



ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended 31 July 2025

CAPITAL CITY COLLEGE GROUP

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

CAPITAL CITY COLLEGE GROUP

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CAPITAL CITY COLLEGE GROUP

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CORPORATION, ITS GOVERNORS AND ADVISERS FOR THE YEAR ENDED 31 JULY 2025

Governors	<p>Michael Davis, Chair from 24 October 2024 Alastair Da Costa, Chair until 24 October 2024 (resigned 17 December 2024) Ali Aktar (appointed 16 July 2025) Angela Herbert (resigned 3 September 2024) Angela Joyce Caroline Baxter (appointed 1 January 2025) Chris Hyams Christina Beeden (appointed 1 January 2025) Gillie Abbotts-Jones (appointed 1 September 2025) Hafsa Momand (appointed 1 September 2025) Katherine Chapman (appointed 1 January 2025) Lars Andersen (appointed 1 January 2025) Jamal Muhamud (resigned 31 August 2024) Mary Stiasny Michelle Cuomo Boorer (appointed 1 September 2025) Nana Brew Nicole Morgan Praful Nargund Rowda Ali (resigned 31 August 2024) Sarah-Jane Eglan Sharon Saxton Shehrebhanu Sathaliawala Stephen Day (appointed 1 January 2025) Toyin Odutayo (resigned 26 March 2025) Vincent Egunlae (resigned 25 September 2025) Weiye Kou</p>
Registered office	<p>211 Gray's Inn Road London WC1X 8RA</p>
Company secretary	<p>Graham Drummond</p>
Key Management Personnel	<p>Angela Joyce, Chief Executive and Accounting Officer Christine Bianchin, Group Principal Adults and HE David Dangana, Chief Learning Officer Graham Drummond, Group Director of Governance Jackie Rusling, Director of Management Information Jacqueline Chapman, Group Principal Apprenticeships, Partnerships and Innovation Jasbir Sondhi, Group Principal, Young People, English, Maths and SEND Jeremy Wells, TIS Director Neill Scott, Director of Estates and Facilities Pablo Hepworth Lloyd, Strategic Adviser Roger Bevan, Chief Finance Officer Sarah Ventham, Director of Finance Simon Downing, Chief Commercial Marketing Officer Stewart Cross, Director of Business Intelligence and Planning Trovene Hartley, Chief People Officer</p>

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CORPORATION, ITS GOVERNORS AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025**

Independent auditors	MHA Chartered Accountants 6th Floor 2 London Wall Place London, United Kingdom EC2Y 5AU
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP
Internal Auditor	RSM Risk Assurance Services LLP One London Square Cross Lanes Guildford Surrey GU1 1UN
Solicitors	Eversheds Sutherland (International) LLP Bridgewater Place Water Lane Leeds LS11 5DR Shakespeare Martineau No 1 Colmore Square Birmingham B4 6AA
Actuary	Barnett Waddingham LLP Cheapside House 138 Cheapside London EC2V 6BW

CAPITAL CITY COLLEGE GROUP

STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2025

Overview

The College has continued to build on its positive educational reputation this year. It was assessed as 'Good' overall and 'strong' for skills by Ofsted in 2022/23. Student achievement and progression have continued at consistently high levels.

With the largest Further Education student population in London, it has continued to develop strong relationships with key stakeholders and employers in London including delivery of the Mayor of London's Skills Academies.

In October 2024 Michael Davis was appointed as Chair, taking over from Alastair Da Costa who had served in the role for 8 years.

During the year, the College achieved educational earnings before interest, tax, depreciation and amortisation (EBITDA) of £6.0m and an operating deficit of £1.1m. Growth in educational funding from government continues to fall behind inflation, however effective controls over costs and efficiencies have held deficits within planned levels with the goal of breaking even or better by 2027/28.

OBJECTIVES AND STRATEGIES

Legal status

The Corporation was established under the Further and Higher Education Act 1992 for the purposes of providing education and training. Its legal name as defined by this legislation was The WKCIC Group and this was formally changed to Capital City College Group in May 2024. It is an exempt charity for the purposes of Part 3 of the Charities Act 2011.

The financial statements are prepared on a consolidation basis and include VSPARK CIC and Capital City College Enterprises Limited. Apprenticeship First Limited is excluded from the consolidated financial position reported because it is dormant and not material.

Vision, Values and Strategy

The College is committed 'To create a future that is uniquely yours'.

In 2025 a new corporate plan was adopted that focuses on six success factors:

CAPITAL CITY COLLEGE GROUP

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 JULY 2025**

SUCCESS FACTORS

Quality

Achieve excellence in all key areas of provision

Community

Support our communities and drive social progress through education.

People

Build a high performing team and culture; offering flexible working, professional development and work life balance



Student

Deliver an inclusive curriculum that responds to regional, national and global economic demands which develops active citizens .

Economic

Embrace innovation and technological advancement.

Financial

Build financial resilience and sustainability to maintain high quality education and skills provision



Staff, Campuses and Students

The College has an exceptional workforce of teaching, support and administrative staff. During the year the average staff headcount was 1,762 operating on 12 campuses which account for the majority of the net assets valued at £327m in the balance sheet.

The College enrolled 32,159 students during the year including 1,501 apprentices and 501 high needs students.

During the year, significant investment and improvement was initiated in campuses at Soho, Tottenham, Holloway and Angel. Most of this work will be completed in 2025/26.

Stakeholders

The College's stakeholders include :

- Students and alumni
- Staff
- Employers
- The Greater London Authority
- The Department of Education
- The Office for Students
- London Boroughs
- Other local authorities
- London Partnership Board
- The local community
- Other Higher Education and Further Education institutions
- The trade unions for which staff are members, namely the University and College Union, the National Education Union and Unison
- Professional bodies

CAPITAL CITY COLLEGE GROUP

STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2025

Public Benefit

- The College is an exempt Charity under Part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education. In setting and reviewing the College's strategic objectives, the Governing Body has had due regard for the Charity Commission's guidance on public benefit and particularly upon its supplementary guidance on the advancement of education.
- In delivering its mission, the College provides the following identifiable public benefits through the advancement of education to students:
 - Delivering high-quality teaching to learners which challenges them to meet their potential.
 - Delivering a flexible, relevant and responsive curriculum that meets the needs of learners, employers and government.
 - Removing the barriers to accessing education for all: providing free education where possible, building appropriate provision for the local community and supporting those with low prior attainment or who have had a previously poor experience of education.
 - Building sector-specific skills to improve learners' employment prospects in the highly competitive London labour market.
 - Placing employer need, partnership and engagement at the heart of curriculum development.
 - Providing industry experts who teach with energy and passion for their sector and motivate students to be the best that they can be.
 - Providing industry-standard equipment and facilities for learners so they are prepared for the sectors they are preparing to work in.
 - Developing learners' enterprise and entrepreneurship skills so they can successfully launch new ventures.
 - Providing high quality and practical careers advice and guidance to support our learners' progression to employment and further study.
 - Having a robust professional development offer for all staff, including sector/industry exchanges, mentoring and secondments.

DEVELOPMENT AND PERFORMANCE

Financial results

The College had a positive educational EBITDA of £6.0m and an operating deficit of £1.1m for 2024/25. These are significantly better than the original budget for the year, and an operating deficit reduction of £3.4m versus 2023/24 due to improved income of £9.7m which is offset by £5.1m increase in Pay costs.

The College reviewed the value of its investment in 01Founders and, because of trading and financial performance below planned levels, has made an impairment provision adjustment of £250k.

Restricted Cash - £10.2m unspent as at 31st July 2025 (2023/24 £6.5m), this must be used within 1 year or returned.

The College has no borrowing and a £7.1m net cash inflow from 2024/25 operating activities (2023/24 £2.3m). At 31 July 2025 the College held £28.1m (2023/24 £25.6m) of cash and cash equivalents, of which £15.4m is earmarked for investment in capital projects initiated in 2025/26.

Tangible fixed asset additions during the year amounted to £19.7m. During the year, significant investment and improvement was initiated in campuses at Soho, Tottenham, Holloway and Angel. Most of this work will be completed in 2025/26.

In 2024/25 the actuarial valuation suggests the pension surplus has increased from £18.9m to £41.2m. As the College has no means of accessing this surplus, in common with standard practice, it does not recognize this asset in the accounts.

CAPITAL CITY COLLEGE GROUP

STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2025

Sources of Income

The College continues to rely on the education sector funding bodies, largely from recurrent grants. In 2024/25 the FE funding bodies provided 87% of the College's total income.

Reserves

The College had accumulated reserves of £327m. In line with its reserves policy, the College wishes to maintain reserves and cash balances in order to support its estates strategy and ensure a sustainable financial position in the long term. The College reviewed the reserves policy at year end and determined that retention of cash balance of at least £15m and 40 cash days on a monthly basis should be maintained.

Companies

The College has three wholly owned subsidiary companies, Apprenticeships First Limited (AFL), a dormant company limited by guarantee, Capital City College Enterprises (CCCE) which provides estates and facilities management services and VSPARK CIC, a community interest company limited by shares.

Capital City College Enterprises (CCCE) delivered a surplus of £0.17m and remains a going concern because of its contract to supply services to the College.

VSPARK CIC, directors have reviewed the company's financial position and decided that the company will become dormant in the next year. The main transactions in the following year will be to pay the loan back to the parent company and get to a NIL cash position. There are no plans for the company to be liquidated and wound up, but instead it will remain dormant for the foreseeable future.

The College also has a 32.21% interest in 01 Founders, an innovative coding school training full stack software developers.

FUTURE PROSPECTS

Future Developments

The College is in a good financial position with no borrowing and healthy reserves. It is focused on turning round the annual deficit in the medium term by maintaining high standards of education, continuing to improve financial efficiency, growing student recruitment and investing in its estate. Cash reserves have increased in year by £2.6m.

In October 2024, the College created a new brand identity which unites its activities under the name of Capital City College, while each of its campuses retains its unique character. This is underlined by the College's major capital investment projects in its Soho, Holloway, Tottenham and Angel campuses which was mostly completed in 24/25

The College continues to work closely with colleagues and union representatives internally and stakeholders externally in London and nationally. It continues to improve its curriculum to serve the needs of students and the labour markets into which they progress. A new 5-year strategic plan was developed in 2025 to establish long- and short-term priorities.

CAPITAL CITY COLLEGE GROUP

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 JULY 2025**

Treasury Policy and Objectives

The College has treasury management arrangements in place to manage cash flows, banking arrangements and money market transactions and the risks associated with those activities. The College has no borrowings. The college has enrolled with Insignis to utilise the cash balances of £5m to maximise returns whilst managing risk.

Reserves Policy

The College has a reserves policy in place for 2025/26 year which has been reviewed by the Audit Committee. The college adopted a Reserves Policy during 2024-5 to guide financial decision-making in future. The policy gives guidance on the minimum level of cash working capital and unrestricted reserves balances to ensure the college can both meet any short-term obligation but also ensure long-term sustainability. The reserves policy is not the only means of assessing going concern but contributes to this. The college keeps cash and reserves to ensure that it meets unexpected costs, deals with income shortfalls resulting from enrolment reductions of government funding changes and meet the future costs of improving the buildings and reducing carbon emissions.

PRINCIPAL RISKS AND UNCERTAINTIES

The College has well developed strategies for managing risk. It has undertaken further work during the year to develop and embed the systems of internal financial and operational control, as well as risk management to protect the College’s assets, reputation and financial stability. The Corporation has overall responsibility for risk management and internal controls, which is explained in the statement of governance.

Based on the strategic priorities, a Risk Management Group, consisting of senior leaders chaired by the Director of Governance, meets termly to undertake a comprehensive review of the risks to which the College is exposed. It identifies and rates risks, identifies control systems and procedures to mitigate their potential impact and reviews their effectiveness.

The Risk Management Group produces a risk register, which is overseen at each meeting of the Audit Committee and reviewed at least annually by the Corporation, more frequently where necessary. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the College and the actions being taken to mitigate them. Risks are prioritised using a consistent scoring system.

Key Risks in 2024/25	Key Mitigating Actions
Cyber-security	The College has a comprehensive business continuity plan which is regularly tested and updated. An IT Controls Audit is conducted annually and recommendations acted on. CyberEssentials certification is maintained and an annual review of preventative measures is undertaken to offset the growing cyber-security risk.

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FOR THE YEAR ENDED 31 JULY 2025**

<p>Quality of education</p>	<p>Quality of education is now consistently good, but continues to be closely managed, supported and improved through Heads of Teaching and Learning and the Director of Quality. The Chief Learning Officer regularly reviews systems and processes to ensure that teaching and learning is subject to a continual improvement mindset.</p> <p>A comprehensive programme of professional development and the cycle of self-assessment and improvement planning ensures the senior leaders are aware of strengths and areas to improve, and report progress regularly to Governors.</p>
<p>Recruitment of learners</p>	<p>Investment in marketing, school liaison, additional open days and streamlined application processes have increased recruitment for two years running and further improvements are under way.</p> <p>Recruitment activity is monitored daily, with gaps identified and acted on.</p> <p>Sub-contracting is being reduced to build internal capabilities, some subcontracted provision remains in specialist areas.</p>
<p>Financial health</p>	<p>The College is rated 'good' by DfE's financial health assessment mainly because of the strong balance sheet. However, annual operating deficits continue and efficiency improvement and strengthening of student recruitment continue to be priorities.</p> <p>Monthly management accounting and quarterly forecasting provide the College with predictable performance which is overseen by the Finance & General Purposes Committee.</p> <p>Funding for capital projects has been secured to ensure the estate continues to be developed, updated and run more cost effectively.</p> <p>A strategic plan is now being developed to ensure deficits reduce and are eliminated altogether within 5 years.</p>
<p>Staff motivation</p>	<p>The College undertakes annual staff surveys and termly 'pulse' surveys to gauge motivation and concerns. Resulting action plans have led to the creation of an Equity, Diversity and Inclusion Committee, a wellbeing review and a comprehensive programme of professional development, including a leadership and management development programme for all leaders and managers.</p> <p>Pay rates continue at are near the top of the FE sector.</p> <p>The College continues to meet regularly with trade unions and work to implement resolutions to issues raised.</p>
<p>Compliance</p>	<p>Safeguarding and health and safety have designated leads, with regular oversight by senior leaders and Governors and training for all staff. Policies are regularly reviewed and monitored for compliance, including compliance with public sector standards and regulations. The procurement policy and procedures have been updated to meet the terms of the Procurement Act 2023.</p>

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**STRATEGIC REPORT
FOR THE YEAR ENDED 31 JULY 2025**

KEY PERFORMANCE INDICATORS

The College sets and regularly monitors key performance indicators. The following are the key indicators showing actual performance against plan.

Key performance indicator re student recruitment and finance	Budget 2024/25	Actual 2024/25
16-18 Learner Numbers	8,957	9,362
Education specific EBITDA as % of Adj Income	3.9%	4.5%
Operating deficit	£3.3m	£1.1m
DfE Financial Health	Good	Outstanding
Cash days in hand	44	66
Borrowing	Nil	Nil
Pay/turnover %	67.5%	67.4%

DfE Financial health score of Outstanding is by virtue of a strong cash position.

Students continue to prosper at the College as measured by achievement of educational goals.

Key performance indicator re student achievement	Actual 2023/24	Actual 2024/25
16-18	85.6%	88.2%
Adults	93.2%	93.9%
Overall	90.7%	91.9%

At the last OFSTED Inspection in December 2022 the college was graded as ‘Good’ overall and ‘Strong’ for skills.

Payment Performance

The Late Payment of Commercial Debts (Interest) Act 1998, in the absence of agreement to the contrary, requires organisations to make payments to suppliers within 30 days of either the provision of goods or services or the date on which the invoice was received. The target set by the Treasury for payment to suppliers within 30 days is 95 per cent. During the accounting period 1st August 2024 to 31 July 2025, the College paid 72% of its invoices within 30 days of the invoice date and 98% within 30 days of the invoice registered date. The primary causes of delays were missing or incorrect purchase order information on supplier invoices.

EQUITY, DIVERSITY AND INCLUSION

Gender Pay Gap

The data presented below is based on data captured as of 31 March 2025:

Mean Gender Pay Gap	5.35%
Median Gender Pay Gap	7.67%
Mean Gender Bonus Pay Gap	0%
Median Gender Bonus Pay Gap	0%
Mean Ethnicity* Pay Gap	8.7%
Median Ethnicity Pay Gap	11.1%
Mean Disability* Pay Gap	-4.7%
Median Disability Pay Gap	-4.0%

* 18.12% of staff have not disclosed their disability status and 15.3% of staff have not disclosed their ethnicity status.

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STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2025

The College employs 61.41% women and 38.59% men. Women make up the largest group of employees in the lowest pay quartile at 67.74% and in the lower middle quartile at 58.06%. This trend continues in the top and upper middle quartiles with women representing 51.90% and 58.94% respectively.

The College's mean gender pay gap remains below the national average of 13.9% and our median gender pay is less than the national median gender pay gap of 14.9%. We also compare favourably to the education sector (22.2% median and 16.1% mean).

The College is committed to equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability. The College continues to monitor our progress and specifically review the number of men and women:

- applying for jobs and being recruited.
- applying for and getting promotions.
- leaving our organisation and their reasons for leaving.
- in each role and pay band.
- working flexibly and their level within our organisation.

Equity Diversity and Inclusion (EDI) Statement

The College is committed to equity, diversity and inclusion in all our activities for everyone who learns and works here. We respect and value differences in age; disability (including mental health); sex; gender identity; race (which includes ethnic or national origins and caste); religion or belief; sexual orientation; marital or civil partnership; maternity and pregnancy; and economic and social background.

The College is a place where:

- Students are at the heart of all that we do
- All who learn and work here have the opportunity to participate fully and achieve their full potential
- Physical, social and economic barriers to access are minimised
- The environment is welcoming and supportive
- Teaching and learning are the key to our success
- All who work or study accept the responsibility to uphold equality and show fairness, courtesy and respect to others
- Compliance with all current equalities' legislation in employment and provision of teaching and services and procurement

How We Show Our Commitment

We share a responsibility for upholding the College's values and as a community we will:

- Provide an environment which promotes and celebrates equity, diversity and inclusion and actively values and respects differences
- Ensure staff and students are equipped to recognise diversity and challenge discrimination
- Investigate all allegations of bullying, discrimination, harassment and victimisation sensitively
- Monitor the curriculum and outcomes of learning to ensure they are free from discrimination and reflect the needs of the wider community we serve
- Monitor and evaluate the effectiveness of equity, diversity and inclusion policies, procedures and practices
- Work to ensure equality of access and the diversity of resources within the curriculum and the learning environment
- Face up to the challenge of improving year on year as an organisation with a strong track record in equity and one which listens to and values all its students and staff

CAPITAL CITY COLLEGE GROUP

STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2025

- Aspire to excellence and ensure that quality and equity are the responsibility of all of us who learn and work here
- Work with suppliers who are committed to equity, diversity and inclusion

Disability Statement

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

- The College has appointed staff who provide information and advice and arrange support where necessary for students with disabilities/learning difficulties.
- There is a range of specialist equipment, e.g. hearing loops which the College can make available for use by students alongside a range of assistive technology.
- Within the respective Admissions policy there are details on how to complain against a decision not to offer a place, linked to the Complaints policy.
- The College has appointed lecturers with specialisms to support students with learning difficulties and/or disabilities. There are a number of student support assistants who can provide a range 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 College's prospectus, and achievements and destinations are recorded and published in the standard College format.
- Counselling and welfare services are described in each College's Student Guide, which are available to students together with details on the Complaints and Disciplinary Procedure which are covered as part of induction and at other times throughout the year.

The EDI Annual Report 24-25 is available [here](#). The EDI strategy has been incorporated into the new People & Culture Strategy which is currently under review with implementation commencing from January 2026. The agreed EDI four year road map is below for information.

CAPITAL CITY COLLEGE GROUP

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 JULY 2025**

Equity Diversity Inclusion (EDI) Roadmap 2024-2027

	Phase 1: Assessment and Visioning (2024-5) <ol style="list-style-type: none"> 1. Review EDI Findings: Thoroughly analyse the recent EDI report to identify key themes, challenges, and immediate priorities. 2. Set Clear Objectives: Develop clear, measurable objectives based on these findings. Objectives should be SMART (Specific, Measurable, Achievable, Relevant, Time-bound). 3. Define EDI Vision and Values: Establish an overarching vision for EDI that aligns with the college's mission and values. Engage key stakeholders for buy-in. 4. Stakeholder Engagement: Create a diverse EDI working group with students, staff, and community representatives to foster inclusivity in planning. 5. Baseline Data Collection: Collect data on student and staff demographics, retention, and success rates to measure progress over time.
	Phase 2: Strategy and Planning (2025-6) <ol style="list-style-type: none"> 1. Further refine and develop the EDI action plan. Outline specific initiatives, policies, and interventions aimed at addressing areas highlighted in the EDI review. 2. Resource Allocation: Identify and allocate resources, including budget, technology, and personnel, needed for EDI initiatives. 3. Training and Development: Develop or update mandatory EDI training programs for staff, students, and leadership. 4. Policy Review: Assess existing policies (hiring, admissions, retention, etc.) to ensure they promote equitable practices and modify them as needed. 5. Accountability Mechanisms: Establish accountability measures, such as EDI performance metrics and regular reporting.
	Phase 3: Implementation (2026-7) <ol style="list-style-type: none"> 1. Initiative Roll-Out: Begin implementing the action plan, starting with high-priority initiatives. 2. Awareness Campaigns: Launch EDI awareness campaigns within the college to foster a culture of inclusion and belonging. 3. Leadership Development: Offer specific training and mentorship to leadership to champion EDI initiatives effectively. 4. Resource Creation: Develop EDI resources (guides, toolkits, and support networks) to assist students and staff. 5. Data Tracking: Implement a system for tracking progress on key metrics (e.g., diversity in hiring, student achievement gaps).
	Phase 4: Evaluation and Adjustment (2026-7) <ol style="list-style-type: none"> 1. Regular Progress Reports: Issue quarterly or biannual reports on EDI initiatives, outcomes, and lessons learned. 2. Feedback Mechanisms: Set up a feedback loop with stakeholders, ensuring EDI efforts meet the needs of the community. 3. Adjust Action Plan: Modify the action plan based on feedback, new challenges, or changing college priorities. 4. Celebrate Successes: Recognize and celebrate milestones, ensuring progress is shared with the college community. 5. Sustainability Planning: Consider long-term sustainability by embedding successful initiatives into college operations and culture.
	Phase 5: Long-Term Embedding (2027) <ol style="list-style-type: none"> 1. Embed EDI in Core Practices: Integrate EDI principles into hiring, curriculum design, campus activities, and student services. 2. Leadership Succession for EDI: Ensure ongoing leadership in EDI by establishing a long-term governance model. 3. Community Engagement: Continue building partnerships with external organizations to enhance EDI practices. 4. Monitor Impact Over Time: Regularly evaluate the impact of EDI initiatives on student and staff satisfaction, retention, and achievement. 5. Review and Evolve: EDI needs are dynamic, so plan for annual reviews of the roadmap to evolve with emerging needs and trends.

TRADE UNION FACILITY TIME

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

Numbers of employees who were relevant trade union officials during the relevant period	FTE
34 (including 1 HPL)	29.5

Percentage of time	Number of employees
0%	0
1-50%	34
51-99%	0
100%	0

Total cost of facility time	£160k
Total pay bill	£82m
Percentage of total bill spent on facility time	0.2%

Time spent on paid trade union activities as a percentage of total paid facility time	100%
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CAPITAL CITY COLLEGE GROUP

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 JULY 2025**

Going Concern

The corporation considers that the College has adequate resources to continue in operational existence for the foreseeable future.

The College has no borrowing and healthy reserves and has put efficiency measures in place to reduce the annual deficit by £1.6m in 24/25 and aims to achieve breakeven or better by 27/28, with detailed priorities now set as of the new 5 year strategy. Overall, cash reserves will reduce over the next two years but are forecast to remain at appropriately positive levels.

Reserves Policy was updated October 2025 and outlines that the college should have cash balance of at least £15m and a minimum of 40 cash days on a monthly basis in order to support its financial resilience and comply with the college financial handbook.

The College therefore continues to adopt the going concern basis in preparing the financial statements.

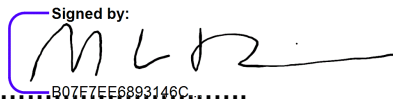
Events after the end of the Reporting Period

None.

Disclosure of Information to Auditors

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

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

Signed by:


.....B07E7EE6893146C.....

Michael Davis
Chair

Date: 12/17/2025

CAPITAL CITY COLLEGE GROUP

**STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL
FOR THE YEAR ENDED 31 JULY 2025**

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

The College endeavours to conduct its business:

- I. in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
- II. in accordance with the guidance to the Charity Governance Code (“the Code”); and
- III. having due regard to the UK Corporate Governance Code 2024 insofar as it is applicable to the further education sector.

In the opinion of the Board, the College conducts itself in line with the provisions of the Code, and it has complied throughout the year ended 31 July 2025. This opinion is based on a self-assessment of its governance arrangements against the code and reported to the Search and Governance Committee at its meeting in May and to the Board in July 2025. The Board recognises that, as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times.

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

The Corporation

The members who have served on the Corporation up to the date of signature of this report are as listed in the table below.

Name	Status of Appointment	Date of Appointment and re-appointment	Current Term of office	Date Term ends (or resignation if earlier)	Committees Served	Corporation meeting attendance rate 2024/25
Alastair Da Costa <i>(Chair until 24/10/24)</i>	Independent	20.7.16 11.7.18 26.5.22	3 years	17.12.24	Remuneration, Search and Governance <i>(Chair)</i> , Finance and General Purposes	33%
Michael Davis <i>(Chair from 25/10/24)</i>	Independent	1.1.24	4 years	1.1.28	Search and Governance, Remuneration, Finance and General Purposes	100%
Sharon Saxton <i>(Vice Chair)</i>	Independent	13.3.20 14.12.24	4 years	13.3.28	Remuneration <i>(Chair)</i> , Search and Governance, Audit	86%

CAPITAL CITY COLLEGE GROUP

**STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL
FOR THE YEAR ENDED 31 JULY 2025**

Name	Status of Appointment	Date of Appointment and re-appointment	Current Term of office	Date Term ends (or resignation if earlier)	Committees Served	Corporation meeting attendance rate 2024/25
Chris Hyams	Independent	10.7.19 25.5.23	4 years	31.7.27	Audit (<i>Chair and member until 4.2.25</i>), Finance and General Purposes (<i>Chair and member from 4.2.25</i>), Remuneration, Search and Governance	86%
Toyin Odutayo	Independent	28.5.21	4 years	1.4.25	Audit, Search and Governance	40%
Praful Nargund	Independent	1.1.24	4 years	1.1.28	Audit	86%
Sarah-Jane Eglan	Independent	1.1.24	4 years	1.1.28	Search and Governance, Audit (<i>Chair from 4.2.25</i>)	86%
Nicole Morgan	Independent	1.2.22	4 years	1.2.26	Curriculum and Quality Search (<i>Chair</i>) and Governance Remuneration	71%
Vincent Egunlae	Independent	1.2.22	4 years	1.2.26 22.10.25	Finance and General Purposes	0%
Weiyee Kou	Independent	1.2.22	4 years	1.2.26	Finance and General Purposes	71%
Mary Stiasny	Independent	1.1.24	4 years	1.1.28	Curriculum and Quality	100%
Caroline Baxter	Independent	1.1.25	2 years	1.1.27	Curriculum and Quality	25%
Katherine Chapman	Independent	1.1.25	2 years	1.1.27	Curriculum and Quality	100%
Lars Andersen	Independent	1.1.25	2 years	1.1.27	Curriculum and Quality	75%
Stephen Day	Independent	1.1.25	2 years	1.1.27	Finance and General Purposes	75%
Christina Beeden	Independent	1.1.25	2 years	1.1.27	Finance and General Purposes	100%
Gillie Abbotts-Jones	Independent	1.9.25	2 years	1.9.27	Finance and General Purposes	100%
Michelle Cuomo-Boorer	Independent	1.9.25	2 years	1.9.27	Curriculum and Quality	100%
Shehrebenu Sathaliawala	Staff	26.3.24	2 years	26.3.26	Audit	86%

CAPITAL CITY COLLEGE GROUP

**STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL
FOR THE YEAR ENDED 31 JULY 2025**

Nana Brew	Staff	1.2.25	2 years	31.1.27	Curriculum and Quality, Audit	75%
Nadia Yusuf	Student	24.10.24	1 year	16.7.25	Curriculum and Quality	0%
Maria Rosa	Student	24.10.24	1 year	31.8.25	Curriculum and Quality	43%
Ali Aktar	Student	16.7.25	1 year	31.8.26	Curriculum and Quality	0%
Hafsa Momand	Student	22.10.25	1 year	31.8.26	Curriculum and Quality	100%
Angela Joyce	Chief Executive	2.1.24	N/A	Ex officio		100%

Graham Drummond acts as Clerk to the Corporation.

It is the Corporation's responsibility to bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct. The maximum length of an appointment is four years, although members can be re-appointed if they continue to meet the skills needs of the Corporation.

The Corporation is provided with regular and timely information on the overall financial performance of the College together with other information such as performance against funding targets, proposed capital expenditure, performance against quality targets and human resources matters. There were five full board meetings and three workshops during 2024/25.

The Corporation conducted its business through a number of committees. Each committee had terms of reference, which were approved by the Corporation. These committees were Financial & General Purposes, Remuneration, Search & Governance, Curriculum & Quality and Audit.

Minutes of board meetings are available at www.capitalccg.ac.uk, except those deemed to be confidential, or are available from the Clerk to the Corporation at:

Capital City College Group
Westminster Campus, 76 Vincent Square, London SW1P 2PD

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

All Board members are able to take independent professional advice in furtherance of their duties at the College's expense and have access to the Clerk to the Corporation, who is responsible to the Board for ensuring that all applicable procedures and regulations are complied with. The appointment, evaluation and removal of the Clerk are matters for the Corporation as a whole. Formal agendas, papers and reports are supplied to Board members in a timely manner, prior to meetings. Briefings are provided on an ad hoc basis.

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

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

CAPITAL CITY COLLEGE GROUP

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL FOR THE YEAR ENDED 31 JULY 2025

Appointments to the Corporation

Any new appointments to the Corporation are a matter for the consideration of the Board as a whole. The search and governance committee is responsible for the selection and nomination of any new member for the Corporation's consideration. The Corporation is responsible for ensuring that appropriate training is provided as required.

Members of the Corporation are appointed for a term of office not exceeding four years. It is expected that no member shall serve more than ten years in total; however appointments longer than this will be considered if the Board believes that the member's skills and expertise would be difficult to replace.

Corporation performance

The Corporation carried out its annual self-assessment, which took the form of a governance effectiveness survey and a review of performance against the relevant terms of reference by each of the Corporation's committee. The outcome was considered by the Search and Governance Committee in October and informed the governance improvement plan. A full external governance review had been carried during 2023/24 by Good Governance Improvement (GGI). GGI made six recommendations which included developing the culture of the board, board membership, risk management and improving the connection of board members to staff and students. All recommendations have been addressed.

Training

The Board has made the Education and Training Foundation's (ETF) governance development programme available to governors during the year. The Board received training on the external political landscape from the AoC's Deputy CEO at its meeting in November 2024. The clerk is a member of the AoC London network which meets bi-monthly and attended a training event at the University of Sunderland in September 2025.

Remuneration Committee

Throughout the year ended 31 July 2025 the College's Remuneration Committee comprised of the Chair, the Vice Chair and a senior board member. The Committee's responsibilities are to make decisions on behalf of the Board on the remuneration and benefits of the Accounting Officer and other senior postholders.

The Corporation has adopted the AoC's Senior Remuneration Code as its guiding document with respect to decisions surrounding senior pay. Details of remuneration for the year ended 31 July 2025 are set out in Note 9 of the financial statements.

Audit Committee

The Audit Committee comprises five members of the Corporation (excluding the Chief Executive) and two co-opted members. The membership during the year was as follows:

- Sarah-Jane Eglon (attended 3 out of 4 possible)
- Chris Hyams (attended 2 out of 2 possible)
- Sharon Saxton (attended 2 out of 2 possible)
- Praful Nargund (attended 0 out of 2 possible)
- Shehrebhanu Sathaliawala (attended 2 out of 3 possible)
- Toyin Odutayo (attended 1 out of 3 possible)
- Paul McLoughlin (attended 4 out of 4 possible)
- Ellen Lee (attended 4 out of 4 possible)
- Nana Brew (attended 3 out of 4 possible)

The Audit Committee meets four times per year. The Committee provides a forum for reporting by the College's internal audit service and external auditors, who have access to the Committee for independent discussion, without the presence of the Executive Team. The Committee also receives and considers reports from the main FE funding bodies as they affect the College's business.

CAPITAL CITY COLLEGE GROUP

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL FOR THE YEAR ENDED 31 JULY 2025

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

Management is responsible for the timely implementation of agreed audit recommendations, the completion of which are confirmed to the Audit Committee by the internal audit service. The completion of the recommendations is tracked by the Audit Committee.

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

The Finance and General Purposes Committee

The Finance and General Purposes Committee comprises of six board members and the Chief Executive. Its primary role is to oversee the finances of the College, including the budget process and ensuring that the College manages its finances in a sustainable manner.

It also has a role to oversee the College's Human Resources strategy and its marketing and commercial strategies. The committee has a delegated responsibility (from the Board) to approve the College's fee strategy and its approach to subcontracting.

The Curriculum and Quality Committee

The Curriculum and Quality Committee comprises six board members (including the staff member) and three students (two of which are student governors). Its role is to scrutinise and monitor the educational performance of the College.

At its meeting in November the College self-assessment report is considered and validated by the committee. The ensuing quality improvement plans are reported at each meeting and the committee holds the senior executive team to account for ensuring that effective action plans are put in place to address areas for improvement. The committee also serves as a forum to hear and act upon the student voice.

Internal control

Scope of responsibility

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

The Corporation has delegated the day-to-day responsibility to the Chief Executive, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the College's policies, aims and objectives, whilst safeguarding the public funds and assets for which members of the Corporation are responsible, in accordance with the responsibilities assigned to them in the Financial Memorandum between the College and the funding bodies. The Chief Executive is also responsible for reporting to the Corporation any material weaknesses or breakdowns in internal control.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of College policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

CAPITAL CITY COLLEGE GROUP

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL FOR THE YEAR ENDED 31 JULY 2025

The system of internal control has been in place in the College for the year ended 31 July 2025 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

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

The risk and control framework

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

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

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

Risks faced by the corporation

In line with the Corporation's risk management policy, risks are identified by the Executive Team and included within a register which is reported to the Audit Committee as a standing item at each meeting. The Audit Committee evaluates these risks and seeks assurances from the executive team that sufficient mitigation is in place to minimise the likelihood of their impact. The risk register is reported termly to the Board and the committee highlights any risks of key concern as it deems appropriate, throughout the year.

Control weaknesses identified

The following internal audits were undertaken during 2024/25 :

- Key Financial Controls
- Cyber Security
- Learner Number Systems
- Bursary and Free Meals in FE
- Capital Projects
- HE Data Quality – HESA
- Subcontracting
- Follow Up of Previous Recommendations

CAPITAL CITY COLLEGE GROUP

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL FOR THE YEAR ENDED 31 JULY 2025

There were no internal audits reported to the audit committee that highlighted major control weaknesses however partial assurance opinions were provided with respect to Bursary and Free Meals in FE and Cyber Security internal audits.

With respect to Bursary and Free Meals, the College had been subject to an ESFA (now DfE) funding audit on 16-19 Financial Support for which the College had received an unsatisfactory outcome. During this year one of the Committee priorities was to monitor the College's response to this funding audit and ensure that compliant processes and systems were implemented. RSM reported its findings from an internal audit on this area to the committee's meeting on 12th March 2025, for which a partial assurance was provided. The committee received an action plan from the Executive team outlining the actions that were and had been put in place to ensure that the College is compliant with the funding regulations, many of which emanated from an inconsistent application of policy across the College's campuses. One of the key areas of concern centered on an inconsistent process to recording individual student travel claims. At the committee's meeting in June the committee noted that confirmation from the DfE had been received that the College's approach to recording student travel costs was acceptable.

With respect to cyber security RSM reported the outcome of its internal audit report to the committee's meeting in October 2025, for which a partial assurance was given. Members of the committee were assured that the Executive team had put in place satisfactory mitigation, but noted that the risk associated with a cyber attack is high, as reflected in the College's risk register. One of the key mitigating activities is mandatory training for all staff, for which the completion rate (at the time of writing) is 70%. The aim is for 100% completion of this training for all staff. The Committee will continue to monitor this during 2025/26.

Responsibilities under accountability agreements

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

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 the corporation has effective internal controls in place.

One of the key priorities for the committee is the monitoring of unresolved internal audit recommendations, and 2024/25 was no exception. At the committee's meeting in June concern was raised by members that only 11 of the 27 unresolved recommendations that were due to be implemented, had been resolved. The executive team was asked to prioritise the resolution of these recommendation, particularly with respect to learner number assurance. At the committee's October meeting it was reported that only two recommendations (neither of which were of high priority) were past their implementation date, had not been resolved. The committee were therefore assured that the control environment was sufficiently robust. Funding risk continues to surround the College's apprenticeship operations, however there has been considerable improvement in the College's compliance in this area, which accounts for 3.5% of the College's total income.

During the year, the The Economic Crime and Corporate Transparency Act came into effect and therefore the Committee reviewed and approved an updated Anti-Fraud policy. The committee also reviewed the College's Whistleblowing policy and other policies related to Managing Public Money, such as Treasury Management and Reserves.

Review of effectiveness

As Accounting Officer, the Chief Executive is responsible for reviewing the effectiveness of the system of internal control.

CAPITAL CITY COLLEGE GROUP

**STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL
FOR THE YEAR ENDED 31 JULY 2025**

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

The Executive Team comprises the senior leaders who report directly to the Chief Executive. The Executive Team and the Audit Committee receive reports from the internal audit service and other sources of assurance, which include recommendations for improvement. The Audit Committee's role in this area is confined to a high-level review of the arrangements for internal control. The Corporation's agenda includes an annual item for consideration of risk and control and it receives reports thereon from the Executive Team and the Audit Committee.

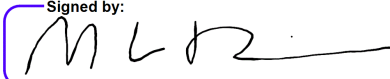
At its December 2025 meeting, the Corporation carried out the annual assessment for the year ended 31 July 2025 by considering documentation from the Executive Team and internal audit, and taking account of events since 31 July 2025.

The Corporation accepts the Audit Committee's opinion that the College has an adequate and effective framework for governance, risk management and control; and has fulfilled its statutory responsibility for "*the effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets*".

Going concern

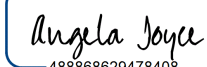
The Capital City College Group Corporation confirms that the College believes it will be able to continue in operation and meet its liabilities taking account of the current position and principal risks for at least the next twelve months and the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

Approved by order of the Members of the Corporation and signed on its behalf by:

Signed by:

B07F7EE6893146C...

Michael Davis
Chair

Date: 12/17/2025

DocuSigned by:

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Angela Joyce
Chief Executive and Accounting Officer

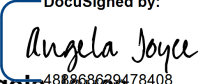
CAPITAL CITY COLLEGE GROUP

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 JULY 2025**

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

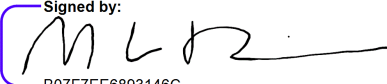
I confirm that I, and the board of governors, are able to identify any material irregular or improper use of all funds by the corporation, or material non-compliance with the framework of authorities.

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

DocuSigned by:

Angela Joyce
487868600478408...
Chief Executive and Accounting Officer
Date: 12/17/2025

Statement of the Chair of Governors

On behalf of the Corporation, I 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

Signed by:

Michael Davis
B0757FE6893146C...
Chair
Date: 12/17/2025

CAPITAL CITY COLLEGE GROUP

**STATEMENT OF RESPONSIBILITIES OF THE MEMBERS OF THE CORPORATION
FOR THE YEAR ENDED 31 JULY 2025**

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

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

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

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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)
- prepare financial statements on the going concern basis unless it is inappropriate to assume that the Corporation will continue in operation.

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

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

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


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

CAPITAL CITY COLLEGE GROUP

**STATEMENT OF RESPONSIBILITIES OF THE MEMBERS OF THE CORPORATION
FOR THE YEAR ENDED 31 JULY 2025**

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

Approved by order of the Members of the Corporation and signed on its behalf by:

DocuSigned by:

488868629478408

Angela Joyce
Chief Executive and Accounting Officer
Date: 12/17/2025

CAPITAL CITY COLLEGE GROUP

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE CORPORATION**FOR THE YEAR ENDED 31 JULY 2025**

We have audited the financial statements of the Corporation of Capital City College (the 'College') and its subsidiaries (the 'Group') for the year ended 31 July 2025 which comprise the Consolidated and College Statements of Comprehensive Income, the Consolidated and College Statements of Changes in Reserves, the Group and College Balance Sheets, the Consolidated Statement of Cash Flows, the principal accounting policies, and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice). In our opinion, the financial statements:

- Give a true and fair view of the state of the Group's and of the College's affairs as at 31 July 2025 the Group's and College's income over expenditure for the year then ended; and
- have been properly prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education, UK GAAP and the current College Accounts Direction.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governing Body'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 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 governors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The governors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

CAPITAL CITY COLLEGE GROUP

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE CORPORATION**FOR THE YEAR ENDED 31 JULY 2025**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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
- 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.

Opinions on other matters prescribed in the Office for Students' Accounts Direction (OfS 2019.41)

In our opinion, in all material respects

- funds from whatever source administered by the College for specific purposes have been properly applied to those purposes and, if relevant, managed in accordance with relevant legislation;
- funds provided by the Office for Students and the Education and Skills Funding Agency have been applied in accordance with the relevant terms and conditions.
- The requirements of the Office for Students' accounts direction for the relevant year's financial statements have been met.

Under the Office for Students' Accounts Direction, we are required to report to you, if we have anything to report in respect of the following matters:

- The College's grant and fee income, as disclosed in note number 4 to 6 to the financial statements, has been materially misstated; or
- The College's expenditure on access and participation activities for the financial year, as disclosed in note number 10 to the financial statements, has been materially misstated

We have no matters to report arising from this responsibility.

Responsibilities of the Governing Body

As explained more fully in the Statement of Corporation Responsibilities, the Members of the Governing Body are 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 Governing Body 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 Governing Body is responsible for assessing the Group's and the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governing Body either intends to liquidate the Group or the College or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

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

CAPITAL CITY COLLEGE GROUP

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE CORPORATION**FOR THE YEAR ENDED 31 JULY 2025**

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

- Obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the Group operates in and how the Group is complying with the legal and regulatory frameworks;
- Enquiry of management and those charged with governance to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of College staff in compliance functions to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- Reviewing minutes of meetings of those charged with governance;
- Reviewing internal audit reports;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the Governing Body, as a body, in accordance with the Funding Agreement published by the Department for Education and our engagement letter. Our audit work has been undertaken so that we might state to the Governing Body 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 Governing Body as a body, for our audit work, for this report, or for the opinions we have formed.

**MHA**

Chartered Accountants and Registered Auditor
London, United Kingdom

Date: 18/12/2025

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542).

CAPITAL CITY COLLEGE GROUP

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY
(continued)
FOR THE YEAR ENDED 31 JULY 2025**

To: The corporation of Capital City College Group and Secretary of State for Education

In accordance with the terms of our engagement letter dated 21 August 2025 and further to the requirements of Department for Education (DfE), as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Colleges, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by Capital City College Group during the period 1 August 2024 to 31 July 2025 have not been applied to the purposes identified by Parliament and the financial transactions do not conform to the authorities which govern them.

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

Respective responsibilities of Capital City College Group and the reporting accountant

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

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

Approach

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

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity. A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

CAPITAL CITY COLLEGE GROUP

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY
(continued)
FOR THE YEAR ENDED 31 JULY 2025**

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:

- An assessment of the risk of material irregularity and impropriety across all of the College's activities;
- Further testing and review of self-assessment questionnaire including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

Conclusion

In our opinion, in all material respects, the expenditure and income for the period have been applied to purposes intended by Parliament and the financial transactions conform to the authorities which govern them.



MHA

Chartered Accountants and Registered Auditor
London, United Kingdom

Date: 18/12/2025

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542).

CAPITAL CITY COLLEGE GROUP
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 JULY 2025**

	Note	Year ended 31 July 2025		Year ended 31 July 2024	
		Group £000	Corporation £000	Group £000	Corporation £000
Income from:					
Funding body grants	4	119,622	119,622	109,321	109,321
Tuition fees and educational contracts	5	11,465	11,465	10,559	10,559
Other grants and contracts	6	1,198	1,198	3,217	3,217
Investment income	7	2,425	2,425	2,494	2,494
Other income	8	2,766	2,701	2,176	1,894
Total income		137,476	137,411	127,767	127,485
Expenditure on:					
Staff costs	9	88,086	88,086	83,032	83,032
Other operating expenses	10	40,169	40,266	39,016	38,665
Depreciation	12	10,324	10,324	10,269	10,269
Total expenditure		138,579	138,676	132,317	131,966
Surplus/(deficit) for the year		(1,103)	(1,265)	(4,550)	(4,481)
Other recognised gains/(losses):					
Actuarial gains/(losses) on defined benefit pension schemes	25	566	566	(210)	(210)
Provisions for impairment	14,19	(250)	(250)	(250)	(250)
Total comprehensive income for the year		(787)	(949)	(5,010)	(4,941)
Represented by:					
Total funds brought forward		327,553	327,799	332,563	332,740
Net movement in funds		(787)	(949)	(5,010)	(4,941)
Total funds carried forward		326,766	326,850	327,553	327,799

All items of income and expenditure relate to continuing activities.

The Notes on pages 37 to 73 form part of these financial statements

CAPITAL CITY COLLEGE GROUP**CONSOLIDATED AND CORPORATION STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 31 JULY 2025**

	Income and Expenditure account £'000	Revaluation reserve £'000	Total £'000
Group			
Balance at 1st August 2023	124,121	208,442	332,563
Comprehensive income for the year			
Surplus/ (deficit) from the income and expenditure account	(4,550)	-	(4,550)
Other comprehensive income for the year			
Actuarial losses in respect of pension schemes	(210)	-	(210)
Impairment of 01 Founders	(250)	-	(250)
Balance at 31st July 2024	119,111	208,442	327,553
Balance at 1st August 2024	119,111	208,442	327,553
Comprehensive income for the year			
Surplus/ (deficit) from the income and expenditure account	(1,103)	-	(1,103)
Other comprehensive income for the year			
Actuarial gains on defined benefit pension schemes	566	-	566
Provision for impairment	(250)	-	(250)
Transfers between funds	11,134	(11,134)	-
Balance at 31st July 2025	129,458	197,308	326,766
Corporation			
Balance at 1st August 2023	124,298	208,442	332,740
Comprehensive income for the year			
Surplus/ (deficit) from the income and expenditure account	(4,481)	-	(4,481)
Other comprehensive income for the year			
Actuarial losses in respect of pension schemes	(210)	-	(210)
Impairment of 01 Founders	(250)	-	(250)
Balance at 31st July 2024	119,357	208,442	327,799
Balance at 1st August 2024	119,357	208,442	327,799
Comprehensive income for the year			
Surplus/ (deficit) from the income and expenditure account	(1,265)	-	(1,265)
Other comprehensive income for the year			
Actuarial gains in respect of pension schemes	566	-	566
Provision for impairment	(250)	-	(250)
Transfers between funds	11,134	(11,134)	-
Balance at 31st July 2025	129,542	197,308	326,850

The accompanying notes form part of the financial statements.

CAPITAL CITY COLLEGE GROUP

**CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2025**

	Note	2025 £000	2025 £000	2024 £000	2024 £000
Fixed assets					
Tangible assets	12		361,707		352,291
Investments	14		303		303
Investment property	13		1,600		1,600
			<u>363,610</u>		<u>354,194</u>
Current assets					
Trade and other receivables	15	5,800		5,538	
Investments	16	5,027		4,804	
Cash and cash equivalents	21	28,188		25,622	
			<u>39,015</u>	<u>35,964</u>	
Creditors: amounts falling due within one year	17	(15,095)		(12,910)	
Net current assets			<u>23,920</u>		<u>23,054</u>
Total assets less current liabilities			<u>387,530</u>		<u>377,248</u>
Creditors: amounts falling due after more than one year	18		(59,600)		(48,963)
Provisions for liabilities	19		(1,164)		(732)
Net assets excluding pension asset / (liability)			<u>326,766</u>		<u>327,553</u>
Defined benefit pension scheme asset / (liability)	25		-		-
Total net assets			<u><u>326,766</u></u>		<u><u>327,553</u></u>
Corporation reserves					
Restricted funds			54		-
General funds		129,404		119,111	
Revaluation reserve		197,308		208,442	
Total unrestricted funds			<u>326,712</u>		<u>327,553</u>
Total funds			<u><u>326,766</u></u>		<u><u>327,553</u></u>

CAPITAL CITY COLLEGE GROUP

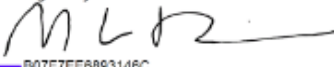
**CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2025**

The financial statements were approved and authorised for issue by the Governors and signed on their behalf by:

DocuSigned by:

488868629478408...

Angela Joyce
Chief Executive and Accounting Officer
Date: 12/17/2025

Signed by:

D07E7EE6893146C.....

Michael Davis
Chair
Date: 12/17/2025

The notes on pages 37 to 73 form part of these financial statements.

CAPITAL CITY COLLEGE GROUP

**CORPORATION BALANCE SHEET
AS AT 31 JULY 2025**


	Note	2025 £000	2025 £000	2024 £000	2024 £000
Fixed assets					
Tangible assets	12		361,707		352,291
Investments	14		303		303
Investment property	13		1,600		1,600
			<u>363,610</u>		<u>354,194</u>
Current assets					
Trade and other receivables	15	5,954		6,030	
Investments	16	5,027		4,804	
Cash at bank and in hand		28,072		25,358	
			<u>39,053</u>	<u>36,192</u>	
Creditors: Amounts falling due within one year	17	(15,049)		(12,892)	
Net current assets			<u>24,004</u>		<u>23,300</u>
Total assets less current liabilities			<u>387,614</u>		<u>377,494</u>
Creditors: Amounts falling due after more than one year	18		(59,600)		(48,963)
Provisions for liabilities	19		(1,164)		(732)
Net assets excluding pension asset / (liability)			<u>326,850</u>		<u>327,799</u>
Defined benefit pension scheme asset / (liability)	25		-		-
Total net assets			<u><u>326,850</u></u>		<u><u>327,799</u></u>
Charity funds					
Restricted funds			54		-
General funds		129,488		119,357	
Revaluation reserve		197,308		208,442	
			<u>326,796</u>	<u>327,799</u>	
Unrestricted funds excluding pension asset					
Total unrestricted funds			<u>326,796</u>		<u>327,799</u>
Total funds			<u><u>326,850</u></u>		<u><u>327,799</u></u>

CAPITAL CITY COLLEGE GROUP


**CORPORATION BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2025**

The Governors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Governors and signed on their behalf by:

DocuSigned by:

.....488868629478408.....

Angela Joyce
Chief Executive and Accounting Officer
Date: 12/17/2025

Signed by:

.....B07E7CE8893146C.....

Michael Davis
Chair
Date: 12/17/2025

The notes on pages 37 to 73 form part of these financial statements.

CAPITAL CITY COLLEGE GROUP

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2025**

	Note	2025 £000	<i>As restated</i> 2024 £000
Cash flows from operating activities			
Net cash used in operating activities	20	7,100	2,985
Cash flows from investing activities			
Investment income	7	1,301	1,324
Payments made to acquire tangible fixed assets	12	(19,740)	(11,062)
Increases in current asset investments	16	(223)	-
Capital grants received		14,128	5,825
Net cash used in investing activities		(4,534)	(3,913)
Change in cash and cash equivalents in the year		2,566	(928)
Cash and cash equivalents at the beginning of the year		25,622	26,550
Cash and cash equivalents at the end of the year	21	28,188	25,622

The notes on pages 37 to 73 form part of these financial statements

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

1. General information

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

2. Accounting policies**2.1 Basis of preparation of financial statements**

These financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (the 2019 FE HE SORP), the College Accounts Direction for 2024 to 2025 and in accordance with Financial Reporting Standard 102 – “The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland” (FRS 102).

The College is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102.

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

The Corporation has two wholly owned subsidiaries; the subsidiaries are material to the Corporation's financial statements and have therefore been consolidated. The Corporation also has one additional wholly owned subsidiary and participates in two joint ventures which are not material to the group so have therefore not been consolidated. In accordance with FRS 102, the activities of the student union have not been consolidated because the Corporation does not control those activities.

The financial statements are presented in sterling which is the functional currency of the Corporation and rounded to the nearest thousand pound.

The financial statements are prepared in accordance with the historical cost convention as modified by the use of previous valuations as deemed cost at transition for certain non-current assets.

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

The Consolidated Statement of Comprehensive Income and Expenditure and Consolidated Balance Sheet consolidate the financial statements of the Corporation and its subsidiary undertakings. The results of the subsidiary are consolidated on a line-by-line basis.

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

2. Accounting policies (continued)

2.2 Going concern

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

At 31 July 2025, Capital City College Group had £33.215m of cash at bank and current asset investments. The Corporation's forecasts and financial projections indicate that it will be able to operate for the foreseeable future.

The Governors have assessed the use of going concern and have considered possible events or conditions that might cast significant doubt on the ability of the Corporation to continue as a going concern. The Governors have made this assessment for a period of at least one year from the date of the approval of these financial statements. The Governors have concluded that there is a reasonable expectation that the Corporation has adequate resources to continue in operational existence for the foreseeable future. The Corporation therefore continues to adopt the going concern basis in preparing these financial statements.

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

2. Accounting policies (continued)**2.3 Income***Revenue grant funding*

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

The recurrent grant from the Office for Students (OfS) represents the funding allocations attributable to the current financial year and is credited directly to the Statement of Comprehensive Income.

Grants from non-government sources are recognised in income when the Corporation is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the Balance Sheet and released to income as the conditions are met.

Capital grant funding

Government capital grants are capitalised, held as deferred income and recognised in income over the expected useful life of the asset, under the accrual method as permitted by FRS 102. Other, non-governmental, capital grants are recognised in income when the Corporation is entitled to the funds subject to any performance-related conditions being met.

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.

Investment income

All income from short-term deposits is credited to the Statement of Comprehensive Income and Expenditure in the period in which it is earned on a receivable basis.

2.4 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 Corporation. Any unused benefits are accrued and measured as the additional amount the Corporation expects to pay as a result of the unused entitlement.

The Corporation utilises salary sacrifice arrangements in relation to the cycle to work and childcare voucher schemes. These benefits are accounted for as they arise, as the liability remains with the employee rather than the Corporation.

CAPITAL CITY COLLEGE GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

2. Accounting policies (continued)

2.5 Redundancy and termination payments

Redundancy and termination payments are recognised immediately upon becoming a constructive obligation.

2.6 Enhanced pensions

The actual cost of any enhanced ongoing pension to a former member of staff is paid by the Corporation monthly. An estimate of the expected future cost of any enhancement to the ongoing pension of a former member of staff is charged in full to the Corporation's Statement of Comprehensive Income in the year that the member of staff retires. In subsequent years a charge is made to provisions in the Balance Sheet using the enhanced pension spreadsheet provided by the ESFA.

2.7 Taxation

The Corporation is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Corporation is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 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 Corporation is partially exempt in respect of Value Added Tax, so that it can only recover around 1% of the VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature.

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

2. Accounting policies (continued)**2.8 Tangible fixed assets and depreciation**

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 date of transition to the FE HE SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Land and buildings

Freehold land is not depreciated as it is considered to have an infinite useful life.

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

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

On adoption of FRS 102, the College followed the transitional provision to revalue its land assets, at fair value, but not to adopt a policy of revaluations of these assets in the future. Building assets were retained at book value. Building assets were previously revalued in 1994, at depreciated replacement cost.

Assets under construction

Assets under construction are accounted for at cost, based on the value of architects' certificates and other direct costs, incurred to 31 July 2025. They are not depreciated until they are brought into use.

Subsequent expenditure on existing fixed assets

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

Plant and equipment

Plant and equipment costing less than £1,000 per individual item is recognised as expenditure in the period of acquisition. All other equipment is capitalised at cost.

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

2. Accounting policies (continued)**2.8 Tangible fixed assets and depreciation (continued)**

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold land and buildings	- 50 years
Long-term leasehold land and buildings	- 50 years
Refurbishments	- 3 to 20 years
Plant and equipment	- 5 to 20 years
Motor vehicles	- 20% reducing balance

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

2.9 Leased assets

Costs in respect of operating leases are charged on a straight-line basis over the lease term to the Statement of Comprehensive Income. Any lease premiums or incentives relating to leases signed after 1 August 2014 are spread over the minimum lease term.

2.10 Investments

Properties owned but not used within the Corporation's business are considered investment properties. Investment properties are measured at fair value at each Balance Sheet date with any movement recognised in Comprehensive Income.

Investments in subsidiaries are valued at cost less provision for impairment.

Investments in associates are stated at the amount of the Group's share of net assets. The Consolidated Statement of Comprehensive Income and Expenditure includes the Group's share of the associated companies' net income or expenditure using the equity accounting basis.

Investments in joint ventures are stated at the amount of the Group's share of net assets. The Consolidated Statement of Comprehensive Income and Expenditure includes the Group's share of the joint ventures' net income or expenditure using the equity accounting basis.

Non-current assets investments include prize funds and current asset investments include short term deposit balances, both are stated at fair value, with movements recognised in comprehensive income.

2.11 Trade and other receivables

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

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

2. Accounting policies (continued)

2.12 Cash and cash equivalents

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

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

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

2.14 Foreign currency translation

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

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

2. Accounting policies (continued)**2.15 Provisions and contingent liabilities**

Provisions are recognised when:

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

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a discount rate. The unwinding of the discount is recognised as a finance cost in the Statement of Comprehensive Income in the period it arises.

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

The only provisions recognised by the Corporation in its Financial Statements are the defined benefit obligations, arising under the Local Government Pension Scheme, and the enhanced pension benefit obligations, arising from the Teachers' Pension Scheme.

2.16 Agency arrangements

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

2.17 Financial instruments

The Corporation only holds basic Financial Instruments. The financial assets and financial liabilities of the College are as follows:

Debtors – trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 15. Prepayments are not financial instruments.

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

Liabilities – trade creditors, accruals, other creditors and bank loans will be classified as financial instruments, and are measured at amortised cost as detailed in Notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as in the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

2. Accounting policies (continued)**2.18 Pensions**

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

Teachers' Pension Scheme (TPS)

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

The TPS is a multi-employer scheme and is unable to identify the share of its underlying assets and liabilities between employers. As a consequence the Corporation is unable to use defined benefit accounting. The TPS is therefore treated as a defined contribution plan and the contributions recognised as an expense in the Statement of Comprehensive Income in the periods during which services are rendered by employees.

Local Government Pension Scheme (LGPS)

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

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

Actuarial gains and losses are recognised immediately in actuarial gains and losses in the Statement of Comprehensive Income.

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

2. Accounting policies (continued)**2.19 Accounting for post-employment benefits**

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

At the year end, the initial actuarial report from the Scheme Actuary reported a net pension asset of £41,188k. When the Scheme gives rise to a potential asset position, the Governors are required to assess the basis for recognising an asset on the balance sheet against the FRS102 criteria, this being "An entity shall recognise the plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or refunds from the plan." In using the word "shall", the emphasis is placed upon the College to consider the value of such an asset, rather than whether an asset should be recognised in the first instance. Accordingly, the College has considered the value at which they can benefit from either (1) refunds from the plan or (2) reduced contributions. As the College intends to continue to participate in the LGPS, the likelihood of a refund being due from the Scheme has been deemed as remote and not practically achievable. Secondly, the College has undertaken an exercise to assess the Minimum Fund Requirement (MFR) due to the Scheme in order to calculate the net present value of the asset which will be the value of a perpetuity of the future service cost minus the present value of the employer contributions. The outcome of this calculation has shown that the College is unlikely to gain economic benefit from a reduction in future contributions.

Accordingly, the college has made an impairment charge on the asset reducing the net position at the year ended 31 July 2025 to £Nil. Therefore, no defined benefit pension asset has been included in the financial statements.

2.20 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

3. 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:

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

- Determined whether leases entered into by the Corporation 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.
- Determined 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.

Other key sources of estimation uncertainty

- **Tangible fixed assets**

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

- **Local Government Pensions Scheme**

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost for pensions include the discount rate. Any changes in these assumptions, which are disclosed in Note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 July 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Given that an asset has been recognised, an impairment review has been undertaken. Please see accounting policy Note 2.19 and Note 25 for more details.

- **Provision for doubtful debts**

Debts arising from trading activities are provided for on the basis that a proportion, between 10% and 100% dependent on debt age, of those debts not funded through Student Loans Company loan agreements may ultimately not be collected.

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

4. Funding body grants

	Group 2025 £000	<i>Group 2024 £000</i>	Corporation 2025 £000	<i>Corporation 2024 £000</i>
Recurrent grants				
Education and Skills Funding Agency and Greater London Authority - adult skills fund	36,741	39,229	36,741	39,229
Education and Skills Funding Agency - 16-18	71,213	61,321	71,213	61,321
Education and Skills Funding Agency - apprenticeships	4,162	3,805	4,162	3,805
Office for students	14	27	14	27
Specific grants				
Education and Skills Funding Agency	52	59	52	59
Teachers Pension Scheme contribution grant	4,341	3,091	4,341	3,091
National Insurance contribution grant	592	-	592	-
Releases of government capital grants	2,507	1,789	2,507	1,789
	119,622	109,321	119,622	109,321

Subcontracting income accounted for £4,526k of teaching provision delivered in 2024/25 compared to £5,174k in 2023/24.

Higher education income, which relates to level 4 courses and above, is further analysed in the table below:

	2025 £000	<i>2024 £000</i>
Grant income from OfS	14	27

5. Tuition fees and education contracts

	Group 2025 £000	<i>Group 2024 £000</i>	Corporation 2025 £000	<i>Corporation 2024 £000</i>
Adult education fees	962	944	962	944
Fees for FE loan supported contracts	169	(12)	169	(12)
Fees for HE loan supported contracts	1,622	1,358	1,622	1,358
Education contracts	8,712	8,269	8,712	8,269
	11,465	10,559	11,465	10,559

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

6. Other grants and contracts

	Group 2025 £000	<i>Group 2024 £000</i>	Corporation 2025 £000	<i>Corporation 2024 £000</i>
European Commission	-	372	-	372
Other grants and contracts	1,198	2,845	1,198	2,845
	1,198	3,217	1,198	3,217

7. Investment income

	Group 2025 £000	<i>Group 2024 £000</i>	Corporation 2025 £000	<i>Corporation 2024 £000</i>
Bank interest receivable	1,288	1,321	1,288	1,321
Other investment income	13	3	13	3
Pension income	1,124	1,170	1,124	1,170
	2,425	2,494	2,425	2,494

8. Other income

	Group 2025 £000	<i>Group 2024 £000</i>	Corporation 2025 £000	<i>Corporation 2024 £000</i>
Catering and residences	1,096	1,103	1,096	1,103
Other income generating activities	198	425	133	143
Miscellaneous income	1,472	648	1,472	648
	2,766	2,176	2,701	1,894

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

9. Staff costs

	Group 2025 £000	<i>Group 2024 £000</i>	Corporation 2025 £000	<i>Corporation 2024 £000</i>
Wages and salaries	63,927	61,698	63,927	61,698
Social security costs	7,539	6,317	7,539	6,317
Pension costs	12,907	10,610	12,907	10,610
	84,373	78,625	84,373	78,625
Contracted out staffing services	3,318	3,413	3,318	3,413
Restructuring costs - Contractual	371	943	371	943
Restructuring costs - Non-contractual	24	51	24	51
	88,086	83,032	88,086	83,032

The Corporation runs a childcare voucher and a cycle to work scheme using salary sacrifice arrangements.

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

9. Staff costs (continued)

Severance Banding £	Contractual redundancy payments 2025	Non-Contractual redundancy payments 2025	Contractual redundancy payments 2024	Non-Contractual redundancy payments 2024
£1 to £25,000	28	2	34	3
£25,001 - £50,000	4	-	8	1
£50,001 - £75,000	-	-	2	-
£75,001 - £100,000	-	-	1	-
£125,001 - £150,000	-	-	1	-
Total	32	2	46	4

Included in staff restructuring are special severance payments totalling £24,484 (2024 - £NIL). Individually the payments were £4,484 and £20,000.

The average number of persons (including Key Management Personnel) employed by the Corporation during the year, described as headcount, was:

	Group 2025 No.	<i>Group 2024 No.</i>
Teaching staff	805	<i>818</i>
Non teaching staff	957	<i>964</i>
	1,762	<i>1,782</i>

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

9. Staff costs (continued)

Key Management Personnel

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Corporation.

Staff costs include compensation paid to Key Management Personnel for loss of office.

Key Management Personnel was represented by the Group Leadership Team (GLT) which comprises:

Name	Job Title
Angela Joyce	Chief Executive and Accounting Officer
Christine Bianchin	Group Principal Adults and HE (appointed 27 August 2024, resigned 14 February 2025)
David Dangana	Chief Learning Officer
Graham Drummond	Group Director of Governance
Jackie Rusling	Director of Management Information
Jacqueline Chapman	Group Principal Apprenticeships, Partnerships & Innovation
Jasbir Sondhi	Group Principal for Young People, English, Mathematics and SEND
Jeremy Wells	Director of ICT
Neill Scott	Director of Estates and Facilities
Pablo Hepworth Lloyd	Strategic Adviser
Roger Bevan	Chief Financial Officer (appointed 3 February 2025)
Sarah Ventham	Director of Finance (resigned 27 July 2025)
Simon Downing	Chief Commercial and Marketing Officer
Stewart Cross	Director of Business Intelligence and Planning (resigned 31 December 2024)
Trovane Hartley	Chief People Officer

	2025 No.	<i>2024 No.</i>
The number of Key Management Personnel posts including the Accounting Officer was:	15	<i>16</i>
	15	<i>16</i>

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

9. Staff costs (continued)

Emoluments of Key Management Personnel, Accounting Officer and other higher paid staff

The number of Key Management Personnel and other staff who received emoluments, excluding employer contributions to national insurance and pensions but including benefits-in-kind, during the year in the following ranges was:

	Key Management Personnel 2025 No.	<i>Key Management Personnel 2024 No.</i>	Other staff 2025 No.	<i>Other staff 2024 No.</i>
£45,001 - £50,000	2	-	-	-
£60,001 - £65,000	1	-	22	26
£65,001 - £70,000	-	-	36	12
£70,001 - £75,000	1	-	11	6
£75,001 - £80,000	-	-	2	2
£80,001 - £85,000	-	-	2	7
£85,001 - £90,000	-	4	8	-
£90,001 - £95,000	2	1	2	-
£100,001 - £105,000	3	3	-	-
£105,001 - £110,000	-	1	-	-
£110,001 - £115,001	-	4	-	-
£115,001 - £120,000	2	-	-	-
£120,001 - £125,000	1	-	-	-
£125,001 - £130,000	2	1	-	-
£140,001 - £145,000	-	1	-	-
£160,001 - £165,000	-	1	-	-
£220,001 - £225,000	1	-	-	-
	15	<i>16</i>	83	<i>53</i>

The above table reflects all Key Management Personnel and all other staff who received emoluments, excluding employer contributions to national insurance and pensions but including benefits-in-kind, of more than £60,000 for the year.

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

9. Staff costs (continued)

There were 11 (2024 - 9) part time members of staff earning below £60,000 who if they were on a full time basis would have been included in the following banding's;

	2025 No.	<i>2024 No.</i>
£60,001 - £65,000	5	<i>6</i>
£65,001 - £70,000	3	<i>2</i>
£70,001 - £75,000	-	<i>1</i>
£75,001 - £80,000	1	<i>-</i>
£90,001 - £95,000	1	<i>-</i>
£160,001 - £165,000	1	<i>-</i>
	11	<i>9</i>

	2025 £000	<i>2024 £000</i>
Key Management Personnel remuneration is made up as follows:		
Salary	1,557	<i>1,860</i>
	1,557	<i>1,860</i>
Pension contributions	190	<i>211</i>
	1,747	<i>2,071</i>
Contracted out staffing services for Key Management Personnel	-	<i>197</i>
Total Key Management Personnel remuneration	1,747	<i>2,268</i>

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

9. Staff costs (continued)

The previous remuneration table includes amounts payable to the Chief Executive who is the Accounting Officer and who is also the highest paid member of staff. Their pay and remuneration is as follows:

	2025	<i>2024</i>
	£000	<i>£000</i>
Salary - interim CEO	-	75
Salary - CEO	223	128
	223	203
Pension contributions - interim CEO	-	7
Pension contributions - CEO	64	34
Total remuneration	287	244

The Corporation has adopted the AoC's Senior Remuneration Code as its guiding document with respect to decisions surrounding senior pay.

The remuneration packages of the Chief Executive, Key Management Personnel and the Clerk (the senior post holders) are subject to annual review by the Remuneration Committee of the governing body who, in the normal course of events, use benchmarking information to provide objective guidance. In order to judge performance the Chair agrees with the CEO a set of draft objectives and in the case of the Clerk the CEO and the Chair agree the objectives. As part of its delegated function these objectives are reported to and agreed by the Remuneration Committee. Once agreed, the objectives are reported to the Board. The Chief Executive reports to the Chair of the Corporation, who undertakes an annual review of their performance against the Corporation's overall objectives using both qualitative and quantitative measures of performance. The Chair and Chief Executive conduct a similar exercise with respect to assessing the performance of the Clerk against the agreed objectives. No performance related pay, bonus payments, salary sacrifice arrangements or taxable benefits in relation to accommodation were awarded to senior staff during the year.

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

9. Staff costs (continued)

	2025	2024
Relationship of Chief Executive pay and remuneration expressed as a multiple:		
Chief Executive's basic salary as a multiple of the median basic salary of all staff	4.74	4.38
Chief Executive's total remuneration as a multiple of the median total remuneration of all staff	5.51	4.38

The calculation for the basic salary does not include national insurance or pension contributions. The calculation for remuneration includes basic salary and pension. Agency staff have been pro rata as FTE 1 same as part-time staff.

The members of the corporation other than the Accounting Officer and the staff member did not receive any payment from the college other than the reimbursement of travel and subsistence expenses incurred in the course of their duties.

9. Staff costs (continued)

Compensation for loss of office paid to former Key Management Personnel

	2025	2024
	£000	£000
Compensation paid to former Key Management Personnel - contractual	38	276

Severance Banding £	Contractual redundancy payments 2025	Contractual redundancy payments 2024
£0 - £25,000	1	-
£50,001 - £75,000	-	1
£75,001 - £100,000	-	1
£125,001 - £150,000	-	1
Total	1	3

No payments of the above are special severance payments.

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

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

10. Other operating expenses

	Group 2025 £000	<i>Group 2024 £000</i>	Company 2025 £000	<i>Company 2024 £000</i>
Teaching costs	9,028	10,105	9,028	10,105
Non-teaching costs	16,175	15,139	16,104	14,794
Premises costs	14,966	13,772	15,134	13,766
	40,169	39,016	40,266	38,665

10. Other operating expenses (continued)

	2025 £000	<i>2024 £000</i>
Other operating expenses include:		
Auditor's remuneration - Audit of the financial statements	61	57
Auditor's remuneration - Other services provided by the financial statements auditor	17	21
Internal audit	93	87
Hire of assets under operating leases	627	529
	798	694

Access and participation spending

	2025 £000	<i>2024 £000</i>
Disability support	144	103
	144	103

The above costs include 1 to 1 motivational tutoring, subject-specific workshops, COVID-19 ad-hoc support, additional learning support and wrap around support services to enhance the learning experience.

11. Taxation

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

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

12. Tangible fixed assets
Group and Corporation

	Freehold land and buildings £000	Long-term leasehold land and buildings £000	Plant and equipment £000	Motor vehicles £000	Assets under construction £000	Total £000
Cost or valuation						
At 1 August 2024	355,089	51,291	62,940	104	8,285	477,709
Additions	4,061	-	3,506	-	12,173	19,740
Disposals	(10,418)	-	(12,191)	-	-	(22,609)
Transfers between classes	-	-	1,402	-	(1,402)	-
At 31 July 2025	<u>348,732</u>	<u>51,291</u>	<u>55,657</u>	<u>104</u>	<u>19,056</u>	<u>474,840</u>
Depreciation						
At 1 August 2024	69,268	8,727	47,378	45	-	125,418
Charge for the year	5,103	341	4,868	12	-	10,324
On disposals	(10,418)	-	(12,191)	-	-	(22,609)
At 31 July 2025	<u>63,953</u>	<u>9,068</u>	<u>40,055</u>	<u>57</u>	<u>-</u>	<u>113,133</u>
Net book value						
At 31 July 2025	<u>284,779</u>	<u>42,223</u>	<u>15,602</u>	<u>47</u>	<u>19,056</u>	<u>361,707</u>
At 31 July 2024	<u>285,821</u>	<u>42,564</u>	<u>15,562</u>	<u>59</u>	<u>8,285</u>	<u>352,291</u>

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

12. Tangible fixed assets (continued)
Group and Corporation (continued)

Other than as noted below, land has been valued on implementation of FRS 102 for the purpose of the financial statements at fair value as at 1 August 2014 by Jones Lang LaSalle Limited a firm of independent chartered surveyors and this is now deemed cost.

Tangible fixed assets transferred on merger from the College of Haringey, Enfield & North East London were adjusted to fair value as at 1 November 2019 (the date of merger) and this is now deemed cost. For fixtures, fittings and equipment fair value was considered to be the net book value immediately prior to merger. Freehold land and buildings were valued at market value on an existing use basis. The valuation of land and buildings was undertaken by MBRE Limited, a firm of independent chartered surveyors.

If inherited land and buildings had not been valued they would have been included at £NIL historic cost.

The London Pension Fund Authority (LPFA) has a charge over the Westminster and Holloway campus's. Following reclassification, the Government has issued a guarantee to underwrite the potential local government pension liabilities of all FE colleges, as it does for schools. We are therefore in the process of removing these charges.

A further charge, in favour of The Football Foundation, which obligates the Corporation to make its artificial sports pitch available to several local clubs and regulates the fees charged, is held over the freehold of parts of the Enfield campus.

The Corporation does not have any assets held under finance leases.

13. Investment property
Group and Corporation

	Freehold investment property £000
Valuation	
At 1 August 2024	1,600
At 31 July 2025	1,600

The Corporation owns one property which it does not use within its business. This has been leased for 2 years to an external entity. As the property is not used by the Corporation for Educational purposes it is presented as an investment property.

The investment property is carried at fair value. The Corporation are satisfied that, having reviewed available data on market activity in the respective location, there has been no significant change to the assets' fair value from that date requiring any further revaluation.

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

14. Investments

Group and Corporation	Other fixed asset investments £000
Cost or valuation	
At 1 August 2024	<u>303</u>
At 31 July 2025	<u><u>303</u></u>
Net book value	
At 31 July 2025	<u>303</u>
<i>At 31 July 2024</i>	<u><u>303</u></u>

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

14. Investments (continued)

Included within investment assets brought forward are the Corporation's prize funds. These funds are made up of a number of independent gifts. The income generated on these gifts is used to fund annual prizes in accordance with the donors' wishes and constitute restricted funds.

Apprenticeships First Limited

The Corporation owns 100% of Apprenticeships First Limited, which is incorporated in England and Wales. Apprenticeships First Limited's principal activity is as an Apprenticeship Training Agency which provides employment for apprentices. There was an amount outstanding at the year end of £77k (2024 - £96k). Apprenticeships First Limited has not been consolidated because it is not material to the College's financial statements.

Tottenham Green Enterprise Centre Limited

The Corporation owns 50% of Tottenham Green Enterprise Centre Limited, which is incorporated in England and Wales. Tottenham Green Enterprise Centre Limited's principal business is the provision of facilities for start up businesses. There was an amount outstanding at the year end of £NIL (2024 - £54k).

01 Founders

The College has a 32% share in 01 Founders an innovative coding school training individuals to become full stack software developers. There has been no impairment in the year, however a provision of £250k has been made. (2024 - impairment of £250k).

Tottenham Green Enterprise Centre Limited and 01 Founders have not been consolidated because they are not subsidiaries.

Capital City College Enterprises (CCCE)

The College has a 100% investment in CCCE. The primary activity of the company during the year is to provide estates and facilities management services to the College. There were transactions during the year with the College and payments made on behalf of CCCE while at the year-end there was an amount outstanding of £50k (2024 - £249k).

VSPARK C.I.C

Vspark CIC traded under its registered trademark Visionnaires. Its purpose is to create a community of best practice among colleges, supporting diverse participants of all ages in their entrepreneurship and self-employment aspirations. Visionnaires is wholly owned by the College. There were transactions during the year with the College and payments made on behalf of VSPARK C.I.C while at the year-end there was an amount outstanding of £104k (2024 - £243k).

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

14. Investments (continued)

Name	Company Number Holding		Included in consolidation
Vspark C.I.C	13405750	100%	Yes
Capital City College Enterprises	13503530	100%	Yes

Name	Income £	Expenditure £	Profit / (Loss) for the year £	Net assets £
Vspark C.I.C	73,000	79,000	(6,000)	3,000
Capital City College Enterprises	2,394,000	2,226,000	168,000	(87,000)

15. Trade and other receivables

	Group 2025 £000	<i>Group 2024 £000</i>	Corporation 2025 £000	<i>Corporation 2024 £000</i>
Due within one year				
Trade receivables	1,771	<i>1,141</i>	1,771	<i>1,141</i>
Amounts owed by group undertakings	77	<i>150</i>	231	<i>642</i>
Other receivables	250	<i>226</i>	250	<i>226</i>
Prepayments and accrued income	3,702	<i>4,021</i>	3,702	<i>4,021</i>
	5,800	<i>5,538</i>	5,954	<i>6,030</i>

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

16. Current investments

	Group 2025 £000	<i>Group 2024 £000</i>	Corporation 2025 £000	<i>Corporation 2024 £000</i>
Short-term deposits	5,027	<i>4,804</i>	5,027	<i>4,804</i>

Deposits are held with banks and building societies operating in the London market and licensed by the Financial Conduct Authority with more than three months maturity at the Balance Sheet date. The interest rates for these deposits are fixed for the duration of the deposit at time of placement.

17. Creditors: Amounts falling due within one year

	Group 2025 £000	<i>Group 2024 £000</i>	Corporation 2025 £000	<i>Corporation 2024 £000</i>
Holiday pay accrual	1,154	<i>800</i>	1,154	<i>800</i>
Trade creditors	662	<i>925</i>	662	<i>925</i>
Deferred government capital grants	3,186	<i>2,202</i>	3,186	<i>2,202</i>
Other taxation and social security	3,494	<i>2,945</i>	3,494	<i>2,945</i>
Other creditors	1,433	<i>1,032</i>	1,433	<i>1,032</i>
Accruals and deferred income	4,867	<i>4,560</i>	4,821	<i>4,542</i>
Amounts owed to the ESFA	299	<i>446</i>	299	<i>446</i>
	15,095	<i>12,910</i>	15,049	<i>12,892</i>

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

	Group 2025 £000	<i>Group 2024 £000</i>	Corporation 2025 £000	<i>Corporation 2024 £000</i>
Deferred government capital grants	59,600	<i>48,963</i>	59,600	<i>48,963</i>

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

19. Provisions

	01 Founders impairment provision	Enhanced pensions	VAT provision	Total funds
	£000	£000	£000	£000
At 1 August 2024	-	732	-	732
Movement in the period	250	(68)	250	432
At 31 July 2025	<u>250</u>	<u>664</u>	<u>250</u>	<u>1,164</u>

The enhanced pension provision relates to the cost of pension enhancements for staff of the former Westminster, Kingsway and City & Islington Colleges who left employment prior to previous mergers. This provision has been recalculated in accordance with guidance issued by the funding bodies.

The principal assumptions for this calculation are:

	2025	2024
Price inflation	2.80%	2.85%
Interest rate	2.80%	2.85%
	<i>Enhanced pensions 2024 £000</i>	<i>Total funds 2024 £000</i>
At 1 August 2023	757	757
Movement in the period	(25)	(25)
<i>Total 2024</i>	<u>732</u>	<u>732</u>

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

20. Reconciliation of net movement in funds to net cash flow from operating activities

		Group 2025 £000	<i>Group As restated 2024 £000</i>
Net income for the year (as per Statement of Financial Activities)		(1,103)	<i>(4,550)</i>
Adjustments for:			
Depreciation charges	12	10,324	<i>10,269</i>
Impairment on investments	14	-	<i>250</i>
Investment income	7	(1,301)	<i>(1,324)</i>
Increase in current asset investments	16	-	<i>194</i>
(Increase) in debtors	15	(262)	<i>(1,075)</i>
Increase in creditors		1,201	<i>1,238</i>
Release of deferred capital grants		(2,507)	<i>(1,789)</i>
Increase in provisions	19	432	<i>(25)</i>
Pension costs including interest less contributions payable	25	316	<i>(203)</i>
Net cash provided by operating activities		7,100	<i>2,985</i>

21. Analysis of cash and cash equivalents

		Group 2025 £000	<i>Group 2024 £000</i>
Cash in hand		28,188	<i>25,622</i>
Total cash and cash equivalents		28,188	<i>25,622</i>

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

22. Analysis of changes in net debt

	At 1 August 2024	Cash flows	At 31 July 2025
	£000	£000	£000
Cash at bank and in hand	25,622	2,566	28,188
Debt due within 1 year	(2,202)	(984)	(3,186)
Liquid investments	4,804	223	5,027
	<u>28,224</u>	<u>1,805</u>	<u>30,029</u>

23. Contingent liabilities

There were no contingent liabilities at the year end.

24. Capital commitments

There were £165k of capital commitments at the year end.

25. Pension commitments

The Group operates a defined benefit pension scheme.

The Corporation's employees belong to two principal post-employment benefit plans: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the London Pension Fund Authority. Both are multi-employer defined-benefit plans.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest formal valuation of the TPS was on 31 March 2019 and of the LGPS was on 31 March 2022.

Contributions amounting to £1,346k (2024 - £1,268k) were payable to the schemes at 31 July and are included in creditors.

Teachers' Pension Scheme

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

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

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
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25. Pension commitments (continued)

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

Accordingly the Corporation has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution plan. The College has set out below the information available on the plan and the implications for the Corporation 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 accounts 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 for Education (the Department) in October 2023. The valuation reported total scheme liabilities (pensions 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).

As a result of the valuation, new employer contribution rates were set at 28.68% of pensionable pay from April 2024 (compared to 23.68% during 2018/19).

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

The pension costs paid to TPS in the year amounted to £8,709k (2024 - £7,574k).

Local Government Pension Scheme

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by the London Pension Fund Authority. The total contributions made for the year ended 31 July 2025 were £3,764k, of which employer's contributions totalled £2,310k and employees' contributions totalled £1,454k. The agreed employer contribution rates for future years are set to rise from 9.5% to 11.5% from 1 April 2026 and progressively to 14.9% by 1 April 2028. Employee contributions range from 5.5% to 12.5% cent, depending on salary according to a national scale.

The following information is based upon a full actuarial valuation of the fund at 31 March 2025, published on 11 November 2025 by Barnett Waddingham, a qualified independent actuary:

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	At 31 July 2025	<i>At 31 July 2024</i>
	%	%
Discount rate	5.70	5.05
Future salary increases	3.80	3.85
Future pension increases	2.80	2.85
Inflation assumption	2.80	2.85
Commutation of pensions to lump sums	30.00	30.00

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

25. Pension commitments (continued)

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

	At 31 July 2025 Years	<i>At 31 July 2024 Years</i>
Retiring today - Males	21.0	20.6
Retiring today - Females	23.5	23.4
Retiring in 20 years - Males	21.7	21.4
Retiring in 20 years - Females	24.9	24.8

The Group's share of the assets in the scheme was:

	At 31 July 2025 £000	<i>At 31 July 2024 £000</i>
Equities	107,642	106,242
Property	16,365	15,766
Cash and other liquid assets	3,756	5,677
Target return portfolio	36,963	28,821
Infrastructure	20,575	18,925
Total fair value of assets	185,301	<i>175,431</i>

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

25. Pension commitments (continued)

The amounts recognised in the Statement of Comprehensive Income are as follows:

	2025	<i>2024</i>
	£000	<i>£000</i>
Current service cost		
Amounts included in staff costs		
Current service costs	3,688	3,364
Past service cost	244	20
	<hr/>	<hr/>
	3,932	3,384
Amounts included in interest and other finance costs		
Net interest payment	(1,124)	(1,170)
	<hr/>	<hr/>
	(1,124)	(1,170)
Amounts recognised in other comprehensive income		
Return on plan assets	(4,926)	(2,290)
Experience losses arising on defined benefit obligations	1,497	(695)
Changes in assumptions underlying the present value of plan liabilities	(15,912)	3,181
Minimum fund requirement basis impairment charge	(18,843)	(22,345)
	<hr/>	<hr/>
	(38,184)	(22,149)

Movements in the present value of the defined benefit obligation were as follows:

	2025
	£000
Opening defined benefit obligation	153,086
Interest cost	7,588
Contributions by scheme participants	1,454
Actuarial (gains)/losses	(14,415)
Benefits paid	(7,532)
Current service cost	3,688
Past service cost	244
	<hr/>
Closing defined benefit obligation	144,113
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CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

25. Pension commitments (continued)

Movements in the fair value of the Group's share of scheme assets were as follows:

	2025 £000
Opening fair value of scheme assets	175,431
Expected return on assets	8,712
Actuarial gains	4,926
Contributions by employer	2,310
Contributions by scheme participants	1,454
Benefits paid	(7,532)
Closing fair value of scheme assets	185,301

The amount included in the Balance Sheet in respect of the defined benefit pension plan and enhanced pensions benefits is as follows:

	2025 £000	<i>2024 £000</i>
Fair value of plan assets	185,301	175,431
Present value of plan liabilities	(144,113)	(153,086)
Minimum fund requirement basis impairment charge	(41,188)	(22,345)
Net pensions liability	-	-

25. Pension commitments (continued)

Total pension cost for the year

	2025 £000	<i>2024 £000</i>
Local Government Pension Scheme		
Contributions paid	2,310	2,029
FRS 102 (28) charge	1,888	1,007
	4,198	3,036
Teachers' Pension Scheme: contributions paid	8,709	7,574
	12,907	10,610

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

26. Operating lease commitments

At 31 July 2025 the Group and the Corporation had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group	<i>Group</i>	Corporation	<i>Corporation</i>
	2025	<i>2024</i>	2025	<i>2024</i>
	£000	<i>£000</i>	£000	<i>£000</i>
Not later than 1 year	649	<i>629</i>	649	<i>629</i>
Later than 1 year and not later than 5 years	436	<i>1,085</i>	436	<i>1,085</i>
	1,085	<i>1,714</i>	1,085	<i>1,714</i>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	Group	<i>Group</i>	Corporation	<i>Corporation</i>
	2025	<i>2024</i>	2025	<i>2024</i>
	£000	<i>£000</i>	£000	<i>£000</i>
Operating lease rentals	627	<i>529</i>	627	<i>529</i>

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

27. Related party transactions

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

There were no expenses paid to or on behalf of the Members of the Corporation during the year (2024 - £NIL for 0 members).

No Governors of the Corporation received any remuneration or waived payments from the Corporation during the year (2024 - None).

The Director of Governance is a Director of Capital City College Enterprises (CCCE), a wholly owned subsidiary of the College. In 2024/25, there were intercompany transactions of £NIL (2024 - £NIL) for payroll recharges and £2,188k (2024 - £1,914k) of recharges made to the Corporation for the provision of estate management services. At the year-end, there was an outstanding liability of £50k (2024 - £246k) owing to the Corporation.

Alastair Da Costa, a Governor was also a Director of 01 Founders Limited in which the College owns a 29% share. During the year the College has invested £NIL (2024 - £NIL) into 01 Founders Limited in return for a 29% share in the company. There were no balances outstanding (2024 - £NIL) at the year end.

The College's Chief Executive, Angela Joyce is a Director of VSPARK C.I.C. which is a wholly owned subsidiary of the College. During the year the Corporation paid £NIL (2024 - £200k) in regards to a license fee to VSPARK C.I.C. Intercompany transactions relating to payroll management fees recharges of £65k (2024 - £331k) were also paid. There was a balance of £104k (2024 - £86k) outstanding at the year end.

During the year, transactions with Apprenticeships First Limited, a wholly owned subsidiary, occurred. During the year there were no transactions as the company was dormant. There was a balance of £77k (2024 - £96k) outstanding at the year end.

CAPITAL CITY COLLEGE GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

28. Amounts disbursed as agent

	2025	<i>2024</i>
	£000	<i>£000</i>
Learner support funds		
Brought forward from prior years	1,002	<i>864</i>
Funding body grants - bursary support	2,171	<i>2,153</i>
	3,173	<i>3,017</i>
Disbursed to students	(1,700)	<i>(1,926)</i>
Administration costs	(84)	<i>(89)</i>
Balance unspent as at 31 July	1,389	<i>1,002</i>

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

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

In the accounting period ended 31 July 2025, the college received a total of £2,171k and disbursed £1,700k from DfE 16-19 discretionary and vulnerable bursaries and FEFM funding after charging £84k for administration costs. As at 31 July 2025, the cumulative unspent 16-19 discretionary and vulnerable bursary funds and FEFM funding is £1,389k, of which £NIL relates to funds that are in scope to be returned to DfE in March 2026.

Comparatives for the accounting period ended 31 July 2024 are £2,153k received from DfE, £1,926k disbursed to learners after charging £89k for administration costs, and total cumulative unspent funds of £1,002k, of which £NIL was repaid to DfE.