Annual Report

and Financial Statements

2025
26

Belfast Metropolitan College
Annual Report and Accounts
For the 8 months ended 31 March 2026

The Accounting Officer authorised these financial statements for issue on
4 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

12 November 2026

Annual Report and Financial Statements
For the 8 months ended 31 March 2026

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Foreword

Chair of Governing Body and Principal & Chief Executive

FOREWORD BY CHAIR OF GOVERNING BODY AND PRINCIPAL AND CHIEF EXECUTIVE

It is with great pride that we present the Annual Report and Financial Statements for the 8 months ended 31 March 2026, a year marked by significant progress, careful stewardship, and a continued commitment to the mission and values of Belfast Met. In what remains a challenging economic and social climate, the College has shown resilience, adaptability, and ambition, making thoughtful decisions to safeguard sustainability while continuing to invest in growth, innovation, and opportunity.

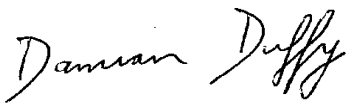
Throughout the year, we have seen the strength of Belfast Met reflected in the dedication of our staff, the success of our learners, and the value of our partnerships. Across the College, teams have worked collaboratively to deliver against our priorities, with a clear focus on digital innovation, sustainable development, curriculum enhancement, and meaningful community engagement. These achievements are not simply measures of progress; they are evidence of a shared commitment to excellence, inclusion, and the transformative power of education.

We have also continued to strengthen the College's foundations for the future. Through investment in people, infrastructure, and new initiatives, we have enhanced our capacity to respond to changing needs and to serve our learners, employers, and wider stakeholders with confidence and purpose. This work has been underpinned by a deep sense of responsibility to the communities we support and to the role Belfast Met plays in shaping lives, skills, and regional prosperity.

As we look ahead, we do so with optimism and determination. Our ambitions remain high, and we are committed to building on this momentum through deeper engagement, innovation in service delivery, and a culture of continuous improvement. Strong governance, operational excellence, and accountability will continue to guide us, ensuring that our decisions remain rooted in our values and focused on long-term impact.

We would like to extend our sincere thanks to all staff for their professionalism, energy, and commitment throughout the year. We are equally grateful to our partners and stakeholders for their continued support, collaboration, and belief in our shared vision. Finally, we offer our thanks to the Board of Governors for their guidance, challenge, and steadfast commitment to the College. As we move forward together, we do so with confidence in our purpose, pride in what has been achieved, and belief in the opportunities that lie ahead for Belfast Met and the communities we serve.





Chair of the Governing Body **Principal and Chief Executive**



Strategic Report

2025-26

STRATEGIC REPORT

STRATEGIC REPORT 2025-26

Introduction

During 2025-26, Belfast Metropolitan College continued to progress the ambitions set out in its Strategic Plan 2025-29, with delivery supported and monitored through the College Development Plan (CDP). The College remained focused on providing high-quality education and training, supporting inclusive economic growth, strengthening partnerships with employers and communities, and ensuring that learners are equipped with the skills, confidence and opportunities needed to succeed. Throughout this work, Belfast Met has remained guided by its core values of Collaboration, Ambition, Respect and Excellence, which continue to shape how the College works with learners, staff, employers, partners and the wider community.

Legal Status

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

Belfast Metropolitan College operates within this governance framework as a public body, subject to the requirements of its Partnership Agreement with the Department for the Economy and wider public accountability and reporting arrangements.

The College has also been granted charitable status by HM Revenue and Customs.

Strategic Objectives

The College's Strategic Plan for 2025-2029 sets out an ambitious direction for the next four years, focused on delivering high-quality education and skills, supporting economic growth, and responding to the evolving needs of learners, employers and communities. The Plan provides a clear framework for delivery, underpinned by a small number of focused priorities and measurable outcomes.
The Strategic Plan is structured around three strategic objectives, which collectively provide the framework for the College's long-term direction and priorities.

College of Choice
Belfast Met aims to be the **College of Choice** by offering innovative, high-performing programmes that provide an outstanding development experience and respond to the evolving needs of learners, employers and society.

Partner of Choice
The College seeks to be the **Partner of Choice** through the delivery of excellent service, innovative solutions and impactful outcomes in partnership with employers, industry and other stakeholders.

Powered by People
Belfast Met is committed to being **Powered by People**, recognising that its staff are central to the successful delivery of its mission. This objective focuses on attracting and developing talent,

supporting workforce learning and growth, and building a resilient, inclusive and future-ready College culture.

Strategic Enablers
Delivery of the Strategic Plan is supported by five strategic enablers, which provide the operational and organisational foundations needed to achieve the College's objectives:

- **Financial Sustainability Framework**
- **Data Governance Framework**
- **IT & Digital Services Framework**
- **Estate Strategy & Sustainability Framework**
- **Marketing & Communications Framework**

These strategic enablers support effective planning, informed decision-making, service improvement and long-term sustainability across the College. In the current financial climate, they also provide an important framework for prioritisation, efficiency and resilience.

Strategic Progress and Key Achievements

Belfast Met plays a significant role in delivering the Minister's Economic Vision for Northern Ireland. Through its provision of high-quality education and skills, the College contributes directly to increasing the proportion of the working-age population in good jobs, supporting regional economic balance, and enhancing business productivity. In parallel, the College is committed to supporting the transition to a greener economy by embedding sustainability within its curriculum and operations, contributing to the reduction of carbon emissions and the development of a more sustainable future.

The College's strategic priorities, actions and performance measures underpinning this contribution are set out in its Strategic Plan 2025-2029 and are progressed annually through the College Development Plan. The College has delivered well against its aims during 2025-26, particularly in areas relating to economic engagement, innovation and responsive skills provision.

2025-26 College Development Plan

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

The 2025-26 CDP sets 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.

4 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). Our proposal for 2025-26, and achievement against are as follows:

Aim/Outcome	Planned Activity for 2025-26	2025-26 Actual Activity
To increase regional business productivity/growth through the delivery of tailored/bespoke training programmes	To deliver 110 innovation-based projects in Small Medium Enterprises (SME) in 2025/26 financial year. 102 delivered in 2024/25 financial year.	130 projects delivered via Innovateus, Connected and Innovation Vouchers (118% of target achieved).
	To deliver of 190 tailored training programmes in 2025/26 financial year. 150 delivered in 2024/25 financial year.	190 projects delivered across Skills Focus, SME Productivity booster, Assured Skills and other Short Courses (100% of target achieved).
	To support 662 individuals via Skill Up in the 2025/26 financial year. 469 individuals supported in 2024/25.	695 learners supported (105% of target achieved).
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.	To enrol 12,383 individuals in the 2025/26 academic year. The total number of individuals enrolled in the College in 2024/25 was 12,365.	12,093[1] individuals enrolled to date versus a target of 12,383 (97 % of target achieved).
	To equip 220 individuals participating in international programmes with key employability skills necessary through participation in Turing and Skills Competitions in the 2025/26 academic year.	443 individuals have participated in Turing and Skills Competitions to date (201% of target achieved). • 439 individuals have participated in skills competitions. • 23 students have participated on a Turing Scheme Placement
	To support 7,154 individuals who are furthest away from the labour market and with low or no formal qualifications in the 2025/26 academic year.	Currently approximately 6,268[2] individuals furthest away from the labour market are enrolled in the College in

[1] CDR & Live enrols powerbi report with Live enrols data as at 23/05/26
[2] CDP powerbi report with CDR data as at 27/03/26

		2025/26 (88% of target achieved).
	To maintain the retention rate within the College at 92% in 2025/26 academic year (92% in 2024/25).	Retention rate currently stands at 93.75%.
	To increase the achievement rate within the College from 85% in 2024/25 to 86% in 2025/26 academic year.	Achievement rate is 83.3% for 2025/26 academic year.
	To enrol 5,021 individuals in the 2025/26 academic year, who are between 25 and 64 years old to participate in education and training.	Currently approximately 4,592[3] individuals aged between 25 and 64 years old are enrolled in the College (92% of target achieved).
	To train 6% of college staff in delivery of green sustainable skills in the 2025/26 academic year.	Teaching and support staff are currently being invited to participate in fully funded certified Carbon Literacy Training with the Open University. Training is scheduled to take place monthly.
	2,246 individuals participating on green/sustainable courses in the 2025/26 academic year.	Currently approximately 3,968[4] individuals are participating in green / sustainable courses in the 2025/26 academic year (177% of target).
To deliver against the Public Body reporting duties of the Climate Change legislation delivering an energy efficient and sustainable estate.	To establish the key actions to improve/maintain energy efficiency in the College in the 2025/26 academic year.	Continued progress on the Sustainability & Climate Action Framework, estate decarbonisation projects, improved waste and travel initiatives, and external recognition for carbon emissions reporting. Continued delivery towards 2030 goals of 50% carbon reduction and 30%

[3] CDP powerbi report with CDR data as at 27/03/26
[4] CDP powerbi report with CDR data as at 27/03/26

		energy-consumption reduction, via ISO standards and the College Carbon Management Plan.
To contribute to improved regional balance and development of good jobs through the delivery of skills solutions which underpin City and Growth Deals.	By June 2026, Belfast Met will lead the BRCD Skills and Employability Pillar by developing three separate proposals to address skills and employability needs aligned to Digital Skills and will support the case for aligning Belfast Regional City Deal (BRCD) investments with Enhanced Investment Zones	Belfast Met continues to Chair the BRCD Skills and Employability Pillar and is collaborating with partners to explore opportunities to address skills and employability needs. We have developed a series of digital skills proposals for consideration within the Local Economic Partnership and are exploring options around funding streams such as Enterprise Investment Zone and UK Local Innovative Partnership Funds . We are developing a collaborative proposal with Centre of Digital Innovation and Technology partners for Skill Up and have delivered a range of events focusing on AI.

Numbers due to update as part of the data lift in October 2026.

How well did we deliver our aims?

In 2025-26, Belfast Met made strong progress in delivering against the aims set out in its College Development Plan, with 9 of 13 KPIs on track for achievement, and a number of areas exceeding target.

The College significantly exceeded targets in economic engagement and skills delivery, including innovation activity and employer-led training, with robust performance across programmes such as InnovateUs, Skills Focus and Skill Up.

Performance was also strong in supporting learners and skills development, with high enrolment levels, strong participation in international and skills competition programmes, and retention exceeding target levels.

The College continued to make progress in supporting priority groups, including those furthest from the labour market, and in expanding participation in green and sustainable skills provision, significantly exceeding targets in this area.

In addition, Belfast Met progressed key strategic priorities, including delivery of sustainability and climate action initiatives, and leadership in regional partnership activity through the Belfast Region City Deal Skills and Employability Pillar.

While some KPIs remain subject to final year-end data or are slightly below target at this stage, overall performance demonstrates strong delivery against strategic aims and continued positive impact on learners, employers and the regional economy.

Is anyone better off?

In 2025-26, Belfast Met has delivered clear benefits for learners, employers and the wider economy, demonstrating that participants are better off because of engagement with the College.

Learners have improved their skills, employability and progression opportunities, with strong participation across education and training programmes, high retention rates, and significant engagement in international and skills competition activity.

Employers have benefited from targeted skills support and innovation activity, with the College exceeding targets for innovation projects and delivering a high volume of tailored training programmes to meet business needs.

The College has also supported those furthest from the labour market, alongside expanding access to green and future-focused skills, equipping individuals with the capabilities required for emerging sectors and a net zero economy.

Overall, these activities have contributed to improved individual outcomes, enhanced workforce capability and increased regional economic productivity, evidencing the positive impact of the College’s provision.

What do we propose to do in 2026-27?

In 2026-27, Belfast Met will focus on delivering the priorities set out in its 2025-29 Strategic Plan while responding to a highly constrained and uncertain financial environment. The College's approach reflects the need to balance financial sustainability with continued delivery of high-quality education and skills provision.

The College will reshape its provision to align with available funding, including adjustments to the curriculum offer and learner numbers following reduced budget allocations. This will ensure that resources are targeted effectively, while maintaining access to education and training opportunities for priority groups and supporting the Minister's economic and skills agenda.

Alongside this, Belfast Met will continue to drive improvements in learner outcomes, with a strong focus on increasing retention, achievement and progression, supported by enhanced performance monitoring and data-led decision-making.

The College will also place significant emphasis on aligning provision with economic need, expanding employer engagement, innovation activity, and skills development programmes to support regional productivity, workforce development, and inclusive growth.

Internally, Belfast Met will strengthen its data governance, planning and performance infrastructure, implementing its Data Governance Framework, enhancing reporting and embedding a more integrated approach to business planning, curriculum build, and performance review processes.

Recognising ongoing financial pressures, the College will prioritise efficiency, service redesign and digital transformation, including improvements to systems, processes and workforce deployment, to ensure sustainable delivery in the medium term.

SUSTAINABILITY, ENVIRONMENTAL, SOCIAL AND COMMUNITY MATTERS

Sustainability

Belfast Met is committed to using our role as educators to inspire, celebrate and advance the sustainability agenda, maximizing our positive impact on the environment, economy, and communities we serve. In 2025-26, the College transitioned from its 2030 Sustainability & Climate Action Framework development to accelerated delivery of its Sustainability & Climate Action priorities and actions to fully embed sustainability within corporate strategy, estates planning, curriculum development, and procurement practices.

This framework shapes the College's plans and activities at all levels and across all campuses. Eleven themes guide our action to 2030 and beyond and ensure that we maximise the College's contribution to the UN's Sustainable Development Goals.

The 2025-26 year demonstrates clear, measurable progress in delivering sustainability objectives. With strong foundations in place, the College is well-positioned to accelerate impact across people, planet and place.

Leadership and Governance

In 2025-26 Belfast Met delivered its first Climate Mitigation and Adaptation reports in compliance with the new NI Climate Reporting duties (2024) setting 2024-25 baselines across all scopes (1,2 and 3) and aligning college activity with regional and national policy frameworks. This has helped the College to introduce carbon baselining, KPIs and regular reporting across all scopes to support evidence-based decision making and continuous improvement.

We continue to embed our accredited ISO14001 Environmental Management and ISO 50001 Energy management systems across College activity to ensure robust governance and operational control. We have invested in dedicated sustainability roles and cross-college delivery structures to strengthen leadership and implementation capability.

Through our adaptation reporting we have strengthened governance arrangements to support climate and campus risk management to ensure that the College can adapt and remain resilient to the impacts of climate change that we are now experiencing.

We continue to participate in the NI Business in The Community Environmental Benchmarking Awards achieving Gold status in October 2025 and were highly commended in the 2025 Belfast Telegraph Business Awards in recognition for our commitment and contribution to Environmental, Social and Governance (ESG). These awards affirm our position as a leader in environmental sustainability within the FE Sector

People

The College continued to invest in its people to enable a just and inclusive transition to a sustainable future. During 2025-26, in partnership with the Open University, the Carbon Literacy training programme further expanded, reaching both curriculum and support staff and staff development aligned with emerging green skills and low-carbon industry needs.

Student participation in sustainability projects such as 'The Conscious Design Series' has helped to equip local business owners, students, and sustainability advocates with practical strategies for sustainable innovation, and circular textile solutions in Northern Ireland. This approach ensures sustainability is embedded not only operationally but culturally across the organisation.

Climate mitigation

The College delivered measurable progress in reducing its environmental impact. We have experienced reductions in our Scope 1 and 2 carbons of 10% against our 2024-25 baseline emissions through energy efficiency projects and operational optimisation.

Belfast Met continues to embed sustainability as a core principle across its capital development programme, with a strong emphasis on energy efficiency, carbon reduction, and environmental performance.

We continue to make progression of on-site renewable energy projects with c£1m of GB Energy funding secured for the installations of a 200kwp Solar PV system at our Titanic Quarter campus and a 900kwp battery storage system for our Millfield Campus. The College remains on a clear trajectory toward its 2030 Scope 1 and 2 carbon reduction targets of 50% by 2030 against its 2016-17 baseline.

Along with improved carbon emission data capture and reporting across all emissions scopes, including supply chain considerations, the college intends developing reduction targets for our Scope 3 emissions during 2026-27.

Circular Economy and Waste Reduction

Circular economy principles were further embedded across operations in 2025–26 with enhanced waste segregation infrastructure and staff/student engagement campaigns helping us to increase recycling rates to 36% and send zero waste sent to landfill. We have expanded upon our reuse schemes for furniture and ICT equipment and implemented sustainable catering practices including reduction of food waste and single-use items and key performance indicators through our new Catering contract.

Travel and Transport

Sustainable travel initiatives were strengthened to reduce indirect emissions and support healthier lifestyles. During the year we completed our first travel survey to determine the carbon emissions associated with staff and student travel and has helped us to inform our new Travel Plan that we intend to launch in 2026-27. Through continued encouragement of public transport usage through student and staff awareness campaigns with Translink and future investment focusing on infrastructure and incentives to further shift travel behaviours we aim to reduce our associated travel emissions.

Nature-Positive Action

The College enhanced its contribution to biodiversity and nature recovery with the expansion of tree planting and habitat creation initiatives at our Springvale Campus and in partnership with the Belfast Hills Partnership and the Belfast City Council 'One Million Trees' project, the planting of a further 925 native Irish hedgerow trees.

We have introduced pollinator-friendly areas and green spaces at the Springvale and Titanic Quarter campuses which help to support ecological resilience while enriching the campus experience.

FINANCIAL POSITION

Financial Results

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 comparative figures presented in these financial statements refer to the 12-month period ending 31 July 2025. As a result, the prior year 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 Belfast Met Group (the College) generated an operating deficit in the 8-month period to 31 March 2026 of £2.8m (2024-25 – surplus of £425k), stated after accounting for the disposal of property, plant, and equipment.

The College group income for the period was £51.9m, a decrease of £24.8m (32%) compared to the 12 months to 31 July 2025.

The College group expenditure for the year was £54.8m, a decrease of £21.6m (28%) compared to the 12 months to 31 July 2025.

The College has significant reliance on DfE for its principal funding source, largely from recurrent grants. In 2025-26, DfE provided 61% of the College's total income through allocated recurrent grant (2024-25 62.5%). This represented 21.9% of the total recurrent grant available to the sector (2024-25 22.4%).

The pension surplus has been restricted to the present value of future service costs less the present value of the minimum funding requirement contributions for future service (i.e. an asset ceiling has been set).

Subsidiaries

At 31 March 2026 Belfast Met had one wholly owned subsidiary company, Springvale Educational Village Ltd (SEV Ltd) which is limited by guarantee.

SEV Ltd owns the Shared Service Centre on the Springvale site and the land on which it sits. Operations relate to renting out space to organisations on a short-term basis. Customers include publicly funded and charitable institutions, many of whom provide outreach programmes that support people and help strengthen relations with the wider community.
SEV Ltd has generated a deficit of £78k in the period (2024-25 deficit £171k).

SEV Ltd accounts were audited and received an unqualified audit opinion.

Financial Resources

The consolidated net assets at 31 March 2026 were £102.5m (2024-25 £103.3m). This includes cash balances of £5.2m and a debtor of £0.1m on PFI prepayments (2024-25 £0.2m). The decrease in net assets is largely due to the decrease in creditors amounts falling due after one year.

Treasury Policies and Objectives

Treasury management is the management of the College's cash flows, its banking, its 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. Belfast Met complies with the Partnership Agreement agreed with DfE on all cash management processes.

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 8-month accounting period 1 August 2025 to 31 March 2026, the College paid 97.3% of its invoices within 30 days (2024-25 97.7%) 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 84.6% of its invoices within 10 days (2024-25 84.9%).

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 and Group's assets and reputation. For details on the College's principal risks and uncertainties refer to the Statement of Corporate Governance and Internal Control.

Post Statement of Financial Position Events

Please refer to Note 22 to the Financial Statements for details on any post Statement of Financial Position events.

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.

Disclosure of information to Auditors

These accounts are subject to audit by agreement 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.

Charitable and taxation status

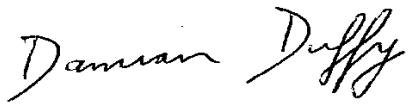
The College has charitable status with HM Revenue and Customs and is not liable to corporation tax.

Charitable/Political Donations

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

Professional Advisers

External Auditors:	The Comptroller and Auditor General Northern Ireland Audit Office 106 University Street Belfast BT7 1EU
Internal Auditors:	Henderson Loggie The Vision Building, 20 Greenmarket Dundee, DD1 4QB
Bankers:	Danske Bank Donegall Square West Belfast, BT1 6 JS
Solicitors:	Carson McDowell Murray House 4 Murray Street Belfast, BT1 6D



Damian Duffy
Accounting Officer Date: 4 November 2026

Members of the Governing Body

The members who served the governing body during the year were as follows:

Name	Date of Appointment / Re-appointment / Extension	Term of Office	Status of Appointment[1]	Committees Served	Governing Body Attendance (inc Strategic Plan)
J Dixon (Chair)	A 11/06/25	10/06/29	Chair	N/A	4 of 4
M Corkey (Interim Chair)	A 26/10/23	26/02/27	Co-opted	CQE HR	2 of 4
R Byrne	A 01/08/23	31/07/27	BIP	ARAC, HR	3 of 4
T Hesketh	A 01/08/23	31/07/27	BIP	RES, CQE	4 of 4
M Keady	A 01/08/23	31/07/27	BIP	ARAC, CQE	3 of 4
L McAteer	A 13/01/22	12/01/26	BIP	HR, RES	4 of 4
S McGoran	A 13/01/22	12/01/26	BIP	HR, RES	3 of 4
M McKernan	A 01/08/23	31/07/27	BIP	RES, CQE	4 of 4
S McKinney	A 01/08/23	31/07/27	BIP	CQE, HR	4 of 4
B Montgomery	A 05/10/22	04/10/26	BIP	ARAC, CQE	4 of 4
Y Murphy	A 13/01/22	12/01/26	BIP	CQE, RES	4 of 4
S Sharpe	A 01/08/23	31/07/27	BIP	ARAC, HR	3 of 4
J Leaden	A 19/11/20 R12/12/24	18/11/24 11/12/28	Staff elected	CQE, RES	4 of 4
M Mearns	A 18/04/24	17/04/28	Staff elected	CQE, RES	4 of 4
A O'Neill *	A 10/10/24	30/09/25	Student elected	CQE, RES	1 of 1
L Delgado *	A 12/11/2025	30/09/26	Student Elected	GQE, RES	3 of 3
W Buckley	A 02/10/25	01/10/29	Co Opted	ARAC, HR	2 of 3
D Duffy	A 01/07/25		P&CE	CQE, RES, HR	4 of 4

* Student Representatives appointed for an academic year

1 BIP stands for Business, Industry and Professional

For and on behalf of the members of the Governing Body



J Dixon

Chair of Governing Body

Date: 4 November 2026



Remuneration

Report

ACCOUNTABILITY REPORT

REMUNERATION REPORT

Overview

The Remuneration and Staff reports set out the College's remuneration policy for all staff and contributes to the entity's accountability to the NI Assembly, aligns with best practice and with corporate governance and demonstrates transparency.

Remuneration Policy

Belfast Metropolitan College is a member of the Northern Ireland colleges Employers' Forum (CEF) The CEF is a collaborative network 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.

The following pay awards were applied in the 8 months to 31 March 2026:

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

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

- A 3.2% increase has been applied to all salary scale points and related National Joint Council allowances and was applicable from 1 April 2025

Members of the Governing Body

There are up to 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 may thereafter 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 from 1 January 2016. There are no arrangements in place for the payment of a bonus. No member of the Governing Body, including the Chairperson, receives pension contribution from the College or the Department for the Economy.

Belfast Met also reimburses Governing Body members for any incidental expenses incurred for carrying out their duties relevant to the organisation.

The remuneration of the Chairperson and Board members is as follows:

	2025-26				2024-25			
	Salary & allowance £'000	Benefits in Kind £'000	Pension benefits £'000	Total £'000	Salary & allowance £'000	Benefits in Kind £'000	Pension benefits £'000	Total £'000
Jacqueline Dixon (Chair)	10-15	0	0	10-15	0-5	0	0	0-5
Michele Corkey (Former Interim Chair)	0-5	0	0	0-5	15-20	0	0	15-20
Seamus Dawson	0-5	0	0	0-5	0-5	0	0	0-5
Seamus McGoran	0-5	0	0	0-5	0-5	0	0	0-5
Lauren McAteer	0-5	0	0	0-5	5-10	0	0	5-10
Yvonne Murphy	0-5	0	0	0-5	0-5	0	0	0-5
Bill Montgomery	0-5	0	0	0-5	0-5	0	0	0-5
Tom Hesketh	5-10	0	0	5-10	5-10	0	0	0-5
Sheena McKinney	0-5	0	0	0-5	0-5	0	0	0-5
Michael McKernan	0	0	0	0	0	0	0	0
Sinead Sharpe	0-5	0	0	0-5	0-5	0	0	0-5
Rose Byrne	0-5	0	0	0-5	0-5	0	0	0-5
William Buckley	0	0	0	0	0	0	0	0
Maurice Keady	0	0	0	0	0-5	0	0	0-5
Alex O'Neill	0-5	0	0	0-5	0-5	0	0	0-5
L Delgado	0-5	0	0	0-5	0	0	0	0

The Principal/Director and Senior College Staff

The Principal/Director and the Senior College Staff appointments are made in accordance with the Belfast Met recruitment policy. The policy requires appointments to be made on merit based on fair and open competition.

The Principal/Director and Senior College Staff 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 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 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

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

Total Reward Package

Senior staff in colleges have access to the Northern Ireland Teachers' Pension Scheme.

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 flexible working arrangements.

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

Service Contracts

College appointments are made on merit based on 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.

Salary and Pension Entitlements

The following sections provide details of the remuneration and pension interests of the most senior management of Belfast Met.

Remuneration (including salary) and pension entitlements *[Executive Directors] (audited)*

	2025-26				2024-25			
Senior Management	**Salary £'000**	**Benefits in kind £'000**	**Pension benefits £'000**	**Total £'000**	**Salary £'000**	**Benefits in kind £'000**	**Pension benefits £'000**	**Total £'000**
Damian Duffy (Principal and Chief Executive)	85-90 (130-135 Full Year Equivalent)	0	25-30	110-115	135-140	0	30-35	170-175
Aidan Sloane (Chief Operating Officer)	65-70 (100-105 Full Year Equivalent)	0	10-15	75-80	115 - 120	0	35 - 40	155 - 160
Siobhan Lyons (Interim Director of Development and Partnership)	60-65 (90-95 Full Year Equivalent)	0	10-15	70-75	90 - 95	0	110-115	200 - 205
Fiona Dempsey (Interim Director Curriculum & Learner Success)	60-65 (90-95 Full Year Equivalent)	0	15-20	80-85	90 - 95	0	55 - 60	150 - 155
Paula Graham[2] (Director of People and Culture)	60-65 (90-95 Full Year Equivalent)	0	15-20	80-85	25-30	0	10-15	35-40
Louise Warde Hunter[1] **(**Principal and Chief Executive)	0	0	0	0	15 - 20	0	0 - 5	15 - 20

1. *L Warde Hunter left on 16/08/24, D Duffy was appointed to the role on 01/07/25.*
2. *P Graham was appointed to her role on 23/04/25*

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 increases or decreases due to a transfer of pension rights.

Salary

'Salary' includes gross salary; performance pay or bonuses; overtime; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by Belfast Metropolitan 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 HM Revenue and Customs as a taxable emolument. No senior officials received any benefits in kind.

Fair Pay Disclosure – Pay Ratios (audited)

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

The banded remuneration of the highest paid director during the 8-month period to 31 March 2026 was £130k - £135k (2024-25 £130k - £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 26.

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

2025-26	25th percentile	Median	75th percentile
Total remuneration	£30,321	£40,640	£47,985
Ratio	4.37	3.26	2.76

2024-25	25th percentile	Median	75th percentile
Total remuneration	£29,572	£37,609	£44,158
Ratio	4.48	3.52	3.00

Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

For 2025-26 and 2024-25, the 25th percentile, median and 75th percentile remuneration values consist only of salary payments.

Remuneration in the 8-month period to 31 March 2026 ranged from £1k - £5k to £130k - £135k (2024-25 £10k - £15k to £130 - £135k).

Fair Pay Disclosure – Percentage Change in Remuneration (audited)

Reporting bodies are required to disclose the percentage change from the previous financial year in the: (i) salary and allowances, (ii) performance pay and bonuses, of the highest paid director and of the employees as a whole.

The percentage changes in respect of Belfast Metropolitan 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 in which their remuneration fell each year. The increase in the pay ratio is due to an increase in the remuneration of the College's employees as a whole due to pay awards applied and accrued for.

Percentage Change for:	2025-26 compared to 2024-25	2024-25 compared to 2023-24
Average employee salary and allowances	6.19%	1.09%
Highest paid director's salary and allowances	0%	0%

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

Pension Entitlements (audited)

Senior Management	Accrued pension at pension age as at 31/3/26 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/3/26	CETV at 31/7/25	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
Damian Duffy (Principal and Chief Executive)	25 - 30 plus, lump sum of 0	0 to 5 plus, lump sum of 0	515-520	475 – 480	35-40
Aidan Sloane (Chief Operating Officer)	15 – 20 plus, lump sum of 0	0 - 5 plus, lump sum of 0	255-260	230-235	5-10
Siobhan Lyons[3] (Interim Director of Development and Partnership)	35 - 40 plus, lump sum of 30-35	0 to 5 plus, lump sum of -5 - 0	655-660	625-630	5-10
Fiona Dempsey[4] (Interim Director Curriculum & Learner Success)	20 -25 plus, lump sum of 45 - 50	0 - 5 plus, lump sum of 0 - 5	410-415	385-390	20-25

Paula Graham[5] (Director of People and Culture)	0-5 plus, lump sum of 0	0 -5 plus, lump sum of 0	20-25	5-10	0-5

Pension Arrangements

Retirement benefits to employees of the college are provided by the Northern Ireland Teachers' Pension Scheme (NITPS) and the Local Government Pension Scheme for Northern Ireland administered by the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC).

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 (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 based on 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 now 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) 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 based on 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 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.

National Employment Savings Trust

To comply with auto-enrolment legislation, Belfast Met joined the National Employment Savings Trust (NEST). Where an employee has previously opted out of NILGOSC or NITPS, the College still has a duty to enrol them in a qualifying pension scheme (provided they meet certain earnings criteria). NEST was set up by Government to assist with this requirement. The College contributions to NEST are on a defined contribution basis at 3%.

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 because 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 NILGOSC pension arrangements and for which the Fund has received a transfer payment commensurate with the additional pension liabilities being assumed. 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 was replaced by the Lump Sum Allowance and The Lump Sum and Death Benefit Allowance.

Real increase in CETV

This reflects the increase in CETV effectively 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.

Compensation for Loss of Office

No costs were incurred for compensation for loss of office in the 8-month period to 31 March 2026.

STAFF REPORT

Staff Costs

Staff Costs are disclosed in Note 7 to the Financial Statements.

Average Number of Persons Employed

The average number of full-time equivalent persons employed during the 8-month period (August 2025 – March 2026) was as follows (excluding Governors):

	2026 Group No.	2026 College No.	2025 Group No.	2025 College No.
Governing Body	0	0	0	0
Teaching	355	355	331	331
Support	165	165	152	152
Administration	210	210	202	202
Premises	22	22	25	25
Total	**752**	**752**	**710**	**710**

Attendance Management

Belfast Met had an overall sickness absence rate of 4.72% in the 8 months to 31 March 2026 (2024-25 full year 6.09%).

Staff Composition

The table below provides a breakdown of the number of persons employed and paid by the College as at 31 March, by gender.

	31 March 2026 Group No.	31 March 2026 College No.	31 July 2025 Group No.	31 July 2025 College No.
Male	434	434	408	408
Female	568	568	538	538
Total	**1,002**	**1,002**	**946**	**946**

Staff Turnover

Staff turnover for the period 1 April 2025 to 31 March 2026 was 6.98%.

Temporary Agency Staff

In the 8-month period to 31 March the College expended £1,455k for the College (2024-25 full year £1,682k) and £1,497k for the Group (2024-25 full year £1,604k).

Off Payroll Engagements

The College had no off-payroll engagements in the 8-month period to 31 March 2026.

Consultancy

The College had no consultancy engagements in the 8-month period to 31 March 2026.

Other Employee Matters

Staff Development

The College is committed to providing learning and development for all staff which contributes to high standards of work performance, enables the sharing of ideas and the dissemination of good practice, builds strong and effective teams, encourages professional development and results in continuous improvement in the quality of services to our students and stakeholders.

Training is delivered using a variety of learning delivery channels including both on-line and in person. All employees must undertake specific mandatory training on an annual basis, in 2025-26 this included modules on:

- Equality, Diversity, and Inclusion
- IT Security Awareness
- Safeguarding, Care and Welfare
- Health and Safety
- Financial Management

Throughout the year, all staff can partake in a variety of Continuous Professional Development (CPD) programmes, including:

- Staff Induction
- Wellbeing and Leadership programmes
- Hybrid Teaching and Learning
- Project based Learning
- Core skills, for example managing conflict and challenging Behaviour, Microsoft Office etc.

The development programmes are also further supported by College staff being able to apply for funded support for self-managed CPD, tailored to their specific development needs.

Staff Policies

Equal Opportunities and Employment of Disabled Persons

When conducting all its functions, powers, and duties, Belfast Met has due regard to the need to promote equality of opportunity as set out in Section 75 of the Northern Ireland Act 1998:

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

Without prejudice to its obligations above, the College is committed to 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 will allocate necessary resources to ensure that the statutory duties are complied with and that the measures within the Equality Scheme to promote equality of opportunity are implemented effectively and on time. The College recognises its responsibility to provide a positive and inspiring experience in terms of equality of opportunity.

The College continues to raise awareness about its legal obligations to promote equality of opportunity and good relations and embed this in the curriculum. We seek to build social inclusion and opportunity through widening economic participation. We collaborate with local communities in creating capacity, developing knowledge and skills, raising self-esteem, and providing pathways into further training or employment. Belfast Met engages in a huge array of activities that promote social inclusion, through delivery of core programmes to those from more disadvantaged backgrounds, activities related to college community outreach, the provision of an inclusive curriculum, and the extension of student support initiatives.

Disability Statement

Belfast Met celebrates the diversity of its students and staff and works hard to ensure an environment where everyone is treated with dignity and respect. The following sections provide an overview on how the College strives to deliver equality, diversity and inclusion in its service delivery and employment.

Under the Disability Discrimination Act (DDA) 1995, Belfast Met, as a public authority, has a responsibility, when conducting its functions, to have due regard to the need to promote positive attitudes towards people with a disability and encourage the participation of people with a disability in public life.

Under an amendment to the Disability Discrimination Act, Belfast Met is required to have a Disability Action Plan to promote positive attitudes towards people with a disability. This plan relates to all people with a disability who are exposed to our services including employees, customers, clients and service users as well as students. The College also adheres to its obligations under the Special Education Needs and Disability Order 2005 (SENDO).

The College submits a review of its process in relation to the relevant equality legislation to the Equality Commission by August 31 each year. This review and other information regarding our approach to equality and diversity is available at Equality and Diversity - About Us - Belfast Met



Governing Body

STATEMENT OF THE RESPONSIBILITIES OF THE ACCOUNTING OFFICER AND GOVERNING BODY

FOR THE 8 MONTHS ENDED 31 MARCH 2026

Under the Further Education (NI) Order 1997, DfE (with approval from the 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 Belfast Metropolitan 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 Belfast Metropolitan College and of its income and expenditure, Statement of Financial Position and cash flows for the 8-month financial period ending on 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 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.

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

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. The responsibilities as 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 (DoF).

The Accounting Officer, on behalf of the Governing Body, has taken all the steps they ought to have taken to make themself aware of any relevant audit information and to establish that Belfast Metropolitan College's auditors are aware of that information. So far as the Accounting Officer is aware, there is no relevant audit information of which the auditors are unaware.

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL

FOR THE 8 MONTHS ENDED 31 MARCH 2026

Introduction

This is the Governance Statement for Belfast Met, which sets out the governance structures, risk management and internal control procedures that operated during the 8-month period ending 31 March 2026 and up to the date of approval of the Annual Report and Accounts. This Governance Statement 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.

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

Summary of the College's Structure of Corporate Governance

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, the Partnership Agreement, the 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 College's Governing Body is comprised of members appointed by the Minister for the Department for the Economy, staff and students at the College, the Principal & Chief Executive and people co-opted by the Governing Body. The role of the Chairman of the Governing Body is separate from the role of the College Principal & Chief Executive. The Governing Body is responsible for the on-going strategic direction of the College whilst the Executive Officers are responsible for the operational

management of the College. The Governing Body approves all major developments and receives regular reports on the activities of the College. The Governing Body met four times during the 8 months to 31 March 2026.

Four permanent committees support the Governing Body, Audit and Risk Assurance Committee (ARAC), Resources Committee (RES), Human Resources Committee (HR) and the Curriculum, Quality and Engagement Committee (CQE). A member of the Governing Body chairs each of the Committees. The Governing Body also has governors sitting on the Board of Springvale Educational Village Ltd as Directors. Springvale Education Village Ltd is a separate legal entity and wholly owned company of the College. As the need arises the Governing Body also makes use of specific project boards and personnel panels. Each permanent Committee has its own terms of reference and business cycle.

Information presented to the Governing Body is normally prepared by the appropriate business area and reviewed by the Executive Leadership Team, and in the case of governance issues prepared by the Clerk to the Governing Body and reviewed by the Chairperson. The College aims to have all papers issued a week in advance of any Board meeting to allow members to review and, where appropriate, to raise questions in advance. The relevant business area may then either be asked to attend the meeting or to provide more detail in advance of the meeting to support discussions. This ensures a high quality of reliable and up to date information is presented. The Governing Body is content with the quality and reliability of the information presented in 2025-26.

Compliance with the Corporate Governance code

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

Pay Remit

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.

Governing Body Performance and Effectiveness

During the year, the Governing Body continued to commit to improving board performance and effectiveness by:

- Attending a range of internal and external training events, workshops, and strategic planning days; and
- Regularly evaluating the effectiveness of the meetings of the Governing Body and its Committees.
- Undertaking a Governing Body self-assessment.

All Governing Body members are given induction and ongoing training provided by both DfE and the College, the former focuses on issues including accountability, corporate governance, and the challenge function while the latter focuses on College specific matters including the structure, vision,

values and objectives of the organisation, and College strategies including those relating to the curriculum, estates, IT, stakeholder engagement and HR.

Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee (ARAC) operates as an advisory body to the Governing Body and the Accounting Officer. The ARAC is responsible for reviewing the effectiveness of the College accounting procedures and systems of internal control. It also must satisfy itself that adequate arrangements are in place to promote economy, efficiency, and effectiveness. The ARAC met three times during the 8-month period to 31 March 2026 to discuss reports from the External and Internal Auditors and the relevant management responses. It reviewed the annual financial statements to ensure compliance with legislation and accounting standards.

The key issues discussed during the 2025-26 period were as follows:

- Internal Audit planning;
- Internal Audit reports including reviews as detailed below;
- NIAO matters including NIAO strategy and audit planning, Report To Those Charged with Governance (RTTCWG), and year end accounts;
- Risk management and opportunity;
- Follow up on outstanding recommendations from all sources;
- Compliance issues such as Direct Award contracts, Fraud, losses, and special payments, Raising Concern notifications, Gifts and Hospitality notifications;
- DoF and DfE and other third-party correspondence including circulars, Finance Director (FD) and Dear Accounting Officer (DAO) letters;
- Stewardship Statement; and
- ARAC effectiveness evaluation.

The Internal Audit Annual report 2025-26 published in May 2026 stated 'In our opinion, the College has adequate and effective arrangements for risk management, control and governance. Proper arrangements are in place to promote and secure Value for Money. From the internal audit work conducted during 2025/26, we have not identified any downward trends in relation to risk management, control, or governance'.

Summary of internal audit reviews completed in the 8 months to 31 March 2026

Report	Level of Assurance
Health Safety and Wellbeing	Good
Fraud Prevention, Detection and Response	Satisfactory
Absence Management	Good
Mandatory DfE Review – Assurances on College Performance Data	Good
Student Support	Good
Publicity and Communications	Satisfactory

In addition to governors, auditors and DfE representatives, senior officers, namely the Chief Executive, the Chief Operating Officer, the Head of Finance, and the Head of Corporate Development were in attendance. Following each ARAC meeting the Chairperson of the Committee gives an oral update on audit and risk matters to the full Governing Body as well as circulating the draft minutes of the meeting. The Governing Body also take assurance from the annual report provided by the ARAC, and the Chairs' committee also receives reports from the Chairperson of the ARAC Committee.

Resources Committee

The Resources Committee inter alia supervises all matters relating to the finance and accounts of the College and the receipt of its income and the expenditure. It also supervises matters relating to Estates and IT infrastructure. Information presented to the Resources Committee is drafted by the appropriate department and discussed by the Executive Leadership Team before being presented as formal papers to Resources.

The Resource Committee met three times during the 8-month period to 31 March 2026, key issues discussed during the year were as follows:

- College Annual Accounts;
- Estates Strategy and Update report;
- IT Strategy and Update report;
- Financial Performance; and
- Resource Budget Setting for the year ahead.

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

Human Resources Committee

This Committee is responsible for dealing with issues in relation to the recruitment, appointment, promotion and grading of all staff, other than senior staff.

The HR Committee met three times during the 8-month period to 31 March 2026, key issues discussed during the year were as follows:

- HR Metrics Report, including Establishment figures, Sickness Absence, Staff Turnover rate, Employee relations cases;
- HR Department Priorities Report;
- Resourcing Report;
- Employee Relations Report;
- Annual Progress Report;
- Reform to Save Scheme.

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

Curriculum, Quality and Engagement Committee

This Committee is responsible for overseeing the curricular provision of the College, especially the nature, quality and performance of the provision and the extent to which it meets the needs of the community the College seeks to serve.

The CQE Committee met three times during the 8-month period to 31 March 2026, key issues discussed during the year were as follows:

- Northern Ireland Prison Service Contract;
- Admissions and Enrolment Update;
- Quality Assurance;
- College Development Plan;
- Higher Education Report;
- Student recruitment, performance and developments;
- New Programme Developments, Business and Skills Update;

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

Attendance at Governing Body

Attendance* during the year at the Governing Body and the permanent committees was as follows:

Name	Governing Body	ARAC	CQE Committee	HR Committee	RES Committee
J Dixon Chair	4 of 4				
M Corkey	2 of 4		3 of 3	3 of 3	
R Byrne	3 of 4	2 of 3		2 of 3	
T Hesketh	4 of 4		3 of 3		3 of 3
M Keady	3 of 4	3 of 3	3 of 3		
L McAteer	4 of 4			3 of 3	3 of 3
S McGoran	3 of 4			2 of 3	3 of 3
M McKernan	4 of 4		3 of 3		3 of 3
S McKinney	4 of 4		3 of 3	2 of 3	
B Montgomery	4 of 4	3 of 3	3 of 3		
Y Murphy	4 of 4		3 of 3		3 of 3
S Sharpe	3 of 4	3 of 3		2 of 3	
W Buckley	2 of 3	2 of 2		0 of 2	
J Leaden	4 of 4		2 of 3		3 of 3
M Mearns	4 of 4		3 of 3		3 of 3
A O'Neill	1 of 1		1 of 1		1 of 1
L Delgado	3 of 4		1 of 2		1 of 2
D Duffy	4 of 4		3 of 3	3 of 3	3 of 3

* Other attendees included Tier 2, 3 and 4 officers where significant items pertaining to their business area was discussed. All meetings were quorate.

The College's Management Structure

The College's management structure is based on principles of good organisational design and College need. There is an established structure comprising Directorates which, during the 8-month period to 31 March 2026, were led by the:

- Principal and Chief Executive
- Chief Operating Officer
- Interim Director of Curriculum and Learner Services
- Interim Director of Development and Partnerships
- Director of People and Culture

This structure enabled the Executive Leadership Team to exercise strategic and operational oversight on the College with clear lines of accountability.

Internal Control Processes

As Accounting Officer of Belfast Metropolitan College, I have responsibility for maintaining a sound system of internal control that supports the College's aims and objectives, while safeguarding the public funds and College assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money Northern Ireland.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify the risks to the achievement of college policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. The system of internal control has been in place for the 8 month period ended 31 March 2026 and up to the date of approval of the annual report and accords with DoF guidance. I have fully embedded the processes which the DfE has agreed should be established and confirmed their robustness.

I have implemented appropriate procedures to ensure that I have identified the College's objectives and risks and determined a control strategy for each of the significant risks. As a result, 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. Staff are trained and equipped to manage risk in a way appropriate to their authorities and duties. I am not aware of any lapses of security during the year.

The College maintains a register for related party transactions to ensure that opportunities for conflicts of interest are avoided. This register is maintained centrally and updated regularly and includes all members of the Governing Body and the Executive Leadership Team.

The College has appropriate Whistleblowing/Raising Concerns and Fraud Policies in place which are reviewed and updated periodically. The College also participates in the biennial National Fraud Initiative (NFI) exercise.

The College receives periodic reports concerning internal control, and steps are taken to manage risks in significant areas of responsibility and monitor progress on key projects. No priority one recommendations were made by audit during the 8-month period to 31 March 2026, and all recommendations made were accepted and have been actioned or are in the process of being actioned.

Personal Data Related Incidents

The College Data Breach register shows 23 personal data breaches recorded for the period 1 August 2025 to 31 March 2026, none of which were reported to the Information Commissioner's Office (ICO) following a risk assessment. The investigations concluded that the College review processes to mitigate recurrence and limit potential data security risks, remind staff of their GDPR responsibilities, and ensure staff follow security protocols.

Risk Management

The College maintains a robust and comprehensive Corporate Risk Register, supported by a suite of operational risk registers. These are actively monitored and managed on a quarterly basis by the Governing Body, the Audit & Risk Assurance Committee, and senior management. The Corporate Risk Register captures all risks that could impede the College's ability to achieve the strategic aims and objectives outlined in the Strategic Plan. Each risk entry includes:

- A clear description of the risk, including its causes and potential impacts;
- An assessed inherent risk score based on likelihood and impact;
- The designated risk owner responsible for oversight and mitigation;
- Existing controls and actions in place to manage the risk;
- The direction of travel since the previous review; and
- The current residual risk status.

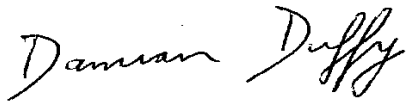
While the Corporate Risk Register is reviewed quarterly, a full refresh is conducted annually to ensure alignment with strategic priorities and emerging risks.

In line with our commitment to digital transformation and service delivery by design, the College implemented an integrated risk and performance management software solution during 2022-23. This system consolidates strategic planning, operational delivery, and risk management into a single platform, providing accessible and high-quality performance information. By 2023-24, the system was fully embedded across the organisation and continues to support evidence-based decision-making.

As of 31 March 2026, the following risks have been classified as of significant concern, where residual risk remains high despite mitigation efforts:

- **Information/Security**, Failure to ensure business continuity because of a cyber-attack; and
- **People**, Recruitment challenges impacting on enrolment – Colleges not being able to attract lecturers/trainers in some vocational areas.

As Accounting Officer, I am satisfied that the College has an effective and proactive risk management framework in place. The Corporate Risk Register is actively managed, with targeted action plans addressing each identified risk. The review of internal control effectiveness is informed by the work of senior officers responsible for maintaining the internal control framework, as well as feedback from External Auditors through the RTTCWG. Based on this comprehensive review, I am confident that no significant weaknesses have been identified. This assessment is supported by the Internal Auditors' Annual Statement of Assurance.



Damian Duffy
Accounting Officer

4 November 2026

ASSEMBLY ACCOUNTABILITY DISCLOSURES

FOR THE 8 MONTHS 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 28.

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 losses exceeding £300,000.

Special payments are disclosed in Note 28.

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.



Financial

Statements

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

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 Belfast Metropolitan College and its group 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 the Group and Parent Statements of Comprehensive Income and Expenditure, Changes in Reserves, Financial Position, 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 the group's and of Belfast Metropolitan College's affairs as at 31 March 2026 and of the group's and Belfast Metropolitan College's net deficit for the period then ended;
- have been properly 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 Belfast Metropolitan 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.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that Belfast Metropolitan 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 Belfast Metropolitan 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/report.

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 Belfast Metropolitan College and its environment obtained in the course of the audit, I have not identified material misstatements in the Strategic Report, Remuneration and 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 and 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.

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;
- 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 Belfast Metropolitan 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 Belfast Metropolitan 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.

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:

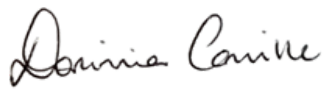
- obtaining an understanding of the legal and regulatory framework applicable to the Belfast Metropolitan College through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included Further Education (Northern Ireland) 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 Belfast Metropolitan 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 Belfast Metropolitan 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 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;
- 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;
- 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.

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

9 November 2026

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

	Notes	8 mth period to 31 March 2026 Group £'000	8 mth period to 31 March 2026 College £'000	12 mth period to 31 July 2025 Group £'000	12 mth period to 31 July 2025 College £'000
INCOME					
Department for the Economy income	1	42,011	42,006	62,695	62,687
Education contracts	2	1,465	1,465	2,618	2,618
Tuition fees and charges	3	7,046	7,046	9,531	9,531
Other grant income	4	435	435	744	744
Other operating income	5	772	588	853	610
Investment income	6	215	215	332	332
Total income		**51,944**	**51,755**	**76,773**	**76,522**
EXPENDITURE					
Staff costs	7	30,931	30,889	42,460	42,382
Other operating expenses	9	19,630	19,419	27,249	26,975
Depreciation, amortisation and impairment	12&13	4,195	4,181	6,635	6,565
Interest and other finance costs	10	3	3	4	4
Holiday pay provision	25	0	0	0	0
Total expenditure		**54,759**	**54,492**	**76,348**	**75,926**
Surplus/(deficit) before exceptional items		**(2,815)**	**(2,737)**	**425**	**596**
Exceptional staff costs - redundancy	7	0	0	0	0
Total Exceptional items		**0**	**0**	**0**	**0**
(Deficit)/Surplus before tax		**(2,815)**	**(2,737)**	**425**	**596**
Taxation		0	0	0	0
(Deficit)/Surplus for the period		**(2,815)**	**(2,737)**	**425**	**596**
Other Comprehensive Income					
Unrealised surplus on revaluation of land and buildings		2,460	2,460	5,792	5,647
Actuarial (loss)/gain in respect of pension scheme		(424)	(424)	(180)	(180)
Rounding difference		1	1	0	0
Total comprehensive income for the period		**(778)**	**(700)**	**6,037**	**6,063**
Represented by:					
Restricted comprehensive income for the period		0	0	0	0
Unrestricted comprehensive income for the period		(778)	(700)	6,037	6,063

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.

CONSOLIDATED STATEMENT OF CHANGES IN RESERVES

FOR THE 8 MONTHS ENDED 31 MARCH 2026

GROUP

	Income and expenditure account							
	Endowment	Restricted	Pension Reserve	Unrestricted	Revaluation reserve	Total excluding Non-Controlling Interest	Non-controlling interest	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2024	0	0	(84)	790	96,519	0	0	97,225
Restated Surplus/(deficit) from income and expenditure statement	0	0	0	425	0	0	0	425
Other comprehensive income	0	0	8	(188)	5,792	0	0	5,612
Transfers between revaluation and income and expenditure	0	0	0	3,234	(3,234)	0	0	0
Rounding difference	0	0	0	(1)	1	0	0	0
Balance at 1 August 2025	**0**	**0**	**(76)**	**4,260**	**99,078**	**0**	**0**	**103,262**
Surplus/(deficit) from income and expenditure statement	0	0	0	(2,815)	0	0	0	(2,815)
Other comprehensive income	0	0	11	(435)	2,460	0	0	2,036
Transfers between revaluation and income and expenditure	0	0	0	1,928	(1,928)	0	0	0
Rounding difference	0	0	0	0	1	0	0	1
Total comprehensive income for the period	**0**	**0**	**11**	**(1,322)**	**533**	**0**	**0**	**(778)**
Balance at 31 March 2026	**0**	**0**	**(65)**	**2,938**	**99,611**	**0**	**0**	**102,484**

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

CONSOLIDATED STATEMENT OF CHANGES IN RESERVES

FOR THE 8 MONTHS ENDED 31 MARCH 2026

COLLEGE

	Income and expenditure account							
	Endowment	Restricted	Pension Reserve	Unrestricted	Revaluation reserve	Total excluding Non-Controlling Interest	Non-controlling interest	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2024	0	0	(84)	400	95,030	0	0	95,346
Restated Surplus/(deficit) from income and expenditure statement	0	0	0	596	0	0	0	596
Other comprehensive income	0	0	8	(188)	5,647	0	0	5,467
Transfers between revaluation and income and expenditure	0	0	0	3,234	(3,234)	0	0	0
Rounding difference	0	0	0	1	(1)	0	0	0
Balance at 1 August 2025	**0**	**0**	**(76)**	**4,043**	**97,442**	**0**	**0**	**101,409**
Surplus/(deficit) from income and expenditure statement	0	0	0	(2,737)	0	0	0	(2,737)
Other comprehensive income	0	0	11	(435)	2,460	0	0	2,036
Transfers between revaluation and income and expenditure	0	0	0	1,928	(1,928)	0	0	0
Rounding difference	0	0	0	0	1	0	0	1
Total comprehensive income for the period	**0**	**0**	**11**	**(1,244)**	**533**	**0**	**0**	**(700)**
Balance at 31 March 2026	**0**	**0**	**(65)**	**2,799**	**97,975**	**0**	**0**	**100,709**

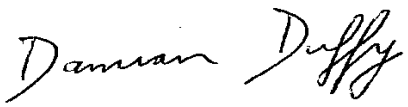
The accompanying accounting policies and notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

	Notes	8 mth period to 31 March 2026 Group £'000	8 mth period to 31 March 2026 College £'000	12 mth period to 31 July 2025 Group £'000	12 mth period to 31 July 2025 College £'000
Non-Current Assets					
Property, Plant and Equipment	12	147,479	144,873	146,134	143,533
Intangible assets	13	45	45	96	96
Pension Asset	21	0	0	0	0
		147,524	**144,918**	**146,230**	**143,629**
Current assets					
Trade and other receivables	17	6,211	6,708	3,762	4,180
Cash and cash equivalents	20	5,235	5,229	8,078	8,058
Total current assets		**11,446**	**11,937**	**11,840**	**12,238**
Less: Creditors – amounts falling due within one year	18	18,521	18,511	14,806	14,792
Net current (liabilities)/ assets		**(7,075)**	**(6,574)**	**(2,966)**	**(2,554)**
Total assets less current liabilities		**140,449**	**138,344**	**143,264**	**141,075**
Less: Creditors – amounts falling due after more than one year	19	37,551	37,221	39,577	39,241
Provisions:					
Pension provisions	21	65	65	76	76
Other provisions	25	349	349	349	349
Net assets including pension liability		**102,484**	**100,709**	**103,262**	**101,409**
Restricted Reserves					
Income and expenditure account –restricted reserve		0	0	0	0
Unrestricted Reserves					
Income and expenditure –unrestricted reserves		2,938	2,799	4,260	4,043
Income and expenditure –pensions reserves		(65)	(65)	(76)	(76)
Revaluation reserve		99,611	97,975	99,078	97,442
Total reserves		**102,484**	**100,709**	**103,262**	**101,409**
Total		**102,484**	**100,709**	**103,262**	**101,409**

The financial statements on pages 53 to 92 were approved by the Governing Body of Belfast Metropolitan College on 4 November 2026 and were signed on its behalf on that date by:





Jacqueline Dixon
Chair of Governing Body
Belfast Metropolitan College

Damian Duffy
Accounting Officer
Belfast Metropolitan College

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE 8 MONTHS ENDED 31 MARCH 2026

	Notes	8 mth period to 31 March 2026 £'000	12 mth period to 31 July 2025 £'000
Cash inflow/(outflow) from operating activities			
Surplus/ Deficit for the year		(2,815)	425
Adjustment for non-cash items			
Depreciation	12 & 13	4,195	6,635
Reversal of impairment		(20)	0
Deferred capital grant released to income	1	(1,687)	(2,510)
Decrease/(increase) in receivables	17	(2,449)	(848)
Increase/(decrease) in creditors	18 & 19	3,400	234
Increase/(decrease) in pension provision	21	(435)	(218)
Increase/(decrease) in other provisions	25	0	30
Adjustment for investing or financing activities		0	0
Investment income		(215)	(332)
Profit on sale of property, plant and equipment		0	0
Adjustment for cumulative rounding in income and expenditure		1	1
Prior year adjustment		0	0
Net cash inflow/(outflow) from operating activities		**(25)**	**3,417**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		0	0
Deferred capital grants received	6	2,000	1,098
Investment income		215	332
Payments made to acquire property, plant and equipment		(2,862)	(1,525)
New non-current asset investments		0	0
Net cash (outflow)/inflow from investing activities		**(647)**	**(95)**
Cash inflows from financing activities			
Capital and interest elements of PFI lease rental payments		(2,171)	(3,213)
Interest paid		0	0
Net cash (outflow) from financing activities		**(2,171)**	**(3,213)**
Increase/(Decrease) in cash and cash equivalents in the year		**(2,843)**	**109**
Net funds at 1 August		8,078	7,969
Net funds at 31 March		**5,235**	**8,078**

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 PRINCIPAL ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES

FOR THE 8 MONTHS ENDED 31 MARCH 2026

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.
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 property, plant and equipment and in accordance with applicable United Kingdom accounting standards.

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 for the Economy'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.

Basis of Consolidation

The consolidated financial statements include the college and its subsidiary, Springvale Educational Village Limited (SEV Ltd). Intra-group balances are eliminated on consolidation. All financial statements are made up to 31 March 2026.

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES (continued)

Recognition of Income

Government Grants [accruals model]
The recurrent grant and other revenue grants received from DfE (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 creditors and allocated between creditors due within one year and creditors due after more than one year as appropriate.

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

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 property, plant and equipment are recognised in income over the expected useful life of the asset.

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

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 used in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

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

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES (continued)

Pension Scheme

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.

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. 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 based on the latest actuarial valuations of the scheme and are accounted for based on 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 scheme 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 can 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 Consolidated Statement of Comprehensive Income and Expenditure.

To comply with auto enrolment legislation, Belfast Met has also joined the National Employment Savings Trust (NEST). Contributions by the College are made on a defined contribution basis.

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES (continued)

Property, Plant and Equipment

Land and Buildings

Land and buildings are stated in the Statement of Financial Position at valuation based on 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 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. Valuations are obtained on a regular basis, with a full professional valuation being undertaken by Land and Property Services (LPS) every five years, with revaluation using indices provided by LPS in intervening years and an interim valuation being conducted after 3 years. Revaluation is based on indices provided by LPS as at 31 March 2026.

Assets Under Construction

Assets under construction are accounted for at cost, based on the value of architects' certificates and other direct costs, incurred to 31 March 2026. They are not depreciated until they are brought into use.

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:

Computers	- three years straight line
Motor vehicles	- four years straight line
Plant and equipment	- five years straight line
Fixtures and Fittings	- five years straight line

Private Finance Initiative

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.

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES AND ESTIMATION TECHNIQUES (continued)

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 substantial 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. Software integral to an item of hardware is dealt with as property, plant and 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 were used in the 8-month period ended 31 March 2026:

Learner Management system - Contractual license period – 66 months from May 2021

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, and equipment as appropriate, where the inputs themselves are property, plant and equipment by nature.

Liquid Resources

Liquid resources include sums on short-term deposits with recognised banks and building societies.

Provisions

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

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 Support Funds and Care to Learn payments. Related payments received from DfE and subsequent disbursements to students are excluded from the Consolidated Statement of Comprehensive Income and Expenditure and are shown separately in Note 27.

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.

NOTES TO THE FINANCIAL STATEMENTS

1. DEPARTMENT FOR THE ECONOMY INCOME

	8 mth period to 31 March 2026 Group £'000	8 mth period to 31 March 2026 College £'000	12 mth period to 31 July 2025 Group £'000	12 mth period to 31 July 2025 College £'000
Grant In Aid Received from DfE				
Recurrent grant	31,730	31,730	48,019	48,019
Release of deferred capital grants	1,687	1,682	2,510	2,502
Additional Support funds	407	407	612	612
Students with Learning Difficulties and/or Disabilities (SLDD)	450	450	584	584
Innovation Fund	213	213	356	356
Private Finance Initiative (PFI)/ Public Private Partnership (PPP)	4,538	4,538	6,799	6,799
Other	1,518	1,518	2,501	2,501
Grant In Aid Items	40,543	40,538	61,381	61,373
Non-Grant in Aid received from DfE				
Education Maintenance Allowance administration	16	16	19	19
Assured Skills	105	105	105	105
Higher Level Apprenticeships	1,347	1,347	1,190	1,190
Non-grant in aid items	1,468	1,468	1,314	1,314
Total DfE income	42,011	42,006	62,695	62,687

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. EDUCATION CONTRACTS

	8 mth period to 31 March 2026	8 mth period to 31 March 2026	12 mth period to 31 July 2025	12 mth period to 31 July 2025
	Group £'000	College £'000	Group £'000	College £'000
Entitlement Framework	66	66	99	99
Apprenticeships NI	1,399	1,399	2,519	2,519
Total	**1,465**	**1,465**	**2,618**	**2,618**

3. TUITION FEES AND CHARGES

	8 mth period to 31 March 2026	8 mth period to 31 March 2026	12 mth period to 31 July 2025	12 mth period to 31 July 2025
	Group £'000	College £'000	Group £'000	College £'000
Higher Education (HE) income	3,272	3,272	4,038	4,038
Home and other European Union	3,746	3,746	5,467	5,467
Non-European Union	28	28	26	26
Total	**7,046**	**7,046**	**9,531**	**9,531**

Tuition fees funded by bursaries

Included within the above amounts are amounts which fund bursaries of £500 (2025: £98,890).

4. OTHER GRANT INCOME

	8 mth period to 31 March 2026	8 mth period to 31 March 2026	12 mth period to 31 July 2025	12 mth period to 31 July 2025
	Group £'000	College £'000	Group £'000	College £'000
European funds	0	0	279	279
Other funds	435	435	465	465
Total	**435**	**435**	**744**	**744**

NOTES TO THE FINANCIAL STATEMENTS (continued)

5. OTHER OPERATING INCOME

	8 mth period to 31 March 2026	8 mth period to 31 March 2026	12 mth period to 31 July 2025	12 mth period to 31 July 2025
	Group £'000	College £'000	Group £'000	College £'000
Catering and residence operations	64	64	69	69
Other income generating activities	439	275	566	323
Other income	269	249	218	218
Total	**772**	**588**	**853**	**610**

6. INVESTMENT INCOME

	8 mth period to 31 March 2026	8 mth period to 31 March 2026	12 mth period to 31 July 2025	12 mth period to 31 July 2025
	Group £'000	College £'000	Group £'000	College £'000
Pension income	0	0	0	0
Other interest receivable	215	215	332	332
Total	**215**	**215**	**332**	**332**

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. STAFF COSTS

All staff are employed by the College and where applicable costs are recharged to the subsidiary companies. The average number of persons (including senior post-holders) employed by the college during the year, expressed as full-time equivalents was:

	8 mth period to 31 March 2026	8 mth period to 31 March 2026	12 mth period to 31 July 2025	12 mth period to 31 July 2025
	Group No.	College No.	Group No.	College No.
Governing body	0	0	0	0
Teaching	355	355	331	331
Support	165	165	152	152
Administration	210	210	202	202
Premises	22	22	25	25
Total	**752**	**752**	**710**	**710**

Staff costs for the above persons

	Group £'000	College £'000	Group £'000	College £'000
Governing body	60	60	82	82
Teaching	14,998	14,998	21,390	21,390
Support	5,844	5,844	7,346	7,346
Administration	9,579	9,563	12,580	12,560
FRS 102 adjustment (see note 21)	(438)	(438)	(192)	(192)
Premises	888	862	1,254	1,196
Total	**30,931**	**30,889**	**42,460**	**42,382**
Wages and salaries	23,322	23,280	32,679	32,601
Social security costs	2,794	2,794	3,137	3,137
Movement in pension	0	0	0	0
Other pension costs	4,815	4,815	6,644	6,644
Total	**30,931**	**30,889**	**42,460**	**42,382**

Included within staff costs above are agency costs amounting to £1,455k for the College (2024-25 £1,682k) and £1,497k for the Group (2024-25 £1,604k).

NOTES TO THE FINANCIAL STATEMENTS (continued)

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

	Senior post-holders		Other staff	
	8 mth period to 31 March 2026	12mth period to 31 July 2025	8 mth period to 31 March 2026	12mth period to 31 July 2025
	No.	No.	No.	No.
£60,001 to £70,000	0	0	184	59
£70,001 to £80,000	0	0	36	18
£80,001 to £90,000	0	0	10	8
£90,001 to £100,000	0	0	7	7
£100,001 to £110,000	1	0	6	0
£110,001 to £120,000	1	1	0	1
£120,001 to £130,000	2	1	0	0
£130,001 to £140,000	0	0	0	0
£140,001 to £150,000	0	1	0	0
£150,001 to £160,000	0	0	0	0
£160,001 to £170,000	1	0	0	0
£170,001 to £180,000	0	0	0	0
£180,001 to £190,000	0	1	0	0
	5	**4**	**243**	**93**

Note: Figures for the 8-month period to 31 March 2026 are pro rata for 12 months to allow more meaningful for comparison.

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. 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 Executive Leadership Team which comprises the Principal/Directors and Deputy Directors.

	31 March 2026	31 July 2025
	No.	No.
The number of senior post-holders including the Principal was:	5	5

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

	8 mths period to 31 March 2026	12 mths period to 31 July 2025
	£'000	£'000
Salaries	340	472
Pension contributions	86	116
Total emoluments	**426**	**588**

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

	8 mths period to 31 March 2026	12 mths period to 31 July 2025
	£'000	£'000
Salaries	87	140
Pension contributions	25	41
Total	**112**	**181**

The pension contributions in respect of the Principal and senior post-holders are in respect of employer's contributions to the Teachers' Pension Scheme, and the Northern Ireland Local Government Officers' Superannuation Scheme are paid at the same rate as for other employees.

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. OTHER OPERATING EXPENSES

	8 mth period to 31 March 2026 Group £'000	8 mth period to 31 March 2026 College £'000	12 mth period to 31 July 2025 Group £'000	12 mth period to 31 July 2025 College £'000
Direct Teaching	737	737	1,109	1,109
Direct Support	3,122	3,122	4,072	4,072
Administration	3,879	3,837	5,910	5,815
Professional Fees	159	159	106	106
Premises	5,582	5,413	7,227	7,048
Unitary payments under PFI contract	4,846	4,846	6,596	6,596
Interest element of finance lease	1,305	1,305	2,229	2,229
Total	**19,630**	**19,419**	**27,249**	**26,975**

Other operating expenses for the group include:	8 mth period to 31 March 2026 £'000	12 mth period to 31 July 2025 £'000
Auditors' remuneration:		
Financial statements audit (includes £76,900 in respect of the college – 2024-25 £73,000)	77	73
Other Services – NFI	0	1
Internal audit (includes £30,545 in respect of the college – 2024-25 £34,122)	31	34

10. INTEREST AND OTHER FINANCE COSTS

	8 mth period to 31 March 2026 Group £'000	8 mth period to 31 March 2026 College £'000	12 mth period to 31 July 2025 Group £'000	12 mth period to 31 July 2025 College £'000
On bank loans, overdrafts and other loans	0	0	0	0
	0	**0**	**0**	**0**
On finance leases	0	0	0	0
Net charge on pension scheme	3	3	4	4
Total	**3**	**3**	**4**	**4**

11. TAXATION

The members do not believe the college was liable for any corporation tax arising out of its activities during this period. SEV Ltd had a liability of £nil in 2025-26.

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. PROPERTY, PLANT AND EQUIPMENT

Group

	Freehold land & buildings	PFI	Plant & equipm't	Assets Under Construction	Computer	Fixtures & fittings	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation								
At 1 August 2025	40,646	101,386	8,001	426	2,336	1,195	242	154,232
Additions	0	147	1,626	1,318	0	0	0	3,091
Reclassified assets	0	0	344	(426)	0	0	0	(82)
Impairment	20	0	0	0	0	0	0	20
Surplus/(deficit) on revaluation	614	1,901	0	0	0	0	0	2,515
Disposals	0	0	(2,893)	0	(1,803)	(35)	(198)	(4,929)
Rounding adjustment	0	0	(1)	0	0	0	0	(1)
At 31 March 2026	**41,280**	**103,434**	**7,077**	**1,318**	**533**	**1,160**	**44**	**154,846**
Depreciation								
At 1 August 2025	0	0	5,389	0	2,016	465	228	8,098
Charge for the year	782	2,245	803	0	151	155	7	4,143
Revaluation	17	38	0	0	0	0	0	55
Impairment	0	0	0	0	0	0	0	0
Elimination in Respect of Disposals	0	0	(2,893)	0	(1,803)	(35)	(198)	(4,929)
Rounding adjustment	0	0	2	0	(2)	0	0	0
At 31 March 2026	**799**	**2,283**	**3,301**	**0**	**362**	**585**	**37**	**7,367**
Net book value at 31 March 2026	**40,481**	**101,151**	**3,776**	**1,318**	**171**	**575**	**7**	**147,479**
Net book value at 31 July 2025	40,646	101,386	2,612	426	320	730	14	146,134

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. PROPERTY, PLANT AND EQUIPMENT

College

	Freehold land & buildings	PFI	Plant & equipm't	Assets Under Construction	Computers	Fixture & fittings	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation								
At 1 August 2025	38,045	101,386	7,854	426	2,336	1,195	242	151,484
Additions	0	147	1,626	1,318	0	0	0	3,091
Reclassified Assets	0	0	344	(426)	0	0	0	(82)
Surplus/(deficit) on revaluation	614	1,901	0	0	0	0	0	2,515
Disposals	0	0	(2,893)	0	(1,803)	(35)	(198)	(4,929)
Rounding difference	1	0	0	0	0	0	0	1
At 31 March 2026	**38,660**	**103,434**	**6,931**	**1,318**	**533**	**1,160**	**44**	**152,080**
Depreciation								
At 1 August 2025	0	0	5,242	0	2,016	465	228	7,951
Charge for the year	768	2,245	803	0	151	155	7	4,129
Revaluation	17	38	0	0	0	0	0	55
Elimination in respect of disposals	0	0	(2,893)	0	(1,803)	(35)	(198)	(4,929)
Rounding difference	0	0	0	0	0	0	1	1
At 31 March 2026	**785**	**2,283**	**3,152**	**0**	**364**	**585**	**38**	**7,207**
Net book value at 31 March 2026	**37,875**	**101,151**	**3,779**	**1,318**	**169**	**575**	**6**	**144,873**
Net book value at 31 July 2025	38,045	101,386	2,612	426	320	730	14	143,533

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. PROPERTY, PLANT AND EQUIPMENT

Land and buildings were last subject to a full revaluation at 31 July 2022 on a depreciated replacement cost basis. The valuations were performed independently by the Land and Property Service (LPS). Subsequently that revaluation was updated using indices supplied by the Land and Property Service as at 31 March 2026.

If property, plant and equipment had not been revalued before being deemed as cost on transition they would have been included at the following historical cost amounts:

	£'000
Cost	0
Aggregate depreciation based on cost	0
Net book value based on cost	**0**

The net book value of property, plant and equipment includes an amount of £101,151k (2025: £99,686k) in respect of assets held under finance leases.

The depreciation charge for the period is analysed as follows:	2026 £'000	2025 £'000
Owned assets	1,898	2,968
Assets held under finance leases and hire purchase arrangements	2,245	3,544

13. INTANGIBLE FIXED ASSETS

Group and College

	Intangible Asset	TOTAL
	£'000	£'000
Cost or valuation		
At 1 August 2025	424	424
Additions	0	0
Disposals	0	0
At 31 March 2026	**424**	**424**
Amortisation		
At 1 August 2025	328	328
Charge for the year	52	52
Rounding difference	(1)	(1)
Elimination in respect of disposals	0	0
At 31 March 2026	**379**	**379**
Net book value at 31 March 2026	**45**	**45**
Net book value at 31 July 2025	**96**	**96**

NOTES TO THE FINANCIAL STATEMENTS (continued)

The intangible asset is a jointly owned and controlled asset among the six Further Education Colleges of Northern Ireland. The asset is a Learner Management System that will be operated centrally for the sector. The intangible asset is funded in full through a capital grant from the Department for the Economy. The total cost for the joint asset for the sector was £2.5m and amortisation began in May 2021.

14. SERVICE CONCESSION ARRANGEMENTS

The Statement of Financial Position includes two service concession arrangements where service delivery has commenced, Millfield and Titanic Quarter.

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 £101,151k (31 July 2025: £101,386k). The decrease of £235k is due to depreciation being slightly more than additions 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 were £18,816k (31 July 2025: £20,839k). The sum of £2,023k was repaid during the year.

Future Commitments

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

	Payable in 1 year	Payable 2-5 years	Payable >5 Years	Total
	£'000	£'000	£'000	£'000
Liability repayments	3,389	5,704	9,723	18,816
Finance charge	1,775	4,994	3,162	9,931
	5,164	**10,698**	**12,885**	**28,747**

15. NON-CURRENT INVESTMENTS

Springvale Education Village Ltd is a company registered by guarantee without share capital.

16. INVESTMENTS IN ASSOCIATES

The College does not have any investments in associates.

NOTES TO THE FINANCIAL STATEMENTS (continued)

17. TRADE AND OTHER RECEIVABLES

	8 mth period to 31 March 2026 Group £'000	8 mth period to 31 March 2026 College £'000	12 mth period to 31 July 2025 Group £'000	12 mth period to 31 July 2025 College £'000
Amounts falling due within one year:				
Trade receivables	2,794	2,792	1,437	1,406
Amounts owed by group undertakings:				
Subsidiary undertakings	0	499	0	449
Advance payments in respect of PFI contracts	138	138	207	207
Amounts due from Department	2,133	2,133	763	763
Prepayments and accrued income	1,146	1,146	1,355	1,355
Total receivables	**6,211**	**6,708**	**3,762**	**4,180**

18. CREDITORS: AMOUNTS FALLING DUE IN LESS THAN ONE YEAR

	8 mth period to 31 March 2026 Group £'000	8 mth period to 31 March 2026 College £'000	12 mth period to 31 July 2025 Group £'000	12 mth period to 31 July 2025 College £'000
Service concession arrangements	3,389	3,389	3,109	3,109
Payments received in advance	1,897	1,897	1,405	1,405
Trade payables	98	97	96	93
Taxation and social security	1,719	1,731	1,587	1,588
Accruals and deferred income	11,086	11,065	8,475	8,463
Other Payables	0	0	3	3
Amounts owed to the Department	332	332	131	131
Total creditors	**18,521**	**18,511**	**14,806**	**14,792**

In April 2009, the College signed a PPP contract with Ivywood College Ltd (ICL) to design, build and maintain, for 25 years, a new College Building on the Titanic Quarter site. Capital repayments are made over a 25-year period and are funded by DfE.

At the same time the College entered into the PFI agreement for the Titanic Quarter campus with ICL, the College also entered into a further agreement with a company connected to ICL, Ivywood Car Parks Limited. Under this agreement Ivywood Car Parks Limited constructed at its own cost (£5.3m),

NOTES TO THE FINANCIAL STATEMENTS (continued)

a sub-basement car park underneath the TQ campus which it is entitled to operate as a car park for 40 years, after which it reverts to the College. The College is entitled to income of £10k per annum indexed at 5% per annum in respect of this arrangement. The income is recognised on a straight-line basis over the 40-year period.

Deferred income

Included with accruals and deferred income are the following items of income which have been deferred until specific performance related conditions have been met.

	8 mth period to 31 March 2026	8 mth period to 31 March 2026	12 mth period to 31 July 2025	12 mth period to 31 July 2025
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Donations	854	854	545	545
Grant income	2,546	2,537	2,511	2,501
Other income	0	0	0	0
	3,400	**3,391**	**3,056**	**3,046**

19. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	8 mth period to 31 March 2026	8 mth period to 31 March 2026	12 mth period to 31 July 2025	12 mth period to 31 July 2025
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Deferred income	22,124	21,794	21,846	21,510
Service concession liabilities due after one year	15,427	15,427	17,731	17,731
Total creditors after one year	**37,551**	**37,221**	**39,577**	**39,241**

20. CASH AND CASH EQUIVALENTS

GROUP

	As 1 August 2025	Cash Flows	At 31 March 2026
	£'000	£'000	£'000
Cash and Cash equivalents at 31 March	8,078	(2,843)	5,235

NOTES TO THE FINANCIAL STATEMENTS (continued)

COLLEGE

	As 1 August 2025	Cash Flows	At 31 March 2026
	£'000	£'000	£'000
Cash and Cash equivalents at 31 March	8,058	(2,829)	5,229

21. PENSIONS AND SIMILAR OBLIGATIONS

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

Total pension cost for the period

	8 mth period to 31 March 2026	12 mth period to 31 July 2025
	£'000	£'000
NITPS: contributions paid	3,473	4,439
NILGOSC: contributions paid	1,762	2,374
NILGOSC: FRS 102 (28) adjustments	(438)	(192)
NEST: contributions paid	18	23
Charge to the Consolidated Statement of Comprehensive Income (staff costs)	4,815	6,644
Enhanced pension charge to the Consolidated Statement of Comprehensive Income (staff costs)	0	0
Total pension cost for the year	**4,815**	**6,644**

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 on the Department of Education's website www.education-ni.gov.uk.

The Public Service Pensions Act (Northern Ireland) 2014 provided 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 rate increased to 29.1% from 1 April 2024 (was 25.1% from April 2019).

The bands applicable to member contributions for the NITPS from 1 April 2025 are:

Annual Pensionable Earnings	Member contribution rate
Up to £34,872.99	7.4%
£34,873 to £46,943.99	8.87%
£46,944 to £55,660.99	9.9%
£55,661 to £73,768.99	10.52%
£73,739 to £100,590.99	11.65%
£100,591 and above	12.06%

The bands applicable to member contributions for the NITPS from 1 April 2026 are:

Annual Pensionable Earnings	Member contribution rate
Up to £36,198.99	7.4%
£34,199 to £48,727.99	8.87%
£48,728 to £57,776.99	9.9%
£57,777 to £76,572.99	10.52%
£76,573 to £104,413.99	11.65%
£104,414 and above	12.06%

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 Consolidated Statement of Comprehensive Income represents the contributions payable to the scheme in respect of the accounting period. 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.

NILGOSC

NILGOSC is a defined benefit statutory scheme, administered in accordance with the Local Government Pension Scheme Regulations (Northern Ireland) 2002, as amended. The disclosures below relate to the funded liabilities within the Northern Ireland Local Government Officers' Superannuation Pension Fund (the "Fund") which is part of the Local Government Pension Scheme (Northern Ireland) (the "LGPS") and certain related unfunded liabilities which have been separately disclosed.

The LGPS 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 earned 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

NOTES TO THE FINANCIAL STATEMENTS (continued)

Government Pension Scheme (Amendment and Transitional Provisions) Regulations (Northern Ireland) 2014' (as amended).

Employee contribution rates for all members for the period covering 1 August 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 following information is based upon a full actuarial valuation of the fund at 31 March 2025 updated to 31 March 2026 by a qualified actuary.

Principal actuarial assumptions

Principal actuarial assumptions at the Statement of Financial Position date are as follows:

	At 31 March 2026	**At 31 July 2025**
Rate of increase in salaries	4.55%	4.25%
Rate of increase for pensions in payment/inflation	3.05%	2.75%
Discount rate for scheme liabilities	6.15%	5.75%
Inflation assumption (CPI)	3.05%	2.75%

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

	At 31 March 2026	**At 31 July 2025**
Retiring today		
Males	21.2	21.1
Females	24.6	23.9
Retiring in 20 years		
Active / Deferred Males	21.5 / 21.5	21.6 / 21.9
Active / Deferred Females	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. Consequently, 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

The actuarial assumptions also include:

- 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 we are not allowing for any additional liabilities from prior scheme amendments which may be unwound because of the ruling.

- 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 Valuation was used as the starting point for the roll forward calculation of the accounting Defined Benefit Obligation (DBO) at 31 March 2026 and therefore the DBO calculated at 31 March 2026 implicitly includes an allowance for GMP indexation.

The 31 March 2026 accounting valuation does not include any further allowance for GMP indexation.

- 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 transition 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 based on 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 because of the transitional protections. The changes to legislation were implemented in 2015 for the NILGOSC Fund and therefore this only impacts benefits accrued from 1 April 2015 for those members who were active at that date.

The 2025 funding valuation allowed for additional liabilities, calculated on an individual member basis, arising because 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.

The College's share of the assets in the scheme and the expected rates of return were:

	Long-term rate of return expected at 31 March 2026	Value at 31 March 2026 £'000	Long-term rate of return expected at 31 July 2025	Value at 31 July 2025 £'000
Equities	43.1%	48,608	41.5%	44,352
Bonds	25.5%	28,822	23.3%	24,976
Property	9.7%	10,992	10.0%	10,730
Multi Asset Credit, Cash & other	21.7%	24,437	25.2%	26,925
Total		**112,859**		**106,983**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Amounts recognised in the Statement of Financial Position

	8 mth period to 31 March 2026 £'000	12 mth period to 31 July 2025 £'000
Funded Benefits		
Scheme assets	112,859	106,983
Scheme liabilities	(80,525)	(81,477)
Present value of funded defined benefit obligation	32,334	25,506
Irrecoverable Surplus	(32,334)	(25,506)
Funded Scheme – Net asset/(liability)	**0**	**0**
Unfunded Benefits		
Present Value of unfunded deficit	65	76
Net Liability	**(65)**	**(76)**

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

	8 mth period to 31 March 2026 £'000	12 mth period to 31 July 2025 £'000
Amounts included in staff costs		
Employer service cost (net of employee contributions)	1,328	2,192
Past service cost (obligation based on court rulings)	2	82
Total	**1,330**	**2,274**

Analysis of pension finance income/(costs)

	8 mth period to 31 March 2026 £'000	12 mth period to 31 July 2025 £'000
Expected return on pension scheme assets	4,115	5,018
Interest cost	(3,132)	(4,386)
Interest adjustment due to irrecoverable surplus	(986)	(636)
Net charge to other finance costs	**(3)**	**(4)**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Analysis of Other Comprehensive Income for pensions

	8 mth period to 31 March 2026 £'000	12 mth period to 31 July 2025 £'000
Actuarial gains/(losses) on pension scheme assets	1,037	891
Actuarial gains/(losses) on scheme liabilities	4,380	11,160
Actuarial gains/(losses) from recoverable surplus	(5,841)	(12,231)
Total Other Comprehensive Income	**(424)**	**(180)**

Movement in surplus/(deficit) during the year

	8 mth period to 31 March 2026 £'000	12 mth period to 31 July 2025 £'000
Surplus/(deficit) in scheme at 1 August	(76)	(84)
Movement in the year:		
Employer service cost (net of employee contributions)	(1,328)	(2,192)
Employer contributions	1,768	2,458
Past service cost	2	82
Net interest/return on assets	983	467
Interest adjustment due to irrecoverable surplus	(986)	(636)
Rounding difference on actuarial report	(4)	9
Actuarial gain or loss recognised in Other Comprehensive Income	(424)	(180)
Surplus/(deficit) in scheme at 31 March	**(65)**	**(76)**

NOTES TO THE FINANCIAL STATEMENTS (continued)

Asset and liability reconciliation

	8 mth period to 31 March 2026 £'000	12 mth period to 31 July 2025 £'000
Reconciliation of liabilities		
Liabilities at start of period	81,553	87,111
Service cost	1,328	2,192
Interest cost	3,131	4,386
Employee contributions	591	796
Actuarial (gain)/loss	(4,381)	(11,160)
Benefits paid	(1,635)	(1,855)
Past service cost	2	82
Rounding difference on report	1	1
Liabilities at end of period	**80,590**	**81,553**
Reconciliation of assets		
Assets at start of period	106,983	99,666
Expected return on assets	4,115	5,018
Actuarial gain/(loss)	1,037	891
Employer contributions	1,768	2,467
Employee contributions	591	796
Benefits paid	(1,635)	(1,855)
Rounding difference on report	0	0
Assets at end of period	**112,859**	**106,983**
Net Assets	**32,269**	**25,430**
Irrecoverable Surplus	(32,334)	(25,506)
Net Assets/(Liabilities)	**(65)**	**(76)**

National Employment Savings Trust (NEST)

To comply with auto enrolment legislation the College joined the National Employment Savings Trust (NEST). Where an employee has previously opted out of NILGOSC or NIPTS the college still has a duty to enrol them in a qualifying pension scheme if certain earnings criteria are met. NEST was set up by the Government to assist with this requirement. The College's contributions to NEST are made on a defined contribution basis at 3%.

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. EVENTS AFTER THE END OF THE REPORTING PERIOD

There are no events to report.

23. SUBSIDIARY UNDERTAKINGS

At 31 March 2026 Belfast Met has one subsidiary, Springvale Educational Village Limited which is a company registered by guarantee without share capital.

24. FINANCIAL COMMITMENTS

At 31 March the college had annual commitments under non-cancellable operating leases as follows:

	Group and College	
	8 mth period to 31 March 2026	**12 mth period to 31 July 2025**
	£'000	**£'000**
Land and buildings		
Expiring within one year	0	0
Expiring within two and five years inclusive	0	0
Expiring in over five years	0	0
Total	**0**	**0**
Other		
Expiring within one year	266	136
Expiring within two and five years inclusive	27	15
Expiring in over five years	0	0
Total	**293**	**151**

NOTES TO THE FINANCIAL STATEMENTS (continued)

25. PROVISIONS FOR LIABILITIES AND CHARGES

	Litigation	Holiday Pay	Total
	£'000	£'000	£'000
At 1 August 2025	0	349	349
Expenditure in the period	0	0	0
Additions in 2025-26	0	0	0
Unused amounts reversed	0	0	0
At 31 March 2026	**0**	**349**	**349**

The provision 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 has 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 14 and 15 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 £349k 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 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 before 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);
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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

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.

Name	Company	Role	Transactions (AP/AR*) 8 mths to 31 March 2026 £'000	Transactions (AP/AR) 2025 £'000	Amount outstanding to BMC at 31 March 2026 £'000	Amount outstanding to BMC at 31 July 2025 £'000
Senior Manager						
Damian Duffy	USEL	Non-Executive Director	56	0&1	0	0
	CBI	Member of Confederation of British Industry Skills Group	3	3	0	0
Janis Leaden	Pearsons	Standards Verifier	298	324	0	0
Governing Body						
Jacqueline Dixon	Northern Ireland Housing Executive	Non - Executive Director	0/3	0/3	0	0
Michele Corkey	Southern Health and Social Care Trust	Non - Executive Director	0/4	0	0	0

* AP/AR – Accounts Payable/ Accounts Receivable

NOTES TO THE FINANCIAL STATEMENTS (continued)

27. AMOUNTS DISBURSED AS AGENT

Support Funds

	8 mth period to 31 March 2026	12 mth period to 31 July 2025
	£'000	£'000
DfE Grants	354	181
Balance unspent in prior year	130	266
	484	**447**
Disbursed to students	(152)	(317)
Balance unspent at 31 March	**332**	**130**

28. LOSSES AND SPECIAL PAYMENTS

In the period 1 August 2025 to 31 March 2026 there were no losses or special payments made (2024-25 £nil), and bad debts of nil were written off (2024-25 £148,926.86).

NOTES TO THE FINANCIAL STATEMENTS (continued)

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 mth period to 31 March 2026 Group £'000	12 mth period to 31 July 2025 Group £'000
INCOME			
DfE income (non grant-in-aid items)	1	1,468	1,314
Education contracts	2	1,465	2,618
Tuition fees and charges	3	7,046	9,531
Other grant income	4	435	744
Other operating income	5	772	853
Endowment and investment income	6	215	332
Total incoming resources		**11,401**	**15,392**
EXPENDITURE			
Staff costs	7	30,931	42,460
Other operating expenses	9	19,630	27,249
Depreciation and amortisation	12+13	4,195	6,653
Interest and other finance costs	10	3	4
Rounding		(1)	0
Total resources expended		**(54,758)**	**(76,366)**
Net deficit for the year		**(43,357)**	**(60,974)**
Unrealised surplus on revaluation of land and buildings		2,460	5,792
Actuarial (loss)/gain in respect of pension scheme		(424)	(180)
Amount transferred to reserves		**(41,321)**	**(55,362)**

Analysis of reserves prepared under FReM

	£'000	£'000
Balance at 1 August	103,262	97,225
Grant-in-aid received in year	40,543	61,399
Net operating cost for year *[amount transferred to reserves]*	(41,321)	(55,362)
Balance at 31 March	102,484	103,262

DATE OF AUTHORISATION FOR ISSUE

The Accounting Officer authorised the issue of these financial statements on 9 November 2026.