

Registered number: 00050404
Charity number: 529686

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

CONTENTS

| | Page |
|--|---------|
| Reference and administrative details of the Company, its Governors and advisers | 1 |
| Governors' report | 2 - 13 |
| Governors' responsibilities statement | 14 |
| Independent auditors' report on the financial statements | 15 - 18 |
| Statement of financial activities | 19 |
| Balance sheet | 20 - 21 |
| Statement of cash flows | 22 |
| Notes to the financial statements | 23 - 49 |

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2024**

| | |
|----------------------------------|---|
| Governors | Mr G W Robinson, Chairman Mr A S Green, Vice Chairman Mrs V J Gillingham Mr R Guthrie Mr J R Marshall Mr S N Fairbank Mr J S Rowlands Mr J F W Swiers Mr G N M Young Dr J Renshaw Mr A W Ingham Mrs W E Martin Mr C A Burns (appointed 23 March 2024) |
| Company registered number | 00050404 |
| Charity registered number | 529686 |
| Registered office | Scarborough College Filey Road Scarborough North Yorkshire YO11 3BA |
| Independent auditors | Armstrong Watson Audit Limited Chartered Accountants & Statutory Auditors Third Floor 10 South Parade Leeds West Yorkshire LS1 5QS |
| Bankers | Lloyds Scarborough North Yorkshire YO11 2YY |
| Solicitors | Lupton Fawcett 2 The Embankment Sovereign Street Leeds LS1 4BA |

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

The Governors, (who are also the Trustees and Directors of the Company for the purposes of company law, and so will be referred to through out the report as "the Governors") present their annual report together with the audited financial statements of the Company for the 1 September 2023 to 31 August 2024. The Annual report serves the purposes of both a Governors' report and a Directors' report under company law. The Governors confirm that the Annual report and Financial Statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

a. Objectives and Activities

The objects of the Company, in accordance with its Articles and Memorandum of Association, are to establish and conduct in Scarborough, and elsewhere, a Day and Boarding School or Schools for Boys and Girls (aged 3 to 18 years) in which there shall be given a sound education, combined with a moral and religious input.

b. Aims and Intended Impact

The Company's vision is to be a recognised leader in British independent education.

c. Mission Statement

The Company's commitment is to discover and fully realise every child's potential by ensuring that all pupils are seen as individuals whose specific needs are recognised and met. We are dedicated to providing a far-reaching education that goes beyond the boundaries of the classroom, underpinned by strong lifelong values, which inspires academic excellence and ensures pupils are challenged. Regular opportunities to understand their own capabilities through exposure to a broad range of sporting, cultural and creative activities, widens our pupils' horizons and builds their self-confidence. Within our outward facing, grounded and caring community the relationships that exist nurture tolerant, honest and compassionate people who will make a genuine difference in their futures beyond the confines of our school.

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Objectives and activities (continued)

d. Aims of the Company

The Company seeks:

- To encourage and enable pupils to achieve their academic potential and to foster a climate in which high quality teaching and learning are the utmost priorities.
- To respond to, support, and bring about the aspirations of pupils and their parents, whilst being attentive to their views.
- To consistently provide a high degree of personal care, support and guidance within, and outside of, the formal pastoral structure.
- To promote the acquisition and development of life-long values and 'character'.
- To cultivate and develop in pupils a sense of spirituality, cultural awareness and a moral framework through which they can live a fulfilling and happy life.
- To provide an environment in which pupils feel valued and learn to work co-operatively within a safe and nurturing community.
- To provide regular opportunities for all pupils to engage with a varied co-curricular programme so that they may explore their talents and discover life-long passions.
- To be a caring, supportive and appreciative employer, recognising the work and commitment of all staff whilst facilitating a climate of continual professional development.
- To consistently look for improvements in everything we do, thereby ensuring that the experience all our stakeholders undergo becomes ever more positive and rewarding.

The main objectives remain unchanged and are to achieve excellent public examination results, to continue with the successful work related to the International Baccalaureate programme, to enhance the boarding provision, and to strengthen even further the Company's links with the community.

The Company's strategy is to continue to develop the school's facilities, both physical and intellectual, for providing an excellent education for its students. The enhancement of the school facilities will be driven through property development activity.

e. Principal Activity

The principal activity continues to be the provision in Scarborough of Independent Education for both boarding and day children between the ages of 3 to 18 years old. The Prep School takes boys and girls from 3 —11 years of age and also operates a pre-school nursery (Little Owls). The Senior School provides for students aged 11 to 18 years. For this academic year the student population was 575, not including younger children attending the nursery.

SCARBOROUGH COLLEGE LIMITED

(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

Objectives and activities (continued)

f. Volunteers

The Friends of Scarborough College, and the Old Scardeburgians Association (OSA) both continue to support the College in many ways. Both groups fund raise to support projects in the College including enhancement of the facilities. The OSA also holds regular functions to bring present and past pupils together both through sport and socially. Furthermore, the OSA sponsor scholarships as part of the scholarship and bursary scheme operated by the College. The Board continues to be extremely grateful for all their efforts, and the enthusiastic support of both groups creates a strong bond between the College and parents, helping to strengthen community spirit.

g. Public Benefit

The Company remains aware of its responsibility to achieve public benefit by working closely with the local community, whilst also developing links with other schools, charities and other local organisations. The Company has complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission.

The Company continues to take a leading role in a number of areas of support to the local community and, in particular, to sports in the Scarborough area. This can be highlighted by a few examples including its partnership with a number of local primary schools to help deliver sports lessons to their children across all year groups. Further to the council's permission to allow third-party users, the Company will continue to offer the all-weather astro pitch to Scarborough Hockey Club as well as other local clubs for a nominal fee.

During the summer period and other periods outside of term time, the Company actively reaches out to schools, sports clubs and other organisations. Yorkshire County Cricket club and subsidiaries such as the Yorkshire Cricket Development Group make use of both the indoor and outdoor facilities. Various schools can use, and do use, the sporting facilities on Bramcote, Deepdale and the Main College field.

In addition, schools can make use of the performing arts facilities at Lisvane Hall as well as classrooms in the Science block, the visual arts department and other areas of the school. Depending on the nature of the provider, usage is either free of charge or for a nominal fee.

The Company organises a number of events for local primary schools, including, though not limited to, Tykes in Tune performing arts day, CSI Science Day and sports days. Furthermore, the Company offers its minibuses to support schools with transportation of their pupils.

h. Community Service

Throughout the College and across all age groups, there is a strong sense of community spirit and service. Outside of school life, numerous students are actively involved in community service and, in addition, many overseas students have been active in or even founded community projects in their own countries and communities. Their enthusiasm and altruistic entrepreneurial spirit inspires and supports other pupils. Examples of charities supported by the staff and pupils are MacMillan, Mellow Yellow, Young Minds, the Ukrainian Sunflower Appeal and the local charities such as the Rainbow Centre and Age UK Scarborough. Together with pupils, the Friends of Scarborough College and the Scarborough College Charities Committee; the Company maintains strong ties with several charities in the community as well as nationwide.

Within the Senior School, students are engaged in community service as part of their Duke of Edinburgh programme of which almost all the eligible students of the Senior School take part in at some point. It is an essential part of the International Baccalaureate Diploma Programme during Sixth Form, where the Creativity, Action and Service (CAS) component of the Diploma Programme encourages students to engage with the world around them.

Charitable donations from fund raising activities amount to £5,640 (2023: £6,498) in the year.

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Objectives and activities (continued)

i. Bursaries and Scholarship awards

It is important to us that access to the education we offer is not restricted to those who can afford our fees. We believe our pupils benefit from learning within a diverse community. Learning occurs through social interaction, conversation and shared experiences which help our pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

Our bursary policy together with our out-reach work contribute to a widening of access to the education we offer and the facilities we enjoy.

The Governors view our bursary awards as important in helping to ensure children from families who would otherwise not be able to afford the fees can access the education offered by Scarborough College. Our bursary awards are available to all who meet our general entry requirements and are made solely based on parental means or to relieve hardship where a pupil's education and prospects would otherwise be at risk, for example, in the case of redundancy. In assessing means the College takes several factors into consideration including family income, investments and savings, and family circumstances, for example, dependent relatives and the number of siblings.

Those wishing to be considered for bursary support are required to complete a Bursary Application giving full details of their financial situation, supported by original documents. Bursary remission on fees is assessed according to the guardians' ability to pay full fees and the availability of bursary funds to the College. Bursary awards are subject to the annual testing of the guardians' means.

This year the value of means tested bursaries totalled £744,124 (2023: £659,623) and represented 6.71% of our gross fees. They aided 132 pupils, representing 22.64% of the school roll.

j. Non means-tested fee remissions

The purpose of our scholarship awards is to recognise high academic, musical, and sporting potential or ability to excel in our co-curricular activities. Our scholarships are awarded on the basis of the aforementioned abilities which will contribute to our co-curricular activities; awards may be subject to conditions. Scholarships are awarded with a fixed remission of fees of between 10% and 100%. Where further assistance is required, scholarship awards may be supplemented by a means-tested bursary. The value of Scholarships in the school year totalled £899,203 (2023: £656,498) awarded to 159 pupils.

Other forms of non-means-tested assistance were also awarded during the academic year, including sibling and staff discounts. In total these awards were made to 244 pupils and amounted to £1,230,726 (2023: £868,936).

The progress of pupils receiving scholarships is reviewed at least annually to ensure their progress is in line with abilities. No scholarships were withdrawn in the year as a result of reviews.

HMC Projects

In the early 1990s, as communism collapsed in eastern Europe, the Headmasters', and Headmistresses' Conference (HMC) supported a sixth form scholarship scheme to provide educational opportunities for young people in countries that had been behind the Iron Curtain. HMC Projects, as it was called, aimed to identify talented 16 and 17 year olds and give them the opportunity to study and live at a British boarding school. The aim of the scholarship programme is to foster bonds of understanding and friendship between young people across Europe and to give young people from the former communist countries in Central and Eastern Europe an enriching and rewarding experience in some of the best schools in the world. In 2019 Scarborough College first offered a place to a scholar. By 2024 the College had 3 scholars. The value of such Scholarships in the school year totalled £113,967.

SCARBOROUGH COLLEGE LIMITED

(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

Objectives and activities (continued)

Royal SpringBoard

Royal SpringBoard is the UK's largest bursary charity, helping disadvantaged and vulnerable children from across the UK to access fully funded bursaries at leading schools. It is a social mobility charity focusing on harnessing the power of educational opportunities at some of the UK's leading schools to benefit young people who need them the most. In 2023 Scarborough College supported 1 pupil from across the UK by giving them access to a life-changing education. The value of such Scholarships in the school year totalled £28,484.

British Alumni Scholarship

The British Alumni Society (BAS) was established in 1999 under the auspices of the British Council and the British Embassy in Warsaw. The BAS provides a forum for graduates of scholarship schemes offered by those two institutions (Chevening Scholarships, British Council Scholarships, Know How project, etc). Today BAS has over 550 members: both Poles and British nationals residing in Poland, who have studied at university level or participated in other educational schemes in the United Kingdom.

BAS organizes seminars, debates, discussion clubs and mentoring programmes in collaboration with the British Council, the British Embassy, the British Polish Chamber of Commerce and European Financial Congress. Their flagship project is a scholarship scheme for secondary school students who may apply for free places in UK independent boarding schools.

In 2023 Scarborough College signed a contract with BAS for one student per annum, interviewed by both BAS scholars as well as Scarborough College, to be the recipient of a fully funded IB Diploma Programme place of two years. The value of such Scholarships in the school year totalled £37,989.

k. Our ethos; a caring Company serving our local community and society.

The Governors are responsible for setting a strategy for achieving the objectives they have set. The focus of our strategy is on the development of our pupils, their continued high levels of academic and co-curricular achievement and to further widen access to the education the College provides.

Scarborough College is a charitable trust which seeks to benefit the public through the pursuit of its stated aims. The fees are set at a level to ensure the financial viability of the College, and at a level that is consistent with our aim of providing a first-class education to boys and girls from all backgrounds of the local community and beyond. To admit a prospective pupil, we need to be satisfied that the College will be able to educate and develop him/her to the best of their potential and in line with the general standards achieved by their peers. Entrance assessments and interviews are undertaken to satisfy the College and parents that potential pupils can cope with the pace of learning and benefit from the education provided. An individual's economic status, gender, ethnicity, race, religion, or disability do not form part of the assessment process.

The College is an equal opportunity organisation and is committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation, or disability. The College makes reasonable adjustments to meet the needs of staff or pupils who are or become disabled, The College is committed to safeguarding and promoting the welfare of the pupils and expects all staff and volunteers to share this commitment.

Parents are given regular information about their children's social and academic progress through parent evenings in addition to the traditional end of term and year reports. The College maintains regular contact with parents throughout the year through informal contacts and the fortnightly news publications (The Owl). All pupils have a Form Tutor responsible for pastoral care and academic development.

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Strategic report

Achievements and performance

a. Our successes

As a non-selective school, Scarborough College is proud to remain true to its founding mission and provide deserving children with a world class, holistic education. Students in the Sixth Form study the renowned and globally recognised International Baccalaureate Diploma Programme (IBDP). Through its Learner Profile, IB World Schools such as Scarborough College embrace and foster academic excellence in a learning environment that is culturally diverse, caring, forward facing and robust.

Public examination in both the GCSEs and IBDP continued to be extremely positive and far above the world average (IBDP). Sixth Form students were successful at gaining places at several top universities in both the United Kingdom and the rest of the world, while some earned highly sought-after scholarships at some of these universities. The IBDP exam cohort was 40 students, who achieved an average of 33.1 points, which was almost three full points above the world average. GCSE results were once again outstanding with well over one third of students achieving grades 9-7 (A* and A). 83 students did GCSE exams and the overall pass rate was almost 90%.

Furthermore along with its mission, Scarborough College continues to provide a diverse, challenging and inspiring co-curricular programme. These include activities of a sporting nature, performing and visual arts, outdoor exploits as well as activities that promote a healthy and sustainable lifestyle and well-being. This mission is highlighted in the College's Yorkshire Grit programme, its Enrichment Programme and the extremely high numbers of children registering for the Duke of Edinburgh programme.

As a direct result of this dedicated approach, both performing arts and sports continue to thrive at the school. Gig on the Green has become an annual event and an extra production has been added to the school calendar, providing more depth and opportunities for children interested in the performing arts. A record number of children are enrolled into private music lessons and the College's LAMDA programme.

Further investment in sports has seen Scarborough College compete at an extremely high level in cricket, hockey, golf and rugby. After having reached the Tier 2 final twice in a row, the Girls' U18s were entered into Tier 1 in 2023. Scarborough College proudly holds first spot in Tier 1 division north currently. Lower down the school, there have been several hockey successes including the U16s Boys and Girls. The Cricket Centre of Excellence has seen its first alumni get selected for England U19s as well as a host of boys and girls on county pathways and county second teams. Scarborough College First XI has outgrown its local rivals and lower down the school, there were several huge successes including the National Championship win for the U16 Boys. Rugby is continuing to be developed and significant local scalps for both for the First XV and lower age groups are extremely positive. The completion of the running track continues to attract interest both locally and from further afield; a strategy to recruit athletic talent has been deployed as well as a fixture calendar for the summer term.

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Strategic report (continued)

Achievements and performance (continued)

b. Financial Review and Results

The Company continues to grow in size both in terms of pupil numbers, with a 8.4% increase in the numbers and a £1,050,734 growth in net fees. It does, however, maintain committed to providing support to families struggling with the effects of the current economic climate. The principal source of income is fees accounting for 92% of the Company's total income.

The Company has seen a rise in expenditure of 11.62% which is driven in part by the rise in pupil numbers and as a result of cost-of-living crisis and inflationary pressure on prices. The Governing Body maintains focussed on controlling the levels of expenditure.

The Company produced a surplus in 2023 - 2024 of £77,475. This does include a loss of £11,091 relating to the fair value adjustment on the defined benefit scheme. It is planned that the Company will next year be once again in surplus and hoped that this position can be maintained for future years.

The Governors are continuing their strategy of deploying all net incoming resources to investing in the educational purposes and fabric of the Company.

As a charity the parents of the pupils have the assurance that all income of the Company must be applied for educational purposes. As an educational charity we enjoy tax exemption on our educational activities and on our investment income and gains, provided these are applied for our charitable aims. As a Company we are also entitled to an 80% reduction in our business rates on the property we occupy for our charitable purposes. The financial benefits we receive from these tax exemptions are all applied for the educational purposes and indirectly help us to maintain our bursary policy and out-reach programme.

However, as an educational charity, we are unable to reclaim VAT input tax on our costs as we are exempt for VAT purposes. We also pay tax as an employer through the national insurance contributions we make.

In addition to the very substantial benefits the Company brings to our pupils, the local community and society through the education we offer, our bursary programme and our out-reach work create a social asset without a cost to the Government.

c. Development and Maintenance

Other significant maintenance works have been undertaken during the year as part of the Colleges prioritised maintenance plan to ensure the College's buildings continue to function fully as intended.

The College has some exciting projects due to start shortly after the financial year, new 4 lane cricket nets, a new multi-use games area and the development of a new boarding house. The College is also in discussions with the local Council to purchase and redevelop the Old Sports Centre.

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Strategic report (continued)

Achievements and performance (continued)

d. Key Performance Indicators

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|-------|-------|-------|-------|-------|
| IB exam pass rate | 89% | 87% | 88% | 100% | 81% |
| GCSE pass rate (9-4) | 87.8% | 92% | 95.6% | 96% | 89% |
| Net fee income (£'000) | 8,077 | 6,790 | 6,275 | 5,431 | 4,709 |
| Non fee income (£'000) | 687 | 502 | 1,086 | 258 | 621 |
| Net incoming (outgoing) resources before fair value adjustments (£'000) | 89 | (207) | 325 | (655) | (23) |
| Capital expenditure (£'000) | 798 | 881 | 996 | 173 | 416 |

e. Reserves Policy

The Governors regularly review the finances, budgets and spend against budget together with a cash flow analysis as part of the effective stewardship of the Company.

In common with other independent schools, the Governors have invested substantial sums into the Company buildings and have a continuing programme of refurbishment and development to maintain the excellent teaching facilities for our pupils.

The Company's unrestricted funds stood at £3,200,712 at the year end, and these were wholly deployed in funding the Company's Capital Expenditure on the premises and equipment. The Company's restricted funds stood at £74,989 at the year end.

The policy of the Governors of Scarborough College Limited is to aim to retain reserves of £2.2 million or more. This is equivalent to approximately three months' expenditure, by means of annual operating surpluses, subject to the prior demands of further capital and revenue expenditure needed to maintain the high standard of the educational facilities provided at the Company. The Governors also aim that at the end of each academic year, an amount equal to 10% of the cash surplus generated in that year, as reported in the cashflow statement, shall be transferred into a dedicated reserve account. The aim of this reserve is to provide a contingency fund for any future major, unforeseen event and also to provide funding for future developments.

f. Market Value of Land and Buildings

In the opinion of the Governors of the Company, the current market value of the Company's land and buildings was not less than the amount £7,230,675 shown in the balance sheet.

Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Structure, governance and management

a. Governing Document

The Company is governed by its Memorandum and Articles of Association first issued on 4 December 1896, and filed at Companies House most recently on 29 September 2018.

b. Governing Body

The Directors, who are also the Charity Trustees, are responsible for the overall management and control of the College and meet four times a year at various sub committees, and four times a year as the full board. The work of implementing their policies is carried out through several governors' sub committees, The sub committees include a Finance and Management Committee, Education and Welfare Committee, and a Marketing Committee. The Board is a self-appointing body, and directors are elected at a full directors' meeting of the Company. The College Business Manager is responsible for co-ordinating the work of the Governors and their Committees, preparation of papers and management accounts, and the review of matters arising.

c. Governor Recruitment and Training

The Governing body requires breadth and depth of experience to carry out its duties effectively and efficiently. When recruiting new governors, the important attribute is a passion for the work of the College and an understanding of education as a holistic and rounded experience of personal growth. Where possible the governors consider that the skills and experience of the Board should comprise of the following:

- A governor with a legal background.
- A governor with a financial/accounting background.
- A governor with education experience and background.
- A governor with senior managerial or business experience.
- A governor with HR/employment law experience.
- A governor with property/surveying experience.

On appointment, new Governors are inducted into the workings of the Board and their responsibilities as directors, charity trustees and school governors. The Charity has no formal Governor training procedures in place. However, Governors are encouraged to attend training courses and seminars run by AGBIS (The Association of Governing Bodies of Independent Schools). Additionally, governors are encouraged to take a full part in the activities of the College including attendance at concerts and sports events, plus time in the classroom observing lessons.

d. Other Relationships

The Headmaster is a member of the Society of Heads and HMC, attending the society's conferences which are an opportunity to share expertise, knowledge and experience across the independent school sector. The conferences also permit appropriate representation to Government and regulators of the views of the sector. The College is also a member of IAPS and BSA, whilst also holding IB World School status.

The Business Manager is a Board member and Vice Chair of the Independent Schools Bursars Association.

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Structure, governance and management (continued)

e. Organisational Management

The Governors and Trustees meet as a Board at least four times a year (October, December, March and June) to determine the general policy of the Company and review the overall management and control, for which they are legally responsible. The work of implementing most of their policies is carried out by the Senior Management Team. The Finance and Management Committee, chaired by Mr G Young, which meets regularly prior to each meeting of the full Governing Board, and on other occasions when necessary to regulate the administration of the College. The other principal committee is the Education and Welfare Committee, which as its title indicates, focuses on matters relating to education/curriculum and welfare.

The Governors determine the general policy of the College but the day to day running of the College is delegated to the Headmaster, supported by the Senior Management Team. The Headmaster undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with the senior staff. The day to day administration of both the Prep and Senior schools is undertaken within the policies and procedures approved by the Governors which provide for only significant expenditure decisions and major capital projects to be referred to the Governors for prior approval. The approval process is detailed within the Financial Regulations of the College.

The Headmaster oversees the recruitment of all educational staff, whilst, under delegated authority, the Business Manager oversees the recruitment of administrative and non-teaching support staff. The Headmaster, Head of the Prep School and Business Manager attend Governors' meetings.

f. Related party relationships

None of the Governors received remuneration or other benefits from their work with the College. Any contractual relationships must be disclosed, and notes of interest are retained in written form.

One of the governors, Mr R Guthrie, is a Director and person with significant control of Broadland Properties Limited. During the year a sum of £60,000 (2023: £60,000) was paid to Broadland Properties for property rental on an arm's length basis.

Three Governors had children enrolled in the College during the year with fees payable at normal published rates, with discounts and scholarships applied which are available to all parents, totalling £58,784 (2023: £80,100). This does not affect their capability to make independent and fair decisions but, if there is a specific situation where there may be conflicted interests, Governors will remove themselves from meetings.

An element of Bramcote Sports Centre has been leased to Bramcote Athletics on a long lease, with approval by the Charities Commission. Related costs during the year include a recharge of staff costs from Bramcote Athletic Limited to the College of £24,209 and the College recharged total costs of £31,550 to Bramcote Athletic Limited.

g. Key Management Personnel

The Governors consider that they, together with the Headmaster, the Business Manager and the Prep School Headmaster comprise the key management personnel (see note 14 to the accounts). The Governors give up their time freely and the pay and the remuneration of the Headmaster and senior staff is set by the Board and is kept under annual review.

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Structure, governance and management (continued)

h. Pay policy for senior staff

The Company operates banded salary ranges for all staff including senior staff. The banded ranges are benchmarked against those of other independent schools. This allows the Company to remain an attractive employer in the independent school sector.

The bands are reviewed annually and generally an inflationary increase is applied. This is dependent upon the financial success of the Company and increases being offered in similar schools. Progression within the bands is based upon performance for all levels of staff.

i. Risk management

The Governors and the Board of Scarborough College, with assistance from the College Finance and Management Committee, have examined the principal areas of the College's operations and have considered the major areas of strategic, operational, and business risk which the College faces. The Directors actively review the major risks that may arise on a regular basis, as well as the systems and procedures established to manage them, ensuring that those risks already identified can be mitigated. All the identified risks are contained within the College Risk Management Summary.

The Members of the Company guarantee to contribute an amount not exceeding £1 to the assets of the Company in the event of winding up.

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Disclosure of information to auditors

Each of the persons who are Governors at the time when this Governors' report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Armstrong Watson Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

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



[Guy Robinson \(Dec 9, 2024 20:03 GMT\)](#)

.....
Mr G Robinson
Governor

Date: **09/12/2024**

SCARBOROUGH COLLEGE LIMITED

(A company limited by guarantee)

**STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2024**

The Governors are responsible for preparing the Governors' report including the Strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial . Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 presume that the Company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



[Guy Robinson \(Dec 9, 2024 20:03 GMT\)](#)

Mr G Robinson

Governor

Date: **09/12/2024**

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SCARBOROUGH COLLEGE LIMITED

Opinion

We have audited the financial statements of Scarborough College Limited (the 'charitable company') for the year ended 31 August 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SCARBOROUGH COLLEGE LIMITED
(CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' report including the Strategic report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of governors

As explained more fully in the Governors' responsibilities statement, the Governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the charitable company'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 Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SCARBOROUGH COLLEGE LIMITED
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with governors, and other management and review of appropriate industry knowledge;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non compliance throughout the audit.

We assessed the susceptibility of the charitable company financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures as a risk assessment tool to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

SCARBOROUGH COLLEGE LIMITED

(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SCARBOROUGH COLLEGE LIMITED
(CONTINUED)**

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Huw Nicholls (Senior statutory auditor)

for and on behalf of

Armstrong Watson Audit Limited

Chartered Accountants & Statutory Auditors
Leeds

Date: **09/12/2024**

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2024**

| | Note | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Endowment funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|---|------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Income and endowments from: | | | | | | |
| Donations and legacies | 4 | 130,815 | 202,982 | - | 333,797 | 93,608 |
| Charitable activities | 5 | 7,948,275 | 129,071 | - | 8,077,346 | 7,026,612 |
| Other trading activities | 6 | 341,370 | - | - | 341,370 | 415,706 |
| Investments | 7 | 10,178 | - | - | 10,178 | 82 |
| Other income | 8 | 3,350 | - | - | 3,350 | - |
| Total income and endowments | | 8,433,988 | 332,053 | - | 8,766,041 | 7,536,008 |
| Expenditure on: | | | | | | |
| Raising funds | 9 | 565,215 | - | - | 565,215 | 422,680 |
| Charitable activities | 10 | 7,983,215 | 129,045 | - | 8,112,260 | 7,239,039 |
| Other expenditure | 11 | - | - | - | - | 81,713 |
| Total expenditure | | 8,548,430 | 129,045 | - | 8,677,475 | 7,743,432 |
| Net (expenditure)/income | | (114,442) | 203,008 | - | 88,566 | (207,424) |
| Transfer/revaluation | 22 | 202,982 | (202,982) | - | - | 662,849 |
| Net movement in funds before other recognised gains/(losses) | | 88,540 | 26 | - | 88,566 | 455,425 |
| Other recognised gains/(losses): | | | | | | |
| Actuarial gains on defined benefit pension schemes | 29 | (11,091) | - | - | (11,091) | 18,245 |
| Net movement in funds | | 77,449 | 26 | - | 77,475 | 473,670 |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 3,123,263 | 74,963 | 102 | 3,198,328 | 2,724,658 |
| Net movement in funds | | 77,449 | 26 | - | 77,475 | 473,670 |
| Total funds carried forward | | 3,200,712 | 74,989 | 102 | 3,275,803 | 3,198,328 |

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 23 to 49 form part of these financial statements.

SCARBOROUGH COLLEGE LIMITED**(A company limited by guarantee)****REGISTERED NUMBER: 00050404****BALANCE SHEET
AS AT 31 AUGUST 2024**

| | Note | 2024 £ | 2023 £ |
|---|-------------|--------------------|-------------------|
| Fixed assets | | | |
| Intangible assets | 16 | 10,242 | 21,274 |
| Tangible assets | 17 | 9,527,312 | 9,163,712 |
| | | 9,537,554 | 9,184,986 |
| Current assets | | | |
| Debtors | 18 | 4,943,112 | 5,641,596 |
| Cash at bank and in hand | | 2,513,528 | 885,677 |
| | | 7,456,640 | 6,527,273 |
| Creditors: amounts falling due within one year | 19 | (9,854,786) | (9,709,401) |
| Net current liabilities | | (2,398,146) | (3,182,128) |
| Total assets less current liabilities | | 7,139,408 | 6,002,858 |
| Creditors: amounts falling due after more than one year | 20 | (3,578,651) | (2,508,543) |
| Provisions for liabilities | 21 | (284,954) | (295,987) |
| Total net assets | | 3,275,803 | 3,198,328 |

SCARBOROUGH COLLEGE LIMITED

(A company limited by guarantee)

REGISTERED NUMBER: 00050404


BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2024

| | Note | 2024 £ | 2023 £ |
|--------------------------|------|------------------|------------------|
| Charity funds | | | |
| Endowment funds | 22 | 102 | 102 |
| Restricted funds: | | | |
| Peggy Bailey Legacy | 22 | 73,470 | 73,470 |
| Early Years | 22 | 419 | 393 |
| Cricket Pavilion Fund | 22 | 1,100 | 1,100 |
| Total restricted funds | 22 | 74,989 | 74,963 |
| Unrestricted funds | | | |
| Called up share capital | 22 | 5,507 | 5,507 |
| General funds | 22 | 2,517,116 | 2,439,667 |
| Revaluation reserve | 22 | 678,089 | 678,089 |
| Total unrestricted funds | 22 | 3,200,712 | 3,123,263 |
| Total funds | | 3,275,803 | 3,198,328 |

The Governors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

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


[Guy Robinson \(Dec 9, 2024 20:03 GMT\)](#)

.....
Mr G Robinson
Governor

Date: **09/12/2024**

The notes on pages 23 to 49 form part of these financial statements.

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2024

| | Note | 2024 £ | 2023 £ |
|--|------|------------------|------------------|
| Cash flows from operating activities | | | |
| Net cash generated in operating activities | 25 | 2,336,643 | 611,130 |
| Cash flows from investing activities | | | |
| Interest received | | 10,178 | 82 |
| Purchase of intangible assets | | - | (3,495) |
| Purchase of tangible fixed assets | | (798,259) | (792,730) |
| Net cash used in investing activities | | (788,081) | (796,143) |
| Cash flows from financing activities | | | |
| Loan repayments | | (89,216) | (75,123) |
| Capital repayments | | (120) | (120) |
| Interest paid | | (148,245) | (137,020) |
| New loans | | 316,870 | - |
| Net cash provided by/(used in) financing activities | | 79,289 | (212,263) |
| Change in cash and cash equivalents in the year | | 1,627,851 | (397,276) |
| Cash and cash equivalents at the beginning of the year | | 885,677 | 1,282,953 |
| Cash and cash equivalents at the end of the year | 26 | 2,513,528 | 885,677 |

The notes on pages 23 to 49 form part of these financial statements

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. General information

Scarborough College Limited ("the Company") is a private limited company incorporated in England. The address of the Company's registered office and principal place of business is Scarborough College, Filey Road, Scarborough, North Yorkshire, YO11 3BA.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'the Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The Company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Governors are satisfied that the going concern basis is appropriate for the preparation of the financial statements due to the net asset position of the Charity and the availability of sufficient cash reserves to meet liabilities as they fall due. The Governors are confident that reserves will remain sufficient to meet the Charity's needs into the 2024-25 financial year.

In reaching their conclusion, the Governors have considered cash flows covering a period of 12 months from the date of sign off, including any funding to support the organisation. They have also considered future strategic and operational objectives for the ensuing 12 months and have considered and applied sensitivity analysis on the forecasts as appropriate.

As a consequence, the Governors believe that the charity is well placed to manage its financial risks successfully despite the current challenging and unpredictable economic outlook. The Governors have a reasonable expectation that the charity has adequate reserves to continue in operational existence for the foreseeable future and for a period of at least 12 months from the date of signing of these financial statements. Accordingly, the Governors continue to adopt the going concern basis in preparing the accounts.

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.3 Income

Fees receivable, and charges for services and use of the premises, are accounted for in the academic year in which the service is provided. Fees receivable are after deduction of bursaries and allowances. Where fees are received in advance they are deferred until the criteria for income recognition are met. Donations and other income are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Legacies

Entitlement is when income is probable and measurable. A legacy receipt is normally probable when there has been a grant of probate, executors have established that there are sufficient assets, and any conditions attached to the legacy are in control of or met by the charity. A legacy is measurable when it can be measured or estimated with sufficient reliability.

Grants receivable

Grant income is recognised once both the income recognition criteria and terms and conditions attached to the grant are met. Grants receivable as compensation for expenses or losses already incurred, or for the purpose of receiving immediate financial support are recognised in other operating income in the period in which they become receivable.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

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

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities that further the Company's objectives, as well as any associated support costs.

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.4 Expenditure (continued)

All expenditure is inclusive of irrecoverable VAT.

Allocation of Support Costs

Support costs are those functions that assist the work of the Company but do not directly undertake charitable activity. Support costs include the costs of office salaries and governance costs which support the Company in the provision of education. The bases on which support costs have been allocated are set out in note 12.

2.5 Research and development

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

Deferred research and development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related research and development is written off to the Statement of Financial Activities.

2.6 Intangible assets and amortisation

Intangible assets comprise of a marketing film and website development costs, both of which are being amortised over their useful estimated lives of five years. Website development costs are capitalised on the basis that they meet the recognition criteria of an asset, namely that future economic benefits will flow to the entity.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life within expenditure on charitable activities heading within the Statement of Financial Activities.

The estimated useful lives are as follows:

| | | |
|---------------------------|---|---------|
| Marketing film | - | 5 years |
| Website Development Costs | - | 5 years |

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation (continued)

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

Depreciation is provided on the following bases:

| | | |
|-------------------------------|---|--|
| Freehold property | - | Valuation model |
| Short-term leasehold property | - | Over the term of the lease |
| Fixtures and fittings | - | 2%, 5%, 10%, 20% and 33% straight line |
| Equipment | - | 5% straight line |

Each financial year the Governors review the treatment of each class of asset during that year.

The valuation model is used to determine the appropriate net book value of freehold property in the accounts, with the Governors determining if there are any factors that indicate a requirement for impairment each year.

There is no specific capitalisation threshold for tangible fixed assets. Impairment reviews are undertaken annually for freehold land and buildings and for other assets when there is indication an asset may be impaired.

2.8 Debtors

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

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.11 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.12 Finance leases and hire purchase

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

2.13 Pensions

The Company participates and where necessary contributes into the Independent Schools' Pension defined benefit schemes at rates set by the schemes' actuaries. The scheme is a multi-employer pension scheme, as a result of which it is neither possible nor appropriate to identify the assets and liabilities of the scheme which are attributable to the Company. Contributions are charged in the financial statements in the period when they fall due. When the scheme is in deficit and where the Company has agreed to a deficit funding arrangement, the Company recognises a liability for this obligation.

The Company operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 30 September 2020.

2.14 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

Endowment funds are a prize giving fund, and represents monies held for the endowment of a prize.

SCARBOROUGH COLLEGE LIMITED

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

3. Critical accounting estimates and areas of judgment

The preparation of these financial statements require management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

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

Critical accounting estimates and assumptions:

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

Bad Debt Provision

The Charity makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience. See note 18 for the net carrying amount of the debtors and associated impairment provision if applicable.

Provision against liabilities

Provisions are recognised when there is a present obligation as a result of a past event, where transfer of economic benefits is probable to settle the obligation and this can be reliably measured. The entity makes use of available relevant legal expertise to establish whether quantum can be reliably measured in such cases. Based on this information, the Company makes a provision based on the best estimate of the amount potentially required to settle the obligation including costs, taking into account the time value of money where material.

The Governors do not consider that any other judgements, estimates and assumptions used in the preparation of these financial statements have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Pension Liability

The Company has an obligation to pay benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the Statement of Financial Position. The assumptions reflect historical experience and current trends. See note 29 for the disclosures relating to the pension scheme.

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

4. Income from donations and legacies

| | Unrestricted funds 2024 £ | Restricted fixed asset funds 2024 £ | Total funds 2024 £ |
|-----------|--|--|---------------------------------------|
| Donations | 130,815 | 202,982 | 333,797 |
| | Unrestricted funds 2023 £ | Restricted fixed asset funds 2023 £ | Total funds 2023 £ |
| Donations | 93,608 | - | 93,608 |

5. Income from charitable activities

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ |
|--|--|--|---------------------------------------|
| Fees generated from the provision of education | 7,948,275 | 129,071 | 8,077,346 |
| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ |
| Fees generated from the provision of education | 6,879,494 | 147,118 | 7,026,612 |

The income from school fees was £8,077,346 (2023: £7,026,612) of which of £7,948,275 (2023: £6,879,494) was unrestricted and £129,071 (2023: £147,118) was restricted. Included within restricted funds is early years funding to fund early years education of pupils aged between 3 and 5 years old.

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

6. Income from other trading activities

Income from non charitable trading activities

| | Unrestricted funds 2024 £ | Total funds 2024 £ |
|----------------------------------|--|---------------------------------------|
| Other trading income | 61,847 | 61,847 |
| School holiday and hiring income | 25,005 | 25,005 |
| Special educational needs income | 89,398 | 89,398 |
| Bus income | 165,120 | 165,120 |
| | 341,370 | 341,370 |
| | 341,370 | 341,370 |
| | Unrestricted funds 2023 £ | Total funds 2023 £ |
| Other trading income | 106,984 | 106,984 |
| School holiday and hiring income | 21,365 | 21,365 |
| Special educational needs income | 141,434 | 141,434 |
| Bus income | 145,923 | 145,923 |
| | 415,706 | 415,706 |
| | 415,706 | 415,706 |

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

7. Investment income

| | Unrestricted funds 2024 £ | Total funds 2024 £ |
|--------------------------|--|---------------------------------------|
| Deposit account interest | 10,178 | 10,178 |

| | Unrestricted funds 2023 £ | Total funds 2023 £ |
|--------------------------|--|---------------------------------------|
| Deposit account interest | 82 | 82 |

8. Other incoming resources

| | Unrestricted funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|---------------------|--|---------------------------------------|---------------------------------------|
| Insurance claims | 2,214 | 2,214 | - |
| Bad debts recovered | 1,136 | 1,136 | - |
| Total 2024 | 3,350 | 3,350 | - |

9. Expenditure on raising funds

Fundraising trading expenses

| | Unrestricted funds 2024 £ | Total funds 2024 £ |
|----------------------|--|---------------------------------------|
| Loan interest | 148,245 | 148,245 |
| Bank charges | 27,996 | 27,996 |
| Agent commission | 385,218 | 385,218 |
| Debt collection fees | 3,756 | 3,756 |
| | 565,215 | 565,215 |

SCARBOROUGH COLLEGE LIMITED

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

9. Expenditure on raising funds (continued)

Fundraising trading expenses (continued)

| | Unrestricted funds 2023 £ | Total funds 2023 £ |
|----------------------|------------------------------------|-----------------------------|
| Loan interest | 137,020 | 137,020 |
| Bank charges | 21,805 | 21,805 |
| Bad debts | 22,049 | 22,049 |
| Agent commission | 236,610 | 236,610 |
| Debt collection fees | 5,196 | 5,196 |
| | <u>422,680</u> | <u>422,680</u> |

10. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total 2024 £ |
|------------------------|--|--|-----------------------------|
| Provision of education | <u>7,983,215</u> | <u>129,045</u> | <u>8,112,260</u> |

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ |
|------------------------|------------------------------------|----------------------------------|--------------------|
| Provision of Education | <u>7,092,010</u> | <u>147,029</u> | <u>7,239,039</u> |

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

11. Other expenditure

| | | Total funds 2024 £ |
|----------------------|--|---------------------------------------|
| Historic legal claim | | - |
| | | <u> </u> |
| | Unrestricted funds 2023 £ | Total funds 2023 £ |
| Historic legal claim | 81,713 | 81,713 |
| | <u> </u> | <u> </u> |

12. Analysis of expenditure by activities

| | Activities undertaken directly 2024 £ | Support costs 2024 £ | Total funds 2024 £ |
|------------------------|--|---|---------------------------------------|
| Provision of education | 6,821,015 | 1,291,245 | 8,112,260 |
| | <u> </u> | <u> </u> | <u> </u> |
| | Activities undertaken directly 2023 £ | Support costs 2023 £ | Total funds 2023 £ |
| Provision of education | 6,099,001 | 1,140,038 | 7,239,039 |
| | <u> </u> | <u> </u> | <u> </u> |

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

12. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Total funds 2024 £ | Total funds 2023 £ |
|--|---------------------------------------|---------------------------------------|
| Staff costs | 628,557 | 506,636 |
| Depreciation | 13,992 | 13,863 |
| Staff superannuation | 29,548 | 21,207 |
| Auditors remuneration for non audit work | 2,500 | 2,000 |
| Telephone | 33,854 | 44,017 |
| Auditor remuneration | 18,240 | 12,600 |
| Postage | 99,957 | 90,056 |
| Vehicles | 151,266 | 120,054 |
| Advertising | 209,422 | 172,051 |
| HR Services | 24,429 | 24,429 |
| Governors indemnity insurance | 3,594 | 3,423 |
| Amortisation | 11,031 | 10,915 |
| Legal and professional fees | 64,855 | 118,787 |
| | 1,291,245 | 1,140,038 |
| | 1,291,245 | 1,140,038 |

13. Auditors' remuneration

| | 2024 £ | 2023 £ |
|---|-------------------|-------------------|
| Fees payable to the Company's auditor for the audit of the Company's annual accounts | 18,240 | 12,600 |
| Fees payable to the Company's auditor in respect of: All non-audit services not included above | 2,500 | 2,000 |
| | 2,500 | 2,000 |
| | 2,500 | 2,000 |

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

14. Staff costs

| | 2024 | 2023 |
|--|-------------------------|------------------|
| | £ | £ |
| Wages and salaries | 4,204,518 | 3,686,395 |
| Social security costs | 384,934 | 345,471 |
| Operating costs of defined benefit pension schemes | 453,282 | 403,767 |
| | <u>5,042,734</u> | <u>4,435,633</u> |

Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The key management personnel of the Company comprise the Governors, the Headmaster, the Headmaster of the Prep School and the Business Manager. The total employee benefits, including employer pension contributions, of the key management personnel of the Company were £469,152 (2023: £293,280).

The average number of persons employed by the Company during the year was as follows:

| | 2024 | 2023 |
|-----------------------------|-------------------|------------|
| | No. | No. |
| Tuition | 89 | 80 |
| Administration and services | 57 | 59 |
| | <u>146</u> | <u>139</u> |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

| | 2024 | 2023 |
|---------------------------------|-------------|------|
| | No. | No. |
| In the band £60,001 - £70,000 | 3 | 2 |
| In the band £70,001 - £80,000 | 1 | 1 |
| In the band £80,001 - £90,000 | 1 | - |
| In the band £120,001 - £130,000 | - | 1 |
| In the band £130,001 - £150,000 | 1 | - |

15. Governors' remuneration and expenses

During the year, no Governors received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 August 2024, no Governor expenses have been incurred (2023 - £NIL).

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

16. Intangible assets

| | Marketing Film £ | Website Development Costs £ | Total £ |
|-----------------------|---------------------------------|--|--------------------|
| Cost | | | |
| At 1 September 2023 | 50,179 | 24,635 | 74,814 |
| At 31 August 2024 | <u>50,179</u> | <u>24,635</u> | <u>74,814</u> |
| Amortisation | | | |
| At 1 September 2023 | 34,653 | 18,887 | 53,540 |
| Charge for the year | 6,104 | 4,927 | 11,031 |
| At 31 August 2024 | <u>40,758</u> | <u>23,814</u> | <u>64,572</u> |
| Net book value | | | |
| At 31 August 2024 | <u>9,421</u> | <u>821</u> | <u>10,242</u> |
| At 31 August 2023 | <u>15,526</u> | <u>5,748</u> | <u>21,274</u> |

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

17. Tangible fixed assets

| | Freehold property £ | Long-term leasehold property £ | Fixtures and fittings £ | Office equipment £ | Total £ |
|---------------------------|---------------------------|---|-------------------------------|--------------------------|-------------------|
| Cost or valuation | | | | | |
| At 1 September 2023 | 7,010,000 | 88,461 | 5,537,521 | 111,184 | 12,747,166 |
| Additions | 6,238 | - | 512,723 | 279,298 | 798,259 |
| Disposals | - | - | (1,969) | - | (1,969) |
| Transfers between classes | 214,437 | - | - | (214,437) | - |
| At 31 August 2024 | <u>7,230,675</u> | <u>88,461</u> | <u>6,048,275</u> | <u>176,045</u> | <u>13,543,456</u> |
| Depreciation | | | | | |
| At 1 September 2023 | - | 27,785 | 3,555,669 | - | 3,583,454 |
| Charge for the year | - | 6,226 | 426,464 | - | 432,690 |
| At 31 August 2024 | <u>-</u> | <u>34,011</u> | <u>3,982,133</u> | <u>-</u> | <u>4,016,144</u> |
| Net book value | | | | | |
| At 31 August 2024 | <u>7,230,675</u> | <u>54,450</u> | <u>2,066,142</u> | <u>176,045</u> | <u>9,527,312</u> |
| At 31 August 2023 | <u>7,010,000</u> | <u>60,676</u> | <u>1,981,852</u> | <u>111,184</u> | <u>9,163,712</u> |

18. Debtors

| | 2024 £ | 2023 £ |
|-------------------------------------|------------------|------------------|
| Due after more than one year | | |
| Trade debtors | 66,707 | 59,404 |
| | <u>66,707</u> | <u>59,404</u> |
| Due within one year | | |
| Trade debtors | 4,603,627 | 5,325,985 |
| Other debtors | 67,300 | 62,526 |
| Prepayments and accrued income | 205,478 | 193,681 |
| | <u>4,943,112</u> | <u>5,641,596</u> |

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

19. Creditors: Amounts falling due within one year

| | 2024 | 2023 |
|---|-------------------------|------------------|
| | £ | £ |
| Bank loans | 149,823 | 76,203 |
| Trade creditors | 412,859 | 418,758 |
| Other taxation and social security | 93,086 | 82,020 |
| Obligations under finance lease and hire purchase contracts | 120 | 120 |
| Other creditors | 822,022 | 1,077,452 |
| Accruals and deferred income | 8,376,876 | 8,054,848 |
| | <u>9,854,786</u> | <u>9,709,401</u> |

Deferred income comprises school fees paid in advance for the next school year. The balance included within creditors relates to amounts deferred during the reporting period of £8,330,406 (2023: £8,023,905), with amounts being released to the Statement of Financial Activities of £8,023,905 (2023: £6,799,292).

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

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

| | 2024 £ | 2023 £ |
|---|-----------|-----------|
| Bank loans | 2,661,016 | 2,506,983 |
| Net obligations under finance lease and hire purchase contracts | 1,440 | 1,560 |
| Accruals and deferred income | 916,195 | - |
| | 3,578,651 | 2,508,543 |

Bank borrowings at the year end total £2,810,839. The original bank loan is repayable in 300 consecutive monthly instalments representing principal and interest, which commenced in May 2016. The rate of interest payable on the loan is Base Rate plus 4.2% per annum. The loan matures in 2041. Further loan advances were obtained for the re-development of Weaponness House, which are repayable in 288 consecutive monthly instalments representing principal and interest and repayments commenced in April 2019. The rate of the interest payable on this loan is fixed at 4.52% per annum and it matures in 2043.

Deferred income comprises school fees paid in advance for school years after 2024/25.

Included within the above are amounts falling due as follows:

| | 2024 £ | 2023 £ |
|-----------------------------------|-----------|-----------|
| Between one and two years | | |
| Bank loans | 159,726 | 81,675 |
| | 159,726 | 81,675 |
| Between two and five years | | |
| Bank loans | 413,941 | 246,186 |
| | 413,941 | 246,186 |
| Over five years | | |
| Bank loans | 2,087,349 | 2,179,122 |
| | 2,087,349 | 2,179,122 |

21. Provisions

| | Pension provision £ |
|---------------------|---------------------------|
| At 1 September 2023 | 295,987 |
| Amounts used | (11,033) |
| | 284,954 |

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

22. Statement of funds

Statement of funds - current year

| | Balance at 1 September 2023 £ | Income £ | Expenditure £ | Transfer £ | Gains/ (Losses) £ | Balance at 31 August 2024 £ |
|-------------------------------------|--|------------------|--------------------|----------------|-------------------------|--------------------------------------|
| Unrestricted funds | | | | | | |
| Called up share capital | | | | | | |
| Called up share capital | 5,507 | - | - | - | - | 5,507 |
| General funds | | | | | | |
| General Funds - all funds | 2,439,667 | 8,433,988 | (8,548,430) | 202,982 | (11,091) | 2,517,116 |
| Revaluation reserve | 678,089 | - | - | - | - | 678,089 |
| | <u>3,117,756</u> | <u>8,433,988</u> | <u>(8,548,430)</u> | <u>202,982</u> | <u>(11,091)</u> | <u>3,195,205</u> |
| Total Unrestricted funds | <u>3,123,263</u> | <u>8,433,988</u> | <u>(8,548,430)</u> | <u>202,982</u> | <u>(11,091)</u> | <u>3,200,712</u> |
| Endowment funds | | | | | | |
| Endowment Funds - all funds | 102 | - | - | - | - | 102 |
| Restricted funds | | | | | | |
| Peggy Bailey Legacy | 73,470 | - | - | - | - | 73,470 |
| Early Years | 393 | 129,071 | (129,045) | - | - | 419 |
| Cricket Pavillion Fund | 1,100 | - | - | - | - | 1,100 |
| | <u>74,963</u> | <u>129,071</u> | <u>(129,045)</u> | <u>-</u> | <u>-</u> | <u>74,989</u> |
| Restricted fixed asset funds | | | | | | |
| Cafe extension | - | 202,982 | - | (202,982) | - | - |

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

22. Statement of funds (continued)

Statement of funds - current year (continued)

| | Balance at 1 September 2023 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2024 £ |
|-------------------------------|--|------------------|--------------------|--------------------------|-------------------------|--------------------------------------|
| Total Restricted funds | 74,963 | 332,053 | (129,045) | (202,982) | - | 74,989 |
| Total of funds | 3,198,328 | 8,766,041 | (8,677,475) | - | (11,091) | 3,275,803 |

The endowment fund is a prize giving fund, and represents monies held for the endowment of a prize.

The Peggy Bailey Legacy fund represents monies donated to the Company restricted to the endowment of an award, prize or scholarship for students.

The Early Years fund represents Government funding received for the education of pupils aged 3 to 5 years.

The Cricket Pavilion Fund represents monies donated to the Company towards the cost of rebuilding a new pavilion within the grounds of the Company, following a fire which completely destroyed the previous building.

The Cafe extension fund relates to a donation received from Holroyd Howe in order to fund the extension of the school cafe. Holroyd Howe is a supplier and the donation was paid as part of a contract renewal, on the guarantee that the Company would use it on a catering related spend. Since the money has all been spent, and there are no conditions for the future use of the property, this has been transferred to the unrestricted fund.

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

22. Statement of funds (continued)

Statement of funds - prior year

| | Balance at 1 September 2022 £ | Income £ | Expenditure £ | Revaluation £ | Gains/ (Losses) £ | Balance at 31 August 2023 £ |
|---------------------------------|--|-------------------------|---------------------------|-----------------------|-------------------------|--------------------------------------|
| Unrestricted funds | | | | | | |
| Called up share capital | | | | | | |
| Called up share capital | 5,507 | - | - | - | - | 5,507 |
| General funds | | | | | | |
| General Funds - all funds | 2,628,935 | 7,388,890 | (7,596,403) | - | 18,245 | 2,439,667 |
| Revaluation reserve | 15,240 | - | - | 662,849 | - | 678,089 |
| | <u>2,644,175</u> | <u>7,388,890</u> | <u>(7,596,403)</u> | <u>662,849</u> | <u>18,245</u> | <u>3,117,756</u> |
| Total Unrestricted funds | <u>2,649,682</u> | <u>7,388,890</u> | <u>(7,596,403)</u> | <u>662,849</u> | <u>18,245</u> | <u>3,123,263</u> |
| Endowment funds | | | | | | |
| Endowment Funds - all funds | 102 | - | - | - | - | 102 |
| Restricted funds | | | | | | |
| Peggy Bailey Legacy | 73,470 | - | - | - | - | 73,470 |
| Early Years | 304 | 147,118 | (147,029) | - | - | 393 |
| Cricket Pavillion Fund | 1,100 | - | - | - | - | 1,100 |
| | <u>74,874</u> | <u>147,118</u> | <u>(147,029)</u> | <u>-</u> | <u>-</u> | <u>74,963</u> |
| Total of funds | <u><u>2,724,658</u></u> | <u><u>7,536,008</u></u> | <u><u>(7,743,432)</u></u> | <u><u>662,849</u></u> | <u><u>18,245</u></u> | <u><u>3,198,328</u></u> |

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

23. Summary of funds

Summary of funds - current year

| | Balance at 1 September 2023 £ | Income £ | Expenditure £ | Transfer £ | Gains/ (Losses) £ | Balance at 31 August 2024 £ |
|------------------------------|--|------------------|--------------------|---------------|-------------------------|--------------------------------------|
| Designated funds | 5,507 | - | - | - | - | 5,507 |
| General funds | 3,117,756 | 8,433,988 | (8,548,430) | 202,982 | (11,091) | 3,195,205 |
| Endowment funds | 102 | - | - | - | - | 102 |
| Restricted funds | 74,963 | 129,071 | (129,045) | - | - | 74,989 |
| Restricted fixed asset funds | - | 202,982 | - | (202,982) | - | - |
| | <u>3,198,328</u> | <u>8,766,041</u> | <u>(8,677,475)</u> | <u>-</u> | <u>(11,091)</u> | <u>3,275,803</u> |

Summary of funds - prior year

| | Balance at 1 September 2022 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2023 £ |
|------------------|--|------------------|--------------------|--------------------------|-------------------------|--------------------------------------|
| Designated funds | 5,507 | - | - | - | - | 5,507 |
| General funds | 2,644,175 | 7,388,890 | (7,596,403) | 662,849 | 18,245 | 3,117,756 |
| Endowment funds | 102 | - | - | - | - | 102 |
| Restricted funds | 74,874 | 147,118 | (147,029) | - | - | 74,963 |
| | <u>2,724,658</u> | <u>7,536,008</u> | <u>(7,743,432)</u> | <u>662,849</u> | <u>18,245</u> | <u>3,198,328</u> |

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

24. Analysis of net assets between funds

Analysis of net assets between funds - current period

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Endowment funds 2024 £ | Total funds 2024 £ |
|--|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Tangible fixed assets | 9,527,312 | - | - | 9,527,312 |
| Intangible fixed assets | 10,242 | - | - | 10,242 |
| Debtors due after more than one year | 66,707 | - | - | 66,707 |
| Current assets | 7,314,842 | 74,989 | 102 | 7,389,933 |
| Creditors due within one year | (9,854,786) | - | - | (9,854,786) |
| Creditors due in more than one year | (3,578,651) | - | - | (3,578,651) |
| Provisions for liabilities and charges | (284,954) | - | - | (284,954) |
| Total | 3,200,712 | 74,989 | 102 | 3,275,803 |

Analysis of net assets between funds - prior period

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Endowment funds 2023 £ | Total funds 2023 £ |
|--|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Tangible fixed assets | 9,163,712 | - | - | 9,163,712 |
| Intangible fixed assets | 21,274 | - | - | 21,274 |
| Debtors due after more than one year | 59,404 | - | - | 59,404 |
| Current assets | 6,392,804 | 74,963 | 102 | 6,467,869 |
| Creditors due within one year | (9,709,401) | - | - | (9,709,401) |
| Creditors due in more than one year | (2,508,543) | - | - | (2,508,543) |
| Provisions for liabilities and charges | (295,987) | - | - | (295,987) |
| Total | 3,123,263 | 74,963 | 102 | 3,198,328 |

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

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

| | 2024 £ | 2023 £ |
|--|------------------|-----------|
| Net income/expenditure for the period (as per Statement of Financial Activities) | 88,566 | (207,424) |
| Adjustments for: | | |
| Depreciation/amortisation charges | 443,721 | 297,820 |
| Interest received | (10,178) | (82) |
| Interest paid | 148,245 | 137,020 |
| Increase in debtors | 698,485 | (567,451) |
| Increase in creditors | 987,959 | 1,148,669 |
| Increase/ (decrease) in provision | (11,033) | (131,364) |
| Donated fixed assets | - | (85,258) |
| Loss on disposal of fixed asset | 1,969 | 955 |
| Defined benefit pension scheme remeasurement | (11,091) | 18,245 |
| Net cash generated by operating activities | 2,336,643 | 611,130 |

26. Analysis of cash and cash equivalents

| | 2024 £ | 2023 £ |
|--|------------------|-----------|
| Cash in hand | 2,513,528 | 885,677 |
| Total cash and cash equivalents | 2,513,528 | 885,677 |

27. Analysis of changes in net debt

| | At 1 September 2023 £ | Cash flows £ | At 31 August 2024 £ |
|--------------------------|--------------------------------|------------------|---------------------------|
| Cash at bank and in hand | 885,677 | 1,627,851 | 2,513,528 |
| Debt due within 1 year | (76,203) | (73,621) | (149,824) |
| Debt due after 1 year | (2,506,983) | (154,033) | (2,661,016) |
| Finance leases | (1,680) | 120 | (1,560) |
| | (1,699,189) | 1,400,317 | (298,872) |

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

28. Called up share capital

There are 5,507 Ordinary shares of £1 each which have been allotted, called up and fully paid (2023 same).

Shares carry equal voting rights and each class of share also ranks equally in regard to distributions, including distributions arising from a winding up of the Company.

29. Pension commitments

The Company, together with many other independent schools, operates a contributory plan providing defined benefits based on final pensionable pay for its employees. The assets of the plans are held separately from those of the Company. They also operate three defined contribution schemes.

Contributions to three schemes during the year were based on the following percentages of salary:-

| | Employer | Employee | Total |
|-------------------------------------|-----------------|-----------------|---------------|
| Independent Schools' Pension Scheme | 8% | 8% | 16% |
| Aviva Pension Scheme | 16.4% | 7.4% - 11.7% | 23.8% - 28.1% |
| People's Pension. | 3% | 5% | 8% |

The defined benefit pension scheme is a multi-employer pension scheme. As a result of which it is neither possible nor appropriate to identify the assets and liabilities of the schemes which are attributable to the Company. Accordingly the Company has accounted for its contributions as if they were defined contribution schemes.

Independent Schools' Pension Scheme

The Company participates in the scheme, which is a multi- employer scheme, and provides benefits to some 66 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the Company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the Company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 22 December 2021 and showed assets of £201.1m, liabilities of £256.3m and a deficit of £55.2m. To eliminate this funding shortfall, the Governors and the participating employers have agreed that additional contributions will be paid, in combination from all employers to the scheme as follows:

Deficit Contributions

From 1 September 2022 to 30 April 2032: £2,687,000 per annum
(payable monthly and increasing by 3% on each
1st September)

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2020. This valuation showed assets of £149.4m, liabilities of £187.6m and a deficit of £38.2m. To eliminate this

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

29. Pension commitments (continued)

funding shortfall, the Pension Scheme Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit Contributions

From 1 September 2019 to 31 April 2030: £2,387,357 per annum
(payable monthly and increasing by 3% on each
1st September)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Where the scheme is in deficit and where the Company has agreed to a deficit funding arrangement, the Company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

| | 2024 £ | 2023 £ |
|--|----------------|----------------|
| Reconciliation of Opening and Closing Provisions | | |
| Provision at start of period | 295,987 | 337,511 |
| Unwinding of the discount factor (interest expense) | 15,954 | 13,690 |
| Deficit contribution paid | (38,078) | (36,969) |
| Remeasurements - impact of any change in assumptions | 11,091 | (18,245) |
| Provision at end of period | 284,954 | 295,987 |
| | 2024 | 2023 |
| | £ | £ |
| Income and Expenditure Impact | | |
| Interest expense | 15,954 | 13,690 |
| Remeasurements - amendments to the contribution schedule | 11,091 | (18,245) |
| | 27,045 | (4,555) |
| | 2024 | 2023 |
| | £ | £ |

Assumptions

The discount rates shown below are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

| | 31 August 2024 | 31 August 2023 | 31 August 2022 |
|-----------------------------|----------------|----------------|----------------|
| Discount rate (% per annum) | 4.68 | 5.79 | 4.31 |

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

30. Operating lease commitments

At 31 August 2024 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2024 | 2023 |
|---|------------------|---------|
| | £ | £ |
| Non-cancellable operating leases | | |
| Within one year | 321,619 | 125,262 |
| Between one and five years | 542,523 | 384,166 |
| In more than five years | 249,154 | 328,979 |
| | 1,113,296 | 838,407 |
| | 1,113,296 | 838,407 |

31. Finance lease commitments

Minimum lease payments under hire purchase fall due as follows:

| | 2024 | 2023 |
|----------------------------|--------------|-------|
| | £ | £ |
| Within one year | 120 | 120 |
| Between one and five years | 480 | 480 |
| In more than five years | 960 | 1,080 |
| | 1,560 | 1,680 |
| | 1,560 | 1,680 |

32. Post balance sheet events

After the balance sheet date, the Company purchased a new boarding house, White Lodge. The purchase was completed in November 2024 for consideration of £775,000. The Company was not legally committed to the purchase at the balance sheet date.

SCARBOROUGH COLLEGE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

33. Related party transactions

During the year the Company leased a property, on an arm's length basis from Broadland Properties Limited, for £60,000 (2023: £60,000). Mr R Guthrie (a director of Scarborough College Limited), is a Director and person with significant control of Broadland Properties Limited.

Three Governors had children enrolled in the Company during the year with fees payable at normal published rates, with discounts and scholarships applied which are available to all parents, totalling £58,784 (2023: £80,100).

An element of Bramcote Sports Centre has been leased to Bramcote Athletics on a long lease, with approval by the Charities Commission. Related costs during the year include a recharge of staff costs from Bramcote Athletic Ltd to the College of £24,209 and the College recharged total costs of £31,550 to Bramcote Athletic Ltd.

The athletics track at the Company's Bramcote site is held as an asset of the company. This asset is leased long term to Bramcote Athletic Ltd of which Richard Guthrie, a Governor of Scarborough College, is a Director of this company.