

HARLAXTON COLLEGE

England & Wales · Charity number 1129054

Details

Status Registered

Legal form Charitable company

Company number [06825976](#)

Registered 2009-04-07

Register [View on the Charity Commission register](#)

Contact

Address Harlaxton College
Harlaxton Manor
Harlaxton
Grantham
NG32 1AG

Phone 01476403000

Email enquiries@harlaxton.ac.uk

Website <http://www.harlaxton.ac.uk>

Activities

Objects: THE ADVANCEMENT OF EDUCATION FOR THE PUBLIC BENEFIT, IN PARTICULAR THROUGH THE PROVISION OF EDUCATIONAL PROGRAMMES AND OTHER FACILITIES IN ENGLAND, TO STUDENTS OF THE UNIVERSITY OF EVANSVILLE OR ANY OTHER EDUCATIONAL INSTITUTION RECOMMENDED BY THE UNIVERSITY OF EVANSVILLE; TO PROMOTE FOR THE PUBLIC BENEFIT THE RESTORATION, CONSERVATION, PROTECTION AND IMPROVEMENT OF THE PHYSICAL AND NATURAL ENVIRONMENT (INCLUDING THE BIOLOGICAL DIVERSITY THEREOF) OF THE PARKLAND, GARDENS AND HISTORIC BUILDINGS OF HARLAXTON MANOR, HARLAXTON, GRANTHAM, LINCOLNSHIRE.

Activities: The principal activity of the College is the provision of education facilities in the UK to students of the University of Evansville and the other partner US colleges and universities. The College holds educational classes, seminars, college seminar programmes, provides accommodation, welfare and library facilities and organises a wide range of social, cultural and sporting events.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, Environment/conservation/heritage
- **Who:** Children/young People, The General Public/mankind

Geography

- **Area of benefit:** LINCOLNSHIRE
- Lincolnshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-04-30	£3,580,380	£3,879,480	£2,067,300	39
2024-04-30	£4,003,011	£3,907,279	£2,366,400	47
2023-04-30	£3,782,632	£3,736,227	£2,270,668	53
2022-04-30	£2,178,338	£2,629,506	£2,224,263	43
2021-04-30	£416,985	£1,730,686	-	-

Trustees

Name	Role	Appointed
Bruce Lee Roberts		2024-09-24
DR Christopher M Pietruszkiewicz		2018-07-01
Henrietta Joscelyne Chubb		2017-01-23

HARLAXTON COLLEGE

England & Wales - Charity number 1129054

Accounts

Registered number: 06825976
Charity number: 1129054

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the College, its Trustees and Advisers	1
Trustees' Report	2 - 14
Independent Auditor's Report on the Financial Statements	15 - 19
Consolidated Statement of Financial Activities	20
Consolidated Balance Sheet	21 - 22
College Balance Sheet	23 - 24
Consolidated Statement of Cash Flows	25
Notes to the Financial Statements	26 - 49

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COLLEGE, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 APRIL 2025

Trustees	R Brownlow (resigned 1 May 2025) H Chubb C Pietruszkiewicz University of Evansville (resigned 16 September 2024) B Roberts (appointed 24 September 2024)
Company registered number	06825976
Charity registered number	1129054
Registered office	Harlaxton Manor Harlaxton Grantham Lincolnshire NG32 1AG
Executive Director and Dean of Harlaxton College	Dr H Carter
Company Secretary	N Burridge
Independent auditor	Streets Audit LLP Chartered Accountants & Statutory Auditor Enterprise House 38 Commerce Road Lynchwood Peterborough Cams PE2 6LR
Bankers	Barclays Bank Plc 33-35 High Street Grantham Lincolnshire NG31 6PH

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 APRIL 2025

The Trustees present their annual report together with the audited financial statements of the College for the year from 1 May 2024 to 30 April 2025. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees 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).

Structure, Governance and Management

a. Governing Document

Harlaxton College ("the College") was formed to provide educational facilities in the United Kingdom to students from the University of Evansville which is based in the United States of America. It is a charitable company established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. The University of Evansville is the sole member of the charitable company.

b. Governing Bodies

The College governing body consists of three Trustees who, through the Executive Director and Dean of Harlaxton College (Executive Director), and the Management Team, supervise the College's day to day activities.

c. Recruitment and Training of Trustees

The Charity's Trustees are appointed by the Board of Trustees of the University of Evansville. The Charity's Trustees will include the serving President of the University of Evansville and other trustees appointed upon recommendation by the Executive Director of Harlaxton College who will determine eligibility based upon personal competence, specialist skills, local availability and sympathy with the mission and aims of the College. Potential Trustees are highly likely to be existing members of the College's Advisory Council, a voluntary group who advise the Executive Director and Management Team on various matters in which they have expertise.

Advisory Councils comprised of Community Engagement; Estates & Enterprise; Student Experience.

New Trustees, having been members of the College's Advisory Council, will be familiar with the normal workings of the College. They are inducted into the governance of the College, including financial policy and procedures, by the Executive Director and College Accountant.

The College has made qualifying third-party indemnity provisions for the benefit of the Trustees during the year. These provisions remain in force at the reporting date.

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2025

Structure, Governance and Management (continued)

d. Organisational Management

The Trustees of the College, as the charity Trustees, are legally responsible for the overall management and control of the College and meet at least three times a year. They delegate the day to day running of the College to the Executive Director who is supported in the organisation and control of its activities by a number of senior managers operating in respect of both academic and business related disciplines. The Executive Director reports to both the Trustees and the Executive Vice-President for Academic Affairs at the University of Evansville in the USA.

The Executive Director, Management Team and Trustees are assisted by the Advisory Council, a voluntary organisation that includes three active sub-committees: Community Engagement, Estates & Enterprise and Student Experience.

All Trustees give of their time freely and no remuneration or expenses were paid in the year. No Trustee or person connected with a trustee received any benefit from needs-based financial aid or merit-based scholarships awarded to our students.

e. Arrangements for Setting Pay and Remuneration of Key Personnel

The key management personnel of the charity comprise the Trustees, the Executive Director and the Management Team.

It is the College's policy that no Trustees are remunerated for their services as a Trustee. Exceptionally, Trustees may receive payment for the provision of services to the charity which does not conflict with their trustee role, and any such transactions are disclosed in the financial statements.

The President of the University of Evansville has ultimate responsibility for agreeing the pay and remuneration of the Executive Director of Harlaxton College.

The Executive Director has ultimate responsibility for agreeing the pay and remuneration of the Management Team and staff on an individual level. The Executive Director is assisted by the College Accountant and other members of the Management Team as appropriate. The Executive Director also has access to external professional advice which includes benchmarking and market trends.

The Executive Director and key personnel are remunerated by a combination of base salary and benefits (e.g. pension).

The College uses the annual staff appraisal process to set both College (short-term and long-term) and individual performance elements and is designed to promote the long-term success of the College. Achievement against individual objectives is by line managers and the Executive Director as appropriate.

The Executive Director is assessed annually by the Executive Vice-President for Academic Affairs at the University of Evansville in the USA.

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2025

Structure, Governance and Management (continued)

f. Group Structure and Relationships

The Charity has a wholly owned non-charitable subsidiary, Harlaxton Manor Enterprises Limited, whose activities and trading performance are discussed below.

The College utilises its home "Harlaxton Manor" to the full by offering appropriate programmes and functions for the local and international communities. Certain of these activities are undertaken through the medium of Harlaxton Manor Enterprises Limited, a company whose directors are the Executive Director and College Accountant. The results of Harlaxton Manor Enterprises Limited are included within the consolidated financial statements. The directors are satisfied with the results of the subsidiary during the year. They are confident of future prospects.

The relationship between the College and the University of Evansville has been explained above.

g. Principal Risks and Uncertainties

The Trustees require the Executive Director and Management Team to actively review the principal risks and uncertainties which the college may face on a regular basis, including those relating to its operations and finances. They are satisfied that systems are in place to mitigate the College's exposure to the major risks and uncertainties. Detailed consideration of risk is delegated to the Management Team. The College has in place a formal risk management strategy which comprises:-

- An annual review of the risks which the College may face,
- The adequacy of current systems and procedures to mitigate those risks identified in the strategy; and
- The implementation of procedures designed to minimise any potential risk on the College should any of those risks materialise.

The Trustees recognise that systems can only provide reasonable but not absolute assurance that major risks and uncertainties have been adequately managed.

The principal risks and uncertainties that face the College are:

Financial – The College relies heavily on grant funding from the University of Evansville which, in turn, is reliant on overall student recruitment. Major fluctuations in student recruitment could significantly affect College income. The College (and University) mitigate these recruitment risks by ensuring that recruitment efforts are targeted towards a wide range of US Colleges and Universities so that the College is not reliant on a few sources.

Physical Environment – The College occupies a Grade I listed building (Harlaxton Manor) which is expensive to maintain. In recent times funding has been sufficient to maintain the College buildings to a very high standard. However, long term reductions in grant funding would jeopardise the College's ability to maintain College Buildings in sufficient repair.

Reputational/Security – The College has a very good reputation within the US (from where students are recruited) and has been awarded several high rankings for study abroad quality. However, an important factor that affects the whole UK study abroad industry is the attractiveness of the UK nation itself. Recent terrorist attacks in the UK and Europe can and have had a real effect on US perceptions of travel risk such that College recruitment could be detrimentally affected if the UK was deemed to be a 'risky' destination. In addition, due to the significant concentration of US citizens at the College, the Trustees expect the Executive Director and Management Team to take a proactive approach to local security and safety risk management.

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2025

Structure, Governance and Management (continued)

Staffing – The success of the College is heavily dependent on the quality of its faculty and staff. The College monitors and reviews policies and procedures to ensure the continuing professional development of key staff and faculty. Performance management procedures are robust in ensuring that all staff meet the very highest standards in relation to all aspects of College teaching, performance, and operational management.

Fraud and Management of Funds – There is a high level of involvement of senior management in the day-to-day running of the College who regularly review management accounts and student numbers. In addition, there are regular reviews/discussions with the University of Evansville who also monitor monthly management accounts. The College's auditors also carry out audit and compliance checks on financials systems, records, and controls as part of their annual audit processes.

Objectives, Strategy, Aims and Policies

The College's objectives are set to reflect its educational aims and the ethos of the College. It is important to the College that it maintains and enhances the academic success of the College and the University of Evansville as a whole. This objective is, however, set in the context of the broader goals we set for the College and its students, faculty, and staff.

In setting our objectives, and planning our activities, our Trustees have considered the Charity Commission's general guidance on public benefit and its supplementary public benefit guidance on advancing education and fee-charging.

a. Charitable Objects

The Charity's objects are:

- the advancement of education for the public benefit, in particular through the provision of educational programmes and other facilities in England, to students at the University of Evansville or any other educational institution recommended by the University of Evansville;
- to promote for the public benefit the restoration, conservation, protection, and improvement of the physical and natural environment (including the biological diversity thereof) of the parkland, gardens and historic buildings of Harlaxton Manor, Harlaxton, Grantham, Lincolnshire.

Harlaxton College shares and supports the overall Mission of the University of Evansville which is "To empower each student to think critically, act bravely, serve responsibly, and live meaningfully in a changing world". In doing so, Harlaxton College seeks to develop students' personal and professional competencies, cultivate critical and creative thinkers, and produce ethical, global citizens equipped to thrive in a world of complexity and change.

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2025

Objectives, Strategy, Aims and Policies (continued)

b. Strategy and Aims

Through the Executive Director and Management Team, the Trustees are responsible for setting a strategy for achieving the College's objectives. Like the University of Evansville, the primary focus of the College's strategy is to provide life transforming educational experiences that prepare our students to engage the world as informed, ethical and productive citizens.

To achieve this strategy, the College has the following statements of Mission and Vision:

Mission

To empower each student to think critically, act bravely, serve responsibly, and live meaningfully in a changing world.

Vision

Harlaxton College, the overseas study centre of the University of Evansville, is recognized nationally for developing students' personal and professional competencies, cultivating critical and creative thinkers, and producing ethical, global citizens equipped to thrive in a world of complexity and change. We accomplish this by attracting and retaining talented and motivated students who succeed within a diverse, supportive, and sustainable environment.

To achieve these aims the College holds educational classes and programmes, and provides accommodation, welfare and library facilities and organises a wide range of social, cultural, and sporting events.

The College also manages and maintains the parkland, gardens, and historic buildings of Harlaxton Manor liaising with English Heritage and other appropriate statutory and advisory organisations.

c. Objectives for the Year

The objectives of this year are a continuation of last year's objectives. These included a focus on curriculum and academic program design; student and partner institution recruitment; awaiting approval of a major development project in the Walled Garden. The focus of the upcoming year will be renewed emphasis on each of these areas through staff training and development, increased resources, and ever improving offerings for students and partner institutions.

d. Access and Diversity Policies

Harlaxton College Students

As an educational institution, Harlaxton College's core purpose is to empower each student to think critically, act bravely, serve responsibly, and live meaningfully in a changing world. The fulfillment of this purpose is inextricably tied to our ability to provide equality of opportunity regardless of economic status, gender, ethnicity, race, religion, sexual orientation or disability, and our ability to make diversity, cultural competency, and multiculturalism part of the student experience.

Harlaxton College welcomes students from all backgrounds. To be admitted, a student must be on a Gap Year program or be a degree-seeking student at an accredited US university and not be on academic or social probation (i.e. have made normal academic progress and not be on probation). An individual's economic status, gender, ethnicity, race, religion, or disability do not form part of the College's nor the University's admissions assessment process.

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2025

Objectives, Strategy, Aims and Policies (continued)

It is important to the College that access to the educational experiences are not restricted to those who can afford our fees, and we believe that our students benefit from learning and living within a diverse community. We believe that a great deal of learning occurs informally through social interaction, conversation and shared experiences which help our students develop an understanding of the cultural and social perspectives of other people.

Harlaxton College Students Sourced from the University of Evansville

Harlaxton College subscribes to the University of Evansville's needs-based financial aid and merit-based scholarship policies thereby helping to contribute to a widening of access to the educational experience and facilities we offer. A student from the University of Evansville may have received a financial aid package which consists of both merit and need-based aid, in the form of scholarships and grants (free aid which does not have to be paid back), student loans (which will be paid back by the student after graduation from college) and work-study (money which is earned by working part-time on campus).

Need-Based Financial Aid Awards

Need-based financial aid comes in several forms (e.g. grants and student loans) and is awarded based on the student family's ability to contribute to their education, as determined by the Free Application for Federal Student Aid (FAFSA). Furthermore, need-based aid can be funded by US federal, state, university and/or private sources. FAFSA is the primary application used by all colleges in the United States to determine eligibility for need-based financial aid. By completing the FAFSA, students can apply for grants, student loans and work-study from federal, state and university sources.

The University of Evansville and Harlaxton College view needs-based financial aid as important in helping to ensure students from families, who would otherwise not be able to afford the fees, can access the educational experience the College offers. Needs-based financial aid is available to all who meet the College's general entry requirements and is awarded solely based on household means or to relieve hardship. In assessing means the FAFSA uses a sophisticated formula, determined annually by the United States Congress, to assist with the equitable rationing and distribution of need-based aid. The FAFSA starts with the student family's taxed and untaxed income from all sources and then, based on the number of people in the household, allowances are given to shelter amounts for basic needs such as housing, food, taxes, household maintenance, medical care, transportation, and savings. Neither consumer debt nor lifestyle choices are considered.

Scholarships and Merit-Based Awards

Scholarships and merit-based aid are awarded based on the student's "merit." Merit can be defined by academic strength, athletic ability, artistic talent or any other quality or affiliation which the University chooses to reward with a scholarship.

The University of Evansville offers a multitude of merit-based scholarships including, in some cases, awards of 100% remission of fees. Examples include:

- Competitive Scholarships such as Trustee Scholarships, Dean's Scholarships and Fine and Performing Arts Scholarships.
- Freshman Scholarships such as National Merit, National Achievement and National Hispanic Scholar Awards, Academic Scholarships, and the William L. Ridgway Award.
- Athletic and Music Scholarships (various awards)
- Additional Scholarships such as the Sibling Scholarship Grant awarded to the older student when a younger sibling enrolls.

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2025

Objectives, Strategy, Aims and Policies (continued)

In addition to the University of Evansville Scholarships there are several awards that are only offered to Harlaxton Students which are based on merit and need. These include:

- Graves Scholarship (100% of all fees)
- Harlaxton Society Scholarships (variable awards)
- Martin Travel and Margot Fine Awards (\$500 for travel)

Harlaxton College Students Sourced from other College and Universities

Students from other US colleges and universities are likely to have received needs and/or merit-based financial assistance from their home institutions. Most US colleges and universities have similar needs-based financial aid and merit-based scholarship assistance programmes to the University of Evansville's, however, unlike students

from the University of Evansville, the magnitude of these awards is not known on an individual basis. However, suffice it to say that these needs and merit-based awards, although not awarded by the University of Evansville or Harlaxton College, greatly assist the students concerned and further enable Harlaxton College to attract students from a widely diverse set of backgrounds.

In addition to these needs and merit-based awards from the student's home institution, the University of Evansville and Harlaxton College do offer all non-University of Evansville students some tuition remission or discount the magnitude of which averaged \$16,947 per student.

Other Financial Assistance

Loans

There are several sources of loans to assist both students and parents with paying for their educational experience, such as: Federal Direct Stafford Loan, Federal Perkins Loan and Federal Direct Parent Loan for Undergraduate Students. Most of these loans have an element of subsidy (e.g. loan interest does not accrue while at college/university).

Additional Travel Assistance

Many students make considerable personal sacrifices to fund their education and in recognition of this we can offer additional ad-hoc travel assistance to those students who find themselves short of funds and unable to take full advantage of the national and international cultural and social immersion opportunities that are available via Harlaxton College.

The Wider Community

The College is also part of a wider community, and we are keen that our students, faculty, and staff participate. In this regard, the College offers a resource to support a range of educational activities for the benefit of local children attending state schools and their teachers. The College's trustees and administration are committed to developing this cooperation and working with local state junior and secondary schools, and other appropriate groups.

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2025

Objectives, Strategy, Aims and Policies (continued)

e. Welfare Policies

Harlaxton College is an equal opportunity organisation and is committed to a learning and working environment that is free from any form of discrimination on the grounds of race, colour, gender, gender identity and expression, sexual orientation, creed or religion, national origin, age, disability, veteran status, and all protected groups/classes. The College will make reasonable adjustments to meet the needs of students, faculty or staff who are or become disabled.

The College is committed to safeguarding and promoting the welfare of our students, faculty and staff and expects all students, faculty, and staff to share this commitment. The College is also committed to meeting its duties of care to the health, safety and wellbeing of its students, faculty, and staff, as well as others, including visitors, who may be affected by the College's activities.

Review of Achievements and Performances for the Year

The Executive Director is pleased to report on Harlaxton College's achievements and performance for the year.

a. Principal Activities of the Year

Harlaxton College principally provides education and associated facilities at Harlaxton College to students from the University of Evansville and other US based universities and colleges who wish to embark on a 'Study Abroad' experience in the UK.

Students spend a single semester or summer session studying a varied curriculum at Harlaxton College and travelling throughout the UK and the College endeavours to provide a culturally immersive and experiential learning experience.

The College hosts various conferences, academic groups and other universities from the UK and US during its summer recess.

Additionally, the College continued with a program of significant improvements to programs, facilities, infrastructure and personnel in order to realign College activities to face a changing post pandemic study abroad landscape and to develop more opportunities to increase and diversify revenues.

b. Student Enrolment

This year Harlaxton College had the following enrolments:

Summer School 2024	101 students	(Summer 2023 = 128)
Fall Semester 2024	56 students	(Fall 2023 = 42)
Spring 2025	99 students	(Spring 2024 = 112)

Custom Programs 25 programs (Summer 2023 = 23)

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2025

c. Academies and Academic Support

The College's academic programming was restructured to create additional pathways and opportunities for students to attend Harlaxton College (e.g. internships, GAP Programs and Changemaking initiatives). After restructuring in 2020/21, the core British Studies course was offered as two 3-credit hour classes: one with a history and the other with a literary focus.

The College continued its program of hardware and software upgrades to academic and administrative computing services.

d. Student Experience

The new Office of Student Experience (formerly Student Engagement) was expanded with additional staff as students returned to campus. The team's new offices, adjacent to existing academic offices and the library, were completed resulting in a one stop 'Student Central' hub of professional and integrated academic and student engagement support.

e. General Support Services and Facilities

The facilities and grounds and gardens were upkept within our financial capabilities..

The focus on facility improvement has required careful budget and project management in association with securing several gifts from University of Evansville trustees and alumni.

f. Details of Financial Aid and Scholarship Awards

As discussed in the earlier Access and Diversity Policies section of this report, Harlaxton College subscribes to the University of Evansville's needs-based financial aid and merit-based scholarship policies. Therefore, a student from the University of Evansville may have received a financial aid package which consists of both merit and need-based aid, in the form of scholarships and grants, student loans and work-study.

Similarly, non-University of Evansville students (i.e. students from other US colleges and universities) are likely to have received needs and/or merit-based financial assistance. But this assistance is funded by the student's home institution and not the University of Evansville nor Harlaxton College. However, in addition to these home institution awards the University of Evansville and Harlaxton College do offer all non-University of Evansville students some tuition remission or discount.

In summary, all students are likely to have received various levels of needs and merit-based financial assistance of varying types and from various sources.

Summary of Fees

Our fee increases this year were restricted by the University of Evansville's trustees to an inflationary increase only. Our fees for the current year before the deduction of any needs-based financial aid or merit-based scholarships were:

Fall 2024 and Spring 2025 Semesters	\$21,400 per semester
Summer School 2023	\$5,280 per session

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2025

g. Community Service and Community Access

We see Harlaxton College as a part of a wider community and where we can assist the community without detriment to advancing the education of our students we are delighted to do so.

During the year we were delighted to host several local schools, charitable events, and open the Manor and gardens to the public on several occasions during the year, including Christmas and Easter.

h. Other activities

During the financial year, Harlaxton Manor Enterprises Limited entered into a five-year lease agreement to operate The Gregory Arms public house, with the aim of generating profits to support the charity's objectives. Regrettably, the venture has consistently operated at a loss and is projected to remain unprofitable in the medium term. As a result, the trustees have made the strategic decision to terminate the lease early in accordance with the lease provisions.

Financial Review and Results for the Year

The College Accountant is pleased to report on the financial performance for the year.

a. Review of the Year

The overall level of income at £3,580,380 was 11% less than the previous year (2024: £4,003,011).

Unrestricted operating income of £3,462,195 for the year was 12% less than last year (2024: £3,920,085). There was a decrease in the level of unrestricted grant funding provided by the University of Evansville.

During the year, the College and Harlaxton Manor Enterprises Ltd received two Government Funding/grants which was SKDC Grant (SCDC25) and SKDC Feasibility Study (SKDCFS).

Trading turnover from Harlaxton Manor Enterprises Limited at £885,731 was 31.5 % higher than the previous year (2024: £673,343). This was due to the increased number of weddings, events, visitor activity in general as well as with regards to the expansion of the new pub venture.

There has been a slight decrease in the level of resources expended. Furthermore, £265,996 (2024: £228,015) in costs was charged by the College to HME Ltd within 2024-25 to reflect the additional work required in line with the increased activities.

The College is continually striving to enhance the quality of the fabric of buildings and the facilities offered to students. A number of years ago the College established a "five year repair fund" which is a fund designated by the trustees to provide resources to meet the cost of much needed repairs to the fabric of the buildings and essential facilities. The cost of this work has in the past been met by specific grants from the University of Evansville, private donations, and grants from Historic England. In the current year, no major projects were undertaken, and no expenses were recorded.

On an overall basis, the Trustees' report a deficit for the year under review of £299,100 (2024 Surplus of £95,732).

The College has continued to maintain a strong financial position with the group's assets exceeding liabilities by £2,067,300 (2024: £2,366,400).

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2025

Financial Review and Results for the Year (continued)

b. Wider Benefits Received and Provided

As a charity our students, the University of Evansville and our partner colleges and universities have the assurance that all the income of the College must be applied for either the advancement of our educational purposes or to promote the restoration, conservation, protection, and improvement of the parkland, gardens, and historic buildings of Harlaxton Manor.

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 purposes. As a charity we are also entitled to an 80% reduction on our business rates on Harlaxton Manor, the property we occupy for our charitable purposes. The financial benefits we receive from these tax exemptions are all applied for educational purposes and indirectly help us to maintain our financial aid and scholarship programmes.

However, as an educational charity, we are unable to reclaim all the VAT input tax on our costs as we are partially exempt for VAT purposes. As an employer, we also pay tax through the Employer's National Insurance Contributions we make.

c. Reserves Policy

At the year end the College held free reserves of £2,069,826 (2024: £2,344,857). The Trustees have reviewed the reserves of the College. The review encompassed the nature of the income and expenditure streams and the need to match variable income with fixed commitments. The review concluded that to allow the College to be managed efficiently and to provide a buffer for uninterrupted services, unrestricted funds not required to support functional fixed assets should be maintained at a level which equates to between six and twelve months' of unrestricted expenditure. This would provide sufficient funds to cover management and administration and support costs and to respond to unforeseen expenditure such as major property repairs in an environment where income levels are uncertain and dependent upon demand from overseas students.

Based upon the total resources expended during the present year, the Trustees acknowledge that the level of the reserves deteriorated during the year. However, they remain at the upper end of this intended range.

d. Nature of Funds

Except for the funding received from the University of Evansville and other sources for the Land Use Fund, all funds are considered by the Trustees to be unrestricted in their nature.

e. Investment Policy

The Trustees have the power to invest in such assets as they see fit.

The College has a policy of keeping any surplus liquid funds in short term deposits which can be accessed readily should the need arise.

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2025

Plans for future periods

Harlaxton College will continue to pursue its core strategic initiatives:

Initiative I: Demonstrate and communicate the immediate, enduring, and distinctive benefits of a Harlaxton education.

Initiative II: Provide students with a best-in-class curriculum, co-curriculum, residential and travel experience to promote the full development of their intellectual, artistic, and personal potential.

Initiative III: Make Harlaxton College sustainable environmentally and financially while maintaining the beauty and architectural integrity of the heritage asset that is Harlaxton Manor.

Initiative IV: Engage with, and serve, the community so that Harlaxton is a destination and a resource for its neighbours, for students, and for other constituents and guests.

Initiative V: Cultivate, foster, and better integrate connections between Harlaxton, the University of Evansville, and partner colleges and universities.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the College for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year. Under company law, the Trustees 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 Group and the College and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the College's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the College 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 Group and the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2025

Disclosure of information to auditor

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

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information

Auditor

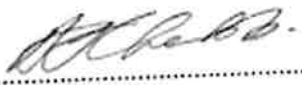
The auditor, Streets Audit LLP, has indicated his willingness to continue in office. The Executive Director and Finance Manager will recommend either continuation of current auditors or a search for a new audit firm after the approval of the accounts at the Trustee meeting.

Accounts Preparation

The Trustees confirm that the accounts comply with current statutory requirements and with those of the governing instrument. This report and accounts have been prepared in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)), the Companies Act 2006 and the Trust deed.

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


.....
C Pietruszkiewicz
(Trustee)


.....
H Chubb
(Trustee) 15/9/25

Date: September 24, 2025

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARLAXTON COLLEGE

Opinion

We have audited the financial statements of Harlaxton College (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 April 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the College Balance Sheet, the Consolidated 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 Group's and of the parent charitable company's affairs as at 30 April 2025 and of the Group's 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 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent 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 Trustees with respect to going concern are described in the relevant sections of this report.

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARLAXTON COLLEGE (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees 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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has 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 Trustees' 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:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARLAXTON COLLEGE (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Trustees 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 Trustees are responsible for assessing the Group's and the parent 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 Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- 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 company through discussions with directors and other management, and from our commercial knowledge and experience of the company and sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, food safety regulations and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; 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.

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARLAXTON COLLEGE (CONTINUED)

We assessed the susceptibility of the company's 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 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 set out in Note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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;
- reading the minutes of meetings of those charged with governance;
- inquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to inquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARLAXTON COLLEGE (CONTINUED)

H McConnell

Heather McConnell (Senior Statutory Auditor)

for and on behalf of

Streets Audit LLP

Chartered Accountants & Statutory Auditor

Statutory Auditor

Enterprise House

38 Commerce Road

Lynchwood

Peterborough

Cambs

PE2 6LR

Date: *24th September 2025*

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 APRIL 2025**

	Note	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Grants received	4	70,030	1,548,414	1,618,444	1,746,088
Charitable activities	5	48,155	1,005,452	1,053,607	1,558,814
Other trading activities	6	-	885,731	885,731	673,343
Investments	7	-	22,598	22,598	24,766
Total income		118,185	3,462,195	3,580,380	4,003,011
Expenditure on:					
Raising funds	8	-	644,689	644,689	352,984
Charitable activities	9	118,185	3,116,606	3,234,791	3,554,295
Total expenditure		118,185	3,761,295	3,879,480	3,907,279
Net movement in funds		-	(299,100)	(299,100)	95,732
Reconciliation of funds:					
Total funds brought forward		-	2,366,400	2,366,400	2,270,668
Net movement in funds		-	(299,100)	(299,100)	95,732
Total funds carried forward		-	2,067,300	2,067,300	2,366,400

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 26 to 49 form part of these financial statements.

HARLAXTON COLLEGE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 06825976

CONSOLIDATED BALANCE SHEET
AS AT 30 APRIL 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	14	186,167	143,498
		<u>186,167</u>	<u>143,498</u>
Current assets			
Stocks	16	97,239	93,580
Debtors	17	1,497,319	2,171,116
Cash at bank and in hand		1,055,224	1,215,098
		<u>2,649,782</u>	<u>3,479,794</u>
Creditors: amounts falling due within one year	18	(747,816)	(1,217,725)
Net current assets		<u>1,901,966</u>	<u>2,262,069</u>
Total assets less current liabilities		<u>2,088,133</u>	<u>2,405,567</u>
Creditors: amounts falling due after more than one year	19	(20,833)	(39,167)
Net assets excluding pension asset		<u>2,067,300</u>	<u>2,366,400</u>
Total net assets		<u><u>2,067,300</u></u>	<u><u>2,366,400</u></u>
Charity funds			
Restricted funds	20	-	-
Unrestricted funds	20	2,067,300	2,366,400
Total funds		<u><u>2,067,300</u></u>	<u><u>2,366,400</u></u>

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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

HARLAXTON COLLEGE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 06825976

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 30 APRIL 2025



.....
C Pietruszkiewicz
(Trustee)



.....
H Chubb
(Trustee)

Date: September 24, 2025

The notes on pages 26 to 49 form part of these financial statements.

HARLAXTON COLLEGE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 06825976

COLLEGE BALANCE SHEET
AS AT 30 APRIL 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	14	127,772	143,498
Investments	15	2	2
		<u>127,774</u>	<u>143,500</u>
Current assets			
Stocks	16	43,798	54,331
Debtors	17	1,478,084	2,253,596
Cash at bank and in hand		755,084	877,502
		<u>2,276,966</u>	<u>3,185,429</u>
Creditors: amounts falling due within one year	18	(334,914)	(984,072)
Net current assets		<u>1,942,052</u>	<u>2,201,357</u>
Total assets less current liabilities		<u>2,069,826</u>	<u>2,344,857</u>
Net assets excluding pension asset		<u>2,069,826</u>	<u>2,344,857</u>
Total net assets		<u><u>2,069,826</u></u>	<u><u>2,344,857</u></u>
Charity funds			
Restricted funds	20	-	-
Unrestricted funds	20	2,069,826	2,344,857
Total funds		<u><u>2,069,826</u></u>	<u><u>2,344,857</u></u>

The College's net movement in funds for the year was £(274,146) (2024 - £(130,403)).

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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

HARLAXTON COLLEGE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 06825976

COLLEGE BALANCE SHEET (CONTINUED)
AS AT 30 APRIL 2025



.....
C Pietruszkiewicz
(Trustee)

Date: September 24, 2025

The notes on pages 26 to 49 form part of these financial statements.



.....
H Chubb
(Trustee)

15/9/25

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 APRIL 2025

	2025 £	2024 £
Cash flows from operating activities		
Net cash used in operating activities	(118,768)	117,156
	<hr/>	<hr/>
Net cash used in operating activities	(118,768)	117,156
	<hr/>	<hr/>
Cash flows from investing activities		
Interest received	22,598	24,766
Purchase of tangible fixed assets	(63,704)	(55,584)
Change in cash and cash equivalents in the year	(159,874)	86,338
Cash and cash equivalents at the beginning of the year	1,215,098	1,128,760
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	1,055,224	1,215,098

The notes on pages 26 to 49 form part of these financial statements

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

1. Accounting policies

1.1 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest pound.

Harlaxton College 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.

The financial statements of the charitable company are consolidated in the financial statements of Harlaxton College. The consolidated financial statements are publicly available from its registered office, Harlaxton Manor, Harlaxton, Grantham, Lincolnshire, NG32 1AG.

1.2 Going concern

The financial statements have been prepared on a going concern basis. Having carried out a detailed review of the group's position and its forecasts at the date of signing the accounts and with regards to the challenges presented by the current economic and health climate, the trustees are satisfied that the group has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the accounts.

1.3 Consolidated financial statements

These financial statements comprise the results of Harlaxton College and its wholly owned trading subsidiary, Harlaxton Manor Enterprises Limited consolidated on a line by line basis. The parent charitable company has taken advantage of the available exemption under section 408 of the Companies Act 2006 not to present its own Statement of Financial Activities or Income & Expenditure Account.

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

1. Accounting policies (continued)

1.4 Income

All income is recognised once the College has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Charitable activities income is grants from the University of Evansville and represents funds drawn down during the year. They are recognised as income according to the Semester to which they relate. Semester fee income, College Summer programmes and student travel and the provision of facilities for students are recognised in the year to which they relate.

Trading income attributable to Harlaxton Manor Enterprises Limited represents services rendered to customers at amounts exclusive of value added tax.

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

1.5 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 is classified under charitable activity rather than the type of expense, in order to provide more useful information to users of the financial statements.

Charitable activity costs comprise both direct expenditure, including direct staff costs attributable to the activity, and support costs relating to these activities.

Overheads, governance costs and other costs, not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to the activity in the year, either by reference to staff time or space occupied, as appropriate. The irrecoverable element of VAT is included with the item of expenses to which it relates.

As Harlaxton College is unable to reclaim all of the Value Added Tax (VAT), expenditure is stated net of VAT where input tax is recoverable in full and inclusive of VAT in respect of expenditure where input tax is not wholly recoverable. The amount of irrecoverable input tax relating to partially exempt supplies is included in resources expended in accordance with the appropriate classification of costs.

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

1.6 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

1. Accounting policies (continued)

1.7 Interest receivable

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

1.8 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

1.9 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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.

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:

Property improvements	- 87 years
Plant and machinery	- 5-15 years
Motor vehicles	- 5-10 years
Furniture and Fixtures	- 5-15 years
Library books	- 20 years
Computers	- 5 years

1.10 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

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

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

1. Accounting policies (continued)

1.11 Stocks

Stocks are valued at the lower of cost and selling price less costs to complete after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

At each reporting date, the charity assesses whether stocks are impaired or if any impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in the statement of financial activities.

1.12 Debtors

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

1.13 Cash at bank and 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.

1.14 Liabilities and provisions

Liabilities 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 College 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 Consolidated Statement of Financial Activities as a finance cost.

1.15 Financial instruments

The Group 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.

1.16 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

1. Accounting policies (continued)

1.17 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group 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.

1.18 Employment benefits

The cost of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.19 Heritage assets

The group's objectives include the restoration, conservation and protection of the historic buildings and grounds of Harlaxton Manor. In accordance with the term of the property lease and the property management agreement the group is obliged to maintain the Manor, as an agent, to an agreed state of repair. The group does not own the Manor and as a result the value of the Manor is not reflected in the Statement of Financial Position. In addition, the income received and expenses incurred which are associated with the restoration of the Manor are included in the Statement of Financial Activities as outlined in Note 1.21.

1.20 Expenditure on major restoration

The costs of associated major repairs and restoration work of Harlaxton Manor is reported in the Statement of Financial Activities in the year it is incurred. Preservation of Harlaxton Manor is defined as work done on a major area of the building or the grounds in order to bring the areas back in to their original condition. The costs of such works are mostly funded through grants receivable.

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

2. General information

Harlaxton College is a charitable private company (company number 06825976 and charity registration number 1129054) and is also registered as a charity at the Charity Commission in England and Wales. The charitable company is limited by guarantee and in the event of the charitable company being wound up during the year of membership, or with the year following, company members are required to contribute an amount not exceeding £10. The registered office and principal place of business is Harlaxton Manor, Harlaxton, Grantham, Lincolnshire, NG32 1AG.

The charitable company and the Group's principal objective are the provision of education programmes and other facilities in England to students of the University of Evansville and the preservation and maintenance of Harlaxton Manor.

3. Critical accounting estimates and areas of judgment

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 College makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Income from grants

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Grants from University of Evansville	170	1,548,414	1,548,584	<i>1,746,088</i>
Government grants	69,860	-	69,860	<i>-</i>
	<u>70,030</u>	<u>1,548,414</u>	<u>1,618,444</u>	<u><i>1,746,088</i></u>

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

5. Income from charitable activities

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Semester fee income, summer programs and student travel	-	1,005,452	1,005,452	1,522,328
Land fund	48,155	-	48,155	36,486
	<u>48,155</u>	<u>1,005,452</u>	<u>1,053,607</u>	<u>1,558,814</u>

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Harlaxton Manor Enterprises Limited	885,731	885,731	673,343
	<u>885,731</u>	<u>885,731</u>	<u>673,343</u>

7. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Interest received	22,598	22,598	24,766
	<u>22,598</u>	<u>22,598</u>	<u>24,766</u>

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

8. Expenditure on raising funds

Other trading expenses

	Unrestricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Cost of sales	602,821	602,821	294,786
Administration expenses	41,868	41,868	58,198
	<u>644,689</u>	<u>644,689</u>	<u>352,984</u>

9. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total 2025 £	<i>Total 2024 £</i>
Operation of study centre	69,860	3,116,606	3,186,466	3,471,369
Preservation of Harlaxton Manor	48,325	-	48,325	82,926
	<u>118,185</u>	<u>3,116,606</u>	<u>3,234,791</u>	<u>3,554,295</u>

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

9. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2025 £	Depreciation 2025 £	Other costs 2025 £	Total 2025 £	<i>Total 2024 £</i>
Operation of study centre	1,337,002	15,726	1,833,738	3,186,466	3,471,369
Preservation of Harlaxton Manor	-	-	48,325	48,325	82,926
	<u>1,337,002</u>	<u>15,726</u>	<u>1,882,063</u>	<u>3,234,791</u>	<u>3,554,295</u>
<i>Total 2024</i>	<u><u>1,266,061</u></u>	<u><u>23,526</u></u>	<u><u>2,264,708</u></u>	<u><u>3,554,295</u></u>	

10. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Operation of study centre	3,179,047	7,419	3,186,466	3,471,369
Preservation of Harlaxton Manor	48,325	-	48,325	82,926
	<u>3,227,372</u>	<u>7,419</u>	<u>3,234,791</u>	<u>3,554,295</u>
<i>Total 2024</i>	<u><u>3,544,665</u></u>	<u><u>9,630</u></u>	<u><u>3,554,295</u></u>	

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Operation of study centre 2025 £	Preservation of Harlaxton Manor 2025 £	Total funds 2025 £	Total funds 2024 £
Staff costs	1,337,002	-	1,337,002	1,266,061
Depreciation	15,726	-	15,726	23,526
Administration	116,453	-	116,453	57,431
General expenses	123,850	-	123,850	157,072
Faculty and tuition	39,459	-	39,459	9,572
Student affairs	201,655	-	201,655	214,467
Physical plant	48,950	-	48,950	131,151
Utilities	426,117	-	426,117	395,467
Housekeeping	12,867	-	12,867	35,610
Gardens and grounds	14,419	-	14,419	19,853
Transport	12,405	-	12,405	15,414
Security	914	-	914	123
Catering	513,672	-	513,672	642,849
Summer programs	302,412	-	302,412	463,576
Land fund	-	48,325	48,325	82,926
Governance costs	13,146	-	13,146	29,567
	<u>3,179,047</u>	<u>48,325</u>	<u>3,227,372</u>	<u>3,544,665</u>

Direct costs have been allocated to activity on a basis consistent with the use of resources.

11. Auditor's remuneration

	2025 £	2024 £
Fees payable to the College's auditor for the audit of the College's annual accounts	12,705	12,100
Fees payable to the College's auditor in respect of:		
Audit services of the subsidiary company	4,909	4,675
All non-audit services not included above	8,650	5,750
	<u>17,264</u>	<u>22,525</u>

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

12. Staff costs

	Group 2025 £	<i>Group 2024 £</i>	College 2025 £	<i>College 2024 £</i>
Wages and salaries	1,192,936	<i>1,137,707</i>	1,049,368	<i>1,137,707</i>
Social security costs	90,961	<i>85,916</i>	90,961	<i>85,916</i>
Contribution to defined contribution pension schemes	53,105	<i>42,438</i>	41,007	<i>42,438</i>
	<u>1,337,002</u>	<i><u>1,266,061</u></i>	<u>1,181,336</u>	<i><u>1,266,061</u></i>

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

	Group 2025 No.	<i>Group 2024 No.</i>	College 2025 No.	<i>College 2024 No.</i>
Management and administration	22	<i>16</i>	22	<i>16</i>
Faculty	7	<i>13</i>	7	<i>13</i>
House Keeping and estate	25	<i>23</i>	25	<i>23</i>
Catering and events	10	<i>3</i>	10	<i>3</i>
	<u>64</u>	<i><u>55</u></i>	<u>64</u>	<i><u>55</u></i>

The average headcount expressed as full-time equivalents was 39: (2024 - 47)

No employee received remuneration amounting to more than £60,000 in either year.

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge of £41,007 (2024 - £42,438) represents contributions payable by the Group to the scheme. At the year end, the group owed the scheme £2,002 (2024 - £2,000) included in accruals with respect to contributions due.

The key management personnel of the group comprises of the trustees and senior members of the management who are responsible for the day to day running of the college. The total employee benefits for the key management personnel was £420,081 (2024 - £372,297).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - *ENIL*).

During the year ended 30 April 2025, no Trustee expenses have been incurred (2024 - *ENIL*).

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

14. Tangible fixed assets

Group

	Property improve- ments £	Plant & machine £	Motor vehicles £	Furniture & Fixtures £	Library books £	Comp £	Total £
Cost or valuation							
At 1 May 2024	10,594	338,700	89,314	79,128	217,839	98,657	834,232
Additions	-	-	-	60,889	-	2,815	63,704
Disposals	-	(24,930)	-	-	-	-	(24,930)
At 30 April 2025	<u>10,594</u>	<u>313,770</u>	<u>89,314</u>	<u>140,017</u>	<u>217,839</u>	<u>101,472</u>	<u>873,006</u>
Depreciation							
At 1 May 2024	3,208	312,517	75,716	28,123	172,810	98,360	690,734
Charge for the year	122	4,002	3,880	6,690	5,809	532	21,035
On disposals	-	(24,930)	-	-	-	-	(24,930)
At 30 April 2025	<u>3,330</u>	<u>291,589</u>	<u>79,596</u>	<u>34,813</u>	<u>178,619</u>	<u>98,892</u>	<u>686,839</u>

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

14. Tangible fixed assets (continued)

Group (continued)

	Property improve- ments £	Plant & machine £	Motor vehicles £	Furniture & Fixtures £	Library books £	Comp £	Total £
Net book value							
At 30 April 2025	7,264	22,181	9,718	105,204	39,220	2,580	186,167
At 30 April 2024	7,386	26,183	13,598	51,005	45,029	297	143,498

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025**

14. Tangible fixed assets (continued)

College

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost or valuation							
At 1 May 2024	10,594	338,700	89,314	79,128	217,839	98,657	834,232
Disposals	-	(24,930)	-	-	-	-	(24,930)
At 30 April 2025	<u>10,594</u>	<u>313,770</u>	<u>89,314</u>	<u>79,128</u>	<u>217,839</u>	<u>98,657</u>	<u>809,302</u>
Depreciation							
At 1 May 2024	3,208	312,517	75,716	28,123	172,810	98,360	690,734
Charge for the year	122	4,002	3,880	1,616	5,809	297	15,726
On disposals	-	(24,930)	-	-	-	-	(24,930)
At 30 April 2025	<u>3,330</u>	<u>291,589</u>	<u>79,596</u>	<u>29,739</u>	<u>178,619</u>	<u>98,657</u>	<u>681,530</u>
Net book value							
At 30 April 2025	<u>7,264</u>	<u>22,181</u>	<u>9,718</u>	<u>49,389</u>	<u>39,220</u>	<u>-</u>	<u>127,772</u>
At 30 April 2024	<u>7,386</u>	<u>26,183</u>	<u>13,598</u>	<u>51,005</u>	<u>45,029</u>	<u>297</u>	<u>143,498</u>

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

14. Tangible fixed assets (continued)

All tangible assets are used for charitable purposes.

Heritage assets are not recognised in the balance sheet.

The Charity maintains the historic buildings and grounds of Harlaxton Manor on behalf of the University of Evansville as detailed in the property management agreement and the property lease. As explained in the accounting policies (note 1) the Charity does not own the Manor and as a result the value of the Manor is not reflected in the financial statements.

Restoration work is carried out in order to keep the Manor and gardens in a condition suitable for use.

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

15. Fixed asset investments

College	Investments in subsidiary companies £
Cost or valuation	
At 1 May 2024	2
	2
At 30 April 2025	2
Net book value	
At 30 April 2025	2
	2
At 30 April 2024	2

Principal subsidiaries

The following was a subsidiary undertaking of the College:

Name	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding
Harlaxton Manor Enterprises Limited	02141188	Harlaxton Manor, Harlaxton, Grantham, Lincolnshire, NG32 1AG	Provision of conference and banqueting services, making available facilities of Harlaxton Manor and providing certain services to students and the latest expansion of a pub facility during 2025.	Ordinary	100%

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

15. Fixed asset investments (continued)

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
Harlaxton Manor Enterprises Limited	885,731	909,800	(24,069)	(2,524)

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

16. Stocks

	Group 2025 £	<i>Group 2024 £</i>	College 2025 £	<i>College 2024 £</i>
Consumables	97,239	93,580	43,798	54,331

17. Debtors

	Group 2025 £	<i>Group 2024 £</i>	College 2025 £	<i>College 2024 £</i>
Due after more than one year				
Other debtors	27,478	-	-	-
	27,478	-	-	-
Due within one year				
Trade debtors	60,606	38,618	19,062	9,121
Amounts owed by group undertakings	-	-	65,380	113,510
Due from University of Evansville	1,265,349	1,978,559	1,265,349	1,978,559
Prepayments and accrued income	143,886	153,939	128,293	152,406
	1,497,319	2,171,116	1,478,084	2,253,596

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

18. Creditors: Amounts falling due within one year

	Group 2025 £	<i>Group 2024 £</i>	College 2025 £	<i>College 2024 £</i>
Trade creditors	250,970	274,012	125,697	222,316
Other taxation and social security	53,374	44,881	23,711	23,383
Other creditors	2,006	2,000	2,006	2,000
Accruals and deferred income	441,466	896,832	183,500	736,373
	747,816	1,217,725	334,914	984,072
	Group 2025 £	<i>Group 2024 £</i>	College 2025 £	<i>College 2024 £</i>
Deferred income at 1 May 2024	304,714	372,864	674,299	760,409
Resources deferred during the year	340,317	863,477	130,552	674,299
Amounts released from previous periods	(304,714)	(931,627)	(674,299)	(760,409)
	340,317	304,714	130,552	674,299

The deferred income relates to advances for weddings and grants received in advance.

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

	Group 2025 £	<i>Group 2024 £</i>
Accruals and deferred income	20,833	39,167

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

20. Statement of funds

Statement of funds - current year

	Balance at 1 May 2024 £	Income £	Expenditure £	Balance at 30 April 2025 £
Unrestricted funds				
Harlaxton College	2,344,857	2,629,254	(2,904,285)	2,069,826
Harlaxton Manor Enterprises Limited	21,543	832,941	(857,010)	(2,526)
	<u>2,366,400</u>	<u>3,462,195</u>	<u>(3,761,295)</u>	<u>2,067,300</u>
Restricted funds				
Preservation of Harlaxton Manor	-	48,325	(48,325)	-
Grant from SKDC	-	69,860	(69,860)	-
	<u>-</u>	<u>118,185</u>	<u>(118,185)</u>	<u>-</u>
Total of funds	<u><u>2,366,400</u></u>	<u><u>3,580,380</u></u>	<u><u>(3,879,480)</u></u>	<u><u>2,067,300</u></u>

Grant from SKDC :

During the year, the trust received two grants from SKDC totalled £69,860. The grants were utilised accordingly and no amount carried forward

Statement of funds - prior year

	Balance at 1 May 2023 £	Income £	Expenditure £	Balance at 30 April 2024 £
Unrestricted funds				
Harlaxton College	2,249,125	3,246,742	(3,151,010)	2,344,857
Harlaxton Manor Enterprises Limited	21,543	673,343	(673,343)	21,543
	<u>2,270,668</u>	<u>3,920,085</u>	<u>(3,824,353)</u>	<u>2,366,400</u>
Restricted funds				
Preservation of Harlaxton Manor	-	82,926	(82,926)	-

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

20. Statement of funds (continued)

Total of funds	<u>2,270,668</u>	<u>4,003,011</u>	<u>(3,907,279)</u>	<u>2,366,400</u>
-----------------------	------------------	------------------	--------------------	------------------

Preservation of Harlaxton Manor fund is funds received for the up keep and maintenance of the land used by the College.

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

21. Summary of funds

Summary of funds - current year

	Balance at 1 May 2024 £	Income £	Expenditure £	Balance at 30 April 2025 £
General funds	2,366,400	3,462,195	(3,761,295)	2,067,300
Restricted funds	-	118,185	(118,185)	-
	<u>2,366,400</u>	<u>3,580,380</u>	<u>(3,879,480)</u>	<u>2,067,300</u>

Summary of funds - prior year

	<i>Balance at 1 May 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 April 2024 £</i>
General funds	2,270,668	3,920,085	(3,824,353)	2,366,400
Restricted funds	-	82,926	(82,926)	-
	<u>2,270,668</u>	<u>4,003,011</u>	<u>(3,907,279)</u>	<u>2,366,400</u>

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	186,167	186,167
Debtors due after more than one year	27,478	27,478
Current assets	2,622,304	2,622,304
Creditors due within one year	(747,816)	(747,816)
Creditors due in more than one year	(20,833)	(20,833)
Total	<u>2,067,300</u>	<u>2,067,300</u>

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Tangible fixed assets	143,498	143,498
Current assets	3,479,794	3,479,794
Creditors due within one year	(1,217,725)	(1,217,725)
Creditors due in more than one year	(39,167)	(39,167)
Total	<u><u>2,366,400</u></u>	<u><u>2,366,400</u></u>

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

	Group 2025 £	<i>Group 2024 £</i>
Net income/expenditure for the year (as per Statement of Financial Activities)	<u>(299,100)</u>	<u>95,732</u>
Adjustments for:		
Depreciation charges	21,035	23,526
Interest received	(22,598)	(24,766)
Decrease/(increase) in stocks	(3,659)	11,468
Decrease in debtors	701,270	47,712
Decrease in creditors	(515,716)	(36,516)
Net cash provided by/(used in) operating activities	<u><u>(118,768)</u></u>	<u><u>117,156</u></u>

24. Analysis of cash and cash equivalents

	Group 2025 £	<i>Group 2024 £</i>
Cash in hand	<u>1,055,224</u>	<u>1,215,098</u>
Total cash and cash equivalents	<u><u>1,055,224</u></u>	<u><u>1,215,098</u></u>

HARLAXTON COLLEGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025

25. Analysis of changes in net debt

	At 1 May 2024	Cash flows	At 30 April 2025
	£	£	£
Cash at bank and in hand	1,215,098	(159,874)	1,055,224
	1,215,098	(159,874)	1,055,224

26. Related party transactions

During the year Harlaxton College received management charges of £265,996 (2024 - £228,015) and donations via the Gift Aid scheme of £0 (2024 - £94,224) from its wholly owned subsidiary, Harlaxton Manor Enterprises Limited.

At the year end the amount due to Harlaxton Manor Enterprises Limited amounted to £65,380 (2024 - due from Harlaxton Manor Enterprises Limited £113,510).

During the year Harlaxton College received £1,420,409 (2024 - £2,885,817) of grants from the University of Evansville, which is the sole member of Harlaxton College. During the year Harlaxton College was charged expenses of £nil (2024 - £nil) by the University of Evansville.

At the year end the amount due from the University of Evansville amounted to £1,265,349 (2024 - £1,978,559).

27. Connected organisations

The University of Evansville is the sole member of Harlaxton College and has the power to appoint and remove trustees. The University of Evansville is an entity that is registered in United States of America.

The freehold land and buildings occupied by the College are owned by the University of Evansville and let rent free to the College. No rental charge is included in the Statement of Financial Activities. The trustees consider such a rental charge to be unquantifiable.

HARLAXTON COLLEGE

England & Wales - Charity number 1129054

Accounts

Registered number: 06825976
Charity number: 1129054

HARLAXTON COLLEGE

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2024

HARLAXTON COLLEGE

CONTENTS

	Page
Reference and Administrative Details of the College, its Trustees and Advisers	1
Trustees' Report	2 - 14
Independent Auditor's Report on the Financial Statements	15 - 19
Consolidated Statement of Financial Activities	20
Consolidated Balance Sheet	21 - 22
College Balance Sheet	23 - 24
Consolidated Statement of Cash Flows	25
Notes to the Financial Statements	26 - 46

HARLAXTON COLLEGE

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COLLEGE, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 APRIL 2024

Trustees	R Brownlow H Chubb C Pietruszkiewicz University of Evansville (appointed 14 May 2024)
Company registered number	06825976
Charity registered number	1129054
Registered office	Harlaxton Manor Harlaxton Grantham Lincolnshire NG32 1AG
Executive Director and Dean of Harlaxton College	Dr H Carter
Company Secretary	N Burrige
Independent auditor	Streets Audit LLP Chartered Accountants & Statutory Auditor Enterprise House 38 Commerce Road Lynchwood Peterborough Cambs PE2 6LR
Bankers	Barclays Bank Plc 33-35 High Street Grantham Lincolnshire NG31 6PH

HARLAXTON COLLEGE

TRUSTEES' REPORT FOR THE YEAR ENDED 30 APRIL 2024

The Trustees present their annual report together with the audited financial statements of the College for the year from 1 May 2023 to 30 April 2024. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees 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).

Structure, Governance and Management

a. Governing Document

Harlaxton College ("the College") was formed to provide educational facilities in the United Kingdom to students from the University of Evansville which is based in the United States of America. It is a charitable company established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. The University of Evansville is the sole member of the charitable company.

b. Governing Bodies

The College governing body consists of three Trustees who, through the Executive Director and Dean of Harlaxton College (Executive Director), and the Management Team, supervise the College's day to day activities.

c. Recruitment and Training of Trustees

The Charity's Trustees are appointed by the Board of Trustees of the University of Evansville. The Charity's Trustees will include the serving President of the University of Evansville and other trustees appointed upon recommendation by the Executive Director of Harlaxton College who will determine eligibility based upon personal competence, specialist skills, local availability and sympathy with the mission and aims of the College. Potential Trustees are highly likely to be existing members of the College's Advisory Council, a voluntary group who advise the Executive Director and Management Team on various matters in which they have expertise.

New Trustees, having been members of the College's Advisory Council, will be familiar with the normal workings of the College. They are inducted into the governance of the College, including financial policy and procedures, by the Executive Director and College Accountant.

The College has made qualifying third-party indemnity provisions for the benefit of the Trustees during the year. These provisions remain in force at the reporting date.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

Structure, Governance and Management (continued)

d. Organisational Management

The Trustees of the College, as the charity Trustees, are legally responsible for the overall management and control of the College and meet at least three times a year. They delegate the day to day running of the College to the Executive Director who is supported in the organisation and control of its activities by a number of senior managers operating in respect of both academic and business related disciplines. The Executive Director reports to both the Trustees and the Executive Vice-President for Academic Affairs at the University of Evansville in the USA.

The Executive Director, Management Team and Trustees are assisted by the Advisory Council, a voluntary organisation that includes three active sub-committees: Academic, Estates Management, and Student Life and Community Relations.

All Trustees give of their time freely and no remuneration or expenses were paid in the year. No Trustee or person connected with a trustee received any benefit from needs-based financial aid or merit-based scholarships awarded to our students.

e. Arrangements for Setting Pay and Remuneration of Key Personnel

The key management personnel of the charity comprise the Trustees, the Executive Director and the Management Team.

It is the College's policy that no Trustees are remunerated for their services as a Trustee. Exceptionally, Trustees may receive payment for the provision of services to the charity which does not conflict with their trustee role, and any such transactions are disclosed in the financial statements.

The President of the University of Evansville has ultimate responsibility for agreeing the pay and remuneration of the Executive Director of Harlaxton College.

The Executive Director has ultimate responsibility for agreeing the pay and remuneration of the Management Team and staff on an individual level. The Executive Director is assisted by the College Accountant and other members of the Management Team as appropriate. The Executive Director also has access to external professional advice which includes benchmarking and market trends.

The Executive Director and key personnel are remunerated by a combination of base salary and benefits (e.g. pension).

The College uses the annual staff appraisal process to set both College (short-term and long-term) and individual performance elements and is designed to promote the long-term success of the College. Achievement against individual objectives is by line managers and the Executive Director as appropriate.

The Executive Director is assessed annually by the Executive Vice-President for Academic Affairs at the University of Evansville in the USA.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

Structure, Governance and Management (continued)

f. Group Structure and Relationships

The Charity has a wholly owned non-charitable subsidiary, Harlaxton Manor Enterprises Limited, whose activities and trading performance are discussed below.

The College utilises its home "Harlaxton Manor" to the full by offering appropriate programmes and functions for the local and international communities. Certain of these activities are undertaken through the medium of Harlaxton Manor Enterprises Limited, a company whose directors are the Executive Director and College Accountant. The results of Harlaxton Manor Enterprises Limited are included within the consolidated financial statements. The directors are satisfied with the results of the subsidiary during the year. They are confident of future prospects.

The relationship between the College and the University of Evansville has been explained above.

g. Principal Risks and Uncertainties

The Trustees require the Executive Director and Management Team to actively review the principal risks and uncertainties which the college may face on a regular basis, including those relating to its operations and finances. They are satisfied that systems are in place to mitigate the College's exposure to the major risks and uncertainties. Detailed consideration of risk is delegated to the Management Team. The College has in place a formal risk management strategy which comprises:-

- An annual review of the risks which the College may face,
- The adequacy of current systems and procedures to mitigate those risks identified in the strategy; and
- The implementation of procedures designed to minimise any potential risk on the College should any of those risks materialise.

The Trustees recognise that systems can only provide reasonable but not absolute assurance that major risks and uncertainties have been adequately managed.

The principal risks and uncertainties that face the College are:

Financial – The College relies heavily on grant funding from the University of Evansville which, in turn, is reliant on overall student recruitment. Major fluctuations in student recruitment could significantly affect College income. The College (and University) mitigate these recruitment risks by ensuring that recruitment efforts are targeted towards a wide range of US Colleges and Universities so that the College is not reliant on a few sources.

Physical Environment – The College occupies a Grade I listed building (Harlaxton Manor) which is expensive to maintain. In recent times funding has been sufficient to maintain the College buildings to a very high standard. However, long term reductions in grant funding would jeopardise the College's ability to maintain College Buildings in sufficient repair.

Reputational/Security – The College has a very good reputation within the US (from where students are recruited) and has been awarded several high rankings for study abroad quality. However, an important factor that affects the whole UK study abroad industry is the attractiveness of the UK nation itself. Recent terrorist attacks in the UK and Europe can and have had a real effect on US perceptions of travel risk such that College recruitment could be detrimentally affected if the UK was deemed to be a 'risky' destination. In addition, due to the significant concentration of US citizens at the College, the Trustees expect the Executive Director and Management Team to take a proactive approach to local security and safety risk management.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

Structure, Governance and Management (continued)

Staffing – The success of the College is heavily dependent on the quality of its faculty and staff. The College monitors and reviews policies and procedures to ensure the continuing professional development of key staff and faculty. Performance management procedures are robust in ensuring that all staff meet the very highest standards in relation to all aspects of College teaching, performance, and operational management.

Fraud and Management of Funds – There is a high level of involvement of senior management in the day-to-day running of the College who regularly review management accounts and student numbers. In addition, there are regular reviews/discussions with the University of Evansville who also monitor monthly management accounts. The College's auditors also carry out audit and compliance checks on financials systems, records, and controls as part of their annual audit processes.

Objectives, Strategy, Aims and Policies

The College's objectives are set to reflect its educational aims and the ethos of the College. It is important to the College that it maintains and enhances the academic success of the College and the University of Evansville as a whole. This objective is, however, set in the context of the broader goals we set for the College and its students, faculty, and staff.

In setting our objectives, and planning our activities, our Trustees have considered the Charity Commission's general guidance on public benefit and its supplementary public benefit guidance on advancing education and fee-charging.

a. Charitable Objects

The Charity's objects are:

- the advancement of education for the public benefit, in particular through the provision of educational programmes and other facilities in England, to students at the University of Evansville or any other educational institution recommended by the University of Evansville;
- to promote for the public benefit the restoration, conservation, protection, and improvement of the physical and natural environment (including the biological diversity thereof) of the parkland, gardens and historic buildings of Harlaxton Manor, Harlaxton, Grantham, Lincolnshire.

Harlaxton College shares and supports the overall Mission of the University of Evansville which is "To empower each student to think critically, act bravely, serve responsibly, and live meaningfully in a changing world". In doing so, Harlaxton College seeks to develop students' personal and professional competencies, cultivate critical and creative thinkers, and produce ethical, global citizens equipped to thrive in a world of complexity and change.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

Objectives, Strategy, Aims and Policies (continued)

b. Strategy and Aims

Through the Executive Director and Management Team, the Trustees are responsible for setting a strategy for achieving the College's objectives. Like the University of Evansville, the primary focus of the College's strategy is to provide life transforming educational experiences that prepare our students to engage the world as informed, ethical and productive citizens.

To achieve this strategy, the College has the following statements of Mission and Vision:

Mission

To empower each student to think critically, act bravely, serve responsibly, and live meaningfully in a changing world.

Vision

Harlaxton College, the overseas study centre of the University of Evansville, is recognized nationally for developing students' personal and professional competencies, cultivating critical and creative thinkers, and producing ethical, global citizens equipped to thrive in a world of complexity and change. We accomplish this by attracting and retaining talented and motivated students who succeed within a diverse, supportive, and sustainable environment.

To achieve these aims the College holds educational classes and programmes, and provides accommodation, welfare and library facilities and organises a wide range of social, cultural, and sporting events.

The College also manages and maintains the parkland, gardens, and historic buildings of Harlaxton Manor liaising with English Heritage and other appropriate statutory and advisory organisations.

c. Objectives for the Year

The objectives of this year are a continuation of last year's objectives. These included a focus on curriculum and academic program design; student and partner institution recruitment; awaiting approval of a major development project in the Walled Garden. The focus of the upcoming year will be renewed emphasis on each of these areas through staff training and development, increased resources, and ever improving offerings for students and partner institutions.

d. Access and Diversity Policies

Harlaxton College Students

As an educational institution, Harlaxton College's core purpose is to empower each student to think critically, act bravely, serve responsibly, and live meaningfully in a changing world. The fulfillment of this purpose is inextricably tied to our ability to provide equality of opportunity regardless of economic status, gender, ethnicity, race, religion, sexual orientation or disability, and our ability to make diversity, cultural competency, and multiculturalism part of the student experience.

Harlaxton College welcomes students from all backgrounds. To be admitted, a student must be on a Gap Year program or be a degree-seeking student at an accredited US university and not be on academic or social probation (i.e. have made normal academic progress and not be on probation). An individual's economic status, gender, ethnicity, race, religion, or disability do not form part of the College's nor the University's admissions assessment process.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

Objectives, Strategy, Aims and Policies (continued)

It is important to the College that access to the educational experiences are not restricted to those who can afford our fees, and we believe that our students benefit from learning and living within a diverse community. We believe that a great deal of learning occurs informally through social interaction, conversation and shared experiences which help our students develop an understanding of the cultural and social perspectives of other people.

Harlaxton College Students Sourced from the University of Evansville

Harlaxton College subscribes to the University of Evansville's needs-based financial aid and merit-based scholarship policies thereby helping to contribute to a widening of access to the educational experience and facilities we offer. A student from the University of Evansville may have received a financial aid package which consists of both merit and need-based aid, in the form of scholarships and grants (free aid which does not have to be paid back), student loans (which will be paid back by the student after graduation from college) and work-study (money which is earned by working part-time on campus).

Need-Based Financial Aid Awards

Need-based financial aid comes in several forms (e.g. grants and student loans) and is awarded based on the student family's ability to contribute to their education, as determined by the Free Application for Federal Student Aid (FAFSA). Furthermore, need-based aid can be funded by US federal, state, university and/or private sources. FAFSA is the primary application used by all colleges in the United States to determine eligibility for need-based financial aid. By completing the FAFSA, students can apply for grants, student loans and work-study from federal, state and university sources.

The University of Evansville and Harlaxton College view needs-based financial aid as important in helping to ensure students from families, who would otherwise not be able to afford the fees, can access the educational experience the College offers. Needs-based financial aid is available to all who meet the College's general entry requirements and is awarded solely based on household means or to relieve hardship. In assessing means the FAFSA uses a sophisticated formula, determined annually by the United States Congress, to assist with the equitable rationing and distribution of need-based aid. The FAFSA starts with the student family's taxed and untaxed income from all sources and then, based on the number of people in the household, allowances are given to shelter amounts for basic needs such as housing, food, taxes, household maintenance, medical care, transportation, and savings. Neither consumer debt nor lifestyle choices are considered.

Scholarships and Merit-Based Awards

Scholarships and merit-based aid are awarded based on the student's "merit." Merit can be defined by academic strength, athletic ability, artistic talent or any other quality or affiliation which the University chooses to reward with a scholarship.

The University of Evansville offers a multitude of merit-based scholarships including, in some cases, awards of 100% remission of fees. Examples include:

- Competitive Scholarships such as Trustee Scholarships, Dean's Scholarships and Fine and Performing Arts Scholarships.
- Freshman Scholarships such as National Merit, National Achievement and National Hispanic Scholar Awards, Academic Scholarships, and the William L. Ridgway Award.
- Athletic and Music Scholarships (various awards)
- Additional Scholarships such as the Sibling Scholarship Grant awarded to the older student when a younger sibling enrolls.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

Objectives, Strategy, Aims and Policies (continued)

In addition to the University of Evansville Scholarships there are several awards that are only offered to Harlaxton Students which are based on merit and need. These include:

- Graves Scholarship (100% of all fees)
- Harlaxton Society Scholarships (\$750)
- Martin Travel and Margot Fine Awards (\$500 for travel)

Harlaxton College Students Sourced from other College and Universities

Students from other US colleges and universities are likely to have received needs and/or merit-based financial assistance from their home institutions. Most US colleges and universities have similar needs-based financial aid and merit-based scholarship assistance programmes to the University of Evansville's, however, unlike students

from the University of Evansville, the magnitude of these awards is not known on an individual basis. However, suffice it to say that these needs and merit-based awards, although not awarded by the University of Evansville or Harlaxton College, greatly assist the students concerned and further enable Harlaxton College to attract students from a widely diverse set of backgrounds.

In addition to these needs and merit-based awards from the student's home institution, the University of Evansville and Harlaxton College do offer all non-University of Evansville students some tuition remission or discount the magnitude of which averaged \$14,837 per student.

Other Financial Assistance

Loans

There are several sources of loans to assist both students and parents with paying for their educational experience, such as: Federal Direct Stafford Loan, Federal Perkins Loan and Federal Direct Parent Loan for Undergraduate Students. Most of these loans have an element of subsidy (e.g. loan interest does not accrue while at college/university).

Additional Travel Assistance

Many students make considerable personal sacrifices to fund their education and in recognition of this we can offer additional ad-hoc travel assistance to those students who find themselves short of funds and unable to take full advantage of the national and international cultural and social immersion opportunities that are available via Harlaxton College.

The Wider Community

The College is also part of a wider community, and we are keen that our students, faculty, and staff participate. In this regard, the College offers a resource to support a range of educational activities for the benefit of local children attending state schools and their teachers. The College's trustees and administration are committed to developing this cooperation and working with local state junior and secondary schools, and other appropriate groups.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

Objectives, Strategy, Aims and Policies (continued)

e. Welfare Policies

Harlaxton College is an equal opportunity organisation and is committed to a learning and working environment that is free from any form of discrimination on the grounds of race, colour, gender, gender identity and expression, sexual orientation, creed or religion, national origin, age, disability, veteran status, and all protected groups/classes. The College will make reasonable adjustments to meet the needs of students, faculty or staff who are or become disabled.

The College is committed to safeguarding and promoting the welfare of our students, faculty and staff and expects all students, faculty, and staff to share this commitment. The College is also committed to meeting its duties of care to the health, safety and wellbeing of its students, faculty, and staff, as well as others, including visitors, who may be affected by the College's activities.

Review of Achievements and Performances for the Year

The Executive Director is pleased to report on Harlaxton College's achievements and performance for the year.

a. Principal Activities of the Year

Harlaxton College principally provides education and associated facilities at Harlaxton College to students from the University of Evansville and other US based universities and colleges who wish to embark on a 'Study Abroad' experience in the UK.

Students spend a single semester or summer session studying a varied curriculum at Harlaxton College and travelling throughout the UK and the College endeavours to provide a culturally immersive and experiential learning experience.

The College hosts various conferences, academic groups and other universities from the UK and US during its summer recess.

Additionally, the College continued with a program of significant improvements to programs, facilities, infrastructure and personnel in order to realign College activities to face a changing post pandemic study abroad landscape and to develop more opportunities to increase and diversify revenues.

b. Student Enrolment

This year Harlaxton College had the following enrolments:

Summer School 2023	128 students	(Summer 2022 = 117)
Fall Semester 2023	42 students	(Fall 2022 = 50)
Spring 2024	112 students	(Spring 2023 = 143)

Custom Programs 23 programs (Summer 2022 = 20)

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

c. Academies and Academic Support

The College's academic programming was restructured to create additional pathways and opportunities for students to attend Harlaxton College (e.g. internships, GAP Programs and Changemaking initiatives). After restructuring in 2020/21, the core British Studies course was offered as two 3-credit hour classes: one with a history and the other with a literary focus.

A new MA in Heritage Management and Leadership completed development in cooperation with the University of Evansville and UK universities.

The College continued its program of hardware and software upgrades to academic and administrative computing services.

d. Student Experience

The new Office of Student Experience (formerly Student Engagement) was expanded with additional staff as students returned to campus. The team's new offices, adjacent to existing academic offices and the library, were completed resulting in a one stop 'Student Central' hub of professional and integrated academic and student engagement support.

e. General Support Services and Facilities

The College updated facilities generally and 3 showers were altered and upgraded, bringing one back into use after a year out of service. A new junior common room was also created for all students.

All the fine art and statues were revalued.

The focus on facility improvement has required careful budget and project management in association with securing several gifts from University of Evansville trustees and alumni.

f. Details of Financial Aid and Scholarship Awards

As discussed in the earlier Access and Diversity Policies section of this report, Harlaxton College subscribes to the University of Evansville's needs-based financial aid and merit-based scholarship policies. Therefore, a student from the University of Evansville may have received a financial aid package which consists of both merit and need-based aid, in the form of scholarships and grants, student loans and work-study.

Similarly, non-University of Evansville students (i.e. students from other US colleges and universities) are likely to have received needs and/or merit-based financial assistance. But this assistance is funded by the student's home institution and not the University of Evansville nor Harlaxton College. However, in addition to these home institution awards the University of Evansville and Harlaxton College do offer all non-University of Evansville students some tuition remission or discount.

In summary, all students are likely to have received various levels of needs and merit-based financial assistance of varying types and from various sources.

Summary of Fees

Our fee increases this year were restricted by the University of Evansville's trustees to an inflationary increase only. Our fees for the current year before the deduction of any needs-based financial aid or merit-based scholarships were:

Fall 2023 and Spring 2024 Semesters	\$20,700 per semester
Summer School 2023	\$5,280 per session

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

g. Community Service and Community Access

We see Harlaxton College as a part of a wider community and where we can assist the community without detriment to advancing the education of our students we are delighted to do so.

During the year we were delighted to host several local schools, charitable events, and open the Manor and gardens to the public on several occasions during the year, including Christmas and Easter.

Financial Review and Results for the Year

The College Accountant is pleased to report on the financial performance for the year.

a. Review of the Year

The overall level of income at £4,003,011 was 58% greater than the previous year (2023: £3,782,632).

Unrestricted operating income of £3,920,085 for the year was 8% higher than last year (2023: £3,628,622). There was a decrease in the level of unrestricted grant funding provided by the University of Evansville.

During the year, the College and Harlaxton Manor Enterprises Ltd did not receive any Government Funding. In the prior year, a small residual amount from the KickStarter Grant (£2,170) was received.

Trading turnover from Harlaxton Manor Enterprises Limited at £673,343 was 28% higher than the previous year (2023: £525,320). This was due to the increased number of weddings, events and visitor activity in general.

There has been a 5% increase in the level of resources expended. Furthermore, £228,015 (2023: £180,330) in costs was charged by the College to HME Ltd within 2023-24 to reflect the additional work required in line with the increased activities.

The College is continually striving to enhance the quality of the fabric of buildings and the facilities offered to students. A number of years ago the College established a "five year repair fund" which is a fund designated by the trustees to provide resources to meet the cost of much needed repairs to the fabric of the buildings and essential facilities. The cost of this work has in the past been met by specific grants from the University of Evansville, private donations, and grants from Historic England. In the current year, no major projects were undertaken, and no expenses were recorded.

On an overall basis, the Trustees' report a surplus for the year under review of £95,732 (2023: £46,405).

The College has continued to maintain a strong financial position with the group's assets exceeding liabilities by £2,366,400 (2023: £2,270,668).

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

Financial Review and Results for the Year (continued)

b. Wider Benefits Received and Provided

As a charity our students, the University of Evansville and our partner colleges and universities have the assurance that all the income of the College must be applied for either the advancement of our educational purposes or to promote the restoration, conservation, protection, and improvement of the parkland, gardens, and historic buildings of Harlaxton Manor.

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 purposes. As a charity we are also entitled to an 80% reduction on our business rates on Harlaxton Manor, the property we occupy for our charitable purposes. The financial benefits we receive from these tax exemptions are all applied for educational purposes and indirectly help us to maintain our financial aid and scholarship programmes.

However, as an educational charity, we are unable to reclaim all the VAT input tax on our costs as we are partially exempt for VAT purposes. As an employer, we also pay tax through the Employer's National Insurance Contributions we make.

c. Reserves Policy

At the year end the College held free reserves of £2,022,618 (2023: £2,249,125). The Trustees have reviewed the reserves of the College. The review encompassed the nature of the income and expenditure streams and the need to match variable income with fixed commitments. The review concluded that to allow the College to be managed efficiently and to provide a buffer for uninterrupted services, unrestricted funds not required to support functional fixed assets should be maintained at a level which equates to between six and twelve months' of unrestricted expenditure. This would provide sufficient funds to cover management and administration and support costs and to respond to unforeseen expenditure such as major property repairs in an environment where income levels are uncertain and dependent upon demand from overseas students.

Based upon the total resources expended during the present year, the Trustees acknowledge that the level of the reserves deteriorated during the year. However, they remain at the upper end of this intended range.

d. Nature of Funds

Except for the funding received from the University of Evansville and other sources for the Land Use Fund, all funds are considered by the Trustees to be unrestricted in their nature.

e. Investment Policy

The Trustees have the power to invest in such assets as they see fit.

The College has a policy of keeping any surplus liquid funds in short term deposits which can be accessed readily should the need arise.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

Plans for future periods

Harlaxton College will continue to pursue its core strategic initiatives:

Initiative I: Demonstrate and communicate the immediate, enduring, and distinctive benefits of a Harlaxton education.

Initiative II: Provide students with a best-in-class curriculum, co-curriculum, residential and travel experience to promote the full development of their intellectual, artistic, and personal potential.

Initiative III: Make Harlaxton College sustainable environmentally and financially while maintaining the beauty and architectural integrity of the heritage asset that is Harlaxton Manor.

Initiative IV: Engage with, and serve, the community so that Harlaxton is a destination and a resource for its neighbours, for students, and for other constituents and guests.

Initiative V: Cultivate, foster, and better integrate connections between Harlaxton, the University of Evansville, and partner colleges and universities.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the College for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year. Under company law, the Trustees 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 Group and the College and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the College's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the College 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 Group and the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2024

Disclosure of information to auditor

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

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

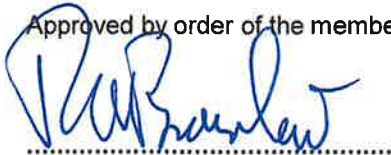
Auditor

The auditor, Streets Audit LLP, has indicated his willingness to continue in office. The Executive Director and Finance Manager will recommend either continuation of current auditors or a search for a new audit firm after the approval of the accounts at the Trustee meeting.

Accounts Preparation

The Trustees confirm that the accounts comply with current statutory requirements and with those of the governing instrument. This report and accounts have been prepared in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)), the Companies Act 2006 and the Trust deed.

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



.....
R Brownlow
(Trustee)



.....
H Chubb
(Trustee)

Date: 30 August 2024

HARLAXTON COLLEGE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARLAXTON COLLEGE

Opinion

We have audited the financial statements of Harlaxton College (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 April 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the College Balance Sheet, the Consolidated 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 Group's and of the parent charitable company's affairs as at 30 April 2024 and of the Group's 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 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent 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 Trustees with respect to going concern are described in the relevant sections of this report.

HARLAXTON COLLEGE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARLAXTON COLLEGE (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees 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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has 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 Trustees' 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:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

HARLAXTON COLLEGE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARLAXTON COLLEGE (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Trustees 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 Trustees are responsible for assessing the Group's and the parent 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 Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- 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 company through discussions with directors and other management, and from our commercial knowledge and experience of the company and sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, food safety regulations and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; 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.

HARLAXTON COLLEGE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARLAXTON COLLEGE (CONTINUED)

We assessed the susceptibility of the company's 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 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 set out in Note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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;
- reading the minutes of meetings of those charged with governance;
- inquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to inquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

HARLAXTON COLLEGE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARLAXTON COLLEGE (CONTINUED)

H McConnell

Heather McConnell (Senior Statutory Auditor)

for and on behalf of

Streets Audit LLP

Chartered Accountants & Statutory Auditor

Statutory Auditor

Enterprise House

38 Commerce Road

Lynchwood

Peterborough

Cambs

PE2 6LR

Date: *30 August 2024*

HARLAXTON COLLEGE

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 APRIL 2024**

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Grants received	4	46,440	1,699,648	1,746,088	2,009,727
Charitable activities	5	36,486	1,522,328	1,558,814	1,241,907
Other trading activities	6	-	673,343	673,343	525,320
Investments	7	-	24,766	24,766	5,678
Total income		82,926	3,920,085	4,003,011	3,782,632
Expenditure on:					
Raising funds	8	-	352,984	352,984	289,843
Charitable activities	9	82,926	3,471,369	3,554,295	3,446,384
Total expenditure		82,926	3,824,353	3,907,279	3,736,227
Net movement in funds		-	95,732	95,732	46,405
Reconciliation of funds:					
Total funds brought forward		-	2,270,666	2,270,666	2,224,261
Net movement in funds		-	95,732	95,732	46,405
Total funds carried forward		-	2,366,398	2,366,398	2,270,666

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 26 to 46 form part of these financial statements.

HARLAXTON COLLEGE
REGISTERED NUMBER: 06825976

CONSOLIDATED BALANCE SHEET
AS AT 30 APRIL 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	14	143,498	111,440
		<u>143,498</u>	<u>111,440</u>
Current assets			
Stocks	16	93,580	105,048
Debtors	17	2,171,116	2,218,828
Cash at bank and in hand		1,215,098	1,128,760
		<u>3,479,794</u>	<u>3,452,636</u>
Creditors: amounts falling due within one year	18	(1,217,725)	(1,273,616)
Net current assets		<u>2,262,069</u>	<u>2,179,020</u>
Total assets less current liabilities		<u>2,405,567</u>	<u>2,290,460</u>
Creditors: amounts falling due after more than one year	19	(39,167)	(19,792)
Net assets excluding pension asset		<u>2,366,400</u>	<u>2,270,668</u>
Total net assets		<u><u>2,366,400</u></u>	<u><u>2,270,668</u></u>
Charity funds			
Restricted funds	20	-	-
Unrestricted funds	20	2,366,400	2,270,668
Total funds		<u><u>2,366,400</u></u>	<u><u>2,270,668</u></u>

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

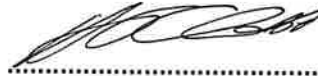
The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

HARLAXTON COLLEGE
REGISTERED NUMBER: 06825976

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 30 APRIL 2024



.....
R Brownlow
(Trustee)



.....
H Chubb
(Trustee)

Date:

30 August 2024

The notes on pages 26 to 46 form part of these financial statements.

HARLAXTON COLLEGE
REGISTERED NUMBER: 06825976

COLLEGE BALANCE SHEET
AS AT 30 APRIL 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	14	143,498	111,440
Investments	15	2	2
		<u>143,500</u>	<u>111,442</u>
Current assets			
Stocks	16	54,331	66,253
Debtors	17	2,253,596	2,274,612
Cash at bank and in hand		877,502	864,611
		<u>3,185,429</u>	<u>3,205,476</u>
Creditors: amounts falling due within one year	18	(984,072)	(1,067,793)
Net current assets		<u>2,201,357</u>	<u>2,137,683</u>
Total assets less current liabilities		<u>2,344,857</u>	<u>2,249,125</u>
Net assets excluding pension asset		<u>2,344,857</u>	<u>2,249,125</u>
Total net assets		<u><u>2,344,857</u></u>	<u><u>2,249,125</u></u>
Charity funds			
Restricted funds	20	-	-
Unrestricted funds	20	2,344,857	2,249,125
Total funds		<u><u>2,344,857</u></u>	<u><u>2,249,125</u></u>

The College's net movement in funds for the year was £(130,403) (2023 - £(138,749)).

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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

HARLAXTON COLLEGE
REGISTERED NUMBER: 06825976

COLLEGE BALANCE SHEET (CONTINUED)
AS AT 30 APRIL 2024



.....
R Brownlow
(Trustee)



.....
H Chubb
(Trustee)

Date: 30 August 2024

The notes on pages 26 to 46 form part of these financial statements.

HARLAXTON COLLEGE

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 APRIL 2024**

	2024 £	2023 £
Cash flows from operating activities		
Net cash used in operating activities	117,156	(450,856)
	<hr/>	<hr/>
Net cash used in operating activities	<hr/> 117,156	<hr/> (450,856)
Cash flows from investing activities		
Interest received	24,766	5,678
Purchase of tangible fixed assets	(55,584)	-
Change in cash and cash equivalents in the year	86,338	(445,178)
Cash and cash equivalents at the beginning of the year	1,128,760	1,573,938
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	1,215,098	1,128,760

The notes on pages 26 to 46 form part of these financial statements

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2024

1. Accounting policies

1.1 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest pound.

Harlaxton College 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.

The financial statements of the charitable company are consolidated in the financial statements of Harlaxton College. The consolidated financial statements are publicly available from its registered office, Harlaxton Manor, Harlaxton, Grantham, Lincolnshire, NG32 1AG.

1.2 Going concern

The financial statements have been prepared on a going concern basis. Having carried out a detailed review of the group's position and its forecasts at the date of signing the accounts and with regards to the challenges presented by the current economic and health climate, the trustees are satisfied that the group has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the accounts.

1.3 Consolidated financial statements

These financial statements comprise the results of Harlaxton College and its wholly owned trading subsidiary, Harlaxton Manor Enterprises Limited consolidated on a line by line basis. The parent charitable company has taken advantage of the available exemption under section 408 of the Companies Act 2006 not to present its own Statement of Financial Activities or Income & Expenditure Account.

1.4 Income

All income is recognised once the College has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Charitable activities income is grants from the University of Evansville and represents funds drawn down during the year. They are recognised as income according to the Semester to which they relate. Semester fee income, College Summer programmes and student travel and the provision of facilities for students are recognised in the year to which they relate.

Trading income attributable to Harlaxton Manor Enterprises Limited represents services rendered to customers at amounts exclusive of value added tax.

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

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2024

1. Accounting policies (continued)

1.5 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 is classified under charitable activity rather than the type of expense, in order to provide more useful information to users of the financial statements.

Charitable activity costs comprise both direct expenditure, including direct staff costs attributable to the activity, and support costs relating to these activities.

Overheads, governance costs and other costs, not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to the activity in the year, either by reference to staff time or space occupied, as appropriate. The irrecoverable element of VAT is included with the item of expenses to which it relates.

As Harlaxton College is unable to reclaim all of the Value Added Tax (VAT), expenditure is stated net of VAT where input tax is recoverable in full and inclusive of VAT in respect of expenditure where input tax is not wholly recoverable. The amount of irrecoverable input tax relating to partially exempt supplies is included in resources expended in accordance with the appropriate classification of costs.

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

1.6 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

1.7 Interest receivable

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

1.8 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2024

1. Accounting policies (continued)

1.9 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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.

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:

Property improvements	- 87 years
Plant and machinery	- 5-15 years
Motor vehicles	- 5-10 years
Furniture	- 15 years
Library books	- 20 years
Computers	- 5 years

1.10 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

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

1.11 Stocks

Stocks are valued at the lower of cost and selling price less costs to complete after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

At each reporting date, the charity assesses whether stocks are impaired or if any impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in the statement of financial activities.

1.12 Debtors

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

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024

1. Accounting policies (continued)

1.13 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.

1.14 Liabilities and provisions

Liabilities 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 College 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 Consolidated Statement of Financial Activities as a finance cost.

1.15 Financial instruments

The Group 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.

1.16 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

1.17 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group 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.

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2024

1. Accounting policies (continued)

1.18 Employment benefits

The cost of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.19 Heritage assets

The group's objectives include the restoration, conservation and protection of the historic buildings and grounds of Harlaxton Manor. In accordance with the term of the property lease and the property management agreement the group is obliged to maintain the Manor, as an agent, to an agreed state of repair. The group does not own the Manor and as a result the value of the Manor is not reflected in the Statement of Financial Position. In addition, the income received and expenses incurred which are associated with the restoration of the Manor are included in the Statement of Financial Activities as outlined in Note 1.21.

1.20 Expenditure on major restoration

The costs of associated major repairs and restoration work of Harlaxton Manor is reported in the Statement of Financial Activities in the year it is incurred. Preservation of Harlaxton Manor is defined as work done on a major area of the building or the grounds in order to bring the areas back in to their original condition. The costs of such works are mostly funded through grants receivable.

2. General information

Harlaxton College is a charitable private company (company number 06825976 and charity registration number 1129054) and is also registered as a charity at the Charity Commission in England and Wales. The charitable company is limited by guarantee and in the event of the charitable company being wound up during the year of membership, or with the year following, company members are required to contribute an amount not exceeding £10. The registered office and principal place of business is Harlaxton Manor, Harlaxton, Grantham, Lincolnshire, NG32 1AG.

The charitable company and the Group's principal objective are the provision of education programmes and other facilities in England to students of the University of Evansville and the preservation and maintenance of Harlaxton Manor.

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

3. Critical accounting estimates and areas of judgment

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 College makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Income from grants

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Grants				
Grants from the University of Evansville	-	1,699,648	1,699,648	1,877,098
Government grants				
Kickstarter grant	-	-	-	2,170
Grants from University of Evansville	46,440	-	46,440	130,459
	<u>46,440</u>	<u>1,699,648</u>	<u>1,746,088</u>	<u>2,009,727</u>

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

5. Income from charitable activities

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Semester fee income, summer programs and student travel	-	1,522,328	1,522,328	1,218,356
Land fund	36,486	-	36,486	23,551
	<u>36,486</u>	<u>1,522,328</u>	<u>1,558,814</u>	<u>1,241,907</u>

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Harlaxton Manor Enterprises Limited	673,343	673,343	525,320
	<u>673,343</u>	<u>673,343</u>	<u>525,320</u>

7. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Interest received	24,766	24,766	5,678
	<u>24,766</u>	<u>24,766</u>	<u>5,678</u>

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

8. Expenditure on raising funds

Other trading expenses

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Cost of sales	294,786	294,786	244,052
Administration expenses	58,198	58,198	45,791
	352,984	352,984	289,843
	352,984	352,984	289,843

9. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total 2024 £	<i>Total 2023 £</i>
Operation of study centre	-	3,471,369	3,471,369	3,292,374
Preservation of Harlaxton Manor	82,926	-	82,926	154,010
	82,926	3,471,369	3,554,295	3,446,384
	82,926	3,471,369	3,554,295	3,446,384

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

9. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2024 £	Depreciation 2024 £	Other costs 2024 £	Total 2024 £	Total 2023 £
Operation of study centre	1,266,061	23,526	2,181,782	3,471,369	3,292,374
Preservation of Harlaxton Manor	-	-	82,926	82,926	154,010
	<u>1,266,061</u>	<u>23,526</u>	<u>2,264,708</u>	<u>3,554,295</u>	<u>3,446,384</u>
<i>Total 2023</i>	<u><u>1,103,517</u></u>	<u><u>24,000</u></u>	<u><u>2,318,867</u></u>	<u><u>3,446,384</u></u>	

10. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Operation of study centre	3,461,739	9,630	3,471,369	3,292,374
Preservation of Harlaxton Manor	82,926	-	82,926	154,010
	<u>3,544,665</u>	<u>9,630</u>	<u>3,554,295</u>	<u>3,446,384</u>
<i>Total 2023</i>	<u><u>3,437,022</u></u>	<u><u>9,362</u></u>	<u><u>3,446,384</u></u>	

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Operation of study centre 2024 £	Preservation of Harlaxton Manor 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	1,266,061	-	1,266,061	1,103,517
Depreciation	23,526	-	23,526	24,000
Administration	57,431	-	57,431	59,433
General expenses	157,072	-	157,072	183,727
Faculty and tuition	9,572	-	9,572	3,397
Student affairs	214,467	-	214,467	220,255
Physical plant	131,151	-	131,151	163,517
Utilities	395,467	-	395,467	369,408
Housekeeping	35,610	-	35,610	42,560
Gardens and grounds	19,853	-	19,853	14,085
Transport	15,414	-	15,414	15,367
Security	123	-	123	315
Catering	642,849	-	642,849	768,623
Summer programs	463,576	-	463,576	257,044
Land fund	-	82,926	82,926	154,010
Investment impairment	-	-	-	12,633
Governance costs	29,567	-	29,567	45,131
	<u>3,461,739</u>	<u>82,926</u>	<u>3,544,665</u>	<u>3,437,022</u>

Direct costs have been allocated to activity on a basis consistent with the use of resources.

11. Auditor's remuneration

	2024 £	2023 £
Fees payable to the College's auditor for the audit of the College's annual accounts	12,100	11,000
Fees payable to the College's auditor in respect of:		
Audit services of the subsidiary company	4,675	4,250
Taxation compliance services	-	2,250
All non-audit services not included above	<u>5,750</u>	<u>6,000</u>

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

12. Staff costs

	Group 2024 £	<i>Group 2023 £</i>	College 2024 £	<i>College 2023 £</i>
Wages and salaries	1,137,707	963,821	1,137,707	963,821
Social security costs	85,916	71,587	85,916	71,587
Contribution to defined contribution pension schemes	42,438	68,109	42,438	68,109
	<u>1,266,061</u>	<u>1,103,517</u>	<u>1,266,061</u>	<u>1,103,517</u>

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

	Group 2024 No.	<i>Group 2023 No.</i>	College 2024 No.	<i>College 2023 No.</i>
Management and administration	16	19	16	19
Faculty	13	8	13	8
House Keeping and estate	23	26	23	26
Catering and events	3	-	3	-
	<u>55</u>	<u>53</u>	<u>55</u>	<u>53</u>

The average headcount expressed as full-time equivalents was 47: (2023 - 44)

No employee received remuneration amounting to more than £60,000 in either year.

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge of £42,438 (2023 - £68,109) represents contributions payable by the Group to the scheme. At the year end, the group owed the scheme £2,000 (2023 - £3,608) included in accruals with respect to contributions due.

The key management personnel of the group comprises of the trustees and senior members of the management who are responsible for the day to day running of the college. The total employee benefits for the key management personnel was £372,297 (2023 - £309,576).

13. Trustees' remuneration and expenses

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

During the year ended 30 April 2024, no Trustee expenses have been incurred (2023 - £NIL).

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

14. Tangible fixed assets

Group and College

	Property improvements £	Plant and machinery £	Motor vehicles £	Furniture £	Library books £	Computers £	Total £
Cost or valuation							
At 1 May 2023	10,594	335,737	89,314	26,507	217,839	98,657	778,648
Additions	-	2,963	-	52,621	-	-	55,584
At 30 April 2024	<u>10,594</u>	<u>338,700</u>	<u>89,314</u>	<u>79,128</u>	<u>217,839</u>	<u>98,657</u>	<u>834,232</u>
Depreciation							
At 1 May 2023	3,086	307,858	71,377	26,507	166,228	92,152	667,208
Charge for the year	122	4,659	4,339	1,616	6,582	6,208	23,526
At 30 April 2024	<u>3,208</u>	<u>312,517</u>	<u>75,716</u>	<u>28,123</u>	<u>172,810</u>	<u>98,360</u>	<u>690,734</u>
Net book value							
At 30 April 2024	<u>7,386</u>	<u>26,183</u>	<u>13,598</u>	<u>51,005</u>	<u>45,029</u>	<u>297</u>	<u>143,498</u>
At 30 April 2023	<u>7,508</u>	<u>27,879</u>	<u>17,937</u>	<u>-</u>	<u>51,611</u>	<u>6,505</u>	<u>111,440</u>

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

14. Tangible fixed assets (continued)

All tangible assets are used for charitable purposes.

Heritage assets are not recognised in the balance sheet.

The Charity maintains the historic buildings and grounds of Harlaxton Manor on behalf of the University of Evansville as detailed in the property management agreement and the property lease. As explained in the accounting policies (note 1) the Charity does not own the Manor and as a result the value of the Manor is not reflected in the financial statements.

Restoration work is carried out in order to keep the Manor and gardens in a condition suitable for use.

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024

15. Fixed asset investments

College	Investments in subsidiary companies £
Cost or valuation	
At 1 May 2023	2
	<hr/>
At 30 April 2024	2
	<hr/> <hr/>
Net book value	
At 30 April 2024	2
	<hr/>
At 30 April 2023	2
	<hr/> <hr/>

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

15. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the College:

Name	Company number	Registered office or principal place of business	Principal activity
Harlaxton Manor Enterprises Limited	02141188	Harlaxton Manor, Harlaxton, Grantham, Lincolnshire, NG32 1AG	Provision of conference and banqueting services, making available the facilities of Harlaxton Manor and providing certain services to students.

Class of shares	Holding
Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £
Harlaxton Manor Enterprises Limited	673,343	579,119	94,224
Net assets £			

21,545

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024

16. Stocks

	Group 2024 £	<i>Group 2023 £</i>	College 2024 £	<i>College 2023 £</i>
Consumables	93,580	<i>105,048</i>	54,331	<i>66,253</i>

17. Debtors

	Group 2024 £	<i>Group 2023 £</i>	College 2024 £	<i>College 2023 £</i>
Due within one year				
Trade debtors	38,618	<i>35,070</i>	9,121	<i>1,025</i>
Amounts owed by group undertakings	-	-	113,510	<i>91,444</i>
Due from University of Evansville	1,978,559	<i>1,923,500</i>	1,978,559	<i>1,923,500</i>
Prepayments and accrued income	153,939	<i>260,258</i>	152,406	<i>258,643</i>
	2,171,116	<i>2,218,828</i>	2,253,596	<i>2,274,612</i>

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

18. Creditors: Amounts falling due within one year

	Group 2024 £	<i>Group 2023 £</i>	College 2024 £	<i>College 2023 £</i>
Trade creditors	274,012	238,041	222,316	218,492
Other taxation and social security	44,881	42,465	23,383	20,736
Other creditors	2,000	3,608	2,000	3,608
Accruals and deferred income	896,832	989,502	736,373	824,957
	<u>1,217,725</u>	<u>1,273,616</u>	<u>984,072</u>	<u>1,067,793</u>
	Group 2024 £	<i>Group 2023 £</i>	College 2024 £	<i>College 2023 £</i>
Deferred income at 1 May 2023	931,627	372,864	760,409	308,702
Resources deferred during the year	863,477	931,627	674,299	760,409
Amounts released from previous periods	(931,627)	(372,864)	(760,409)	(308,702)
	<u>863,477</u>	<u>931,627</u>	<u>674,299</u>	<u>760,409</u>

The deferred income relates to advances for weddings and grants received in advance.

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

	Group 2024 £	<i>Group 2023 £</i>
Accruals and deferred income	<u>39,167</u>	<u>19,792</u>

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

20. Statement of funds

Statement of funds - current year

	Balance at 1 May 2023 £	Income £	Expenditure £	Balance at 30 April 2024 £
Unrestricted funds				
Harlaxton College	2,249,125	3,246,742	(3,151,010)	2,344,857
Harlaxton Manor Enterprises Limited	21,543	673,343	(673,343)	21,543
	<u>2,270,668</u>	<u>3,920,085</u>	<u>(3,824,353)</u>	<u>2,366,400</u>
Restricted funds				
Preservation of Harlaxton Manor	-	82,926	(82,926)	-
	<u>2,270,668</u>	<u>4,003,011</u>	<u>(3,907,279)</u>	<u>2,366,400</u>

Statement of funds - prior year

	Balance at 1 May 2022 £	Income £	Expenditure £	Balance at 30 April 2023 £
Unrestricted funds				
Harlaxton College	2,202,720	3,103,302	(3,056,897)	2,249,125
Harlaxton Manor Enterprises Limited	21,543	525,320	(525,320)	21,543
	<u>2,224,263</u>	<u>3,628,622</u>	<u>(3,582,217)</u>	<u>2,270,668</u>
Restricted funds				
Preservation of Harlaxton Manor	-	154,010	(154,010)	-
	<u>2,224,263</u>	<u>3,782,632</u>	<u>(3,736,227)</u>	<u>2,270,668</u>

Preservation of Harlaxton Manor fund is funds received for the up keep and maintenance of the land used by the College.

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

21. Summary of funds

Summary of funds - current year

	Balance at 1 May 2023 £	Income £	Expenditure £	Balance at 30 April 2024 £
General funds	2,270,668	3,920,085	(3,824,353)	2,366,400
Restricted funds	-	82,926	(82,926)	-
	<u>2,270,668</u>	<u>4,003,011</u>	<u>(3,907,279)</u>	<u>2,366,400</u>

Summary of funds - prior year

	<i>Balance at 1 May 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 April 2023 £</i>
General funds	2,224,263	3,628,622	(3,582,217)	2,270,668
Restricted funds	-	154,010	(154,010)	-
	<u>2,224,263</u>	<u>3,782,632</u>	<u>(3,736,227)</u>	<u>2,270,668</u>

22. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	143,498	143,498
Current assets	3,479,794	3,479,794
Creditors due within one year	(1,217,725)	(1,217,725)
Creditors due in more than one year	(39,167)	(39,167)
Total	<u>2,366,400</u>	<u>2,366,400</u>

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	111,440	111,440
Current assets	3,452,636	3,452,636
Creditors due within one year	(1,273,616)	(1,273,616)
Creditors due in more than one year	(19,792)	(19,792)
Total	2,270,668	2,270,668

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

	<i>Group 2024 £</i>	<i>Group 2023 £</i>
Net income for the period (as per Statement of Financial Activities)	95,732	46,405
Adjustments for:		
Depreciation charges	23,526	23,999
Interest received	(24,766)	(5,678)
Decrease/(increase) in stocks	11,468	(26,555)
Decrease/(increase) in debtors	47,712	(1,047,944)
Increase/(decrease) in creditors	(36,516)	558,917
Net cash provided by/(used in) operating activities	117,156	(450,856)

24. Analysis of cash and cash equivalents

	<i>Group 2024 £</i>	<i>Group 2023 £</i>
Cash in hand	1,215,098	1,128,760
Total cash and cash equivalents	1,215,098	1,128,760

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2024**

25. Analysis of changes in net debt

	At 1 May 2023	Cash flows	At 30 April 2024
	£	£	£
Cash at bank and in hand	1,128,760	86,338	1,215,098
	<u>1,128,760</u>	<u>86,338</u>	<u>1,215,098</u>

26. Related party transactions

During the year Harlaxton College received management charges of £228,015 (2023 - £180,330) and donations via the Gift Aid scheme of £94,224 (2023 - £56,825) from its wholly owned subsidiary, Harlaxton Manor Enterprises Limited.

At the year end the amount due to Harlaxton Manor Enterprises Limited amounted to £113,510 (2023 - due from Harlaxton Manor Enterprises Limited £91,444).

During the year, the charity incurred operational and payroll costs on behalf of Harlaxton Manor Enterprises Limited. These costs have not been recharged. Management are currently designing an appropriate means for recharging these costs.

During the year Harlaxton College received £2,885,817 (2023 - £2,466,511) of grants from the University of Evansville, which is the sole member of Harlaxton College. During the year Harlaxton College was charged expenses of £nil (2023 - £nil) by the University of Evansville.

At the year end the amount due from the University of Evansville amounted to £1,978,559 (2023 - £1,923,500).

27. Connected organisations

The University of Evansville is the sole member of Harlaxton College and has the power to appoint and remove trustees. The University of Evansville is an entity that is registered in United States of America.

The freehold land and buildings occupied by the College are owned by the University of Evansville and let rent free to the College. No rental charge is included in the Statement of Financial Activities. The trustees consider such a rental charge to be unquantifiable.

HARLAXTON COLLEGE

England & Wales - Charity number 1129054

Accounts

Registered number: 06825976
Charity number: 1129054

HARLAXTON COLLEGE

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2023

HARLAXTON COLLEGE

CONTENTS

	Page
Reference and Administrative Details of the College, its Trustees and Advisers	1
Trustees' Report	2 - 15
Independent Auditors' Report on the Financial Statements	16 - 20
Consolidated Statement of Financial Activities	21
Consolidated Balance Sheet	22 - 23
College Balance Sheet	24 - 25
Consolidated Statement of Cash Flows	26
Notes to the Financial Statements	27 - 48

HARLAXTON COLLEGE

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COLLEGE, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 APRIL 2023**

Trustees	R Brownlow H Chubb C Pietruszkiewicz
Company registered number	06825976
Charity registered number	1129054
Registered office	Harlaxton Manor Harlaxton Grantham Lincolnshire NG32 1AG
Executive Director and Dean of Harlaxton College	Dr H Carter
Company Secretary	N Burrige
Independent auditors	Streets Audit LLP Chartered Accountants & Statutory Auditors Enterprise House 38 Commerce Road Lynchwood Peterborough Cams PE2 6LR
Bankers	Barclays Bank Plc 33-35 High Street Grantham Lincolnshire NG31 6PH

HARLAXTON COLLEGE

TRUSTEES' REPORT FOR THE YEAR ENDED 30 APRIL 2023

The Trustees present their annual report together with the audited financial statements of the College for the year from 1 May 2022 to 30 April 2023. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees 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).

Structure, Governance and Management

a. Governing Document

Harlaxton College ("the College") was formed to provide educational facilities in the United Kingdom to students from the University of Evansville which is based in the United States of America. It is a charitable company established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. The University of Evansville is the sole member of the charitable company.

b. Governing Bodies

The College governing body consists of three Trustees who, through the Executive Director and Dean of Harlaxton College (Executive Director), and the Management Team, supervise the College's day to day activities.

c. Recruitment and Training of Trustees

The Charity's Trustees are appointed by the Board of Trustees of the University of Evansville. The Charity's Trustees will include the serving President of the University of Evansville and other trustees appointed upon recommendation by the Principal of Harlaxton College who will determine eligibility based upon personal competence, specialist skills, local availability and sympathy with the mission and aims of the College. Potential Trustees are highly likely to be existing members of the College's Advisory Council, a voluntary group who advise the Executive Director and Management Team on various matters in which they have expertise.

New Trustees, having been members of the College's Advisory Council, will be familiar with the normal workings of the College. They are inducted into the governance of the College, including financial policy and procedures, by the Executive Director and College Accountant.

The College has made qualifying third-party indemnity provisions for the benefit of the trustees during the year. These provisions remain in force at the reporting date.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

Structure, Governance and Management (continued)

d. Organisational Management

The Trustees of the College, as the charity Trustees, are legally responsible for the overall management and control of the College and meet at least three times a year. They delegate the day to day running of the College to the Executive Director who is supported in the organisation and control of its activities by a number of senior managers operating in respect of both academic and business related disciplines. The Executive Director reports to both the Trustees and the Executive Vice-President for Academic Affairs at the University of Evansville in the USA.

The Executive Director, Management Team and Trustees are assisted by the Advisory Council, a voluntary organisation that includes three active sub-committees: Academic, Estates Management, and Student Life and Community Relations.

All trustees give of their time freely and no remuneration or expenses were paid in the year. No trustee or person connected with a trustee received any benefit from needs-based financial aid or merit-based scholarships awarded to our students.

e. Arrangements for Setting Pay and Remuneration of Key Personnel

The key management personnel of the charity comprise the trustees, the Executive Director and the Management Team.

It is the College's policy that no Trustees are remunerated for their services as a Trustee. Exceptionally, Trustees may receive payment for the provision of services to the charity which does not conflict with their trustee role, and any such transactions are disclosed in the financial statements.

The President of the University of Evansville has ultimate responsibility for agreeing the pay and remuneration of the Executive Director of Harlaxton College.

The Executive Director has ultimate responsibility for agreeing the pay and remuneration of the Management Team and staff on an individual level. The Executive Director is assisted by the College Accountant and other members of the Management Team as appropriate. The Executive Director also has access to external professional advice which includes benchmarking and market trends.

The Executive Director and key personnel are remunerated by a combination of base salary and benefits (e.g. pension).

The College uses the annual staff appraisal process to set both College (short-term and long-term) and individual performance elements and is designed to promote the long-term success of the College. Achievement against individual objectives is by line managers and the Executive Director as appropriate.

The Executive Director is assessed annually by the Executive Vice-President for Academic Affairs at the University of Evansville in the USA.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

Structure, Governance and Management (continued)

f. Group Structure and Relationships

The Charity has a wholly owned non-charitable subsidiary, Harlaxton Manor Enterprises Limited, whose activities and trading performance are discussed below.

The College utilises its home "Harlaxton Manor" to the full by offering appropriate programmes and functions for the local and international communities. Certain of these activities are undertaken through the medium of Harlaxton Manor Enterprises Limited, a company whose directors are the Executive Director and College Accountant. The results of Harlaxton Manor Enterprises Limited are included within the consolidated financial statements. The directors are satisfied with the results of the subsidiary during the year. They are confident of future prospects.

The relationship between the College and the University of Evansville has been explained above.

g. Principal Risks and Uncertainties

The Trustees require the Executive Director and Management Team to actively review the principal risks and uncertainties which the college may face on a regular basis, including those relating to its operations and finances. They are satisfied that systems are in place to mitigate the College's exposure to the major risks and uncertainties. Detailed consideration of risk is delegated to the Management Team. The College has in place a formal risk management strategy which comprises:-

- An annual review of the risks which the College may face.
- The adequacy of current systems and procedures to mitigate those risks identified in the strategy; and
- The implementation of procedures designed to minimise any potential risk on the College should any of those risks materialise.

The Trustees recognise that systems can only provide reasonable but not absolute assurance that major risks and uncertainties have been adequately managed.

The principal risks and uncertainties that face the College are:

Financial – The College relies heavily on grant funding from the University of Evansville which, in turn, is reliant on overall student recruitment. Major fluctuations in student recruitment could significantly affect College income. The College (and University) mitigate these recruitment risks by ensuring that recruitment efforts are targeted towards a wide range of US Colleges and Universities so that the College is not reliant on a few sources.

Physical Environment – The College occupies a Grade I listed building (Harlaxton Manor) which is expensive to maintain. In recent times funding has been sufficient to maintain the College buildings to a very high standard. However, long term reductions in grant funding would jeopardise the College's ability to maintain College Buildings in sufficient repair.

Reputational/Security – The College has a very good reputation within the US (from where students are recruited) and has been awarded several high rankings for study abroad quality. However, an important factor that affects the whole UK study abroad industry is the attractiveness of the UK nation itself. Recent terrorist attacks in the UK and Europe can and have had a real effect on US perceptions of travel risk such that College recruitment could be detrimentally affected if the UK was deemed to be a 'risky' destination. In addition, due to the significant concentration of US citizens at the College, the Trustees expect the Executive Director and Management Team to take a proactive approach to local security and safety risk management.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

Structure, Governance and Management (continued)

Staffing – The success of the College is heavily dependent on the quality of its faculty and staff. The College monitors and reviews policies and procedures to ensure the continuing professional development of key staff and faculty. Performance management procedures are robust in ensuring that all staff meet the very highest standards in relation to all aspects of College teaching, performance, and operational management.

Fraud and Management of Funds – There is a high level of involvement of senior management in the day-to-day running of the College who regularly review management accounts and student numbers. In addition, there are regular reviews/discussions with the University of Evansville who also monitor monthly management accounts. The College's auditors also carry out audit and compliance checks on financials systems, records, and controls as part of their annual audit processes.

Objectives, Strategy, Aims and Policies

The College's objectives are set to reflect its educational aims and the ethos of the College. It is important to the College that it maintains and enhances the academic success of the College and the University of Evansville as a whole. This objective is, however, set in the context of the broader goals we set for the College and its students, faculty, and staff.

In setting our objectives, and planning our activities, our Trustees have considered the Charity Commission's general guidance on public benefit and its supplementary public benefit guidance on advancing education and fee-charging.

a. Charitable Objects

The Charity's objects are:

- the advancement of education for the public benefit, in particular through the provision of educational programmes and other facilities in England, to students at the University of Evansville or any other educational institution recommended by the University of Evansville;
- to promote for the public benefit the restoration, conservation, protection, and improvement of the physical and natural environment (including the biological diversity thereof) of the parkland, gardens and historic buildings of Harlaxton Manor, Harlaxton, Grantham, Lincolnshire.

Harlaxton College shares and supports the overall Mission of the University of Evansville which is "To empower each student to think critically, act bravely, serve responsibly, and live meaningfully in a changing world". In doing so, Harlaxton College seeks to develop students' personal and professional competencies, cultivate critical and creative thinkers, and produce ethical, global citizens equipped to thrive in a world of complexity and change.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

Objectives, Strategy, Aims and Policies (continued)

b. Strategy and Aims

Through the Executive Director and Management Team, the Trustees are responsible for setting a strategy for achieving the College's objectives. Like the University of Evansville, the primary focus of the College's strategy is to provide life transforming educational experiences that prepare our students to engage the world as informed, ethical and productive citizens.

To achieve this strategy, the College has the following statements of Mission and Vision:

Mission

To empower each student to think critically, act bravely, serve responsibly, and live meaningfully in a changing world.

Vision

Harlaxton College, the oversees study centre of the University of Evansville, is recognized nationally for developing students' personal and professional competencies, cultivating critical and creative thinkers, and producing ethical, global citizens equipped to thrive in a world of complexity and change. We accomplish this by attracting and retaining talented and motivated students who succeed within a diverse, supportive, and sustainable environment.

To achieve these aims the College holds educational classes and programmes, and provides accommodation, welfare and library facilities and organises a wide range of social, cultural, and sporting events.

The College also manages and maintains the parkland, gardens, and historic buildings of Harlaxton Manor liaising with English Heritage and other appropriate statutory and advisory organisations.

c. Objectives for the Year

The objectives of this year are a continuation of last year's objectives. These included a focus on curriculum and academic program design; student and partner institution recruitment; awaiting approval of a major development project in the Walled Garden. The focus of the upcoming year will be renewed emphasis on each of these areas through staff training and development, increased resources, and ever improving offerings for students and partner institutions.

d. Access and Diversity Policies

Harlaxton College Students

As an educational institution, Harlaxton College's core purpose is to empower each student to think critically, act bravely, serve responsibly, and live meaningfully in a changing world. The fulfillment of this purpose is inextricably tied to our ability to provide equality of opportunity regardless of economic status, gender, ethnicity, race, religion, sexual orientation or disability, and our ability to make diversity, cultural competency, and multiculturalism part of the student experience.

Harlaxton College welcomes students from all backgrounds. To be admitted, a student must be on a Gap Year program or be a degree-seeking student at an accredited US university and not be on academic or social probation (i.e. have made normal academic progress and not be on probation). An individual's economic status, gender, ethnicity, race, religion, or disability do not form part of the College's nor the University's admissions assessment process.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

Objectives, Strategy, Aims and Policies (continued)

It is important to the College that access to the educational experiences are not restricted to those who can afford our fees, and we believe that our students benefit from learning and living within a diverse community. We believe that a great deal of learning occurs informally through social interaction, conversation and shared experiences which help our students develop an understanding of the cultural and social perspectives of other people.

Harlaxton College Students Sourced from the University of Evansville

Harlaxton College subscribes to the University of Evansville's needs-based financial aid and merit-based scholarship policies thereby helping to contribute to a widening of access to the educational experience and facilities we offer. A student from the University of Evansville may have received a financial aid package which consists of both merit and need-based aid, in the form of scholarships and grants (free aid which does not have to be paid back), student loans (which will be paid back by the student after graduation from college) and work-study (money which is earned by working part-time on campus).

Need-Based Financial Aid Awards

Need-based financial aid comes in several forms (e.g. grants and student loans) and is awarded based on the student family's ability to contribute to their education, as determined by the Free Application for Federal Student Aid (FAFSA). Furthermore, need-based aid can be funded by US federal, state, university and/or private sources. FAFSA is the primary application used by all colleges in the United States to determine eligibility for need-based financial aid. By completing the FAFSA, students can apply for grants, student loans and work-study from federal, state and university sources.

The University of Evansville and Harlaxton College view needs-based financial aid as important in helping to ensure students from families, who would otherwise not be able to afford the fees, can access the educational experience the College offers. Needs-based financial aid is available to all who meet the College's general entry requirements and is awarded solely based on household means or to relieve hardship. In assessing means the FAFSA uses a sophisticated formula, determined annually by the United States Congress, to assist with the equitable rationing and distribution of need-based aid. The FAFSA starts with the student family's taxed and untaxed income from all sources and then, based on the number of people in the household, allowances are given to shelter amounts for basic needs such as housing, food, taxes, household maintenance, medical care, transportation, and savings. Neither consumer debt nor lifestyle choices are considered.

Scholarships and Merit-Based Awards

Scholarships and merit-based aid are awarded based on the student's "merit." Merit can be defined by academic strength, athletic ability, artistic talent or any other quality or affiliation which the University chooses to reward with a scholarship.

The University of Evansville offers a multitude of merit-based scholarships including, in some cases, awards of 100% remission of fees. Examples include:

- Competitive Scholarships such as Trustee Scholarships, Dean's Scholarships and Fine and Performing Arts Scholarships.
- Freshman Scholarships such as National Merit, National Achievement and National Hispanic Scholar Awards, Academic Scholarships, and the William L. Ridgway Award.
- Athletic and Music Scholarships (various awards)
- Additional Scholarships such as the Sibling Scholarship Grant awarded to the older student when a younger sibling enrolls.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

Objectives, Strategy, Aims and Policies (continued)

In addition to the University of Evansville Scholarships there are several awards that are only offered to Harlaxton Students which are based on merit and need. These include:

- Graves Scholarship (100% of all fees)
- Harlaxton Society Scholarships (\$750)
- Martin Travel and Margot Fine Awards (\$500 for travel)

Harlaxton College Students Sourced from other College and Universities

Students from other US colleges and universities are likely to have received needs and/or merit-based financial assistance from their home institutions. Most US colleges and universities have similar needs-based financial aid and merit-based scholarship assistance programmes to the University of Evansville's, however, unlike students from the University of Evansville, the magnitude of these awards is not known on an individual basis. However, suffice it to say that these needs and merit-based awards, although not awarded by the University of Evansville or Harlaxton College, greatly assist the students concerned and further enable Harlaxton College to attract students from a widely diverse set of backgrounds.

In addition to these needs and merit-based awards from the student's home institution, the University of Evansville and Harlaxton College do offer all non-University of Evansville students some tuition remission or discount the magnitude of which averaged \$14,837 per student.

Other Financial Assistance

Loans

There are several sources of loans to assist both students and parents with paying for their educational experience, such as: Federal Direct Stafford Loan, Federal Perkins Loan and Federal Direct Parent Loan for Undergraduate Students. Most of these loans have an element of subsidy (e.g. loan interest does not accrue while at college/university).

Additional Travel Assistance

Many students make considerable personal sacrifices to fund their education and in recognition of this we can offer additional ad-hoc travel assistance to those students who find themselves short of funds and unable to take full advantage of the national and international cultural and social immersion opportunities that are available via Harlaxton College.

The Wider Community

The College is also part of a wider community, and we are keen that our students, faculty, and staff participate. In this regard, the College offers a resource to support a range of educational activities for the benefit of local children attending state schools and their teachers. The College's trustees and administration are committed to developing this cooperation and working with local state junior and secondary schools, and other appropriate groups.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

Objectives, Strategy, Aims and Policies (continued)

e. Welfare Policies

Harlaxton College is an equal opportunity organisation and is committed to a learning and working environment that is free from any form of discrimination on the grounds of race, colour, gender, gender identity and expression, sexual orientation, creed or religion, national origin, age, disability, veteran status, and all protected groups/classes. The College will make reasonable adjustments to meet the needs of students, faculty or staff who are or become disabled.

The College is committed to safeguarding and promoting the welfare of our students, faculty and staff and expects all students, faculty, and staff to share this commitment. The College is also committed to meeting its duties of care to the health, safety and wellbeing of its students, faculty, and staff, as well as others, including visitors, who may be affected by the College's activities.

Review of Achievements and Performances for the Year

The Executive Director is pleased to report on Harlaxton College's achievements and performance for the year.

a. Principal Activities of the Year

Harlaxton College principally provides education and associated facilities at Harlaxton College to students from the University of Evansville and other US based universities and colleges who wish to embark on a 'Study Abroad' experience in the UK.

Students spend a single semester or summer session studying a varied curriculum at Harlaxton College and travelling throughout the UK and the College endeavours to provide a culturally immersive and experiential learning experience.

The College hosts various conferences, academic groups and other universities from the UK and US during its summer recess.

Additionally, the College continued with a program of significant improvements to programs, facilities, infrastructure and personnel in order to realign College activities to face a changing post pandemic study abroad landscape and to develop more opportunities to increase and diversify revenues.

b. Student Enrolment

This year Harlaxton College had the following enrolments:

Summer School 2022	117 students	(Summer 2021 = 30)
Fall Semester 2022	50 students	(Fall 2021 = 43)
Spring 2023	143 students	(Spring 2022 = 129)

Custom Programs 20 programs (Summer 2021 = 0)

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

c. Academies and Academic Support

The College's academic programming was restructured to create additional pathways and opportunities for students to attend Harlaxton College (e.g. internships, GAP Programs and Changemaking initiatives). After restructuring in 2020/21, the core British Studies course was offered as two 3-credit hour classes: one with a history and the other with a literary focus.

A new MA in Heritage Management and Leadership completed development in cooperation with the University of Evansville and UK universities.

The College continued its program of hardware and software upgrades to academic and administrative computing services.

d. Student Experience

The new Office of Student Experience (formerly Student Engagement) was expanded with additional staff as students returned to campus. The team's new offices, adjacent to existing academic offices and the library, were completed resulting in a one stop 'Student Central' hub of professional and integrated academic and student engagement support.

e. General Support Services and Facilities

The College updated facilities generally and several classrooms were updated to include more technology and flexible furniture.

Other projects included: a new high-tech classroom that connects with the USA; upgrading of shower facilities on the 500 corridor and extensive decoration of the carriage house, carpeting and upgraded lighting in several areas and corridors.

The focus on facility improvement has required careful budget and project management in association with securing several gifts from University of Evansville trustees and alumni.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

f. Details of Financial Aid and Scholarship Awards

As discussed in the earlier Access and Diversity Policies section of this report, Harlaxton College subscribes to the University of Evansville's needs-based financial aid and merit-based scholarship policies. Therefore, a student from the University of Evansville may have received a financial aid package which consists of both merit and need-based aid, in the form of scholarships and grants, student loans and work-study.

Similarly, non-University of Evansville students (i.e. students from other US colleges and universities) are likely to have received needs and/or merit-based financial assistance. But this assistance is funded by the student's home institution and not the University of Evansville nor Harlaxton College. However, in addition to these home institution awards the University of Evansville and Harlaxton College do offer all non-University of Evansville students some tuition remission or discount.

In summary, all students are likely to have received various levels of needs and merit-based financial assistance of varying types and from various sources.

Summary of Fees

Our fee increases this year were restricted by the University of Evansville's trustees to an inflationary increase only. Our fees for the current year before the deduction of any needs-based financial aid or merit-based scholarships were:

Fall 2022 and Spring 2023 Semesters	\$28,258 per semester
Summer School 2022	\$4,850 per session

g. Community Service and Community Access

We see Harlaxton College as a part of a wider community and where we can assist the community without detriment to advancing the education of our students we are delighted to do so.

During the year we were delighted to host several local schools, charitable events, and open the Manor and gardens to the public on several occasions during the year, including Christmas and Easter.

Financial Review and Results for the Year

The College Accountant is pleased to report on the financial performance for the year.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

Financial Review and Results for the Year (continued)

a. Review of the Year

The overall level of income at £3,782,632 was 74% greater than the previous year (2022: £2,178,338).

Unrestricted operating income of £3,628,622 for the year was 72% higher than last year (2022: £2,114,076). There was an increase in the level of unrestricted grant funding provided by the University of Evansville.

During the year the College and Harlaxton Manor Enterprises Ltd did not receive any Government Funding other than a small residual amount from the KickStarter Grant (£2,170).

Trading turnover from Harlaxton Manor Enterprises Limited at £525,320 was 37% higher than the previous year (2022: £382,739). This was due to the increased number of weddings, events and visitor activity in general

There has been a 42% increase in the level of resources expended, which partly reflects the higher costs directly associated with a higher level of activity but also the increased cost of living with food inflation reaching 19.1% in March 23. Furthermore, £180,33 (2022 - £102,849) in costs was charged by the College to HME Ltd within 2022-23 to reflect the additional work required in line with the increased activities.

The College is continually striving to enhance the quality of the fabric of buildings and the facilities offered to students. A number of years ago the College established a "five year repair fund" which is a fund designated by the trustees to provide resources to meet the cost of much needed repairs to the fabric of the buildings and essential facilities. The cost of this work has in the past been met by specific grants from the University of Evansville, private donations, and grants from Historic England. In the current year, no major projects were undertaken, and no expenses were recorded.

On an overall basis, the Trustees' report a surplus for the year under review of £46,405 (2022: Deficit £451,168).

The College has continued to maintain a strong financial position with the group's assets exceeding liabilities by £2,270,666 (2022 - £2,224,263).

b. Wider Benefits Received and Provided

As a charity our students, the University of Evansville and our partner colleges and universities have the assurance that all the income of the College must be applied for either the advancement of our educational purposes or to promote the restoration, conservation, protection, and improvement of the parkland, gardens, and historic buildings of Harlaxton Manor.

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 purposes. As a charity we are also entitled to an 80% reduction on our business rates on Harlaxton Manor, the property we occupy for our charitable purposes. The financial benefits we receive from these tax exemptions are all applied for educational purposes and indirectly help us to maintain our financial aid and scholarship programmes.

However, as an educational charity, we are unable to reclaim all the VAT input tax on our costs as we are partially exempt for VAT purposes. As an employer, we also pay tax through the Employer's National Insurance Contributions we make.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

Financial Review and Results for the Year (continued)

c. Reserves Policy

At the year end the College held free reserves of £2,249,125 (2022: £2,202,720). The Trustees have reviewed the reserves of the College. The review encompassed the nature of the income and expenditure streams and the need to match variable income with fixed commitments. The review concluded that to allow the College to be managed efficiently and to provide a buffer for uninterrupted services, unrestricted funds not required to support functional fixed assets should be maintained at a level which equates to between six and twelve months' of unrestricted expenditure. This would provide sufficient funds to cover management and administration and support costs and to respond to unforeseen expenditure such as major property repairs in an environment where income levels are uncertain and dependent upon demand from overseas students.

Based upon the total resources expended during the present year, the Trustees acknowledge that the level of the reserves deteriorated during the year. However, they remain at the upper end of this intended range.

d. Nature of Funds

Except for the funding received from the University of Evansville and other sources for the Land Use Fund, all funds are considered by the Trustees to be unrestricted in their nature.

e. Investment Policy

The Trustees have the power to invest in such assets as they see fit.

The College has a policy of keeping any surplus liquid funds in short term deposits which can be accessed readily should the need arise.

Plans for future periods

Harlaxton College will continue to pursue its core strategic initiatives:

Initiative I: Demonstrate and communicate the immediate, enduring, and distinctive benefits of a Harlaxton education.

Initiative II: Provide students with a best-in-class curriculum, co-curriculum, residential and travel experience to promote the full development of their intellectual, artistic, and personal potential.

Initiative III: Make Harlaxton College sustainable environmentally and financially while maintaining the beauty and architectural integrity of the heritage asset that is Harlaxton Manor.

Initiative IV: Engage with, and serve, the community so that Harlaxton is a destination and a resource for its neighbours, for students, and for other constituents and guests.

Initiative V: Cultivate, foster, and better integrate connections between Harlaxton, the University of Evansville, and partner colleges and universities.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the College for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial . Under company law, the Trustees 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 Group and the College and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the College's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the College 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 Group and the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

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

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

Auditors

The auditors, Streets Audit LLP, have indicated their willingness to continue in office. The Executive Director and Finance Manager will recommend either continuation of current auditors or a search for a new audit firm after the approval of the accounts at the Trustee meeting.

Accounts Preparation

The Trustees confirm that the accounts comply with current statutory requirements and with those of the governing instrument. This report and accounts have been prepared in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)), the Companies Act 2006 and the Trust deed.


Approved by order of the members of the board of Trustees on
8/8/23 and signed on their behalf by:

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2023



R Brownlow
(Trustee)



H Chubb
(Trustee)

HARLAXTON COLLEGE

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARLAXTON COLLEGE

Opinion

We have audited the financial statements of Harlaxton College (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 April 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the College Balance Sheet, the Consolidated 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 Group's and of the parent charitable company's affairs as at 30 April 2023 and of the Group's 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 and the Charities Act 2011.

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 Group 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent 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 Trustees with respect to going concern are described in the relevant sections of this report.

HARLAXTON COLLEGE

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARLAXTON COLLEGE (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 Trustees 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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has 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 Trustees' 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:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

HARLAXTON COLLEGE

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Trustees 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 Trustees are responsible for assessing the Group's and the parent 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 Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

HARLAXTON COLLEGE

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARLAXTON COLLEGE (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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- 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 company through discussions with directors and other management, and from our commercial knowledge and experience of the company and sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, food safety regulations and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; 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 company's 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 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 set out in Note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

HARLAXTON COLLEGE

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

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;
- reading the minutes of meetings of those charged with governance;
- inquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to inquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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.



Heather McConnell (Senior Statutory Auditor)

for and on behalf of

Streets Audit LLP

Chartered Accountants & Statutory Auditors

Statutory Auditors

Enterprise House

38 Commerce Road

Lynchwood

Peterborough

Cambs

PE2 6LR

Date:

24 August 2023

HARLAXTON COLLEGE

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 APRIL 2023**

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Grants received	4	130,459	1,879,268	2,009,727	1,500,127
Charitable activities	5	23,551	1,218,356	1,241,907	295,328
Other trading activities	6	-	525,320	525,320	382,739
Investments	7	-	5,678	5,678	144
Total income		154,010	3,628,622	3,782,632	2,178,338
Expenditure on:					
Raising funds	8	-	289,843	289,843	150,986
Charitable activities	9	154,010	3,292,374	3,446,384	2,478,520
Total expenditure		154,010	3,582,217	3,736,227	2,629,506
Net movement in funds		-	46,405	46,405	(451,168)
Reconciliation of funds:					
Total funds brought forward		-	2,224,261	2,224,261	2,675,429
Net movement in funds		-	46,405	46,405	(451,168)
Total funds carried forward		-	2,270,666	2,270,666	2,224,261

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 27 to 48 form part of these financial statements.

HARLAXTON COLLEGE
REGISTERED NUMBER: 06825976

CONSOLIDATED BALANCE SHEET
AS AT 30 APRIL 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	111,440	113,702
Investments	15	-	12,633
		<u>111,440</u>	<u>126,335</u>
Current assets			
Stocks	16	105,048	78,493
Debtors	17	2,218,828	1,179,988
Cash at bank and in hand		1,128,760	1,573,938
		<u>3,452,636</u>	<u>2,832,419</u>
Creditors: amounts falling due within one year	18	(1,273,616)	(734,491)
Net current assets		<u>2,179,020</u>	<u>2,097,928</u>
Total assets less current liabilities		<u>2,290,460</u>	<u>2,224,263</u>
Creditors: amounts falling due after more than one year	19	(19,792)	-
Net assets excluding pension asset		<u>2,270,668</u>	<u>2,224,263</u>
Total net assets		<u><u>2,270,668</u></u>	<u><u>2,224,263</u></u>
Charity funds			
Restricted funds	21	-	-
Unrestricted funds	21	2,270,668	2,224,263
Total funds		<u><u>2,270,668</u></u>	<u><u>2,224,263</u></u>

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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

8/8/23

HARLAXTON COLLEGE
REGISTERED NUMBER: 06825976

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 30 APRIL 2023

R Brownlow
(Trustee)



H Chubb
(Trustee)



The notes on pages 27 to 48 form part of these financial statements.

HARLAXTON COLLEGE
REGISTERED NUMBER: 06825976

COLLEGE BALANCE SHEET
AS AT 30 APRIL 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	111,440	113,702
Investments	15	2	12,635
		111,442	126,337
Current assets			
Stocks	16	66,253	45,444
Debtors	17	2,274,612	1,424,900
Cash at bank and in hand		864,611	1,170,900
		3,205,476	2,641,244
Creditors: amounts falling due within one year	18	(1,067,793)	(564,863)
Net current assets		2,137,683	2,076,381
Total assets less current liabilities		2,249,125	2,202,718
Net assets excluding pension asset		2,249,125	2,202,718
Total net assets		2,249,125	2,202,718
Charity funds			
Restricted funds	21	-	-
Unrestricted funds	21	2,249,125	2,202,718
Total funds		2,249,125	2,202,718

The College's net movement in funds for the year was £46,407 (2022 - £(451,152)).

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

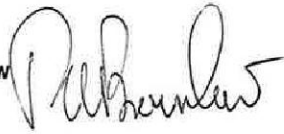
The financial statements were approved and authorised for issue by the Trustees on and signed on their behalf by:

8/8/23

HARLAXTON COLLEGE
REGISTERED NUMBER: 06825976

COLLEGE BALANCE SHEET (CONTINUED)
AS AT 30 APRIL 2023

R Brownlow
(Trustee)



H Chubb
(Trustee)



The notes on pages 27 to 48 form part of these financial statements.

HARLAXTON COLLEGE

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 APRIL 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	(450,856)	(746,220)
Income taxes paid	-	(1,530)
Net cash used in operating activities	(450,856)	(747,750)
Cash flows from investing activities		
Interest received	5,678	144
Change in cash and cash equivalents in the year	(445,178)	(747,606)
Cash and cash equivalents at the beginning of the year	1,573,938	2,321,544
Cash and cash equivalents at the end of the year	1,128,760	1,573,938

The notes on pages 27 to 48 form part of these financial statements

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

1. Accounting policies

1.1 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest pound.

Harlaxton College 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.

The financial statements of the charitable company are consolidated in the financial statements of Harlaxton College. The consolidated financial statements are publicly available from its registered office, Harlaxton Manor, Harlaxton, Grantham, Lincolnshire, NG32 1AG.

1.2 Going concern

The financial statements have been prepared on a going concern basis. Having carried out a detailed review of the group's position and its forecasts at the date of signing the accounts and with regards to the challenges presented by the current economic and health climate, the trustees are satisfied that the group has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the accounts.

1.3 Consolidated financial statements

These financial statements comprise the results of Harlaxton College and its wholly owned trading subsidiary, Harlaxton Manor Enterprises Limited consolidated on a line by line basis. The parent charitable company has taken advantage of the available exemption under section 408 of the Companies Act 2006 not to present its own Statement of Financial Activities or Income & Expenditure Account.

1.4 Income

All income is recognised once the College has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Charitable activities income is grants from the University of Evansville and represents funds drawn down during the year. They are recognised as income according to the Semester to which they relate. Semester fee income, College Summer programmes and student travel and the provision of facilities for students are recognised in the year to which they relate.

Trading income attributable to Harlaxton Manor Enterprises Limited represents services rendered to customers at amounts exclusive of value added tax.

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

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

1. Accounting policies (continued)

1.5 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 is classified under charitable activity rather than the type of expense, in order to provide more useful information to users of the financial statements.

Charitable activity costs comprise both direct expenditure, including direct staff costs attributable to the activity, and support costs relating to these activities.

Overheads, governance costs and other costs, not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to the activity in the year, either by reference to staff time or space occupied, as appropriate. The irrecoverable element of VAT is included with the item of expenses to which it relates.

As Harlaxton College is unable to reclaim all of the Value Added Tax (VAT), expenditure is stated net of VAT where input tax is recoverable in full and inclusive of VAT in respect of expenditure where input tax is not wholly recoverable. The amount of irrecoverable input tax relating to partially exempt supplies is included in resources expended in accordance with the appropriate classification of costs.

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

1.6 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

1.7 Interest receivable

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

1.8 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

1. Accounting policies (continued)

1.9 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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.

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:

Property improvements	- 87 years
Plant and machinery	- 5-15 years
Motor vehicles	- 5-10 years
Furniture	- 15 years
Library books	- 20 years
Computers	- 5 years

1.10 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

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

1.11 Stocks

Stocks are valued at the lower of cost and selling price less costs to complete after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

At each reporting date, the charity assesses whether stocks are impaired or if any impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in the statement of financial activities.

1.12 Debtors

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

1.13 Cash at bank and 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.

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

1. Accounting policies (continued)

1.14 Liabilities and provisions

Liabilities 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 College 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 Consolidated Statement of Financial Activities as a finance cost.

1.15 Financial instruments

The Group 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.

1.16 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

1.17 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group 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.

1.18 Employment benefits

The cost of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

1. Accounting policies (continued)

1.19 Heritage assets

The group's objectives include the restoration, conservation and protection of the historic buildings and grounds of Harlaxton Manor. In accordance with the term of the property lease and the property management agreement the group is obliged to maintain the Manor, as an agent, to an agreed state of repair. The group does not own the Manor and as a result the value of the Manor is not reflected in the Statement of Financial Position. In addition, the income received and expenses incurred which are associated with the restoration of the Manor are included in the Statement of Financial Activities as outlined in Note 1.21.

1.20 Expenditure on major restoration

The costs of associated major repairs and restoration work of Harlaxton Manor is reported in the Statement of Financial Activities in the year it is incurred. Preservation of Harlaxton Manor is defined as work done on a major area of the building or the grounds in order to bring the areas back in to their original condition. The costs of such works are mostly funded through grants receivable.

2. General information

Harlaxton College is a charitable private company (company number 06825976 and charity registration number 1129054) and is also registered as a charity at the Charity Commission in England and Wales. The charitable company is limited by guarantee and in the event of the charitable company being wound up during the year of membership, or with the year following, company members are required to contribute an amount not exceeding £10. The registered office and principal place of business is Harlaxton Manor, Harlaxton, Grantham, Lincolnshire, NG32 1AG.

The charitable company and the Group's principal objective is the provision of education programmes and other facilities in England to students of the University of Evansville.

3. Critical accounting estimates and areas of judgment

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 College makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023

4. Income from grants

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Grants				
Grants from the University of Evansville	-	1,877,098	1,877,098	1,386,623
Government grants				
Coronavirus Job Retention Scheme	-	-	-	19,175
Kickstarter grant	-	2,170	2,170	15,188
Culture Recovery Fund grant	-	-	-	32,007
Grants from University of Evansville	130,459	-	130,459	47,134
	<u>130,459</u>	<u>1,879,268</u>	<u>2,009,727</u>	<u>1,500,127</u>

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

5. Income from charitable activities

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Semester fee income, summer programs and student travel	-	1,218,356	1,218,356	<i>278,200</i>
Land fund	23,551	-	23,551	<i>17,128</i>
	<u>23,551</u>	<u>1,218,356</u>	<u>1,241,907</u>	<u><i>295,328</i></u>

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Harlaxton Manor Enterprises Limited	525,320	525,320	<i>382,739</i>
	<u>525,320</u>	<u>525,320</u>	<u><i>382,739</i></u>

7. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Interest received	5,678	5,678	<i>144</i>
	<u>5,678</u>	<u>5,678</u>	<u><i>144</i></u>

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

8. Expenditure on raising funds

Other trading expenses

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Cost of sales	244,052	244,052	116,918
Administration expenses	45,791	45,791	34,068
	<u>289,843</u>	<u>289,843</u>	<u>150,986</u>

9. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total 2023 £	<i>Total 2022 £</i>
Operation of study centre	-	3,292,374	3,292,374	2,280,647
Preservation of Harlaxton Manor	154,010	-	154,010	197,873
	<u>154,010</u>	<u>3,292,374</u>	<u>3,446,384</u>	<u>2,478,520</u>

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

9. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2023 £	Depreciation 2023 £	Other costs 2023 £	Total 2023 £	<i>Total 2022 £</i>
Operation of study centre	1,103,517	24,000	2,164,857	3,292,374	<i>2,280,647</i>
Preservation of Harlaxton Manor	-	-	154,010	154,010	<i>197,873</i>
	<u>1,103,517</u>	<u>24,000</u>	<u>2,318,867</u>	<u>3,446,384</u>	<u><i>2,478,520</i></u>
<i>Total 2022</i>	<u><i>891,098</i></u>	<u><i>33,505</i></u>	<u><i>1,553,917</i></u>	<u><i>2,478,520</i></u>	

10. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Operation of study centre	3,283,012	9,362	3,292,374	<i>2,280,647</i>
Preservation of Harlaxton Manor	154,010	-	154,010	<i>197,873</i>
	<u>3,437,022</u>	<u>9,362</u>	<u>3,446,384</u>	<u><i>2,478,520</i></u>
<i>Total 2022</i>	<u><i>2,474,321</i></u>	<u><i>4,199</i></u>	<u><i>2,478,520</i></u>	

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Operation of study centre 2023 £	Preservatio n of Harlaxton Manor 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	1,103,517	-	1,103,517	891,098
Depreciation	24,000	-	24,000	33,505
Administration	59,433	-	59,433	52,968
General expenses	183,727	-	183,727	170,143
Faculty and tuition	3,397	-	3,397	24,372
Student affairs	220,255	-	220,255	135,263
Physical plant	163,517	-	163,517	64,033
Utilities	369,408	-	369,408	317,693
Housekeeping	42,560	-	42,560	27,705
Gardens and grounds	14,085	-	14,085	17,436
Transport	15,367	-	15,367	10,109
Security	315	-	315	111
Catering	768,623	-	768,623	478,445
Summer programs	257,044	-	257,044	10,944
Land fund	-	154,010	154,010	197,873
Investment impairment	12,633	-	12,633	-
Governance costs	45,131	-	45,131	42,623
	<u>3,283,012</u>	<u>154,010</u>	<u>3,437,022</u>	<u>2,474,321</u>

Direct costs have been allocated to activity on a basis consistent with the use of resources.

11. Auditors' remuneration

	2023 £	2022 £
Fees payable to the College's auditor for the audit of the College's annual accounts	11,000	11,000
Fees payable to the College's auditor in respect of:		
Audit services of the subsidiary company	4,250	5,000
Taxation compliance services	2,250	2,250
All non-audit services not included above	6,000	5,826
	<u>13,500</u>	<u>14,076</u>

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

12. Staff costs

	Group 2023 £	<i>Group 2022 £</i>	College 2023 £	<i>College 2022 £</i>
Wages and salaries	963,821	770,498	963,821	770,498
Social security costs	71,587	52,380	71,587	52,380
Contribution to defined contribution pension schemes	68,109	68,220	68,109	68,220
	<u>1,103,517</u>	<u>891,098</u>	<u>1,103,517</u>	<u>891,098</u>

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

	Group 2023 No.	<i>Group 2022 No.</i>	College 2023 No.	<i>College 2022 No.</i>
Management and administration	19	13	19	13
Faculty	8	5	8	5
House Keeping and estate	26	22	26	22
Catering and events	-	3	-	3
	<u>53</u>	<u>43</u>	<u>53</u>	<u>43</u>

The average headcount expressed as full-time equivalents was 44: (2022 - 43)

No employee received remuneration amounting to more than £60,000 in either year.

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge of £68,109 (2022 - £68,220) represents contributions payable by the Group to the scheme. At the year end, the group owed the scheme £3,608 (2022 - £4,612) included in accruals with respect to contributions due.

The key management personnel of the group comprises of the trustees and senior members of the management who are responsible for the day to day running of the college. The total employee benefits for the key management personnel was £309,576 (2022 - £242,183).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 30 April 2023, no Trustee expenses have been incurred (2022 - £NIL).

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023

14. Tangible fixed assets

Group and College

	Property improvements £	Plant and machinery £	Motor vehicles £	Furniture £	Library books £	Computers £	Total £
Cost or valuation							
At 1 May 2022	10,594	330,194	96,919	26,507	217,839	98,657	780,710
Additions	-	5,543	16,194	-	-	-	21,737
Disposals	-	-	(23,799)	-	-	-	(23,799)
At 30 April 2023	10,594	335,737	89,314	26,507	217,839	98,657	778,648
Depreciation							
At 1 May 2022	2,964	301,517	93,800	26,507	159,138	83,082	667,008
Charge for the year	122	6,456	1,261	-	7,090	9,070	23,999
On disposals	-	-	(23,799)	-	-	-	(23,799)
At 30 April 2023	3,086	307,973	71,262	26,507	166,228	92,152	667,208

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023

14. Tangible fixed assets (continued)

Group and College (continued)

	Property improvements £	Plant and machinery £	Motor vehicles £	Furniture £	Library books £	Computers £	Total £
Net book value							
At 30 April 2023	7,508	27,764	18,052	-	51,611	6,505	111,440
At 30 April 2022	7,630	28,677	3,119	-	58,701	15,575	113,702

All tangible assets are used for charitable purposes.

Heritage assets are not recognised in the balance sheet.

The Charity maintains the historic buildings and grounds of Harlaxton Manor on behalf of the University of Evansville as detailed in the property management agreement and the property lease. As explained in the accounting policies (note 1) the Charity does not own the Manor and as a result the value of the Manor is not reflected in the financial statements.

Restoration work is carried out in order to keep the Manor and gardens in a condition suitable for use.

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023

15. Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 May 2022	12,633
At 30 April 2023	12,633
Impairment	
Impairment on revaluation	12,633
At 30 April 2023	12,633
Net book value	
At 30 April 2022	12,633

	Investments in subsidiary companies £	Unlisted investments £	Total £
College			
Cost or valuation			
At 1 May 2022	2	12,633	12,635
At 30 April 2023	2	12,633	12,635
Impairment			
Impairment on revaluation	-	12,633	12,633
At 30 April 2023	-	12,633	12,633
Net book value			
At 30 April 2023	2	-	2
At 30 April 2022	2	12,633	12,635

The historical cost of the unlisted investments was £12,633 (2022 - £12,633).

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

15. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the College:

Name	Company number	Registered office or principal place of business	Principal activity
Harlaxton Manor Enterprises Limited	02141188	Harlaxton Manor, Harlaxton, Grantham, Lincolnshire, NG32 1AG	Provision of conference and banqueting services, making available the facilities of Harlaxton Manor and providing certain services to students.

Class of shares	Holding
Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
Harlaxton Manor Enterprises Limited	525,320	468,495	56,825	21,543

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

16. Stocks

	Group 2023 £	<i>Group 2022 £</i>	College 2023 £	<i>College 2022 £</i>
Consumables	105,048	78,493	66,253	45,444

17. Debtors

	Group 2023 £	<i>Group 2022 £</i>	College 2023 £	<i>College 2022 £</i>
Due within one year				
Trade debtors	35,070	18,117	1,025	540
Amounts owed by group undertakings	-	-	91,444	262,507
Due from University of Evansville	1,923,500	1,025,695	1,923,500	1,025,695
Prepayments and accrued income	260,258	87,173	258,643	87,155
Other debtors	-	49,003	-	49,003
	2,218,828	1,179,988	2,274,612	1,424,900

18. Creditors: Amounts falling due within one year

	Group 2023 £	<i>Group 2022 £</i>	College 2023 £	<i>College 2022 £</i>
Trade creditors	238,041	211,777	218,492	204,051
Other taxation and social security	42,465	50,407	20,736	21,887
Other creditors	3,608	4,612	3,608	4,612
Accruals and deferred income	989,502	467,695	824,957	334,313
	1,273,616	734,491	1,067,793	564,863

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

	Group 2023 £	<i>Group 2022 £</i>	College 2023 £	<i>College 2022 £</i>
Deferred income at 1 May 2022	372,864	47,676	308,702	-
Resources deferred during the year	931,627	372,864	760,409	308,702
Amounts released from previous periods	(372,864)	(47,676)	(308,702)	-
	<u>931,627</u>	<u>372,864</u>	<u>760,409</u>	<u>308,702</u>

The deferred income relates to advances for weddings and grants received in advance.

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

	Group 2023 £	<i>Group 2022 £</i>
Accruals and deferred income	<u>19,792</u>	<u>-</u>

20. Financial instruments

	Group 2023 £	<i>Group 2022 £</i>	College 2023 £	<i>College 2022 £</i>
Financial assets				
Financial assets measured at fair value through income and expenditure	<u>-</u>	<u>12,633</u>	<u>-</u>	<u>12,633</u>

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023

21. Statement of funds

Statement of funds - current year

	Balance at 1 May 2022 £	Income £	Expenditure £	Balance at 30 April 2023 £
Unrestricted funds				
Harlaxton College	2,202,720	3,103,302	(3,056,897)	2,249,125
Harlaxton Manor Enterprises Limited	21,543	525,320	(525,320)	21,543
	<u>2,224,263</u>	<u>3,628,622</u>	<u>(3,582,217)</u>	<u>2,270,668</u>
Restricted funds				
Preservation of Harlaxton Manor	-	154,010	(154,010)	-
	<u>-</u>	<u>154,010</u>	<u>(154,010)</u>	<u>-</u>
Total of funds	<u>2,224,263</u>	<u>3,782,632</u>	<u>(3,736,227)</u>	<u>2,270,668</u>

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

21. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 May 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 30 April 2022 £</i>
Unrestricted funds					
Harlaxton College	2,520,277	1,699,330	(2,177,798)	160,911	2,202,720
Harlaxton Manor Enterprises Limited	21,543	414,746	(253,835)	(160,911)	21,543
	<u>2,541,820</u>	<u>2,114,076</u>	<u>(2,431,633)</u>	<u>-</u>	<u>2,224,263</u>
Restricted funds					
Preservation of Harlaxton Manor	<u>133,611</u>	<u>64,262</u>	<u>(197,873)</u>	<u>-</u>	<u>-</u>
Total of funds	<u><u>2,675,431</u></u>	<u><u>2,178,338</u></u>	<u><u>(2,629,506)</u></u>	<u><u>-</u></u>	<u><u>2,224,263</u></u>

Preservation of Harlaxton Manor fund is funds received for the up keep and maintenance of the land used by the College.

22. Summary of funds

Summary of funds - current year

	Balance at 1 May 2022 £	Income £	Expenditure £	Balance at 30 April 2023 £
General funds	2,224,263	3,628,622	(3,582,217)	2,270,668
Restricted funds	-	154,010	(154,010)	-
	<u>2,224,263</u>	<u>3,782,632</u>	<u>(3,736,227)</u>	<u>2,270,668</u>

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

22. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 May 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Balance at 30 April 2022</i>
	£	£	£	£	£
General funds	2,541,820	2,114,076	(2,431,633)	-	2,224,263
Restricted funds	133,611	64,262	(197,873)	-	-
	<u>2,675,431</u>	<u>2,178,338</u>	<u>(2,629,506)</u>	<u>-</u>	<u>2,224,263</u>

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023	Total funds 2023
	£	£
Tangible fixed assets	111,440	111,440
Current assets	3,452,636	3,452,636
Creditors due within one year	(1,273,616)	(1,273,616)
Creditors due in more than one year	(19,792)	(19,792)
Total	<u>2,270,668</u>	<u>2,270,668</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022</i>	<i>Total funds 2022</i>
	£	£
Tangible fixed assets	113,702	113,702
Fixed asset investments	12,633	12,633
Current assets	2,832,419	2,832,419
Creditors due within one year	(734,491)	(734,491)
Total	<u>2,224,263</u>	<u>2,224,263</u>

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

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

	Group 2023 £	<i>Group 2022 £</i>
Net income/expenditure for the year (as per Statement of Financial Activities)	46,405	<i>(451,168)</i>
Adjustments for:		
Depreciation charges	23,999	<i>33,505</i>
Interest received	(5,678)	<i>(144)</i>
Increase in stocks	(26,555)	<i>(33,586)</i>
Increase in debtors	(1,047,944)	<i>(789,536)</i>
Increase in creditors	558,917	<i>494,709</i>
Net cash used in operating activities	<u>(450,856)</u>	<i><u>(746,220)</u></i>

25. Analysis of cash and cash equivalents

	Group 2023 £	<i>Group 2022 £</i>
Cash in hand	1,128,760	<i>1,573,938</i>
Total cash and cash equivalents	<u>1,128,760</u>	<i><u>1,573,938</u></i>

26. Analysis of changes in net debt

	At 1 May 2022 £	Cash flows £	At 30 April 2023 £
Cash at bank and in hand	1,573,938	(445,178)	1,128,760
	<u>1,573,938</u>	<u>(445,178)</u>	<u>1,128,760</u>

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

27. Related party transactions

During the year Harlaxton College received management charges of £180,330 (2022 - £102,849) and donations via the Gift Aid scheme of £56,825 (2022 - £160,911) from its wholly owned subsidiary, Harlaxton Manor Enterprises Limited.

At the year end the amount due from Harlaxton Manor Enterprises Limited amounted to £91,444 (2022 - £262,491).

During the year, the charity incurred operational and payroll costs on behalf of Harlaxton Manor Enterprises Limited. These costs have not been recharged. Management are currently designing an appropriate means for recharging these costs.

During the year Harlaxton College received £2,466,511 (2022 - £1,386,623) of grants from the University of Evansville, which is the sole member of Harlaxton College. During the year Harlaxton College was charged expenses of £nil (2022 - £nil) by the University of Evansville.

At the year end the amount due from the University of Evansville amounted to £2,529,304 (2022 - £1,025,695).

28. Connected organisations

The University of Evansville is the sole member of Harlaxton College and has the power to appoint and remove trustees. The University of Evansville is an entity that is registered in United States of America.

The freehold land and buildings occupied by the College are owned by the University of Evansville and let rent free to the College. No rental charge is included in the Statement of Financial Activities. The trustees consider such a rental charge to be unquantifiable.

HARLAXTON COLLEGE

England & Wales - Charity number 1129054

Accounts

Registered number: 06825976
Charity number: 1129054

HARLAXTON COLLEGE

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2022

HARLAXTON COLLEGE

CONTENTS

	Page
Reference and Administrative Details of the College, its Trustees and Advisers	1
Trustees' Report	2 - 16
Independent Auditors' Report on the Financial Statements	17 - 20
Consolidated Statement of Financial Activities	21
Consolidated Balance Sheet	22
College Balance Sheet	23 - 24
Consolidated Statement of Cash Flows	25
Notes to the Financial Statements	26 - 47

HARLAXTON COLLEGE

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COLLEGE, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 APRIL 2022

Trustees	R Brownlow H Chubb C Pietruszkiewicz
Company registered number	06825976
Charity registered number	1129054
Registered office	Harlaxton Manor Harlaxton Grantham Lincolnshire NG32 1AG
Executive Director and Dean of Harlaxton College	Dr H Carter
Company Secretary	N Burrige
Independent auditors	Streets Audit LLP Chartered Accountants & Statutory Auditors Enterprise House 38 Commerce Road Lynchwood Peterborough Cambs PE2 6LR
Bankers	Barclays Bank Plc 33-35 High Street Grantham Lincolnshire NG31 6PH

HARLAXTON COLLEGE

TRUSTEES' REPORT FOR THE YEAR ENDED 30 APRIL 2022

The Trustees present their annual report together with the audited financial statements of the College for the year from 1 May 2021 to 30 April 2022. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees 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).

Structure, Governance and Management

a. Governing Document

Harlaxton College ("the College") was formed to provide educational facilities in the United Kingdom to students from the University of Evansville which is based in the United States of America. It is a charitable company established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. The University of Evansville is the sole member of the charitable company.

b. Governing Bodies

The College governing body consists of three Trustees who, through the Executive Director and Dean of Harlaxton College (Executive Director), and the Management Team, supervise the College's day to day activities.

c. Recruitment and Training of Trustees

The Charity's Trustees are appointed by the Board of Trustees of the University of Evansville. The Charity's Trustees will include the serving President of the University of Evansville and other trustees appointed upon recommendation by the Principal of Harlaxton College who will determine eligibility based upon personal competence, specialist skills, local availability and sympathy with the mission and aims of the College. Potential Trustees are highly likely to be existing members of the College's Advisory Council, a voluntary group who advise the Executive Director and Management Team on various matters in which they have expertise.

New Trustees, having been members of the College's Advisory Council, will be familiar with the normal workings of the College. They are inducted into the governance of the College, including financial policy and procedures, by the Executive Director and College Accountant.

The College has made qualifying third-party indemnity provisions for the benefit of the trustees during the year. These provisions remain in force at the reporting date.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022**

Structure, Governance and Management (continued)

d. Organisational Management

The Trustees of the College, as the charity Trustees, are legally responsible for the overall management and control of the College and meet at least three times a year. They delegate the day to day running of the College to the Executive Director who is supported in the organisation and control of its activities by a number of senior managers operating in respect of both academic and business related disciplines. The Executive Director reports to both the Trustees and the Executive Vice-President for Academic Affairs at the University of Evansville in the USA.

The Executive Director, Management Team and Trustees are assisted by the Advisory Council, a voluntary organisation that includes three active sub-committees: Academic, Estates Management, and Student Life and Community Relations.

All trustees give of their time freely and no remuneration or expenses were paid in the year. No trustee or person connected with a trustee received any benefit from needs-based financial aid or merit-based scholarships awarded to our students.

e. Arrangements for Setting Pay and Remuneration of Key Personnel

The key management personnel of the charity comprise the trustees, the Executive Director and the Management Team.

It is the College's policy that no Trustees are remunerated for their services as a Trustee. Exceptionally, Trustees may receive payment for the provision of services to the charity which does not conflict with their trustee role, and any such transactions are disclosed in the financial statements.

The President of the University of Evansville has ultimate responsibility for agreeing the pay and remuneration of the Executive Director of Harlaxton College.

The Executive Director has ultimate responsibility for agreeing the pay and remuneration of the Management Team and staff on an individual level. The Executive Director is assisted by the College Accountant and other members of the Management Team as appropriate. The Executive Director also has access to external professional advice which includes benchmarking and market trends.

The Executive Director and key personnel are remunerated by a combination of base salary and benefits (e.g. pension).

The College uses the annual staff appraisal process to set both College (short-term and long-term) and individual performance elements and is designed to promote the long-term success of the College. Achievement against individual objectives is by line managers and the Executive Director as appropriate.

The Executive Director is assessed annually by the Executive Vice-President for Academic Affairs at the University of Evansville in the USA.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

Structure, Governance and Management (continued)

f. Group Structure and Relationships

The Charity has a wholly owned non-charitable subsidiary, Harlaxton Manor Enterprises Limited, whose activities and trading performance are discussed below.

The College utilises its home "Harlaxton Manor" to the full by offering appropriate programmes and functions for the local and international communities. Certain of these activities are undertaken through the medium of Harlaxton Manor Enterprises Limited, a company whose directors are the Executive Director and College Accountant. The results of Harlaxton Manor Enterprises Limited are included within the consolidated financial statements. The directors are satisfied with the results of the subsidiary during the year. They are confident of future prospects.

The relationship between the College and the University of Evansville has been explained above.

g. Principal Risks and Uncertainties

The Trustees require the Executive Director and Management Team to actively review the principal risks and uncertainties which the college may face on a regular basis, including those relating to its operations and finances. They are satisfied that systems are in place to mitigate the College's exposure to the major risks and uncertainties. Detailed consideration of risk is delegated to the Management Team. The College has in place a formal risk management strategy which comprises:-

- An annual review of the risks which the College may face.
- The adequacy of current systems and procedures to mitigate those risks identified in the strategy; and
- The implementation of procedures designed to minimise any potential risk on the College should any of those risks materialise.

The Trustees recognise that systems can only provide reasonable but not absolute assurance that major risks and uncertainties have been adequately managed.

The principal risks and uncertainties that face the College are:

Financial – The College relies heavily on grant funding from the University of Evansville which, in turn, is reliant on overall student recruitment. Major fluctuations in student recruitment could significantly affect College income. The College (and University) mitigate these recruitment risks by ensuring that recruitment efforts are targeted towards a wide range of US Colleges and Universities so that the College is not reliant on a few sources.

The COVID-19 pandemic was not predicted. A consequence was major enrolment reductions in our Summer 2021 and Fall 2021 programs and reduced enrolment for our Spring 2022 programs which resulted in significantly reduced grant income from the University of Evansville. Instead, the College had to expend significant reserves to maintain basic operations. The College was also in receipt of support from the UK Government's Coronavirus Job Support Scheme (CJRS).

Physical Environment – The College occupies a Grade I listed building (Harlaxton Manor) which is expensive to maintain. In recent times funding has been sufficient to maintain the College buildings to a very high standard. However, long term reductions in grant funding would jeopardise the College's ability to maintain College Buildings in sufficient repair.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

Structure, Governance and Management (continued)

Reputational/Security – The College has a very good reputation within the US (from where students are recruited) and has been awarded several high rankings for study abroad quality. However, an important factor that affects the whole UK study abroad industry is the attractiveness of the UK nation itself. Recent terrorist attacks in the UK and Europe can and have had a real effect on US perceptions of travel risk such that College recruitment could be detrimentally affected if the UK was deemed to be a 'risky' destination. In addition, due to the significant concentration of US citizens at the College, the Trustees expect the Executive Director and Management Team to take a proactive approach to local security and safety risk management. The COVID-19 pandemic has more recently exacerbated this risk as many students and their home institutions curtailed their respective plans for study abroad, whether that be at Harlaxton College, the UK or elsewhere.

Staffing – The success of the College is heavily dependent on the quality of its faculty and staff. The College monitors and reviews policies and procedures to ensure the continuing professional development of key staff and faculty. Performance management procedures are robust in ensuring that all staff meet the very highest standards in relation to all aspects of College teaching, performance, and operational management. An extended COVID-19 related furlough and the strategic realignment of College activities meant that not all existing staff could be retained. Where possible staff were redeployed or retrained, and new hires were made in areas of strategic importance (e.g. Events).

Fraud and Management of Funds – There is a high level of involvement of senior management in the day-to-day running of the College who regularly review management accounts and student numbers. In addition, there are regular reviews/discussions with the University of Evansville who also monitor monthly management accounts. The College's auditors also carry out audit and compliance checks on financials systems, records, and controls as part of their annual audit processes.

Objectives, Strategy, Aims and Policies

The College's objectives are set to reflect its educational aims and the ethos of the College. It is important to the College that it maintains and enhances the academic success of the College and the University of Evansville as a whole. This objective is, however, set in the context of the broader goals we set for the College and its students, faculty, and staff.

In setting our objectives, and planning our activities, our Trustees have considered the Charity Commission's general guidance on public benefit and its supplementary public benefit guidance on advancing education and fee-charging.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022**

Objectives, Strategy, Aims and Policies (continued)

a. Charitable Objects

The Charity's objects are:

- the advancement of education for the public benefit, in particular through the provision of educational programmes and other facilities in England, to students at the University of Evansville or any other educational institution recommended by the University of Evansville;
- to promote for the public benefit the restoration, conservation, protection, and improvement of the physical and natural environment (including the biological diversity thereof) of the parkland, gardens and historic buildings of Harlaxton Manor, Harlaxton, Grantham, Lincolnshire.

Harlaxton College shares and supports the overall Mission of the University of Evansville which is "To empower each student to think critically, act bravely, serve responsibly, and live meaningfully in a changing world". In doing so, Harlaxton College seeks to develop students' personal and professional competencies, cultivate critical and creative thinkers, and produce ethical, global citizens equipped to thrive in a world of complexity and change.

b. Strategy and Aims

Through the Executive Director and Management Team, the Trustees are responsible for setting a strategy for achieving the College's objectives. Like the University of Evansville, the primary focus of the College's strategy is to provide life transforming educational experiences that prepare our students to engage the world as informed, ethical and productive citizens.

To achieve this strategy, the College has the following statements of Mission and Vision:

Mission

To empower each student to think critically, act bravely, serve responsibly, and live meaningfully in a changing world.

Vision

Harlaxton College, the oversees study centre of the University of Evansville, is recognized nationally for developing students' personal and professional competencies, cultivating critical and creative thinkers, and producing ethical, global citizens equipped to thrive in a world of complexity and change. We accomplish this by attracting and retaining talented and motivated students who succeed within a diverse, supportive, and sustainable environment.

To achieve these aims the College holds educational classes and programmes, and provides accommodation, welfare and library facilities and organises a wide range of social, cultural, and sporting events.

The College also manages and maintains the parkland, gardens, and historic buildings of Harlaxton Manor liaising with English Heritage and other appropriate statutory and advisory organisations.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

Objectives, Strategy, Aims and Policies (continued)

c. Objectives for the Year

The objectives for the year were adjusted because of the continuing COVID-19 pandemic. Although preparations were made to host student groups in a COVID-19 secure way during the year, the developing pandemic and associated travel restrictions meant that these plans had to be adjusted often at short notice.

However, the College was able to host small groups of students in the Summer 2021 and Fall 2021 sessions and returned to near normal enrolment in Spring 2022. The College continued with a number of significant programmatic, facility, infrastructure and personnel changes to ensure that the College remains sustainable and fit for purpose.

The objectives for the year included a focus on curriculum and academic program design; student and partner institution recruitment; assessing the feasibility of a major development project in the Walled Garden; and, as Harlaxton College reached its 50th anniversary in 2021, concluding a strategic planning process looking at the next 50 years of Harlaxton College.

d. Access and Diversity Policies

Harlaxton College Students

As an educational institution, Harlaxton College's core purpose is to empower each student to think critically, act bravely, serve responsibly, and live meaningfully in a changing world. The fulfillment of this purpose is inextricably tied to our ability to provide equality of opportunity regardless of economic status, gender, ethnicity, race, religion, sexual orientation or disability, and our ability to make diversity, cultural competency, and multiculturalism part of the student experience.

Harlaxton College welcomes students from all backgrounds. To be admitted, a student must be on a Gap Year program or be a degree-seeking student at an accredited US university and not be on academic or social probation (i.e. have made normal academic progress and not be on probation). An individual's economic status, gender, ethnicity, race, religion, or disability do not form part of the College's nor the University's admissions assessment process.

It is important to the College that access to the educational experiences are not restricted to those who can afford our fees, and we believe that our students benefit from learning and living within a diverse community. We believe that a great deal of learning occurs informally through social interaction, conversation and shared experiences which help our students develop an understanding of the cultural and social perspectives of other people.

Harlaxton College Students Sourced from the University of Evansville

Harlaxton College subscribes to the University of Evansville's needs-based financial aid and merit-based scholarship policies thereby helping to contribute to a widening of access to the educational experience and facilities we offer. A student from the University of Evansville may have received a financial aid package which consists of both merit and need-based aid, in the form of scholarships and grants (free aid which does not have to be paid back), student loans (which will be paid back by the student after graduation from college) and work-study (money which is earned by working part-time on campus).

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022**

Objectives, Strategy, Aims and Policies (continued)

Need-Based Financial Aid Awards

Need-based financial aid comes in several forms (e.g. grants and student loans) and is awarded based on the student family's ability to contribute to their education, as determined by the Free Application for Federal Student Aid (FAFSA). Furthermore, need-based aid can be funded by US federal, state, university and/or private sources. FAFSA is the primary application used by all colleges in the United States to determine eligibility for need-based financial aid. By completing the FAFSA, students can apply for grants, student loans and work-study from federal, state and university sources.

The University of Evansville and Harlaxton College view needs-based financial aid as important in helping to ensure students from families, who would otherwise not be able to afford the fees, can access the educational experience the College offers. Needs-based financial aid is available to all who meet the College's general entry requirements and is awarded solely based on household means or to relieve hardship. In assessing means the FAFSA uses a sophisticated formula, determined annually by the United States Congress, to assist with the equitable rationing and distribution of need-based aid. The FAFSA starts with the student family's taxed and untaxed income from all sources and then, based on the number of people in the household, allowances are given to shelter amounts for basic needs such as housing, food, taxes, household maintenance, medical care, transportation, and savings. Neither consumer debt nor lifestyle choices are considered.

Scholarships and Merit-Based Awards

Scholarships and merit-based aid are awarded based on the student's "merit." Merit can be defined by academic strength, athletic ability, artistic talent or any other quality or affiliation which the University chooses to reward with a scholarship.

The University of Evansville offers a multitude of merit-based scholarships including, in some cases, awards of 100% remission of fees. Examples include:

- Competitive Scholarships such as Trustee Scholarships, Dean's Scholarships and Fine and Performing Arts Scholarships.
- Freshman Scholarships such as National Merit, National Achievement and National Hispanic Scholar Awards, Academic Scholarships, and the William L. Ridgway Award.
- Athletic and Music Scholarships (various awards)
- Additional Scholarships such as the Sibling Scholarship Grant awarded to the older student when a younger sibling enrolls.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

Objectives, Strategy, Aims and Policies (continued)

In addition to the University of Evansville Scholarships there are several awards that are only offered to Harlaxton Students which are based on merit and need. These include:

- Graves Scholarship (100% of all fees)
- Harlaxton Society Scholarships (\$750)
- Martin Travel and Margot Fine Awards (\$500 for travel)

Harlaxton College Students Sourced from other College and Universities

Students from other US colleges and universities are likely to have received needs and/or merit-based financial assistance from their home institutions. Most US colleges and universities have similar needs-based financial aid and merit-based scholarship assistance programmes to the University of Evansville's, however, unlike students from the University of Evansville, the magnitude of these awards is not known on an individual basis. However, suffice it to say that these needs and merit-based awards, although not awarded by the University of Evansville or Harlaxton College, greatly assist the students concerned and further enable Harlaxton College to attract students from a widely diverse set of backgrounds.

In addition to these needs and merit-based awards from the student's home institution, the University of Evansville and Harlaxton College do offer all non-University of Evansville students some tuition remission or discount the magnitude of which averaged \$13,273 per student (figures for 2020/21 not applicable due to zero enrolment).

Other Financial Assistance

Loans

There are several sources of loans to assist both students and parents with paying for their educational experience, such as: Federal Direct Stafford Loan, Federal Perkins Loan and Federal Direct Parent Loan for Undergraduate Students. Most of these loans have an element of subsidy (e.g. loan interest does not accrue while at college/university).

Additional Travel Assistance

Many students make considerable personal sacrifices to fund their education and in recognition of this we can offer additional ad-hoc travel assistance to those students who find themselves short of funds and unable to take full advantage of the national and international cultural and social immersion opportunities that are available via Harlaxton College.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

Objectives, Strategy, Aims and Policies (continued)

The Wider Community

The College is also part of a wider community, and we are keen that our students, faculty, and staff participate. In this regard, the College offers a resource to support a range of educational activities for the benefit of local children attending state schools and their teachers. The College's trustees and administration are committed to developing this cooperation and working with local state junior and secondary schools, and other appropriate groups.

e. Welfare Policies

Harlaxton College is an equal opportunity organisation and is committed to a learning and working environment that is free from any form of discrimination on the grounds of race, colour, gender, gender identity and expression, sexual orientation, creed or religion, national origin, age, disability, veteran status, and all protected groups/classes. The College will make reasonable adjustments to meet the needs of students, faculty or staff who are or become disabled.

The College is committed to safeguarding and promoting the welfare of our students, faculty and staff and expects all students, faculty, and staff to share this commitment. The College is also committed to meeting its duties of care to the health, safety and wellbeing of its students, faculty, and staff, as well as others, including visitors, who may be affected by the College's activities.

Review of Achievements and Performances for the Year

The Executive Director is pleased to report on Harlaxton College's achievements and performance for the year.

a. Principal Activities of the Year

Harlaxton College principally provides education and associated facilities at Harlaxton College to students from the University of Evansville and other US based universities and colleges who wish to embark on a 'Study Abroad' experience in the UK.

Students spend a single semester or summer session studying a varied curriculum at Harlaxton College and travelling throughout the UK and Europe, and the College endeavours to provide a culturally immersive and experiential learning experience.

The College would also normally host various conferences, academic groups and other universities from the UK and US during its summer recess. However, the COVID-19 pandemic curtailed all of these summer 2021 activities during the 2021/22 financial year.

Additionally, the College continued with a program of significant improvements to programs, facilities, infrastructure and personnel in order to realign College activities to face a changing post-pandemic study abroad landscape and to develop more opportunities to increase and diversify revenues.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

b. Student Enrolment

This year Harlaxton College had the following enrolments:

Summer School 2021	30 students	(Summer 2020 = 0)
Fall Semester 2021	43 students	(Fall 2020 = 0)
Spring 2022	129 students	(Spring 2021 = 0)

Due to COVID-19, the Summer 2020 program, Fall 2020 and Spring 2021 semesters were cancelled.

In addition, all Summer 2019 and Summer 2020 residential groups (custom programs) were cancelled.

c. Academies and Academic Support

The College's academic programming was restructured to create additional pathways and opportunities for students to attend Harlaxton College (e.g. internships, GAP Programs and Changemaking initiatives). After restructuring in 2020/21, the core British Studies course was offered as two 3-credit hour classes: one with a history and the other with a literary focus.

A new MA in Heritage Management and Leadership completed development in cooperation with the University of Evansville and UK universities.

The College continued its program of hardware and software upgrades to academic and administrative computing services.

d. Student Engagement

The new Office of Student Engagement was expanded with additional staff as students returned to campus. The team's new offices, adjacent to existing academic offices and the library, were completed resulting in a one-stop 'Student Central' hub of professional and integrated academic and student engagement support.

e. General Support Services and Facilities

At the beginning of the financial year, other non-academic support services were limited in their ability to support the normal academic and commercial endeavours of both Harlaxton College and Harlaxton Manor Enterprises Limited as the COVID-19 pandemic prevented many of these activities from taking place.

Instead, the College focused efforts on maintaining essential College operations during the pandemic whilst continuing to restructure operations and reshape facilities to better support the 'new' post-pandemic Harlaxton College envisaged in our strategic plan.

The College also updated facilities generally and several classrooms were updated to include more technology and flexible furniture.

Other projects included: completion of the loft apartment in the Carriage House; and extensive decoration, carpeting and upgraded lighting in several areas and corridors.

The focus on facility improvement has required careful budget and project management in association with securing several gifts from University of Evansville trustees and alumni.

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

f. Details of Financial Aid and Scholarship Awards

As discussed in the earlier Access and Diversity Policies section of this report, Harlaxton College subscribes to the University of Evansville's needs-based financial aid and merit-based scholarship policies. Therefore, a student from the University of Evansville may have received a financial aid package which consists of both merit and need-based aid, in the form of scholarships and grants, student loans and work-study.

Similarly, non-University of Evansville students (i.e. students from other US colleges and universities) are likely to have received needs and/or merit-based financial assistance. But this assistance is funded by the student's home institution and not the University of Evansville nor Harlaxton College. However, in addition to these home institution awards the University of Evansville and Harlaxton College do offer all non-University of Evansville students some tuition remission or discount.

In summary, all students are likely to have received various levels of needs and merit-based financial assistance of varying types and from various sources.

Summary of Fees

Our fee increases this year were restricted by the University of Evansville's trustees to an inflationary increase only. Our fees for the current year before the deduction of any needs-based financial aid or merit-based scholarships were:

Fall 2021 and Spring 2022 Semesters	\$27,273 per semester
Summer School 2021	\$4,475 per session

g. Community Service and Community Access

We see Harlaxton College as a part of a wider community and where we can assist the community without detriment to advancing the education of our students we are delighted to do so.

During the year we were delighted to host several local schools, charitable events, and open the Manor and gardens to the public on several occasions during the year, including, for the first time, at Christmas and Easter.

Harlaxton Manor Enterprises Ltd received a Culture Recovery Fund for Heritage: Second Round grant of £32,700 received in the year (bringing total grant received to £46,200) most of which was expended during this financial year to support the opening of Harlaxton Manor Gardens to the public and provide more regular public access.

Financial Review and Results for the Year

The College Accountant is pleased to report on the financial performance for the year.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022**

Financial Review and Results for the Year (continued)

a. Review of the Year

The overall level of income at £2,178,338 was 422% greater than the previous year (2021: £416,985).

Unrestricted operating income of £2,114,076 for the year was 429% higher than last year (2021: £399,857). There was an increase in the level of unrestricted grant funding provided by the University of Evansville. The increase in grant was wholly due to the fact that the University was able to resume sending students to the College during the year as the effects of the COVID-19 pandemic and associated travel restrictions were lessened.

During the year the College and Harlaxton Manor Enterprises Ltd were in receipt of various government grants: the Coronavirus Job Retention scheme (£19,175), the Culture Recovery Fund (£32,007), and Kickstarter Grants (£15,188).

Trading turnover from Harlaxton Manor Enterprises Limited at £382,739 was 8,666% higher than the previous year (2021: £4,366). This was due to the resumption of weddings, events and visitor activity as the restrictions associated with the COVID-19 pandemic were lifted.

There has been a 41% increase in the level of resources expended, which mainly reflects the higher costs directly associated with the resumption of normal activity following the COVID-19 pandemic.

The College is continually striving to enhance the quality of the fabric of buildings and the facilities offered to students. A number of years ago the College established a "five year repair fund" which is a fund designated by the trustees to provide resources to meet the cost of much needed repairs to the fabric of the buildings and essential facilities. The cost of this work has in the past been met by specific grants from the University of Evansville, private donations, and grants from Historic England. In the current year, no major projects were undertaken, and no expenses were recorded.

On an overall basis, the Trustees' report a deficit for the year under review of £451,168 which reflects the factors influencing income and expenditure as set out above.

In spite of the significant deficit caused by the COVID-19 pandemic, the College has continued to maintain a strong financial position with the group's assets exceeding liabilities by £2,202,734 at 30 April 2022.

b. Wider Benefits Received and Provided

As a charity our students, the University of Evansville and our partner colleges and universities have the assurance that all the income of the College must be applied for either the advancement of our educational purposes or to promote the restoration, conservation, protection, and improvement of the parkland, gardens, and historic buildings of Harlaxton Manor.

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 purposes. As a charity we are also entitled to an 80% reduction on our business rates on Harlaxton Manor, the property we occupy for our charitable purposes. The financial benefits we receive from these tax exemptions are all applied for educational purposes and indirectly help us to maintain our financial aid and scholarship programmes.

However, as an educational charity, we are unable to reclaim all the VAT input tax on our costs as we are partially exempt for VAT purposes. As an employer, we also pay tax through the Employer's National Insurance Contributions we make.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022**

Financial Review and Results for the Year (continued)

c. Reserves Policy

At the year end the College held free reserves of £2,202,734 (2021: £2,520,275). The Trustees have reviewed the reserves of the College. The review encompassed the nature of the income and expenditure streams and the need to match variable income with fixed commitments. The review concluded that to allow the College to be managed efficiently and to provide a buffer for uninterrupted services, unrestricted funds not required to support functional fixed assets should be maintained at a level which equates to between six and twelve months' of unrestricted expenditure. This would provide sufficient funds to cover management and administration and support costs and to respond to unforeseen expenditure such as major property repairs in an environment where income levels are uncertain and dependent upon demand from overseas students.

Based upon the total resources expended during the present year, the Trustees acknowledge that the level of the reserves deteriorated during the year. However, they remain at the upper end of this intended range.

The COVID-19 pandemic has highlighted the need for the College to have and maintain a robust reserves policy.

d. Nature of Funds

Except for the funding received from the University of Evansville and other sources for the Land Use Fund, all funds are considered by the Trustees to be unrestricted in their nature.

e. Investment Policy

The Trustees have the power to invest in such assets as they see fit.

The College has a policy of keeping any surplus liquid funds in short term deposits which can be accessed readily should the need arise.

Plans for future periods

Harlaxton College will continue to pursue its core strategic initiatives:

Initiative I: Demonstrate and communicate the immediate, enduring, and distinctive benefits of a Harlaxton education.

Initiative II: Provide students with a best-in-class curriculum, co-curriculum, residential and travel experience to promote the full development of their intellectual, artistic, and personal potential.

Initiative III: Make Harlaxton College sustainable environmentally and financially while maintaining the beauty and architectural integrity of the heritage asset that is Harlaxton Manor.

Initiative IV: Engage with, and serve, the community so that Harlaxton is a destination and a resource for its neighbours, for students, and for other constituents and guests.

Initiative V: Cultivate, foster, and better integrate connections between Harlaxton, the University of Evansville, and partner colleges and universities.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022**

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the College for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year. Under company law, the Trustees 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 Group and the College and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the College's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the College 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 Group and the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

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

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

Auditors

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

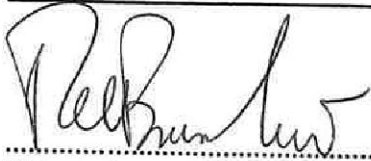
Accounts Preparation

The Trustees confirm that the accounts comply with current statutory requirements and with those of the governing instrument. This report and accounts have been prepared in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)), the Companies Act 2006 and the Trust deed.

Approved by order of the members of the board of Trustees on
31/08/2022 and signed on their behalf by:

HARLAXTON COLLEGE

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022



.....
R Brownlow
(Trustee)



.....
H Chubb
(Trustee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARLAXTON COLLEGE

Opinion

We have audited the financial statements of Harlaxton College (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 April 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the College Balance Sheet, the Consolidated 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 Group's and of the parent charitable company's affairs as at 30 April 2022 and of the Group's 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 and the Charities Act 2011.

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 Group 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent 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 Trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARLAXTON COLLEGE (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 Trustees 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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has 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 Trustees' 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:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Trustees 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 Trustees are responsible for assessing the Group's and the parent 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 Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

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, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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.

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



Jonathan Day (Senior Statutory Auditor)

for and on behalf of

Streets Audit LLP

Chartered Accountants & Statutory Auditors

Statutory Auditors

Enterprise House

38 Commerce Road

Lynchwood

Peterborough

Cambs

PE2 6LR

Date:

28 September 2022

HARLAXTON COLLEGE

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 APRIL 2022**

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Grants received	4	47,134	1,452,993	1,500,127	384,519
Charitable activities	5	17,128	278,200	295,328	25,949
Other trading activities	6	-	382,739	382,739	4,366
Investments	7	-	144	144	2,151
Total income		64,262	2,114,076	2,178,338	416,985
Expenditure on:					
Raising funds	8	-	150,986	150,986	20,171
Charitable activities	9	197,873	2,280,647	2,478,520	1,708,985
Total expenditure		197,873	2,431,633	2,629,506	1,729,156
Net expenditure before taxation		(133,611)	(317,557)	(451,168)	(1,312,171)
Taxation		-	-	-	(1,530)
Net movement in funds		(133,611)	(317,557)	(451,168)	(1,313,701)
Reconciliation of funds:					
Total funds brought forward		133,611	2,541,818	2,675,429	3,989,130
Net movement in funds		(133,611)	(317,557)	(451,168)	(1,313,701)
Total funds carried forward		-	2,224,261	2,224,261	2,675,429

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 26 to 47 form part of these financial statements.

HARLAXTON COLLEGE
REGISTERED NUMBER: 06825976

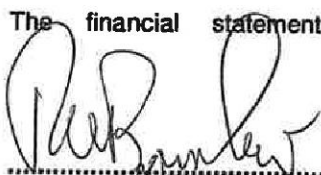
CONSOLIDATED BALANCE SHEET
AS AT 30 APRIL 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	113,702	133,212
Investments	15	12,633	12,633
		126,335	145,845
Current assets			
Stocks	16	78,493	44,907
Debtors	17	1,179,988	437,586
Cash at bank and in hand		1,573,938	2,321,544
		2,832,419	2,804,037
Creditors: amounts falling due within one year	18	(734,491)	(274,451)
Net current assets		2,097,928	2,529,586
Total assets less current liabilities		2,224,263	2,675,431
Total net assets		2,224,263	2,675,431
Charity funds			
Restricted funds	20	-	133,611
Unrestricted funds	20	2,224,263	2,541,820
Total funds		2,224,263	2,675,431


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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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



R Brownlow
 (Trustee)



H Chubb
 (Trustee)

The notes on pages 27 to 47 form part of these financial statements.

HARLAXTON COLLEGE
REGISTERED NUMBER: 06825976

COLLEGE BALANCE SHEET
AS AT 30 APRIL 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	113,702	133,212
Investments	15	12,635	12,635
		<u>126,337</u>	<u>145,847</u>
Current assets			
Stocks	16	45,444	16,075
Debtors	17	1,424,916	434,438
Cash at bank and in hand		1,170,900	2,270,205
		<u>2,641,260</u>	<u>2,720,718</u>
Creditors: amounts falling due within one year	18	(564,863)	(212,679)
Net current assets		<u>2,076,397</u>	<u>2,508,039</u>
Total assets less current liabilities		<u>2,202,734</u>	<u>2,653,886</u>
Net assets excluding pension asset		<u>2,202,734</u>	<u>2,653,886</u>
Total net assets		<u><u>2,202,734</u></u>	<u><u>2,653,886</u></u>
Charity funds			
Restricted funds	20	-	133,611
Unrestricted funds	20	2,202,734	2,520,275
Total funds		<u><u>2,202,734</u></u>	<u><u>2,653,886</u></u>

The College's net movement in funds for the year was (£451,152) (2021 - (£1,310,226)).

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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

31/08/2022

HARLAXTON COLLEGE
REGISTERED NUMBER: 06825976

COLLEGE BALANCE SHEET (CONTINUED)
AS AT 30 APRIL 2022

R Brownlow
(Trustee)



H Chubb
(Trustee)



The notes on pages 27 to 47 form part of these financial statements.

HARLAXTON COLLEGE

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 APRIL 2022**

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	(746,220)	691,194
Income taxes paid	(1,530)	(1,900)
Net cash used in operating activities	(747,750)	689,294
Cash flows from investing activities		
Interest received	144	2,151
Change in cash and cash equivalents in the year	(747,606)	691,445
Cash and cash equivalents at the beginning of the year	2,321,544	1,630,099
Cash and cash equivalents at the end of the year	1,573,938	2,321,544

The notes on pages 26 to 47 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

1. Accounting policies

1.1 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest pound.

Harlaxton College 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.

The financial statements of the charitable company are consolidated in the financial statements of Harlaxton College. The consolidated financial statements are publicly available from its registered office, Harlaxton Manor, Harlaxton, Grantham, Lincolnshire, NG32 1AG.

1.2 Going concern

The financial statements have been prepared on a going concern basis. Having carried out a detailed review of the group's position and its forecasts at the date of signing the accounts and with regards to the challenges presented by the current economic and health climate, the trustees are satisfied that the group has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the accounts.

1.3 Consolidated financial statements

These financial statements comprise the results of Harlaxton College and its wholly owned trading subsidiary, Harlaxton Manor Enterprises Limited consolidated on a line by line basis. The parent charitable company has taken advantage of the available exemption under section 408 of the Companies Act 2006 not to present its own Statement of Financial Activities or Income & Expenditure Account.

1.4 Income

All income is recognised once the College has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Charitable activities income is grants from the University of Evansville and represents funds drawn down during the year. They are recognised as income according to the Semester to which they relate. Semester fee income, College Summer programmes and student travel and the provision of facilities for students are recognised in the year to which they relate.

Trading income attributable to Harlaxton Manor Enterprises Limited represents services rendered to customers at amounts exclusive of value added tax.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

1. Accounting policies (continued)

1.5 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 is classified under charitable activity rather than the type of expense, in order to provide more useful information to users of the financial statements.

Charitable activity costs comprise both direct expenditure, including direct staff costs attributable to the activity, and support costs relating to these activities.

Overheads, governance costs and other costs, not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to the activity in the year, either by reference to staff time or space occupied, as appropriate. The irrecoverable element of VAT is included with the item of expenses to which it relates.

As Harlaxton College is unable to reclaim all of the Value Added Tax (VAT), expenditure is stated net of VAT where input tax is recoverable in full and inclusive of VAT in respect of expenditure where input tax is not wholly recoverable. The amount of irrecoverable input tax relating to partially exempt supplies is included in resources expended in accordance with the appropriate classification of costs.

1.6 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

1.7 Interest receivable

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

1.8 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

1. Accounting policies (continued)

1.9 Taxation

The College is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the College is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.10 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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.

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:

Property improvements	- 87 years
Plant and machinery	- 5-15 years
Motor vehicles	- 5-10 years
Furniture	- 15 years
Library books	- 20 years
Computers	- 5 years

1.11 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

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

1.12 Stocks

Stocks are valued at the lower of cost and selling price less costs to complete after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

At each reporting date, the charity assesses whether stocks are impaired or if any impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in the statement of financial activities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

1. Accounting policies (continued)

1.13 Debtors

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

1.14 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.

1.15 Liabilities and provisions

Liabilities 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 College 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 Consolidated Statement of Financial Activities as a finance cost.

1.16 Financial instruments

The Group 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.

1.17 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

1.18 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

1. Accounting policies (continued)

1.19 Employment benefits

The cost of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.20 Heritage assets

The group's objectives include the restoration, conservation and protection of the historic buildings and grounds of Harlaxton Manor. In accordance with the term of the property lease and the property management agreement the group is obliged to maintain the Manor, as an agent, to an agreed state of repair. The group does not own the Manor and as a result the value of the Manor is not reflected in the Statement of Financial Position. In addition, the income received and expenses incurred which are associated with the restoration of the Manor are included in the Statement of Financial Activities as outlined in Note 1.21.

1.21 Expenditure on major restoration

The costs of associated major repairs and restoration work of Harlaxton Manor is reported in the Statement of Financial Activities in the year it is incurred. Preservation of Harlaxton Manor is defined as work done on a major area of the building or the grounds in order to bring the areas back in to their original condition. The costs of such works are mostly funded through grants receivable.

2. General information

Harlaxton College is a charitable private company (company number 06825976 and charity registration number 1129054) and is also registered as a charity at the Charity Commission in England and Wales. The charitable company is limited by guarantee and in the event of the charitable company being wound up during the year of membership, or with the year following, company members are required to contribute an amount not exceeding £10. The registered office and principal place of business is Harlaxton Manor, Harlaxton, Grantham, Lincolnshire, NG32 1AG.

The charitable company and the Group's principal objective is the provision of education programmes and other facilities in England to students of the University of Evansville.

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2022

3. Critical accounting estimates and areas of judgment

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 College makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Income from grants

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Grants				
Grants from the University of Evansville	-	1,386,623	1,386,623	-
Government grants				
Coronavirus Job Retention Scheme	-	19,175	19,175	361,230
Kickstarter grant	-	15,188	15,188	9,429
Culture Recovery Fund grant	-	32,007	32,007	13,860
Grants from University of Evansville	47,134	-	47,134	-
	47,134	1,452,993	1,500,127	384,519

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

5. Income from charitable activities

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Semester fee income, summer programs and student travel	-	278,200	278,200	8,039
Provision of facilities for students	-	-	-	782
Land fund	17,128	-	17,128	17,128
	<u>17,128</u>	<u>278,200</u>	<u>295,328</u>	<u>25,949</u>

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Harlaxton Manor Enterprises Limited	382,739	382,739	4,366
	<u>382,739</u>	<u>382,739</u>	<u>4,366</u>

7. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Interest received	144	144	2,151
	<u>144</u>	<u>144</u>	<u>2,151</u>

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2022

8. Expenditure on raising funds

Other trading expenses

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Cost of sales	116,918	116,918	5,672
Administration expenses	34,068	34,068	14,499
	150,986	150,986	20,171
	150,986	150,986	20,171

9. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £	<i>Total 2021 £</i>
Operation of study centre	-	2,280,647	2,280,647	1,672,581
Preservation of Harlaxton Manor	197,873	-	197,873	36,404
	197,873	2,280,647	2,478,520	1,708,985
	197,873	2,280,647	2,478,520	1,708,985

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

9. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2022 £	Depreciation 2022 £	Other costs 2022 £	Total 2022 £	<i>Total 2021 £</i>
Operation of study centre	891,098	33,505	1,356,044	2,280,647	1,672,581
Preservation of Harlaxton Manor	-	-	197,873	197,873	36,404
	<u>891,098</u>	<u>33,505</u>	<u>1,553,917</u>	<u>2,478,520</u>	<u>1,708,985</u>
<i>Total 2021</i>	<u><u>997,084</u></u>	<u><u>40,758</u></u>	<u><u>671,143</u></u>	<u><u>1,708,985</u></u>	

10. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Operation of study centre	2,276,448	4,199	2,280,647	1,672,581
Preservation of Harlaxton Manor	197,873	-	197,873	36,404
	<u>2,474,321</u>	<u>4,199</u>	<u>2,478,520</u>	<u>1,708,985</u>
<i>Total 2021</i>	<u><u>1,708,985</u></u>	<u><u>-</u></u>	<u><u>1,708,985</u></u>	

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2022

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Operation of study centre 2022 £	Preservatio n of Harlaxton Manor 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	891,098	-	891,098	997,084
Depreciation	33,505	-	33,505	40,758
Administration	52,968	-	52,968	4,617
General expenses	170,143	-	170,143	86,548
Faculty and tuition	24,372	-	24,372	(1,200)
Student affairs	135,263	-	135,263	21
Library services	-	-	-	29,270
Physical plant	64,033	-	64,033	97,262
Utilities	317,693	-	317,693	189,416
Housekeeping	27,705	-	27,705	4,488
Gardens and grounds	17,436	-	17,436	10,872
Transport	10,109	-	10,109	8,491
Security	111	-	111	1,555
Catering	478,445	-	478,445	23,255
Summer programs	10,944	-	10,944	-
Laundry service	-	-	-	559
Expenditure - U o E	-	-	-	128,145
Land fund	-	197,873	197,873	36,404
Governance costs	42,623	-	42,623	51,440
	<u>2,276,448</u>	<u>197,873</u>	<u>2,474,321</u>	<u>1,708,985</u>

Direct costs have been allocated to activity on a basis consistent with the use of resources.

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2022

11. Auditors' remuneration

	2022 £	2021 £
Fees payable to the College's auditor for the audit of the College's annual accounts	11,000	13,000
Fees payable to the College's auditor in respect of:		
Audit services of the subsidiary company	5,000	5,000
Taxation compliance services	2,250	1,100
All non-audit services not included above	5,826	5,400
	11,000	13,000

12. Staff costs

	Group 2022 £	Group 2021 £	College 2022 £	College 2021 £
Wages and salaries	770,498	897,063	770,498	897,063
Social security costs	52,380	54,067	52,380	54,067
Contribution to defined contribution pension schemes	68,220	45,954	68,220	45,954
	891,098	997,084	891,098	997,084

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

	Group 2022 No.	Group 2021 No.	College 2022 No.	College 2021 No.
Management and administration	13	14	13	14
Faculty	5	5	5	5
House Keeping and estate	22	20	22	20
Catering and events	3	2	3	2
	43	41	43	41

The average headcount expressed as full-time equivalents was 43: (2021 - 42)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

12. Staff costs (continued)

No employee received remuneration amounting to more than £60,000 in either year.

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge of £68,220 (2021 - £45,958) represents contributions payable by the Group to the scheme. At the year end, the group owed the scheme £4,612 (2021 - £8,278) included in accruals with respect to contributions due.

The key management personnel of the group comprises of the trustees and senior members of the management who are responsible for the day to day running of the college. The total employee benefits for the key management personnel was £242,183 (2021 - £304,789).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 30 April 2022, no Trustee expenses have been incurred (2021 - £NIL).

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

14. Tangible fixed assets

Group and College

	Property improvements £	Plant and machinery £	Motor vehicles £	Furniture £	Library books £	Computers £	Total £
Cost or valuation							
At 1 May 2021	10,594	350,222	118,854	26,507	217,839	131,882	855,898
Additions	-	13,995	-	-	-	-	13,995
Disposals	-	(34,023)	(21,935)	-	-	(33,225)	(89,183)
At 30 April 2022	10,594	330,194	96,919	26,507	217,839	98,657	780,710
Depreciation							
At 1 May 2021	2,842	324,723	110,144	26,507	151,435	107,035	722,686
Charge for the year	122	10,817	5,591	-	7,703	9,272	33,505
On disposals	-	(34,023)	(21,935)	-	-	(33,225)	(89,183)
At 30 April 2022	2,964	301,517	93,800	26,507	159,138	83,082	667,008

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

14. Tangible fixed assets (continued)

Group and College (continued)

Net book value	Property improvements £	Plant and machinery £	Motor vehicles £	Furniture £	Library books £	Computers £	Total £
At 30 April 2022	7,630	28,677	3,119	-	58,701	15,575	113,702
At 30 April 2021	7,752	25,499	8,710	-	66,404	24,847	133,212

All tangible assets are used for charitable purposes.

Heritage assets are not recognised in the balance sheet.

The Charity maintains the historic buildings and grounds of Harlaxton Manor on behalf of the University of Evansville as detailed in the property management agreement and the property lease. As explained in the accounting policies (note 1) the Charity does not own the Manor and as a result the value of the Manor is not reflected in the financial statements.

Restoration work is carried out in order to keep the Manor and gardens in a condition suitable for use.

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

15. Fixed asset investments

Group	Unlisted investments £
Cost or valuation	
At 1 May 2021	12,633
At 30 April 2022	<u>12,633</u>
Net book value	
At 30 April 2022	12,633
At 30 April 2021	<u>12,633</u>

College	Investments in subsidiary companies £	Unlisted investments £	Total £
Cost or valuation			
At 1 May 2021	2	12,633	12,635
At 30 April 2022	<u>2</u>	<u>12,633</u>	<u>12,635</u>
Net book value			
At 30 April 2022	2	12,633	12,635
At 30 April 2021	<u>2</u>	<u>12,633</u>	<u>12,635</u>

The historical cost of the unlisted investments was £12,633 (2021 - £12,633).

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2022

15. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the College:

Name	Company number	Registered office or principal place of business	Principal activity
Harlaxton Manor Enterprises Limited	02141188	Harlaxton Manor, Harlaxton, Grantham, Lincolnshire, NG32 1AG	Provision of conference and banqueting services, making available the facilities of Harlaxton Manor and providing certain services to students.

Class of shares	Holding
Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
Harlaxton Manor Enterprises Limited	414,746	253,855	160,911	21,545

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

16. Stocks

	Group 2022 £	<i>Group 2021 £</i>	College 2022 £	<i>College 2021 £</i>
Consumables	78,493	44,907	45,444	16,075

17. Debtors

	Group 2022 £	<i>Group 2021 £</i>	College 2022 £	<i>College 2021 £</i>
Due within one year				
Trade debtors	18,117	6,825	540	-
Amounts owed by group undertakings	-	-	262,507	4,049
Due from University of Evansville	1,025,695	365,634	1,025,695	365,634
Prepayments and accrued income	87,173	64,757	87,171	64,755
Tax recoverable	-	370	-	-
Other debtors	49,003	-	49,003	-
	1,179,988	437,586	1,424,916	434,438

18. Creditors: Amounts falling due within one year

	Group 2022 £	<i>Group 2021 £</i>	College 2022 £	<i>College 2021 £</i>
Trade creditors	211,777	135,074	204,051	130,550
Other taxation and social security	50,407	16,669	21,887	15,997
Other creditors	4,612	8,276	4,612	8,276
Accruals and deferred income	467,695	114,432	334,313	57,856
	734,491	274,451	564,863	212,679

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

	Group 2022 £	<i>Group 2021 £</i>	College 2022 £	<i>College 2021 £</i>
Deferred income at 1 May 2021	47,676	15,398	-	-
Resources deferred during the year	372,864	47,676	308,702	-
Amounts released from previous periods	(47,676)	(15,398)	-	-
	<u>372,864</u>	<u>47,676</u>	<u>308,702</u>	<u>-</u>

The deferred income relates to advances for weddings and grants received in advance. The opening balance included advances for weddings.

19. Financial instruments

	Group 2022 £	<i>Group 2021 £</i>	College 2022 £	<i>College 2021 £</i>
Financial assets				
Financial assets measured at fair value through income and expenditure	<u>12,633</u>	<u>12,633</u>	<u>12,633</u>	<u>12,633</u>

20. Statement of funds

Statement of funds - current year

	Balance at 1 May 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 April 2022 £
Unrestricted funds					
Harlaxton College	2,520,277	1,699,330	(2,177,798)	160,911	2,202,720
Harlaxton Manor Enterprises Limited	21,543	414,746	(253,835)	(160,911)	21,543
	<u>2,541,820</u>	<u>2,114,076</u>	<u>(2,431,633)</u>	<u>-</u>	<u>2,224,263</u>
Restricted funds					
Preservation of Harlaxton Manor	133,611	64,262	(197,873)	-	-
Total of funds	<u>2,675,431</u>	<u>2,178,338</u>	<u>(2,629,506)</u>	<u>-</u>	<u>2,224,263</u>

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

20. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 May 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 April 2021 £</i>
Unrestricted funds				
Harlaxton College	3,676,803	431,966	(1,588,492)	2,520,277
Harlaxton Manor Enterprises Limited	79,719	4,366	(62,542)	21,543
	<u>3,756,522</u>	<u>436,332</u>	<u>(1,651,034)</u>	<u>2,541,820</u>
Restricted funds				
Preservation of Harlaxton Manor	<u>152,887</u>	<u>17,128</u>	<u>(36,404)</u>	<u>133,611</u>
Total of funds	<u><u>3,909,409</u></u>	<u><u>453,460</u></u>	<u><u>(1,687,438)</u></u>	<u><u>2,675,431</u></u>

Preservation of Harlaxton Manor fund is funds received for the up keep and maintenance of the land used by the College.

21. Summary of funds

Summary of funds - current year

	Balance at 1 May 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 April 2022 £
General funds	2,541,820	2,114,076	(2,431,633)	-	2,224,263
Restricted funds	133,611	64,262	(197,873)	-	-
	<u>2,675,431</u>	<u>2,178,338</u>	<u>(2,629,506)</u>	<u>-</u>	<u>2,224,263</u>

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

21. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 May 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 April 2021 £</i>
General funds	3,756,522	436,332	(1,651,034)	2,541,820
Restricted funds	152,887	17,128	(36,404)	133,611
	<u>3,909,409</u>	<u>453,460</u>	<u>(1,687,438)</u>	<u>2,675,431</u>

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	113,702	113,702
Fixed asset investments	12,633	12,633
Current assets	2,832,419	2,832,419
Creditors due within one year	(734,491)	(734,491)
Total	<u>2,224,263</u>	<u>2,224,263</u>

Analysis of net assets between funds - prior year

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	-	133,212	133,212
Fixed asset investments	-	12,633	12,633
Current assets	133,611	2,670,426	2,804,037
Creditors due within one year	-	(274,451)	(274,451)
Total	<u>133,611</u>	<u>2,541,820</u>	<u>2,675,431</u>

HARLAXTON COLLEGE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

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

	Group 2022 £	<i>Group 2021 £</i>
Net expenditure for the year (as per Statement of Financial Activities)	(451,168)	<i>(1,313,701)</i>
Adjustments for:		
Depreciation charges	33,505	<i>40,758</i>
Interest received	(144)	<i>(2,151)</i>
Decrease/(increase) in stocks	(33,586)	<i>7,871</i>
Decrease/(increase) in debtors	(789,536)	<i>1,915,450</i>
Increase in creditors	494,709	<i>41,437</i>
Taxation	-	<i>1,530</i>
Net cash provided by/(used in) operating activities	(746,220)	<i>691,194</i>

24. Analysis of cash and cash equivalents

	Group 2022 £	<i>Group 2021 £</i>
Cash in hand	1,573,938	<i>2,321,544</i>
Total cash and cash equivalents	1,573,938	<i>2,321,544</i>

25. Analysis of changes in net debt

	At 1 May 2021 £	Cash flows £	At 30 April 2022 £
Cash at bank and in hand	2,321,544	(747,606)	1,573,938
	2,321,544	(747,606)	1,573,938

HARLAXTON COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2022

26. Related party transactions

During the year Harlaxton College received management charges of £102,849 (2021 - £nil) and donations via the Gift Aid scheme of £160,911 (2021 - £54,701) from its wholly owned subsidiary, Harlaxton Manor Enterprises Limited.

At the year end the amount due from Harlaxton Manor Enterprises Limited amounted to £262,491 (2021 - £4,049).

During the year, the charity incurred operational and payroll costs on behalf of Harlaxton Manor Enterprises Limited. These costs have not been recharged. Management are currently designing an appropriate means for recharging these costs.

During the year Harlaxton College received £1,386,623 (2021 - £nil) of grants from the University of Evansville, which is the sole member of Harlaxton College. During the year Harlaxton College was charged expenses of £nil (2021 - £128,145) by the University of Evansville.

At the year end the amount due from the University of Evansville amounted to £1,025,695 (2021 - £365,634).

27. Connected organisations

The University of Evansville is the sole member of Harlaxton College and has the power to appoint and remove trustees. The University of Evansville is an entity that is registered in United States of America.

The freehold land and buildings occupied by the College are owned by the University of Evansville and let rent free to the College. No rental charge is included in the Statement of Financial Activities. The trustees consider such a rental charge to be unquantifiable.

HARLAXTON COLLEGE

England & Wales - Charity number 1129054

Accounts

Harlaxton College
Report and Group Financial Statements
Year ended 30 April 2021
Company Registration Number: 06825976

HARLAXTON COLLEGE

Report and Group financial statements for the year ended 30 April 2021

Contents

Page:

1	Report of the Trustees
12	Report of the auditor
16	Group statement of financial activities
17	Group and College Balance sheets
18	Group statement of cashflows
19	Notes forming part of the financial statements

Trustees

R Brownlow
H Chubb
C Pietruszkiewicz

Principal

Dr H Carter

Company Secretary and Vice Principal

IL Welsh

Principal Address

Harlaxton Manor
Harlaxton
Grantham
Lincolnshire
NG32 1AG

Company Number

06825976

Charity Registration Number

1129054

Auditor

RSM UK Audit LLP
Chartered Accountants
Rivermead House
7 Lewis Court
Grove Park
Leicester
Leicestershire
LE19 1SD

Bankers

Barclays Bank plc
33-35 High Street
Grantham
Lincolnshire
NG31 6PH

HARLAXTON COLLEGE

Report of the Trustees for the year ended 30 April 2021

The Trustees present their report together with the audited consolidated financial statements for the year ended 30 April 2021 and confirm the latter comply with the requirements of the Charities Act and the Charities SORP (FRS 102).

This Trustees report is a director's report as required by S415 of the Companies Act 2006.

All Trustees are directors of the charitable company. Trustees who served during the year are listed on the contents page.

Structure, Governance and Management

i) Governing Document

Harlaxton College ("the College") was formed to provide educational facilities in the United Kingdom to students from the University of Evansville which is based in the United States of America. It is a charitable company established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. The University of Evansville is the sole member of the charitable company.

ii) Governing Bodies

The College governing body consists of three Trustees who, through the Principal of the College and the Management Team, supervise the College's day to day activities.

iii) Recruitment and Training of Trustees

The Charity's Trustees are appointed by the Board of Trustees of the University of Evansville. The Charity's Trustees will include the serving President of the University of Evansville and other trustees appointed upon recommendation by the Principal of Harlaxton College who will determine eligibility based upon personal competence, specialist skills, local availability and sympathy with the mission and aims of the College. Potential Trustees are highly likely to be existing members of the College's Advisory Council, a voluntary group who advise the Principal and Management Team on various matters in which they have expertise.

New Trustees, having been members of the College's Advisory Council, will be familiar with the normal workings of the College. They are inducted into the governance of the College, including financial policy and procedures, by the Principal and Vice Principal.

The College has made qualifying third-party indemnity provisions for the benefit of the trustees during the year. These provisions remain in force at the reporting date.

iv) Organisational Management

The Trustees of the College, as the charity Trustees, are legally responsible for the overall management and control of the College and meet at least three times a year. They delegate the day to day running of the College to the Principal who is supported in the organisation and control of its activities by a number of senior managers operating in respect of both academic and business related disciplines. The Principal reports to both the Trustees and the Executive Vice-President for Academic Affairs at the University of Evansville in the USA.

The Principal, Management Team and Trustees are assisted by the Advisory Council, a voluntary organisation that includes three active sub-committees: Academic, Estates Management, and Student Life and Community Relations.

All trustees give of their time freely and no remuneration or expenses were paid in the year. No trustee or person connected with a trustee received any benefit from needs-based financial aid or merit-based scholarships awarded to our students.

HARLAXTON COLLEGE

Report of the Trustees for the year ended 30 April 2021

Structure, Governance and Management *(continued)*

v) Arrangements for Setting Pay and Remuneration of Key Personnel

The key management personnel of the charity comprise the trustees, the Principal and the Management Team.

It is the College's policy that no Trustees are remunerated for their services as a Trustee. Exceptionally, Trustees may receive payment for the provision of services to the charity which does not conflict with their trustee role, and any such transactions are disclosed in the Accounts.

The President of the University of Evansville has ultimate responsibility for agreeing the pay and remuneration of the Principal of Harlaxton College.

The Principal has ultimate responsibility for agreeing the pay and remuneration of the Management Team and staff on an individual level. The Principal is assisted by the Vice Principal and other members of the Management Team as appropriate. The Principal also has access to external professional advice which includes benchmarking and market trends.

The Principal and key personnel are remunerated by a combination of base salary and benefits (e.g. pension).

The College uses the annual staff appraisal process to set both College (short-term and long-term) and individual performance elements and is designed to promote the long-term success of the College. Achievement against individual objectives is by line managers and the Principal as appropriate.

The Principal is assessed annually by the Executive Vice-President for Academic Affairs at the University of Evansville in the USA.

vi) Group Structure and Relationships

The Charity has a wholly owned non-charitable subsidiary, Harlaxton Manor Enterprises Limited, whose activities and trading performance are discussed below.

The College utilises its home "Harlaxton Manor" to the full by offering appropriate programmes and functions for the local and international communities. Certain of these activities are undertaken through the medium of Harlaxton Manor Enterprises Limited, a company whose directors are the Principal and Vice Principal of the College. The results of Harlaxton Manor Enterprises Limited are included within the consolidated financial statements. The directors are satisfied with the results of the subsidiary during the year albeit these will be significantly impacted by the COVID-19 pandemic. They are confident of future prospects.

The relationship between the College and the University of Evansville has been explained above.

vii) Principal Risks and Uncertainties

The Trustees require the Principal and Management Team to actively review the principal risks and uncertainties which the college may face on a regular basis, including those relating to its operations and finances. They are satisfied that systems are in place to mitigate the College's exposure to the major risks and uncertainties. Detailed consideration of risk is delegated to the Management Team. The College has in place a formal risk management strategy which comprises:-

- An annual review of the risks which the College may face.
- The adequacy of current systems and procedures to mitigate those risks identified in the strategy; and
- The implementation of procedures designed to minimise any potential risk on the College should any of those risks materialise.

The Trustees recognise that systems can only provide reasonable but not absolute assurance that major risks and uncertainties have been adequately managed.

HARLAXTON COLLEGE

Report of the Trustees for the year ended 30 April 2021

Structure, Governance and Management (continued)

The principal risks and uncertainties that face the College are:

Financial – The College relies heavily on grant funding from the University of Evansville which, in turn, is reliant on overall student recruitment. Major fluctuations in student recruitment could significantly affect College income. The College (and University) mitigate these recruitment risks by ensuring that recruitment efforts are targeted towards a wide range of US Colleges and Universities so that the College is not reliant on a few sources.

The COVID-19 pandemic was not predicted. A consequence was the cancellation of our Summer 2020, Fall 2020 and Spring 2021 programs which resulted in zero grant income from the University of Evansville. Instead, the College had to expend significant reserves to maintain basic operations. The College was also in receipt of significant support from the UK Government's Coronavirus Job Support Scheme (CJRS).

Physical Environment – The College occupies a Grade I listed building (Harlaxton Manor) which is expensive to maintain. In recent times funding has been sufficient to maintain the College buildings to a very high standard however, long term reductions in grant funding would jeopardise the College's ability to maintain College Buildings in sufficient repair.

Reputational/Security – The College has a very good reputation within the US (from where students are recruited) and has been awarded several high rankings for study abroad quality. However, an important factor that affects the whole UK study abroad industry is the attractiveness of the UK nation itself. Recent terrorist attacks in the UK and Europe can and have had a real effect on US perceptions of travel risk such that College recruitment could be detrimentally affected if the UK was deemed to be a 'risky' destination. In addition, due to the significant concentration of US citizens at the College, the Trustees expect the Principal and Management Team to take a proactive approach to local security and safety risk management. The COVID-19 pandemic has more recently exacerbated this risk as many students and their home institutions curtailed their respective plans for study abroad, whether that be at Harlaxton College the UK or elsewhere. Quarantine regulations in the UK and USA remain volatile which continues to impact the study abroad landscape as a whole.

Staffing – The success of the College is heavily dependent on the quality of its faculty and staff. The College monitors and reviews policies and procedures to ensure the continuing professional development of key staff and faculty. Performance management procedures are robust in ensuring that all staff meet the very highest standards in relation to all aspects of College teaching, performance, and operational management. An extended COVID-19 related furlough and the strategic realignment of College activities meant that not all existing staff could be retained. Where possible staff were redeployed or retrained, and new hires were made in areas of strategic importance (e.g. Events).

Fraud and Management of Funds – There is a high level of involvement of senior management in the day-to-day running of the College who regularly review management accounts and student numbers. In addition, there are regular reviews/discussions with the University of Evansville who also monitor monthly management accounts. The College's auditors also carry out audit and compliance checks on financials systems, records, and controls as part of their annual audit processes.

Objectives, Strategy, Aims and Policies

The College's objectives are set to reflect its educational aims and the ethos of the College. It is important to the College that it maintains and enhances the academic success of the College and the University of Evansville as a whole. This objective is, however, set in the context of the broader goals we set for the College and its students, faculty and staff.

In setting our objectives, and planning our activities the Trustees have considered the Charity Commission's general guidance on public benefit and in particular its supplementary public benefit guidance on advancing education and fee-charging.

HARLAXTON COLLEGE

Report of the Trustees for the year ended 30 April 2021

Objectives, Strategy, Aims and Policies (*continued*)

i) Charitable Objects

The Charity's objects are:

- the advancement of education for the public benefit, in particular through the provision of educational programmes and other facilities in England, to students at the University of Evansville or any other educational institution recommended by the University of Evansville;
- to promote for the public benefit the restoration, conservation, protection and improvement of the physical and natural environment (including the biological diversity thereof) of the parkland, gardens and historic buildings of Harlaxton Manor, Harlaxton, Grantham, Lincolnshire.

Harlaxton College shares and supports the overall Mission of the University of Evansville which is "To empower each student to think critically, act bravely, serve responsibly, and live meaningfully in a changing world". In doing so, Harlaxton College seeks to develop students' personal and professional competencies, cultivate critical and creative thinkers, and produce ethical, global citizens equipped to thrive in a world of complexity and change.

ii) Strategy and Aims

Through the Principal and Management Team, the Trustees are responsible for setting a strategy for achieving the College's objectives. Like the University of Evansville, the primary focus of the College's strategy is to provide life transforming educational experiences that prepare our students to engage the world as informed, ethical and productive citizens.

To achieve this strategy, the College has the following statements of Mission and Vision:

Mission

To empower each student to think critically, act bravely, serve responsibly, and live meaningfully in a changing world.

Vision

Harlaxton College, the overseas study centre of the University of Evansville, is recognized nationally for developing students' personal and professional competencies, cultivating critical and creative thinkers, and producing ethical, global citizens equipped to thrive in a world of complexity and change. We accomplish this by attracting and retaining talented and motivated students who succeed within a diverse, supportive, and sustainable environment.

To achieve these aims the College holds educational classes and programmes, and provides accommodation, welfare and library facilities and organises a wide range of social, cultural, and sporting events.

The College also manages and maintains the parkland, gardens, and historic buildings of Harlaxton Manor liaising with English Heritage and other appropriate statutory and advisory organisations.

iii) Objectives for the Year

The objectives for the year were adjusted because of the continuing COVID-19 pandemic. Although preparations were made to host student groups in a COVID-19 secure way during the year, the developing pandemic and associated travel restrictions meant that these plans had to be cancelled often at short notice.

However, the College made full use of this enforced hiatus in normal operations to make a number of significant programmatic, facility, infrastructure and personnel changes to ensure that the College remains sustainable and fit for purpose in a post pandemic study abroad landscape.

HARLAXTON COLLEGE

Report of the Trustees for the year ended 30 April 2021

Objectives, Strategy, Aims and Policies *(continued)*

iv) Access and Diversity Policies

Harlaxton College Students

As an educational institution, Harlaxton College's core purpose is to empower each student to think critically, act bravely, serve responsibly, and live meaningfully in a changing world. The fulfilment of this purpose is inextricably tied to our ability to provide equality of opportunity regardless of economic status, gender, ethnicity, race, religion, sexual orientation or disability, and our ability to make diversity, cultural competency and multiculturalism part of the student experience.

Harlaxton College welcomes students from all backgrounds. To be admitted, a student must be on a Gap Year program or be a degree-seeking student at an accredited US university and not be on academic or social probation (i.e. have made normal academic progress and not be on probation). An individual's economic status, gender, ethnicity, race, religion or disability do not form part of the College's nor the University's admissions assessment process.

It is important to the College that access to the educational experiences are not restricted to those who can afford our fees, and we believe that our students benefit from learning and living within a diverse community. We believe that a great deal of learning occurs informally through social interaction, conversation and shared experiences which help our students develop an understanding of the cultural and social perspectives of other people.

Harlaxton College Students Sourced from the University of Evansville

Harlaxton College subscribes to the University of Evansville's needs-based financial aid and merit-based scholarship policies thereby helping to contribute to a widening of access to the educational experience and facilities we offer. A student from the University of Evansville may have received a financial aid package which consists of both merit and need-based aid, in the form of scholarships and grants (free aid which does not have to be paid back), student loans (which will be paid back by the student after graduation from college) and work-study (money which is earned by working part-time on campus).

Need-Based Financial Aid Awards

Need-based financial aid comes in several forms (e.g. grants and student loans) and is awarded based on the student family's ability to contribute to their education, as determined by the Free Application for Federal Student Aid (FAFSA). Furthermore, need-based aid can be funded by US federal, state, university and/or private sources. FAFSA is the primary application used by all colleges in the United States to determine eligibility for need-based financial aid. By completing the FAFSA, students can apply for grants, student loans and work-study from federal, state and university sources.

The University of Evansville and Harlaxton College view needs-based financial aid as important in helping to ensure students from families, who would otherwise not be able to afford the fees, can access the educational experience the College offers. Needs-based financial aid is available to all who meet the College's general entry requirements and is awarded solely based on household means or to relieve hardship. In assessing means the FAFSA uses a sophisticated formula, determined annually by the United States Congress, to assist with the equitable rationing and distribution of need-based aid. The FAFSA starts with the student family's taxed and untaxed income from all sources and then, based on the number of people in the household, allowances are given to shelter amounts for basic needs such as housing, food, taxes, household maintenance, medical care, transportation, and savings. Neither consumer debt nor lifestyle choices are considered.

Scholarships and Merit-Based Awards

Scholarships and merit-based aid are awarded based on the student's "merit." Merit can be defined by academic strength, athletic ability, artistic talent or any other quality or affiliation which the University chooses to reward with a scholarship.

HARLAXTON COLLEGE

Report of the Trustees for the year ended 30 April 2021

Objectives, Strategy, Aims and Policies (continued)

The University of Evansville offers a multitude of merit-based scholarships including, in some cases, awards of 100% remission of fees. Examples include:

- Competitive Scholarships such as Trustee Scholarships, Dean's Scholarships and Fine and Performing Arts Scholarships.
- Freshman Scholarships such as National Merit, National Achievement and National Hispanic Scholar Awards, Academic Scholarships, and the William L. Ridgway Award.
- Athletic and Music Scholarships (various awards)
- Additional Scholarships such as the Sibling Scholarship Grant awarded to the older student when a younger sibling enrolls.

In addition to the University of Evansville Scholarships there are a number of awards that are only offered to Harlaxton Students which are based on merit and need. These include:

- Graves Scholarship (100% of all fees)
- Harlaxton Society Scholarships (\$750)
- Martin Travel and Margot Fine Awards (\$500 for travel)

Harlaxton College Students Sourced from other College and Universities

Students from other US colleges and universities are likely to have received needs and/or merit-based financial assistance from their home institutions. Most US colleges and universities have similar needs-based financial aid and merit-based scholarship assistance programmes to the University of Evansville's, however, unlike students from the University of Evansville, the magnitude of these awards is not known on an individual basis. However, suffice it to say that these needs and merit-based awards, although not awarded by the University of Evansville or Harlaxton College, greatly assist the students concerned and further enable Harlaxton College to attract students from a widely diverse set of backgrounds.

In addition to these needs and merit-based awards from the student's home institution, the University of Evansville and Harlaxton College do offer all non-University of Evansville students some tuition remission or discount the magnitude of which ranges from \$0 to \$11,833 per student (2019/20 – figures for 2020/21 not available).

Other Financial Assistance

Loans

There are several sources of loans to assist both students and parents with paying for their educational experience, such as: Federal Direct Stafford Loan, Federal Perkins Loan and Federal Direct Parent Loan for Undergraduate Students. Most of these loans have an element of subsidy (e.g. loan interest does not accrue while at college/university).

Additional Travel Assistance

Many students make considerable personal sacrifices to fund their education and in recognition of this we are able to offer additional ad-hoc travel assistance to those students who find themselves short of funds and unable to take full advantage of the national and international cultural and social immersion opportunities that are available via Harlaxton College.

The Wider Community

The College is also part of a wider community and we are keen that our students, faculty, and staff participate. In this regard, the College offers a resource to support a range of educational activities for the benefit of local children attending state schools and their teachers. The College's trustees and administration are committed to developing this cooperation and working with local state junior and secondary schools, and other appropriate groups.

v) Welfare Policies

Harlaxton College is an equal opportunity organisation and is committed to a learning and working environment that is free from any form of discrimination on the grounds of race, colour, gender, gender identity and expression, sexual orientation, creed or religion, national origin, age, disability, veteran status or any other protected characteristic. The College will make reasonable adjustments to meet the needs of students, faculty or staff who are or become disabled.

HARLAXTON COLLEGE

Report of the Trustees for the year ended 30 April 2021

Objectives, Strategy, Aims and Policies *(continued)*

The College is committed to safeguarding and promoting the welfare of our students, faculty and staff and expects all students, faculty, and staff to share this commitment. The College is also committed to meeting its duties of care to the health, safety and wellbeing of its students, faculty and staff, as well as others, including visitors, who may be affected by the College's activities.

Review of Achievements and Performance for the Year

The Principal is pleased to report on Harlaxton College's achievements and performance for the year.

i) Principal Activities of the Year

Harlaxton College principally provides education and associated facilities at Harlaxton College to students from the University of Evansville and other US based universities and colleges who wish to embark on a 'Study Abroad' experience in the UK.

Students ordinarily spend a single semester studying a varied curriculum at Harlaxton College and travelling throughout the UK and Europe, and the College endeavours to provide a culturally immersive and experiential learning experience.

The College would also normally host various conferences, academic groups and other universities from the UK and US during its summer recess.

However, the COVID-19 pandemic curtailed all of these normal activities during the 2020/21 financial year.

Instead, under the leadership of a new Principal, the College began a program of significant improvements to programs, facilities, infrastructure and personnel in order to realign College activities to face a changing post-pandemic study abroad landscape and to develop more opportunities to increase and diversify revenues.

ii) Student Enrolment

This year Harlaxton College had the following enrolments:

Summer School 2020	0 students	(Summer 2019 = 74)
Fall Semester 2020	0 students	(Fall 2019 = 108)
Spring 2021	0 students	(Spring 2020 = 122)

Due to COVID-19, the Summer 2019 program, Fall 2019 and Spring 2021 semesters were cancelled.

In addition, all Summer 2019 residential groups (custom programs) were also cancelled.

iii) Academics and Academic Support

The College's academic programming was restructured to create additional pathways and opportunities for students to attend Harlaxton College (e.g. internships, GAP Programs and Changemaking initiatives). The core British Studies course was redesigned and was divided into two 3-credit hour classes: one with a history and the other with a literary focus.

A new MA in Heritage Management and Leadership began development in cooperation with the University of Evansville and UK universities.

The College continued its program of hardware and software upgrades to academic and administrative computing services. This included the installation of several digital signs throughout the Manor and Carriage House.

iv) Student Engagement

Without students during the year, the College took the opportunity to rethink how it wished to support students post-pandemic. A new Office of Student Engagement was created and relocated to purpose built offices adjacent to existing academic offices and the library with the proximity designed to create a one-stop hub of professional and integrated academic and student engagement support.

HARLAXTON COLLEGE

Report of the Trustees for the year ended 30 April 2021

Review of Achievements and Performance for the Year *(continued)*

v) General Support Services and Facilities

Other non-academic support services were limited in their ability to support the normal academic and commercial endeavours of both Harlaxton College and Harlaxton Manor Enterprises Limited as the COVID-19 pandemic essentially prevented all these activities from taking place.

Instead, the College focused efforts on maintaining essential College operations during the pandemic whilst simultaneously restructuring operations and reshaping facilities to better support the 'new' post-pandemic Harlaxton College envisaged in our new strategic plan.

Under the leadership of our new Principal, a new Management Team structure was created which devolved essential day to day decision making to departmental managers. Although regularly reporting to the Principal, the Management Team structure has been designed to allow a more cooperative working arrangement between departments with a high degree of delegation and team decision making. The result is a less hierarchical structure with more effective and devolved decision making, and problem solving.

The College also took the opportunity to update facilities generally and several classrooms in particular which were updated to include more technology and flexible furniture.

Other projects included: Reorganising the library; further stone cleaning in the Reception area; relocation of the Principal's Office; the creation of an Events suite; the relocation of Student Engagement; progress on the creation of a loft apartment in the Carriage House; and extensive decoration, carpeting and upgraded lighting in several areas and corridors.

The focus on facility improvement has required careful budget and project management in association with securing several personal gifts from University of Evansville trustees and alumni.

vii) Details of Financial Aid and Scholarship Awards

Due to the COVID-19 pandemic, no students were able to attend Harlaxton College this year. Therefore, no scholarships or financial aid were awarded during the year.

Summary of Fees

Our fee increases this year were restricted by the University of Evansville's trustees to an inflationary increase only. Our fees for the current year before the deduction of any needs-based financial aid or merit-based scholarships were:

Fall 2020 and Spring 2021 Semesters	\$26,518 per semester
Summer School 2020	\$4,995 per session

viii) Community Service and Community Access

We see Harlaxton College as a part of a wider community and where we can assist the community without detriment to advancing the education of our students we are delighted to do so.

Unfortunately, due to COVID-19 restrictions, we were not able to host any community events during the year.

However, Harlaxton Manor Enterprises Ltd was successful in its application for a Culture Recovery Fund for Heritage: Second Round grant of £46,200 which was received in April 2021 and will be used in part to support the opening of Harlaxton Manor Gardens to the public and provide more regular public access.

HARLAXTON COLLEGE

Report of the Trustees for the year ended 30 April 2021

Financial Review and Results for the Year

The Vice Principal is pleased to report on the financial performance for the year.

i) Review of the Year

The overall level of income at £416,985 was 85.8% lower than the previous year (2020: £2,943,731).

Unrestricted operating income of £399,857 for the year was 86.2% lower than last year (2020: £2,904,768). There was an 100.0% decrease in the level of unrestricted grant funding provided by the University of Evansville. The reduction in grant was wholly due to the fact that the University was unable to send any students during the year due to the COVID-19 pandemic and associated travel restrictions.

The main sources of income during the year were government grants: the Coronavirus Job Retention scheme (£361,230), the Culture Recovery Fund (£13,860), and a Kickstarter Grant (£9,429) for three kickstarters.

Trading turnover from Harlaxton Manor Enterprises Limited at £4,366 was 97.4% lower than the previous year (2020: £168,899). This was due to postponement of all weddings and events from March 2020 onwards as a consequence of the COVID-19 pandemic.

There has been a 30.9% decrease in the level of resources expended, which mainly reflects lower costs directly associated with provision of services to students and general expenses associated with a lower level of general activity from March 2020 as a consequence of the COVID-19 pandemic.

The College is continually striving to enhance the quality of the fabric of buildings and the facilities offered to students. A number of years ago the College established a "five year repair fund" which is a fund designated by the trustees to provide resources to meet the cost of much needed repairs to the fabric of the buildings and essential facilities. The cost of this work has in the past been met by specific grants from the University of Evansville, private donations, and grants from Historic England. In the current year, no major projects were undertaken, and no expenses were recorded.

On an overall basis, the Trustees' report a deficit for the year under review of £1,313,701 which reflects the factors influencing income and expenditure as set out above.

In spite of the significant deficit caused by the COVID-19 pandemic, the College has continued to maintain a strong financial position with the group's assets exceeding liabilities by £2,675,431 at 30 April 2021.

ii) Wider Benefits Received and Provided

As a charity our students, the University of Evansville and our partner colleges and universities have the assurance that all the income of the College must be applied for either the advancement of our educational purposes or to promote the restoration, conservation, protection and improvement of the parkland, gardens and historic buildings of Harlaxton Manor.

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 purposes. As a charity we are also entitled to an 80% reduction on our business rates on Harlaxton Manor, the property we occupy for our charitable purposes. The financial benefits we receive from these tax exemptions are all applied for educational purposes and indirectly help us to maintain our financial aid and scholarship programmes.

However, as an educational charity, we are unable to reclaim all the VAT input tax on our costs as we are partially exempt for VAT purposes. As an employer, we also pay tax through the Employer's National Insurance Contributions we make.

HARLAXTON COLLEGE

Report of the Trustees for the year ended 30 April 2021

Financial Review and Results for the Year *(continued)*

iii) Reserves Policy

At the year end the College held free reserves of £ 2,408,608 (2020: £3,662,275). The Trustees have reviewed the reserves of the College. The review encompassed the nature of the income and expenditure streams and the need to match variable income with fixed commitments. The review concluded that to allow the College to be managed efficiently and to provide a buffer for uninterrupted services, unrestricted funds not required to support functional fixed assets should be maintained at a level which equates to between six and twelve months' of unrestricted expenditure. This should provide sufficient funds to cover management and administration and support costs and to respond to unforeseen expenditure such as major property repairs in an environment where income levels are uncertain and dependent upon demand from overseas students.

The Trustees acknowledge that due to the Covid outbreak the level of the reserves deteriorated during the year. However, they still remain at the upper end of this intended range.

The COVID-19 pandemic, which began during the previous financial year, has highlighted the need for the College to have and maintain a robust reserves policy.

iv) Nature of Funds

Except for the funding received from the University of Evansville and other sources for the Land Use Fund, all funds are considered by the Trustees to be unrestricted in their nature.

v) Investment Policy

The Trustees have the power to invest in such assets as they see fit.

The College has a policy of keeping any surplus liquid funds in short term deposits which can be accessed readily should the need arise.

Future Plans

Harlaxton College will continue to react and adapt to the consequences of the COVID-19 pandemic and the impact it is having on the College's primary operations and the associated revenue streams.

In doing so the College will pursue its core strategic initiatives by articulating related, measurable, goals and feasible action steps for accomplishing those goals.

Initiative I: Demonstrate and communicate the immediate, enduring, and distinctive benefits of a Harlaxton education.

Initiative II: Provide students with a best-in-class curriculum, co-curriculum, residential and travel experience to promote the full development of their intellectual, artistic, and personal potential.

Initiative III: Make Harlaxton College sustainable environmentally and financially while maintaining the beauty and architectural integrity of the heritage asset that is Harlaxton Manor.

Initiative IV: Engage with, and serve, the community so that Harlaxton is a destination and a resource for its neighbours, for students, and for other constituents and guests.

Initiative V: Cultivate, foster, and better integrate connections between Harlaxton, the University of Evansville, and partner colleges and universities.

HARLAXTON COLLEGE

Report of the Trustees for the year ended 30 April 2021

Statement of Trustees' Responsibilities

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each person who was a trustee at the date of approving this report is aware, there is no relevant audit information of which the charitable company's auditor is unaware. Additionally each trustee has taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the Charity's auditor is aware of that information.

Auditors

RSM UK Audit LLP have indicated their willingness to be reappointed for another term. In accordance with the Companies Act 2006 a resolution to appoint auditors for the ensuing year will be put to the members.

Accounts Preparation

The Trustees confirm that the accounts comply with current statutory requirements and with those of the governing instrument. This report and accounts have been prepared in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)), the Companies Act 2006 and the Trust deed.

This report was approved by the Trustees on 12/10/2021



.....
H Chubb - Trustee



.....
R Brownlow - Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARLAXTON COLLEGE

Opinion

We have audited the financial statements of Harlaxton College (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 30 April 2021 which comprise the Group Statement of Financial Activities (incorporating the Group Income and Expenditure Account), the Group and College Balance Sheets, the Group Statement of Cash Flow and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 April 2021 and of the group's 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 and the Charities Act 2011.

Basis for opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Report of the Trustees other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of the Trustees. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARLAXTON COLLEGE (continued)

Opinions 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 Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Trustees' Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the group's and parent 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 trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARLAXTON COLLEGE (continued)

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework[s] that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document and tax legislation.

We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to Management of Health and Safety at Work Regulations 1999, Keeping Children Safe in Education 2020 and Employers, Products and Public Liability. We performed audit procedures including review of relevant available reports and documentation for evidence of non-compliance which may have a material impact of the financial statement and inquiry of management and those charged with governance as to whether the group and charity is in compliance with these laws and regulations.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARLAXTON COLLEGE (continued)

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

Use of our report

This report is made solely to the 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Gareth Jones (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Rivermead House
7 Lewis Court
Grove Park
Leicester
Leicestershire
LE19 1SD

Date

HARLAXTON COLLEGE

Group statement of financial activities for the year ended 30 April 2021 (Incorporating a Group Income and Expenditure Account)

	Note	Unrestricted funds £	Restricted funds £	Total Funds 2021 £	Total Funds 2020 £
Income from:					
Charitable activities					
Grants from University of Evansville		-	-	-	1,881,437
Semester fee income, college summer programs and student travel		8,039	-	8,039	727,725
Provision of facilities for students		782	-	782	87,061
Preservation of Harlaxton Manor		-	17,128	17,128	38,963
		<u>8,821</u>	<u>17,128</u>	<u>25,949</u>	<u>2,735,186</u>
Other trading activity – Harlaxton Manor Enterprises Limited					
Investment interest received		4,366	-	4,366	168,899
Government grants - Coronavirus Job Retention Scheme		2,151	-	2,151	13,766
Kickstarter grant		361,230	-	361,230	25,880
Culture Recovery Fund grant		9,429	-	9,429	-
		13,860	-	13,860	-
Total		<u>399,857</u>	<u>17,128</u>	<u>416,985</u>	<u>2,943,731</u>
Expenditure on:					
Raising funds - Harlaxton Manor Enterprises Limited	4(a)	21,701	-	21,701	78,770
Charitable activities					
Operation of study centre	4(b)	1,672,581	-	1,672,581	2,429,103
Preservation of Harlaxton Manor	4(c)	-	36,404	36,404	-
Total		<u>1,694,282</u>	<u>36,404</u>	<u>1,730,686</u>	<u>2,507,873</u>
Net movement in funds		<u>(1,294,425)</u>	<u>(19,276)</u>	<u>(1,313,701)</u>	<u>435,858</u>
Reconciliation of funds					
Total funds brought forward		3,836,245	152,887	3,989,132	3,553,274
Total funds carried forward		<u>2,541,820</u>	<u>133,611</u>	<u>2,675,431</u>	<u>3,989,132</u>

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

All income and expenditure are derived from the continuing operations of the group.

Comparatives for unrestricted and restricted funds are shown at note 20.

HARLAXTON COLLEGE

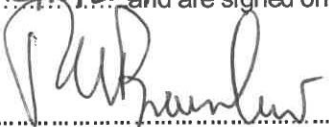
Balance sheets at 30 April 2021

(Company number: 06825976)

	Note	Group 2021 £	Group 2020 £	College 2021 £	College 2020 £
Fixed assets					
Tangible assets	8	133,212	173,970	133,212	173,970
Investments	9	12,633	12,633	12,635	12,635
<i>Total fixed assets</i>		<u>145,845</u>	<u>186,603</u>	<u>145,847</u>	<u>186,605</u>
Current assets					
Stocks	10	44,907	52,778	16,075	18,311
Debtors	11	436,910	2,351,990	434,436	2,357,994
Cash at bank and in hand		2,321,544	1,630,099	2,270,205	1,553,269
<i>Total current assets</i>		<u>2,803,361</u>	<u>4,034,867</u>	<u>2,720,716</u>	<u>3,929,574</u>
Liabilities					
Creditors: amounts falling due within one year:	12	(273,775)	(232,338)	(212,679)	(206,769)
Net current assets		<u>2,529,586</u>	<u>3,802,529</u>	<u>2,508,037</u>	<u>3,722,805</u>
Total net assets		<u>2,675,431</u>	<u>3,989,132</u>	<u>2,653,884</u>	<u>3,909,410</u>
The funds of the charity					
Unrestricted funds		2,541,820	3,836,245	2,520,273	3,756,523
Restricted funds	15	133,611	152,887	133,611	152,887
Total Charity funds		<u>2,675,431</u>	<u>3,989,132</u>	<u>2,653,884</u>	<u>3,909,410</u>

The Charitable Company's net movement of the funds for the year is a deficit of £1,255,525 (2020: £448,852 surplus).

These financial statements on pages 16 to 31 were approved by the Board of Trustees and authorised for issue on 12/10/2021 and are signed on its behalf by:



R Brownlow
Trustee



H Chubb
Trustee

HARLAXTON COLLEGE**Group statement of cashflows for the year ended 30 April 2021**

	Notes	2021 £	2020 £
Cash flow from operating activities:			
Net cash provided by operating activity	19	691,194	34,943
Income taxes paid		(1,900)	-
Net cash inflow from operating activities		<u>689,294</u>	<u>34,943</u>
Cash flow from investing activities			
Purchase of tangible fixed assets		-	(22,320)
Interest received		2,151	13,766
Net cash from/(used in) investing activities		<u>2,151</u>	<u>(8,554)</u>
Net increase in cash and cash equivalents		<u>691,445</u>	<u>26,389</u>
Cash and cash equivalents at beginning of reporting year		<u>1,630,099</u>	<u>1,603,710</u>
Cash and cash equivalents at end of year		<u>2,321,544</u>	<u>1,630,099</u>

HARLAXTON COLLEGE

Notes forming part of the financial statements for the year ended 30 April 2021

1 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no critical accounting estimates and areas of judgement to note.

2 Accounting policies

Accounting convention

The financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) (Charities SORP (FRS 102)) and FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" including the adoption of the adjustments issued in December 2017 ("FRS 102"), Charities Act 2011, the requirements of the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

Harlaxton College 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 note(s).

In accordance with FRS 102, the charitable company has taken advantage of the exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures.
- Section 33 'Related Party Disclosures' – Compensation for Key Management Personnel

The financial statements of the Charitable Company are consolidated in the financial statements of Harlaxton College. The consolidated financial statements are publicly available from its registered office, Harlaxton Manor, Harlaxton, Grantham, Lincolnshire, NG32 1AG.

Going Concern

The accounts have been prepared on a going concern basis. Having carried out a detailed review of the group's position and its forecasts at the date of signing the accounts and with regard to the challenges presented by the current economic and health climate, the trustees are satisfied that the group has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the accounts. The trustees consider that the college has adequate resources to enable it to continue in operational existence for the foreseeable future.

Group financial statements

These financial statements comprise the results of Harlaxton College and its wholly owned trading subsidiary, Harlaxton Manor Enterprises Limited consolidated on a line by line basis. The parent charitable company has taken advantage of the available exemption under section 408 of the Companies Act not to present its own Statement of Financial Activities or Income & Expenditure Account.

HARLAXTON COLLEGE

Notes forming part of the financial statements for the year ended 30 April 2021 (*continued*)

2 Accounting policies (*continued*)

Incoming resources

All incoming resources are recognised once the Group has entitlement to the resources, any performance conditions attached to income have been met, it is probable that the income will be received and amount can be measured reliably.

Charitable activities income is grants from the University of Evansville and represents funds drawn down during the year. They are recognised as income according to the Semester to which they relate. Semester fee income, College Summer programs and student travel and the provision of facilities for students are recognised in the year to which they relate.

Trading income attributable to Harlaxton Manor Enterprises Limited represents services rendered to customers at amounts exclusive of value added tax.

Government grants are recognised for the period when entitlement and performance have been met. Where entitlement occurs before income is received, the income is accrued.

Investment income is recognised on a receivable basis.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under charitable activity rather than the type of expense, in order to provide more useful information to users of the financial statements.

Charitable activity costs comprise both direct expenditure, including direct staff costs attributable to the activity, and support costs relating to these activities.

Overheads, governance costs and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year, either by reference to staff time or space occupied, as appropriate. The irrecoverable element of VAT is included with the item of expense to which it relates.

As Harlaxton College is unable to reclaim all of the Value Added Tax (VAT), expenditure is stated net of VAT where input tax is recoverable in full and inclusive of VAT in respect of expenditure where input tax is not wholly recoverable. The amount of irrecoverable input tax relating to partially exempt supplies is included in resources expended in accordance with the appropriate classification of costs.

Tangible fixed assets

Between the inception of the occupation of the Manor House utilised by the College, and 30 April 1997, it was not the College's policy to include as fixed assets in the financial statements any items of a capital nature. Such assets were treated as an expense in the year of purchase. As the College's records are no longer available for earlier years it is not practical to identify all capital items that were expensed during these years of occupation.

All assets acquired after 1 May 1997 with a value exceeding US \$2,500 have been capitalised. Tangible fixed assets are initially recorded at cost and subsequently measured at cost, net of depreciation and any impairment losses. Depreciation is provided to write off the cost, less estimated residual values of all tangible fixed assets, over their expected useful lives on a straight line basis at the following rates:

Property improvements	-	87 years
Furniture	-	15 years
Computers	-	5 years
Motor vehicles	-	5 - 10 years
Library books	-	20 years
Plant and equipment	-	5 - 15 years

2 Accounting policies (*continued*)

Investments

Unlisted investments are included in the financial statements initially at cost and subsequently measured at fair value.

Charitable company shares in the trading subsidiary are included in the financial statements initially at cost and subsequently measured at cost less any accumulated impairment losses.

Stocks

Stock consists of consumables, textbooks and goods for resale which are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price.

At each reporting date, the charity assesses whether stocks are impaired or if any impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in statement of financial activities.

Financial instruments

The Group only has financial assets and liabilities of a kind that qualify as basic financial instruments and are not considered to be of financial nature. Such financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Trade debtors, amounts due from group and related undertakings, which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors, other debtors and amounts due from group and related undertakings are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Cash at bank and in hand

Cash at bank and in hand includes cash and monies on short term deposits at the bank, other short-term liquid investments with original maturities of three months or less.

Creditors

Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Pension costs

Contributions to the Group's defined contribution pension scheme are charged to the statement of financial activities in the year in which they become payable. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

HARLAXTON COLLEGE

Notes forming part of the financial statements for the year ended 30 April 2021 (*continued*)

2 Accounting policies (*continued*)

Employment benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Funds

Unrestricted funds consist of funds which the group may use for general purposes at the Trustees' discretion. Restricted funds represent income contributions which are allocated to a particular purpose in accordance with the donor's wishes.

Foreign currencies

Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction or, if the asset or liability is measured at fair value, the rate when that fair value was determined. All transaction differences are taken to statement of financial activities.

Heritage assets

The group's objectives include the restoration, conservation and protection of the historic buildings and grounds of Harlaxton Manor. In accordance with the term of the property lease and the property management agreement the group is obliged to maintain the Manor to an agreed state of repair. The group does not own the Manor and as a result the value of the Manor is not reflected in the financial statements.

Expenditure on major restoration

The costs of associated major repairs and restoration work of Harlaxton Manor is reported in the Statement of Financial Activities in the year it is incurred. Preservation of Harlaxton Manor is defined as work done on a major area of the building or the grounds in order to bring the areas back in to their original condition. The costs of such works are mostly funded through grants receivable.

3 Legal status of the charitable company

Harlaxton College is a charitable private company (company number 06825976 and charity registration number 1129054) and is also registered as a charity at the Charity Commission in England and Wales. The charitable company is limited by guarantee and in the event of the charitable company being wound up during the year of membership, or within the year following, company members are required to contribute an amount not exceeding £10. The registered office and principal place of business is Harlaxton Manor, Harlaxton, Grantham, Lincolnshire, NG32 1AG.

The charitable company and the Group's principal objective is the provision of education programmes and other facilities in England to students of the University of Evansville.

HARLAXTON COLLEGE

Notes forming part of the financial statements for the year ended 30 April 2021 (*continued*)

4 Analysis of expenditure

	Staff costs £	Other £	Repairs and depreciation £	2021 Total £	2020 Total £
(a) Raising funds					
Operating costs of Harlaxton Manor Enterprises Limited	-	19,171	-	19,171	75,016
Support costs	-	1,000	-	1,000	3,754
Corporation tax	-	1,530	-	1,530	-
	<u>-</u>	<u>21,701</u>	<u>-</u>	<u>21,701</u>	<u>78,770</u>
(b) Charitable activities – Operation of Study Centre					
Faculty and tuition	110,378	(1,200)	-	109,178	149,233
Student affairs	60,347	21	-	60,368	105,883
Library services	2,039	20,113	9,156	31,308	67,353
Running of plant	170,228	8,238	89,024	267,490	330,433
Utility costs	-	189,416	-	189,416	287,944
Housekeeping	98,375	3,280	1,208	102,863	132,806
Garden and grounds	66,572	5,340	5,532	77,444	94,215
Transport costs	13,632	7,634	855	22,121	39,552
Security	76,233	1,555	-	77,788	73,727
Catering supplies	174,793	20,343	2,912	198,048	332,625
Summer programs	43,365	-	-	43,365	237,483
Student travel	-	-	-	-	161,610
Laundry facility	-	-	559	559	2,036
Textbooks	-	-	-	-	255
University of Evansville	-	128,145	-	128,145	-
Support costs	181,127	90,847	41,074	313,048	391,533
Governance costs – legal and professional	-	51,440	-	51,440	22,415
	<u>997,089</u>	<u>525,172</u>	<u>150,320</u>	<u>1,672,581</u>	<u>2,429,103</u>
(c) Charitable activities Preservation of Harlaxton Manor					
Land fund	-	36,404	-	36,404	-
	<u>-</u>	<u>36,404</u>	<u>-</u>	<u>36,404</u>	<u>-</u>
Total expenditure	<u>997,089</u>	<u>583,277</u>	<u>150,320</u>	<u>1,730,686</u>	<u>2,507,873</u>

Support costs have been allocated to activity on a basis consistent with the use of resources.

HARLAXTON COLLEGE

Notes forming part of the financial statements for the year ended 30 April 2021 (continued)

5 Analysis of staff costs and numbers

	2021 £	2020 £
Total staff emoluments for the period were as follows:		
Wages and salaries	850,070	957,409
Social security costs	54,066	63,900
Defined contribution pension cost	45,958	52,963
Redundancy payments	46,995	-
	<u>997,089</u>	<u>1,074,272</u>
	2021 Number	2020 Number
The average monthly number of persons employed by the group during the year was:		
Management and administration	14	26
Faculty	5	5
Housekeeping and estate	20	27
Catering and events	2	32
	<u>41</u>	<u>90</u>

The average number of employees as full time equivalent are 28 (2020: 42).

No employees received annual remuneration in excess of £60,000 during the year or the prior year.

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge of £45,958 (2020: £52,712) represents contributions payable by the Group to the scheme. At the year end, the group owed the scheme £8,278 (2020: £7,486) included in accruals with respect to contributions due.

The key management personnel of the group comprises of the trustees and senior members of the management who are responsible for the day to day running of the college. The total employee benefits for the key management personnel was £304,789 (2020: £319,960).

6 Trustees' remuneration and expenses

The Trustees received no remuneration for their services, nor any reimbursement of expenses during the year. During the year the College paid Trustees' indemnity insurance, the cost of which is included within the total insurance cost.

HARLAXTON COLLEGE

Notes forming part of the financial statements for the year ended 30 April 2021 (*continued*)

7 Net (expenditure)/income

This is arrived at after charging:

	Group 2021 £	Group 2020 £
Depreciation on owned assets	40,758	42,356

Fees are payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows (excluding VAT):

	2021 £	2020 £
Statutory audit of parent charitable company and consolidated accounts	13,000	11,500
Audit services – statutory audit of the subsidiary company	5,000	4,250
Taxation compliance services	1,100	1,100
Other non-audit services	5,400	5,150

8 Tangible assets

Group and College

	Property improve- ments £	Furniture £	Computers £	Motor vehicles £	Library books £	Plant and equipment £	Total £
<i>Cost</i>							
At 1 May 2020	10,594	40,509	248,356	156,264	217,839	371,712	1,045,274
Disposals	-	(14,002)	(116,474)	(37,410)	-	(21,490)	(189,376)
At 30 April 2021	10,594	26,507	131,882	118,854	217,839	350,222	855,898
<i>Depreciation</i>							
At 1 May 2020	2,720	40,509	213,643	140,329	143,064	331,039	871,304
Provided for the year	122	-	9,866	7,225	8,371	15,174	40,758
On disposals	-	(14,002)	(116,474)	(37,410)	-	(21,490)	(189,376)
At 30 April 2021	2,842	26,507	107,035	110,144	151,435	324,723	722,686
<i>Net book value</i>							
At 30 April 2021	7,752	-	24,847	8,710	66,404	25,499	133,212
At 30 April 2020	7,874	-	34,713	15,935	74,775	40,673	173,970

HARLAXTON COLLEGE

Notes forming part of the financial statements for the year ended 30 April 2021 (continued)

8 Tangible assets (continued)

All tangible assets are used for charitable purposes.

Heritage assets are not recognised in the balance sheet

The Charity maintains the historic buildings and grounds of Harlaxton Manor on behalf of the University of Evansville as detailed in the property management agreement and the property lease. As explained in the accounting policies (note 2) the Charity does not own the Manor and as a result the value of the Manor is not reflected in the financial statements.

Restoration work is carried out in order to keep the Manor and gardens in a condition suitable for use.

No expenditure charged to the SOFA in respect of these in the current or prior year.

9 Investments

Group	Unlisted investments
Cost or valuation: At 1 May 2020 and at 30 April 2021	12,633

The historical cost of the unlisted investments was £12,633 (2020: £12,633).

College	Shares in subsidiary undertaking	Unlisted investments	Total
Cost or valuation: At 1 May 2020 and at 30 April 2021	2	12,633	12,635

The historical cost of the unlisted investments was £12,633 (2020: £12,633)

Shares in subsidiary undertaking represents 100% of the ordinary share capital of Harlaxton Manor Enterprises Limited (Company no: 02141188) incorporated in England and Wales, and registered office is Harlaxton Manor, Harlaxton, Gratham, Lincolnshire, NG32 1AG. The subsidiary undertaking principal activities are those of the provision of conference and banqueting services, making available the facilities of Harlaxton Manor and providing certain services to students. Harlaxton Manor Enterprises Limited donates its taxable profits to the College.

HARLAXTON COLLEGE

Notes forming part of the financial statements for the year ended 30 April 2021 (*Continued*)

9 Investments (continued)

The audited financial statements of Harlaxton Manor Enterprises Limited for the year ended 30 April 2021 show the following:

	2021 £	2020 £		
Profit and loss account				
Turnover	4,366	168,899		
Cost of sales	(5,672)	(40,726)		
Gross (loss)/profit	<u>(1,306)</u>	<u>128,173</u>		
Administrative expenses	(14,499)	(63,472)		
Other operating income	13,860	-		
(Loss)/profit before taxation	<u>(1,945)</u>	<u>64,701</u>		
Taxation	(1,530)	-		
(Loss)/profit after taxation for the financial year	<u><u>(3,475)</u></u>	<u><u>64,701</u></u>		
Balance sheet				
	2021 £	2020 £		
Current assets				
Stocks	28,832	34,467		
Debtors	7,195	9,322		
Cash at bank and in hand	51,339	76,830		
	<u>87,366</u>	<u>120,619</u>		
Creditors: amounts falling due within one year	(65,821)	(40,898)		
Total net assets	<u><u>21,545</u></u>	<u><u>79,721</u></u>		
Capital and reserves				
Called up share capital	2	2		
Profit and loss account	21,543	79,719		
Total equity	<u><u>21,545</u></u>	<u><u>79,721</u></u>		
10 Stocks	Group 2021 £	Group 2020 £	College 2021 £	College 2020 £
Consumables	16,075	18,311	16,075	18,311
Goods for resale	28,832	34,467	-	-
	<u>44,907</u>	<u>52,778</u>	<u>16,075</u>	<u>18,311</u>

HARLAXTON COLLEGE

Notes forming part of the financial statements for the year ended 30 April 2021 (Continued)

11 Debtors

	Group 2021 £	Group 2020 £	College 2021 £	College 2020 £
Trade debtors	6,825	9,000	-	4
Prepayments and accrued income	64,753	116,894	64,753	116,894
Other debtors	2,961	-	3,633	-
Corporation tax recoverable	370	-	-	-
Due from group undertakings	-	-	4,049	15,000
Due from University of Evansville	362,001	2,226,096	362,001	2,226,096
	<u>436,910</u>	<u>2,351,990</u>	<u>434,436</u>	<u>2,357,994</u>

12 Creditors: amounts falling due within one year

	Group 2021 £	Group 2020 £	College 2021 £	College 2020 £
Trade creditors	135,074	102,735	130,550	102,735
Taxation and social security	15,997	15,156	15,997	15,482
Accruals and deferred income	114,428	106,963	57,856	81,068
Other creditors	8,276	7,484	8,276	7,484
	<u>273,775</u>	<u>232,338</u>	<u>212,679</u>	<u>206,769</u>

13 Deferred income

	Group £	College £
Balance at 1 May 2020	15,398	-
Amounts released to Statement of Financial Activities	(15,398)	-
Amount deferred in year	47,676	-
Balance at 30 April 2021	<u>47,676</u>	<u>-</u>

The deferred income relates to advances for weddings and grants received in advance. The opening balance included advances for weddings.

HARLAXTON COLLEGE

Notes forming part of the financial statements for the year ended 30 April 2021 (Continued)

14 Financial Instruments

	Group 2021 £	Group 2020 £	College 2021 £	College 2020 £
Carrying amount of financial assets				
Instruments measured at fair value through income and expenditure	12,633	12,633	12,633	12,633

15 Analysis of movement in restricted funds

	At 1 May 2020 £	Income £	Expenditure £	At 30 April 2021 £
Group and college				
Land Fund	152,887	17,128	(36,404)	133,611

Land fund is funds received for the up keep and maintenance of the land used by the College.

16 Connected organisations

The University of Evansville is the sole member of Harlaxton College and has the power to appoint and remove trustees. The University of Evansville is an entity that is registered in United States of America.

The freehold land and buildings occupied by the College are owned by the University of Evansville and let rent free to the College. No rental charge is included in the Statement of Financial Activities. The trustees consider such a rental charge to be unquantifiable.

17 Related party transactions

During the year Harlaxton College received £nil (2020: £25,428) of management charges and a donation of £54,701 (2020: £77,695) from its wholly owned subsidiary, Harlaxton Manor Enterprises Limited.

At the year end the amount due from Harlaxton Manor Enterprises Limited amounted to £4,049 (2020: £15,000).

During the year Harlaxton College received £nil (2020: £1,881,437) of grants from the University of Evansville, which is the sole member of Harlaxton College. During the year Harlaxton College was charged expenses of £128,145 (2020: £nil) by the University of Evansville.

At the year end the amount due from the University of Evansville amounted to £362,001 (2020: £2,226,096).

HARLAXTON COLLEGE

Notes forming part of the financial statements for the year ended 30 April 2021 (Continued)

18 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Group			
Tangible fixed assets	133,212	-	133,212
Investments	12,633	-	12,633
Current assets	2,669,750	133,611	2,803,361
Creditors: amounts falling due within one year	(273,775)	-	(273,775)
	<u>2,541,820</u>	<u>133,611</u>	<u>2,675,431</u>
	Unrestricted funds £	Restricted funds £	Total £
College			
Tangible fixed assets	133,212	-	133,212
Investments	12,635	-	12,635
Current assets	2,587,105	133,611	2,720,716
Creditors: amounts falling due within one year	(212,679)	-	(212,679)
	<u>2,520,273</u>	<u>133,611</u>	<u>2,653,884</u>

19 Reconciliation of net income to net cash from operating activities

	Group 2021 £	2020 £
Net (expenditure)/income for the reporting period	(1,313,701)	435,858
Adjustments for:		
Depreciation charge	40,758	42,356
Interest receivable	(2,151)	(13,766)
Taxation	1,530	-
Decrease in stock	7,871	15,789
Decrease/(increase) in debtors	1,915,450	(287,301)
Increase/(decrease) in creditors	41,437	(157,993)
	<u>691,194</u>	<u>34,943</u>
Net cash provided by operating activities		

HARLAXTON COLLEGE

Notes forming part of the financial statements for the year ended 30 April 2021 (Continued)

20 Group Statement of Financial Activities for the year ended 30 April 2020

	Unrestricted funds	Restricted funds	Total
	£	£	£
Income from:			
Charitable activities			
Grants from University of Evansville	1,881,437	-	1,881,437
Semester fee income, college summer programs and student travel	727,725	-	727,725
Provision of facilities for students	87,061	-	87,061
Preservation of Harlaxton Manor	-	38,963	38,963
	<u>2,696,223</u>	<u>38,963</u>	<u>2,735,186</u>
Other trading activity – Harlaxton Manor Enterprises Limited	168,899	-	168,899
Investment interest received	13,766	-	13,766
Government grants – Coronavirus Job Retention Scheme	25,880	-	25,880
	<u>2,904,768</u>	<u>38,963</u>	<u>2,943,731</u>
Total			
Expenditure on:			
Raising funds - Harlaxton Manor Enterprises Limited	78,770	-	78,770
Charitable activities			
Operation of study centre	2,429,103	-	2,429,103
	<u>2,507,873</u>	<u>-</u>	<u>2,507,873</u>
Total			
	<u>396,895</u>	<u>38,963</u>	<u>435,858</u>
Net movement in funds			

**HARLAXTON COLLEGE
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 30 APRIL 2021**

The following pages do not form part of the statutory financial statements

HARLAXTON COLLEGE

College income and expenditure account for the year ended 30 April 2021

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Income				
Land fund	-	17,128	17,128	38,963
Grants from U o E	-	-	-	1,881,437
Provision of facilities	782	-	782	87,061
Semester fee income	8,039	-	8,039	753,153
Gift Aid	54,701	-	54,701	77,695
Government grants – Coronavirus Job Retention Scheme	361,230	-	361,230	25,880
Kickstarter Grant	9,429	-	9,429	-
Interest Received	2,151	-	2,151	13,766
	<u>436,332</u>	<u>17,128</u>	<u>453,460</u>	<u>2,877,955</u>
Expenditure				
Land fund	-	36,404	36,404	-
Administration	185,744	-	185,744	206,652
General expenses	178,744	-	178,744	207,296
Faculty and tuition	109,178	-	109,178	149,233
Student affairs	60,368	-	60,368	105,883
Library services	31,308	-	31,308	67,353
Physical plant	267,490	-	267,490	330,433
Utilities	189,416	-	189,416	287,944
Housekeeping	102,863	-	102,863	132,806
Gardens and grounds	77,444	-	77,444	94,215
Transport	22,121	-	22,121	39,552
Security	77,788	-	77,788	73,727
Catering	198,048	-	198,048	332,625
Summer programs	43,365	-	43,365	237,483
Laundry service	559	-	559	2,036
Student travel	-	-	-	161,610
Textbooks	-	-	-	255
Expenditure – U o E	128,145	-	128,145	-
	<u>1,672,581</u>	<u>36,404</u>	<u>1,708,985</u>	<u>2,429,103</u>
Net (expenditure)/income for the year	<u>(1,236,249)</u>	<u>(19,276)</u>	<u>(1,255,525)</u>	<u>448,852</u>

Approved by the Board of Trustees on 12/10/2021.....and signed on its behalf by:

.....

R Brownlow
Trustee

.....

H Chubb
Trustee