67	120
Pension contributions	11	20

The pension contributions in respect of the principal and other key management personnel are in respect of employer's contributions to the Teachers' Pension Scheme and the Greater Manchester Pension Fund and are paid at the same rate as for other employees.

The remuneration packages of key management personnel are subject to annual review by the Remuneration Committee of the governing body who use benchmarking information to provide objective guidance. The Principal reports to the Chair of Governors, who undertakes an annual review of his performance against the college's overall objectives using both qualitative and quantitative measures of performance.

Relationship of Principal's pay and remuneration expressed as a multiple:

	2019	2018
Principal's basic salary as a multiple of the median of all staff	3.7	3.7
Principal and CEO's total remuneration as a multiple of the median of all staff	3.9	3.8

Compensation for loss of office paid to former key management personnel

	Period ended 31 Jan 2019	Year ended 31 July 2018
	£	£
Compensation paid to the former post-holder - contractual	-	12,959
Estimated value of other benefits, including provisions for pension benefits	-	86,070

The members of the Corporation other than the Accounting Officer and staff members did not receive any payment from the institution nor any expenses.

7. OTHER OPERATING EXPENSES

	Period ended 31 Jan 2019	Year ended 31 July 2018
	£'000	£'000
Teaching costs	65	115
Non teaching costs	754	1,218
Premises costs	261	531
Total	**1,080**	**1,864**

Other operating expenses include:	Period ended 31 Jan 2019	Year ended 31 July 2018
	£'000	£'000
Auditors remuneration - financial statements audit	19	21
Other services from external auditor – all other assurance services	1	1
Internal audit	9	15
Other services provided by the internal auditor	-	29
Hire of assets under operating leases	66	134

Operating leases are primarily for computer and photocopying equipment.

8. TAXATION

The College is not liable for any corporation tax arising out of its activities (2018:£nil).

9. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings	Assets under construction	Equipment	Total
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 August 2018	21,188	109	4,746	26,043
Additions	-	936	45	981
At 31 January 2019	21,188	1,045	4,791	27,024
Depreciation				
At 1 August 2018	5,869	-	3,553	9,422
Charge for period	216	-	174	390
At 31 January 2019	6,085	-	3,727	9,812
Net book value				
At 31 January 2019	**15,103**	**1,045**	**1,064**	**17,212**
At 31 July 2018	15,319	109	1,193	16,621

Land and buildings were valued in April 1994 at depreciated replacement cost by a firm of independent chartered surveyors. Other tangible fixed assets inherited from the LEA at incorporation have been valued by the College on a depreciated replacement cost basis with the assistance of independent professional advice.

10. TRADE AND OTHER RECEIVABLES

	2019	2018
	£'000	£'000
Amounts falling due within one year		
Trade debtors	33	22
Amounts owed by related parties	-	49
Prepayments and accrued income	254	104
Total	**287**	**175**

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£'000	£'000
Funds received in advance from ESFA	419	213
Trade creditors	79	57
Bank loans (note 13)	47	131
ESFA loan (note 13)	949	-
Other creditors	117	27
Accruals and deferred income	374	200
Other taxation and social security	59	53
Deferred income – government capital grants	3,420	74
Total	**5,464**	**755**

12. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2019	2018
	£'000	£'000
Bank loans (note 13)	-	816
Deferred income – government capital grants	-	2,435
Total	-	**3,251**

13. MATURITY OF DEBT

The College's loans are repayable as follows:

	2019	2018
	£'000	£'000
From one to two years	-	131
From two to five years	-	335
More than five years	-	350
After more than one year	-	816
Within one year	996	131
Total	**996**	**947**

The College holds an interest free bank loan with Salix Finance Limited, repayable by the college and successor academy over a total of 5 years. The loan balance at 31 January 2019 is £47,000. The Barclays Bank loan held at 31 July 2018 was repaid during the period, along with breakage costs of £111,000, and replaced with a loan from the ESFA of £949k. This loan was novated to Stamford Park Trust on 1 February 2019 as part of the academy conversion process, and is repayable in quarterly instalments between 1 December 2019 and 1 September 2026. It bears interest at the current Public Works Loan Board rate, reviewed annually on 1 September.

As these financial statements have been prepared on a cessation basis, the entirety of both loans has been disclosed as repayable within one year.

14. FINANCIAL ASSETS AND LIABILITIES

	2019	2018
	£'000	£'000
Financial assets measured at amortised cost	1,681	1,014
Financial liabilities measured at amortised cost	1,535	1,174

Financial assets measured at amortised cost comprise cash and cash equivalents, trade debtors, and amounts owed by related parties and accrued income.

Financial liabilities measured at amortised cost comprise bank loans, trade creditors, accruals and other creditors.

15. INTEREST PAYABLE

	2019	2018
	£'000	£'000
On bank loans, overdrafts and other loans	142	79
Net interest on defined pension liability (note 20)	31	74
Total	**173**	**153**

The interest payable on bank loans figure includes £111,000 breakage costs on early repayment of the Barclays loan, as described in note 13.

16. PROVISIONS FOR LIABILITIES AND CHARGES

	Enhanced pension	Total
	£'000	£'000
At 1 August 2018	228	228
Expenditure in the period	-	-
Transferred to income & expenditure	-	-
At 31 January 2019	**228**	**228**

The enhanced pension provision relates to the cost of staff who have already left the College's employment. This provision has been recalculated in accordance with guidance issued by the funding bodies.

The principal assumptions for this calculation are:

	2019	2018
Interest rate	2.3%	2.3%
Net interest rate	1.3%	1.3%

17. CASH AND CASH EQUIVALENTS

	As at 1 August 2018	Cash flows	As at 31 Jan 2019
	£'000	£'000	£'000
Cash and cash equivalents	933	581	1,514
Total	**933**	**581**	**1,514**

18. CAPITAL COMMITMENTS

Capital expenditure commitments were as follows:

	2019	2018
	£'000	£'000
Contracted for, but not provided in the accounts	470	1,405

19. FINANCIAL COMMITMENTS

Operating Lease Commitments

At 31 January 2019 the College and its successor academy trust had minimum lease payments under non-cancellable operating leases as follows:

	2019	2018
	£'000	£'000
Equipment		
Not later than one year	108	73
Later than one year and not later than five years	164	137
	272	**210**

20. PENSIONS

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 Greater Manchester Pension Fund (GMPF) for non-teaching staff, which is managed by Tameside Metropolitan Borough Council. Both are multi-employer defined-benefit plans.

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 2016 and of the GMPF 31 March 2016.

Total pension cost for the period/year		**Period ended 31 Jan 2019**		**Year ended 31 July 2018**
		£000		**£000**
Teachers' Pension Scheme: contributions paid		271		529
Local Government Pension Scheme:				
Contributions paid	122		324	
FRS 102 (28) charge	154		386	
Charge to the Statement of Comprehensive Income		276		710
Enhanced pension charge to Statement of Comprehensive Income		-		-
Total Pension Cost for the period/year within staff costs		**547**		**1,239**

Teachers' Pension Scheme

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

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

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

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

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

The latest actuarial review of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education (the Department) on 10 April 2019. The key results of the valuation are:

- New employer contribution rates from 1 September 2019 were set at 23.68% of pensionable pay (including administration fees of 0.08%);

- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million;

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 period amounted to £271,000 (2018: £529,000)

Greater Manchester Pension Fund (GMPF)

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by Tameside Metropolitan Borough Council. The total contributions made for the period ended 31 January 2019 were £166,000, of which employer's contributions totalled £122,000 and employees' contributions totalled £44,000. The current contribution rates are 17.3% for employers and range from 5.5% to 9.9% for employees, depending on salary.

In October 2018, the High Court ruled that Guaranteed Minimum Pension (GMP) benefits must be equalised and that defined benefit pension schemes must compensate members for differences attributable to GMPs. The LGPS already has a method to equalise GMP benefits and the 'trigger event' is not yet deemed to have occurred in the LGPS to recognise any additional liabilities. As such, no allowance for past service cost in respect of GMP equalisation has been included within the period end valuation from the actuaries.

No provision is made in these financial statements in respect of the McCloud / Sergeant judgment, which ruled that the transitional protection for some members of public service schemes implemented when they were reformed constituted age discrimination, as, following a review, the impact was considered not to be material.

Principal Actuarial Assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2016 updated to 31 January 2019 by a qualified independent actuary.

	At 31 Jan 2019	**At 31 July 2018**
Rate of increase in salaries	3.2%	3.2%
Future pensions increases	2.4%	2.4%
Discount rate for scheme liabilities	2.6%	2.8%
Inflation assumption (CPI)	2.4%	2.4%

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

	At 31 Jan 2019	At 31 July 2018
	years	years
Retiring today		
Males	21.5	21.5
Females	24.1	24.1
Retiring in 20 years		
Males	23.7	23.7
Females	26.2	26.2

Sensitivity analysis	**At 31 January 2019**
	£'000
Discount rate -0.5%	1,386
Salary increase rate +0.5%	201
Pension increase rate +0.5%	1,166

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

	Estimated split of assets at 31 Jan 2019	**Fair Value at 31 Jan 2019**	**Estimated split of assets at 31 July 2018**	**Fair Value at 31 July 2018**
		£'000		**£'000**
Equities	68%	4,829	68%	4,882
Bonds	15%	1,065	16%	1,149
Property	8%	568	7%	503
Cash	9%	639	9%	646
Total fair value of plan assets		**7,101**		**7,180**
Weighted average expected long term rate of return	**2.8%**		**2.8%**	
Actual return on plan assets		**(207)**		**557**

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

	2019 £'000	2018 £'000
Fair value of plan assets	7,101	7,180
Present value of plan liabilities	(10,227)	(9,310)
Present value of unfunded liabilities	(4)	(4)
Net pensions liability	**(3,130)**	**(2,134)**

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

	2019 £'000	2018 £'000
Amounts included in staff costs		
Current service cost	(276)	(579)
Past service cost	-	(131)
Total	**(276)**	**(710)**
Amounts included in interest payable		
Net interest income	101	174
Interest costs on defined benefit obligations	(132)	(248)
	(31)	**(74)**
Amount recognised in Other Comprehensive Income		
Return on pension plan assets	(308)	383
Changes in financial assumptions	(503)	485
Other experience	-	9
Amount recognised in Other Comprehensive Income	**(811)**	**877**

Movement in net defined benefit liability during period/year

	2019 £'000	2018 £'000
Net defined benefit liability in scheme at 1 August	(2,134)	(2,551)
Movement in period/year:		
Current service cost	(276)	(579)
Employer contributions	122	324
Contributions in respect of unfunded benefits	-	-
Past service cost	-	(131)
Net interest on the defined liability	(132)	(248)
Interest income on plan assets	101	174
Other experience	-	9
Changes in financial assumptions	(503)	485
Return on assets	(308)	383
Net defined benefit liability at 31 January/July	**(3,130)**	**(2,134)**

Asset and Liability Reconciliation

	2019 £'000	2018 £'000
Changes in the present value of defined benefit obligations		
Defined benefit obligations at start of period	9,314	8,856
Current service cost	276	579
Interest cost	132	248
Contributions by Scheme participants	44	91
Changes in financial assumptions	503	(485)
Benefits paid	(38)	(97)
Past Service cost	-	131
Unfunded benefits paid	-	-
Other experience	-	(9)
Defined benefit obligations at end of period	**10,231**	**9,314**

Changes in fair value of plan assets

	2019 £'000	2018 £'000
Fair value of plan assets at start of period	7,180	6,305
Interest on plan assets	101	174
Return on plan assets	(308)	383
Employer contributions	122	324
Contributions by Scheme participants	44	91
Benefits paid	(38)	(97)
Fair value of plan assets at end of period	**7,101**	**7,180**

21. AMOUNTS DISBURSED AS AGENT

	Period ended 31 Jan 2019 £'000	Year ended 31 July 2018 £'000
Funding body grants	265	425
Disbursed to Students	(118)	(382)
Administration costs	-	(16)
Balance unspent as at 31 July, included in creditors	147	27

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 income and expenditure account.

22. RELATED PARTIES TRANSACTIONS

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

During the period ended 31 January 2019, the College, along with a number of other educational institutions, were members of A Plus Trust, a Company Limited by guarantee. The College had guaranteed an amount of £1. Due to the common influence between the College and A Plus Trust, it is considered to be a related party. The A Plus Trust did not have any operational activities in the period, the only activity being to settle any remaining trading balances, and repay an element of the loan due to the College. The loan balance at 31 January 2019 stood at £36,000 (2018: £44,000), however this balance is fully provided in these financial statements.

Following the conversion to academy status, neither the College nor Stamford Park Trust are members of A Plus Trust.

No governor has received any remuneration, expenses or waiver payments from the College during the period (2018: None).

23. POST BALANCE SHEET EVENTS

On 1 February 2019, the Corporation was formally dissolved and the assets and liabilities transferred to a newly created Multi Academy Trust, Stamford Park Trust (Company number 11736886). From this date Ashton Sixth Form College became an academy within Stamford Park Trust.

Reporting accountant's assurance report on regularity

To:

The Board of Stamford Park Trust (Company number 11736886) and Secretary of State for Education acting through the Education and Skills Funding Agency ("ESFA")

In accordance with the terms of our engagement letter dated 10 December 2019 and further to the requirements and conditions of funding in the ESFA's grant funding agreements and contracts, or those of any public funder, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest that, in all material respects, the expenditure disbursed and income received by Ashton Sixth Form College (until 1 February 2019 a College Corporation, incorporated under the Further and Higher Education Act 1992 (the "Legacy College")) during the period 1 August 2018 to 31 January 2019 have not been applied to the purposes identified by Parliament and the financial transactions do not conform to the authorities which govern them.

The framework that has been applied is set out in the Post-16 Audit Code of Practice ('the Code') issued by ESFA. In line with this framework, our work has specifically not considered income received from the main funding grants generated through the Individualised Learner Record returns, for which ESFA has other assurance arrangements in place.

Respective responsibilities of the Board of Stamford Park Trust and the reporting accountant

The Board of Stamford Park Trust is responsible, under the requirements of the Further and Higher Education Act 1992, subsequent legislation and related regulations and guidance, for ensuring that expenditure disbursed and income received are applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Code. We report to you whether anything has come to our attention in carrying out our work which suggests that, in all material respects, expenditure disbursed and income received during the period 1 August 2018 to 31 January 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw our conclusion includes:

- an assessment of the risk of material irregularity and impropriety across the college's activities;
- evaluation of the processes and controls established and maintained in respect of regularity and propriety for the use of public funds through observation of the arrangements in place and enquiries of management;
- consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance and that included in the self-assessment questionnaire (SAQ); and
- limited testing, on a sample basis, of income and expenditure for the areas identified as high risk and included on the SAQ.

Conclusion

In the course of our work, nothing has come to our attention which suggests that, in all material respects, the expenditure disbursed and income received during the period 1 August 2018 to 31 January 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Use of our report

This report is made solely to the Board of Trustees of Stamford Park Trust and ESFA, in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Board of and ESFA those matters we are required to state in a limited assurance 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 Ashton Sixth Form College, as a body, and ESFA, as a body, for our work, for this report, or for the conclusion we have formed.

Grant Thornton UK LLP.

Grant Thornton UK LLP
Chartered Accountants
Manchester

18 December 2019.