

TEC PARTNERSHIP

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

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Reference and Administrative Details

Board of Governors

Paul Barker, Chair (resigned 24th October 2024)
Ally Brooks Interim Chair (appointed 28th October 2024)
Kai Adegbembo, Vice Chair (end of term 31st August 2024)
Andrew Lindley (Vice Chair)
George Lee Vice Chair (appointed 24th October 2024)
Ann Hardy, Chief Executive
Audra Oldridge (appointed 19th March 2024)
Robin Atkinson (appointed 20th March 2024)
Josh Greeves (resigned 30th September 2024)
Sharon Green
Cain Matthews (end of term 9th December 2023)
Liz Parry (end of term 31st August 2024)
Tracey Gyte
Guy Lonsdale
Heather Pepper (appointed 1st September 2023)
Andrew Bennett (appointed 24th October 2023)
James Brooks (appointed 20th March 2024)
Julie Berriff (appointed 24th October 2023 – resigned 9th October 2024)
Rhianna Tupling (appointed 12th December 2023)
Cheryl Bonas (appointed 12th December 2023 – resigned 31st July 2024)
Neil Banbridge (appointed 10th December 2023 – resigned 6th March 2024)

Organisation name

TEC Partnership

Principal and registered office

Nuns Corner
Grimsby
NE Lincs
DN34 5BQ

Director of Governance

Antonia Praud

Reference and Administrative Details (continued)

Executive Leadership Team

Ann Hardy, Chief Executive
Maria Turnbull-Kemp, Group Vice Principal of Finance, MIS and Planning
Adrian Clarke, Group Vice Principal of Corporate Services
Stephen Butler, Group Vice Principal of Employer Services (resigned 31st January 2024)
Nathan Michael, Group Vice Principal of Curriculum, Quality and Standards
Beth Curtis, Group Vice Principal of Strategy and Business Development (resigned 28th March 2024)
Katie Wheeldon, Group Vice Principal of Strategy and Business Development (appointed 15th May 2024)
Daniel Metters, ERC College and Scarborough TEC Principal (resigned 31st July 2024)

Independent auditor

Forvis Mazars LLP
Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Bankers

Banco Santander S.A
2 Tritton Square
Regent's Place
London

Solicitors

Eversheds Sutherland LLP
Bridgewater Place
Water Lane
Leeds,
LS11 5DR

Internal auditor

TIAA Ltd
Artillery House
Fort Fareham
Newgate Lane
Fareham,
PO14 1AH

Professional Advisors

Wilkin Chapman
Cartergate House
26 Chantry Lane
Grimsby
DN31 2LJ

**Strategic Report
For The Year Ended 31 July 2024**

Strategic Report

The governing body presents their annual report together with the financial statements and auditor's report for TEC Partnership for the year ended 31 July 2024.

Legal Status

TEC Partnership was established under the Further and Higher Education Act 1992 for the purpose of conducting its business. TEC Partnership is an exempt charity under 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 on page 1. In the delivery of its mission TEC Partnership uses brand names and trading styles in the public domain including but not limited to: Grimsby Institute; Scarborough-TEC; East Riding Partnership; Skegness-TEC; The Academy Grimsby; University Centre Grimsby; NET UK, Humber Maritime Partnership, Transafe Training and Career 6. Policies, data protection registration and other documentation and legal requirements relating to or as part of the operation of brands are part of the TEC Partnership's legal status. In setting and reviewing TEC Partnership's strategic objectives, the Corporation has had due regard for the Charity Commission's guidance on public benefits and particularly upon its supplementary guidance on advancement of education. The guidance sets out the requirement that all organisations wishing to be recognised as charities must demonstrate, explicitly, that their aims are for the public benefit.

Mission, Vision, Strategy and Objectives

A college-wide project to create "Ambition 2030", the Partnership's new strategy was launched in October 2022, and was formally approved by governors in May 2023. During this process, a new Vision, Mission, and Values were agreed:

- **Vision:** Enriching lives through excellent education, community collaboration and employment opportunities
- **Mission:** Providing inclusive education which inspires, equips and empowers
- **Values:** Respect, Ambition, Inclusiveness, Sustainability.

The delivery of public benefits is covered throughout the Report of the Governing Body.

TEC Partnership

The TEC Partnership is a high achieving group of colleges that deliver tangible benefit for the public good.

- High-quality teaching
- Widening participation and tackling social exclusion
- Excellent progression for students into employment or education and training
- Strong student support systems
- Excellent links with employers, industry and commerce
- Links with Employer Representative Bodies (ERB's), Local Enterprise Partnerships (LEP's) and other stakeholders

The delivery of public benefits is covered throughout the Report of Governing Bodies

TEC PARTNERSHIP

Strategic Report (Continued) For The Year Ended 31 July 2024

The latest Ofsted Inspection for TEC Partnership was completed in September 2023. TEC Partnership was rated Requires Improvement overall, Quality of Education (and all provision types) were graded Good, Behaviours and Attitudes and Personal Development were graded Good, Leadership and Management was graded Requires Improvement. In Higher Education the Office for Students rate providers using the Teaching Excellence Framework (TEF) the Partnership was rated TEF Silver with Gold for Student Experience.

In 2023/2024 the TEC Partnership achieved the following:

- Taught over 12,800 students on over 56,000 enrolments
- Was and continues to be one of the largest Further Education Providers in England
- One of only 13 colleges providing full time education to 14-16yr olds
- Has Degree Awarding powers
- 98% of learners have positive destinations

In 2023/24 the TEC Partnership achievement rate was 90% national benchmark 84.2% this is +5.8% higher than national average.

2023/2024							
	Enrollments	Retention %	National Rate %	Pass Rate %	National Rate %	Achievement Rate %	National Rate %
Group	34,247	92.6	91.4	97.3	92.2	90.0	84.2
GIFHE	11,143	88.9		96.2		85.6	
STEG TEC	655	89.5		95.2		85.2	
NET	12,300	99.6		99.4		99.0	
STEC	3,809	86.6		97.1		84.1	
ERC	6,340	89.2		94.8		84.6	
Adults 19+	15,141	97.1		98.7		95.8	
16-18	19,106	89.0		96.0		85.4	
White British	31,285	92.3		97.3		95.9	
Other	2,962	95.3		97.4		92.8	
Disability	11,126	90.1		96.1		86.6	
Looked after children	489	94.6		82.0		78.1	

Strategic Plan

The Partnership has continued to benefit from significant capital investment into the campuses in recent years. The Corporation monitors the performance against its strategic plan and financial forecasts, which are reviewed and updated each year. As a major employer and provider, the Partnership has a significant economic impact in the region and delivers a huge range of qualifications, from Entry to Post Graduate Levels, including employer-responsive provision for apprenticeships and the unemployed. In 2022 the Partnership were notified they had successfully bid for funding from the Town's Fund to build a brand-new campus in Skegness to address the provision of training and low educational attainment in the town, the campus will be open for delivery in 2025. The Partnership has also received funding to build a new Animal Care Centre at its main campus Nuns Corner site in Grimsby, moving it from sub-optimal accommodation at Nunsthorpe.

Strategic Report (Continued)
For The Year Ended 31 July 2024

Both are well into their construction phases. In addition, the Corporation approved the relocation of its existing Hull premises to a more accessible location that is currently being developed by the landlord.

Development

The TEC Partnership strategy, Ambition 2030, lays out the clear and ambitious plans that leaders, managers and governors at TEC Partnership have for the organisation. A set of annual objectives/KPIs are set and closely monitored to ensure that the TEC Partnership achieves its goals by 2030.

The TEC Partnership has a well-established and comprehensive annual curriculum and business planning process that it uses across all its campuses and delivery areas. This process is the key driver for developing its course and curriculum offer to reflect the needs of the community, the local employers, industry, and demand from its students.

High quality teaching and learning is at the heart of everything TEC Partnership does. To support with the effective management of teaching and learning the group has invested in and developed bespoke software that allows real time analysis, target setting and monitoring of staff performance. This has created an effective tool that supports managers in targeting improvements in teaching and learning being delivered across the partnership. Additional teaching and learning coaches (four posts) have also been put in place as part of the Quality Improvement Team. The coaches specifically support new staff coming into TEC Partnership to meet the required teaching and learning standards and they also support staff where it is identified that their teaching and learning activities do not meet expectations. The team will also be available to support anyone who wishes to improve their practice.

We have launched a Staff Development Hub available to all staff to ensure all people are aware of the opportunities available to them and any relevant application processes. We have delivered the second annual teaching and learning conference with educators from across the partnership attending a full day of sessions with external and internal presenters. We have adjusted the model for staff development sessions by freeing up Tuesday afternoons for team meetings and staff development activities. This ensures dedicated staff time for activities. Sector updating has also been put into dedicated dates to ensure that there is no clash of priorities and staff are able to complete the activities.

The TEC Partnership has also invested in several AI tools to develop schemes of work, lesson plans and session activities. This directly supports them through providing creative tools that have the capacity to reduce workload. Training on embedding AI into teaching and learning has been delivered and updated for all staff. The Digital Transformation team has been working with support departments by helping to ensure processes have been automated.

The curriculum planning cycle operates with a launch to provide national and regional context to all teams and managers involved in the process.

It uses the latest labour market intelligence available to assist curriculum areas in developing their offer and requires them also to consult with a range of local employers who are likely to employ the departments learners in the future.

The planning cycle encompasses all forms of training and education offered by TEC Partnership which includes:

- 14–16-year-old mixed GCSE and vocational education
- 16-18 Further Education vocational, T Level and A Level provision
- All age Apprentice provision delivered via standards
- Adult education
- Higher Education
- Commercial Training

Strategic Report (Continued)
For The Year Ended 31 July 2024

Review meetings take place with all delivery areas to interrogate plans to ensure they meet the needs of the different skills sectors and that they will provide a quality and effective education.

These curriculum and business plans together with TEC Partnerships mission, vision and strategic plan are the basis for developing the key priorities and outcomes within the accountability statement.

Localised employer engagement has supported the process with key employers, shaping the vocational, academic, technical and employability skills needed for a curriculum offer which develops the employees needed for now and the future. The Partnership's colleges and training providers also effectively use a wide range of labour market intelligence to develop provision again ensuring it meets local and regional priorities and local/regional demographics, and employer skills needs.

The TEC Partnership provides a wide range of provision which addresses the skills requirements laid out in the LSIPs for the areas that we cover. The table below highlights the areas of delivery.

Stakeholders

The Partnership has number of key stakeholders including:

- Students
- Education Sector Funding Bodies
- Staff
- Local Employers
- Local Authorities
- Government Offices/Local Enterprise Partnerships
- The Local Community
- Other FE Institutions
- Trade Unions
- Professional bodies

TEC Partnership recognises the importance of these relationships and engages in regular ongoing communication with them, which further enhances the delivery the Partnership can and does provide.

Public Benefit

TEC Partnership is an exempt charity under part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education. The members of the Governing Body, who are trustees of the charity, are disclosed on page 1. In setting and reviewing the Partnership's strategic objectives, the Governing Body has had due regard for the Charity Commission's guidance on public benefits and particularly upon its supplementary guidance on the advancement of education.

In delivering its mission, the TEC Partnership provides identifiable public benefits through the advancement of education to approximately 12,846 students, including 282 students with high needs and 435 with ECHP's. The Partnership provides courses without charge to young people, to those who are unemployed and adults taking English and math's courses. The Partnership adjusts its courses to meet the needs of local employers and provides training to 1,163 apprentices. The Partnership is committed to providing information, advice, and guidance to the students it enrolls and to finding suitable courses for as many students as possible regardless of their educational background.

Financial Health

The financial health grade is good; this has been supported by the continually strong cash balances.

Strategic Report (Continued)
For The Year Ended 31 July 2024

Financial Results

The Partnership made a surplus before tax of £258k (2023: surplus of £1,829k). The Partnership received 77% of its total income for 2023/2024 as grants from funding bodies, most notably from the Education and Skills Funding Agency for 16-19 provision.

The college generated a surplus of £265k (2023: £656k). The actuarial gain on the pension scheme as of 31 July 2024, was £30.1m (2023: £23.2m). The Partnership has not recognised the actuarial pension surplus in respect to the pension in the statement of comprehensive income and expenditure.

At the balance sheet date, the Group held net current assets of £11.5m (2023: £5.6m) and total net assets of £60.7m (2023: £60.5m), which includes a defined pension liability of £0 (2023: £0). Modal Training Ltd ceased trading on 31 July 2023, Grimsby College Trading produced a surplus of £4k (2023: £104K), and Support Staff Services has broken even in 2024 and 2023.

Cash Flows and Liquidity

A positive movement in respect of the Partnership's cash position, resulting in an increase of £3.1m from 2023 £15.4m to £18.5m, this includes £1m on long-term deposit.

TEC Partnership Cyber Security 2023/24

TEC Partnership has a multi-faceted approach towards Cyber Security. Whilst ensuring that its systems are protected with advanced threat protection software such as Palo Alto's Cortex XDR 24/7/365 Detection and Response service on all end points, an additional layer of security on servers using Sophos Intercept X further prevents against ransomware threats and attacks, the Partnership has also partnered with a 24/7 monitoring service (Security Operations Centre) that review all activity on the servers on its networks.

In 2022/23 the Partnership trialed and tested student multi-factor authentication to add to the staff who already authenticate through MFA in readiness for a full roll out September 2023 which adds an additional layer of security. All staff and students now use Microsoft Azure MFA and conditional access policies.

The Partnership has been successfully re-accredited with Cyber Essentials in February 2024 which assures that it has robust industry standard processes and policies in place to protect all its systems. The Partnership

also works with industry expert penetration testers who regularly test the Partnership systems from both external and internal threats. All the Partnership's public facing services are via a secure medium and regularly tested for any security or vulnerability.

The Partnership ensures protection is in place for cloud-based systems and services such as Microsoft Office 365 through backups as well as using multiple tools from the Microsoft suite. In addition, this year we have added a further disaster recovery approach that will allow the main servers to be spun up in the cloud if there is an issue on premises.

Industry leading Palo Alto firewalls also ensures that secure remote access is available to remote users and implementation of Multi Factor Authentication has added another layer of security. The Partnership moved their internet facing services such as People and Culture and MIS behind a security layer within the Microsoft cloud network. This has enabled hiding of the systems and services from cyber threats.

All student owned devices, that attach to the TEC Partnership wireless networks, are subject to monitoring and isolation from all other networks. All staff personal devices were moved over during the summer of 2024.

**Strategic Report (Continued)
For The Year Ended 31 July 2024**

Regular staff training using Boxphish ensures that staff are aware of phishing scams posed by external and/or internal threat actors thus helping the Partnership in mitigating risk posed by such events. The Partnership's IT Services team keep abreast of technical advancements through various study programs and, where necessary,

make improvements and implement tighter controls to ensure that the infrastructure is protected and supports an evolving teaching and learning environment.

The Partnership regularly works on improving its security posture by working with industry experts such as JISC who are very well known in the HE and FE education sector.

Property Disposal and Procurement Update 2023-24

The vacant Lady Edith Drive campus in Scarborough is being disposed of after two rounds of open bidding by residential property developers. The sale is proceeding with contracts in preparation for exchange, but completion subject to a reserved matters planning application being approved.

A sale was agreed for the Grimsby-based Duchess Street bus depot which completed in June 2024.

The purchase of the land required for the development of the new Skegness Campus that is partially funded by the Connected Coast Towns Fund was completed in late 2023 with the development work on the site starting shortly after.

Major Multi-Year Projects and

Local Skills Improvement Fund

TEC Partnership acted as the lead partner for the GL LEP (with 10 other partners) as one of the projects leads HEY LEP partnerships for the multi-million-pound investment in skills within the regions to develop new industry aligned curriculum. The grant includes both capital and revenue in year 1 to 31st March 2024 and then capital only in the second and final year of the grants. To date the grants have been primarily invested in equipment by TEC Partnership and its partners and in the production of learning materials and the procurement of licenses.

TEC Partnership is also part of the North Yorkshire LSIF Partnership where we are a delivery partner for the Scarborough campus.

Most of the investment has gone into virtual and immersive reality installations which will start benefiting our learners in academic year 2024/25.

New Skegness TEC Development (Town Deal Funding)

Approval was achieved from the Department for Levelling Up, Housing and Communities for the development of a new FE/HE campus for Skegness to the value of £13.84m grant. All the funding agreements are signed with local authority planning permission achieved.

The development of a re-tendering exercise to reduce costs was completed and the works construction works commenced in January 2024. The claims for the funding to support the project have been made monthly to recover the costs of all works to date.

Animal Care – OFS Grant and DFE Grant

TEC Partnership bid for a capital grant from the Office of Students (Higher Education Funding Provider) to support the replacement of the weakest part of the estate (Nunthorpe Campus) with the development of the new facilities on the Nuns Corner site. It will provide the opportunity to develop a new Foundation Degree in Veterinary Nursing and provide better facilities for the FdSc in Animal Management, BSc in Animal Management, and our feeder route Level 3 in Animal Care. The planning application for the new building was approved and works commenced on site in January 2024.

Strategic Report (Continued)
For The Year Ended 31 July 2024

Reserves and Resources

The Partnership employs 1,180 people, of whom 414 are teaching staff. The college enrolled approximately 34,237 students. The college's student population is detailed on page 4 but includes 19,106 16-to-18-year-old students, 15,141 adult learners and 11,126 students with disabilities.

The Partnership has accumulated reserves of £60.7m (2023 £60.5m) and cash and short-term investment balances of £18.5m (2023: £15.4m) the Income and Expenditure reserve stands at £49.4m (2023: £49.3m). The Partnership has a Reserves Policy, it recognises the importance of reserves in the financial stability of any organisation and ensures that there are adequate reserves to support the Partnership's core activities. It is the Corporation's intention to increase reserves over the life of the strategic plan through the generation of annual operating surpluses.

Tangible resources include the following main campuses: Grimsby Institute, Beverley Campus, Bridlington TEC, Scarborough TEC and The Academy Grimsby.

The college has a good reputation locally and nationally.

The Partnership had a recent Ofsted monitoring visit, the feedback covered four key areas:

- How much progress have leaders and managers made in ensuring that ongoing strategic developments are implemented quickly and effectively, and are fully communicated to staff **Judgement Reasonable Progress**
- How much progress have leaders and managers made in ensuring that staff receive sufficient support to help them to manage their workloads **Judgement Reasonable Progress**
- How much progress have leaders and managers made in ensuring that the plans in place for safeguarding reporting and monitoring across the group are swiftly implemented **Judgement Reasonable Progress**
- How much progress have leaders and managers made in ensuring that all adult learners benefit from effective careers information and guidance to understand how to achieve their long-term career goals and that learners on vocational education programmes for young people benefit from effective and suitable work experience **Judgement Reasonable Progress**

Ofsted's description of a reasonable judgement is **the provider's actions are already having a beneficial impact on learners, and improvements are sustainable and are based on the provider's thorough quality assurance processes**. Ofsted feedback was that the Partnership was exactly where they expect the college to be based on the size and the weight of the themes being covered.

Sources of Income

The Partnership has significant reliance on the education sector funding bodies for its principal funding source, largely from recurrent grants. In 2023/2024, ESFA provided 65% of the Partnership's total income.

Strategic Report (Continued)
For The Year Ended 31 July 2024

Partnership Companies

TEC Partnership has two subsidiary companies which are actively trading, with a further 4 former subsidiary companies that have been dissolved or ceased trading.

Company Name	Company Number	Status
Support Staff Services Limited	08188594	Open
Modal Training Ltd	03563579	Ceased Trading
Grimsby College Trading Ltd	03059910	Open

Streamlined Energy and Carbon Reporting (SECR)

Introduction

TEC Partnership has a voluntary obligation under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulation 2018 to disclose our UK energy and greenhouse gas (GHG) emissions.

Specifically, and as a minimum, The Partnership is required to report GHG emissions relating to gaseous fuels, grid supplied electricity, transport fuel from company owned vehicles, business mileage and the leakage of HFCs from refrigeration equipment. It will use intensity ratios (energy performance indicators) to normalise the energy and carbon figures as part of the commitment to the Streamlined Energy and Carbon Reporting (SECR) regulations 2018.

To ensure the Partnership achieve the transparency required a third party, Professional Energy Management Ltd. (PEM) has been commissioned to compile this report. PEM has previously undertaken energy related work for TEC Partnership, including the Partnership's first carbon management plan in 2016 (CMP2016). In addition, PEM developed the plan further to include the wider geographical scope that the Partnership now owns. The revised carbon management plan (CMP2021) has been accepted by the Partnership.

The annual period covered (the 'period') for the purposes of the streamlined energy and carbon reporting section is one full year (the financial year) 1st August 2023 to 31 July 2024.

Emission Scope

Scope 1

Emissions resulting from combustion of fuels in stationary sources, e.g., boilers (gas and biomass).

Emissions resulting from the combustion of fuels in company owned/controlled mobile combustion sources (e.g., buses, coaches)

Fugitive emissions. These emissions resulting from the intentional or unintentional releases, e.g. (HFC) emissions during the use of refrigeration and air conditioning equipment.

Scope 2

Emissions from the generation of purchased electricity that is consumed in its owned or controlled equipment or operations.

Strategic Report (Continued)
For The Year Ended 31 July 2024

Scope 3

Business mileage & company owned vehicles (hire cars and personal cars for business purposes)

Conversion Factors, Emission Factors and Global Warming Potential

The Partnership have used the following following blended 2023/24 and 2024/25 conversion and emission factors to output energy use in kilo-watt hours (kWh) and tonnes of CO_{2e} (tonnes of carbon dioxide equivalent)¹.

304 days in the BEIS Emission Factors Released - 1st June 2023 (for 1st June 2023 to 31st May 2024).

61 days in the BEIS Emission Factors Released - 1st June 2024 (for 1st June 2024 to 31st May 2025).

Conversion Factors 2023-2024

- Diesel transport fuel (litres) to (kWh – gross CV) – multiply by 10.55¹
- Business mileage - unknown average car (miles) to (kWh) - 1.10608 kWh/mile
- Biomass wood pellets (kg) to (kWh) - multiply by 5.193

Blended Emission Factors (2023/24 & 2024/25)

- Grid supplied electricity – 0.20707 kgCO_{2e}/kWh
- Natural gas (gross CV) – 0.18292 kgCO_{2e}/kWh
- Diesel transport fuel – 0.25193 kgCO_{2e}/kWh
- Business mileage (unknown average car) – 0.26824 kgCO_{2e}/mile
- Biomass (wood pellets) - 0.01084 kgCO_{2e}/kWh

Global Warming Potential

- Hydrofluorocarbon (HFC) release on a mass basis is converted to tCO_{2e} using the relevant global warming potential factors in greenhouse gas reporting conversion factors 2023¹.

Energy Consumption

This methodology follows the GHG Reporting Protocol and uses the 2023/24 and 2024/25 Government emission conversion factors for greenhouse gas company reporting to create a blended factor due to the data period overlapping both years.

Estimates and Omissions

Last year we submitted a notional 12.5 tCO_{2e}/yr of emissions attributable to the release of refrigerants from plant and equipment due to no F-gas registers being available for the sites. However, this year, we have been provided with F-gas registers for each site and have therefore been able to provide accurate figures based on a 1.5% refrigerant loss per unit per year.

¹ <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022>

Strategic Report (Continued)
For The Year Ended 31 July 2024

Scope	Energy Source	Consumption (kWh)	Scope Calculation	Emissions
Scope 1	Gas – total kWh used for the period taken from gas invoices for each site within TEC Partnership based on gross calorific value of fuel	5,742,988 kWh	5,742,988 kWh x 0.18292 kgCO _{2e} /kWh = 1,050 tCO_{2e}/yr.	
Scope 1	Biomass – Wood Pellets (East Riding College - Beverley)	41.5 tonnes of wood pellets = 41500 kg x 5.193 kWh/kg = 215,509 kWh	Declared as zero carbon.	
Scope 1	Transport – company owned vehicles including coaches and mini-buses	Total of 62,440.20 litres of diesel x 10.55 kWh/litre = 658,744 kWh	658,744 kWh x 0.25193 kgCO _{2e} /kWh = 165 tCO_{2e}/yr.	
Scope 1	Refrigerant release from site-based plant and equipment. F-gas registers are incomplete (Estimate).	Calculation of emissions using the screening method. Annual leakage rate of 1.5% of refrigerant.	Total refrigerant emissions across all sites included in the scope = 76 tCO_{2e}/yr.	
Scope 2	Electricity – total kWh used for the year, taken from the electricity invoices for each site within TEC Partnership	4,904,877 kWh	4,904,877 kWh x 0.20707 kgCO _{2e} /kWh = 1,015 tCO_{2e}/yr	
Scope 3	Fuel (unknown average car) used for business mileage	495,304.16 miles x 1.10608 kWh/mile = 547,846 kWh.	495,304.16 miles x 0.26824 kgCO _{2e} /mile = 132,860 kgCO _{2e} /1000 = 132 tCO_{2e}/yr	
	Total	12,069,964 kWh	2,439 tCO_{2e}/yr	
	Intensity ratio	Emissions data (tCO _{2e}) compared with an appropriate business activity.	2,439 tCO _{2e} /yr/1,225 staff members = 1.99 tCO_{2e}/staff numbers/yr	

Energy Intensity Ratios

The chosen intensity ratio.

Total gross emissions in metric tonnes tCO_{2e} per staff numbers, the recommended ratio for the sector (tCO_{2e}/staff numbers). This allows comparison of schools within the academy and is useful for benchmarking

**Strategic Report (Continued)
For The Year Ended 31 July 2024**

Measures taken to improve energy efficiency

Since the last Streamlined Energy and Carbon Report, the TEC partnership has made significant improvements across various sites and buildings.

The Louth Learning Centre was closed in February 2024. At the main Nuns Corner site, construction of a new animal care centre is underway to replace the Nunthorpe building, which is considered dated and inefficient. The new facility will be purpose-built and equipped with a Building Management System (BMS) for real-time system control immediately upon completion.

Solar photovoltaic (PV) panels have been installed on Blocks M, A, and C, generating a combined total of 76,787 kWh as of July 17, 2024. Block B has received a new roof and an additional insulation layer, improving the building's U-value and reducing heat loss.

At the Bridlington site, biomass boilers are being used to enhance energy efficiency and sustainability. These boilers operate on high-density biofuel pellets, which require less electrical input per unit mass of fuel.

Since last year, LED lighting upgrades have continued in rooms and buildings that have undergone renovations, with 3,997 LED lights installed as of July 17, 2024, and an additional 450 pending installations. The East Riding campus has also introduced electric vehicles for daily site visits and transport between North Bank locations, with a total of six electric vehicle (EV) chargers available for staff, students, and visitors at the main Grimsby and Scarborough sites.

Plans are in place to upgrade all remaining single-glazed windows at the Academy Grimsby and Nuns Corner sites. This includes replacing 51 windows in total—48 windows and three sets of doors—which will improve the buildings' U-value.

TEC is also working with Acorn Integrated to install temperature sensors around the main Grimsby site. These sensors will connect to a centralised BMS server to regulate heating across the entire site, helping to minimise unnecessary energy use through optimised temperature control

Prospects**Future Developments**

The Partnership is continuing to invest heavily in upgrading its buildings, facilities, and equipment. The majority of this will continue to be funded through grant sources with the completion the new campus at Skegness supported by the Towns Fund, a new Animal Care Facility at Nuns Corner supported by the OfS and DfE FE Capital Transformation Fund grant and the upgrading of building of category C and D supported by DfE funding. The relocation of our Hull Centre to be completed within the next academic year to significantly improved premises and the continued development of locations for NET our National Employer Training branded arm for getting the unemployed work ready and into jobs is key.

Given TEC Partnership's success in leading a bid for partners to provide grant funding through the Local Skills Improvement Fund, we expect to see the Partnership utilising virtual and immersive learning across most curriculum area providing a wider scope of tools for education and training delivery.

Financial Plan

The Partnerships governors approved a financial plan in July 2024 which sets objectives for the period to 2024/2025.

Strategic Report (Continued)
For The Year Ended 31 July 2024

Treasury Policy and Objectives

The Partnership has treasury management arrangements in place to manage cash flows, banking arrangements and the risks associated with those activities. All other borrowing requires the authorisation of the Corporation.

The Partnership has no plans to increase borrowings.

Principal Risks and Uncertainties

The Partnership has well-developed strategies for managing risk and strives to embed risk management in all that it does. Risk management processes are designed to protect its assets, reputation, and financial stability. The Executive Leadership review their strategic risk register every six weeks through the median of debate, technical expertise and consensus, all changes are reported to the Governing Body who has overall responsibility for risk management and its approach to managing risks and internal controls is explained in the Statement on Corporate Governance.

A risk register is maintained at the Partnership level which is reviewed by the Audit Committee at quarterly meetings. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Partnership, and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

Key performance Indicators

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

Key performance Indicator	Measure/Target	Actual for 2023/2024
Student number target	10,144	12,525
Student achievement	87%	90%
Operating surplus/EBITDA as % of income	6%	8.67%
Teaching Excellence Framework	Silver All Elements	Silver with Gold for Student Experience
Ofsted rating	Good	Requires improvement

Student achievements

Students continue to prosper at the Partnership. Achievement rates remained high, in 2022/2023 3279 of the students moved into employments, further or higher education after they have completed their studies at the Partnership.

Payment Performance

The Late Payment of Commercial Debt (Interest) Act 1998, in the absence of an agreement to the contrary, enables organisations to charge other business customers interest on overdue accounts and to obtain compensation. During the accounting period 1 August 2023 to 31 July 2024, the Partnership paid 95% of its invoices within 30 days. The Partnership incurred no interest charges in respect of late payment for this period.

Strategic Report (Continued)
For The Year Ended 31 July 2024

Equality and Diversity

Equality

The Partnership is committed to ensuring equality of opportunity for all who learn and work here. The Partnership respects and positively values differences in race, gender, sexual orientation, disability, religion or belief, and age. It strives vigorously to remove conditions which place people at a disadvantage, and it will actively combat bigotry. This policy is resourced, implemented, and monitored on a planned basis. The Partnership's equality policy is published on the Partnership's Intranet website site.

The Partnership publishes an Annual Equality Report and Equality Objectives to ensure compliance with all relevant legislation including the Equality Act 2010. The Partnership undertakes equality impact assessments as appropriate and publishes the results.

The Partnership is a 'Positive about Disabled People' employer and has committed to the principles and objectives of the Positive about Disabled People standard. The Partnership 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 employments with the Partnership continues. The

Partnership'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 Partnership has committed to the 'Mindful Employer' initiative to assist the mental health wellbeing of staff. The Partnership has an Equality and Diversity training programme which all staff are required to complete. Refresher training and training for new starters is carried out on an ongoing basis.

Gender Pay Gap Reporting

	Year ended 31 March 2024
Mean gender pay gap	7.99%
Median gender pay gap	22.6%
Median gender bonus gap	100%
Proportion of males/females receiving a bonus	0.53% / 0.12%

Year-Ended 31st March 2024

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

	Males	Females
1- Lower Quartile	18.29%	81.71%
2	21.82%	78.17%
3	30.71%	69.28%
4- Upper Quartile	59.73%	49.26%

The Partnership publishes its annual gender pay gap data on its website.

Strategic Report (Continued)
For the year ended 31 July 2024

Disability statement

The Partnership seeks to achieve the objectives set down in the equality act 2010:

- As part of its accommodation strategy the Partnership updated its access audit. Experts in this field conducted a full access audit during 2018/19, and the results of this formed the basis of funding capital projects aimed at improving access.
- The Partnership has appointed an Access Co-Ordinator, who provides information, and advice and arranges support where necessary for students with disabilities.
- There is a list of specialist equipment, such as radio aids, which the Partnership can make available for use by students and a range of assistive technology is available in the Learning Centre.
- The admissions policy for all students is described in the Partnership charter. Appeals against a decision not to offer a place are dealt with under the Complaints Policy.
- The Partnership has made a significant investment in the appointment of specialist lecturers to supports students with learning difficulties and/or disabilities. There are several student support assistants who can provide a variety of support for learning. There is a continuing programme of staff development to ensure the provision of a high level of appropriate support for students who have learning difficulties and/or disabilities.
- Specialist programmes are described in the Partnership prospectuses, and achievements and destinations are recorded and published in the standard Partnership format.
- Counselling and welfare services are described in the Partnership Student Guide, which is issued to students together with the Complaints and Disciplinary Procedure leaflets at induction.

Ethnic Pay Gap Reporting

The very small proportion of ethnic minority staff within the Group would mean that any report detailing the pay gap would not be statistically robust (in respect of the data) on which to base any reasonable conclusions.

Trade Union Facility Time

The Trade Union (Facility Time Publication Requirements) Regulation 2017 require the partnership to publish information on facility time arrangements for trade union officials at the Partnership as at 31 March.

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

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

Total cost of facility time	£5.932k
Total pay bill	£38.5m
Percentage of total bill spent on facility time	13.64%
Time spent on paid trade union activities as a percentage of total paid facility time	86.36%

Strategic Report (Continued)
For the year ended 31 July 2024

Going Concern

The Partnership currently has £4.6m of loans outstanding. The Partnership's forecast and financial projections indicate that it will be able to operate within this existing facility and covenants for the foreseeable future. Cash balances were £18.5m at the 31 July 2024 with the group having generated £3.1m of cash during the year.

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

Events after the reporting period

The Chair Paul Barker resigned from office 24 October 2024 and Ally Brooks was appointed interim Chair.

Disclosure of information to auditor

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

Approved by order of the members of the board of Governors on 10th December 2024 and signed on their behalf by



Ally Brooks
Interim Chair

Statement of Corporate Governance and Internal Control

The Governance Framework

The Corporation provides direction, guides, and monitors the strategic direction of TEC Partnership. The Corporation has responsibility for providing oversight and bringing independent judgement to bear across the Partnership, with responsibility for:

- The determination and periodic review of the educational character and mission of the institution and for the oversight of its activities.
- Setting and communication the TEC Partnership's strategy and goals
- Approving the quality strategy of the institution, holding executive leaders to account for the educational performance and quality of the Partnership, and for the performance of staff.
- Exercising effective control to ensure funds and assets are protected, monitoring the effective and efficient use of resources, the solvency of the institution and for safeguarding their assets and that legal obligations are met.
- Approving annual estimates of income and expenditure.
- The appointment, grading, suspension, dismissal, and determination of pay of senior post holders.
- Setting a framework for the pay and conditions of service of all other staff.

The composition of the Corporation is made up of independent governors, who are a group of professional people from different industries that possess a wide range of skills and expertise, staff, and student Governors. The TEC Partnership regularly updates skills audits to ensure there is a balance and broad range of skills and experience and has reviewed the skills needs of the organisation after each successful recruitment activity. In the 2023-24 year, the board also engaged professional recruitment services, to support their recruitment activities. Governors are not involved in the day-to-day operations of a college or the group and instead have 6 main duties.

- To ensure the Corporation carries out its purpose for the public benefit.
- To comply with the Corporation's governing document and the law.
- To always act in the TEC Partnership's best interest
- To manage the corporation's resources responsibly
- To act with reasonable care and skill
- To ensure the corporation is accountable and complies with the accounting and reporting requirements.

Governance Code and Governor Conduct

The Corporation endeavors to conduct its business.

- In accordance with the Nolan Seven Principles of Public Life (Selflessness, Integrity, objectivity, Accountability, Honesty, and Leadership)
- In accordance with the guidance from the Association of College in the Code of Good Governance for English Colleges, the Corporation adopted the new Code on 12 December 2023.
- In line with the TEC Partnership's Code of Conduct, which individual governors confirm.

The members of the Corporation that served during the year are listed in the table below. The Board of Governors has formally met five times during the year.

Statement of Corporate Governance and Internal Control (Continued)

Attendance during the year at meetings of the Board of Governors was as follows:

Governor	Meetings attended	Out of a possible
Paul Barker, Chair	5	5
Kai Adegbembo, Vice Chair	5	5
Ann Hardy, Chief Executive	5	5
Cain Matthews	1	1
Liz Parry	5	5
Josh Greaves	4	5
Sharon Green	5	5
Tracey Gyte	2	5
Andrew Lindley	5	5
Guy Lonsdale	3	5
Neil Banbridge	0	1
Andrew Bennett	4	4
Cheryl Bonas	0	4
George Lee	3	3
Audra Oldridge	1	2
Rhianna Tupling	4	4
Robin Atkinson	2	2
James Brooks	2	2

The Corporation regularly completes a self-assessment process to review its effectiveness and this year, following an interview process. It also engaged the AoC for an external review of governance, that was completed before the deadline of 30 July 2024.

The external review of Governance was completed in July 2024 by Sandra Prail, on behalf of the AoC. Concentrating the review on the period since the new structure was introduced in Spring 2023, the reviewer summarised: "The overall conclusion on Board effectiveness is that the Board is proficient and has some impact on college strategy, effectiveness, and outcomes."

There were four main recommendations in the report: further strengthening board engagement in strategy development and assurance, developing Remuneration Committee practice for Senior Postholder performance and recognition, implementing the plans agreed for board self-assessment and producing a single governance action plan, and creating opportunities for the Chairs of Committees, Vice Chairs and Chair of Corporation to develop plans together, and developing plans for engagement and deep dive activities.

The new governance structure sees the corporation supported by its committees of Audit, Curriculum and Quality Oversight Committee, Finance and Resources Committee, Remuneration Committee and the Search and Governance Committee. The Partnership have also created three Employment and Skills Advisory groups to listen to what local employers need, and how this can be fed into the curriculum planning process, and the meetings feed into the Curriculum and Quality Oversight Committee's plans.

The Search and Governance Committee are meeting to review the findings, together with the most recent board effectiveness self-evaluation, and will develop their governance action plan for the year ahead. The reviewer, Sandra Prail, is also attending this meeting to share additional findings and answer questions from the committee. Progress made against the single action plan will be reported to committee and corporation meetings across the year.

Each of the committees has a clear remit across the TEC Partnership, which are confirmed in the terms of reference for each committee. The committees enable the board to focus on key responsibilities and areas of activity in greater detail, and review performance and results and controls in place.

Full minutes of all meetings, except those deemed to be confidential by the Corporation, are available from the Director of Governance. Minutes of corporation meetings and Audit Committee meetings are also available on the corporate website. The Director of Governance also maintains a register of financial and personal interests of the governors and the register is available for inspection. Requests can be made to the Director of Governance at the TEC Partnership's registered address.

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

The TEC Partnership respects the importance of effective governance and has invested time and funds into the recruitment and training of board members.

The Director of Governance is a senior post holder and replaced the traditional 'Clerk to the Corporation' role. The postholder has various relevant qualifications and a wide range of experience in the role in the sector. The Board ensures that the postholder receives appropriate development throughout the year including attendance at relevant governance conferences both sector specific and general governance, together with relevant training and development.

This year, the Director of Governance attended the AoC Governance Professionals Annual Conference, Governance Professional's Development Workshops, AoC network meetings and various governance webinars. She also attended three FEC events for Chairs, CEO's and Governance Professionals as part of their "Just One Thing" Programme – including the summer conference, Induction and day focusing on SEND. She also completed TEC Partnership staff training and attended all governor training events.

The Director of Governance successfully completed the Award for Further Education Governance Professionals (Award FEGP) which was launched by the EFT.

Governors also need to attend training and be kept abreast of changes in the sector. Governors receive college and sector briefings throughout the academic year. Training is provided to cover areas identified as requiring development and there is an induction programme for new governors. This year, the Chair completed the IoD training for Chairs and has attended some AoC Chairs network events. The Vice Chair of Governors attended the AoC Annual Conference. Committee Chairs have attended chair network meetings, and our student governors attended AoC training and network sessions. All governor training included safeguarding for governors, and Ofsted training.

At the Governor strategy day, all governors are also required to complete some of the mandatory staff training courses, including safeguarding, inclusion, equality and diversity, and health and safety training.

The Corporation has updated its policies which include the financial regulations which were amended to comply with the guidance within the new ESFA financial handbook. The Financial Regulations were reviewed and recommended by the Audit Committee on 10 June 2024 and the Finance and Resources Committee on 2 July 2024 to the Corporation for approval. They were approved by the Corporation on 9 July 2024. They had also been subject to a small amendment on 24 October 2023, reflecting new roles and responsibilities within the group.

The Remuneration Committee confirmed its intention to follow the AoC Senior Postholder Remuneration Code on 4 December 2023 and approved its first annual remuneration statement that is also shared on the group's website. This follows the recommended guidance. The committee reflected on the guidance within the bitesize guides on senior pay controls and the Remuneration Committee received a report on severance and one-off payments.

The Director of Governance maintains a register of financial and personal interests of the governors and the corporation approved an updated Conflicts of Interests Policy on 9th July 2024. The register is available for inspection at the TEC Partnership's registered address.

Formal agendas, papers and reports are supplied to governors in a timely manner, prior to Board meetings, and are securely communicated using a Board Portal. Briefing and training are provided on an ad hoc basis. The Corporation operates and adheres to an Annual Cycle of Business (working document) which documents every agenda item for each meeting of the Corporation and its committees throughout the academic year.

Statement of Corporate Governance and Internal Control (Continued)

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 the Accounting Officer are separate.

Appointments to the Corporation

Any new member appointments to the Corporation are a matter for the consideration of the Corporation as a whole. The Corporation has recently introduced a Search and Governance Committee in Spring 2023, consisting of four members which is responsible for the selection and nomination of members for the board and its committees, with recommendation to the Corporation for approval. The Corporation is also 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 and the standard practice is to limit the appointments to a maximum of two terms of four years. An additional term of office, in exceptional circumstances, is subject to recommendation to the Corporation by the Search and Governance need. The Corporation abides by a governor selection policy which is available to view on the TEC Partnership website at www.tecpartnership.ac.uk or from the Director of Governance and was recently updated and approved on 9 July 2024.

This year, the Search and Governance Committee has also met with Staff and Student Governors, to welcome them, and discuss their support and CPD needs, as well as interests for committee membership, then making recommendations to the board.

Corporation Performance

The Corporation undertakes a formal and rigorous review of its performance. This year the board

- Worked with a consultant to review the effectiveness of the reporting structure, reviewing the complexity and size of the Partnership in an informal external review process of the governance structure.
- Completed an internal exercise of self-assessment at committee meetings.
- Governors had one to one meeting with the Chair of the Corporation to discuss individual feedback, intentions, and support.
- Completed an annual skill audit
- Governor annual review
- Assessment of governance from the Executive Team.
- Review of governor attendance by the Search and Governance Committee.
- Reviewed the effectiveness of each meeting as a final agenda item.

Remuneration Committee

Throughout the year ending 31 July 2024, the TEC Partnership's Remuneration Committee comprised four members of the Corporation with members including the Chair, Vice Chair, Chair of the Audit Committee and Chair of the Search and Governance Committee. The Committee's responsibility is to make a recommendation to the Board on remunerations of the Accounting Officer and other senior postholders. The Remuneration Committee had additional meetings during 2023-2024 and met on three occasions.

Statement of Corporate Governance and Internal Control (Continued)

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 management and free from any business or other relationships 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.

The Audit Committee

The Audit Committee ended the year with five members of the Corporation (excluding the Accounting Officer and the Chair). A co-opted member resigned following a successful recruitment of a new co-opted member, who was then unable to join due to unforeseen circumstances. The group continue to recruit for an experienced co-opted member, valuing the contribution they can offer for oversight and independence.

The committee operates in accordance with written terms of reference approved by the Corporation.

The following are ineligible to be members of the Audit Committee.

- The CEO and any Senior Post Holder
- Members of the Finance and Resources Committee
- The Chair of Corporation

The Audit Committee meets at least four times a year and provides a forum for reporting by the TEC Partnership's internal auditor 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 audits and undertakes periodic follow-up reviews to ensure such recommendations and internal audit service undertakes periodic follow-up reviews to ensure such recommendations have been implemented and provide assurance to the committee.

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

The audit committee met four times in the year on:

10 October 2023
 28 November 2023
 12 March 2024
 10 June 2024

The Audit Committee had 100% attendance at every meeting across the year.

Attendance during the year at meetings was as follows.

Governor	Meetings attended	Out of a possible
Josh Greaves	4	4
Tracey Gyte	2	2
Guy Lonsdale	4	4
Audra Oldridge	1	1
Mike Stopper	1	1
Peter De Braal (Leave of absence approved, until he retired due to ill health)		

Statement of Corporate Governance and Internal Control (Continued)

On the request of the corporation, the committee, alongside the Search and Governance Committee and Finance and Resources Committee, revisited the full separation of membership between the Audit and Finance and Resources Committee this year, and agreed to continue to follow best practice, and maintain the full independence between the committees.

The corporation also value the oversight from co-opted members and are currently recruiting for a new member.

The purpose of the system of internal control**Scope of responsibility**

The Corporation is ultimately responsible for the TEC Partnership's system of internal control and reviewing its effectiveness. However, such a system is designed to manage risk to a reasonable level rather than to eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The Corporation has delegated day-to-day responsibility to the CEO, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the TEC Partnership's policies, aims and objectives, whilst safeguarding the public funds and assets for which the CEO is personally responsible, in accordance with the responsibility assigned to her in the Funding Agreement between the TEC Partnership and the funding bodies. She is also responsible for reporting to the Corporation any material weaknesses or breakdowns in internal control.

The CEO also has responsibility for the Strategic Risk Register and delegated the operational and reporting of this to the Group Vice Principal, Finance, Maria Turnbull Kemp, who reports on the updated register at each Audit Committee meeting. An update, and overview of the priority risks is also reported to each meeting of the Corporation.

The Corporation has reviewed the key risks to which the Partnership 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, evaluation and managing the TEC Partnership's significant risks that have and believe that the system of internal control has been in place in TEC Partnership for the year 1 August 2023 to 31 July 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Corporation.

Capacity to handle risk

The Corporation has reviewed the key risks to which the Partnership is exposed together with the operation, financial and compliance controls that have been implemented to mitigate those risks. The Corporations is of the view that there is a formal and ongoing process for identifying, evaluation, and managing the Partnership's significant risks that has been in place for the year 1 August 2023 to 31 July 2024 and up to the date of approval of the annual report and financial statements. 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. It includes:

- Comprehensive budgeting systems with an annual budget, which is reviewed and agreed by the governing body.
- Regular reviews by the governing body of periodic and annual financial reports which measure financial performance against targets.
- Setting targets to measure financial and other performance
- Clearly defined capital investment guidelines
- The adoption of formal project management disciplines, where appropriate.
- The Board of Governors has decided to buy in an internal audit service from TIAA

The Partnership has an internal audit service, which operates in accordance with the requirements of the ESFA's post 16 Audit Code of Practice. The work of the internal audit service is informed by an analysis of the

Statement of Corporate Governance and Internal Control (Continued)

risks which the Partnership is exposed to, and annual 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 audit director from our internal auditor TIAA provides the governing body with a report.

The group also secured the services of specialist auditors, in addition to the main Internal Auditor, when appropriate. A decision is made based on the technical specialism of the activity, and the value the group will receive from the audit process. The approach adopted is in addition to the annual Internal Audit Contract (currently with TIAA). In the 2023-24 year, the group secured the services of JISC to undertake a detailed audit of our cyber security.

The audit response has given assurance, has provided an action plan for the team, and progress reports will be provided next year.

On internal audit activity in the Partnership. The annual report includes an independent opinion on the adequacy and effectiveness of the Partnership's system of risk management, controls, and governance processes. Governors also have the opportunity for an independent audience with the auditor before each audit committee meeting.

Risks faced by the corporation

The Corporation has well developed strategies for managing risks and strives to embed risk management in all that it does and these for part of the Board Assurance Framework.

Risk management processes are designed to protect its assets, reputation, and financial stability. The Corporation has overall responsibility for risk management and its approach to managing risks and internal controls is explained in the Statement on Corporate Governance. The risk registers identify the key risks, the likelihood of those risk occurring, their potential impact on TEC Partnership and the actions being taken to reduce and mitigate risks. Risks are prioritized using a consistent scoring system. Not all the risks are within the Partnership's control and other risks besides mat adversely affect the group. The risk register is also shared with members of the Corporation.

Control weaknesses identified

The internal auditor identified no significant weaknesses in the TEC Partnership's systems of internal control.

Statement from the audit committee

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

During the year TIAA carried out four reviews which were designed to ascertain the extent to which the internal controls in the system are adequate to ensure that activities and procedures are operating to achieve TEC Partnerships objectives. For each assurance review an assessment of the combined effectiveness of the controls in mitigating the key controls risks was provided.

The specific areas of work undertaken by the Audit Committee in 2023/2024 and update approvals of the financial statements included a review of:

Payroll – with substantial assurance received
Bursaries – with substantial assurance received
Health and Safety – with reasonable assurance received
GDPR – with reasonable assurance

Statement of Corporate Governance and Internal Control (Continued)

Cyber Security – A thorough audit was completed, with a list of strengths and recommended priorities listed in the Executive summary of their report. This has been developed into an internal action plan.

The Internal Auditors also completed a Follow up audit of management recommendations and confirmed that all recommendations were either completed or superseded and therefore, not required.

On a quarterly basis, the reviewer reports to the Board of Governors through the Audit Committee on the operation of the systems and control and on the discharge of the Board of Governors' financial responsibilities and annually prepares a summary report to the committee outlining the areas reviewed, key findings. Recommendations, and conclusions to help the committee consider actions and assess year on year progress.

TEC Partnership can confirm that all the internal audits were delivered on time, and the reports included an independent opinion on the adequacy and effectiveness of the Partnership's system of risk management, controls, and governance processes.

Review of effectiveness

As accounting officer, the Chief Executive has a responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- The work of the reviewer
- The financial management and governance self-assessment process
- The work of the executive managers within the Partnership who have responsibility for the development and maintenance of the internal control framework.
- The feedback made by the external auditor, the reporting accountant for regularity assurance, the appointed funding auditor (for colleges subject to funding audit) in their management letters and other reports.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit committee and a plan to ensure continuous improvement of the system is in place.

The Executive Leadership Team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms which are embedded within the departments and reinforced by risk awareness training. The Executive Leadership Team and the Audit Committee also receive regular reports from internal audit and other sources of assurance, which include recommendation 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 Executive Leadership Team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception.

Based on the advice from the Audit Committee and the Accounting Officer, the Corporation is of the opinion that the TEC Partnership 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 safeguarding of their assets'.

Approved by order of the members of the Board of Governors and signed on their behalf by:



Ally Brooks
Interim Chair



Ann Hardy
Accounting Officer

Statement on Regularity, Propriety and Compliance

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

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

I confirm that the following instances of material irregularity, impropriety, funding non-compliance, or non-compliance with the framework of authorities have been discovered and have been notified to ESFA. If any further instances are identified after the date of this statement, these will be notified to ESFA:

An incident of fraud dating back to 2017, whereby the Partnership was being charged for free for services, inflated services and services that should have been conducted within their contract of employment. The amounts were extremely small but due to the period the incident had been taken place, the Partnership had declared this as a material irregularity as it meets the ESFA's definition of significant fraud.

Ann Hardy
Accounting officer



Statement of the Chair of Governors

On behalf of the Corporation, I can confirm that the accounting officer has discussed their statement of regularity, propriety, and compliance with the board and that I am content that it is materially accurate



Ally Brooks
Interim Chair of Governors

**Statement of The Responsibilities of The Members of the Corporation
For The Year Ended 31 July 2024**

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

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

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

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

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

The corporation is responsible for the maintenance and integrity of its website(s); the work carried out, by the auditor does not involve consideration of these matter and, accordingly, auditor 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 other legislation in other jurisdictions.

Members of the corporation are responsible for ensuring that expenditure and Income are applied for the purposes intended and that the financial transactions conform to the authorities that govern them. In addition, they are responsible for ensuring that funds from the ESFA, DfE any other public funds, are used only in accordance with the accountability agreement, funding agreements and contracts and any other conditions, that may be prescribed from time to time by ESFA, or any other public funder, including that any transactions entered into by the corporation are within delegated the authorities set out in the "Dear accounting officer" letter of 29 November 2022 and ESFA's bite size guides. Members of the corporation must ensure that there are appropriate financial and management controls in place to safeguard public and other funds and ensure they are used properly. In addition, members of the corporation are responsible for securing, economic, efficient, and effective management of the corporation's resources and expenditure so that the benefits that should be derived from the application of public funds from ESFA, DfE and other public bodies are not put at risk.

Approved by order of the members of the Corporation on 10th December 2024 and signed on its behalf by:



Ally Brooks
Interim Chair of Governors

Independent auditor's Report to the Members Tec Partnership

Opinion

We have audited the financial statements of TEC Partnership (the 'College') and its subsidiaries (the 'Group') for the year ended 31 July 2024 which comprise the Group and College Statement of Comprehensive Income and Expenditure, the Group and College Statement of Changes in Reserves, the Group and College Balance Sheet, the Group 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) and the 2019 Statement of Recommended Practice: Accounting for Further and Higher Education.

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and College's affairs as at 31 July 2024 and of the Group's and College's surplus of income over expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Corporation is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditor's Report to the Members Tec Partnership (Continued)

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

In light of the knowledge and understanding of the College and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Statement of Corporate Governance and Internal Control.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Corporation

As explained more fully in the Statement of Responsibilities of the Members of the Corporation set out on page 27, the Corporation is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Corporation determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Independent auditor's Report to the Members Tec Partnership (Continued)

Based on our understanding of the Group and the College and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: compliance with the ESFA funding agreements, the OfS regulatory framework, the OFSTED regulatory framework, safeguarding, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, HM Treasury's "Managing public money".

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Group and the College is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Group and the College which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation.

In addition, we evaluated the Members of the Corporation and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to assumptions used in determining the valuations of defined benefit obligations, revenue recognition (which we pinpointed to the cut-off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Members of the Corporation and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Independent auditor's Report to the Members Tec Partnership (Continued)

Other required reporting

Opinion on other matters prescribed in the OfS Audit Code of Practice issued under the Further and Higher Education Act 1992

In our opinion, in all material respects:

- funds provided by the OfS and UK Research and Innovation (including Research England) have been applied in accordance with the relevant terms and conditions attached to them; and
- the requirements of OfS's accounts direction have been met.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the OfS Audit Code of Practice requires us to report to you if, in our opinion:

- the provider's grant and fee income, as disclosed in the notes to the financial statements, has been materially misstated. or
- the provider's expenditure on access and participation activities, as disclosed in the financial statements, has been materially misstated.

Use of the audit report

This report is made solely to the Corporation as a body in accordance with Article 22 of the College's Articles of Government. Our audit work has been undertaken so that we might state to the Corporation those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and the College and the Corporation as a body for our audit work, for this report, or for the opinions we have formed.


FORVIS MAZARS LLP
FORVIS MAZARS LLP (Dec 16, 2024 11:28 GMT)

Forvis Mazars LLP

Chartered Accountants and Statutory Auditor

Park View House, 58 The Ropewalk Nottingham

NG1 5DW

Date: 16/12/2024

**Independent Reporting Accountant's Assurance Report on Regularity to TEC Partnership
and The Education and Skills Funding Agency**

**To: The corporation of TEC Partnership and Secretary of State for Education acting through Education
and Skills Funding Agency ("ESFA")**

In accordance with the terms of our engagement letter dated 4 July 2024 and further to the requirements and conditions of funding in ESFA and DfE's accountability agreements, grant funding agreements and contracts, or those of any other public funder, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by TEC Partnership during the period 1 August 2023 to 31 July 2024 have not been applied to the purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

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

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

Respective responsibilities of TEC Partnership and the reporting accountant

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

Our responsibilities for this engagement are established in the United Kingdom by the Code our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Code. We report to you whether anything has come to our attention in carrying out our work, which suggests that in all material respects, expenditure disbursed and income received, during the period 1 August 2023 to 31 July 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Reviewed the statement on the College's regularity, propriety and compliance with Funding body terms and conditions of funding.
- Reviewed the College's completed self-assessment questionnaire on regularity.
- Read the accountability agreements, grant funding agreements and contracts with the ESFA.

Independent Reporting Accountant's Assurance Report on Regularity to Tec Partnership and The Education and Skills Funding Agency (Continued)

- Tested a sample of expenditure disbursed and income received to consider whether they have been applied to purposes intended by Parliament and in accordance with funding agreements where relevant.
- Tested a sample of individual learner records.
- Obtained the policy for personal gifts and/or hospitality.
- Obtained the register of personal interests.
- Obtained the financial regulations/financial procedures.
- Obtained the College's whistleblowing policy.
- Reviewed the College's compliance with the requirements of HM Treasury's "Managing Public Money" document.

Conclusion

In the course of our work, except for the matter noted below, nothing has come to our attention which suggests that in all material respects, the expenditure disbursed, and income received during the period 1 August 2023 to 31 July 2024 has not been applied to purposes intended by Parliament, and that the financial transactions do not conform to the authorities that govern them.

- Our opinion is modified as a result of the matter identified in the College's "Statement of regularity, propriety and compliance".

Signed:

FORVIS MAZARS LLP
FORVIS MAZARS LLP (Dec 16, 2024 11:28 GMT)

Forvis Mazars LLP

Date: 16/12/2024

TEC PARTNERSHIP

**Consolidated and Partnership Statement of Comprehensive Income and Expenditure
For The Year Ended 31 July 2024**

All items of income and expenditure relate to continuing activities.

		Group 2024	<i>Group 2023</i>	College 2024	<i>College 2023</i>
	Notes	£'000	<i>£'000</i>	£'000	<i>£'000</i>
Income					
Funding body grants	3	48,215	46,588	48,215	46,357
Tuition fees and education contracts	4	8,599	10,009	8,599	9,686
Other grants and contracts	6	-	267	-	-
Other income	7	4,224	3,466	4,159	3,096
Investment income	8	1,812	565	1,812	565
Total Income		62,850	60,895	62,785	59,704
Expenditure					
Staff costs	9	39,156	38,089	38,946	37,400
Other operating expenses	13	16,628	15,840	16,790	16,913
Depreciation and amortisation	18	4,842	4,672	4,817	4,270
Interest and other finance costs	15	330	346	330	346
Total expenditure		60,956	58,947	60,883	58,929
Surplus/(Deficit) before other gains		1,894	1,948	1,902	775
Surplus/(Deficit) before tax		1,894	1,948	1,902	775
Surplus/(Deficit) for the year		1,894	1,948	1,902	775
Actuarial (loss)/gain in respect of pensions	27	(1,636)	(119)	(1,636)	(119)
Total comprehensive income for the year		258	1,829	266	656
Represented by:					
Unrestricted comprehensive income		258	1,829	266	656
Surplus for the year attributable to:					
Group		258	1,829	266	656
Total Comprehensive Income for the year Group		258	1,829	266	656

TEC PARTNERSHIP

**Consolidated and Partnership Statement of Changes in Reserves
For The Year Ended 31 July 2024**

	Income and expenditure account £000	Revaluation reserve £000	Restricted reserves £000	Total equity £000
Group				
Balance at 1 August 2022	47,291	11,366	-	58,657
Surplus from I&E account	1,948	-	-	1,948
Other comprehensive income	(119)	-	-	(119)
Total comprehensive income	1,829	-	-	1,829
Balance at 1 August 2023	49,120	11,366	-	60,486
Surplus from I & E account	1,894	-	-	1,894
Other comprehensive income	(1,636)	-	-	(1,636)
Total comprehensive income	258	-	-	258
At 31 July 2024	49,378	11,366	-	60,744

	Income and expenditure account £000	Revaluation reserve £000	Restricted reserves £000	Total equity £000
College				
Balance at 1 August 2022	49,461	11,366	-	60,827
Surplus from the I&E account	775	-	-	-
Other comprehensive income	(119)	-	-	(119)
Total comprehensive income	656	-	-	656
Balance at 1 August 2023	50,117	11,366	-	61,483
Surplus from I&E account	1,902	-	-	1,902
Other comprehensive income	(1,636)	-	-	(1,636)
Total comprehensive income	266	-	-	266
At 31 July 2024	50,383	11,366	-	61,749

TEC PARTNERSHIP

**Consolidated Balance Sheet
As at 31 July 2024**

	Notes	2024 £000	2023 £000
Fixed assets			
Intangible fixed assets		328	332
Tangible fixed assets	18	96,898	95,536
Investment property	16	301	301
		<u>97,527</u>	<u>96,169</u>
Current assets			
Stocks	20	50	52
Debtors: amounts falling due within one year	21	3,154	3,408
Investments	22	1,000	3,000
Cash at bank and in hand	35	17,571	12,390
		<u>21,775</u>	<u>18,850</u>
Creditors: amounts falling due within one year	24	<u>(10,913)</u>	<u>(13,237)</u>
Net current assets		<u>10,862</u>	<u>5,613</u>
Total assets less than current liabilities		<u>108,389</u>	<u>101,782</u>
Creditors: amounts falling due after more than one year	25	(46,215)	(39,879)
Provision for liabilities	27	(1,430)	(1,417)
Net assets excluding pension assets		<u>60,744</u>	<u>60,486</u>
Total net assets		<u>60,744</u>	<u>60,486</u>
Funds of the Group			
Restricted funds			
Unrestricted income funds			
Income and expenditure account		49,378	49,120
Revaluation reserve		11,366	11,366
Total unrestricted income funds		<u>60,744</u>	<u>60,486</u>
Total funds		<u>60,744</u>	<u>60,486</u>

Consolidated Balance Sheet (continued)
As at 31 July 2024

The financial statements were approved by the Governors, and authorized for issue on 10th December 2024...and signed on their behalf by:



Ally Brooks
Interim Chair of Trustees



Ann Hardy
Accounting Officer

The notes on pages 41 to 70 form part of these financial statements.

TEC PARTNERSHIP

**College Balance Sheet
As at 31st July 2024**

	Notes	2024 £000	2023 £000
Fixed assets			
Intangible fixed assets		328	314
Tangible fixed assets	18	95,438	88,553
Investment property	16	301	301
		<u>96,067</u>	<u>89,168</u>
Current assets			
Stocks	20	50	52
Debtors: amounts falling due within one year	21	5,846	11,008
Investments	22	1,000	3,000
Cash at bank and in hand	35	17,571	12,204
		<u>24,467</u>	<u>26,264</u>
Creditors: amounts falling due within one year	24	(11,140)	(13,686)
Net current assets		<u>13,327</u>	<u>12,578</u>
Total assets less than current liabilities		109,394	101,746
Creditors: amounts falling due after more than one year	25	(46,215)	(38,846)
Provision for liabilities	27	(1,430)	(1,417)
Net assets excluding pension assets		<u>61,749</u>	<u>61,483</u>
Total net assets		<u>61,749</u>	<u>61,483</u>
Funds of the Group			
Restricted funds			
Unrestricted income funds			
Income and expenditure account		50,383	50,117
Revaluation reserve		11,366	11,366
Total unrestricted income funds		<u>61,749</u>	<u>61,483</u>
Total funds		<u>61,749</u>	<u>61,483</u>

College Balance Sheet (Continued)
As at 31 July 2024

The financial statements were approved by the Governors, and authorised for issue on the 10th December 2024.
~~and~~ signed on their behalf by:



Ally Brooks
Interim Chair of Trustees



Ann Hardy
Accounting Officer

The notes on pages 41 to 70 form part of these financial statements.

TEC PARTNERSHIP

**Consolidated Statement of Cash Flows
For the Year Ended 31 July 2024**

	Notes	2024 £000	2023 £000
Cash flows from operating activities			
Net cash provided by operating activities	32	9,831	8,231
Cash flows from investing activities	34	(3,703)	(8,048)
Cash flows from financing activities	33	(947)	(1,002)
Change in cash and cash equivalents in the year		5,181	(819)
Cash and cash equivalents at the beginning of the year		12,390	13,209
Cash and cash equivalents at the end of the year	35,36	17,571	12,390

The notes on pages 41 to 70 form part of these financial statements.

**Notes To The Financial Statements
For The Year Ended 31 July 2024**

1. Accounting policies

A summary of the principal accounting policies adopted (which have been consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the Group, which is a public benefit entity under FRS102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS102) (Charities SORP (FRS102)), the Charities Act 2011 and the Companies Act 2006.

TEC Partnership meets the definition of public benefit entity under FRS102.

The consolidated and Partnership statement of comprehensive income and expenditure and the consolidated balance sheet of the Partnership and its subsidiaries which include Modal Training, Support Staff Services Ltd and Grimsby College Trading Ltd, who are controlled by the group. Control is achieved where the group has the power to govern the financial and operating policies of an entity to obtain benefits from its activities. Under the purchase method of accounting, the results of the subsidiary and associate undertakings acquired or disposed of during the year are included within the consolidated income and expenditure account from or up to the date on which control of the undertaking passes. Intra-group sales and profits are eliminated fully on consolidation. The results of the subsidiaries are consolidated on a line-by-line basis. In accordance with FRS102, the activities of the student union have not been consolidated as the Partnership does not control these activities.

1.2 Going concern

The activities of the Partnership, together with the factors likely to affect its future development and performance are set out in the Strategic Report. The financial position of the Partnership, its cashflow, liquidity, and borrowings are presented in the Financial Statements and accompanying notes. The Partnership currently has £4.625k of loans outstanding.

The Partnership's forecast and financial projections indicate that it will be able to operate within this existing facility and covenants for the foreseeable future. Cash and deposit account balances were £18.5 as of 31 July 2024, with the Group having generated £3.1m of cash during the year. The Governors assess whether the use of going concern is appropriate i.e. whether there is any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Partnership to continue as a going concern.

The Governors make this assessment in respect of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Partnership has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Partnership's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

1. Accounting policies (continued)**1.3 Income**

All incoming resources are recognised when the entitlement to the funds, the receipt is probable, and the amount can be measured reliably.

Grants

Grants are included in the consolidated and Partnerships statement of comprehensive income and expenditure on a receivable basis. The balance of the income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included under creditors as deferred income until the performance-related conditions are met and signed off by the awarding body. Where entitlement occurs before income is received, the income is accrued.

The recurrent grant from the OFS represents the funding allocations attributable to the current financial year and is credited direct to the consolidated and Partnership statement of comprehensive income and expenditure.

Government capital grants are capitalised, held as deferred income, and recognised in income over the expected useful life of the assets, under the accrual model as permitted by FRS102. Other, non-governmental, capital grants are recognised in income when the Partnership is entitled to the funds subject to any performance related conditions being met is recognised as deferred income within creditors on the Balance Sheet and released to income as conditions are met.

1.4 Fee Income

Income from tuition fees is stated gross of any expenditure which is not a discount and is recognised in the period for which it is received.

1.5 Agency Arrangements

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

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of a total of direct costs and shared costs, including support costs involved in the undertaking of each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to as single activity is apportioned between these activities on basis consistent with the use of resources. Central staff costs are allocated based on time spent, and depreciation charges are allocated on the portion of the asset's use.

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

1. Accounting policies (continued)**1.7 Expenditure (continued)****Charitable activities**

These are costs incurred on the Group's educational operations, including support costs and costs relating to the governance of the Group apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.9 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets that had been revalued to fair value on or prior to the transition to the FE HE SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation. Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the consolidated and Partnership statement of comprehensive income and expenditure and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the consolidated and Partnership statement of comprehensive income and expenditure. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

1.9 Tangible fixed assets continued

Depreciation is provided on the following basis:

Furniture, Fixture and Fittings	- 6-7 Years
Plant	- 5 Years
Computer Equipment	- 6 Years
Motor Vehicles	- 5-10 Years
Other Equipment	- 5-20 Years

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

1. Accounting policies (continued)

Assets purchased during construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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 consolidated and Partnership statement of comprehensive income and expenditure.

Where significant expenditure is incurred on tangible fixed assets after purchase it is charged to income in the period it is incurred, unless it increases the future benefits to the Partnership, in which case capitalised and depreciated on the relevant basis. Equipment costing less than £1,000 per individual item is recognised as expenditure in the period of acquisition. All other equipment is capitalised as cost.

1.10 Freehold Buildings

Freehold buildings are depreciated over the expected useful economic life prior to the Partnership of between 15 and 60 years. The Partnership have a policy of depreciating major adaptations to the buildings over a period of their useful economic life of between 20 and 50 years. On adoption of FRS102, the Partnership 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.

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

1.11 Inventories

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate portion of fixed and variable overheads.

1.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.13 Cash at bank 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 cash equivalent when it has maturity of three months or less from the date of acquisition.

1.14 Financial Liabilities and Equity

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

All loans, investments and short-term deposits held by the group are classified as basic financial instruments in accordance with FRS 102. These instruments are initially recorded at the transaction price less than any transaction costs (historical cost). FRS102 requires that basic financial instruments are subsequently measured at a amortised cost, however the Partnership has calculated that the difference between the historical cost and the 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.

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

1. Accounting policies (continued)

1.15 Foreign Currency Translation

Transactions denominated in foreign currency are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling the end of the financial period with all the resulting exchange differences being taken to income in the period in which they arise.

1.16 Provisions

Provisions are recognised when the Group has an obligation at the reporting date because of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specifically to the liability. The unwinding of the discount is recognised with interest payable and similar charges.

1.17 Financial Instruments

The Group only holds basic financial instruments as defined in FRS102. The financial assets and financial liabilities of the Group and their measurements bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in the note. Prepayments are not financial instruments. Amounts due to the Partnership's wholly owned subsidiary are held at face value less that any impairment.

Cash at bank is classified as a basic financial instrument and is measured at face value

Financial liabilities – trade creditors, accruals and other creditors are financials instruments, and are measured at amortised cost as detailed in notes 24 and 25. Taxation and social security are not included in the financial instrument's disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Partnership's wholly owned subsidiary are held at face value less that any impairment.

1.18 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the consolidated and Partnership statement of comprehensive income and expenditure to produce a constant periodic rate of charge on the net obligation outstanding each period.

1.19 Operating leases

Rentals paid under operating leases are charged to the consolidated comprehensive income and expenditure on a straight-line basis over the lease term.

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

1. Accounting policies (continued)**1.20 Pensions**

Retirement benefits to employees of the Group are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme, and contributions are calculated to spread the cost of pensions over employees' working lives with the Group in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme, and the assets are held separately from those of the Group in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations obtained are at least triennially and are updated each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements, and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the consolidated and Partnership statement of comprehensive income and expenditure 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 other recognised gains and losses.

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

1.21 Enhanced Pensions

The actual cost of any enhanced ongoing pension to former members of staff is paid by the Partnership annually. An estimate of the expected future cost of any enhancement to the ongoing pension of former member of staff is charged in full to the Partnership's income in the year that the member of staff retires. In subsequent years a charge is made to provisions in the balance sheet.

1.22 Short Term Employment Benefits

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

1.23 Borrowing Costs

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

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

1. Accounting policies (Continued)**1.24 Investments**

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements. Listed investments held as non-current asset investments, which may include listed investments, are stated at fair value, with movements recognised in comprehensive income, investments comprising unquoted equity instruments are measured at fair value, estimated using a valuation technique.

The group currently holds assets on deposit on a fixed term basis and these are shown within the balance as investments.

1.25 Taxation

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

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

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

1.26 Provision and Contingent Liabilities

Provisions are recognised when:

- The Partnership has a present legal or constructive obligation because 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 its 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.

Contingent liability arises from a past event that gives the Partnership a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future event not wholly within the control of the Partnership. 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.

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

2. Critical Accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

The Partnership makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Tangible fixed assets, other than investment properties, are depreciated over their useful lives considering residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on several factors. In reassessing asset lives, factors such as technological innovation and maintenance programmes are considered. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

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 37 will impact the carrying amount of the pension liability. The actuary has used a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2023 to value the pensions liability at 31 July 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Judgements

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

Determine whether there are indicators of impairment of the group'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.

The pension asset has not been recognised within the accounts in line with the recognition criteria of FRS102. A surplus that can only be recognised as an asset to the extent that the entity can recover that surplus either through a reduction in its contribution in the future or by being able to obtain refunds from the pension plan; the asset itself must be recoverable and only the amount that is recoverable can be recognised.

TEC PARTNERSHIP

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

3. Funding Body Grants

	Group 2024	<i>Group 2023</i>	College 2024	<i>College 2023</i>
	£'000	<i>£'000</i>	£'000	<i>£'000</i>
Recurrent Grants				
Education and Skills Funding Agency – Adult				
Education Budget	7,631	7,810	7,631	7,810
Education and Skills Funding Agency – 16-18	28,073	26,453	28,073	26,453
Education and Skills Funding Agency – 14-16	1,326	1,174	1,326	1,174
Education and Skills Funding Agency				
Apprenticeships	3,708	4,295	3,708	4,295
Office for Students	504	609	504	609
Specific Grants				
Education and Skills Funding Agency	1,802	2,255	1,802	2,255
Teachers' pension contribution grant	1,278	1,018	1,278	1,018
Release of Government capital grants	3,119	2,632	3,119	2,459
Release of other grants	774	342	774	284
	48,215	46,588	48,215	46,357

4. Tuition Fees and Education Contracts

	Group 2024	<i>Group 2023</i>	College 2024	<i>College 2023</i>
	£'000	<i>£'000</i>	£'000	<i>£'000</i>
Adult Education Fees	721	1,047	721	724
Apprenticeship Contracts	15	34	15	34
Fees for FE loan supported courses	444	878	444	878
Fees for HE loan supported courses	5,391	6,234	5,391	6,234
Other	152	138	152	138
Total Tuition Fees	6,723	8,331	6,723	8,008
Education Contracts	1,876	1,678	1,876	1,678
	8,599	10,009	8,599	9,686

TEC PARTNERSHIP

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

5. Analysis of Grant and Fee income

	Group 2024	<i>Group 2023</i>	College 2024	<i>College 2023</i>
	£'000	<i>£'000</i>	£'000	<i>£'000</i>
Grant income from Office for Students	504	609	504	609
Grant income from other bodies	47,711	45,979	47,711	45,748
Total Grants	48,215	46,588	48,215	46,357
Fee income from taught awards (exc of VAT)	5,391	6,234	5,391	6,234
Fee income from non-qualifying courses	3,056	3,637	3,056	3,314
Total Tuition Fees and Education Contracts	8,447	9,871	8,447	9,548
Total Grant and Fee Income	56,662	56,459	56,662	55,905

6. Other Grants and Contracts

	Group 2024	<i>Group 2023</i>	College 2024	<i>College 2023</i>
	£'000	<i>£'000</i>	£'000	<i>£'000</i>
European Social Fund	-	267	-	-
Total	-	267	-	-

7. Other Income

	Group 2024	<i>Group 2023</i>	College 2024	<i>College 2023</i>
	£'000	<i>£'000</i>	£'000	<i>£'000</i>
Catering and residential	2,089	1,827	2,089	1,827
Other income generating activities	739	1,447	675	1,077
Miscellaneous income	1,396	192	1,395	192
Total	4,224	3,466	4,159	3,096

TEC PARTNERSHIP

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

8. Investment Income

	Group 2024	<i>Group 2023</i>	College 2024	<i>College 2023</i>
	£'000	<i>£'000</i>	£'000	<i>£'000</i>
Other interest receivable	626	194	626	194
Net interest on defined pension liability	1,186	371	1,186	371
Total	1,812	565	1,812	565

9. Staff costs – Group and Partnership

a. Staff costs

	Group 2024	<i>Group 2023</i>	College 2024	<i>College 2023</i>
	£'000	<i>£'000</i>	£'000	<i>£'000</i>
Staff costs during the year were as follows:				
Salaries	28,498	28,369	28,322	27,783
Social Security Costs	2,485	2,451	2,470	2,399
Other Pension costs	4,506	5,027	4,488	4,979
	35,489	35,847	35,280	35,161
Contracted out Staffing Services	3,559	2,024	3,559	2,021
Staff restructuring costs	108	218	107	218
	39,156	38,089	38,946	37,400

	Group 2024	<i>Group 2023</i>	College 2024	<i>College 2023</i>
	£'000	<i>£'000</i>	£'000	<i>£'000</i>
Staff restructuring costs comprise:				
Redundancy payments	91	213	91	213
Other restructuring costs	17	5	16	5
	108	218	107	218

TEC PARTNERSHIP

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

b. Staff numbers

The average number of persons employed by the Group and the Partnership during the year was as follows:

	Group	<i>Group</i>
	2024 No.	<i>2023 No.</i>
Teaching Staff	414	325
Non-Teaching Staff	766	775
Total	1,180	1,100

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

	Key management personnel		Other staff	
	2024	2023	2024	2023
	No.	No.	No.	No.
£60,001 to £65,000 p.a	-	2	3	4
£65,001 to £70,000 p.a	2	1	2	1
£70,001 to £75,000 p.a	-	1	2	1
£75,001 to £80,000 p.a	-	-	1	1
£80,001 to £85,000 p.a	1	1	1	-
£85,001 to £90,000 p.a	-	-	-	-
£90,001 to £95,000 p.a	1	1	-	-
£95,001 to £100,000 p.a	-	-	-	-
£100,001 to £105,000 p.a	1	1	-	-
£150,001 to £155,000 p.a	-	1	-	-
£155,001 to £160,000 p.a	1	-	-	-
	6	8	9	7

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

c. Key management personnel

The key management personnel of the Group comprise the Governors and the Executive Leadership Team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the group was £855k (2023 -£965k)

	2024	2023
	£000	£000
Basic salary	630	700
Employers National Insurance	79	92
Pension contributions	146	173
Total key management personnel compensation	855	965

The above compensation includes amounts paid to the Chief Executive who is the Accounting Officer and who is also the highest paid member of staff. Their pay and remuneration are detailed as follows

10. Total CEO emoluments

	2024	2023
	£000	£000
Basic Salary	155	150
Pension Contributions	39	36
	194	186

The Partnership adopted AoC's Senior Staff Remuneration Code in July 2019 and assess pay in line with its principals.

The remuneration package for key management staff, including the Principal and the Chief Executive, is subject to annual review by the Remuneration Committee of the governing body who use benchmarking information to produce objective guidance.

The Partnership does operate two salary sacrifice schemes; the first is the Cycle to Work Scheme and the second, a Child Care Voucher Scheme, which is closed to new entrants, following the introduction of a tax-free scheme operated by HMRC.

TEC PARTNERSHIP

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

11. Relationship of the Chief Executive pay, and remuneration expressed as a multiple

	2024	2023
	£'000	£'000
CEO's basic salary as a multiple of the median of all staff	5.8	6.2
CEO's total emoluments as a multiple of the median of all staff	6.3	7.6

The CEO's basic salary is taken as £155k per pay scale. Staff salaries are calculated based on all staff salaries at their full-time equivalent. The total emoluments figure used is £194k, which encompasses the basic inclusive of expected pension payments and the median staff total emoluments is calculated on the same basis.

12. Severance and special payment

The group paid 16 severance and special payments in the year. This has been broken down into bands. Out of the 16, 3 of those payments were classified as special and therefore, have been categorised individually. Having taken professional advice in respect of the payment of £13,500, the advice was that the cost of defending a case of this nature far exceeds the cost of settlement, and therefore, it was commercially justifiable.

	No of Staff
£0 - £25,000	13

Special payments

	No of Staff
£900	1
£1,500	1
£13,500	1

13. Other Operating Expenses

	Group 2024	<i>Group 2023</i>	College 2024	<i>College 2023</i>
	£'000	<i>£'000</i>	£'000	<i>£'000</i>
Teaching costs	3,624	3,213	3,668	2,950
Non-teaching costs	3,916	3,283	4,036	3,482
Premises costs	9,088	9,344	9,086	10,481
Total	16,628	15,840	16,790	16,913

TEC PARTNERSHIP

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

Other operating expenses include:

	2024	<i>2023</i>
	£000	<i>£000</i>
Financial statements audit	83	85
Non-Audit Fee work	11	46
Internal audit fees	16	34
Hire of assets under operating leases	598	445

14. Access and Participation Expenditure (College only)

	2024	<i>2023</i>
	£000	<i>£000</i>
Access Investment	25	35
Financial Support	106	87
Disabled Students	38	48
Research	50	50
	<u>219</u>	<u>220</u>

15. Interest and other finance costs – Group and College

	2024	<i>2023</i>
	£000	<i>£000</i>
On bank loans, overdrafts, and other loans	330	346
Net interest on defined pension liability	-	-
Total	<u>330</u>	<u>346</u>

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

16. Investment property

	Freehold investment property £000
Group Valuation	
As at 1 August 2023	301
As at 31 July 2024	<u>301</u>

	Freehold investment property £000
College Valuation	
As at 1 August 2023	<u>301</u>
As at 31 July 2024	<u>301</u>

In the opinion of the Members of the value of the investment property has not moved materially from that disclosed in the prior year and carried out by Scotts Property LLP, external Chartered Surveyors on 23 November 2017. The basis of valuation was market value with the assumption of vacant possession and of other similar types of properties within the local area.

17. Members liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £NIL for the debts and liabilities contracted before he/she ceases to be a member.

TEC PARTNERSHIP

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

18. Tangible fixed assets

Group	Freehold property	Land	Furniture and equipment	Assets in the course of construction	Total
	£'000	£'000	£'000	£,000	£'000
Cost or valuation					
As at 1 August 2023	100,954	13,942	30,953	1,538	147,387
Transfer between classes	(300)	300	475	(475)	-
Additions	686	-	1,356	4,437	6,479
Disposals	(301)	-	-	(171)	(472)
	<u>101,039</u>	<u>14,242</u>	<u>32,784</u>	<u>5,329</u>	<u>153,394</u>
Depreciation					
As at 1 August 2023	33,347	-	18,504	-	51,851
Charge for the year	2,266	-	2,491	-	4,757
On disposals	(112)	-	-	-	(112)
	<u>35,501</u>	<u>-</u>	<u>20,995</u>	<u>-</u>	<u>56,496</u>
Net book value					
As at July 2024	<u>65,538</u>	<u>14,242</u>	<u>11,789</u>	<u>5,329</u>	<u>96,898</u>
As at July 2023	<u>67,607</u>	<u>13,942</u>	<u>12,449</u>	<u>1,538</u>	<u>95,536</u>

TEC PARTNERSHIP

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

18. Tangible fixed assets (continued)

	Freehold property	Land	Furniture and equipment	Assets in the course of construction	Total
	£'000	£'000	£'000	£,000	£'000
College					
Cost or valuation					
As at 1 August 2023	94,617	13,942	26,738	1,538	136,835
Transfer between classes	-	-	475	(475)	-
Additions	686	-	1,262	4,266	6,214
Disposals	(301)	-	-	-	(301)
Hive up Modal	3,602	300	1,690	-	5,592
	<u>98,604</u>	<u>14,242</u>	<u>30,165</u>	<u>5,329</u>	<u>148,340</u>
Depreciation					
As at 1 August 2023	32,313	-	15,969	-	48,282
Charge for the year	2,266	-	2,466	-	4,732
On disposals	(112)	-	-	-	(112)
	<u>34,467</u>	<u>-</u>	<u>18,435</u>	<u>-</u>	<u>52,902</u>
Net book value					
At July 2024	<u>64,137</u>	<u>14,242</u>	<u>11,730</u>	<u>5,329</u>	<u>95,438</u>
At July 2023	<u>62,304</u>	<u>13,942</u>	<u>10,769</u>	<u>1,538</u>	<u>88,553</u>

19. Interest in Subsidiaries

TEC Partnership has an interest in the following unlisted companies by means of issued ordinary share capital, all of which are companies incorporated in the United Kingdom and registered in England and Wales.

Name	Principal Activity	Interest Acquired	Holding
Grimsby College Trading Limited	Transport services	1995	100%
Modal Training Limited	Logistics training	2001	100%
Support Staff Services Limited	Support Staff	2012	100%

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

19. Interest in Subsidiaries (continued)

The above subsidiaries are included in the consolidated financial statements

20. Stocks

	Group 2024	<i>Group 2023</i>	College 2024	<i>College 2023</i>
	£'000	<i>£'000</i>	£'000	<i>£'000</i>
Finished goods and goods for resale	50	52	50	52
	50	52	50	52

21. Debtors and other receivables

	Group 2024	<i>Group 2023</i>	College 2024	<i>College 2023</i>
	£'000	<i>£'000</i>	£'000	<i>£'000</i>
Due within one year				
Trade debtors	763	577	727	449
Amounts owed by group undertakings	-	-	2,976	8,016
Other debtors	207	199	-	6
Prepayments and accrued income	2,184	2,622	2,143	2,537
Grants receivable	-	10	-	-
	3,154	3,408	5,846	11,008

The Partnership waived its loan with Modal Training Limited totalling £4,208,932, this figure has previously been partly impaired in the College's own financial statements.

22. Current asset investments

	Group 2024	<i>Group 2023</i>	College 2024	<i>College 2023</i>
	£'000	<i>£'000</i>	£'000	<i>£'000</i>
Funds on deposit	1,000	3,000	1,000	3,000
Total	1,000	3,000	1,000	3,000

TEC PARTNERSHIP

Notes to the Financial Statements (Continued) For The Year Ended 31 July 2024

23. Taxation

The members do not believe that the Partnership was liable for any Corporation tax arising out of its activities during either year.

24. Creditors: Amounts falling due within one year

	Group 2024	<i>Group 2023</i>	College 2024	<i>College 2023</i>
	£'000	<i>£'000</i>	£'000	<i>£'000</i>
Bank loans	600	600	600	600
Payments received in advance	6	6	6	6
Trade creditors	2,544	1,978	2,525	1,901
Amounts owed to group undertakings	-	-	-	794
Tax due to HMRC	1,053	1,075	1,341	1,076
Obligations under finance lease and hire purchase contracts	-	17	-	17
Other creditors	1,955	4,569	1,914	4,472
Accruals and deferred income	1,023	997	1,023	842
Holiday pay accrual	647	602	646	585
Deferred income – Government capital grants	2,811	2,501	2,811	2,501
Deferred income – Government revenue grants	274	892	274	892
	10,913	13,237	11,140	13,686

25. Creditors: Amounts falling due after more than one year

	Group 2024	<i>Group 2023</i>	College 2024	<i>College 2023</i>
	£'000	<i>£'000</i>	£'000	<i>£'000</i>
Bank loans	4,025	4,625	4,025	4,625
Other creditors	-	300	-	300
Deferred income – Government capital grants received.	42,190	34,954	42,190	33,921
	46,215	39,879	46,215	38,846

TEC PARTNERSHIP

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

26. Maturity of debt

	Group 2024	<i>Group 2023</i>	College 2024	<i>College 2023</i>
	£'000	<i>£'000</i>	£'000	<i>£'000</i>
Bank loans and overdrafts				
In one year or less	600	600	600	600
Between one and two years	600	600	600	600
Between two and five years	1,800	1800	1,800	1800
In five years or more	1,625	2,225	1,625	2,225
Total	<u>4,625</u>	<u>5,225</u>	<u>4,625</u>	<u>5,225</u>

Bank loans and overdrafts totalling £4,625,000 are secured on a portion of the freehold land and buildings of the Partnership. These loans and overdrafts are at 6.75% repayable by instalments, falling due between 1 August 2020 and 31 July 2034. The remaining element of the loan is non-secured loan and can be repaid at any time without penalty.

27. Provisions

	Defined benefit obligations	Enhanced Pensions	Totals
	£000	£000	£000
As at 1 August 2023	-	(1,417)	(1,417)
Assets not recognised	(6,844)	-	(6,844)
Charge to statement of comprehensive income	1,559	64	1,623
Actuarial (Gain)/Loss	<u>5,285</u>	<u>(77)</u>	<u>5,208</u>
As at 31 July 2024	<u>-</u>	<u>(1,430)</u>	<u>(1,430)</u>

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

The principal assumptions for this calculation are:

	2024	2023
Inflation Rate (CPI)	2.8%	2.8%
Interest Rate	4.8%	5.0%

Defined benefit obligations relate to the liabilities under the College's membership of the local Government Pension Scheme.

TEC PARTNERSHIP

Notes to the Financial Statements (Continued) For The Year Ended 31 July 2024

28. Capital and other commitments

	Group 2024	<i>Group 2023</i>	College 2024	<i>College 2023</i>
	£'000	<i>£'000</i>	£'000	<i>£'000</i>
Commitments contracted for as at 31 July	17,085	-	17,085	-
Total	17,085	-	17,085	-

29. Group and college lease obligations

As at 31 July, the Partnership had a minimum lease payment under non-cancellable operating leases as follows:

	2024	<i>2023</i>
	£000	<i>£000</i>
Future minimum lease payments due		
Land and buildings		
Not later than one year	409	316
Later than one year and not later than five years	582	449
Later than five years	545	54
	1,536	819
Other		
Not later than one year	140	125
Later than one year and not later than five years	89	196
	229	321
	1,765	1,140

30. Contingencies Restrictive land covenants

Land valuations has been based on the assumptions that restrictive covenants do not apply as TEC Partnership intends to use these assets for the foreseeable future. These covenants will only have an effect if TEC Partnership makes the decision to no longer use the associated land for educational purposes and therefore no provision is recognised within the valuation of the land in respect of covenants.

31. Events after the reporting period

The Chair resigned on 24 October 2024 and Ally Brook was appointed as the interim Chair for the Partnership.

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

32. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2024 £000	2023 £000
Net income/(expenditure) for the year (as per the Statement of Comprehensive Income and Expenditure)	1,894	1,948
Local Government Scheme		
Adjustments for:		
Depreciation of Tangible Fixed Assets	4,755	4,594
Amortisation of Intangible Fixed Assets	87	78
Interest receivable	(1,812)	(565)
Interest payable	330	346
Pension costs less contributions payable	(373)	252
Enhanced Pension charge	(77)	-
Increase in stock	2	19
(Increase) in debtors	255	(1,410)
(Increase)/decrease in creditors due within one year	(2,306)	2,401
Increase in creditors due after one year	6,937	673
Increase /(decrease) in provisions	13	(105)
Loss on sale of assets	126	-
	<hr/>	<hr/>
Net cash provided by operating activities	9,831	8,231

33. Cash flows from financing activities

	Group 2024 £000	Group 2023 £000
Interest paid	(330)	(367)
Repayments of borrowing	(617)	(635)
Net cash used in financing activities	(947)	(1,002)

TEC PARTNERSHIP

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

34. Cash flows from investing activities

	Group 2024 £000	<i>Group 2023 £000</i>
Dividends, interest, and rents from investments	401	219
Purchase of current asset investments	-	(3,000)
Maturity of current asset investments	2,224	-
Proceeds from sale of tangible assets	235	-
Purchase of intangible assets	(84)	(66)
Purchase of tangible fixed assets	(6,479)	(5,201)
Net cash used in investing activities	(3,703)	(8,048)

35. Analysis of cash and cash equivalents

	Group 2024 £000	<i>Group 2023 £000</i>
Cash in hand and at bank	17,571	12,390
Total cash and cash equivalents	17,571	12,390

36. Group cash and cash equivalents and analysis of net debt

	At 1 August 2023 £000	Cash Flows £000	Other non- cash changes £000	At 31 July 2024 £000
Cash at bank and in hand	12,390	5,181	-	17,571
Debt due within 1 year	(600)	600	(600)	(600)
Debt due after 1 year	(4,625)	-	600	(4,025)
Finance leases	(17)	17	-	-
	7,148	5,798	-	12,946

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

37. Defined benefit obligations

The Partnership's employees belong to two principal post-employment benefit plans: The Teachers' Pension Scheme in England and Wales (TPS) for academic and related staff; and the East Riding Local Government Scheme (LGPS) for non-teaching staff. 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 at 31 March 2020 and of the LGPS 31 March 2022.

	2024	2023
	£000	£000
Total pensions cost for the year		
Teachers' Pension Scheme: Contributions paid	1,821	2,637
Local Government scheme		
Contributions Paid	1,771	1,920
FRS102(28) charge	(373)	252
Charge to the Statement of Comprehensive Income	1,398	2,172
Enhanced pension charge to the statement of comprehensive income	82	33
Nest Pension	439	530
Total Pension Cost for Year within staff costs	3,740	5,372

Teachers' Pension schemes

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

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

Under the definitions set out in FRS102 (28.11), the TPS is a multi-employer pension plan. The Partnership is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the Partnership has taken advantage of the exemption in FRS102 and has accounted for its contributions to the scheme as if it were a defined contribution plan. The Partnership has set out above the information available on the plan and the implications for the Partnership in terms of the anticipated contribution rates.

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

The latest actuarial review of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department of Education (The Department) in October 2023. The valuation reported total scheme liabilities (pension currently in payment and the estimated cost of future benefits) for service to the effective date of £262 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222 billion giving a notional past service deficit of £40 billion (compared to £22 billion in the 2016 valuation).

**Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024**

As a result of the valuation, new employer contribution rates were set at 28.68% of pensionable pay April 2024 (compared to 23.68% during 2018/9)

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

In June 2023 the High Court ruled in the case of Virgin Media Limited v NTL Pension Trustees. The ruling was that certain pension scheme rule amendments were invalid if they were not accompanied by the correct actuarial confirmation.

This High Court ruling was appealed. In a judgment delivered on 25 July 2024, the Court of Appeal unanimously upheld the decision of the High Court.

At the date of approval of these financial statements, while it is known there is potential for additional pension liabilities to be recognised as a result of this ruling, the impact in monetary terms is not known and it is reasonable to form the view that it is not reasonably estimable. Accordingly, no adjustments to reflect the impact of the ruling have been made in these financial statements.

The Partnership will continue to monitor the developments and consider the impact on the LGPS liabilities recognised by the College.

The pension costs paid to TPS in the year amounted to £2,194k (2023: £2,636k).

Local Government Pension Scheme

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by East Riding Local Authority. The total contributions made for the year ended 31 July 2024 were £2.2m, of which employer's contributions totalled £1,771k and employees totalled £423k. The agreed contribution rates for future years are 25.1% for the Partnership and range from 5% to 12.5% for employees, depending on salary according to a national scale.

The following information is based upon a full actuarial valuation of the fund 31 March 2022 updated to 31 July 2024 by Hymans Robertson.

	2024	2023
Rate of increase in Salaries	2.75%	3.00%
Future pension increases	2.75%	3.00%
Discount rate for scheme Liabilities	5.00%	5.05%
Inflation assumption (CPI)	2.80%	3.00%
Commutation of pensions to lump sums	80%	80%

TEC PARTNERSHIP

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

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

	31st July 2024 years	31st July 2023 years
Retiring today		
Males	20	21.1
Females	20	24
Retiring in 20 years		
Males	20	21.9
Females	20	25.5

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

	2024 £000	2023 £000
Equity instruments	78,464	69,619
Debt instruments	16,965	16,438
Property	8,483	8,702
Cash	2,121	1,934
Total fair value of plan assets	106,033	96,693
Actual return on plan assets	4,753	(1,602)

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

	2024 £000	2023 £000
Fair value of plan assets	106,033	96,693
Present value of plan liabilities	(75,897)	(73,410)
Amount not recognised	(30,136)	(23,283)
Net Pensions	-	-

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

	2024 £000	2023 £000
Amounts included in staff costs		
Current service costs	1,348	2,164
Past Service Cost (including curtailment)	50	-
Total	1,398	2,164

TEC PARTNERSHIP

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

Amounts included in investment income

	2024	2023
	£000	£000
Net interest income/costs	1,186	371
Total	1,186	371

Amounts recognised in other comprehensive income

	2024	2023
	£000	£000
Return on pension plan assets	4,753	(1,602)
Experience losses arising on defined benefits obligations	(2,477)	(8,644)
Changes in assumptions underlying the present value of plan liabilities	3,009	22,667
Asset not recognised	(6,844)	(12,540)
Amounts recognised in other comprehensive income	1,559	(119)

Movement in net defined benefit asset during the year

Asset and Liability Reconciliation

	2024	2023
	£000	£000
Changes in the present value of defined benefit obligations		
Defined benefit obligations at start of period	73,410	85,688
Current service cost	1,398	2,164
Interest cost	3,690	3,009
Contributions by Scheme participants	423	474
Experience gains and losses on defined benefit obligations	2,477	6,714
Changes in demographic assumptions	-	(119)
Changes in financial assumptions	(3,009)	(22,548)
Estimated benefits paid	(2,492)	(1,972)
Defined benefit obligations at end of period	75,897	73,410

TEC PARTNERSHIP

Notes to the Financial Statements (Continued)
For The Year Ended 31 July 2024

	2024	2023
	£000	£000
Changes in fair value of plan assets		
Fair value of plan assets at the start of the period	96,693	96,423
Interest on plan assets	4,876	3,380
Experience gains and losses on defined benefit obligations	-	(1,930)
Return on plan assets	4,753	(1,602)
Employer contributions	1,780	1,920
Contributions by Scheme participants	423	474
Estimated benefits paid	(2,492)	(1,972)
Fair value of plan assets at the end of the period	106,033	96,693

38. Related party transactions

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

Total expenses paid to or on behalf of the governors was £1,253; 6 governors (2023: £390; 2 governors). This represents travel and subsistence expenses and other out of pocket expenses incurred in attending board meetings and charity events in their official capacity.

No governor has received any remuneration or waived payments from the Partnership or its subsidiaries during the year (2023: none).

39. Intercompany related party transactions

The below table details the sales and purchases between subsidiaries and the college. The closing balance per the intercompany accounts is below.

	Support Staff Services Ltd. £'000	Modal Training Ltd. £000	Grimsby College Trading Ltd. £'000
Opening balance	3,500	8,741	(794)
Consolidated on merger	-	(8,741)	-
Total recharges to	7,646	-	3,910
Total recharges from	(7,646)	-	(2,546)
Total sales	-	-	64
Total purchases	-	-	(504)
Closing Balance	3,500	-	130

TEC PARTNERSHIP

Notes to the Financial Statements (Continued) For The Year Ended 31 July 2024

40. Amounts disbursed as agent – Learner support funds

	2024	2023
	£000	£000
Balance brought forward	1,024	584
Funding body grants	1,264	1,221
Disbursed to students	(1,104)	(762)
Administration fees	(19)	(19)
	1,165	1,024

41. Modal Training Limited

As of 1 August 2023, Modal Training Limited ceased to operate in its own capacity and instead combined with TEC Partnership as part of a hive up process. The combination has been accounted for in the financial statements as a merger as of 1 August 2023.

As of 31 July 2023, Modal Training Limited reported the following position:

	£000
Retained earnings as at 1 August 2022	(3,984)
Loss for the period	(225)
Retained earnings as at 31 July 2023	(4,209)
 Total fixed assets	 5,609
Total current assets	189
Total current liabilities	(8,975)
Total non-current liabilities	(1,032)
	(4,209)

On 1 August 2023 TEC Partnership assumed ownership of all the assets and liabilities as detailed above with the difference treated as a capital contribution in Modal Training Limited. Following the transfer all that remains in Modal is £2 of share capital.