SOUTH EASTERN REGIONAL COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

EIGHT MONTH PERIOD ENDED 31 MARCH 2026



South Eastern Regional College
Annual Report and Accounts
for the eight month period ended 31 March 2026

The Accounting Officer authorised these financial statements for issue on 13 November 2026

Laid before the Northern Ireland Assembly
under the Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008
by the Department for the Economy

on

17 November 2026

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This publication is also available at www.serc.ac.uk.

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SOUTH EASTERN REGIONAL COLLEGE
STRATEGIC REPORT
2025-26

The members present their report and the audited financial statements for the 8 month period ended 31 March 2026.

STRATEGIC CONTEXT

South Eastern Regional College ('SERC' / 'the College'), as a Non-Departmental Public Body (NDPB) and part of the wider Further Education (FE) sector, is a key delivery arm of the Department for the Economy ('DfE' / 'the Department'). As such, the College links and aligns itself to wider policies across central and local government.

Throughout 2025-26, the strategic context has been predominantly aligned to **two programmes/plans:**

Programme for Government 2024-27 – Our Plan: Doing What Matters Most



The Programme for Government is an ambitious agenda of change for Northern Ireland, providing a commitment from the NI Executive to work together, providing collective leadership and enabling real collaboration across government.

Out of the programme's **nine** immediate **priorities**, **two** provide an overarching strategic environment and focus for the College:

Grow a Globally Competitive and Sustainable Economy

This priority will seek to address four key challenges: productivity, good jobs, decarbonisation and regional balance. Central to every part of the plan is **employers** and **workers** – supporting them to **build the skills** needed both now, and in the future.

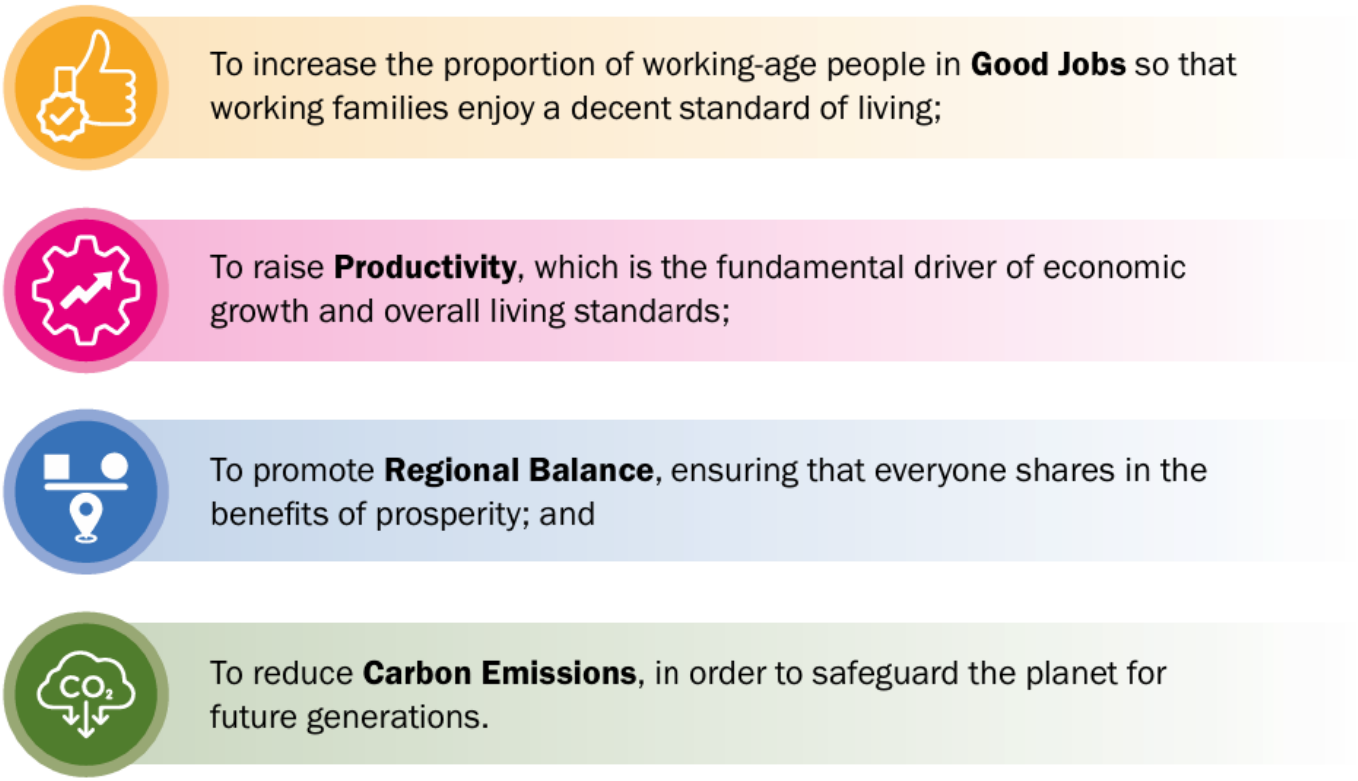
Better Support for Children and Young People with Special Educational Needs

This priority aims to transform the education system to provide high quality, efficient and sustainable services for children with SEN and disability. The target is to prioritise providing the **Right Support**, from the **Right People**, at the **Right Time** and in the **Right Place**.

Economy Minister's Economic Vision

As a major **delivery arm** of the Department for the Economy, the Minister's **Economic Vision** is central to the College's strategic context.

The Economic Vision focuses on four key **Priorities**:



These four key Priorities are considered to be mutually supportive and interdependent. Delivering more **Good Jobs** should, for example, help to achieve better **Regional Balance** and improve **Productivity**.

SERC's **delivery plans** are set within these four priorities, to ensure people have work-relevant skills, including upskilling current workers, and increasing the number of students in further and higher education.

Overall, South Eastern Regional College has placed the **Economic Vision** as its **central strategic context**. Indeed, the College's planned delivery is being set out to show how SERC can and does contribute to the four priorities.

ABOUT SERC

Our Vision [1]

We empower individuals, strengthen communities, and drive economic prosperity.

Our Mission

Our mission, as an innovative and inclusive College, is to provide transformative education and training that meets the evolving needs of our students, community, and economy, fostering a culture of excellence, collaboration and sustainability.

Our Strategic Priorities

We have **five** strategic priorities that outline how we will meet the challenges of a changing economic, social, and environmental operating environment and lead organisational transformation over the next five years:



Our Values & Our Culture

Our core values and culture reflect the College's commitment to community, inclusivity, and excellence.

Our culture and values reflect our aspiration of linking to, and supporting, the communities within which we operate, alongside empowering our community of staff, students, and friends. Our values and culture support us in:

Supporting our Community
Empowering our Community
Respecting our Community
Caring for our Community

The College continues to support and develop provision and suitable support arrangements to ensure that those with additional educational needs, who can progress to higher levels of qualification, are facilitated to do so.

We also support those who are unable to progress to higher levels of qualification to develop the skills required to personally develop, live as independently as possible, and contribute in whatever way they can to their community.

[1] The College strategy is subject to DfE Minister approval.

CORPORATE AND BUSINESS PLANNING

Article 20 of the Further Education (Northern Ireland) Order 1997 requires that each college prepare a College Development Plan (CDP) for submission to the Department for the Economy. The CDP outlines SERC's strategy and business plan.

2025-26 COLLEGE DEVELOPMENT PLAN[2]

The 2025-26 CDP set out the activity planned for the College, as endorsed by the College's Governing Body. The activities in the plan demonstrate the College's contribution to fulfilling the aspirations within our Vision, our Mission, and our Strategic Priorities, all within the overall strategic context.

AIMS

Four aims were established within the 2025-26 plan. These aims, and associated performance measures, have been developed and align with an Outcome Based Approach (OBA) approach:

Aim One: **To increase regional business productivity/growth through the delivery of tailored/bespoke training programmes.**

Our proposals for 2025-26, and achievement against are as follows:

Area of Planned Activity	Planned Activity for 2025-26	2025-26 Actual Activity
Innovation Based Projects in SMEs	Delivery of 194 projects	133 projects delivered
Tailored Training Programmes	Delivery of 15 tailored training programmes	20 tailored training programmes delivered
Skill Up	Support 650 individuals	912 individuals supported

Spotlight: **InnovateUs**
The focus of InnovateUs is to enable small businesses, with fewer than 50 employees, to acquire the skills necessary to engage in innovation activities. The programme offers up to 180 hours of bespoke training and skills development support delivered across a maximum of 3 unique projects, normally delivered over a six-month period. By gaining these skills, small businesses can then undertake additional forms of innovation, which will contribute to growth and development.

The priority skills areas supported in the 133 projects were:

Priority Skills Area	2025-26
Financial, Business & Professional Services	2
Digital & Creative	81
Advanced Manufacturing	16
Agri-Food	1
Construction	23
Hospitality & Tourism	6
Life & Health Sciences	4
Total	**133**

[2] SERC College Development Plan 2025-26

Aim Two: **To upskill/reskill individuals with the knowledge and skills necessary to secure employment, meet employer needs for today and the future, and support economic growth of the region.**

Our proposals for 2025-26, and achievement against are as follows:

Area of Planned Activity	Planned Activity for 2025-26	2025-26 Actual Activity
Individuals enrolled in the College	11,268 individuals	11,798 individuals
Individuals participating in International Programmes & Skills Competitions	190 individuals	612 individuals
Individuals supported by the College who are furthest away from the labour market and with low or no formal qualifications	7,261 individuals	6,533 individuals
Full Time Students Retention Rate	To increase to 91.5%	91.7%
Achievement Rate	To maintain at 91%	91.2%
Individuals aged 25-64 participating in education and training	4,000 individuals	4,590 individuals

Spotlight: Step Up Project

The 'Step Up' Project, funded by New Deal for Northern Ireland, offers individuals a choice of pathways, designed to meet various employment and training needs. Sessions are free to attend, and provides participants with an opportunity to build confidence, explore career options, build on existing skills, and benefit from one-to-one mentoring.



SERC, in partnership with Peninsula Healthy Living Partnership (PHLP), developed a Step Up into Joinery programme.

The 12 week course, delivered one morning a week in Portaferry, provided 7 participants with the opportunity to learn joinery skills and knowledge. During the sessions, the participants, built upon basic joinery skills by designing and making bird boxes, planters and chopping boards in a speciality workshop. Tuition was delivered by Patrick Teggart from Kilwarlin Joinery, a family owned and run business established in 2001.

Catherine Shipman, SERC's Head of Engagement and Development said, "***Step Up to Joinery is a great example of how targeted, community-based provision can make a genuine difference for people who may not otherwise access skills training. Through a strong local partnership with PHLP, we were able to support participants not only to learn practical joinery skills, but also to build confidence, motivation and a sense of achievement. This kind of collaboration is central to SERC's commitment to widening participation and supporting inclusive pathways into education and employment***."

Sheila Bailie, PHLP Chief Executive Officer, said, "***When the right people come together, great things happen. This collaboration broke down barriers and reached people who don't usually have access to or the confidence for this kind of opportunity. The participants stepped up and inspired us all; credit to Paddy and Ben from Kilwarlin Joinery who were fantastic mentors. It's an excellent model to develop healthier communities***".

Aim Three: To address the skills needs of the future workforce in green industries through upskilling and reskilling individuals in support of a net zero economy in Northern Ireland

Our proposals for 2025-26, and achievement against are as follows:

Area of Planned Activity	Planned Activity for 2025-26	2025-26 Actual Activity
Staff Training	Train 50% of College staff in delivery of green sustainable skills	70% of College staff trained
Individuals enrolled on Green / Sustainable Courses	120 individuals	183 individuals

Spotlight: Green Skills Centre, Holywood Campus

Recognising that achieving Net Zero is a collective goal for the government and society by 2050, SERC is dedicated to embedding new and emerging technologies that will equip students with the knowledge needed to reduce greenhouse gas emissions.

The College has evolved its training facilities, as the energy map changes and the end goals of net zero become clearer.

The Holywood campus, being the first green technology centre in Northern Ireland, was further developed in 2025-26 to bring Bio-Fuels to site, with an industry led project in partnership with Calor Gas for Bio LPG. The facilities provide learners with tactile, hands-on, real life experience of industry changes.

The campus is now also the chosen site for further development into Ground Source Heat Pumps. A major project, including external training partners, manufacturers and Ulster University is underway to deliver a bespoke training facility for the 2026-27 academic year.

Aim Four: To deliver against the Public Body reporting duties of the Climate Change legislation delivering an energy efficient and sustainable estate

Our proposal for 2025-26, and achievement against is as follows:

Area of Planned Activity	Planned Activity for 2025-26	2025-26 Actual Activity
Action Plan	Establish the key actions to improve/maintain energy efficiency in the College	Key actions established to improve / maintain energy efficiency in the College.

Spotlight: Bangor Heating System

A new full ASHP pump arrangement has been completed to the Bangor campus. This has resulted in the removal of the oil-fired system including oil tank. The new arrangement has resulted in the installation of new highly efficient radiators and a small photovoltaic system to help meet the electrical demand of the heat pumps.

HOW WELL DID WE DELIVER OUR AIMS?

The College measures how well we delivered our aims under the headings of **students** and **business**.

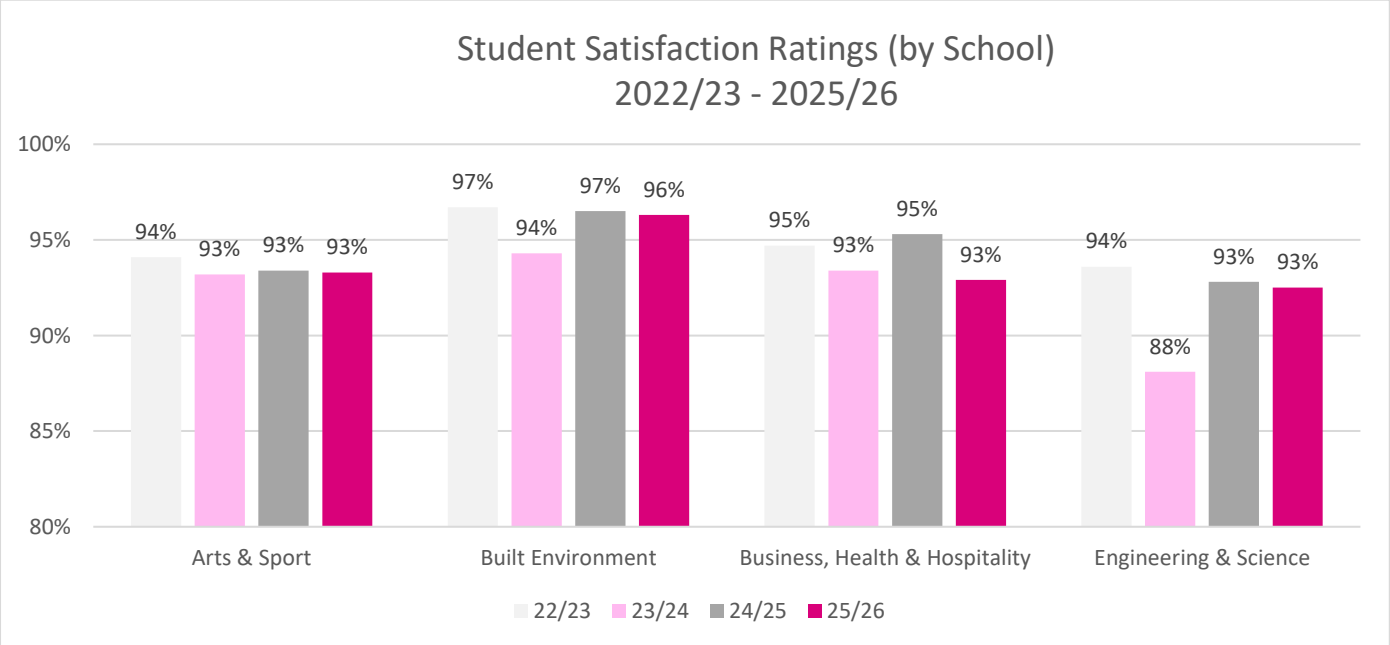
Students

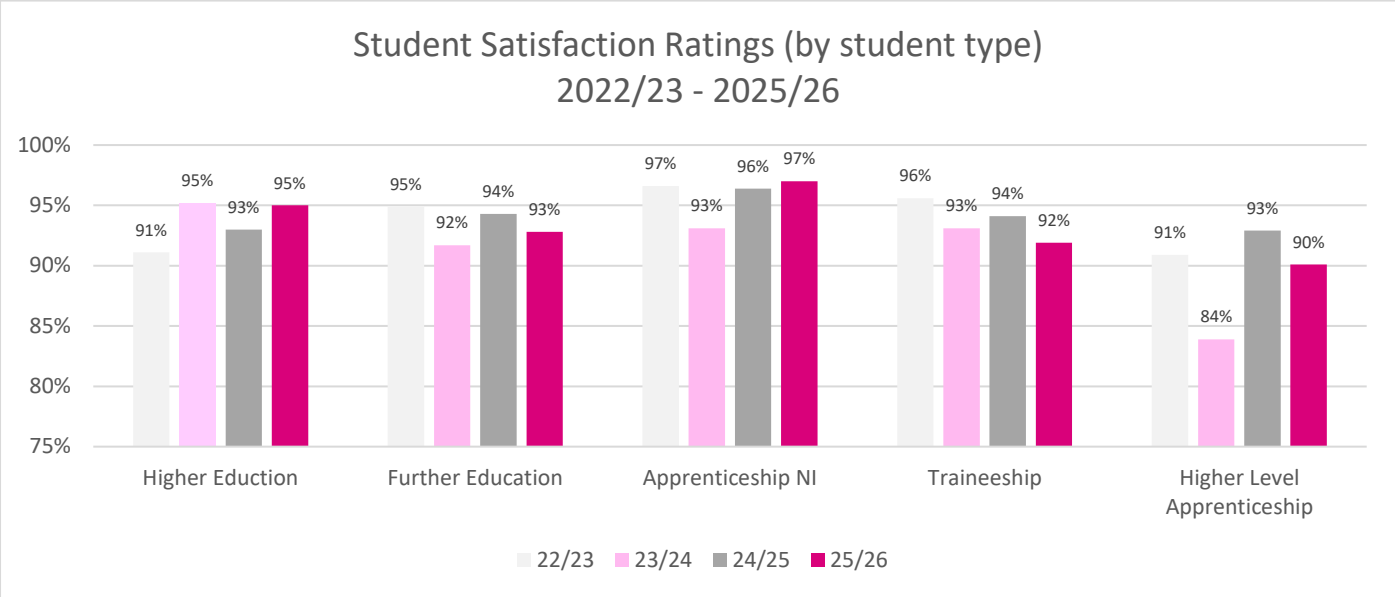
The main measurement for how well we delivered our aims for students is: **Retention, Achievement, Success**.

In 2025-26 our students achieved **10,646 Further Education qualifications** and **942 Higher Education qualifications**, with the following performance indicator results:

Performance Indicator	2025-26	2024-25
Retention Rate: The proportion of the number of enrolments who complete their final year of study to the number of final year enrolments.	93.5%	95.2%
Achievement Rate: The percentage of the number of enrolments who completed their final year of study and achieve their qualifications to the number of enrolments who completed their final year of study.	91.2%	91.3%
Success Rate: The proportion of the number of enrolments who complete their final year of study and achieve their qualification to the number of final year enrolments.	85.3%	87%

SERC participates in the Department's **Big 14 Survey**, consisting of 14 questions covering areas common to all Colleges. In 2025-26, **5,097 of our students** (88% of student population) completed the survey. Student satisfaction has remained very high over the past four years, both at individual School level and by student type:





Our HE students respond to the **National Student Survey** (NSS).

The NSS is a UK-wide survey undertaken by final year higher education students to give feedback on their course.

The survey is managed by the Office for Students, on behalf of the four UK funding and regulatory bodies. The latest results of the overall satisfaction question provide SERC with an **85.4% satisfaction rate**[3]. This performance is 3.6% above the benchmark.

Business

The College closely monitors "how well did we deliver our aims" through a number of measures, including the InnovateUs Delivery and Evaluation report. In 2025-26, the results of the InnovateUs evaluation report provides a clear indication of how well we have performed for businesses, as detailed in the following points:

- **100%** of businesses engaged believed felt the programme provided '**very good'** or '**excellent**' **value for money**.
- **100%** of participants were '**satisfied**' or **'very satisfied'** with the **delivery** of their project.
- **97%** of businesses engaged noted that **greater innovation** had been **achieved** within their business as a result of their project.
- **100%** of the businesses engaged indicated that they felt they had an '**excellent**' or '**very good**' **relationship with the College** as a result of participation on the InnovateUs programme.
- **100%** of businesses engaged said they **would use** the services of the College again.

[3] National Student Survey data: provider-level dashboard - Office for Students

IS ANYONE BETTER OFF?

The College measures how if anyone is better off from the delivery of our aims also under the headings of **students** and **business**.

Students

SERC's alumni are engaged in continuing their studies through further and higher education, whilst others have found employment across multiple industries.

The most recent Graduate Outcomes Survey, commissioned by the Higher Education Statistics Agency (HESA)[4], details the following outcomes for our students:

- Full-time employment: 53%
- Part-time employment: 12%
- Employment and Further Study: 13%
- Full Time Study: 4%
- Other, including travel, care, retirement: 12%
- Voluntary or Unpaid Work 2%
- Unemployed 4%

Business

Through our work with businesses, and specifically our targeted work under InnovateUs and Skills Intervention, businesses and people are better off and have reported the following:

- Average **increase in sales** of 9% in NI, 3% in ROI, 5% in UK and 1% in other regions**.**
- Average **cost saving** of **34%.**
- **20 new jobs** created.
- **419 jobs safeguarded.**
- **4%** of businesses able to **export**.
- **97%** of the businesses felt they would be in a **position to scale up.**
- **1%** of the small business participants reported **increased sales** in other export markets such as Great Britain, America, and Europe.
- **27%** of businesses developed into new market areas.

[4] Graduate Outcomes Data | HESA

What do we propose to do in 2026-27?

To increase regional business productivity/growth through the delivery of tailored/bespoke training programmes

Area of Planned Activity	Planned Activity for 2026-27
Innovation Based Projects in SMEs	Delivery of 56 projects
Skills Focus	Delivery of 50 projects

To upskill/reskill individuals with the knowledge and skills necessary to secure employment, meet employer needs for today and the future, and support economic growth of the region

Area of Planned Activity	Planned Activity for 2026-27
Individuals enrolled in the College	9,038 individuals
Individuals participating in International Programmes & Skills Competitions	650 individuals
Individuals supported by the College who are furthest away from the labour market and with low or no formal qualifications	5,693 individuals
Student Retention Rate	To maintain at 93%
Student Achievement Rate	To maintain at 91%
Individuals aged 25-64 participating in education and training	940 individuals

To address the skills need of the future workforce in green industries through upskilling and reskilling individuals in support of a net zero economy in Northern Ireland

Area of Planned Activity	Planned Activity for 2026-27
Staff Training	Train 60% of relevant College staff in delivery of green sustainable skills
Individuals enrolled on Green / Sustainable Courses	90 individuals

To delivery against the Climate Change legislation delivering an energy efficient and sustainable estate

Area of Planned Activity	Planned Activity for 2026-27
Action Plan	Establish the key actions to improve/maintain energy efficiency in the College

OTHER COLLEGE ACTIVITIES

Safeguarding, Wellbeing and Learning Support

The College continued to develop and enhance its welfare and wellbeing activities for all students throughout 2025-26:

Learning Support

The **Learning Support** team provides support, help and guidance for students with **physical disabilities**, **learning difficulties** and **medical conditions**.

In 2025-26, **1,399 students**, both full-time and part-time, accessed a range of services including:

- Physical resources: specialist computers/tablets and software, orthopaedic chairs, smart pens, audio note takers.
- Specialist human support: Learning Support Assistants, College lecturing staff and specialist support for a range of conditions that include Dyslexia and Autistic Spectrum Disorders. Sign Language Interpreters were also available.
- Administrative adjustments, such as specific individual examination access arrangements for those taking examinations. During 2025-26, **exam access arrangements were put in place for 1,059 students** (2024-25: 920).
- Other assessments, including bespoke risk assessments and action plans for those who experience specific conditions or illnesses, such as epilepsy or severe allergic reactions.

The SERC team are experienced in designing and implementing individual support strategies, as well as in providing essential information and guidance for lecturing staff on a wide range of disabilities and conditions to ensure students can be effectively supported.

Students are encouraged to disclose any additional needs, at the earliest opportunity, to enable the College to put in place appropriate support. In addition, as part of the quality management processes, a range of student performance monitoring structures are in place to identify and address issues of student under-performance, as this may be an indication of a student disability or learning difficulty.

The Learning Support team have engaged in partnership with the curriculum teams:

- Regular case conferences which enable the support teams to liaise directly with the teaching staff to identify and put in place actions to address specific student difficulties in a holistic manner.
- Communication with teaching staff, as appropriate, where issues and concerns have been identified during student support sessions.
- Guidance and approaches identified by the Learning Support Team to best support the student.

During 2025-26, SERC continued to engage with the Department for the Economy to ensure that those students participating in relevant vocational training programmes were able to avail of the additional support provided by Disability Support Services.

Disability Support is a contracted service to support young people with disabilities, who are participating in vocational training programmes, namely students who join SERC via the Training Organisation route (for example, Skills for Life and Work and ApprenticeshipsNI students). This Disability Support provision is intended to provide the additional support that students with complex needs require over and above the support that can be provided by the College. In 2025-26, **112 students** (2024-25: 129) received support though this channel.

During 2025-26 the Learning Support Team provided support under the Disabled Students' Allowance provision (Higher Education) for **25 students** (2024-25: 26) (new and returning students). A total of 20 '*Needs Assessments*' were completed, and non-medical support in the form of one-to one support sessions was provided to 8 students.

Safeguarding & Wellbeing

In 2025-26, the **Learner Welfare** team continued to develop and deliver a programme of **Safeguarding, Care and Welfare activity** through its pastoral provision.

The College continues to adopt a whole College approach that promotes a culture of 'Safeguarding, Care and Welfare', and provides a range of support services through the work of the Welfare, Students' Union, Student Finance, Careers and Training office teams.

A key success of 2025-26 was the delivery of Department for the Economy's cost of living support to students from January to March 2026, with over **18,000 free meals** provided to SERC students.

Ongoing work relating to 'Safeguarding, Care and Welfare' within the College continued throughout 2025-26 and reflected the needs identified, the **Wellbeing and Resilience Framework**. The Framework is built on the approaches highlighted in the **Student Mental Health Strategy** and focuses on the three themes of ***supporting positive mental health***, ***supporting healthy relationships***, and ***supporting health and wellness***. A range of activities which underpinned these themes ensured that students were supported, as fully as possible, during their studies with SERC. In addition, a College representative participated in the Gillen Education and Awareness Working Group and the College continued its small working group to implement the Ending Violence Against Women and Girls initiative.

During 2025-26, **277 cases of 'Young Carers'** were identified across the College and these students were assisted with additional relevant support.

SERC continues to work with a range of external providers to assist in providing student services such as the **Youth Health Advice Service** (supported by the South Eastern Health and Social Care Trust). Student counselling is provided through **Lena by Inspire** and includes a 24/7 student helpline, an online Hub of support resources and the option of up to six sessions of counselling provided either on-line, via telephone or in person.

The College has an established **Cause for Concern** referral system – this allows staff to record and forward a concern about the wellbeing of any student to the welfare team. This system ensures the College can quickly implement a range of interventions, including engagement with the statutory bodies to ensure that all the College's responsibilities regarding the Safeguarding of Children and Adults at Risk of Harm are addressed. During 2025-26, **401 cases** (2024-25: 504) were raised relating to a variety of situations including mental health, family issues, caring responsibilities.

During 2025-26, the College maintained a team of Safeguarding and Wellbeing Champions (Designated Safeguarding Officers) looking after the needs of its learners, whether they be designated as Children or Adults at Risk. Safeguarding Officers are based at all the main Campuses. In addition, two members of the Governing Body are classified as Designated Officers and overview aspects of the Safeguarding and Pastoral Care systems, through regular reporting to the Governing Body. Further Safeguarding training for Governors and the wider Safeguarding team was arranged during 2025-26.

The Safeguarding Monitoring and Review working group met on 5 occasions during 2025-26 to co-ordinate actions in relation to issues which had a staff and student aspect, and in doing so ensured that College Management Team, HR and the Safeguarding Lead managed a co-ordinated response.

SERC continued to support The Police Service of Northern Ireland in **Operation Encompass**. This operation is a partnership between the PSNI, Safeguarding Board Northern Ireland, the Education Authority and schools aimed at supporting children who witness domestic violence or abuse in the home.

SERC Careers Service

The SERC Careers Service offers **Careers Education, Information, Advice, and Guidance (CEIAG)** to current students, prospective learners, and members of the local community. The service is delivered with impartiality, confidentiality, and a strong focus on individual needs. Every member of the careers team is professionally qualified and committed to upholding the Career Development Institute (CDI) Code of Ethics.

Within the College, CEIAG plays a central role in helping people make well informed decisions about their education and career paths. Through access to high quality information and personalised guidance, students are supported to explore opportunities that align with their personal goals, academic interests, and future career ambitions.

Throughout the 2025-26 8 month period, the careers team delivered a comprehensive programme of activities, events, and guidance interventions designed to raise awareness of opportunities and support student progression. This included classroom-based sessions, in College and at external events, employer engagement activities, and one to one and group guidance.

Over 4,500 client interactions comprising of guidance interviews and 'quick queries', provided support to our students in the period with 2,241 registered members on the Online Careers Hub to provide ongoing access careers resources and support.

A robust support programme was delivered to Traineeship cohorts across the college, preparing learners for placements and progression. This included CV writing workshops, personalised one-to-one guidance, interview preparation sessions, and mock interviews with tailored feedback. Following the ETI Evaluation of Traineeships in November 2024, the Careers provision was recognised as a key strength, and the use of mock interviews that effectively prepared trainees for placements, apprenticeships, and part-time employment was highlighted. The mock interviews conducted with Carpentry and Joinery Traineeship students were deemed as exemplary practice and described as "very useful in preparing them for future job application processes."

The team continued to support the College's engagement and social inclusion aims through collaboration with external organisations such as the local Labour Market Partnerships, Lisburn & Castlereagh City Council, Ards & North Down Borough Council, South Eastern Health & Social Care Trust, and local Jobs and Benefits Offices. The team attended 9 community-based events including jobs and apprenticeships fairs.

The team continues to work with post primary schools, attending 42 events to provide information on SERC's FE and HE pathways to pupils in Years 11–14. Furthermore, the Careers team have hosted campus visits from Lecale Trinity Grammar, Blackwater Integrated College, Friends School Lisburn, Groomsport AEP, Saintfield High School and Wallace High School, giving pupils the opportunity to hear more about SERC'S post 16 provision,

Student Finance

The **Student Finance** team supported **572 students** in receiving financial support. This support, from multiple sources, has aided students with tuition fees, travel, maintenance, books & materials, and childcare costs.

In the 2025-26 period, a total of **113** full-time Further Education students each received grants of up to £2,092 through FE Grants. Fee support from FE Grants totalled **£6,583** and was awarded to **30** part-time Further Education students. FE Grants supported **25** students with childcare costs.

Tuition fee loans totalling **£891,445** were awarded through Student Finance NI (SFNI) to **380** Higher Education (HE) students.

The College directly assisted **58** students through the Student Support Fund (Hardship Fund), providing total support of **£38,043.** The Care to Learn scheme administered **£4,235** of childcare assistance .

A total of **£1,291** was awarded to **5** students through applications made by the student finance team to Family Action Educational grants.

Engagement with students remained a priority through enrolment sessions, newsletters, and class talks.

Students' Union

The **Students' Union** (SERCSU) delivered a student engagement programme that supported the student voice, contributed to student health wellbeing and resilience, provided volunteering and social action projects, together with a range of student enhancement activities to support transversal skills.

SERCSU endeavoured to foster a sense of belonging to enrich the educational experience of our learners, supporting them through the establishment of clubs, societies, events, and experiences that have helped students to pick up valuable skills and build a sense of belonging.

Initiatives have included the launch of the Green Dot Programmer, delivery of clubs and societies, the promoting of FE students at a national level with NUS-USI and student led events that fostered a sense of community on campus, as well as a wide range of health and wellbeing and democratic activity.

The SU had a very busy period with 9,783 students engaged across various activities:



FINANCIAL OBJECTIVES

The College's financial objectives and achievement in the 8 month period to 31 March 2026 were:

RATIO	TARGET	2025-26 RESULT
Total Staff Costs as % of Total Income (including Grant in Aid)	65%	64.34%
Cash Balance as % of Total Prior Year Income (including Grant in Aid)	5%-10%	8%
Payment Performance - % of supplier invoices paid within 30 days	90%	90.57%

The ratio for **Total Staff Costs** as a % of Total Income compares the total cost of staffing within the College against the total income. The target of 65% displays the causal relationship between the total staff costs and total income. The result is deemed to be within target.

The **Cash Balance ratio** details the percentage of cash reserves held by the College. The target of 5-10% is contained with the Partnership Agreement with the Department for the Economy. The 2025-26 result is within target.

The **Payment Performance ratio** measures the percentage of invoices paid within 30 days. This ratio monitors our statutory requirement under The Late Payment of Commercial Debts (Interest) Act 1998.

Financial Performance Monitoring

During the 8 month period in 2025-26, the College monitored performance against its budget and against prior year position via the production of a full set of College Resource Accounts. These College Resource Accounts include a Resource Budget Report (an Income and Expenditure Account), Income Analysis, Expenditure Analysis, a Statement of Financial Position, Debtors and Creditors analysis, a Cash-flow forecast and a Full Period Financial Forecast.

The College Resource Accounts are reviewed by the College Management Team and are presented to the Governing Body (GB) throughout the period.

In addition, the College produces a set of departmental Resource Accounts for each school and unit. These departmental Resource Accounts consist of an Income and Expenditure Account and highlight actual year-to-date performance against budget.

The departmental resource accounts are issued to each of the College's Budget Holders shortly after period close and are used as the basis of the financial element of the College's "Integrated Monthly Performance Management" meetings at which each Budget Holder presents their department's performance against budget, and reviews their most recent full period forecast with, the College Management Team.

FINANCIAL RESULTS & POSITION

FINANCIAL RESULTS & POSITION

Financial Results

The College generated a deficit, as recorded in the Statement of Comprehensive Income & Expenditure, in the 8 month period of £2,236k (2024-25 Full Year deficit of £1,767k).

The College is a Non-Departmental Public Body (NDPB) of the Department for the Economy. The financial performance target, as set by the parent Department, is to deliver an actual Resource Requirement in line with its approved Resource Budget Allocation. The Resource Requirement is arrived at by quantifying the College's total resource expenditure less income received outside of Grant in Aid.

Statement of Comprehensive Income and Expenditure

The result in 2025-26 is stated after accounting for a pension credit of £368k (Pension Credit £368k and Net Interest Charge of nil), as determined by the College's actuaries. The actuarial assumptions used in calculating the pension charge are explained in Note 22.

The result is stated after exceptional costs of £1k, being increase due to NILGOSC re-calculating actuarial costs relating to Voluntary Severance Scheme of 2023-24.

Non-Departmental Public Body (NDPB) Financial Performance

The College's financial performance target, as set out by the Department for the Economy, is to deliver an actual Resource Requirement in line with its approved Resource Budget Allocation over the Department year, i.e., from 1 April to 31 March. The Resource Requirement is arrived at by quantifying the College's total resource expenditure less income received outside of Grant in Aid.

The result in the 8 month period is therefore translated into Resource Requirement as follows:

	£'000
Income	
Total incoming resources (excluding Grant-In-Aid funding) (Note 29)	**10,171**
Expenditure	
Staff costs (excluding Pension Charge & Interest)	(30,557)
Other operating expenses	(14,691)
Exceptional costs (other than Holiday Pay provision)	(1)
Total expenditure	**(45,249)**
RESOURCE REQUIREMENT	**(35,078)**
GRANT-IN-AID FUNDING (Note 29)	**36,753**
Non-Resource Expenditure	
Depreciation & Amortisation	(4,279)
Pension credit	368
Net interest cost on pension scheme	-
Deficit as recorded in Statement of Comprehensive Income and Expenditure	**(2,236)**

The College's true **financial performance target**, as set out by the Department for the Economy, is the delivery of an actual Resource Requirement in line with its approved Resource Budget Allocation **over the Department year**, i.e., from 1 April to 31 March.

SERC's Resource Requirement target, for the Departmental year (April 2025 – March 2026), was £48,667k, as confirmed by DfE on 16 February 2026. For the twelve months ending 31 March 2026, the College delivered an **actual** Resource Requirement of £48,667k. As such, the College met the target allocation for the Departmental 2025-26 financial year.

Therefore, whilst notionally there appears to be an "underspend" in College's financial 8 month period to 31 March 2026, this formed part of the 2025-26 departmental year financial planning to ensure SERC achieved its Departmental year financial targets at 31 March 2026.

The College has significant reliance on the Department for the Economy (DfE) for its principal funding source, largely from recurrent grants. In the 8 month period to 31 March 2026, DfE provided some 78.32% of the College's total income through grant-in-aid (2024-25: 78.15%). This represented 20.61% of the total recurrent grant available to the sector.

Net Assets and Reserves

Net assets at 31 March 2026 were £112,624k (31 July 2025: £111,704k). This includes a £14k pension liability (31 July 2025 £17k) and £685k of provisions (31 July 2025: £695k).

The College has a revaluation reserve of £104,606k (31 July 2025: £103,062k). Land and buildings were subject to a full revaluation at 31 July 2025 on a depreciated replacement cost basis, with a valuation update at the period end of 31 March 2026 by the application of indices. The valuations were performed independently by the Land and Property Services (LPS). The valuations increased the revaluation reserve by £3,522k, whilst £1,977k was transferred from revaluation reserve to the income and expenditure reserve in the period.

The College has an accumulated income and expenditure reserve of £8,026k (31 July 2025: £8,653k) (excluding the Pension Deficit of £14k (31 July 2025: £17k) and cash balances of £5,171k as at 31 March 2026 (31 July 2025: £3,883k).

Treasury policies and objectives

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

The Further Education Order 1997 gives the College power to invest its funds. The College has a formal Treasury Management Policy which has been approved by the Finance & General Purposes Committee and the Governing Body. This policy is designed to ensure that appropriate controls are in place to regulate cash funds.

The purpose of the policy is to provide for the College cash funds to ensure all investments are held with major UK financial institutions and the requirement for any borrowings to be fully evaluated and approval sought from the Finance & General Purposes Committee and the Department for the Economy.

Cash Flows & Liquidity

The College had a net cash inflow of £1,288k during the year, as a result of cash inflows from operating activities of £3,968k and cash outflows from investing and financing activities of £607k, and £2,073k from investments and capital (2024-25: total outflow of £184k).

With a cash balance of £5,171k at 31 March 2026 (31 July 2025: £3,883k), the College's liquidity is within the Department's target for cash reserves, as detailed in the Partnership Agreement with DfE.

Estate

The College's estate consists of land with a net book value of £7,975k as at 31 March 2026 (31 July 2025: £7,975k) and buildings with a net book value of £160,770k as at 31 March 2026 (31 July 2025: £160,429k).

OUR SUCCESS

SERC's **success** has been recognised in 2025-26:

Higher Level Apprentice of the Year



Chef, Grace Dugan (20) a culinary arts apprentice, employed at Culloden Estate and Spa, was crowned **Higher Level Apprentice of the Year 2026**.

No stranger to success, the award is hot on the heels of Grace's win at the UK-wide **Eat Wild Young Chef** Competition, held in London in November.

Grace has been studying at SERC's Bangor Campus for the past four years, since starting on a Level 3 Diploma in Professional Cookery.

IT Apprentice of the Year

Student, Tiarnan Crosbie (21) was named **IT Apprentice of the Year** at this year's UK IT Awards.

Tiarnan, a Higher Level Apprentice in Mechatronic Engineering (validated by Ulster University) at the Bangor Campus, and employed by Hamilton Robson, beat off competition from organisations including the Bank of England and IBM.

The **UK IT Awards** celebrate the people, projects, and organisations that are shaping the future of technology across the UK.



SERC Finalist in Beacon Awards for Sustainability Programme



SERC was proud to be named a finalist in the prestigious **Association of Colleges Beacon Awards**, under the category **Education for Sustainable Development**

Established over five years ago, the Sustainable Futures promotes green skills and sustainability initiatives in the college, community and industry.

The goal is to create a more environmentally friendly future by equipping students with knowledge for the growing green economy.

National Enterprise Educator Awards 2025

SERC's six-strong **Enterprise and Entrepreneurship team**, were **Highly Commended** in the **Enterprise Catalyst** category, recognising delivering exceptional enterprise education or practice inside or outside the curriculum.

The **'Be Your Own Boss** was also **Highly Commended** in the **Enterprise for Good** category.



Northern Ireland Social Enterprise Awards 2025



SERC Culinary Arts student **Brandan Magee** was **Highly Commended** in the **Northern Ireland Social Enterprise Awards 2025 in the Young Person of the Year category**.

The award related to Brendan's 'Rooted Relief' start-up social enterprise.

The enterprise offers affordable meals via a food truck to low-income communities that can't afford takeaways or dining out.

Skill Build and Worldskills 2025



SERC Carpentry and Joinery Apprentice **Matthew Rutherford** lifted third place in the in the **Carpentry and Joinery** competition as part of the **Skill Build 2025 National Finals.**

In addition, SERC Level 3 Fire and Security Apprentice **Luke Wilson** (not pictured) was **Highly Commended** in the **WorldSkills UK Finals**.

Institute of Hospitality Northern Ireland Award 2025



SERC Chef Lecturer **Thomas Turley** won the **Lecturer of the Year Award** at the Institute of Hospitality Northern Ireland Award 2025, beating off competition from Southern Regional College and Ulster University.

Bronagh Beattie, who recently graduated with a Higher Level Apprenticeship in Culinary Arts, was also shortlisted for a **Student Management Potential Award**.

City & Guilds Foundation 2025 Membership Awards

Two members of the teaching team at South Eastern Regional College (SERC) have been celebrated for achieving Membership of the **City & Guilds of London Institut**e (MCGI) at a prestigious awards ceremony at Mansion House in London recently.



Paul Mercer and **Stephen McGreevy** were amongst 19 outstanding tutors and trainers from across the UK, recognised as recipients of the 2025 Membership Awards – a programme celebrating those who go above and beyond to transform lives through skills and training.

DEVELOPMENTS

SERC is constantly developing to ensure it maintains its existing reputation as a trusted and respected part of our local community by delivering an industry focused curriculum.

The latest development in the College are discussed below:

Special Education Needs (SEN) Reform Training



The College has been instrumental in working with the Department of Education (DE) to develop and deliver the Early Years Assistants (SEN) Training project, which provides accredited SEN-specific training for classroom assistants working with children in pre-school and Primary 1 and Primary 2.

SERC is one of the five further education colleges to deliver the training, funded by the Public Sector Transformation Fund.

Speaking during the project launch event at the SERC Lisburn Campus, Minister Givan said: "Classroom assistants play a vital role in supporting children at the earliest stages of their learning. This project is delivering accredited SEN-specific training, in line with my commitment to invest in and build confidence in our workforce to meet children's needs as set out in my SEN Reform Agenda".

The Minister continued "…by ensuring that children with SEN are supported at the earliest opportunity by skilled professionals, we can improve their educational outcomes as they begin their educational journeys."

The project provides a suite of accredited SEN specific courses delivered across Northern Ireland. A total of 114 assistants are currently participating in the 2025/2026 academic year cohort, with an additional 240 training places planned over the next two years.

The focus of this project is on supporting children in their early, formative years. The impact of the training will be evaluated and the evidence used to inform future professional development for classroom assistants.

In the picture: Education Minister Paul Givan (centre front) pictured at the launch of the SEN Reform Training project with SERC Principal and Chief Executive Tommy Martin (centre, back) and with project participants and representatives from the five further education colleges involved in delivering the project.

Widening Participation

The College values diversity within the student population and is committed to widening participation and avoiding unfair discrimination on any grounds. SERC recognises that success depends on the ability to attract a wide range of students from a range of educational backgrounds.

In relation to Higher Education (HE), SERC seeks to ensure that all students can participate in higher education regardless of financial circumstances. The College uses additional fee income to financially support those within the lowest income groups. All higher education students at SERC in 2025-26, who were in receipt of the maximum maintenance grant from Student Finance NI or student support grant, were eligible for a bursary of 10% of the tuition fee. The bursary amounts totalled £26,678.

SERC has set Widening Participation targets with DfE that focus on target groups:

	TARGET	2025-26*
Enrolments from Northern Ireland Multiple Deprivation Measure (MDM) - Quintile 1.	134 enrolments	132 enrolments
Enrolments from adult returners.	827 enrolments	805 enrolments
Enrolments from students with a disability.	110 enrolments	261 enrolments
Enrolments from students who have a Care Experience.	15 enrolments	15 enrolments
Young male students in MDM Quintile 1.	14 young males	13 Young Males
Students in receipt of DSA	22 students	25 students

**As at 31 March 2026*

The College has a long and successful record of implementing outreach activity to widen participation, raise aspirations and encourage students from under-represented groups to apply to further and higher education. Pre-access courses and community based promotional events will continue to seek to attract the key target groups.

STAKEHOLDER RELATIONSHIPS & REPUTATION

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

- Students;
- Department for the Economy;
- Staff;
- Local employers (with specific links);
- Local Councils;
- Government Offices/ Regional Development Agencies;
- The local community;
- Other FE Institutions;
- Trade unions;
- Professional bodies;
- Universities; and
- Elected Representatives.

SERC is committed to listening to key stakeholders, not only students and staff, but others such as politicians, businesses, voluntary and community groups and local Government, and take actions to influence their perceptions of FE and promote its value and importance. This engagement process is also used to inform more businesses, decision makers and influencers, such as school teachers and parents, of the quality of the FE offer in order to develop the existing curriculum and seek new entrants.

Given the diversity of stakeholders that FE engages with, measuring stakeholder views and perceptions is undertaken in a number of ways. SERC conduct surveys with part-time and full-time students, staff members and business customers to gauge their perceptions and to enable us to respond better to stakeholder needs.

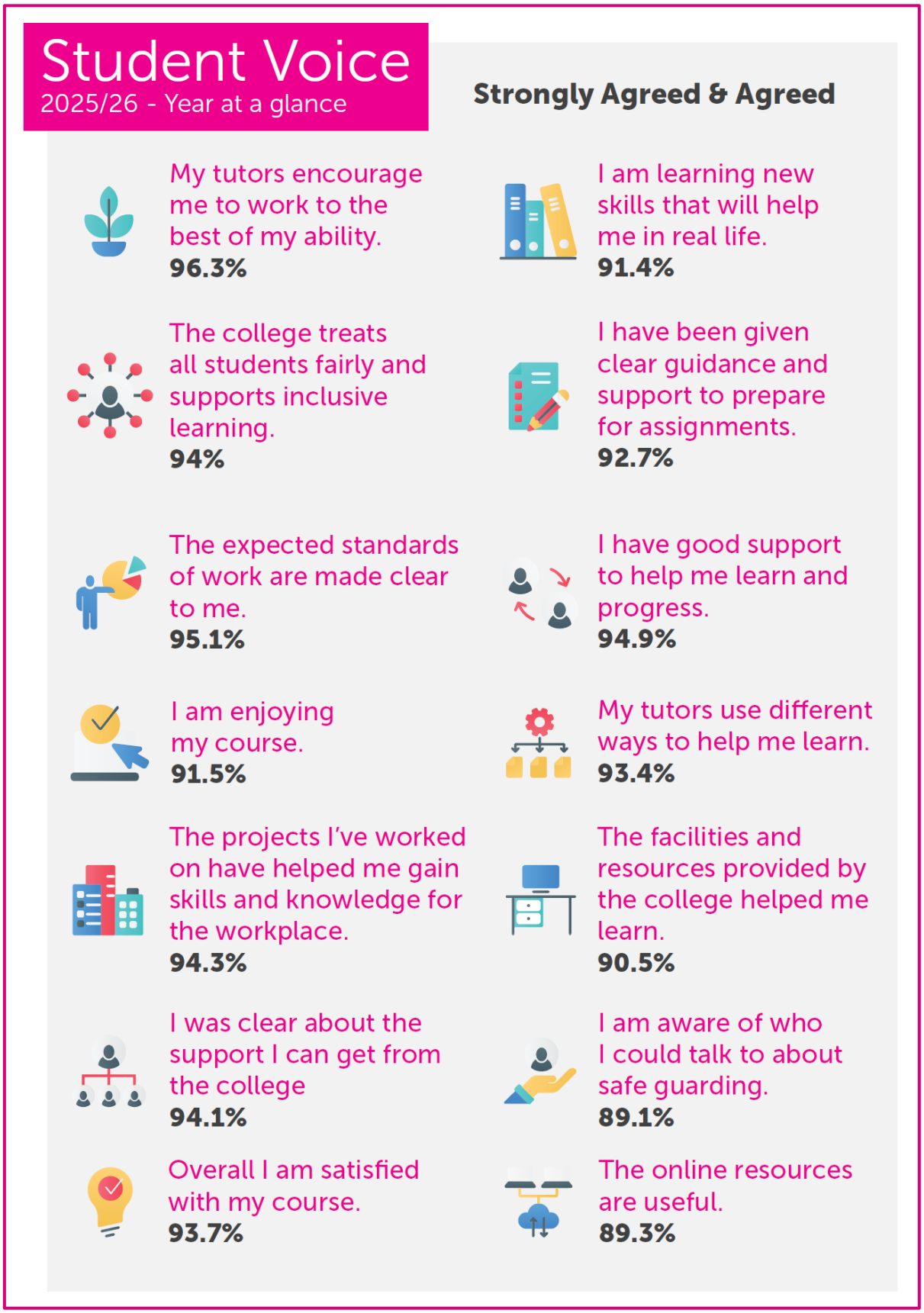
There is no one entity which can provide a single reflection of how SERC is perceived so we use a 'Listening and Influencing' quotient to measure all listening and influencing activity. These reflect customer satisfaction, employee satisfaction and reputation/perceptions of SERC.

The reputation indicator is based on core questions used in all customer surveys and shows how SERC is perceived by stakeholders – a fundamental output from all listening and influencing activity. Academic research into perceptions in the public sector has indicated that such organisations should manage expectations in this area in that the best output could be 'neutral' rather than positive.

Customer satisfaction is viewed by SERC as of strategic importance and again a fundamental indicator of how effective listening and influencing activity has been. It is also an indicator of our quality standards.

The perceptions of customers are primarily shown in the 2025-26 **Big 14 Survey**, which seeks student views of their College experience for the Department for the Economy to compare SERC against the other colleges in Northern Ireland and by doing so, continue to improve the quality of our service to the student.

The latest results for this survey are very encouraging for SERC:



DISABILITY STATEMENT - STUDENTS

The College's Disability Equality Statement sets out the College's commitment to potential and existing employees and students with a disability. The College is committed to:

- A policy of equal opportunity and seeks to ensure that disabled staff and students have equitable access, as far as is reasonably possible, to the full range of facilities, and services provided by the College;
- Creating an environment where those with disabilities are comfortable to disclose details of their disability and are provided with suitable opportunities to disclose at various stages throughout their time at the College;
- Providing access to the appropriate reasonable adjustments to enable the effects of disabilities to be minimised while participating in College life;
- Preventing occurrences of unlawful direct discrimination, indirect discrimination, harassment, and victimisation; and
- Treating all staff and students with dignity and respect and will seek to provide a positive and safe working and learning environment.

The Staff Report contains the Disability Statement relating to staff.

The College delivers on the objectives set out in the Disability Discrimination Act 1995, the Special Education Needs and Disability Order (NI) 2005 and the Disability Discrimination (NI) Order 2006, through a wide range of structures and initiatives aimed at ensuring students with physical disabilities, learning difficulties and long-term medical conditions are facilitated in accessing and fully engaging in the breadth of the available learning opportunities.

In addition, a range of support is also in place to help students experiencing difficulties in their personal lives so that the challenges arising from these issues do not become barriers to their ongoing learning.

OTHER INFORMATION AND DISCLOSURES

Payment Performance

The Late Payment of Commercial Debts (Interest) Act 1998, which came into force on 1 November 1998, requires colleges, in the absence of agreement to the contrary, to make payments to suppliers within 30 days of either the provision of goods or services or the date on which the invoice was received.

The target set by the Treasury for payment to suppliers within 30 days is 95%.

During the accounting period 1 August 2025 to 31 March 2026, the College paid 90.57% of its invoices within 30 days (2024-25 80.58%). The average payment days was 18.26 days (2024-25: 22.24 days). The College incurred no interest charges in respect of late payment for this period.

The Northern Ireland Executive is committed to paying suppliers as quickly as possible, within 10 working days. During the accounting period 1 August 2025 to 31 March 2026, the College paid 25.67% of its invoices within 10 days (2024-25: 19.35%).

The College continues to improve its payment statistics from 2024-25, with further resources being added to the Accounts Payable section.

Principal Risks and Uncertainties

The College has developed and embedded a system of internal control, including financial, operational and risk management which is designed to protect the College's assets and reputation. For details on SERC's principal risks and uncertainties refer to the Statement of Corporate Governance and Internal Control (pages 67 - 69).

Personal data related incidents

The College had no reportable data breaches in 2025-26.

Going Concern

The College is satisfied that the organisation is a going concern on the basis that there is no reason to believe that the department's future sponsorship and future Assembly approval will not be forthcoming to meet the College's liabilities as they fall due.

It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

Events after the end of the reporting date

There are no events after the end of the reporting date.

Disclosure of Information to Auditors

These financial statements are subject to audit by statute by the Comptroller and Auditor General for Northern Ireland.

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

Legal Status

The current arrangements for further education in Northern Ireland were established by The Further Education (Northern Ireland) Order 1997 with colleges being self-governing incorporated bodies with effect from 1 April 1998. Based on this legislation, the Office for National Statistics, in 2010, reclassified colleges as part of Central Government. This has resulted in colleges being determined as Non-Departmental Public Bodies.

Charitable and Taxation Status

The College has charitable status for taxation purposes from the UK HM Revenue and Customs.

Charitable/Political Donations

The College made no charity or political donations during the year.

Members

The members who served the Governing Body (GB) during the year were as follows:

Name	Date of Appointment	Term of Office	Date of Resignation / End of Term Date	Status of appointment	Committees Served	GB Attendance (attended / possible)
Mr John Nugent (Chair)	1 August 2022	4 years	-	Independent Member	Education, Finance and General Purposes (ex-officio member)	4 / 4
Mr Mark Brashier	1 October 2025	1 year	-	Student Governor 2025/26	Education	4 / 4
Ms Majella Corrigan	1 April 2021 1 April 2025 (Second Term)	4 years 4 years	-	Independent Member – Business Category	Audit and Risk, Educatio n	4 / 4
Mr Paul Finnegan	21 May 2025	4 years	-	Independent Member – Business Category	Audit and Risk, Education	2 / 4
Mr Samuel Hagen	18 October 2021 18 October 2025 (Second Term)	4 years 4 years	-	Independent Member – Business Category	Audit and Risk, Education	4 / 4
Mrs Carolyn King	24 October 2022	4 years	-	Staff Governor – Corporate	Audit and Risk	3 / 4
Mr Steven Lee	29 May 2024	4 years	-	Staff Governor – Teaching	Education	4 / 4
Ms Pauline Leeson CBE	26 June 2024	4 years	-	Independent Member – Business Category	Education, Finance and General Purposes	3 / 4
Dr Daniel McConnell	10 December 2020 10 December 2024 (Second Term)	4 years 4 years	-	Independent Member – Business Category	Audit and Risk	2 / 4

Name	Date of Appointment	Term of Office	Date of Resignation / End of Term Date	Status of appointment	Committees Served	GB Attendance (attended / possible)
Mr Alan McCrum	10 December 2020 10 December 2024 (Second Term)	4 years 4 years	-	Independent Member – Business Category	Education, Finance and General Purposes	3 / 4
Ms Catherine McKay	25 October 2024	4 years	-	Co-opted	Education, Finance and General Purposes	3 / 4
Mr Michael McQuillan	28 October 2021	4 years	27 October 2025	Co-opted	Finance and General Purposes	1 / 1
Ms Grainne McVeigh	10 December 2024	4 years	-	Independent Member – Business Category	Audit and Risk, Education	4 / 4
Mr Tommy Martin	1 August 2024	On- -going	-	Principal & Chief Executive	Education, Finance and General Purposes	4 / 4
Ms Nuala Reid	26 June 2024	4 years	-	Independent Member – Business Category	Education, Finance and General Purposes	4 / 4
Mr Darren Stewart	10 December 2020 10 December 2024 (Second Term)	4 years 4 years	-	Independent Member – Business Category	Audit and Risk	4 / 4
Ms Denise Stockman	30 March 2026	4 years	-	Co-opted	Education, Finance and General Purposes	-
Mr Derek Wilson	10 December 2020 10 December 2024 (Second Term)	4 years 4 years	-	Independent Member – Business Category	Education, Finance and General Purposes	4 / 4
Ms Nicola Wilson	26 June 2024	4 years	-	Independent Member – Business Category	Audit and Risk	3 / 4

Professional Advisers

Internal Auditors	Henderson Loggie The Stamp Office Level 5 10-14 Waterloo Place Edinburgh EH1 3EG
Bankers	Danske Bank Donegall Square West Belfast BT1 6JS
Solicitors	A&L Goodbody 42-46 Fountain Street Belfast BT1 5EF

External Auditor

External Auditor	Comptroller and Auditor General Northern Ireland Audit Office 106 University Street Belfast BT7 1EU

For and on behalf of the members of the Governing Body:



Mr Tommy Martin
Accounting Officer

28 October 2026

SOUTH EASTERN REGIONAL COLLEGE
REMUNERATION REPORT

REMUNERATION POLICY

South Eastern Regional College is a member of the Northern Ireland Colleges Employers' Forum (CEF).

The CEF is a collaborative network of the six colleges and has the responsibility to arrange for the negotiation of pay, conditions of service and related issues through regional negotiation committees and agreed procedures, on behalf of the six regional colleges. CEF has the authority to sign off collective agreements reached by the relevant negotiating committees.

There are three CEF negotiating committees producing pay grades for each of the following staff groups:

- Principal and Chief Executives and senior staff (deputy directors);
- Lecturers; and
- Non-Teaching staff

The pay of each of these groups, excluding the Principal & Chief Executive, is based on a system of pay scales for each grade, containing a number of pay points from minimum to maximum, allowing progression towards the maximum based on contractual annual increments.

Annual pay awards are made in accordance with Northern Ireland's public sector pay policy guidance, and in the context of the wider public sector pay policy.

SERVICE CONTRACTS

South Eastern Regional College staff appointments are made on merit on the basis of fair and open competition.

Unless otherwise stated, the officials covered by this report hold appointments, which are open ended.

Early termination, other than for misconduct, would result in the individual being entitled to receive compensation.

REMUNERATION (INCLUDING SALARY) AND PENSION ENTITLEMENTS

The following sections provide details of the remuneration and pensions interests of the Governing Body, Principal & Chief Executive and most senior management of the College.

GOVERNING BODY

There are normally 18 members of the College Governing Body, most of whom are appointed in accordance with the Code of Practice of the Office of the Commissioner for Public Appointments for Northern Ireland. The majority of members are appointed for a fixed period of up to four years and thereafter they may be re-appointed in accordance with the Code of Practice.

The remuneration of Governing Body members (excluding staff members) was first introduced by the Department for the Economy from 1 January 2016. There are no arrangements in place for the payment of a bonus. The Governing Body Chair and individual Governors are not deemed to be employees of the College and are therefore not eligible to join a pension scheme. The Pensions Regulator has confirmed that the Governing Body Chair and individual Governors are excluded from the pension auto-enrolment process as members of the Governing Body do not hold a contract of employment with the College.

The College also reimburses Governing Body members for any incidental expenses incurred for carrying out their duties relevant to the College.

The remuneration of the Chair and Governing Body is as follows (Audited):

	8 MONTH PERIOD 2025-26				12 MONTH YEAR 2024-25			
Name	**Re-muneration £'000**	**Benefits in kind £'000**	**Pension Benefits £'000**	**Total £'000**	**Re-muneration £'000**	**Benefits in kind £'000**	**Pension Benefits £'000**	**Total £'000**
Mr John Nugent	10 – 15	-	-	**10 - 15**	15 - 20	-	-	**15 - 20**
Mr Mark Brashier (Term started 01 Oct. 2025)	0 – 5	-	-	**0 – 5**	-	-	-	**-**
Mr Christopher Bruton (Term ended June 2025)	-	-	-	**-**	0 – 5	-	-	**0 – 5**
Ms Majella Corrigan	0 – 5	-	-	**0 – 5**	0 – 5	-	-	**0 – 5**
Mr Paul Finnegan	0 – 5	-	-	**0 – 5**	0 – 5	-	-	**0 – 5**
Mr Samuel Hagen	0 – 5	-	-	**0 – 5**	0 - 5	-	-	**0 - 5**
Mr Mark Huddleston (Term ended 9 Dec 2024)	-	-	-	**-**	0 – 5	-	-	**0 – 5**
Mrs Carolyn King	0 – 5	-	-	**0 – 5**	0 – 5	-	-	**0 – 5**

	8 MONTH PERIOD 2025-26				12 MONTH YEAR 2024-25			
Name	**Re-muneration £'000**	**Benefits in kind £'000**	**Pension Benefits £'000**	**Total £'000**	**Re-muneration £'000**	**Benefits in kind £'000**	**Pension Benefits £'000**	**Total £'000**
Mr Steven Lee	0 – 5	-	-	**0 – 5**	0 – 5	-	-	**0 – 5**
Ms Pauline Leeson	0 – 5	-	-	**0 – 5**	0 – 5	-	-	**0 – 5**
Dr Daniel McConnell	0 – 5	-	-	**0 – 5**	0 – 5	-	-	**0 – 5**
Mr Alan McCrum	0 – 5	-	-	**0 – 5**	5 - 10	-	-	**5 - 10**
Ms Catherine McKay	0 – 5	-	-	**0 – 5**	0 – 5	-	-	**0 – 5**
Mr Michael McQuillan (Term ended 27 Oct. 2025)	0 – 5	-	-	**0 – 5**	0 – 5	-	-	**0 – 5**
Ms Grainne McVeigh	0 – 5	-	-	**0 – 5**	0 – 5	-	-	**0 – 5**
Ms Deborah O'Hare (Term ended 31 Jan 2025)	-	-	-	**-**	0 – 5	-	-	**0 – 5**
Ms Vikki Pinkerton (Term ended 30 Sept 2024)	-	-	-	**-**	0 – 5	-	-	**0 – 5**
Ms Nuala Reid	0 – 5	-	-	**0 – 5**	5 - 10	-	-	**5 - 10**
Mr Darren Stewart	0 – 5	-	-	**0 – 5**	0 – 5	-	-	**0 – 5**
Ms Denise Stockman (Term started 30 Mar 2026)	-	-	-	**-**	-	-	-	
Mr Derek Wilson	0 – 5	-	-	**0 – 5**	0 – 5	-	-	**0 – 5**
Ms Nicola Wilson	0 – 5	-	-	**0 – 5**	0 – 5	-	-	**0 – 5**

THE PRINCIPAL & CHIEF EXECUTIVE AND DEPUTY DIRECTORS

Service Contracts

The Principal/Director and the Deputy Director appointments are made in accordance with the College's recruitment policy. The policy requires appointments to be made on merit on the basis of fair and open competition.

The Principal/Director and the Deputy Directors hold permanent appointments. Staff may be able to retire before state pension age with no diminution of earned pension benefits depending on the terms of their pension. The policy relating to notice periods is contained in the College's Staff Handbook.

Minimum Pay Levels

Minimum pay levels are dependent on college size and vary across the sector.

Progression

There is no incremental progression for Principals/Directors as they are paid on a one-point scale according to college size. However, if the college size changes, they will automatically move to that new salary point.

At initial appointment, Deputy Directors are normally placed on the bottom point of the four-point scale relevant to the size of their college. Thereafter, there is annual incremental progression up the scale until the maximum of the scale is reached. A common incremental date of 1 September is used for all Deputy Directors. If the College increases in size a Deputy Director will automatically move to the new relevant salary scale.

Performance Pay / Bonuses

There is no performance related pay for the Director or any Deputy Director.

Total Reward Package

Senior staff within the College have access to the Northern Ireland Teachers' Pension scheme (NITPS) or the Northern Ireland Local Government Pension Scheme (NILGOSC).

Senior staff posts are based on 36 hours per week and post-holders have access to the College's Maternity Leave Scheme, Paternity Leave Scheme, Adoption Leave Scheme, and all other flexible working arrangements.

All Senior Staff have 35 days holiday entitlement, and a further 12 statutory and public holidays as recognised by the sector.

Remuneration (including salary) and pension entitlements (Audited)

	8 MONTH PERIOD 2025-26				12 MONTH YEAR 2024-25			
Name	**Salary*** **£'000**	**Benefits in kind** **£'000**	**Pension Benefits** (to nearest £1,000)** **£'000**	**Total** **£'000**	**Salary*** **£'000**	**Benefits in kind** **£'000**	**Pension Benefits** (to nearest £1,000)** **£'000**	**Total** **£'000**
Mr Tommy Martin **Director** **(Appointed 13 Dec 2024)**	95-100 (Annual: 135-140)	-	20	**115-120**	135-140	-	113	**250-255**
Mrs Heather McKee **Deputy Director** **(Appointed 1 Jan 2017)**	70-75 (Annual: 100-105)	-	19	**90-95**	100-105	-	38	**140-145**
Mr Gary Ritchie **Deputy Director*** ** **(Appointed 15 May 2024)**	70-75 (Annual: 95-100)	-	(46)	**25-30**	95-100	-	120 (restated)	**215-220** (restated)
Mr Colin McGuckin **Deputy Director** **(Appointed 1 Sept 2025)**	60-65 (Annual: 95-100)	-	18	**75-80**	-	-	-	**-**

** Salary includes accrued payments recorded in these accounts.*

***The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decrease due to a transfer of pension rights.*

****NITPS incorrectly calculated the pension benefit for Mr Gary Ritchie at 31 July 2025. NITPS did not apply the restriction of 10% to Final Salary calculation, where there has been an increase of greater than 10% for the prior 3 years before calculation. The 31 July 2025 figures have been restated, based on NITPS updated information. However, this has resulted in a negative pension benefit and reduction to pension/lump sum and CETV.*

Salary

'Salary' includes gross salary; overtime; recruitment and retention allowances; and any other allowance (including payment of unused annual leave on retirement), to the extent that it is subject to UK taxation and any severance or ex gratia payments. This report is based on accrued payments made by South Eastern Regional College and thus recorded in these accounts.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by the HM Revenue and Customs (HMRC) as a taxable emolument. No senior officials received any benefits in kind in 2025-26 or 2024-25.

Compensation for loss of office

There were no payments relating to compensation for loss of office in 2025-26.

Pension Entitlements (Audited)

Officials	Accrued pension at pension age as at 31 March 2026 and related lump sum £'000	Real increase/(decrease) in pension and related lump sum at pension age £'000	CETV at 31 March 2026 £'000	CETV at 31 July 2025 £'000	Real increase/ (decrease) in CETV £'000
Mr Tommy Martin **Director**	35-40 Plus, lump sum of 0*	2	601	514	87
Mrs Heather McKee **Deputy Director**	15-20 Plus, lump sum of 0*	1	289	264	25
Mr Gary Ritchie** **Deputy Director**	22-25 Plus, lump sum of 50	(9)	433	468 (restated)	(35)
Mr Colin McGuckin **Deputy Director** **(Appointed 1 Sept 2025)**	0-5 Plus, lump sum of 0*	1	16	-	16

** An entrant to the NITPS after 01/04/2007 or NILGOSC from 01/04/2009 has no lump sum applicable, although the entrant may elect to commute part of their pension to a lump sum.*

***NITPS incorrectly calculated the pension benefit for Mr Gary Ritchie at 31 July 2025. NITPS did not apply the restriction of 10% to Final Salary calculation, where there has been an increase of greater than 10% for the prior 3 years before calculation. The 31 July 2025 figures have been restated, based on NITPS updated information. However, this has resulted in a negative pension benefit and reduction to pension/lump sum and CETV.*

FAIR PAY DISCLOSURES

Fair Pay Disclosure – Pay Ratios (Audited)

The College is required to disclose the relationship between the remuneration of the highest-paid director and the lower quartile, median and upper quartile remuneration of the College's workforce.

The banded salary remuneration of the highest-paid director South Eastern Regional College in the 8 month period 2025-26 was £130-135k (2024-25: £130-135k). To ensure no impact on comparability this banded figure excludes arrears paid and amounts accrued and therefore differs from the salary band shown in the Remuneration table on Page 37.

The relationship between the mid-point of this band and the remuneration of the College's workforce is disclosed below:

2025-26 (8 months)	25th percentile	Median	75th percentile
Total remuneration	£32,600	£42,917	£47,985
Pay ratio	4.06	3.09	2.76

2024-25	25th percentile	Median	75th percentile
Total remuneration	£30,559	£39,513	£44,158
Pay ratio	4.34	3.35	3.00

Total remuneration includes salary and benefits-in-kind. It does not include severance/redundancy payments, employer pension contributions, payments in respect of unused annual leave, accrued payments, nor the cash equivalent transfer value of pensions.

In 2025-26, no employees received remuneration in excess of the highest-paid director.

The 25th percentile, median and 75th percentile remuneration values consist solely of salary payments.

Remuneration ranged from £20k-£25k to £130k-£135k (2024-25: £20k-£25k to £130k-£135k).

Fair Pay Disclosure – Percentage Change in Remuneration (Audited)

The College is required to disclose the percentage change from the previous financial year in the salary and allowances of the highest paid director and of the employee body as a whole.

The percentage changes in respect of South Eastern Regional College are shown in the following table. It should be noted that the calculation for the highest paid director is based on the mid-point of the band within which their remuneration fell in each year.

Percentage Change for:	2025-26 compared to 2024-25	2024-25 compared to 2023-24
Average employee salary and allowances	6.02%	2.28%
Highest paid director's salary and allowances	0%	9.24%

There is no performance related pay for the highest paid Director or any other employee.

The following pay awards were applied in the eight month period:

- **Further Education Lecturers' Pay (Lecturer's Contract of Employment)**

The rates of salaries for Lecturers in Colleges of Further Education from **1 September 2024** and **1 September 2025** were published on 24 July 2025.

The following changes were determined and are applied from 1 September 2025:

- 3% increase on each salary scale point relating to Lecturer's Contract of Employment (i.e. Associate Lecturers, Full-Time Lecturers, Principal Lecturers and Heads of Department) and Part-time Hourly Paid Lecturers.

- 3% increase to allowances i.e. Threshold, Deane, Responsibility and Re-organisation) relating to Lecturer's Contract of Employment (i.e. Associate Lecturers, Full-Time Lecturers, Principal Lecturers and Heads of Department).

- **Further Education Non-Teaching Staff Negotiating Committee (Non-Teaching Contract of Employment)**

In November 2025, in accordance with the provisions of Article 11, Schedule 3, paragraph 10.3 of the Further Education (Northern Ireland) Order 1997 and the Constitution for Negotiating the Terms, Conditions of Service and Remuneration of Non-Teaching Staff Employed in Incorporated Colleges of Further Education, the following change was determined and applied from April 2025:

- 3.2% increase applied to all salary scale points and related NJC allowances.

PENSION ARRANGEMENTS

Retirement benefits to employees of the College are provided by the Northern Ireland Teachers' Pension Scheme (NITPS) and/or the Local Government Pension Scheme (Northern Ireland).

Northern Ireland Teachers' Pension Scheme

Pension benefits may be provided through the Northern Ireland Teacher's Pension Scheme which is administered by the Teachers' Pension Team within the Department of Education. The Scheme is funded by contributions made by both employees and employers. See detail of contributions at www.education-ni.gov.uk .

The pension scheme, from 1 April 2015, operates as a Career Average Revalued Earnings (CARE) and all new entrants joining the scheme on or after 1 April 2015 have their benefits calculated using career average arrangements only. CARE schemes accumulate pension based on a fraction of pensionable earnings each year – for NITPS this is 1/57th.

Existing scheme members, on 1 April 2015, who satisfied certain criteria (generally members within 10 years of their normal pension age) remained in the existing final salary arrangements, whilst others started to have their benefits calculated using a combination of career average and final salary arrangements.

In 2018, the UK Court of Appeal found that transitional protections put in place in 2015, that allowed older workers to remain in their original scheme, were discriminatory on the basis of age (**McCloud Judgement**).

The NITPS has now made regulations which remedy the discrimination by:

- prospective remedy: all active members of the NITPS becoming members of the 2015 reformed scheme (career average) from 1 April 2022, irrespective of age; and

- retrospective remedy: providing each eligible member with options to have their pension entitlements for the period when the discrimination existed between 1 April 2015 and 31 March 2022 (the remedy period) retrospectively calculated under either the current (2015 reformed) scheme rules, or the legacy scheme (final salary) rules which existed before 2015.

This means that all active NITPS Pension Scheme members are in the same pension scheme, CARE, from 1 April 2022 onwards, regardless of age. This removes the discrimination going forward in providing equal pension provision for all scheme members.

The NITPS is implementing the second part of the remedy, which addresses the discrimination which was incurred by affected members between 1 April 2015 and 31 March 2022.

Eligible members with relevant service between 1 April 2015 and 31 March 2022 (the Remedy Period) will now be entitled to a choice of alternative pension benefits in relation to that period i.e. calculated under legacy rules or alternatively calculated under CARE scheme rules. As part of this retrospective remedy most active members will now receive a choice about their remedy period benefits at the point of retirement. This is known as the Deferred Choice Underpin (DCU). For those members who already have pension benefits in payment in relation to the Remedy Period, an Immediate Choice will have been issued directly from NITPS.

At this stage, allowance has not yet been made within CETVs for this remedy. Further information on the remedy can be found at Retrospective Remedy Consultation | Department of Education (education-ni.gov.uk).

Employee contribution rates for all members for the period covering 1 August 2025 to 31 March 2026 are as follows:

Actual annual pensionable earnings From 1 April 2025	Member Contribution Rate
Up to £34,872.99	7.40%
£34,873.00 to £46,943.99	8.87%
£46,944.00 to £55,660.99	9.90%
£55,661.00 to £73,768.99	10.52%
£73,769.00 to £100,590.99	11.65%
£100,591 and above	12.06%

Local Government Pension Scheme (Northern Ireland)

Pension benefits may be provided through the Local Government Pension Scheme (Northern Ireland) (LGPS (NI)) which is administered by the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC).

The pension scheme operates as a Career Average Scheme where a member builds up retirement pension at the rate of 1/49th pensionable pay for each year.

The LGPS (Northern Ireland) changed from a Final Salary Scheme to a Career Average Scheme on 1 April 2015. Members who joined the Scheme before 1 April 2015 have built up benefits in the final salary scheme. For members between 1 April 2009 and 31 March 2015, pension benefits were built up at the rate of 1/60th pensionable pay for each year of membership. Pension benefits in relation to any membership before 1 April 2009 were build up at the rate of 1/80th (pension) and 3/80ths (tax free lump sum) of pensionable pay for each year of membership up to 31 March 2009. There is no automatic lump sum provided in respect of membership after 31 March 2009. At retirement, members may give up some pension for additional lump sum, subject to HM Revenue and Customs (HMRC) limits.

Under the initial scheme reform on 1 April 2025, existing scheme members who were closer to retirement were protected from the changes of LGPS (NI) moving from a final salary scheme to a career average scheme. Subsequently, the **McCloud Judgement** ruled that this protection was discriminatory on the basis of age. The LGPS (NI) has enacted regulations to remedy this discrimination (the '**McCloud Remedy'**).

The McCloud Remedy gives backdated protections for eligible members who were impacted by the discrimination. This means that when a member takes their pension, NILGOSC will compare the pension built up from 1 April 20215 to 31 March 2022 in the career average scheme with the pension that could have been built up had the final salary scheme continued – if the final salary pension would have been higher, the difference will be added to the member's pension. This addition is called the 'statutory underpin' and applies during the remedy period (1 April 2015 to 31 March 2022).

This removes the discrimination in providing equal pension provision for all scheme members.

Since October 2023, NILGOSC has been implementing this remedy. Members with pension benefits in payment (pre 1 October 2023) have been rectified, and eligible members reaching retirement who have an underpin addition to their pension receive this in their benefits. For a small remaining minority of members, NILGOSC is awaiting final guidance in order to calculate a McCloud underpin. These rectifications will take place in due course, with arrears payable as required.

Further information on the NILGOSC remedy can be found at The McCloud Remedy - NILGOSC.

Employee contribution rates for all members for the period covering 1 April 2025 to 31 March 2026 are as follows:

Pensionable Pay From 1 April 2025	Member Contribution Rate
£0 to £18,300	5.5%
£18,301 to £28,100	5.8%
£28,101 to £47,000	6.5%
£47,001 to £57,200	6.8%
£57,201 to £113,500	8.5%
More than £113,500	10.5%

The LGPS (NI) also offers a 50/50 section whereby members can pay half the contribution rate shown in the table above, and build up half the amount of pension.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The CETV figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NITPS or NILGOSC pension arrangements and for which the Fund has received a transfer payment commensurate with the additional pension liabilities being assumed. They also include any additional benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost.

CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2015 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

The Lifetime Allowance ended in April 2024 and is replaced by the Lump Sum Allowance and The Lump Sum and Death Benefit Allowance.

Real Increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period (which therefore disregards the effect of any changes in factors).

Enhanced Pensions

There are currently no enhanced pensions payable to any former member of staff.

SOUTH EASTERN REGIONAL COLLEGE
STAFF REPORT

Staff Costs

Staff Costs are disclosed in Note 8 to the Financial Statements (page 100).

Average number of persons employed (Audited Information)

The average number of full-time equivalent persons employed **during** the 8 month period was as follows (excluding Governors):

Category	Permanent Staff	Agency Staff	2025-26 8 Month Period Total	2024-25 12 Month Year Total
Teaching	371	-	**371**	363
Support	173	1	**174**	173
Administration	160	1	**161**	157
Premises	14	-	**14**	14
Total	**718**	**2**	**720**	707

Attendance Management

In the period August 2025 to March 2026, the overall sickness absence rate was 3.75% (August 2024-July 2025: 4.73%), equivalent to 9.34 days per employee.

Staff Composition

The table below provides a breakdown of the number of persons (head-count) employed by the College, **as at 31 March 2026** (excluding Governors and PTL), by gender for each of the following groups:

Group	31 March 2026			31 July 2025		
	Male	Female	Total	Male	Female	Total
Principal & Chief Executive and Deputy Directors	**3**	**1**	**4**	2	1	3
College Management Team	**-**	**-**	**-**	1	1	2
Employees (excluding Part-Time Lecturers)	**326**	**464**	**790**	309	454	763

Staff Turnover

Staff turnover (excluding Part Time Lecturers) for the period 1 August 2025 to 31 March 2026 was 3.17% (2024-25: 3.20%).

Exit Packages Costs (Audited)

The table below shows the **total** cost of exit packages agreed and accounted for in 2025-26.

Voluntary Redundancy costs have been paid in accordance with compensation arrangements under the Redundancy Terms for Northern Ireland Further Education staff. Voluntary redundancy payment is calculated on the basis of age, service and pay, and are traditionally enhanced terms.

Exit Package Cost Band	**Voluntary Redundancy**	
	2026	2025
	Number	Number
< £10,000	**-**	1
£10,000 - £25,000	**-**	-
£25,001 - £50,000	**-**	-
£50,001 - £100,000	**-**	-
£100,001 - £150,000	**-**	-
Total number of exit packages	**-**	1
Total Cost (£'000)	-	1

Temporary Staff

During the 8 month period to 31 March 2026, the College expended £108k on temporary agency staff (12 months to July 2025: £43k).

Off Payroll Engagements

The College had no off-payroll engagements in the eight month period ended 31 March 2026.

Consultancy

The College had no consultancy engagements in the eight month period ended 31 March 2026.

Equality of Opportunity and employment of disabled persons

By virtue of Section 75 of the Northern Ireland Act 1998, the South Eastern Regional College is carrying out all its functions, powers and duties as required to have due regard to the need to promote equality of opportunity:

- between persons of different religious belief, political opinion, racial group, age, marital status, or sexual orientation;
- between men and women generally;
- between persons with a disability and persons without; and
- between persons with dependants and persons without.

Without prejudice to its obligations above, the College has, in carrying out its functions, had regard to the desirability of promoting good relations between persons of different religious belief, political opinion or racial group. The College has included the promotion of good relations as part of the corporate planning process.

The College is committed to the fulfilment of its Section 75 obligations in all parts of its organisation. The College is committed to allocating necessary resources to ensure that the statutory duties are complied with, and that the measures within the 5-year Equality Scheme covering the period 2022 to 2027 to promote equality of opportunity can be implemented effectively and on time.

The College's Disability Equality Statement sets out the College's commitment to potential and existing employees with a disability. The College is committed to:

- A policy of equal opportunity and seeks to ensure that disabled staff and students have equitable access, as far as is reasonably possible, to the full range of facilities, and services provided by the College;
- Creating an environment where those with disabilities are comfortable to disclose details of their disability and are provided with suitable opportunities to disclose at various stages throughout their time at the College;
- Providing access to the appropriate reasonable adjustments to enable the effects of disabilities to be minimised while participating in college life;
- Preventing occurrences of unlawful direct discrimination, indirect discrimination, harassment, and victimisation; and
- Treating all staff and students with dignity and respect and will seek to provide a positive and safe working and learning environment.

The College's Disability Action Plan confirms our commitment to, and proposals for, fulfilling the statutory obligations in compliance with Sections 49A and 49B of the Disability Discrimination Act 1995 (as amended by the Disability Discrimination (NI) Order 2006).

The plan has been revised for 2025-2030 and it outlines how the College ensures that disability issues are effectively considered within the policy and decision-making processes and commits the College to:

- promotion of its Disability Duties;
- allocating the necessary resources to implement the plan;
- ongoing communication and training for staff in respect of raising awareness and supporting those with disabilities;
- encouraging the involvement of people with a disability in internal working groups, partnerships, governing body, students and focus groups.

Specific measures within the plan are monitored on an annual basis as part of the Annual Equality Progress Report. Progress for the reporting period can be accessed for the period 1 April 2023 to 31 March 2024, and 1 April 2025 to 31 March 2025 at www.serc.ac.uk/public-information/equality.

SERC has partnered with **AccessAble** who provide accessible information for visitors, staff and students relating to the College's facilities. AccessAble uses thirty-two accessibility symbols, designed in consultation with people with disabilities, and represents information to help users find out immediately whether a venue is accessible for individuals.

AccessAble undertake annual surveys of the College's buildings to ensure any changes are made in compliance with legislation and necessity for people with disabilities and the website is updated to reflect any changes. The information can be found at the following link: South Eastern Regional College | AccessAble.

From 1 January 2025 to 31 December 2025 there were 1,095 users on the site with 840 access guide views.

The College renewed, in May 2025, its designation **as Disability Confident Employer** (Level 2) with Disability Confident and continues to keep under review its processes to ensure compliance and continuous improvement. Disability Confident Employers are recognised as going the extra mile to make sure disabled people get a fair chance.

As a Disability Confident Employer, SERC has committed to:

- ensuring recruitment processes are inclusive and accessible;
- communicating and promoting vacancies;
- offering an interview to persons with a disability who meet the minimum criteria for the job.
- anticipating and providing reasonable adjustments as required; and
- supporting any existing employee who acquires a disability or long-term health condition, enabling them to stay in work.

Staff Wellbeing



The College highly values its staff and acknowledge that their wellbeing is critical and of fundamental importance to the College.

The College continued its **Wellbeing Strategy** in 2025-26, seeking to improve the health and wellbeing of employees, including good mental health and physical health. The Wellbeing Strategy focused on four main areas:

- review and refocus on mental health support arrangements and structure;
- supporting employees' financial wellbeing;
- promotion of healthy lifestyle to promote physical activities; and
- supporting social health - caring for others, volunteering, social etc.

Staff wellbeing sessions occurred throughout the 2025-26 period, with 96 online information/training sessions being delivered. A sample of the sessions included:

- menopause awareness and support;
- pension awareness;
- money guidance, budgeting, and savings scheme;
- managing stress and resilience development;
- managing bereavement;
- cancer support; and
- caring support services and dementia.

The College dedicates two HR staff members to Staff Wellbeing and has eight **'Health and Wellbeing Champions'**,. The role of the champion is to input and support the strategy and drive initiatives with staff on individual campuses.

The College also proactively supports and encourages physical wellbeing by introducing initiatives such as 'Step Challenges', lunchtime 'circuits', arm chair yoga, Tai Chi, and provides gym induction for staff to avail of the College gym facilities on a free of charge basis. Currently, 165 college staff avail of the free gym facilities. The College has also harnessed the expertise of its sports students by their provision of lunchtime circuit classes in the Lisburn campus. Wellbeing champions have set up 5-a-side football in the Bangor campus, and this is attended by staff from the Ards and Bangor campus in the evenings.

SERC continues to be a Champion for the '**Workplace Pledge Commitment**' with Money and Pensions Service – this commits the College to support staff in their financial wellbeing through pension awareness sessions, online information sessions during Money Talk Week, savings plan with Teachers Credit Union, and day-to-day budgeting sessions.

The College's Mental Health Policy takes a proactive approach that enables College management and HR to focus on building a resilient workforce, increasing the comfort around mental health conversations, and implementing wellbeing initiatives to support the workforce in being knowledgeable and healthy. As part of this, ten '**Mental Health First Aiders**' provide confidential mental health support for both staff and students.

In 2025-26, the College supported six mental health awareness days; such as 'Time to Talk', Mental Health Awareness, Suicide Awareness, and Stress Awareness.

The College continues to collaborate with partners to provide specialist support:

- SERC Employee Assistance program with **Lena by Inspire**: 24/7-hour telephone support line and up to six one-hour confidential sessions. Staff can self-refer, and counselling can be delivered either over the telephone or face to face at locations throughout Northern Ireland with the target of being offered an appointment within 3 working days.

- **Occupational Health** related services, including HR referral for sickness absence or staff-self referral for additional support.

- Cashback healthcare scheme through **UK Healthcare** covering 'day to day' healthcare expenditure, such as optical, dental, consultant costs and diagnostic tests. The scheme provides 100% cash back (up to policy limits) and is fully funded by SERC. 873 staff were enrolled in this scheme in 2025-26.

  Staff have the option to upgrade to a higher level of cover, whilst partners can be included within the scheme for an additional premium (payable directly by staff member to UK Healthcare). Children are included (up to 4 children per adult, up to the age of 24 in full time education) free of charge.

  UK Healthcare also offer an online 24/7 confidential counselling service with qualified and experienced counsellors that staff can avail off.

The College draws upon the support of many partners; such as Age NI, Parenting NI, local cardiac services, sports groups, leisure centres, Cycle to Work scheme, Money Advice Service, The Consumer Council, and Inspire Wellbeing to provide a holistic wellbeing package to all employees.

Staff Development

SERC places strong emphasis on professional development for all staff through its Learning and Development unit, the **Learning Academy**. The team supports the College Development Plan by ensuring staff have the skills required to deliver outstanding learning experiences for students and to support the local economy.

Two main staff development events were held in 2025-26:



In August 2025, the lecturing staff development theme was '**VOICE: Valuing Our Inclusive Collective Expertise'**.

Online Workshops included Dyscalculia - strategies to support, Differentiation - Practical strategies for all learners, Emotional Intelligence, Strategies for SEN learners - ASD, ADHD, & Dyslexia, AI & Assessment, Classroom management through positive relationships and TEL platforms - Lesson Up, Nearpod and Teachermatic.

159 staff attended the online sessions with respondents in evaluation feedback awarding a 4.3 out of 5 rating as to how satisfied they were with the format of the event.

Further staff development was offer to all employees in January 2026, to ensure maximum reach and impact. This "Learning and Wellbeing Week" was developed in partnership with HR's 'Mind Yourself' programme, and delivered online over the week.

The week offered a varied programme of training, wellbeing sessions, digital upskilling, and personal development opportunities. Specific sessions were grouped together to create programmes of learning, enabling more in-depth skills development around Artificial Intelligence, Data Analysis and Presentation, and Project Planning and Implementation.

Throughout 2025-26, the Learning Academy continue to focus on **four key workstreams** to drive excellence in learning and teaching, improve managerial practice, support productivity through digital upskilling, and to deliver continuous professional development (CPD) activities that support SERC's organisational priorities.

Under these four workstreams the following were highlights for 2025-26:

In recognition of the increase in learners with Special Education Needs (SEN) the Learning Acadmey has implemented a series of complementary support mechanisms. An important pillar of the support is upskilling staff to have the competencies and skills to best support a wide range of student needs. This included 16 specific SEN interventions being delivered, benefiting over 270 staff.

The College supported 11 staff in achieving their Certificate in Teaching (CIT), with a further 12 staff members achieving their Post Graduate Certificate in Education (Further Education).

The **'Leading@SERC**' programme supports strong leadership and robust management practices across the College.

This Line Manager support programme seeks to ensure people leaders are kept update to date with best managerial practice on areas including strategic thinking, emotional intelligence and promoting wellbeing. In 2025-26, there were 115 training interactions with managers across 6 sessions.

For staff employed at Curriculum Manager level or at Band 6 and above, the **Bridging the Gap Programme** was delivered to build leadership skills, support business improvement and innovation and qualify the managerial workforce. 11 staff members are working towards achieving a Chartered Management Institute Level 5 Certificate in Management and Leadership.

A key focus of **digital upskilling** this year was in relation to Artificial Intelligence (AI). In addition to the successful A:INNOVATOR AI pilot, staff received training around ethical considerations around AI, effective prompting, team specific AI workshops on utilising AI to enhance productivity and ways to use AI to support differentiated learning and teaching.

Outside AI, digital skills were developed in relation to TEL platforms Nearpod and LessonUp and support for effective use of SERC digital platforms including the SERC staff portal and enhanced Moodle usage.

30 staff members received funded support for professional and technical training, including Masters and PhD programmes.



The Learning Academy supported 5 staff **HE Fellowship** applications through guidance, mentoring, resource signposting, and administrative support, demonstrating commitment to professional recognition and teaching excellence.

Employee Engagement

The College has an extensive process for engaging with staff. Alongside the local consultative forums, the College Management Team provide bi-annual in-person briefings across the four main campuses that update staff on matters impacting College performance, students and community engagement, as well as staff related information and guidance.

During the 2024-25 year, the all-staff survey was re-introduced to provide the opportunity for feedback on matters such as pay and reward, morale and motivation, learning and development, equal opportunities, working environment, and management performance. The survey received **485 responses** (55% of the total workforce) on **54 questions**. In addition, 405 free-text responses were received that provided additional information and context to the survey results.

The Human Resources department provided the opportunity for staff to attend focus groups to complete a deep dive into the results. An action plan for 2025-26 is now accessible to staff, and is updated on a quarterly basis.

The results from the survey included **80%** of respondents feel **SERC is good place to work**, with **83%** of respondents reporting they are **proud to work at SERC** and **happy to go the extra mile**.

The College provides an online **'Have Your Say'** function to enable staff to engage and provide feedback to management. This provides a confidential platform for staff to raise concerns, complement others and provide general feedback. Feedback received is directed to the appropriate department and responses published on a regular basis.

Employee Consultation and Trade Union Relationships

The Colleges Employers' Forum (CEF) is a collaborative network of the six colleges which develops good practice in relation to the employers' relationship with staff. CEF's has the responsibility to arrange for the negotiation of pay, conditions of service and related issues through regional negotiation committees and agreed procedures, on behalf of the six regional colleges. CEF has the authority to sign off collective agreements reached by the relevant negotiating committees.

There are three negotiating committees in operation, one for each of the following staff groups:

- Principal and Chief Executives and senior staff;
- Lecturers; and
- Support staff.

The remit of the negotiating committees extends to agreeing the terms and conditions of the staff within the above groups. They comprise representatives from both the employers (colleges) and recognised trade unions.

At an individual College level, there are three local consultative forums which allow College Management and Staff Representatives to meet on a regular and constructive basis to exchange information and resolve issues of mutual concern and develop good relations between College Management, employees, and Trade Unions.

SOUTH EASTERN REGIONAL COLLEGE
STATEMENT OF THE RESPONSIBILITIES OF THE ACCOUNTING OFFICER & GOVERNING BODY
FOR THE EIGHT MONTH PERIOD ENDED 31 MARCH 2026

Under the Further Education (NI) Order 1997 ('the Order'), the Department for the Economy (DfE) (with approval from Department of Finance (DoF)), has directed the Governing Body to prepare, for each financial year, a statement of accounts detailing the resources acquired, held or disposed of, and the use of resources, during the year by South Eastern Regional College.

The Department for the Economy, through the enabling power under Article 19(7), amended the Order to change the financial year of the NI Further Education colleges. Article 3 of The Further Education (Amendment) Order (Northern Ireland) 2026 amended Article 19(6) to change the ending of the financial year from the period of 12 months ending on 31 July to the period of 12 months ending on 31 March. Article 4 of the Amendment Order provides the transitional provisions for the requirements where the period starting on 1 August 2025 for a statement of accounts required under Article 19 of the 1997 Order ends on 31 March 2026 (and any annual amounts in the statement of accounts are to be pro-rated accordingly).

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of South Eastern Regional College and of its income and expenditure, Statement of Financial Position and cash flows for the 8 month financial period ending 31 March 2026.

In preparing the financial statements the Accounting Officer, on behalf of the Governing Body, is required to:

- observe the Accounts Direction issued by DfE with the approval of the DoF, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the college will continue in operation; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced, and understandable and take personal responsibility for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced, and understandable.

The Governing Body is also required to prepare an annual Strategic Report which describes what it is trying to do and how it is going about it, including the legal and administrative status of the College.

In addition, the Governing Body is responsible for securing the efficient and effective management of the College and ensuring that the college provides suitable and efficient further education.

The Accounting Officer of DfE has designated the Principal & Chief Executive as the Accounting Officer of the College.

SOUTH EASTERN REGIONAL COLLEGE
STATEMENT OF THE RESPONSIBILITIES OF THE ACCOUNTING OFFICER & GOVERNING BODY (Cont'd)
FOR THE EIGHT MONTH PERIOD ENDED 31 MARCH 2026

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the College's assets, are set out in Managing Public Money Northern Ireland (MPMNI) published by the Department of Finance.

As Accounting Officer, on behalf of the Governing Body, I have taken all steps that I ought to have taken to make myself aware of any relevant audit information and to establish that South Eastern Regional College's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

SOUTH EASTERN REGIONAL COLLEGE
STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL
FOR THE 8 MONTH PERIOD ENDED 31 MARCH 2026

Introduction

This Statement of Corporate Governance and Internal Control for South Eastern Regional College sets out the governance structures, risk management and internal control procedures that operated within SERC during the 8 month 2025-26 period and up to the date of approval of the Annual Report and Financial Statements.

This Statement of Corporate Governance and Internal Control has been prepared in accordance with guidance issued by the Department of Finance (DoF) and is aimed at supporting better governance and driving more consistent, coherent, and transparent reporting.

Scope of Responsibility

The Chief Executive and Accounting Officer for the College has responsibility for maintaining a robust governance and risk management structure and a sound system of internal control that supports the achievement of the College's aims and objectives set by the Governing Body, whilst safeguarding the public funds and College assets for which he is personally responsible.

The responsibilities as Chief Executive and Accounting Officer are set out in Managing Public Money Northern Ireland (MPMNI) issued by DoF and in accordance with the Partnership Agreement between the Department for the Economy (DfE) and the College.

The Chief Executive and Accounting Officer is accountable to the Governing Body, the Department for the Economy, and the NI Assembly.

In order to manage the College efficiently, the Accounting Officer has been supported by formal governance structures with clear remits, details of which are provided below.

Governing Body

The Governing Body is established in accordance with the Further Education (Northern Ireland) Order 1997 which provides the statutory basis for further education in Northern Ireland. The Governing Body is subject to an Instrument and Articles of Government, a Partnership Agreement with the Department for the Economy, the Department of Finance's (DoF) Audit and Risk Assurance Committee Handbook (NI), and other regulatory requirements. In terms of governance, all other documents are subordinate to the Order and subject to its provisions.

The Governing Body of a college is a body corporate appointed by the Minister to act on behalf of the Department to ensure the efficient and effective management of the college and to ensure it secures the provision of suitable and efficient education to its students in line with statutory obligations in respect of further education. The purpose of corporate governance in further education is to ensure that the systems by which colleges are directed and controlled are operating effectively. The Governing Body has responsibility for setting the strategic direction of the College and for maintaining strategic oversight. It should ensure the demarcation of responsibilities between the Governing Body and the College's management team and provide and exercise both a support and challenge function in respect of the Principal and the executive team.

Individual Governing Body members should bring independence, objectivity, impartiality, and expertise to both the decision making and challenge processes within the college. There should be an appropriate balance of skills, experience, and knowledge to enable the Governing Body to discharge its duties effectively.

The College's Governing Body comprises of members appointed by the Minister for the Economy, staff and students who are elected within the College, the Chief Executive/Principal and members co-opted by the Governing Body.

Membership and attendance during the 8 month period at the Governing Body meetings was as follows:

Governing Body Member	Meetings Attended	Out of a Possible
Mr John Nugent *(Chair)*	4	4
Mr Mark Brashier *(Student Governor 2025-26 – Term commenced 1 October 2025)*	4	4
Ms Majella Corrigan	4	4
Mr Paul Finnegan	2	4
Mr Samuel Hagen	4	4
Mrs Carolyn King	3	4
Mr Steven Lee	4	4
Ms Pauline Leeson	3	4
Dr Daniel McConnell	2	4
Mr Alan McCrum	3	4
Ms Catherine McKay	3	4
Mr Michael McQuillan *(Term ended 27 October 2025)*	1	1
Ms Grainne McVeigh	4	4
Mr Tommy Martin	4	4
Ms Nuala Reid	4	4
Mr Darren Stewart	4	4
Ms Denise Stockman *(Term commenced 30 March 2026)*	0	0
Mr Derek Wilson	4	4
Ms Nicola Wilson	3	4
In attendance		
Deputy Principal: Planning, Performance & Engagement	2	-
Deputy Chief Executive	3	-
Senior International Development Manager	1	-
Head of Engagement and Development	1	-

Members of SERC staff are invited to attend where significant items pertaining to their business area are to be discussed by the Governing Body.

Information presented to the Governing Body, and all sub-committees, is drafted by the appropriate department and proceeds through the necessary internal clearance procedures before being presented as formal agendas, papers, and reports to the Governing Body. This ensures a high quality of reliable and up-to-date information is presented for the Governing Body's consideration. The Governing Body is satisfied with the quality and reliability of the information presented during 2025-26.

In order to fulfil its role, the Governing Body met four times during eight month period of 2025-26. There are three established Committees: the Finance and General Purposes Committee; the Audit and Risk Committee; and the

Education Committee. All of the committees are formally constituted with terms of reference and comprise mainly lay members of the Governing Body.

A minimum of six members of the Governing Body must be present for the meeting to be deemed quorate. All Governing Body meetings during the 2025-26 eight month period were fully quorate. Full minutes of Governing Body meetings are available from the SERC website or the Secretary to the Governing Body.

Governing Body Conflicts of Interest

The Secretary to the Governing Body maintains a register of financial and personal interests of the Governing Body members and this is also available for inspection. Declarations include anything which may give rise to conflict with the position of the Governing Body member, including:

- Private occupations, such as sitting on the boards of other public bodies;
- Payment for private work;
- Relationships with suppliers with whom the College does business;
- Gifts or benefits received in connection with work in the College;
- Membership of professional institutes and/or committees; and
- Any other interests that could have a conflict.

The Governing Body, and each committee, has a standing agenda item at the outset of each meeting to allow declaration of conflicts of interest.

Each member takes personal responsibility to pro-actively declare any potential conflict of interest arising out of business undertaken by the College, arising on the agenda or from changes in the member's personal circumstances.

The Chair of the Governing Body (or committee) then determines an appropriate course of action in order to manage the conflict appropriately, for example the member may be asked to leave the meeting while a particular item of business is taken. Actions taken, including no action required, are recorded within the minutes.

For 2025-26, a number of interests were declared which could potentially pose a conflict with the business of the College. Appropriate assessments were carried out, mitigations put in place where necessary, and no significant conflict has materialised.

Governing Body Performance and Effectiveness

In November 2025, the Department for the Economy issued the results of the Department's assessment exercise (as per FE Circular FE 06/12). The Department administers the assessment by asking each Governing Body member to complete a questionnaire that covers five main themes: Personal Performance, Governing Body Performance, Governing Body Procedures and Composition, Governing Body Committees, and Training and Induction.

The results provide the Governing Body with an opportunity to reflect on how it operates, as well as providing a benchmark against levels of performance in the NI FE sector.

For three themes, the views expressed were more positive than in previous results with 'GB Procedure and Composition' within 1% of the remaining year. Training and Induction remains strong at 100%. Views were most positive for 'Training and Induction', with least positive for 'GB Procedures and Composition', being the same two categories as the prior year.

The table below summarises the percentage of respondents who agreed / strongly agreed to the questions within each theme:

Theme	SERC 2024-25	SERC 2023-24	Sector 2024-25
Personal Performance	99.4%	99.3%	98.3%
GB Performance	99.2%	99.1%	96.7%
GB Procedures & Composition	97.3%	98.0%	97.0%
GB Committees	98.8%	98.6%	98.1%
Training & Induction	100%	100%	96.1%

Views expressed on GB Procedures and Composition, whilst being least positive across the five themes, decreased by 0.7% from prior year. Overall, the perception of the Governing Body was above the sector average for all five statements

Audit and Risk Committee

The Audit and Risk Committee is responsible for reviewing the effectiveness of the College's accounting procedures and systems of internal control and reporting to the Governing Body. The Audit and Risk Committee provides a medium of communication for the College's auditors, which is not controlled by College management.

The Audit and Risk Committee seeks to ensure that the internal control systems, including audit activities, are monitored actively, independently, and objectively in order to:

- promote and ensure high standards of propriety, accountability, and financial management within the College;
- improve the quality of financial reporting by reviewing internal and external financial statements on behalf of the Governing Body;
- promote a financial climate of financial discipline and control which will help to reduce the opportunity for financial mismanagement or fraud;
- improve, where necessary, the effectiveness of the College's internal controls and mechanisms for achieving value for money, policy and legislative requirements and the extent to which these comply with requirements set down by the Department;
- reinforce the independence and effectiveness of the internal audit function and to underpin the objectivity and independence of the external auditors;
- advise on the reliability of the College's information systems;
- ensure that risk management processes are embedded within the College;
- provide a sounding board for College management on issues of concern in relation to the College's internal control systems; and
- contribute to the maintenance or increasing of public confidence in the quality of the College's corporate governance and management.

All meetings of the Audit and Risk Committee are attended by representatives of the Northern Ireland Audit Office (NIAO) and the Department for the Economy.

Members of the Audit and Risk Committee are drawn from the Governing Body. Attendance during the eight month period at Audit and Risk Committee meetings was as follows:

Audit & Risk Committee Member	Meetings Attended	Out of a Possible
Mr Samuel Hagen *(Committee Chair)*	3	3
Mrs Majella Corrigan	2	3
Mr Paul Finnegan	2	3
Mrs Carolyn King	3	3
Dr Daniel McConnell	3	3
Ms Catherine McKay	2	3
Ms Grainne McVeigh	2	3
Mr Darren Stewart	2	3
Ms Nicola Wilson	3	3
In attendance		
Principal & Chief Executive	3	-
Chair of the Governing Body	3	-
Deputy Principal: Planning, Performance & Engagement	1	-
Deputy Chief Executive	3	-
Head of Human Resources	1	-
Chief Technology Officer	3	-
Head of Finance	1	-
Northern Ireland Audit Office Representative	3	-
Internal Audit Representative	3	-
Department for the Economy Representative	3	-

Other attendees are invited to attend the Audit and Risk Committee meetings if a discussion is to be held around their particular business area.

The Articles and Terms of Reference for the Audit and Risk Committee state that the Committee should meet at least four times a year, and more frequently as circumstances require. During the 2025-26 eight month period, there were three Audit and Risk Committee meetings held. A quorum for any meeting of the Audit & Risk Committee is three members. All Committee meetings during the 2025-26 eight month period were fully quorate.

The key issues discussed at the Audit and Risk Committee meetings during the 2025-26 period were as follows:

- Risk Management Reporting & Risk Horizon Scanning
- Annual Report & Financial Statements (including Governance Statement)
- Internal Audit Plan 2025-26
- Fraud Updates
- IT Resilience
- Business Continuity Planning
- Environmental Social Governance
- Gift and Hospitality Register annual review
- Finance & Information Technology Services Policies
- National Fraud Initiative
- AI Scoping

The Audit and Risk Committee considered the quality and reliability of the information presented during 2025-26 to be appropriate for the execution of their responsibilities.

The Governing Body takes assurance from the reports presented by the Chair of the Audit and Risk Committee to the Governing Body at each meeting.

Finance and General Purposes Committee

The Finance and General Purposes Committee (F&GP) is the key mechanism by which the Governing Body ensures the proper use of public money, ensures that the College remains solvent and secures the effective financial management of the College. The Finance and General Purposes Committee also ensures that the Governing Body is provided with information in a timely manner and in a format that can be readily understood by all members to enable it to discharge its duties effectively.

The Finance and General Purposes Committee advises the Governing Body on all areas of College resources, to include:

- Finance
- Estates
- Health and Safety
- Human Resources

Members of the Finance and General Purposes Committee are drawn from the Governing Body.

Attendance during the eight month period at the Finance and General Purposes Committee meetings was as follows:

Finance and General Purposes Committee Member	Meetings Attended	Out of a Possible
Mr Alan McCrum *(Committee Chair)*	3	3
Ms Pauline Leeson	2	3
Ms Catherine McKay	2	3
Mr Michael McQuillan *(Term ended 27 October 2025)*	0	1
Mr Tommy Martin	3	3
Mr John Nugent *(Ex-Officio)*	3	3
Ms Nuala Reid	3	3
Ms Denise Stockman *(Term commenced 30 March 2026)*	0	0

Finance and General Purposes Committee Member	Meetings Attended	Out of a Possible
Mr Derek Wilson	3	3
In attendance		
Deputy Principal: Planning, Performance & Engagement	2	-
Deputy Principal: Curriculum	3	-
Deputy Chief Executive	3	-
Head of Human Resources	3	-
Chief Technology Officer	1	-
Head of Finance	1	-
Deputy Head of Finance	1	-
HR Business Partner	1	-
Head of Learning Academy	3	-

Other attendees are invited to attend the Finance and General Purposes Committee meetings if a discussion is to be held around their particular business area.

The Articles and Terms of Reference for the Finance and General Purposes Committee state that the Committee should meet at least four times a year, and more frequently as circumstances require. During the 2025-26 eight month period there were three Finance and General Purposes Committee meetings held. A quorum for any meeting of the Committee is three members. All Committee meetings during the 2025-26 eight month period were fully quorate.

The key issues discussed at the Committee meetings during the 2025-26 eight month period were as follows:

- Financial Performance
- Capital Expenditure
- Debt Updates
- Health & Safety Update
- Resource Allocation and Resource Budget 2025-26
- Finance Policies
- Applications and Enrolments
- Estates Strategy and Update Report
- Human Resources Priorities Plan and Status Updates
- Staff Absenteeism
- Staff Utilisation
- Employee Relations
- Equality Annual Progress Report
- Pay Awards
- Annual Staff Survey results

The Finance and General Purposes Committee considered the quality and reliability of the information presented during 2025-26 to be appropriate for the execution of their responsibilities.

The Finance and General Purposes Committee presents a report to each meeting of the Governing Body.

Education Committee

The Education Committee is responsible for overseeing College curricular provision, especially the nature, quality and performance of the provision and the extent to which it meets the needs of the community that the College seeks to serve. The main functions of the Education Committee are:

- College Development Plan – to ensure the delivery of the College's strategy through input to the preparation and implementation of the CDP.
- Quality – to drive the improvement of quality and raising of standards in all College activities.
- Curriculum Plan/Prospectus – to ensure that overall course provision is responsible to the needs of the wider community which the College seeks to serve, taking into account the curriculum offer of other providers, and developing partnerships where possible.
- Business Services – To ensure the College is developing relationships with businesses, with a focus on securing industry projects, international projects and maximising the potential of SERC student companies.
- Strategy – to assist in the development of the College's Strategy, which aims to establish the purpose, strategy, and values of the College.

Members of the Education Committee are drawn from the Governing Body. Attendance during the eight month period at the Education Committee meetings was as follows:

Education Committee Member	Meetings Attended	Out of a Possible
Mr John Nugent *(Chair)*	4	4
Mr Mark Brashier	1	3
Ms Majella Corrigan (*Committee Chair)*	4	4
Mr Paul Finnegan *(Term commenced 21 May 2025)*	3	4
Mr Samuel Hagen	3	4
Mr Steven Lee	2	4
Ms Pauline Leeson	3	4
Mr Alan McCrum	4	4
Ms Catherine McKay *(Term commenced 25 October 2024)*	2	4
Ms Grainne McVeigh *(Term commenced 10 December 2024)*	4	4
Mr Tommy Martin	4	4
Ms Nuala Reid	4	4
Ms Denise Stockman	1	1
Mr Derek Wilson	4	4
In attendance		
Deputy Principal: Planning, Performance & Engagement	4	-
Deputy Principal: Curriculum	4	-
Deputy Chief Executive	2	-
Head of Quality, Excellence & Development	2	-
Head of Higher Education	1	-
Head of School, Built Environment	1	-

Education Committee Member	Meetings Attended	Out of a Possible
Head of School, Arts & Sport	1	-
Head of School, Engineering & Science	1	-
Head of Training Programmes & Apprenticeships	1	-
Head of Business Engagement	1	-
Student Governor Elect 2025-26	1	-
Further Education Director, Department for the Economy	1	-
Nicola Wilson, Governing Body Member	1	-

Other attendees are invited to attend the Education Committee meetings if a discussion is to be held around their particular business area.

The Articles and Terms of Reference for the Education Committee state that the Committee should meet at least four times a year, and more frequently as circumstances require. During the 2025-26 eight month period there were four Education Committee meetings held. A quorum for any meeting of the Education Committee is three members. All Committee meetings during the 2025-26 eight month period were fully quorate.

The key issues discussed at the Education Committee meetings during the 2025-26 eight month period were as follows:

- Applications and Enrolments
- Safeguarding, Care and Welfare
- Careers Advisory
- Traineeship and Apprenticeship Updates
- College Development Plan – 2025-26 Updates
- ETI Inspections
- Community Engagement
- HE Curriculum and Quality Assessment
- Whole College Self Evaluation Report & Quality Improvement Plan
- Learning Support
- Higher Education Achievements and Growth
- Social Inclusion
- Students Union Constitution
- International work
- Business Engagement and Innovation

The Education Committee considered the quality and reliability of the information presented during 2025-26 eight month period to be appropriate for the execution of their responsibilities.

The Education Committee presents a report to each meeting of the Governing Body.

Accounting Officer

The Accounting Officer of DfE has designated the Principal/Chief Executive as the Accounting Officer of the College.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the College's assets, are set out in Managing Public Money Northern Ireland (MPMNI) published by DoF. The Accounting Officer is responsible for establishing and maintaining a sound system of internal control for the management of resources under their control.

The Accounting Officer submits, twice yearly, formal assurance statements to the Department for the Economy on risk management, governance, financial management.

College Management Team

In the eight month period of 2025-26 the College Management Team (CMT) of the College consisted of:

- Principal and Chief Executive
- Deputy Principal: Planning, Performance and Engagement
- Deputy Principal: Curriculum
- Deputy Chief Executive (from 1 September 2025)
- Acting Director: Finance and IT (until 31 August 2025)
- Acting Director: Human Resources and Facilities (until 31 August 2025)

During 2025-26, Mr Colin McGuckin was appointed as Deputy Chief Executive from 1 September 2025.

Attendance during the year at the CMT meetings was as follows:

College Management Team Member	Meetings Attended	Out of a Possible
Mr Tommy Martin, *Principal and Chief Executive*	15	15
Mrs Heather McKee, *Deputy Principal: Planning, Performance and Engagement*	15	15
Mr Gary Ritchie, *Deputy Principal: Curriculum*	14	15
Mr Colin McGuckin, *Deputy Chief Executive*	13	13
Mr Andrew Emmett, *Acting Director: Finance and IT*	1	2
Mrs Emma Carson, *Acting Director: Human Resources and Facilities*	2	2

The CMT meets to consider a pre-determined agenda. Typical agenda items discussed at CMT meetings included:

- Chair's Business
- Enrolment Updates
- Update from the Deputy Principal: Curriculum
- Update from the Deputy Principal: Planning, Performance and Engagement
- Update from Deputy Chief Executive (including Data Protection)
- Staffing Requests

The College has an online approval process, facilitated by its secure intranet, which provides a timely process for requests that require CMT review and approval (e.g., staff recruitment, capital expenditure, new Policies and Standard Operating Procedures). The system provides a tool for decision making without the necessity of a physical meeting.

College Management Team Declarations of Interest

The Personal Assistant to the Principal & Chief Executive maintains a register of financial and personal interests of the College Management Team and this is also available for inspection. Declarations include anything which may give rise to conflict with the position of the CMT member, including:

- Private occupations, such as sitting on the boards of other public bodies;
- Payment for private work;
- Relationships with suppliers with whom the College does business;
- Gifts or benefits received in connection with work in the College;
- Membership of professional institutes and/or committees; and
- Any other interests that could have a conflict.

The College Management Team has a standing agenda item at the outset of each meeting to allow declaration of conflicts of interest.

Each member takes personal responsibility to pro-actively declare any potential conflict of interest arising out of business undertaken by the College, arising on the agenda or from changes in the member's personal circumstances.

The Principal & Chief Executive, acting as the Chair of the College Management Team, then determines an appropriate course of action in order to manage the conflict appropriately, for example the member may be asked to leave the meeting while a particular item of business is taken. Actions taken, including no action required, are recorded within the minutes.

For 2025-26, a number of interests were declared which could potentially pose a conflict with the business of the College. Appropriate assessments have been carried out, mitigations put in place where necessary, and no significant conflict has materialised.

Compliance with the Corporate Governance Code

During the eight month period of 2025-26, the College complied with the principles and supporting provisions set out in the Corporate Governance Code.

Risk Management

The College places significant emphasis on risk management. Risk management is viewed by the College as an essential element of the College's corporate governance framework and is closely linked with the College Development Plan and monitoring process.

The robust risk management process 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.

Risk management within the College is a dynamic process designed to identify and prioritise the risks to the achievement of College policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively, and economically.

The College's capacity to manage risk is established through the risk and control framework and the experience of senior management in the risk management process. The College Management Team, together with the Governing Body, provide leadership to the risk management environment.

The College has an embedded Risk Management Policy which has been enforced to ensure that the College's objectives and risks have been identified and that a control strategy for each of the significant risks has been determined. Risk ownership is allocated to the appropriate staff and the College has set out its attitude to risk to the achievement of the College objectives.

The College has ensured that staff are trained and equipped to manage risk in a way appropriate to their level of authority and duties, and guidance on the College's risk management process is available to all staff on the intranet.

Risk and Control Framework

The Governing Body has instructed that procedures are in place for verifying that aspects of risk management and internal control are regularly reviewed and reported on.

There has been a full risk and control assessment before reporting on the eight month period ending 31 March 2026, with budget holders throughout the College assessing their own departments and submitting a departmental Statement of Internal Control to the Accounting Officer.

Risk management has been incorporated fully into the corporate planning and decision-making processes of the College:

- The College has a Risk Management Team which meets regularly to review and update the register of corporate risks facing the organisation.

- Each corporate risk is evaluated against a standardised risk impact/likelihood matrix to reduce subjectivity in assessing risk. The evaluation includes a review of the inherent risk (otherwise known as the raw or untreated risk) and the treated risk. The evaluation also includes determining the risk appetite in relation to each individual corporate risk.

- The Corporate Risk Register is presented to the Audit and Risk Committee at each scheduled meeting.

- The College operates a formal system of Integrated Monthly Performance Review meetings at which budget holders report to the College Management Team outlining their department's financial performance against plan and target and reviewing other quantitative and qualitative key performance indicators. A key element of these performance review meetings is the presentation of each department's operational risk register and a review of the steps being taken to ensure appropriate internal controls are maintained to mitigate identified risks.

- The College holds regular management meetings to review enrolments, retentions, and achievements and to review and assess quality.

- A fundamental aspect of the College's control framework is the continual development of policies and standard operating procedures. Key policies and procedures are identified as mandatory training for all staff. Completion of such online training is monitored by College management.

The Governing Body has received periodic reports concerning internal control. The appropriate steps have been taken to manage risks in significant areas of responsibility and progress on key projects has been monitored.

College Risks Identified in 2025-26

The risks identified for the College Risk Register, as at April 2026, are as follows:

Likelihood	**4 Almost Certain**				
	3 Probable			**Curriculum Risk:** Supporting increased number of learners presenting with Special Educational Needs (SEN).	**Corporate Governance Risk:** Managing the financial viability of the College. **Corporate Governance Risk:** Cyber threat.
	2 Possible				**Staff Risk:** Industrial Relations.
	1 Remote				
		1 - Minor	**2 - Moderate**	**3 – Major**	**4 - Severe**
		Impact			

All risks identified throughout the eight month period of 2025-26 are deemed to have been appropriately managed within the Risk and Control Framework.

Fraud Reporting

The College has a detailed Anti-Fraud Policy. This policy is reviewed on an annual basis. The Anti-Fraud Policy sets out the definition of fraud, details the responsibilities regarding the prevention of fraud and highlights the procedures to be followed in the event of a fraud being detected or suspected. The Anti-Fraud Policy is included as mandatory training for all staff.

The College reports all suspected or detected frauds to the Department for the Economy, in line with the Partnership Agreement.

There were no cases of suspected or actual fraud during the eight month period to 31 March 2026.

The College participates in the National Fraud Initiative (NFI) by investigating matches in relation to payroll, pensions, and trade creditors. The last NFI activity (2024-25) did not identify any instances of fraud.

Raising Concerns

The College has a detailed Raising Concerns Policy and Procedure, in line with guidance from the Department for the Economy and best practice guidance from the NI Audit Office. The Policy facilitates concerns being raised from employees and non-employees. The Policy and Procedure is reviewed annually, or sooner if required.

The Policy provides individuals with a process to facilitate the reporting of concerns and suspected wrongdoing within the College and highlights the protection afforded to College employees who disclose concerns under the Public Interest Disclosure (NI) Order 1998. The College also endeavours, as far as possible, to apply the same principles in respect of concerns raised by non-staff members.

The Raising Concerns Policy is included as mandatory training for all staff.

During the eight month period to 31 March 2026, the College had no incidents reported under the Raising Concerns Policy.

Internal Audit

The College has an outsourced internal audit service, the work of which concentrates on areas of key activities determined by an analysis of the areas of greatest risk and in accordance with the annual internal audit plan. The internal audit plan was endorsed and approved by the Audit & Risk Committee and the Governing Body.

The internal audit service reports to the Accounting Officer and to the Audit & Risk Committee on a regular basis and has direct access to the Governing Body and to the Chairperson of the Audit & Risk Committee.

Internal audit opinions are graded as follows, in line with DAO (DoF) 07/16 Internal Audit Opinions and Prioritisation of Recommendations:

Assurance Rating	Definition
Satisfactory	Overall, there is a satisfactory system of governance, risk management and control. While there may be some residual risk identified, this should not significantly impact on the achievement of system objectives.
Limited	There are significant weaknesses within the governance, risk management and control framework, which, if not addressed, could lead to the system objectives not being achieved.
Unacceptable	The system of governance, risk management and control has failed or there is a real and substantial risk that the system will fail to meet its objectives.

Recommendations are prioritised to reflect organisational priorities in order to enable management to more easily identify significant issues at an organisational level. The priority levels are defined as:

Priority	Definition
1 (High)	Failure to implement the recommendation is likely to result in a major failure of a key organisational objective, significant damage to the reputation of the organisation or the misuse of public funds.
2 (Medium)	Failure to implement the recommendation could result in the failure of an important organisational objective or could have some impact on a key organisational objective.
3 (Low)	Failure to implement the recommendation could lead to an increased risk exposure.

The Head of Internal Audit issues an Assurance Statement to the Accounting Officer which provides an independent and objective opinion on the overall adequacy and effectiveness of the College's risk management, control, and governance processes. The Assurance Statement, provided by the Head of Internal Audit, is a key element of the framework of assurance that the Accounting Officer needs to inform this Governance Statement.

On the basis of the audit work performed during the 2025-26 eight month period, the Head of Internal Audit has provided an overall assurance of Satisfactory.

A summary of the ratings from the assurance reviews completed during 2025-26 is provided below:

Area reviewed	Assurance Rating	Recommendations
Student Admissions	Satisfactory	Low: One
College Performance Data	Satisfactory	-

There were no Priority 1 (High) issue reported in the 2025-26 Internal Audit Reviews.

The reviews provided one recommendation, which has been accepted and is currently being implemented.

Internal Audit arrangements were compliant with Public Sector Internal Audit Standards and the Global Internal Audit Standards.

Pay Remits

The College is required to comply each year with Department of Finance (DoF) guidance on the approval of pay remits. The College withholds progression increments and pay awards until appropriate Departmental approval is received.

Information Assurance

The College has established robust information governance arrangements to support transparency, accountability, and the lawful management of information. Policies, procedures, and controls are in place to ensure compliance with relevant legislative and regulatory requirements.

Data Protection

The College ensures that all staff, contractors, and agents who process personal data on its behalf are aware of their responsibilities under the Data Protection Act 2018 and the UK General Data Protection Regulation (UK GDPR).
During the reporting period, the College has:

- Encouraged and promoted accountability and data protection by design in all aspects of college planning and project management;
- Retained an experienced Data Protection Officer, who is given the required autonomy to perform her tasks
- Maintained appropriate data protection policies, guidance, and awareness training for staff;
- Maintained documented records of processing activities and personal data mappings in line with Article 30 of the UK GDPR;
- Implemented procedures for identifying, reporting, and managing data protection incidents; and
- Applied appropriate organisational and technical measures to protect personal data, including where data is shared with partner organisations.

There were no reportable personal data breaches between 1 August 2025 and 31 March 2026.

Freedom of Information and Records Management

As a public authority, the College continues to meet its statutory obligations under the Freedom of Information Act 2000 and the Environmental Information Regulations 2004. Effective records management arrangements support compliance with these duties, ensuring information is appropriately retained, securely managed, and accessible when required.

Complaints

The College is committed to providing a high quality service, and as such, welcomes all feedback, both positive and negative. The feedback is used to assist with the improvement of our services.

The College has a two-stage complaints process, which is set out in our Customer Complaints and Compliments Policy, publicly available at Complaints and Compliments Policy - SERC.

Office for National Statistics (ONS) Reclassification of Further Education Colleges

South Eastern Regional College is a Non-Departmental Public Body (NDPB), as classified by the Office of National Statistics on 26 August 2010.

The College complies with all governance, financial, and accounting requirements of a Non-Departmental Public Body.



Mr Tommy Martin
Accounting Officer

28 October 2026

SOUTH EASTERN REGIONAL COLLEGE
SUSTAINABILITY REPORT
FOR THE 8 MONTH PERIOD ENDED 31 MARCH 2026

Introduction

This Sustainability Report, for South Eastern Regional College, has been prepared in accordance with Northern Ireland's Sustainability Reporting Guidance 2025-26, which is aligned with HMT sustainability reporting guidance, and the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.

All information included within this sustainability report relates to the eight month period of 1 August 2025 to 31 March 2026. As the Sustainability Reporting Guidance 2025-26 was issued mid-year, this may cause omissions in data reporting, where this is the case this is explained within the data set.

The organisational boundary used in this report relates to the core functions of the College, and the estate that it occupies.

In order to report the greenhouse gas emissions associated with activities, 'activity' data such as distance travelled, or tonnes of waste disposed has been converted into carbon emissions. The greenhouse gas conversion factors used in this report were published by the UK Government and can be found via the following link: Government conversion factors for company reporting of greenhouse gas emissions - GOV.UK.

The information contained within this report is not subject to audit.

Governance

The Statement of Corporate Governance and Internal Control sets out the governance structures, risk management and internal control procedures that operated within SERC during the 8 month 2025-26 period and up to the date of approval of the Annual Report and Financial Statements.

The Finance and General Purposes Committee is responsible for the governance of climate change mitigation, through the Estates Planning and Development reports provided to the committee. The Committee is provided with data on utilities usage and carbon emission reporting (by campus), provided by the Estates Department, utilising data from utility invoicing and Energy Monitoring and Targeting (EMT) systems. Utility consumption is translated to total carbon emissions (kgCO2e) using conversion factors provided by Department for Energy Security & Net Zero (DESNZ).

All significant decision making within the College considers this reporting, alongside environmental impact assessments.

Emissions

Emissions Scope 1 (Fuel Burned) and 2 (Purchased Electricity)

	Scope 1 (Fuel Burned) 8 Months to 31 March 2026		Scope 2 (Purchased Electricity) 8 Months to 31 March 2026
	Gas Oil	Natural Gas	Grid Electricity
Emissions (kg CO2e)	24,008	618,022	344,826
Consumption (kWh Gross CV)	93,600	3,377,907	1,948,168
Net Cost (£)	5,851	195,878	468,708

***Source of data**: Figures are based on meter readings and invoices. Calculations utilise 2025 conversion factors (released July 2025).*

This information relates to all buildings (as listed within Property, Plant & Equipment Disclosure Note). It should be noted that fuel consumed may include fuel that the College has purchased and stored, i.e. the fuel has not been burned in the reporting period. This is due to the information being sourced from fuel invoices.

Emissions Scope 1 (College owned transport)

Mileage and Emissions by College owned Vehicle types in the 8 month period to 31 March 2026

Vehicle Size/ Type	Fuel Type	Mileage 8 Months to 31 March 2026	Kg CO2e 8 Months to 31 March 2026
Class I Van	Diesel	1,097	278
Class II Van	Diesel	14,159	4,389
Class III Van	Diesel	1,206	541
Medium Car	Hybrid	6,048	1,141
Small Car	Petrol	1,182	271

***Source of data:** SERC Estates Fleet Car Management System. GHG conversion chart has no specific conversion factor for minibus's so appropriate van classification was chosen based on weight and type of vehicle*

Emissions Scope 3 (Fuel burned due to business travel via staff owned transport)

Period	Mileage	Kg CO2e
8 Months to 31 March 2026	308,882	86,116

***Source of data**: SERC Mileage Claim System. No data is available regarding size and fuel type, thus calculations assume all 'medium' car with a 50/50 split between petrol and diesel fuel types. Calculations utilise appropriate conversion factors to reflect this.*

This disclosure does not include data on staff commuting to and from their normal place of work.

Emissions Scope 3 - Business travel booked by College Travel Agent

Air and Rail Travel booked by College Travel Agent

Mode of Transport	Category	Class	8 Months to 31 March 2026	
			Distance (km)	Emissions (kg CO2e)
Domestic flights		Economy	19,009	1,891
		Premium economy	-	-
		Business	-	-
		First	-	-
International flights	Short haul	Economy	3,004	561
		Premium economy	-	-
		Business	-	-
		First	-	-
	Long haul	Economy	95,159	6,911
		Premium economy	-	-
		Business	-	-
		First	-	-
Rail Travel		Standard	593	17
		First	-	-

***Source of Data**: College Contracted Travel Agent, who books travel, hotel rooms and hired cars on behalf of the College. The contractor uses the same conversion tables as used by the College.*

Hotel Stays Booked by College Travel Agent

Country	No. of nights stayed	Emissions (kg CO2e)
Republic of Ireland	15	825
Northern Ireland	20	900
Sweden	6	420

***Source of Data**: College Contracted Travel Agent, who books travel, hotel rooms and hired cars on behalf of the College. The contractor uses the same conversion tables as used by the College.*

Car Hire Booked by College Travel Agent

Period	Mileage	Emissions (kg CO2e)
8 Months to 31 March 2026	800	224

***Source of Data**: College Contracted Travel Agent, who books travel, hotel rooms and hired cars on behalf of the College. The contractor uses the same conversion tables as used by the College.*

Paper Printed

Year	Paper printed (pages)
2023-24	2,086,862
2024-25	2,518,455
8 Months to 31 March 2026	1,942,372

Source of data: *SERC ITS Department*

Responsible Disposal of ICT Waste

The College ensures that all ICT waste is managed responsibly, and in line with the relevant environmental legislation.

IT equipment that is not resold is dismantled and recycled/disposed in accordance with the relevant legislation including, but not limited to:

- the Waste Electrical and Electronic Equipment Directive;
- BS EN ISO 14001:2015;
- the Environmental Protection Act 1990; and
- the Hazardous Waste Regulations

Sustainable Procurement

The Scoring Social Value policy approved by the Executive, mandated that from June 2022, tenders must include a minimum of 10 percent of the total award criteria to social value. On 5 December 2024, the Department of Finance (DoF) secured NI Executive approval for a revised PPN (Procurement Policy Note) 01/21 - Social Value in Procurement. This came into effect on 24 February 2025, and strengthened and broadened the theme '**Delivering Net Zero**' to **'Delivering Climate Action**'.

For information on the meaning of Social Value: the Public Procurement Policy Statement (which was approved by the NI Executive on the 5 June 2025) states: "*Social Value means economic, environmental and social benefits in support of the Programme for Government*". The DoF Social Value Strategy document 2025-2027 states, "*Social Value refers to wider financial and non financial impacts on the wellbeing of individuals, communities and the environment. It incorporates ethical and sustainable supply chains, community benefits and wealth building, job and skills creation and efforts to combat climate change*".

The Procurement Policy Note (PPN) 01/21 – Scoring Social Value has been revised to Procurement Policy Note (PPN) 01/21 - Social Value in Procurement and came into effect on 24 February 2025.

The College is compliant with all Procurement Policy Notes relating to Social Value.

Single Use Plastics

The College has removed all unnecessary single-use plastic (SUP), where practical throughout its estates.

A key example is the replacement of all single use plastic cutlery with recyclable wooden alternatives, throughout all College catering facilities. .

The College continues to review its use of SUPs, for example bin bags, and will endeavour to continue to reduce their use, where possible.

SOUTH EASTERN REGIONAL COLLEGE
ADDITIONAL ASSEMBLY ACCOUNTABILITY DISCLOSURE REPORT
FOR THE 8 MONTH PERIOD ENDED 31 MARCH 2026

This Additional Assembly Accountability Disclosure Report provides our disclosure requirements under Managing Public Money NI:

Losses (subject to audit)

The College is required by Managing Public Money NI (MPMNI) to provide a losses statement where total losses exceed £300,000.

The College did not incur losses exceeding £300,000.

Losses are disclosed in Note 27.

Special Payments (subject to audit)

The College is required by MPMNI to provide a special payments statement where total losses exceed £300,000.

The College did not incur special payments exceeding £300,000.

Special payments are disclosed in Note 27.

Remote Contingent Liabilities (subject to audit)

Remote Contingent Liabilities are not required to be disclosed under Financial Reporting Standard in the UK and Republic of Ireland (FRS 102, Section 21), since the possibility of any outflow of resources in settlement is remote.

Remote Contingent Liabilities are included in this report for Assembly accountability purposes.

There are no remote contingent liabilities that require disclosure at 31 March 2026.

SOUTH EASTERN REGIONAL COLLEGE

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY

Opinion on financial statements

I certify that I have audited the financial statements of the South Eastern Regional College for the period ended 31 March 2026 under the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008. The financial statements comprise: Statement of Comprehensive Income and Expenditure, the Statement of Changes in Reserves, the Statement of Financial Position, the Statement of Cash Flows and the related notes including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom accounting standards including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

I have also audited the information in the Remuneration Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of South Eastern Regional College's affairs as at 31 March 2026 and of its deficit the period then ended;

- have been prepared in accordance with the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008 and the Department for the Economy directions issued thereunder

Opinion on regularity

In my opinion, in all material respects the income and expenditure recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

My staff and I are independent of South Eastern Regional College in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY (Cont'd)

Conclusions relating to going concern

In auditing the financial statements, I have concluded that South Eastern Regional College's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the South Eastern Regional 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.

My responsibilities and the responsibilities of the Accounting Officer and Governing Body with respect to going concern are described in the relevant sections of this certificate.

Other Information

The other information comprises the information included in the annual report other than the financial statements, the parts of the Remuneration Report described in that report as having been audited and my audit certificate and report thereon. The Accounting Officer and Governing Body are responsible for the other information reported in the annual report. My opinion on financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

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

I have nothing to report in this regard.

Opinion on other matters

In light of the knowledge and understanding of the South Eastern Regional College and its environment obtained in the course of the audit, I have not identified material misstatements in the Strategic Report, Remuneration Report, Staff Report, Statement of the Responsibilities of the Accounting Officer and the Governing Body, and Statement of Corporate Governance and Internal Control.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Remuneration Report to be audited have been properly prepared in accordance with Department for the Economy directions made under the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008; and
- the information given in the Strategic Report, Remuneration Report, Staff Report, Statement of the Responsibilities of the Accounting Officer and the Governing Body, and Statement of Corporate Governance and Internal Control for the financial period for which the financial statements are prepared is consistent with the financial statements.

SOUTH EASTERN REGIONAL COLLEGE

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY (Cont'd)

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Remuneration Report to be audited are not in agreement with the accounting records; or
- certain disclosures of remuneration specified by the Government Financial Report Manual are not made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Statement of Corporate Governance and Internal Control does not reflect compliance with the Department of Finance's guidance.

Responsibilities of the Accounting Officer and Governing Body

As explained more fully in the Statement of Responsibilities of the Accounting Officer and Governing Body, the Accounting Officer and Governing Body are responsible for :

- maintaining proper accounting records;
- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring the annual report, which includes the Remunerations and Staff Report, is prepared in accordance with the applicable financial reporting framework;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- assessing the South Eastern Regional 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 Accounting Officer anticipates that the services provided by South Eastern Regional College will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My objectives are to audit, certify and report on the financial statements in accordance with the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008.

My 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 a certificate that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY (Cont'd)

Auditor's responsibilities for the audit of the financial statements (cont'd)

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the South Eastern Regional College through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008;

- making enquiries of management and those charged with governance on South Eastern Regional College's compliance with laws and regulations;

- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;

- completing risk assessment procedures to assess the susceptibility of South Eastern Regional College's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, and posting of unusual journals;

- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;

- documenting and evaluating the design and implementation of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;

- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;

SOUTH EASTERN REGIONAL COLLEGE

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY (Cont'd)

Auditor's responsibilities for the audit of the financial statements (cont'd)

- addressing the risk of fraud as a result of management override of controls by:
  - performing analytical procedures to identify unusual or unexpected relationships or movements;
  - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
  - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
  - investigating significant or unusual transactions made outside of the normal course of business; and

- applying tailored risk factors to datasets of financial transactions and related records to identify potential anomalies and irregularities for detailed audit testing.

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

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Report

I have no observations to make on these financial statements.



Dorinnia Carville
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
BELFAST
BT7 1EU

13 November 2026

SOUTH EASTERN REGIONAL COLLEGE
STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE
FOR THE EIGHT MONTH PERIOD ENDED 31 MARCH 2026

	Note	**8 Month Period 2026 £'000**	12 Month Year 2025 £'000
INCOME			
Department for the Economy income	1	**38,404**	53,540
Education contracts	2	**4,668**	6,294
Tuition fees and charges	3	**1,646**	1,830
Other grant income	4	**640**	805
Other operating income	5	**1,409**	1,772
Investment income	6	**156**	273
Donations and endowments	7	**1**	10
Total Income		**46,924**	**64,524**
EXPENDITURE			
Staff costs	8	**30,189**	39,773
Other operating expenses	10	**14,691**	20,058
Depreciation	13	**4,227**	6,324
Amortisation	14	**52**	77
Profit on disposal of non-current assets		**-**	-
Interest and other finance costs	11	**-**	1
Total expenditure before exceptional items		**49,159**	**66,233**
Deficit before exceptional items		**(2,235)**	**(1,709)**
EXCEPTIONAL ITEMS			
Exceptional costs (staff)	8	**1**	58
Exceptional costs (non-staff)	10	**-**	-
Deficit before other gains/losses		**(2,236)**	**(1,767)**
(Loss) / gain on investment		**-**	-
Deficit before tax		**(2,236)**	**(1,767)**
Taxation	12	**-**	-
Deficit for the year		**(2,236)**	**(1,767)**
Unrealised surplus on revaluation of land and buildings	13	**3,522**	829
Actuarial (loss) in respect of pension scheme	22	**(364)**	(603)
Total comprehensive surplus/(deficit) for the year		**922**	**(1,541)**
Represented by:			
Revaluation comprehensive income for the year		**1,545**	(2,205)
Pension comprehensive income for the year		**4**	2
Unrestricted comprehensive income for the year		**(627)**	662
		922	**(1,541)**

All amounts above relate to the continuing operations of the College.

The accompanying accounting policies and notes form an integral part of these financial statements.

SOUTH EASTERN REGIONAL COLLEGE
STATEMENT OF CHANGES IN RESERVES
FOR THE EIGHT MONTH PERIOD ENDED 31 MARCH 2026

			Income and Expenditure Account				
	Endowment Permanent Restricted £'000	**Endowment Temporary Restricted £'000**	Restricted Reserve **£'000**	Pension Reserve **£'000**	Unrestricted Reserve **£'000**	**Revaluation Reserve £'000**	**Total Reserves £'000**
Balance at 1 August 2024	4	2	-	(19)	7,991	105,267	**113,245**
(Deficit)/Income from income and expenditure statement	-	-	-	605	(2,372)	-	**(1,767)**
Other comprehensive income	**-**	**-**	**-**	9,458	-	829	**10,287**
Other comprehensive income - Pension Asset Ceiling Adjustment	-	-	-	(10,061)	-	-	**(10,061)**
Transfers between revaluation reserve and income and expenditure account	-	-	-	-	3,034	(3,034)	**-**
Cumulative increase in market value of investments (rounding)	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance at 31 July 2025 and 1 August 2025	**4**	**2**	**-**	**(17)**	**8,653**	**103,062**	**111,704**
Surplus/(Deficit) from income and expenditure statement	-	-	-	368	(2,604)	-	**(2,236)**
Other comprehensive income	-	-	-	2,751	-	3,522	**6,273**
Other comprehensive income - Pension Asset Ceiling Adjustment	**-**	**-**	**-**	(3,115)	-	-	**(3,115)**
Transfers between revaluation reserve and income and expenditure account	-	-	-	-	1,977	(1,977)	**-**
Cumulative rounding adjustment in income & expenditure	-	-	-	(1)	-	(1)	**(2)**
Total comprehensive (deficit)/income for the year	**-**	**-**	**-**	**3**	**(627)**	**1,544**	**920**
Balance as at 31 March 2026	**4**	**2**	**-**	**(14)**	**8,026**	**104,606**	**112,624**

SOUTH EASTERN REGIONAL COLLEGE
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Note	**2026** **£'000**	2025 £'000
Non-Current Assets			
Property, Plant & Equipment	13	**172,583**	172,525
Intangible assets	14	**45**	97
Investments	16	**4**	3
Total non-current assets		**172,632**	172,625
Current assets			
Trade and other receivables	17	**3,018**	4,413
Cash and cash equivalents	21	**5,171**	3,883
Total current assets		**8,189**	8,296
Current liabilities			
Trade and other payables	18	**(7,299)**	(6,419)
PPP finance lease creditor - amounts falling due within one year	15	**(1,772)**	(1,711)
Provisions	24	**(685)**	(695)
Net current (liabilities)/assets		**(1,567)**	(529)
Total assets less current liabilities		**171,065**	172,096
Non-current liabilities			
Creditors – amounts falling due after more than one year	19	**(36,551)**	(37,298)
PPP finance leases – amounts falling due after more than one year	15	**(21,876)**	(23,077)
Pension liability	22	**(14)**	(17)
Net assets including pension liability		**112,624**	111,704

SOUTH EASTERN REGIONAL COLLEGE
STATEMENT OF FINANCIAL POSITION (continued)
AS AT 31 MARCH 2026

	Note	**2026** **£'000**	2025 £'000
Restricted Reserves			
Income and expenditure account - endowment	20	**6**	6
Unrestricted Reserves			
Income and expenditure account – unrestricted reserve		**8,026**	8,653
Income and expenditure account – pension deficit	22	**(14)**	(17)
Revaluation reserve		**104,606**	103,062
Total reserves		**112,624**	111,704

The financial statements on pages 85 to 125 were approved by the Governing Body of South Eastern Regional College on 28 October 2026:



Mr Alan McCrum
Acting Chair of Governing Body
South Eastern Regional College



Mr Tommy Martin
Accounting Officer
South Eastern Regional College

The accompanying accounting policies and notes form an integral part of these financial statements.

SOUTH EASTERN REGIONAL COLLEGE
STATEMENT OF CASH FLOWS
FOR THE EIGHT MONTH PERIOD ENDED 31 MARCH 2026

	Note	**8 Month Period 2026 £'000**	12 Month Year 2025 £'000
Cash outflow from operating activities			
Deficit for the year		**(2,236)**	(1,767)
Adjustment for non-cash items			
Depreciation	13	**4,227**	6,324
Amortisation	14	**52**	77
Deferred capital grants released to income	1	**(1,790)**	(2,570)
Interest and investment income receivable	6	**(156)**	(273)
NILGOSC FRS 102 (28) Pension Adjustment	22	**(368)**	(605)
Decrease/(Increase) in trade and other receivables	17	**1,395**	(1,368)
Increase in creditors	18/19	**1,923**	2,757
(Decrease)/Increase in provision	24	**(10)**	57
Adjustment for investing or financing activities (Service Concession Interest)	10	**933**	1,492
Adjustment for cumulative rounding in income and expenditure		**(2)**	-
Net cash inflow from operating activities		**3,968**	4,124
Cash flows from investing activities			
Proceeds on bank investment interest	6	**156**	273
Payments made to acquire fixed assets (including intangible)	13	**(763)**	(1,465)
Cash (outflow) from investing activities		**(607)**	(1,192)
Cash flows from financing activities			
Interest element of finance lease and service concession payments	10	**(933)**	(1,492)
Capital payment of service concession payments	15	**(1,140)**	(1,624)
Cash (outflow) from financing activities		**(2,073)**	(3,116)
Increase/(Decrease) in cash and cash equivalents in the years		**1,288**	(184)
Cash and cash equivalents at beginning of the year		**3,883**	4,067
Cash and cash equivalents at end of the year		**5,171**	3,883

In this statement, figures in brackets refer to cash outflows and all other figures are cash inflows to the College.

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of Accounting Policies

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

Basis of Preparation and Accounting Period

The College has changed its accounting reference date from 31 July to 31 March, to match the financial year end of the Department for the Economy.

The change was enacted through The Further Education (Amendment) Order (Northern Ireland) 2026 (available at: The Further Education (Amendment) Order (Northern Ireland) 2026). Article 4 of the Amendment Order provides the transitional provision where the accounting reference period starting on 1 August 2025 ends on 31 March 2026. Accordingly, the current financial statements are prepared for the 8 month period from 1 August 2025 to 31 March 2026. The comparative figures presented in these financial statements refer to the 12 month period ending 31 July 2025. As a result, the comparative figures for the Statement of Comprehensive Income and Expenditure, Statement of Changes in Reserves, Statement of Cash Flows, and related notes are not entirely comparable with the current period.

The financial statements have been prepared on the going concern basis in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standard (FRS 102). The College is a public benefit entity and has therefore applied the relevant public benefit entity requirements of FRS 102.

The financial statements are prepared in accordance with the historical cost convention except that certain freehold properties are shown at their revalued amounts.

They also conform to the Accounts Direction issued by the Department for the Economy (DfE).

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention modified by the revaluation of certain fixed assets and in accordance with applicable United Kingdom accounting standards.

The financial statements are prepared in sterling which is the functional currency of the College and rounded to the nearest thousand.

Critical accounting judgements and estimates

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the College's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are:

Pension liability

The critical judgements of the pension schemes are included in the accounting policy note (page 92) and Note 22 (pages 110-117).

The key actuarial assumptions used in the valuation of the NILGOSC pension scheme, including discount rates, salary and pension increases, and mortality rates are reported in note 22.

Property, Plant and Equipment

Land and buildings (including those inherited from the Education and Library Board) are stated in the statement of financial position at valuation on the basis of depreciated replacement cost, including irrecoverable VAT, as the open market value for existing use is not readily obtainable.

Freehold buildings are depreciated over their expected useful economic life to the College as advised by the Land & Property Services (LPS).

All other depreciation is calculated based on assumptions of asset useful economic lives and expected residual value.

A change in depreciable life is treated as a change in accounting estimate.

Going concern

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

The College is satisfied that the organisation is a going concern on the basis that there is no reason to believe that the department's future sponsorship and future Assembly approval will not be forthcoming to meet the College's liabilities as they fall due. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

Government Grants (Accruals Model)

The recurrent grant and other revenue grants received from Department for the Economy and other government bodies are recognised in income over the periods in which the College recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income within liabilities and allocated between liabilities due within one year and liabilities due after more than one year as appropriate.

Tuition Fees

Tuition Fee income is stated gross of any expenditure which is not a discount and is credited to the Statement of Comprehensive Income and Expenditure over the course of an associated academic year following a student's enrolment.

Fees received in advance for the academic year, or commencing after the Statement of Financial Position date are recorded as deferred income within liabilities.

Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

Non-Government Grants

Income from non-government grants, controls and other services rendered is included to the extent that the conditions of the funding have been met, or the extent of the completion of the contract or service concerned.

Interest

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

Capital Grants (Non-Land Grants) (Accruals Model)

Non-recurrent grants from DfE and other government bodies received in respect of the acquisition of fixed assets are recognised in income over the expected useful life of the asset.

Other Capital Grants

Other capital grants are recognised on income when the College is entitled to the funds subject to any performance related conditions being met.

Capital Grants (Land Grants)

Capital government grants for land are accounted for in accordance with the performance model.

Donations and Endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised in income when the College is entitled to the income. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at the point the income is released to general reserves through a reserve transfer.

Donations within no restrictions are recognised in income when the College is entitled to the funds.

Pension Schemes

The two principal pension schemes for the College's staff are the Northern Ireland Teacher's Pension Scheme (NITPS) and the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) defined benefit schemes, which are externally funded and contracted out of the State Earnings Related Pension Scheme.

The NITPS is an unfunded contributory, voluntary membership scheme administered by the Department of Education. The current regulations under which the scheme operates are the Teachers' Superannuation Regulations (NI) 1998 (as amended). The NITPS is a multi-employer scheme, and the College is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The NITPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

NILGOSC is a defined benefit scheme which is externally funded and contracted out of the second state Pension Scheme. The Funds are valued every three years by actuaries using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuaries. Pension costs are assessed on the basis of the latest actuarial valuations of the schemes and are accounted for on the basis of charging the cost of providing pensions over the period during which the College benefits from the employees' services. Variations from regular cost are spread over the expected average remaining working lifetime of members of the schemes after making allowances for future withdrawals.

The difference between the fair value of the assets held in the College's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the College's statement of financial position as a pension scheme asset or liability as appropriate. The carrying value of any resulting pension scheme asset is restricted to the extent that the College is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

Changes in the defined benefit pension scheme asset or liability arising from factors other than cash contribution by the College are charged to the Statement of Comprehensive Income.

Property, Plant & Equipment

- **Land and buildings**

Land and buildings (including those inherited from the Education and Library Board) are stated in the statement of financial position at valuation on the basis of depreciated replacement cost, including irrecoverable VAT, as the open market value for existing use is not readily obtainable. The associated credit is included in the revaluation reserve. The difference between depreciation charged on the historic cost of assets and the actual charge for the year calculated on the revalued amount is released to the income and expenditure account reserve on an annual basis. Land and buildings acquired since the last valuation are included in the statement of financial position at cost. Freehold land is not depreciated. Freehold buildings are depreciated over their expected useful economic life to the College as advised by the LPS. The depreciation charge on buildings is based on the opening value as valued by LPS. Where land and buildings are acquired with the aid of specific grants, these are accounted for in accordance with the revenue recognition policies above.

- **Assets other than land and buildings**

Assets other than land and buildings costing less than £3,000 per individual item are written off to the income and expenditure account in the period of acquisition. All other assets are capitalised at cost.

These assets are depreciated over their useful economic lives as follows:

Fixed Asset	Depreciation
Computers	33 $^1/_3$ % per annum on a straight line basis
Fixtures and fittings	15% per annum on a straight line basis
Motor vehicles	25% per annum on a straight line basis
Plant and equipment	20% per annum on a straight line basis

- **Jointly Controlled Assets (Northern Ireland FE Sector)**

Colleges recognise their individual share of assets that are jointly owned and controlled amongst the Northern Ireland Further Education sector. The assets are classified according to their nature.

Trade and other receivables

Trade and other receivables are measured at amortised cost, measured at the undiscounted amount of the cash expected to be received, less any bad or doubtful debt impairment. An allowance for impairment of trade and other receivables is established if the collection of a receivable becomes doubtful.

Such receivable becomes doubtful if there is objective evidence that the College will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor and delinquency in payments are considered indicators that the receivable is impaired. An impairment loss is recognised in the Statement of Comprehensive Income and Expenditure, as are subsequent recoveries of previous impairments.

Public Private Partnerships

Where it is concluded that the College has an asset of the property and therefore a liability to pay for it, these are recorded on the statement of financial position. The initial amount recorded for each is the fair value of the property or if lower the present value of the minimum lease payments determined at the inception of the lease. Subsequently, the asset is depreciated over its useful economic life.

Payments are allocated between service costs, finance charges and financial liability repayments to reduce the financial liability to nil over the life of the arrangement.

The College recognises the property when it comes into use, unless it bears significant construction risk, in this case the property is recognised as it is constructed.

Leased Assets

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

Leasing agreements which transfer to the College substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright and are capitalised at their fair value at the inception of the lease and depreciated over the shorter of the lease term or the useful economic lives of equivalently owned assets. The capital element outstanding is shown as obligations under finance leases. The finance charges are allocated over the period of the lease in proportion to the capital element outstanding.

Intangible Assets

Intangible assets, greater than £3,000 per individual item, are capitalised at cost in the accounts. Software integral to an item of hardware is dealt with as Property, Plant & Equipment.

Amortisation is charged on a systematic basis over the useful economic life of the intangible asset. The useful economic life is limited to the period of any contractual or legal rights (including any renewal periods where the cost of renewal is not significant). Where the intangible asset has perpetual rights, the asset is amortised over the estimated useful economic life. The following amortisation rates are used in the period ended 31 March 2026:

Intangible Asset	Amortisation
Sector Learner Management System	Contractual License Period – 66 months from May 2021

Investments

Fixed asset investments are measured at their fair value with changes in fair value recognised in the statement of income and expenditure.

Foreign Currency Translation

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

Taxation

As an exempt charity the College benefits by being broadly exempt from corporation tax on income it receives from tuition fees, interest, and rents.

The College is exempted from levying VAT on most of the services it provides to students. For this reason, the College is partially exempt in respect of VAT, so that it can only recover a minor element of VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of Property, Plant & Equipment as appropriate, where the inputs themselves are Property, Plant & Equipment by nature.

Cash and cash equivalents

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

Trade and other payables

Trade and other payables are measured at amortised cost, being the undiscounted amount of the cash expected to be paid.

Provisions and contingent liabilities

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

Contingent liabilities are disclosed by way of note when the definition of a provision is not met and include three scenarios: a possible rather than present obligation, a possible rather than a probable outflow of economic benefits, and an inability to measure the economic outflow.

Financial Instruments

Financial assets and financial liabilities are recognised when the College becomes a party to the contractual provisions of the instruments. Financial liabilities are classified according to the substance of the contractual arrangements being entered into. The College's financial assets and liabilities all meet the criteria for basic financial instruments, prescribed within FRS 102 Section 11.8.

Agency Arrangements

The College acts as an agent in the collection and payment of Hardship Funds, the Care to Learn Scheme, and Family Action Grants.

Hardship Fund allocation, Care to Learn income, and Family Action grants, alongside subsequent disbursements to students and child minding facilities are excluded from the Income and Expenditure account and are shown separately in Note 28.

Reporting standards and SORP updates issued but not yet effective

The Further and Higher Education Statement of Recommended Practice (FEHE SORP) 2026 was published on 3 November 2025. This updated SORP reflects the 2024 Periodic Review of FRS 102 and is mandatory for accounting periods beginning on or after 1 January 2026. For the College, this will first apply to the financial year ending 31 March 2027.

The College is currently assessing the impact of these changes, which include:

- **Lease Accounting:** significant changes to Section 14 (Leases) requiring the recognition of leases on the Statement of Financial Position as a right-of-use assets and corresponding liabilities;
- **Revenue Recognition**: A new five-step model for contract income is being introduced under Section 16 (Revenue), aligned with IFRS 15.
- **Student Awards**: Specific changes to how bursaries, scholarships, and fee waivers are presented, moving from an expenditure model to a reduction in tuition fee revenue.
- **Presentation and Narrative:** Enhanced requirements for Public Benefit Reporting and encouraged disclosures regarding Environmental, Social, and Governance (ESG) Practices.

At the date of publication of this report, the College has not yet fully quantified the financial impact of these changes.

1. DEPARTMENT FOR THE ECONOMY INCOME

	8 Month Period 2026 £'000	12 Month Year 2025 £'000
Grant in Aid Received from DfE		
Recurrent grant	**34,963**	47,856
Release of deferred capital grants	**1,790**	2,570
Grant in Aid Received from DfE	**36,753**	50,426
Non-Grant in Aid Received from DfE		
Educational Maintenance Allowance Administration	**17**	19
Higher Level Apprenticeships	**386**	914
Step Up Programme	**398**	817
Skills Intervention Programme / Flexible Skills Fund	**380**	699
Women Returners Scheme	**(1)**	36
Childcare Micro Courses Scheme	**60**	72
SME Productivity Booster	**71**	64
Cinemagic Project	**83**	-
Inclusive Futures	**74**	-
SEN Training Project	**29**	
Advance ME	**14**	-
CRM Maintenance & Support	**52**	78
Skills Competitions	**40**	52
The Vulnerable Persons Resettlement Scheme (VPRS)	**43**	-
Green Skills	**-**	29
Assured Skills	**-**	53
Breaking Barriers Scheme	**-**	47
Multiply Scheme	**-**	193
Further Education Asylum Seekers Dispersal Funding	**-**	5
UCAS Pilot Scheme	**-**	26
Other	**5**	10
Non-Grant in Aid Received from DfE	**1,651**	3,114
Total DfE Income	**38,404**	53,540

2. EDUCATION CONTRACTS

	8 Month Period 2026 £'000	12 Month Year 2025 £'000
Entitlement Framework	**560**	620
Apprenticeship NI, Skills for Life & Work	**4,108**	5,674
	4,668	6,294

3. TUITION FEES AND CHARGES

	8 Month Period 2026 £'000	12 Month Year 2025 £'000
Higher Education (HE) income	**1,142**	1,298
Home and other European Union	**395**	469
International fees	**109**	63
	1,646	1,830

Tuition fees funded by bursaries
Included within the above amounts are tuition fees attracting bursaries of £27k (2025: £22k)

4. OTHER GRANT INCOME

	8 Month Period 2026 £'000	12 Month Year 2025 £'000
European funds	**157**	59
Other funds	**483**	746
	640	805

5. OTHER OPERATING INCOME

	8 Month Period 2026 £'000	12 Month Year 2025 £'000
Catering and residence operations	**542**	670
Other income generating activities	**804**	1,058
Other income	**63**	44
	1,409	1,772

6. INVESTMENT INCOME

	8 Month Period 2026 £'000	12 Month Year 2025 £'000
Bank interest receivable	**156**	273

7. DONATIONS AND ENDOWMENTS

	8 Month Period 2026 £'000	12 Month Year 2025 £'000
Donations	**1**	10

8. STAFF COSTS

The average number of persons (including senior post-holders) employed by the College (or in the case of Governors those appointed to the College) during the period (comparators – year), expressed as full-time equivalents (except Governing body where it is expressed as number of persons who served during the period) was:

	2026 Number	2025 Number
Governing Body (excl. Staff Governors & Principal)	**19**	18
Teaching	**371**	363
Support	**173**	173
Administration	**160**	155
Premises	**14**	13
Total	**718**	704

Staff costs for the above persons	**8 Month Period 2026 £'000**	12 Month Year 2025 £'000
Governing Body	**41**	78
Teaching	**18,051**	23,000
Support	**5,691**	8,250
Administration	**6,316**	8,434
Premises	**458**	617
Pension Cost	**(368)**	(606)
	30,189	39,773
Exceptional staff costs – Voluntary Severance Scheme 2023/24	**1**	-
Exceptional staff costs - Redundancy	**-**	1
Exceptional staff costs – Holiday Pay provision (note 24)	**-**	57
Total	**30,190**	39,831
Wages and salaries	**22,238**	29,581
Social Security costs (excluding Class 1A NIC)	**2,869**	3,248
Apprenticeship Levy	**100**	130
Pension costs (including Pension adjustments of (£368k) (2024-25: (£604k))	**4,982**	6,814
	30,189	39,773
Exceptional staff costs – Voluntary Severance Scheme 2023/24	**1**	-
Exceptional staff costs - Redundancy	**-**	1
Exceptional staff costs – Holiday Pay provision (note 24)	**-**	57
Total	**30,190**	39,831

The number of senior post-holders and other staff who received emoluments, including pension contributions and benefits in kind but excluding redundancy payments, in the following ranges was:

	Senior Post Holders		Other Staff	
	8 month period 2026	12 month year 2025	**8 month period 2026**	12 month year 2025
	Number	Number	**Number**	Number
£60,001 to £70,000	**1**	-	**11**	71
£70,001 to £80,000	**-**	-	**10**	25
£80,001 to £90,000	**2**	-	**2**	12
£90,001 to £100,000	**-**	-	**-**	7
£100,001 to £110,000	**1**	-	**-**	2
£110,001 to £120,000	**-**	-	**-**	3
£120,001 to £130,000	**-**	1	**-**	-
£130,001 to £140,000	**-**	1	**-**	-
£140,001 to £150,000	**-**	-	**-**	-
£150,001 to £160,000	**-**	1	**-**	-
£160,001 to £170,000	**-**	-	**-**	-
£170,001 to £180,000	**-**	-	**-**	-
	4	3	**23**	120

9. KEY MANAGEMENT PERSONNEL

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the College and are represented by the College Governing Body and the Chief Executive & Principal and Deputy Directors:

	2026 Number	2025 Number
The number of senior post-holders including the Chief Executive/Principal was:	**4**	3
Governors (excl. Staff Governors & Principal)	**19**	17

Senior post-holders' emoluments are made up as follows:

	8 Month Period 2026 £'000	12 Month Year 2025 £'000
Governing Body Remuneration	**41**	78
Salaries	**270**	334
Benefits in kind	**-**	-
Pension contributions	**64**	84
Total emoluments	**375**	496

The above emoluments include amounts payable to the Chief Executive & Principal (who is also the highest paid senior post-holder) of:

	8 Month Period 2026 £'000	12 Month Year 2025 £'000
Salaries	**87**	**133**
Benefits in kind	**-**	**-**
	87	**133**
Pension contributions	**16**	**25**
Total	**103**	**158**

Emoluments disclosed in this note are the amounts paid to senior post-holders in the period where they are classified as a senior post-holder.

The pension contributions in respect of the Chief Executive & Principal and senior post-holders are in respect of employer's contributions to the Northern Ireland Teachers' Pension Scheme and the Northern Ireland Local Government Pension (NILGOSC) are paid at the same rate as for other employees.

10. OTHER OPERATING EXPENSES

	8 month period 2026 £'000	12 month year 2025 £'000
Direct teaching	**1,056**	1,177
Direct support	**3,026**	3,517
Administration	**1,279**	1,557
Consultancy Fees	**-**	-
Premises	**3,425**	4,992
Unitary payments – PPP operating cost	**4,972**	7,323
Unitary payments – PPP finance lease interest	**933**	1,492
	14,691	20,058
Exceptional costs (Note 24)	**-**	-
Total	**14,691**	20,058

Other operating expenses include:

	8 Month Period 2026 £'000	12 Month Year 2025 £'000
Auditors' remuneration:		
Financial statements audit	**51**	46
Internal audit	**13**	23
Other services provided by the financial statement auditors - NFI	**-**	1
Other services provided by the internal auditors	**-**	5
Hire of other assets – operating leases	**42**	65
Hire of other assets – premises	**48**	52

11. INTEREST AND OTHER FINANCE COSTS

	8 Month Period 2026 £'000	12 Month Year 2025 £'000
Net charge on pension scheme	**-**	1

12. TAXATION

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

13. PROPERTY, PLANT & EQUIPMENT

	Freehold land	Buildings	PPP Buildings	Plant and equipment	Computers	Fixtures and fittings	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation								
At 1 August 2025	7,975	55,753	104,676	7,148	2,800	4,974	354	**183,680**
Additions	-	-	-	42	-	721	-	**763**
Disposals / Derecognition	-	-	-	(4,418)	(1,852)	(2,192)	(354)	**(8,816)**
Revaluation	-	1,248	2,345	-	-	-	-	**3,593**
Eliminate Depreciation on Revaluation	-	-	-	-	-	-	-	**-**
At 31 March 2026	**7,975**	**57,001**	**107,021**	**2,772**	**948**	**3,503**	**-**	**179,220**
Accumulated Depreciation								
At 1 August 2025	-	-	-	5,679	2,152	2,970	354	**11,155**
Charge for the year	-	1,400	1,781	460	245	341	-	**4,227**
Disposals / Derecognition	-	-	-	(4,418)	(1,852)	(2,192)	(354)	**(8,816)**
Revaluation	-	31	40	-	-	-	-	**71**
Eliminate Depreciation on Revaluation	-	-	-	-	-	-	-	**-**
At 31 March 2026	**-**	**1,431**	**1,821**	**1,721**	**545**	**1,119**	**-**	**6,637**
Net book value at 31 March 2026	**7,975**	**55,570**	**105,200**	**1,051**	**403**	**2,384**	**-**	**172,583**
Net book value at 31 July 2025	7,975	55,753	104,676	1,469	648	2,004	-	**172,525**

Surplus on Revaluation

Land and buildings were last subject to a full revaluation at 31 July 2025 on a depreciated replacement cost basis. The valuations were performed independently by the Land and Property Services (LPS). The valuations were undertaken having regard to UK GAAP, and more specifically the Statement of Recommended Practice: accounting for further and higher education (SORP) 2019 (effective from 1st January 2019) for the Higher and Further Education sectors and Financial Reporting Standard (FRS) 102 issued by the Financial Reporting Council (FRC). The valuations were also carried out in accordance with HM Treasury guidance, International Valuation Standards, and the requirements of the Royal Institution of Chartered Surveyors (RICS) Professional Standards.

That revaluation has been updated using indices supplied by LPS at 31 March 2026 to provide valuations at 31 March 2026. Indices are applied to assets previously valued by LPS at 31 July 2025.

The revaluations have been incorporated into the financial statements and the resulting revaluation adjustments have been taken to the revaluation reserve.

Land and Buildings Value

If land and buildings (including those that were inherited/transferred) had not been revalued, they would have been included at the following amounts at 31 March (comparator 31 July):

	2026	2025
Land	**£'000**	£'000
Cost / Deemed cost on transition	**41,775**	41,775
Accumulated depreciation based on cost / deemed cost	**-**	-
Net book value based on cost / deemed cost	**41,775**	41,775

	2026	2025
Buildings	**£'000**	£'000
Cost / Deemed cost on transition	**44,711**	44,711
Accumulated depreciation based on cost / deemed cost	**(13,013)**	(12,397)
Net book value based on cost / deemed cost	**31,698**	32,314

	2026	2025
PPP Buildings	**£'000**	£'000
Cost / Deemed cost on transition	**64,932**	64,932
Accumulated depreciation based on cost / deemed cost	**(19,447)**	(18,530)
Net book value based on cost / deemed cost	**45,485**	46,402

Depreciation Charge

The depreciation shown in the Income & Expenditure Account is analysed below:

	8 Month Period 2026	12 Month Year 2025
	£'000	£'000
Charge for the year on owned assets	**2,446**	3,538
Charge for the year on PPP assets	**1,781**	2,786
Charge in the Income & Expenditure Account	**4,227**	6,324

14. INTANGIBLE ASSETS

	Learner Management System (NI FE Sector)	**Total**
	£'000	**£'000**
Cost or valuation		
At 1 August 2025	424	424
Additions	-	**-**
Transfer	-	**-**
Disposals	-	**-**
At 31 March 2026	**424**	**424**
Amortisation		
At 1 August 2025	327	327
Charge for the year	**52**	**52**
Disposals	-	**-**
At 31 March 2026	**379**	**379**
Net book value at 31 March 2026	**45**	**45**
Net book value at 31 July 2025	97	97

The net book value of the Learner Management System is a jointly owned and controlled asset amongst the six colleges of the Northern Ireland Further Education Sector. The asset value is SERC's share of the total net book value (one sixth). The intangible asset is funded in full through a capital grant from the Department for the Economy.

15. SERVICE CONCESSION ARRANGEMENTS

The College has two on-statement of financial position arrangements where service delivery has commenced.

The arrangements relate to the design, build and maintenance, for 25 years, of College campuses at the following sites:

- Market Street, Downpatrick
- Castlewellan Road, Newcastle
- Church Road, Ballynahinch
- Castle Street, Lisburn

Capital repayments are made over a 25-year period.

The terms of the arrangement include an index-link on 42% of the Unitary Charge (i.e., the amount payable in relation to the service concession arrangements). The index link applies the change in RPI from the base year (1 May 2006) to RPI as at 31 March each year, to the indexable part of the Unitary charge. This index link can affect the amount of future cashflows. The index link increase is treated as a contingent rent and charged as an expense in the Statement of Comprehensive Income & Expenditure (FRS 102, s20.11).

Movement in service concession arrangement assets

The asset value of the service concession included in the statement of financial position as at 31 March 2026 is £105,200k (31 July 2025: £104,676k). The increase of £524k is the net of depreciation, and revaluation.

Movement in service concession liabilities

The total liabilities relating to the service concession included in the statement of financial position as at 31 March 2026 was £23,648k (31 July 2025: £24,788k). The sum of £1,140k was repaid during the period.

Future Commitments

The following table analyses the College's future commitments in relation to service concession arrangements:

	Payable in 1 year £'000	Payable 2–5 years £'000	Payable 6–10 years £'000	Payable 11–15 years £'000	Total £'000
Liability repayments	1,772	8,090	12,822	964	**23,648**
Finance charge	1,336	4,289	2,524	55	**8,204**
Service charge (incl est inflationary increases)	7,904	33,642	47,250	12,246	**101,042**
	11,012	**46,021**	**62,596**	**13,265**	**132,894**

The service charge includes estimated inflationary increases, estimated at 3% from April 2026. This estimation is subject to change, which will affect the amount of future cashflows.

16. INVESTMENTS

	Other investment £'000	Total £'000
At 1 August 2025	**3**	**3**
Additions	**-**	**-**
Disposals	**-**	**-**
Cumulative Increase to Value	**1**	**1**
Impairment	**-**	**-**
At 31 March 2026	**4**	**4**

Investments consist of 217 shares held in the Northern Ireland Central Investment Fund for Charities, valued as at 31 March 2026.

17. TRADE AND OTHER RECEIVABLES

	2026 £'000	2025 £'000
Amounts falling due within one year:		
Trade receivables	**1,155**	1,389
Prepayments and accrued income	**1,863**	3,024
Total receivables	**3,018**	4,413

18. TRADE AND OTHER PAYABLES

	2026 £'000	2025 £'000
Payments received in advance	**736**	369
Trade payables	**990**	418
Taxation and social security	**22**	12
Accruals and deferred income	**5,487**	5,552
Other payables	**64**	68
Total creditors falling due within one year	**7,299**	6,419

Deferred Income

Included within accruals and deferred income are the following items of capital grant income which have been deferred until specific performance related conditions have been met:

	2026 £'000	2025 £'000
Grant income	**2,302**	2,581
Total	**2,302**	2,581

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2026	2025
	£'000	£'000
Deferred income	**36,551**	37,298
Total creditors falling due after more than one year	**36,551**	37,298

20. ENDOWMENT RESERVES

	Restricted permanent	**Unrestricted permanent**	**Expendable endowments**	**2026 Total**	2025 Total
	£'000	**£'000**	**£'000**	**£'000**	£'000
At 1 August 2025					
Capital	6	-	-	**6**	**6**
Accumulated Income	-	-	-	**-**	**-**
	6	-	-	**6**	**6**
New endowments	-	-	-	**-**	**-**
Income for year	-	-	-	**-**	**-**
Expenditure for year	-	-	-	**-**	**-**
Cumulative increase in endowment reserves	-	-	-	**-**	**-**
As at 31 March 2026	**6**	**-**	**-**	**6**	**6**

21. CASH AND CASH EQUIVALENTS

	At 1 August 2025	Cash flows	**At 31 March 2026**
	£'000	£'000	**£'000**
Cash and Cash Equivalents	3,883	1,288	**5,171**

22. PENSION PROVISIONS

The College's employees belong to two principal pension schemes: the Northern Ireland Teachers' Pension Scheme (NITPS) for academic and related staff; and the Local Government Pension Scheme (Northern Ireland) administered by the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) for non-teaching staff. Both are defined-benefit schemes.

Total pension cost for the year

	8 Month Period 2026 £'000	12 Month Year 2025 £'000
NITPS: contributions paid	**3,768**	4,636
NILGOSC: contributions paid	1,582	2,783
NILGOSC: Pension Charge (FRS 102 (28))	(368)	(605)
NILGOSC: charge to the Statement of Comprehensive Income & Expenditure (Staff Costs / Interest Paid)	**1,214**	2,178
Enhanced pension charge to the Statement of Comprehensive Income (staff costs)	**-**	-
Total pension cost for the year	**4,982**	6,814

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest formal actuarial valuation of the NITPS was 31 March 2020 and NILGOSC was 31 March 2025.

NITPS

The NITPS is an unfunded contributory, voluntary membership scheme administered by the Department of Education.

Until 1 April 2015 the scheme operated under the Teachers' Superannuation Regulations (NI) 1998 (as amended). Further information about the scheme is given in the explanatory booklet dated November 2007, and on the Department of Education's website at www.deni.gov.uk.

The Public Service Pensions Act (Northern Ireland) 2014 provides for the closure of existing public sector pension schemes (including the NITPS) from 31 March 2015 and the establishment of new schemes based on a career average re-valued earnings model with normal pension age equal to state pension age introduced from 1 April 2015.

The Government Actuary's Department values the scheme every 4 years with an interim valuation in the intervening 2-year period using the projected accrued benefit method.

The employer contribution rates payable in the 8 month period ended 31 March 2026 were 29.1%. Contributions are based on a member's annual salary rate (actual earnings).

The NITPS is a multi-employer pension scheme. The College is unable to identify its share of the underlying assets and liabilities of the scheme, and therefore, as required by FRS 102 (28), accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the Statement of Comprehensive Income represents the contributions payable to the scheme in respect of the accounting year. The College has set out above the information available on the scheme and the implications for the College in terms of the anticipated contribution rates.

Local Government Pension Scheme (Northern Ireland)

The Local Government Pension Scheme (Northern Ireland), administered by NILGOSC, is a defined benefit statutory scheme, administered in accordance with the Local Government Pension Scheme Regulations (Northern Ireland) 2002, as amended. It is contracted out of the state pension scheme.

It is a funded defined benefit plan with benefits earned up to 31 March 2015 being linked to final salary. Benefits after 31 March 2015 are based on a Career Average Revalued Earnings scheme. Details of the benefits over the period covered by this disclosure are set out in 'The Local Government Pension Scheme Regulations (Northern Ireland) 2014' (as amended) and 'The Local Government Pension Scheme (Amendment and Transitional Provisions) Regulations (Northern Ireland) 2014' (as amended).

The unfunded pension arrangements relate to termination benefits made on a discretionary basis upon early retirement in respect of members of the Local Government Pension Scheme under the 'Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations (Northern Ireland) 2003'.

The funding nature of the scheme requires the College and employees (not opted out) to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid is set out in 'The Local Government Pension Scheme Regulations (Northern Ireland) 2014' and the Fund's Funding Strategy Statement.

The College's employer contribution rate from 1 April 2023 to 31 March 2026 was set, based on the 31 March 2022 valuation, at 19%.

The Committee, Northern Ireland Local Government Officers' Superannuation Committee, is responsible for the governance of the Fund.

The following information is based upon a full actuarial valuation of the fund at 31 March 2025.

Principal actuarial assumptions

Principal actuarial assumptions at the statement of financial position date are as follows:

	2026	2025	2024
Discount Rate	6.15%	5.75%	5.00%
Retail Price Index (RPI) Inflation	3.30%	3.05%	3.10%
Consumer Price Index (CPI) Inflation	3.05%	2.75%	2.80%
Salary increases	4.55%	4.25%	4.30%
Pension increases in deferment	3.05%	2.75%	2.80%
Pension increases in payment	3.05%	2.75%	2.80%

The mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for expected future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are as follows:

	2026	2025
Males		
Member aged 65 at 31 March / July	**21.2**	21.1
Active / Deferred male aged 45 at 31 March / July	**21.5 / 21.5**	21.6 / 21.9
Females		
Member aged 65 at 31 March / July	**24.6**	23.9
Active / Deferred female aged 45 at 31 March / July	**25.0 / 25.0**	24.6 / 24.9

The assets allocated to the College in the Fund are notional and are assumed to be invested in line with the investments of the Fund, for the purposes of calculating the return over the accounting period. The Fund holds a significant proportion of its assets in liquid investments. As a consequence, there will be no significant restriction on realising assets if a large payment is required to be paid from the Fund in relation to an employer's liabilities. The assets are invested in a diversified spread of investments.

The actuarial assumptions should be read alongside the following information:

- **Guaranteed Minimum Pension ("GMP") Indexation**

In order to ensure smooth transition to the single tier State pension and equalisation of GMP benefits between males and females, the Government introduced an interim solution in March 2016 in respect of people who are in public service pension schemes and who have a State Pension Age ("SPA") between 6 April 2016 and 5 December 2018, whereby full inflationary increases will be provided by the Fund. In January 2018, this interim solution was extended to members who reach SPA between 6 December 2018 and 5 April 2021.

An announcement on 23 March 2021 further confirmed that public sector schemes will need to provide full indexation to members with a GMP state pension age beyond 5 April 2021.

The 2025 funding valuation was used as a starting point for the roll-forward calculation at 31 March 2026 and therefore the DBO calculated at 31 March 2026 implicitly includes an allowance for GMP indexation.

Therefore no further allowance for GMP indexation in the 31 March 2026 accounting valuation.

- **Goodwin Ruling**

A legal challenge has been made against the Government in respect of unequitable benefits for male dependants of female members (based on service after 1988) following the earlier Walker ruling. The Walker ruling made it necessary for public service pension schemes to provide survivors of registered civil partnerships or same-sex marriages with benefits that replicate those provided to widows. However, widows' pensions were generally introduced in public service schemes in the 1970s whereas a male widower of a female member historically only received benefits based on service from 6 April 1988.

At the 2025 valuation, no additional adjustments for Goodwin were made as the necessary steps to recalculate and adjust the benefits of the affected records so the liabilities reflect the impact of the ruling had been taken.

- **McCloud Ruling**

Two employment tribunal cases were brought against the Government in relation to possible discrimination in the implementation of transitional protection following changes made to public service pension scheme legislation in 2014 and 2015. The claimants challenged the transitional protection arrangements on the grounds of direct age discrimination, equal pay and indirect gender and race discrimination. In December 2018, the Court of Appeal ruled that the transitional protections gave rise to unlawful discrimination on the basis of age. The Government requested leave to appeal this decision to the Supreme Court, however the request was denied on 27 June 2019.

As a result, certain scheme members had to be compensated for any discrimination suffered as a result of the transitional protections. The changes to legislation were implemented in 2015 for the NILGOSC Fund and therefore this only impacts benefits from 1 April 2015 for those members who were active at that date.

In previous years, we advised that no increase to the service cost was required to allow for the impact of the McCloud ruling on materiality grounds. Following the completion of the 2016 cost management process and the end of the McCloud remedy period on 31 March 2022, an uplift to the service cost is no longer required.

The 2025 funding valuation allowed for additional liabilities, calculated on an individual member basis, arising as a result of McCloud underpin. The 2025 funding valuation was used as the starting point for the roll-forward calculation at 31 March 2026 and therefore the DBO calculated at 31 March 2026 implicitly includes an allowance for the McCloud underpin for past service

- **Virgin Media vs NTL Pension Trustees II Limited**

In June 2023, the High Court judged that amendments made to the Virgin Media scheme were invalid because the necessary S37 certification associated to these historic amendments was not prepared or documented appropriately. The case was subsequently reviewed by the Court of Appeal in July 2024 which upheld the High Court's decision.

In June 2025, the Department for Work and Pensions ("DWP") confirmed that the Government will introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards. Further detail on the approach and process for this retrospective confirmation is expected to follow in due course.

At this stage, the actuarial assumptions and advice does not allow for any additional liabilities from prior scheme amendments which may be unwound as a result of the ruling.

The approximate split of assets and liabilities relating to the College is as follows:

	Value at 31 March 2026 £'000	Value at 31 July 2025 £'000
Equities	**34,624**	31,493
Government Bonds	**17,222**	14,922
Corporate Bonds	**3,308**	2,813
Property	**7,830**	7,619
Multi Asset Credit	**10,605**	10,124
Cash / Other	**6,801**	8,997
Fair value of assets	**80,390**	75,968
Present value of Defined Benefit Obligation (Funded & Unfunded)	**(57,590)**	(57,020)
Total Surplus in the scheme (Funded & Unfunded)	**22,800**	18,948

Amounts recognised in the statement of financial position:	**2026 £'000**	2025 £'000
Funded Benefits		
Present value of scheme liabilities	(57,576)	(57,003)
Fair value of scheme assets	80,390	75,968
Present value of funded defined benefit obligation	**22,814**	18,965
Irrecoverable surplus (pension asset ceiling adjustment)	(22,814)	(18,965)
Funded Scheme – Net asset / (liability)	-	-
Unfunded Benefits		
Present value of unfunded deficit	**(14)**	(17)
Net liability	**(14)**	(17)

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

	2026	2025
	£'000	£'000
Amounts included in staff costs:		
Employer service cost (net of employer contributions)	**(401)**	(667)
Past service cost	**1**	-
Administration Expenses	**32**	61
Total	**(368)**	(606)
Net interest credit (funded benefits)	**734**	439
Interest adjustment due to irrecoverable surplus	**(734)**	(439)
Net Interest Cost (unfunded benefits)	**-**	1
Net charge to Statement of Comprehensive Income	**(368)**	(605)

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

	2026	2025
	£'000	£'000
Analysis of Other Comprehensive Income for Pensions		
Actuarial gains from assets	**221**	734
Actuarial gains from a change in financial assumptions	**720**	8,710
Actuarial (losses) / gains from a change in demographic assumptions	**(193)**	14
Actuarial gains / (losses) from experience	**2,003**	-
Actuarial (losses) from recoverable surplus	**(3,115)**	(10,061)
Total amount recognised in Statement of Changes in Reserves	**(364)**	(603)

	2026	2025
Movement in asset during the year	**£'000**	£'000
As at 1 August as stated	**18,948**	8,446
Service cost	**(1,181)**	(2,116)
Past Service cost	**(1)**	-
Administration expenses	**(32)**	(61)
Employer contributions	**1,581**	2,781
Contributions in respect of unfunded benefits	**1**	2
Net Interest Gain / (Cost)	**734**	438
Actuarial gains / (losses)		
– From change in financial assumptions	**720**	8,710
– From change in demographics	**(193)**	14
– From experience	**2,003**	-
– From assets	**221**	734
Asset in scheme at 31 March / 31 July*	**22,800**	18,948

*(*Numbers may not sum exactly due to rounding)*

Reconciliation of Defined Benefit Obligation	**2026**	2025
	£'000	£'000
Liabilities at 1 August	**57,020**	60,702
Service cost	**1,181**	2,116
Past service cost	**1**	-
Administration expenses	**32**	61
Interest on liabilities	**2,202**	3,084
Employee contributions	**552**	784
Actuarial (gains) / losses		
– From change in financial assumptions	**(720)**	(8,710)
– From change in demographics	**193**	(14)
– From experience	**(2,003)**	-
Unfunded Net benefits paid	**(1)**	(2)
Net benefits paid- Funded	**(868)**	(1,001)
Liabilities at 31 March / 31 July*	**57,590**	57,020

*(*Numbers may not sum exactly due to rounding)*

Reconciliation of Fair Value of Employer Assets	**2026**	2025
	£'000	£'000
Assets at 1 August	**75,968**	69,148
Interest income	**2,936**	3,522
Actuarial gains / (losses)	**221**	734
Employer contributions	**1,581**	2,781
Employer contributions in respect of unfunded benefits	**1**	2
Employee contributions	**552**	784
Unfunded benefits paid	**(1)**	(2)
Benefits paid	**(868)**	(1,001)
Assets at 31 March / 31 July	**80,390**	75,968

History of actuarial gains/(losses) recognised in OCI

	2026	2025	2024	2023	2022
	£'000	£'000	£'000	£'000	£'000
Total Actuarial (losses)/gains recognised in OCI	**(364)**	(603)	3,377	11,855	25,060
Present value of liabilities	**57,590**	57,020	60,702	55,154	67,932

23. FINANCIAL COMMITMENTS

At 31 March (comparator 31 July) the College had annual commitments under non-cancellable operating leases as follows:

	2026	2025
	£'000	£'000
Land and buildings		
Expiring within one year	**51**	51
Expiring within two and five years inclusive	**-**	-
Expiring in over five years	**-**	-
	51	51
Plant and Equipment		
Expiring within one year	**-**	11
Expiring within two and five years inclusive	**46**	-
Expiring in over five years	**-**	-
	46	11
Total	**97**	62

24. PROVISIONS

	Holiday Pay £'000	Legal Costs £'000	2026 Total £'000	2025 Total £'000
At 1 August	**685**	**10**	**695**	638
Addition in the year	-	-	**-**	57
Amounts charged against provision during year	-	(5)	**(5)**	-
Unused amounts reversed during year	-	(5)	**(5)**	-
At 31 March	**685**	**-**	**685**	695

Holiday Pay Provision

The provision of £685k relates to a Holiday Pay provision resulting from the Court of Appeal (CoA) judgement (17 June 2019) in the case PSNI v Agnew. The CoA judgement determined that claims for Holiday Pay shortfall can be taken back to 1998.

The PSNI appealed the CoA judgment to the Supreme Court. In 2021, the case was paused to facilitate mediation, however, in March 2022 the PSNI were unable to obtain the required authorisation from the Department of Finance in respect of agreeing a potential financial settlement. The Supreme Court heard the case on 14th and 15th December 2022. The Supreme Court made its ruling on 5 October 2023 where it dismissed the appeal and upheld the judgement of the Court of Appeal.

The £685k provision has been estimated by the College and covers the period from 1998 to 31 July 2020, following the Department of Finance approach outlined for Departmental Annual Reports and Accounts (FD (DoF) 08/20.

There are some very significant elements of uncertainty around this estimate for a number of reasons:

1. The outworking of The Supreme Court judgement and the application of The Court of Appeal's original judgement;

2. Lack of accessible data for years previous to 2008/09, requiring estimations to be applied;

3. Future negotiations with Trade Unions;

4. Obtaining legal advice on specific application of the ruling for the NI Further Education sector;

5. The provision is gross (inclusive of Employee National Insurance and PAYE) and includes an uplift of 15% for Employer National Insurance Contributions (NIC) £72k; and

6. Taxation issues are under discussion with HMRC, by the wider NI public sector.

Therefore, the estimated provision outlined above is based on the application of DoF methodology, however there remains significant uncertainty over the amount and timing of future payments.

25. CONTINGENT LIABILTIES

There are no contingent liabilities to disclose as at 31 March 2026.

26. RELATED PARTY TRANSACTIONS AND TRANSACTIONS INVOLVING GOVERNING BODY MEMBERS AND SENIOR MANAGEMENT

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

Transactions where goods or services are provided to the College by the related organisation:

Related Organisation	**Governor (G) / Director (D) /**	**Position in Related Organisation**	**2026 Trans Paid £'000**	2025 Trans Paid £'000	**Outstanding at 31 March 2026 £'000**	Outstanding at 31 July 2025 £'000
Assessment & Qualification Alliance (AQ) (Related Party in 2024-25 only)	Steve Lee (G)	Close Relative – Moderator	**-**	3	**-**	-
Chartered Institute of Personnel & Development (Related Party in 2024-25 only)	Emma Carson (Acting Director, 2024-25)	Member	**-**	13	**-**	-
Chartered Management Institute	Heather McKee (D)	Member	**42**	76	**-**	-
Confederation of British Industry	Heather McKee (D)	Council Member	**3**	3	**-**	-
Institute of Directors	Michael McQuillan (G) Grainne McVeigh (G) Heather McKee (D)	Member Member Member	**1**	1	**-**	-
OCR (Related Party in 2024-25 only)	Steve Lee (G)	Close Relative - Moderator	**-**	48	**-**	(4)
Stranmillis University College	Majella Corrigan (G)	Governor	**29**	21	**-**	-
Strategic Investment Board (Related Party in 2025-26 only)	Denise Stockman (G)	Associate Advisor	**14**	-	**9**	-

All transactions are related to general operations.

Transactions where goods or services are provided by the College to the related organisation:

Related Organisation	**Governor (G) / Director (D) /**	**Position in Related Organisation**	**2026 Trans Paid £'000**	2025 Trans Paid £'000	**Outstanding at 31 March 2026 £'000**	Outstanding at 31 July 2025 £'000
Belfast City Council	Derek Wilson (G)	Audit Panel Independent Member	**2**	4	**1**	-
Chartered Management Institute	Heather McKee (D)	Council Member	**1**	1	**-**	-
Cancer Fund for Children NI	Nuala Reid (G)	Trustee	**-**	2	**-**	-
Invest Northern Ireland	Michael McQuillan	Board Member	**5**	5	**-**	-
Laurelhill Community College	Nuala Reid (G)	Governor	**-**	1	**26**	-
NI Housing Executive	Pauline Leeson (G)	Board Member	**24**	26	**1**	-
Southern Health & Social Care Trust	Pauline Leeson (G)	Non-Executive Director	**-**	11	**-**	-

All transactions are related to general operations.

Banking Transactions

Related Organisation	**Governor (G) / Director (D)**	**Position in Related Organisation**	**2025 Trans Rec'd £'000**	2024 Trans Rec'd £'000	**Outstanding at 31 July 2025 £'000**	Outstanding at 31 July 2024 £'000
Danske Bank (Related Party in 2024-25 only)	Derek Wilson (G)	Close Relative – Head of Customer Service Delivery	**-**	**281**	**-**	**23**

Danske Bank are the College's bankers. The transactions relate to interest received on account balances.

27. LOSSES AND SPECIAL PAYMENTS

	8 Month Period 2026 £'000	12 Month Year 2025 £'000
Bad Debt Write Off less than £1k (28 cases / 28 cases)	**5**	9
Bad Debt Write Off greater than £1k (0 cases / 1 case)	**-**	1
Special Payments greater than £1k (1 case)	**5**	-
	10	10

The bad debt write off refers to outstanding tuition fees, charges and other debts that are considered uncollectable. The College held a bad debt provision to match the bad debt write off for debtors.

One special payment was made in 2025-26 relating to a settlement figure, on advice from legal expertise, relating to an employment tribunal.

28. AMOUNTS DISBURSED AS AGENT

	8 Month Period 2026 £'000	12 Month Year 2025 £'000
Hardship Fund		
Balance at 1 August	**58**	75
DfE Allocation	**32**	34
	90	109
Disbursed to students	**(38)**	(51)
Balance unspent at 31 March (recognised in payables)	**52**	58

Hardship funds are available solely for students; the College acts only as paying agent. The grants and related disbursements are therefore excluded from the Income and Expenditure Account.

28. AMOUNTS DISBURSED AS AGENT (CONT'D)

	8 Month Period 2026 £'000	12 Month Year 2025 £'000
Care to Learn		
DfE Allocation	**4**	6
Disbursements	**(4)**	(6)
Balance unspent at 31 March/July	-	-

The Care to Learn Scheme funds are available solely for the purposes of paying Childcare under the DfE Care to Learn Scheme; the College acts only as paying agent. The grants and related disbursements are therefore excluded from the Income and Expenditure Account.

	8 Month Period 2026 £'000	12 Month Year 2025 £'000
Family Action		
Family Action Allocation	**2**	-
Disbursements	**(2)**	-
Balance unspent at 31 March/July	-	-

The Family Action funds are available solely for the purposes of paying Family Action grants, to support students through change, challenge or crisis. The grants and related disbursements are therefore excluded from the Income and Expenditure Account.

29. ADDITIONAL DISCLOSURES TO COMPLY WITH FINANCIAL REPORTING MANUAL

Financial Reporting Manual (FReM) requires Non-Departmental Public Bodies to regard grant-in-aid received as contributions from controlling parties giving rise to a financial interest in the residual interest of the body, and hence accounted for as financing i.e., by crediting them to the income and expenditure reserve.

	Notes	**8 Month Period 2026 £'000**	12 Month Year 2025 £'000
INCOME			
Department for the Economy income (non-grant in aid)	1	**1,651**	3,114
Education contracts	2	**4,668**	6,294
Tuition fees and charges	3	**1,646**	1,830
Other grant income	4	**640**	805
Other operating income	5	**1,409**	1,772
Investment income	6	**156**	273
Donations and endowments	7	**1**	10
Total incoming recourses		**10,171**	14,098
EXPENDITURE			
Staff costs	8	**30,189**	39,773
Other operating expenses	10	**14,691**	20,058
Depreciation	13	**4,227**	6,324
Amortisation	14	**52**	77
Interest and other finance costs	11	**-**	1
Exceptional costs (staff)	8	**1**	58
Exceptional costs (non-staff)	10	**-**	-
Total resources expended		**49,160**	66,291
Net deficit for the year		**(38,989)**	(52,193)
Unrealised surplus on revaluation of land and buildings	13	**3,522**	829
Actuarial (loss)/gain in respect of pension scheme	22	**(364)**	(603)
Amount transferred to reserve		**(35,831)**	(51,967)
Analysis of reserves prepared under FReM			
Balance as at 1 August		**111,704**	113,245
Grant-in-aid received in year	1	**36,753**	50,426
Cumulative rounding in income & expenditure reserve		**(2)**	-
Net operating cost for year		**(35,831)**	(51,967)
Balance as at 31 March / July		**112,624**	111,704

30. EVENTS AFTER THE END OF THE REPORTING PERIOD

There are no events after the end of the reporting period.

Date of authorisation for issue

The Accounting Officer authorised the issue of these financial statements on 13 November 2026.