

HARROGATE LADIES' COLLEGE LIMITED

England & Wales · Charity number 529579

Details

Other names	HARROGATE COLLEGE LIMITED, HARROGATE LADIES COLLEGE LIMITED
Status	Registered
Legal form	Charitable company
Company number	00197987
Registered	1964-07-01
Register	View on the Charity Commission register

Contact

Address Harrogate Ladies College
Clarence Drive
Harrogate
HG1 2QG

Phone 01423504543

Email mrs.richards@hlc.org.uk

Website www.hlc.org.uk

Activities

Objects: 3 The objects for which the Company is established are: 3.1 The provision of schools for boys and girls at Harrogate in Yorkshire and/or if thought desirable of other schools in England and Wales, which shall provide education in accordance with the Protestant principles of the Church of England, and ancillary or incidental educational activities and associated activities for the benefit of the public 3.2 The support of the provision of education in accordance with the aforesaid principles at Colleges or Universities in England and Wales.

Activities: Harrogate Ladies' College provides education to boys and girls in accordance with the principles of the Church of England. The business of the charity is entirely related to running schools known as Harrogate Ladies' College (girls only from 11 years to 18 years) and Highfield (co-educational from 2 years to 11 years) in Harrogate, North Yorkshire.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training
- **Who:** Children/young People

Geography

- **Area of benefit:** HARROGATE
- North Yorkshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£8,255,099	£10,092,258	£4,003,941	196
2024-08-31	£10,044,222	£10,366,291	£5,841,100	199
2023-08-31	£9,782,340	£9,852,527	£6,163,169	196
2022-08-31	£9,082,459	£9,163,020	£6,233,356	197
2021-08-31	£7,614,904	£8,517,706	£6,313,917	191
2020-08-31	£7,549,194	£8,122,884	£7,149,934	182

Trustees

Name	Role	Appointed
Dame Francine Holroyd	Chair	2015-10-06
Ann Louise Chesworth		2018-09-19
David Richard Payne Mr		2020-03-10
Dr Hayley Kemp		2023-03-17
GILES RICHARD BOWRING		2018-09-19
John Marshall Edward Skinner		2011-11-23
Lynne Renwick		2019-06-05
Michael Abraham		2023-03-17
Rev Christopher Matthew Balding		2021-03-16
Susan Brooke Jackson		2012-09-01
Susan Papworth		2018-03-06

Linked charities

- HARROGATE COLLEGE ENDOWMENT FUND (529579-1)
- M E JONES SCHOLARSHIP FUND (529579-2)
- HARROGATE LADIES' COLLEGE SCHOLARSHIP, BURSARY AND PRIZE FUND (529579-3)

HARROGATE LADIES' COLLEGE LIMITED

England & Wales - Charity number 529579

Accounts

Company Registration No. 00197987 (England and Wales)

Charity Registration No. 529579

**HARROGATE LADIES' COLLEGE LIMITED
(CHARITABLE COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

Harrogate Ladies' College Limited

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Harrogate Ladies' College Limited

Trustees, Officers and Administrative Details

Trustees

Dame Francine Holroyd (Chair)
Mr M. Abraham B Ed (Hons)
Reverend C. Balding BEng (Hons) BA (Hons)
Mr G. Bowring DL MA
Reverend A. Chesworth
Ms S. Jackson MA
Dr H. Kemp MBChB MRCP FRCA – Resigned 23 June 2025
Mrs S. Papworth BA (Hons) Oxon ACIB
Mr D. Payne BSc (Hons) FCA
Mrs L. Renwick B.Ed NPQH
Mr J. Skinner ACIS ACIB

Company Secretary

Mr A. Butterworth MA (Cantab) DChA

Key Management Personnel

Mr M. Attwood
Mrs S. Bowman
Mrs S. Brett –
end of
employment 31
July 2024
Mrs J. Fox
Mrs E. Richards
Mr J. Savile

Registered Office and Principal Office

Harrogate Ladies' College
Clarence Drive
Harrogate HG1 2QG

Auditors

Saffery LLP
10 Wellington Place
Leeds
LS1 4AP

Bankers

Barclays Bank Plc
PO Box 858
Wytham Court
11 West Way, Botley
Oxford OX2 0XP

Solicitors

Consilia Legal LLP
Park House
Park Square
Leeds LS21 2PW

Financial Statements

The Trustees, who are also referred to as Governors and are also Directors for Companies Act purposes, are pleased to present their Trustees' Annual Report together with the financial statements of the charity for the year ended 31 August 2025, which are also prepared to meet the requirements for a Directors' Report and accounts for Companies Act purposes.

Background to Harrogate Ladies' College

Harrogate Ladies' College was founded in 1893 and started out as a boys' school. It became a girls' senior school in order to offer girls the same education as boys and to enable them, for the first time, to gain entry to UK universities. The College, Highfield Prep and Highfield Pre-school (known collectively as 'the School') are located on the same campus in Harrogate. The School currently provides education for boys aged 2-11 years and for girls aged 2-18 years.

The College (seniors) is a mix of day and boarding pupils, with the boarders housed in two vertical boarding houses. The Prep School is predominantly day, with a very small number of boarding pupils. The boarding ethos pervades the whole School and the boarding houses are the term-time home for our boarding pupils, whether full, weekly or flexi-boarders.

Our small, nurturing environment ensures our pupils, whether day, boarding, senior or prep, are well known and supported by the staff they know well. The sense of being part of such a close-knit community is what ensures ours is an inclusive one, where the pupils have the confidence to be themselves, extolling the School's motto: I Am Me.

OBJECTS, AIMS and VALUES

Charity's Objects

The primary object of the charity, as set out in its Memorandum of Association, is to provide the establishment and maintenance of schools for the education of girls and boys in accordance with the principles of the Church of England. The business of the company is entirely related to running the schools known as Harrogate Ladies' College (girls only) and Highfield (co-educational) in Harrogate, North Yorkshire.

Charity's Aims

Girls and boys educated at this Christian foundation for day and boarding pupils will be challenged to be the best that they can be: responsible citizens of their community and the world. Our pupils will value every individual equally with respect and openness of mind. They will go out into the world empowered with self-confidence and equipped with the academic qualities and emotional intelligence to make the most of life.

Charity's Values

Underpinning these aims are the core values of the School as articulated by the words of the School crest, which are Industria, Fide and Pietate:

- hard work and service;
- trust, loyalty, tolerance, inclusiveness and honesty; and
- conscientiousness, decency, forgiveness, compassion and gentleness.

INTRODUCTORY STATEMENT

Independent schools are facing a challenging financial environment, which started with the general election in July 2024. The imposition of VAT on school fees, along with the changes to National Insurance contributions and the removal of business rates charitable relief, has put undue pressure on independent schools. This academic year has seen school closures and mergers across the country due to falling pupil numbers, particularly in recruitment, as a direct result of these challenges.

Harrogate Ladies' College has responded to the challenges in the following ways:

- we have increased the potential market for pupils in the senior school by extending the co-ed provision from the prep school from September 2026;
- as a result, the school will be changing its name to Duchy College at the same time, to ensure an appropriate and fitting name for our proposed through-school co-ed provision;
- we are investing in both the facilities and the curriculum;
- as the changes came during the school year, we have sought to cushion the impact of VAT and other changes on our current parents by absorbing the VAT for the Spring and Summer terms of this reported academic year.

The School is demonstrating the considerable resilience it has developed over the years, as being a girls' school with boarding, in the North, has always brought challenges in recruitment. At the start of the 2025-26 academic year, the day pupil recruitment numbers are holding their own in the senior school with the Year 7 recruitment up on last year's total.

Future Plans - Duchy College

2025-26 will be an important year in the history of the School, as it marks the end of its current era as a girls' school. We started out over 130 years ago as a boys' school and became an educational establishment for girls, in a bid to provide an education for girls to enable them to go to university. We were bold then and are being bold again now, in order to secure the future of the School for the next 130 plus years.

This year, the Governors and the senior team made the strategic decision to extend the co-ed provision in September 2026 and change the name to Duchy College simultaneously. In June, following an extensive preparation period, the School announced its changes to our current pupils and parents, and then the wider community. The decision to extend the co-ed provision sensitively and gradually, was well-received by the vast majority of our stakeholders.

As part of the strategy, the School is also investing in key areas of the school as it becomes co-educational:

- Brand new, stand-alone Sixth Form centre with studies, form rooms, social space, changing facilities and a café;
- Re-introducing Design and Technology to the curriculum – the facility has been refurbished and a new Head of Department has recently been appointed;
- A revised sports curriculum now including football, cricket, basketball and table-tennis as additional sports;
- The introduction of The Duchy Award, which is a new, cohesive curriculum, both academic and extra-curricular; for pupils in Prep 5 through to Year 9; and
- Refurbishing boarding houses and creating a new gym and wellness garden for the sole use of the boarders.

The marketing and recruitment plans have been adapted to encourage interest from parents of boys, both locally and internationally, and the recruitment plan has been extended in order to visit new and emerging markets for boarding.

OBJECTIVES and ACTIVITIES

The Harrogate Ladies' College family of Schools - Highfield and College - aims to inspire and nurture pupils so as to engender in them a deep passion for learning and a love of life.

In particular, the School aims to:

1. Provide a welcoming, open and supportive environment which recognises the worth of each individual;
2. Identify and develop the potential of our pupils in a variety of areas: academic, creative, cultural, sporting, personal, social and spiritual; help them to achieve the best possible qualifications appropriate to their potential and future pathways; and prepare them for the opportunities, responsibilities and experiences of life beyond school;
3. Ensure all our pupils develop key skills required for the workplace including: self-management, collaborative and respectful team-working, problem-solving skills using creativity and analysis, digital confidence, and numeracy, literacy and IT proficiency;
4. Liaise closely with the parents and guardians of our pupils and encourage them to share in the life of the School;
5. Provide a fulfilling working environment for both teaching and support staff, whilst encouraging their development;
6. Be responsible for our environment and community; and
7. Attract pupils, both nationally and internationally, from a wide range of social and financial backgrounds.

Progress in delivering our aims is summarised in the following strategic report.

STRATEGIC REPORT

Inspection

The School underwent its routine ISI inspection in October 2024 and met all standards across all areas of school.

Academic Achievements and Activities

College

Academics

There were some excellent results achieved in both A levels and GCSEs. Our A level pupils achieved 60% A* - B and 85% A* - C, which were our best A*-C results for over six years. The average value-added score was +0.8 and, among these results, were some outstanding individual and departmental performances. All pupils who applied to go to a UK university through UCAS did so, securing their place and courses which included, amongst others, the University of York, the University of Warwick and the University of Edinburgh. Three pupils secured places at international universities including, for the first time, NYU in Abu Dhabi and ESMOD, Paris.

The Year 11 pupils' performance was equally pleasing: the GCSE grade 9 results were the best results our pupils have ever achieved, with 22% of all grades awarded being 9s, compared to 1.4% predicted by YELLIS and 6% nationally for girls. The 45% 7-9 grades achieved were also significantly up on those predicted (29%). Again, the value-added scores were excellent, including for pupils with SEN and EAL.

WISE @HLC



The Women in Science and Engineering (WiSE) was initially introduced to promote the development of women in Science and Engineering, providing a pathway for role-models by: embracing opportunities, a greater awareness of global issues, developing critical thinking, and taking ownership and developing self-motivation.

The programme continues to evolve and more pupils are now involved, demonstrating the interest and enthusiasm our pupils have for careers and interests in STEM.

Extra-curricular

Clubs:

Maximising pupil participation in all areas of school life is a key element of life at Harrogate Ladies' College, and this is reflected in the breadth of opportunities provided throughout the school year for every pupil to enjoy. The extra-curricular clubs and activities range from academic clubs such as Astronomy and Creative Writing to current affairs in Business Breakfast, entrepreneurship in Duchy Enterprise and communication skills in British Sign Language.

Outward bound:

As well as the array of sporting, creative and academic clubs, societies and clinics on offer, our pupils have the option to participate in the Duke of Edinburgh Award Scheme and charitable work. The Duke of Edinburgh Award offers our pupils the opportunity to challenge themselves, develop life skills and to grow in confidence and resilience. Our Year 9 pupils complete the Bronze award, Years 10 and 11 participate in Silver and the Sixth Form pupils undertake the Gold award. The School takes full advantage of the national parks of the Yorkshire Dales and the Yorkshire Moors for its expeditions and activities.

Careers:



Our *Be Inspired* careers programme offers every pupil in College the opportunity to explore interests and potential careers through the two fairs offered during the year. With stands and talks from fields as wide-ranging as the armed forces and veterinary medicine, through to health care and education, the pupils are provided with an exciting and valuable programme.

Flourish (pastoral provision) in College:



The College Flourish teams meet weekly for each section of the School: Lower School, Middle School and Sixth Form. The team comprises the pastoral lead, the Head of Year, the Mental Health Lead, Wellness Centre staff, the SENCO and boarding staff. The introduction of the SENCO last year has further enhanced the proactive support for pupils who have additional needs.

Boarding:

Our boarding provision, whilst smaller this year, has maintained its exciting range of activities and trips, with a specific focus on broad appeal.

Charitable Activities:

College's chosen charity for the 2024-25 academic year was *Resurrected Bites*, which is a local charity whose mission is to reduce food waste, loneliness and food poverty within the local community. The pupils also donate to Harrogate Homeless Project during harvest time and bring in gifts for Barnado's at Christmas, as well as supporting two bigger national fundraising events: Children in Need and Comic Relief.

Pupils in Lower School perform in local care homes at Christmas time, both to bring enjoyment and to help combat loneliness. The Charity Committee and House Captains drive the fundraising initiatives across the year in fun and imaginative ways, including a Colour Run, inventive staff versus pupil competitions and home clothes days with pupils learning the importance of helping others.

Highfield Preparatory School

Academics

Each year group from Reception enjoys a balance of class teachers and specialist teachers. All of these year groups have specialists for Modern Languages, Swimming, Physical Education, Music and Drama. Prep 5 and 6 also have an Art specialist.

Last year, we introduced a new Maths scheme (White Rose). This research-based scheme of learning is designed to support a mastery approach to teaching and learning and is consistent with the aims and objectives of the National Curriculum. Regular Learning Walks and Book Looks have taken place to monitor the implementation of the new scheme. The White Rose Maths Scheme has brought increased structure, consistent progression, and a focus on mathematical language and problem-solving across the School. Staff across year groups report greater clarity in planning, stronger alignment of teaching materials, and a logical progression of concepts.

A new Grammar scheme is ensuring consistent delivery of grammar objectives, improving cohesion in teaching and supporting stronger writing skills across key stages.

We saw the successful introduction of shared iPads across the Prep School, a strategic move aimed at enriching the curriculum and embracing digital learning. The rationale behind choosing iPads stemmed from their user-friendly interface, wide range of educational apps, and flexibility in supporting creative, collaborative, and personalised learning.

iPads have been particularly impactful in Mathematics. By delivering worksheets through the SeeSaw app, we have significantly reduced our reliance on photocopying, leading to both cost savings and environmental benefits. Children complete tasks digitally, allowing for more interactive and immediate feedback. Apps such as Book Creator and Keynote have allowed pupils to showcase their mathematical reasoning and problem-solving processes in dynamic and visual formats.

World Maths Day was celebrated throughout School at the end of March. The PFA kindly funded "The Problem Solving Company" to come into Highfield for the day and work with all year groups. We explored a range of puzzles to help encourage a lively and fun Maths experience. Each puzzle attempted had different stages of difficulty, allowing challenge for many different abilities of pupils. Some of the mathematical concepts looked at included understanding 2D and 3D shapes, logical thinking, spatial awareness and code breaking to name a few.

Each year group went on trips that were connected to their topics. Theme days were also held such as the Prep 2 Pirate Day, the Prep 1 Cave Day and the Prep 4 Explorers' Day.

Outward bound: The pupils in Highfield participate enthusiastically in the Forest School programme, from Pre-school through to Prep 6. This year, the pupils have enjoyed weekly sessions in either The Willow Garden on site, or Pine Woods, which is off site, despite the Yorkshire weather! Prep 3 – 6 take part in residential trips each year, starting with one night away in Prep 3, leading up to 5 days and 4 nights at the top end of Prep. These are primarily outdoor pursuits where the children are challenged and encouraged to step out of their comfort zone.

Extra-curricular:

Performing Arts:

In Highfield, the children in Pre-school and Key Stage 1 enjoyed participating in 'Harvest Sing' and nativities for each year group, where they retold the Christmas story in their own inimitable ways. The older pupils in Highfield participated in carol concerts both within and beyond the school in the run-up to Christmas. During the Spring Term, Prep 3 and Prep 4 pupils enjoyed participating in a poignant 'Easter Cantata'. During the Summer Term, Prep 5 performed in a concert, while the Prep 6 pupils produced a spectacularly vibrant performance of 'Oliver with a Twist', made all the more amazing as they had worked on it for just two weeks; this was an outstanding feat of collaboration and performance from our younger pupils.

Many pupils take instrumental lessons and LAMDA lessons. They perform each year at the Harrogate Festival achieving 1st, 2nd and 3rd places in many groups.

Flourish (pastoral provision) in the Prep School:



The pupils in the Prep School are encouraged to consider others in all aspects of school life, particularly regarding behaviour, kindness and collaboration. Staff model good practice and reward pupils who practice such behaviours.

The whole staff meet twice weekly and discuss pupils about whom there are concerns, so they may be supported both pastorally and academically in a proactive manner. The Prep Flourish team meets fortnightly to address more serious concerns with senior members of the wider Flourish team.

Charitable Activities:

For many years, the Highfield pupils have enthusiastically participated in all fundraising activities and supported a variety of charities, including: Candlelighters, St Michael's Hospice, the Children's Heart Surgery Fund and Macmillan, amongst others. A number of the charities are through links with our own pupils, including the Children's Heart Surgery Fund. They also collect for the Harrogate Homeless Project during harvest and bring in gifts for Barnado's at Christmas. The pupils continue to raise significant amounts of funds for their chosen charities, learning the importance of helping others.

The total raised in Highfield last year was over £18,000.

Public Benefit

The Governing Body have referred to the Charity Commission's general guidance on public benefit, and in particular to its supplementary public benefit guidance on advancing education when reviewing the future aims and objectives. The School properly records its public benefit both in terms of activity and monetary value.

Harrogate Ladies' College's main charitable aim is to advance education. The reports on achievements and performance above, reflect how well the School meets this primary charitable aim. In addition, the School continues to provide direct financial support to pupils through the provision of scholarships, bursaries and eligibility fee remissions, with £1,138,501 (2024: £1,347,240) spent on directly supporting pupils, representing 12.7% of gross fee income (2024: 12.1%). Of this 12.7%, 9.5% related to means tested bursaries, which in addition to scholarships and eligibility fee remissions, allow access for pupils from all backgrounds (2024: 9.2%). 40 pupils (2024: 47) received bursaries totalling £851,760 (2024: £1,016,306). 19 children benefited from a full remission of fees (2024: 22). Bursaries are fully means-tested, awarded on the basis of financial need

and are reviewed annually.

Scholarships and bursaries are promoted in the School's marketing literature, on the School's website and through visits to local primary schools.

The School maintains a strong focus in the local community by offering access to its extensive facilities, many at reduced prices from market rates to offer support to groups and activities, particularly those of a charitable nature. In addition, as part of community development and the Duke of Edinburgh awards, support is given to those groups in need within the local community. In the 2024-25 academic year, the pupils and parents raised £52,485 (2024: £34,976) for local, national and international charities.

Fundraising Performance

During the year, the School received donations of £1,452 to add to the School's bursary fund. Donations came from alumni to whom the School is extremely grateful. The School does not use professional fundraisers, is not registered with the Fundraising Regulator and is not signed up to the Code of Fundraising Practice. The School has not been in receipt of any complaints related to fundraising during the year.

FINANCIAL REVIEW AND RESULTS FOR THE PERIOD

The financial results for the year are set out in the accounts. Net outgoing resources for the year to 31 August 2025 show a loss of £1.8m, with total funds of £4.0m carried forward (31 August 2024: £5.8m), of which £3.7m are unrestricted.

The School's closing bank balance at 31 August 2025 was £903,197 (31 August 2024: £2,615,510). The decrease in cash and the performance for the year was a planned loss explained by the commitment we made to our existing pupils and their families that we would not make any in year fee increases during the 2024-25 academic year, regardless of any changes in VAT policy. As the School was in a strong financial position, we absorbed the cost of VAT for two terms, thereby allowing our current families time to plan financially to support their chosen education.

We were determined to support our families by mitigating the impact in the short term whilst continuing our revision of the financial model for the medium and long term. The headline result of the financial and strategic review, as detailed in Future Plans earlier in the report, was to announce the School would be accepting boys into years 7 and 12 from September 2026, ultimately being fully co-educational in all year groups by 2030. Early key performance indicators are promising.

Through its subsidiary, HLC (Properties) Limited, Harrogate Ladies' College makes available its sporting and other amenities for use by the public. HLC (Properties) Limited made a profit of £130,435 during the year ended 31 August 2025 and a donation under gift aid of £130,000 was made to the School (2024: £130,000).

Group financial statements have not been prepared as it is considered that they would be of no real value, in view of the insignificant overall effect of including the results of HLC (Properties) Limited. The gift-aid distribution of £130,000 means the net assets of that company at the year-end are £11,843.

DIRECTORS' RESPONSIBILITIES

The Directors, who are also the Trustees of Harrogate Ladies' College Limited, are responsible for preparing the Directors' 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 Directors 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 of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Directors 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The company is limited by guarantee and the governing document is the Memorandum and Articles of Association, dated 16 May 1924, as most recently amended on 1 November 2021 by Special Resolution. Each of the seven members has undertaken to contribute an amount not exceeding £1 (one pound) towards the assets of the company in the event of the same being wound up and the assets being insufficient to cover the company's debts and liabilities.

Harrogate Ladies' College Limited is a member of the Allied Schools group of independent schools, all of which were founded by the Martyrs' Memorial and Church of England Trust (MMT). On 26 September 2013, the Allied Schools signed a new Management Agreement with MMT by which the members of the group agreed to the appointment of the Allied Schools Agency to oversee the performance of the schools and to monitor their adherence to the foundational religious principles on behalf of MMT. Allied Schools act in an advisory capacity only and have no managerial influence.

Charitable Status

The company, also referred to as Harrogate Ladies' College, is a registered charity with registered charity number 529579.

Governing Body

The Directors, who are also the charity Trustees, constitute the Governing Body and are elected by the Governing Body, except that two Directors shall be nominated by the MMT if the total number does not exceed 12, three if the number exceeds 12 but does not exceed 18, and four if the number exceeds 18.

The Directors of the company during the year to 31 August 2025 were as follows:

Dame Francine Holroyd

Mr M. Abraham B Ed (Hons)

Reverend C. Balding BEng (Hons) BA (Hons)

Mr G Bowring DL MA

Reverend A. Chesworth

Ms S Jackson MA

Dr H Kemp MBChB MRCP FRCA

(Resigned Jun 25)

Mrs S Papworth BA (Hons) Oxon ACIB

Mr D Payne BSc (Hons) FCA

Mrs L Renwick B.Ed NPQH

Mrs J Roe

(Resigned Oct 24)

Mr J Skinner ACIS ACIB

In accordance with the Articles of Association Dame Holroyd, Mrs Papworth, Mr Payne and Mrs Renwick retire by rotation, but, being eligible, offer themselves for re-election. None of the directors had a beneficial interest in any contract to which the company was a party during the period, except as disclosed in note 22.

Following the recommendation from the Nominations Committee, when new Directors are appointed, care is taken to ensure that the relevant skills and experience are represented. Each new Director is provided with training (including safeguarding training), an information pack and a list of further relevant training courses that they may attend. He/she also meets the Chairman, Principal and Finance Director and receives a conducted tour of the School. Directors receive regular safeguarding updates and a register of Director training is kept.

Governance

The Directors are responsible for the overall management and control of Harrogate Ladies' College Limited, which includes College (girls 11-18 years) and Highfield (girls and boys 2-11 years) and meet a minimum of once per term and as required if additional meetings are necessary to ratify or discuss major issues of policy and risk. The Finance and General Purposes Committee (F&GP), meet before each full Governing Board meeting and, as required, during the year to review budgets, performance, annual accounts and reports. There are a number of other committees who perform detailed reviews within their areas of responsibility and who, in most cases, meet termly. These include:

- Education Committee, which monitors the academic and extra-curricular aspects of school life;
- Estates Committee and Health & Safety Committee, which oversees all estates matters, health & safety in School, household and catering services;
- Human Resources Committee, which deals with all matters relating to employment issues including the monitoring and development of policies;
- Investment Committee, which directs and monitors the investment of the assets of Harrogate Ladies' College and, if requested by the Directors, of any associated Trusts for the sole interest of the School and associated beneficiaries;
- Marketing Committee, which oversees the promotion and public relations strategies of the organisation and covers both national and international marketing;
- Nominations Committee, which oversees the review, recruitment and appointment of Governors;
- Pupil Welfare Committee, which oversees all pupil welfare matters including safeguarding and boarding; and
- Scholarships and Bursaries Committee, which develops, approves and keeps under review the operation of a Scholarships and Bursaries Strategy for the School and ensures appropriate and consistent implementation of such a strategy.

All Committees are chaired by a Director, with membership embracing a combination of other Directors and appropriate members of senior staff.

The day-to-day running of Harrogate Ladies' College is delegated to the Principal and Chief Executive Officer, Mrs Sylvia Brett (until July 2025) and subsequently Mrs Joanna Fox (from August 2025), who, in turn, delegates responsibilities to the Whole School Leadership Team. As well as themselves, the Directors consider the Principal and the Whole School Leadership Team comprise the key management personnel of the School, in charge of directing and controlling, running and operating the School on a day-to-day basis.

The remuneration of key management personnel is set by the Governing Body and is reviewed annually to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

All Directors give of their time freely and no Director received remuneration in the year. Details of Directors' expenses and related party transactions are disclosed in notes 8 and 22 to the accounts.

Group Structure and Relationships

Harrogate Ladies' College Limited has a wholly owned non-charitable trading subsidiary, HLC (Properties) Limited, which lets the facilities of the School for use by the public and various organisations for event, educational and leisure purposes.

Harrogate Ladies' College Limited has two linked charities, Harrogate Ladies' College Scholarship, Bursary and Prize Fund and Harrogate College Endowment Fund. The Directors of Harrogate Ladies' College Limited can apply the capital and income of the Harrogate Ladies' College Scholarship, Bursary and Prize Fund for the provision of scholarships and bursaries. The Directors of Harrogate Ladies' College Limited can apply the capital and income of the Harrogate College Endowment Fund both for the provision of scholarships and bursaries and also facilities at the School.

Annual General Meeting

The Annual General Meeting of the company is taking place on Monday 30th March 2026.

Risk Management

The Directors are responsible for risk management within the School. In the opinion of the Directors, the School has established systems, which under normal circumstances should allow those risks to be mitigated to an acceptable level in its day-to-day operations.

The Directors consider the School's financial risk to be low. It has a positive cash balance with no borrowings or other financial instruments. Additionally, there is an overdraft facility available, but this has not been used for the past 10+ years.

The Directors keep the School's activities under review, particularly with regard to any major risks that may arise from time to time. A Risk Register is maintained by the School that itemises the risks likely to be encountered by the School, along with the systems and procedures that are in place in order to mitigate the risks. The register is reviewed by the Directors at least annually. The risks are classified on the register as High, Medium and Low.

The major risks to the School as noted on the Risk Register are:

- The affordability of school fees for parents particularly in the current economic and political climate;
- The ability to recruit pupils in a highly competitive market; and
- The financial challenges facing all independent schools with the imposition of VAT and the removal of business rate relief; all of which are key risks because of their potential impact on affordability.

The Directors believe that appropriate controls are in place to manage these risks successfully. Individual Committees monitor the effectiveness of the controls on a regular basis in relation to the particular risks within each Committee's remit.

The most significant response to these risks was the announcement during the year to accept boys into years 7 and 12 from September 2026.

The key controls used by the School include:

- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal agendas and minutes for all Committees;
- Terms of reference for all Committees;
- Termly review by each Committee of the risks and controls within the remit of a particular Committee;
- Annual review of the Risk Register by the Governing Body;
- Formal written policies;
- Comprehensive insurance policies;
- Formal risk assessments undertaken for all activities, school trips, classroom environments, and workplaces;
- Clear authorisation and approval levels; and
- Safeguarding procedures as required by law for the protection of the children and vulnerable adults.

Reserves Policy

The Reserves Policy is set by the Governing Body and is designed to protect and safeguard the assets of the charity. The primary objective of the policy is to ensure sufficient funds are available to meet ongoing operational requirements whilst further investing in facilities, thereby ensuring long-term sustainability and the enduring quality of educational provision.

The Reserves Policy was implemented and approved by the Governing Body in 2024.

Financial forecasts are regularly reviewed to ensure that the level of free reserves is sufficient to meet the operational requirements and any potential threats to future income, these forecasts consider sensitivity to internal and external factors in determining the level of free reserves required.

The School aims to have a target for free unrestricted reserves of 13 weeks essential expenditure. Free reserves are currently the equivalent of 14.6 weeks expenditure. This includes the overdraft facility at the year end of £1 million.

Investment Policy

The School has two investment funds at its disposal, currently held as cash: The General Investment Fund, which is unrestricted, and the Harrogate Ladies' College Scholarship, Bursary and Prize Fund, whose funds are to be used to further the education of pupils attending Harrogate Ladies' College by the awards of scholarships, bursaries, prizes, maintenance allowances and leaving exhibitions. The company's Memorandum of Association empowers it to invest and deal with the monies of the company that are not immediately required, as it thinks fit.

Disabled Employees

The School is committed to equal opportunities for all; it is the policy of the School that no job applicant or employee receives less favourable treatment on the grounds of disability. Harrogate Ladies' College trains and encourages the career development of disabled employees in its employment.

Auditors

Saffery LLP has expressed their willingness to remain in office as auditors of the company.

This Directors' report, including a strategic report, were approved by order of the Board on XXXXXX and signed on their behalf by:

Dame Francine Holroyd

Chairman of the Trustees

Opinion

We have audited the financial statements of Harrogate Ladies' College Limited for the year ended 31 August 2025 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows 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 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 charitable company's state of affairs as at 31 August 2025 and its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 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 annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

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' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the Trustees (who are also 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 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 charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's Responsibilities for the audit of the Financial Statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the Trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with Trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance to the charitable company include the Charities Act 2011, Companies Act 2006, and guidance issued by the Charity Commission for England and Wales. Further the charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charitable company's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

Audit response to risks identified

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available 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. 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.

.....

Sally Appleton (Senior Statutory Auditor)
for and on behalf of Saffery LLP

Saffery LLP
10 Wellington Place
Leeds
LS1 4AP

Statutory Auditors

Date:

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Harrogate Ladies' College Limited

Statement of Financial Activities (Incorporating an Income and Expenditure Account)

For the year ended 31 August 2025

		2025 General Funds £	2025 Restricted Funds £	2025 Total £	2024 Total £
INCOME					
Donations	4	-	1,452	1,452	4,001
Charitable activities					
School fees receivable	2	7,610,484	-	7,610,484	9,365,616
Other educational income		255,388	-	255,388	292,364
Other ancillary trading income	3	55,377	-	55,377	87,950
Raising funds					
Activities for generating funds	3	130,000	-	130,000	130,000
Rents and school lets		141,647	-	141,647	124,913
Investment income	5	47,883	-	47,883	38,284
Other income	6	12,868		12,868	1,094
TOTAL INCOME		8,253,647	1,452	8,255,099	10,044,222
EXPENDITURE					
Raising Funds	7	29,477	-	29,477	33,876
Charitable activities					
Provision of education	7	10,062,781	-	10,062,781	10,332,415
TOTAL EXPENDITURE	7	10,092,258	-	10,092,258	10,366,291
NET (EXPENDITURE)/INCOME BEFORE OTHER GAINS		(1,838,611)	1,452	(1,837,159)	(322,069)
Transfer between funds	15 & 16	50,000	(50,000)	-	-
Net movement in funds		(1,788,611)	(48,548)	(1, 837,159)	(322,069)
Funds brought forward at 1 September		5,531,139	309,961	5,841,100	6,163,169
Funds carried forward at 31 August	17	3,742,528	261,413	4,003,941	5,841,100

All operations of the charitable company are continuing operations.

The statement of financial activities incorporates an income and expenditure account for Companies Act purposes.

The notes on pages 20 –35 form part of these financial statements.

A comparative statement of financial activities is shown at note 23.

Harrogate Ladies' College Limited

Balance Sheet

As at 31 August 2025

	Notes	As at 31 August 2025 £	As at 31 August 2024 £
Tangible fixed assets	9	5,743,021	5,964,223
Investment assets			
Investment in subsidiary	11	2	2
		<u>2</u>	<u>2</u>
Current assets			
Debtors	12	860,997	800,012
Cash in hand		903,197	2,615,510
		<u>1,764,194</u>	<u>3,415,522</u>
Creditors: amounts falling due within one year	13	(3,267,442)	(3,210,288)
Net current (liabilities)/assets		<u>(1,503,248)</u>	<u>205,234</u>
Total assets less current liabilities		<u>4,239,775</u>	<u>6,169,459</u>
Creditors: amounts falling due after more than one year	14	(235,834)	(328,359)
Net assets		<u>4,003,941</u>	<u>5,841,100</u>
UNRESTRICTED FUNDS			
General funds	15	3,742,528	5,531,139
RESTRICTED FUNDS	16	261,413	309,961
Total funds	17	<u>4,003,941</u>	<u>5,841,100</u>

The financial statements were approved by the board of Trustees on.....and signed on its behalf by:

Dame Francine Holroyd

Chairman

Company registered number: 00197987

The notes on pages 20 –35 form part of these financial statements.

Harrogate Ladies' College Limited
Cash Flow Statement
For the year ended 31 August 2025

	Notes	2025 £	2024 £
Net cash flows from operating activities	19	(1,527,139)	(1,118,661)
Financing activities – Interest received		47,883	38,284
Movement on composition fees:		(167,221)	677,436
Investing activities:			
Purchase of tangible fixed assets		(74,579)	(100,941)
Proceeds from disposal of tangible fixed assets		8,743	-
Net cash flows from investing activities		(65,836)	(100,941)
(Decrease) in cash in the year		(1,712,313)	(503,884)
Cash at the start of the year		2,615,510	3,119,394
Cash at the end of the year		903,197	2,615,510

	At 1 September 2024 £	Cash flow £	At 31 August 2025 £
Cash in hand	2,103	2,404	4,507
Cash at bank	2,613,407	(1,714,717)	898,690
Net cash	2,615,510	(1,712,313)	903,197

The charity had no net debt at the end of the year.

1 Accounting policies

a) Basis of accounting

The financial statements have been prepared under the Charities Act 2011, Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice ("SORP(FRS102)") and Financial Reporting Standard 102. The financial statements have been prepared on the historical cost basis of accounting, with the exception of investments, which are included on a market value basis, and freehold buildings, whose deemed cost is included on a valuation basis adopted on the transition to FRS 102. The financial statements include a Statement of Financial Activities rather than a profit and loss account in order to comply with the SORP. The financial information is presented for the Schools as an individual undertaking and not for the group. The Trustees have taken advantage of the Companies Act 2006 (S405 (2)) exemption not to prepare group financial statements. They consider they would be of no real value to the members of Harrogate Ladies' College Limited as the effects of any changes would not be material to the financial statements of Harrogate Ladies' College Limited.

Going Concern

The Governors have reviewed the forecasts to August 2027 and believe that the School will continue to operate for the foreseeable future. The Governors have concluded that there is sufficient cash headroom for the School to remain a going concern. Included within this cash headroom at the year-end is the availability of an unused overdraft facility of £1m.

At 31 August 2025, there were net current liabilities of £1,503k. However, there were approximately £1,041k of pupil deposits and fees in advance included within current liabilities, and whilst these could technically mature in one year, they are not expected to be repayable within the year.

b) Income and expenditure

Income

Fees Income

School fees are included in the financial statements on an accruals basis. Registration fees are credited to income in the year in which they are received.

Investment income

Investment income is accounted for in the period in which the School is entitled to receipt.

Donations

Donations of tangible fixed assets are capitalised. Other donations are accounted for within the Statement of Financial Activities.

Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities. Contractual arrangements are recognised as goods or services as supplied. Irrecoverable VAT is included with the item of expenditure to which it relates. The following information is also relevant:

- Charitable Activities – these include expenditure associated with the operation of the charity's School.
- Repairs and Maintenance – expenditure is charged as an operating expense in the year in which it is incurred.

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2025

c) Tangible fixed assets and depreciation:

Freehold land and buildings

Expenditure relating to the acquisition of, and extensions to, freehold land and buildings together with the initial equipping thereof is capitalised, and is stated in the financial statements at cost less accumulated depreciation and any provision for impairment. A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Short leasehold property

The expenditure on leasehold property is shown at cost less accumulated depreciation, which is being provided to enable such expenditure is written off over the term of the lease.

Other

Other tangible fixed assets are stated at cost less accumulated depreciation. Donations of tangible fixed assets are capitalised at their cash value or at estimated cash value if received in kind.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off their cost by equal instalments over the expected useful lives of the assets concerned. The estimated useful lives are considered to be as follows:

Freehold buildings	- 20 to 125 years
Leasehold improvements	- period of lease
Plant and equipment	- 7 years
Computer equipment	- 5 years
Furniture, fixtures and fittings	- 10 years
Motor vehicles	- 4 years or period of lease

Land is not depreciated.

Capitalisation of fixed assets

Fixed assets costing more than £500 are capitalised and carried in the balance sheet at cost. Groups of assets whose total values exceed £500 (but individually would not) may be capitalised.

d) Stocks

Stocks are accounted for as consumables and expensed in the year of purchase.

e) Financial Instruments

The charity 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.

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2025

f) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity held for working capital.

g) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid. Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the income and expenditure account.

h) Creditors, loans and provisions

Creditors, loans and provisions are recognised where the charity 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, loans and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. Financial liabilities are derecognised when, and only when, the charity's obligations are discharged, cancelled or they expire. Amounts recognised as provisions are best estimates of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

i) Fund Accounting

The charitable trust funds of the College are accounted for as unrestricted or restricted income in accordance with the terms of the trust imposed by the donors or any appeal to which they may have responded.

Unrestricted income belongs to the School's corporate reserves, spendable at the discretion of the Governors either to further the School's objects or to benefit the School itself.

Restricted income comprises gifts, legacies and donations where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

j) Pensions

The School's professional teaching staff are enrolled into the Royal London Defined Contribution Scheme. Employer contributions are 17% as well as re-investment of saving in ER NI as a result of a salary exchange scheme. The School's results for the year are stated after charging the relevant employer's contributions to the schemes.

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2025

Other staff are invited to become members of The Pensions Trust Growth Plan or Unitised Ethical Plan. Within The Growth Plan, Series 1, 2 and 3 contain guarantees as to a minimum level of benefits that will be paid and therefore are deemed to be multi-employer defined benefit pension schemes where it is not possible on a reasonable and consistent basis to separately identify the assets and liabilities of participating employers. Consequently, the amounts charged to the Statement of Financial Activities in respect of pension costs are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. Series 4 of The Pensions Trust Growth Plan and the Unitised Ethical Plan are defined contribution schemes. The amounts charged to the Statement of Financial Activities in respect of pension costs are the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

k) Operating and finance leases

Assets used by the School under operating leases are not capitalised. The costs associated with their rental are charged on a straight-line basis to expenditure over the lease term, even if payments are not made on such a basis. Assets that are financed by leasing agreements transferring substantially all risks and rewards of ownership (finance leases) are capitalised and depreciated over their useful lives. The liability to the leasing company is included in creditors. Leasing payments are treated as consisting of capital and interest elements and the interest element is charged to the statement of financial activities.

l) Linked Charities

In accordance with section 25 of SORP 2015, charities linked with Harrogate Ladies' College by the Charity Commission have been incorporated within these financial statements. Details of linked charities, including their activities and funds, are included in note 16.

m) Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

i) Bad debt provision

Fees due to the charity are reviewed regularly for signs of any impairment. Balances are provided for where there is significant uncertainty over the recoverability, and impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

ii) Land and buildings

The carrying value of land and buildings at 31 August 2025 is £3,189,840 (2024: £3,217,929).

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2025

2 Fees

	2025	2024
	£	£
Gross school fees	8,947,642	11,106,527
Less: Scholarships, bursaries, allowances and agent fees	(1,337,158)	(1,740,911)
	<u>7,610,484</u>	<u>9,365,616</u>

The income from fees is all unrestricted (2024: all unrestricted).

3 Other income

	2025	2024
	£	£
Other ancillary trading income:		
Transport to/from School	44,625	50,139
Uniform	10,752	37,811
	<u>55,377</u>	<u>87,950</u>
Activity for generating funds:		
Donation from HLC (Properties) Ltd	130,000	130,000
	<u>130,000</u>	<u>130,000</u>

Other income is all unrestricted (2024: all unrestricted).

4 Donation income

	2025	2024
	Restricted	Restricted
	£	£
Donations to the Scholarship, Bursary and Prize Fund	1,452	4,001
	<u>1,452</u>	<u>4,001</u>

5 Investment income

	2025	2024
	£	£
Bank interest received	47,883	38,284
	<u>47,883</u>	<u>38,284</u>

Investment income is all unrestricted (2024: all unrestricted).

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2025

6 Other income

	2025	2024
	£	£
Miscellaneous income	4,125	1,094
Profit on disposal of tangible fixed assets	8,743	
	<u>12,868</u>	<u>1,094</u>

Other income is all unrestricted (2024: all unrestricted).

7 Analysis of total expenditure

Year ended 31 August 2025	Staff costs	Other costs	Depreciation	2025 Total
	£	£	£	£
Cost of generating funds				
Rental costs	8,529	-	-	8,529
Bank charges	-	20,948	-	20,948
	<u>8,529</u>	<u>20,948</u>	<u>-</u>	<u>29,477</u>
Charitable activities				
Provision of education				
Teaching	4,601,720	290,039		4,891,759
Welfare	818,084	1,086,718		1,904,802
Premises	394,044	1,332,951	295,779	2,022,774
Support costs	731,976	488,782		1,220,758
Governance costs		22,688		22,688
	<u>6,545,824</u>	<u>3,221,178</u>	<u>295,779</u>	<u>10,062,781</u>
Total resources expended	<u>6,554,353</u>	<u>3,242,126</u>	<u>295,779</u>	<u>10,092,258</u>

Year ended 31 August 2024	Staff costs	Other costs	Depreciation	2024 Total
	£	£	£	£
Cost of generating funds				
Rental costs	8,426	-	-	8,426
Bank charges	-	25,450	-	25,450
	<u>8,426</u>	<u>25,450</u>	<u>-</u>	<u>33,876</u>
Charitable activities				
Provision of education				
Teaching	4,505,593	217,219	-	4,722,812
Welfare	836,050	1,218,800	-	2,054,850
Premises	304,857	1,616,465	296,245	2,217,567
Support costs	776,024	534,617	-	1,310,641
Governance costs	-	26,545	-	26,545
	<u>6,422,524</u>	<u>3,613,646</u>	<u>296,245</u>	<u>10,332,415</u>
Total resources expended	<u>6,430,950</u>	<u>3,639,096</u>	<u>296,245</u>	<u>10,366,291</u>

7 Analysis of total expenditure (continued)

	2025	2024
	£	£
Charitable activities include:		
Depreciation on owned assets	295,779	296,745
Operating lease rentals	51,258	38,934
	<u>51,258</u>	<u>38,934</u>
Governance costs include:		
Auditors' remuneration for:		
Audit services	17,900	18,780
Accountancy services	4,100	840
	<u>22,000</u>	<u>19,620</u>

Unless otherwise specified, all costs in this note are unrestricted.

8 Staff costs

	2025	2024
	£	£
Total staff costs comprised:		
Wages and salaries	5,357,116	5,239,902
Social security costs	519,613	450,552
Pensions contributions		
Teachers' Pension schemes	551,257	517,284
Pensions Trust Growth Plan	120,845	217,798
Pensions Trust Unitised Ethical Plan	5,522	5,414
	<u>6,554,353</u>	<u>6,430,950</u>

Staff costs are all unrestricted (2024: all unrestricted). Included within wages and salaries are compensation payments of £60,554 (2024: £43,139).

The Trustee received £nil remuneration during the year (2024: £nil). An amount of £nil (2024: £2,198) was reimbursed to 2 Trustees (2024: 2 Trustees) during the year in respect of travel and training expenses.

During the year, redundancy payments of £122,239 were made to 12 individuals.

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2025

8 Staff costs (continued)

The average numbers of employees in the year were:	2025	2024
Teaching		
Full time	58	58
Part time	70	70
Welfare		
Full time	12	11
Part time	25	28
Premises		
Full time	7	8
Part time	4	3
Support		
Full time	11	11
Part time	9	10
	196	199

The aggregate remuneration (including gross pay and employer's pension contributions) paid to key management personnel during the period was: £463,088 (2024: £466,184).

The number of employees whose emoluments (gross pay) exceeded £60,000 were:	2025	2024
£60,001 to £70,000	4	2
£70,001 to £80,000	1	3
£80,001 to £90,000	2	-
£110,001 to £120,000	-	1
Above £120,000	1	-

9 Tangible assets

	Freehold	Leasehold	Furniture, fixtures & fittings	Motor vehicles	Plant & equipment	Computer equipment	Total
	£	£	£	£	£	£	£
Cost (or frozen valuation*)							
1 September 2024	3,501,786	6,823,825	1,047,206	114,909	1,240,080	359,376	13,087,182
Additions	-	14,989	15,727	-	16,410	27,453	74,579
Disposals	-	-	-	(24,201)	(2,880)	-	(27,081)
31 August 2025	3,501,786	6,838,814	1,062,933	90,708	1,253,610	386,829	13,134,680
Depreciation							
1 September 2024	283,857	4,256,150	971,621	104,260	1,179,048	328,023	7,122,959
Charge for the year	28,089	185,876	13,725	4,575	44,957	18,557	295,779
Disposals	-	-	-	(24,201)	(2,880)	-	(27,081)
31 August 2025	311,946	4,442,026	985,346	84,634	1,221,125	346,580	7,391,657
Net Book Value							
31 August 2025	3,189,840	2,396,788	77,587	6,074	32,485	40,249	5,743,023
31 August 2024	3,217,929	2,567,675	75,585	10,649	61,032	31,353	5,964,223

*The School has elected, in accordance with Section 35.10(d) of FRS 102, to use the carrying value on 1 August 2014, the date of transition to FRS 102, of any of the above freehold land and buildings previously carried at a valuation, as their deemed cost.

10 Capital commitments

At the balance sheet date, there was £nil of capital expenditure that was contracted for but not provided for within these financial statements (2024: £nil).

11 Investment in subsidiary

	2025	2024
	£	£
Shares at cost	2	2

The School owns the whole of the issued ordinary share capital of HLC (Properties) Limited, a company registered in England (company number 03699669). HLC (Properties) Limited lets the School's facilities for use by the public, and prepares its financial statements to 31 August. It made a profit of £130,435 for the year to 31 August 2025 and a gift aid donation of £130,000 was made to the School. In 2024, it made a profit of £131,273, and a gift aid donation of £130,000 was made to the School.

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2025

11 Investment in subsidiary (continued)

The following information is disclosed:

	2025	2024
	£	£
Balance of capital and reserves	11,843	11,408
Result for the period after distributions	<u>11,843</u>	<u>11,408</u>

12 Debtors

	2025	2024
	£	£
Debtors in respect of school fee accounts	358,860	207,761
Amounts owed by subsidiary undertaking	45,809	196,834
Other debtors	23,811	31,073
Prepayments and accrued income	432,517	364,344
	<u>860,997</u>	<u>800,012</u>

13 Creditors: amounts falling due within one year

	2025	2024
	£	£
Creditors in respect of school fee accounts	965,614	949,149
School fees paid on account	274,381	350,685
Pupils' initial deposits	766,888	1,035,666
Amounts owed to Teachers' Pension schemes	71,530	71,744
Taxation and social security	138,938	104,749
Net Present Value of Pensions Trust deficit recovery contributions	17,766	4,308
Accruals	267,546	334,753
Other creditors	764,779	359,234
	<u>3,267,442</u>	<u>3,210,288</u>

Note: Pupils' initial deposits fall due for repayment when the pupil leaves the School either by way of refund or offset against any monies owing at that date. In the normal course of events, the majority of deposits will fall due after more than one year. Total deferred income at the year end totalled £1,732,502 (2024: £1,984,815) constituting fees and deposits paid in advance.

13 Creditors: amounts falling due within one year (continued)

Composite fees

School fees received in advance are apportioned over the pupil's time at the School. These fees may be returned to the fee payer subject to specific conditions on receipt of one term's notice.

Assuming pupils remain in the School, advance fees will be applied as follows:

	2025	2024
	£	£
Within 1 year	274,381	350,685
Within 1 to 2 years	129,120	146,135
Within 2 to 3 years	60,913	85,589
Greater than 3 years	45,801	95,027
	<u>510,215</u>	<u>677,436</u>

14 Creditors: amounts falling due after more than one year

	2025	2024
	£	£
Composition fees	235,834	326,751
Other creditors	-	1,608
	<u>235,834</u>	<u>328,359</u>

15 General funds – unrestricted

	2025	2024
	£	£
At 1 September 2024	5,531,139	5,807,209
Net outgoing resources	(1,838,611)	(326,070)
Transfer of funds	50,000	50,000
At 31 August 2025	<u>3,742,528</u>	<u>5,531,139</u>

16 Restricted funds

	At 1 September 2024	Incoming resources	Transfer of funds	At 31 August 2025
	£	£	£	£
Scholarship, Bursary and Prize Fund	301,644	1,452	(50,000)	253,096
Small Hall Fund	8,317	-	-	8,317
	<u>309,961</u>	<u>1,452</u>	<u>(50,000)</u>	<u>261,413</u>

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2025

16 Restricted funds (continued)

	At 1 September 2023	Incoming resources	Transfer of funds	At 31 August 2024
	£	£	£	£
Scholarship, Bursary and Prize Fund	347,643	4,001	(50,000)	301,644
Small Hall Fund	8,317	-	-	8,317
	<u>355,960</u>	<u>4,001</u>	<u>(50,000)</u>	<u>309,961</u>

The Harrogate Ladies' College Scholarship, Bursary and Prize Fund is a linked charity and is made up of many smaller funds, the origins of which are bequests, donations and Speech Day prizes, which were managed separately until 2002 when they were amalgamated into one fund under a Charity Commission approved scheme to make the management more efficient. During the 2014 financial period, an additional fund, the Harrogate Ladies' College Scholarship Fund, which had previously been a separate registered charity, was amalgamated into the Harrogate Ladies' College Scholarship, Bursary and Prize Fund. The funds are to be used to further the education of pupils attending Harrogate Ladies' College by the awards of scholarships, bursaries, prizes, maintenance allowances and leaving exhibitions. The £50k transfer occurs annually from the restricted fund in order to fund bursaries through the College.

17 Analysis of Net Assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 August 2025 are represented by:			
Tangible fixed assets	5,743,021	-	5,743,021
Investments	2	-	2
Current assets	1,502,781	261,413	1,764,194
Creditors	(3,503,276)	-	(3,503,276)
	<u>3,742,528</u>	<u>261,413</u>	<u>4,003,941</u>
	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 August 2024 are represented by:			
Tangible fixed assets	5,964,223	-	5,964,223
Investments	2	-	2
Current assets	3,105,561	309,961	3,415,522
Creditors	(3,538,647)	-	(3,538,647)
	<u>5,531,139</u>	<u>309,961</u>	<u>5,841,100</u>

18 Reconciliation of movement in total funds

	2025	2024
	£	£
Result for the financial period	(1,837,159)	(322,069)
Net movement in funds	(1,837,159)	(322,069)
Opening funds	5,841,100	6,163,169
Closing funds	4,003,941	5,841,100

19 Reconciliation of net movement in funds to net cash flows from operating activities

	2025	2024
	£	£
Net expenditure for the period	(1,837,159)	(322,069)
Investment income	(47,883)	(38,284)
Interest paid	-	-
Operating loss for the period	(1,885,042)	(360,353)
Depreciation charge	295,779	296,745
Profit on disposal of assets	(8,743)	-
(Increase) / Decrease in debtors	(60,983)	33,064
Increase / (Decrease) in creditors	131,850	(1,088,117)
Net cash inflow from operating activities	(1,527,139)	(1,118,661)

20 Leases

Operating leases

	2025	2024
	£	£
At 31 August 2025, the total of the company's future minimum lease payments under non-cancellable operating leases was:		
Within one year		
Other leases	65,336	65,335
Land and Buildings	377,655	430,561
Two to five years		
Other leases	106,348	180,245
Land and Buildings	1,572,558	1,372,973
Over 5 years		
Land and Buildings	14,546,163	22,900,267

21 Pension Schemes

The School are part of 3 separate pension schemes: The Pension Scheme for Teaching staff, The Pensions Trust's Growth Plan and The Pensions Trust Unitised Ethical Plan. The schemes are detailed individually below:

The Pension Scheme for Teaching staff

The School is part of the Royal London Defined Contribution Scheme, Employer contributions are 17% as well as re-investment of saving in ER NI as a result of a salary exchange scheme. The pension charge for the year includes contributions payable to the scheme of £551,257 (2024: £586,651) and at the year-end, £71,530 was accrued in respect of contributions to this scheme (2024: £71,744).

The Pensions Trust

Growth Plan

Harrogate Ladies' College Limited also participates in The Pensions Trust's Growth Plan, which is a multi-employer scheme which provides benefits to some 950 non-associated participating employers. Within the Growth Plan, the School participates in Series 1, 2, 3 and 4.

Growth Plan Series 1, 2 and 3

Growth Plan Series 1, 2 and 3 (the scheme) is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out at 30 September 2023. This valuation showed assets of £515m, liabilities of £531m and a deficit of £16m.

The Scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Harrogate Ladies College Limited, following consultation with all affected staff, exited the TPT Growth Plan scheme on 31 August 2023. A period of grace form has been submitted to delay the final exit decision by the board of Governors pending confirmation of ongoing deficit costs and expenses following the 2023 valuation.

Growth Plan Series 4

The Pensions Trust closed the Growth Plan Series 3 to new contributions from 30 September 2013. All employers that participated in Growth Plan Series 3 at the balance sheet date have switched to Growth Plan Series 4 for new contributions from 1 October 2013. Series 4 is a defined contribution scheme.

21 Pension Schemes (continued)

As at the balance sheet date, there were 83 active members of the Growth Plan employed by the company. These were all members of Series 4.

From 1 October 2013, the company paid contributions into the Growth Plan Series 4 at the rates of up to 7%. Members paid contributions at the rates of up to 4% during the same period.

Unitised Ethical Plan

The School also contributes to the Pensions Trust Unitised Ethical Plan, which is a defined contribution scheme. The School paid contributions at the rates of up to 7% during the accounting period. Members paid contributions at the rate of up to 4% during the accounting period. As at the balance sheet date, there were 2 active members of the Unitised Ethical Plan employed by the company. The company continues to offer membership of the Unitised Ethical Plan to its employees.

22 Related party transactions

At the year-end the School was owed £45,809 (2024: £66,834) from HLC (Properties) Limited. HLC (Properties) Limited made an annual charitable donation of £130,000 during the year to 31 August 2025 (2024: £130,000). During the year, expenditure of £77,431 (2024: £39,520) was recharged from Harrogate Ladies' College to HLC (Properties) Limited.

Certain Trustees send their children to the School but are charged fees on an arm's length basis and receive no discount or concessions by virtue of their Trusteeship.

23 Comparative Statement of Financial Activities

	2024 General Funds £	2024 Restricted Funds £	2024 Total £
INCOME			
Donations	-	4,001	4,001
Charitable activities			
School fees receivable	9,365,616	-	9,365,616
Other educational income	292,364	-	292,364
Other ancillary trading income	87,950	-	87,950
Raising funds			
Activities for generating funds	130,000	-	130,000
Rents and school lets	124,913	-	124,913
Investment income	38,284	-	38,284
Other income	1,094	-	1,094
TOTAL INCOME	10,040,221	4,001	10,044,222
EXPENDITURE			
Raising Funds	33,876	-	33,876
Charitable activities			
Provision of education	10,332,415	-	10,332,415
TOTAL EXPENDITURE	10,366,291	-	10,366,291
NET (EXPENDITURE)/INCOME BEFORE OTHER GAINS	(326,070)	4,001	(322,069)
Transfer between funds	50,000	(50,000)	-
Net movement in funds	(276,070)	(45,999)	(322,069)
Funds brought forward at 1 September	5,807,209	355,960	6,163,169
Funds carried forward at 31 August	5,531,139	309,961	5,841,100

HARROGATE LADIES' COLLEGE LIMITED

England & Wales - Charity number 529579

Accounts

Company Registration No. 00197987 (England and Wales)
Charity Registration No. 529579

**HARROGATE LADIES' COLLEGE LIMITED
(CHARITABLE COMPANY LIMITED BY
GUARANTEE) TRUSTEES' REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 AUGUST 2024**

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Harrogate Ladies' College Limited
Directors, Officers and Administrative Details

Trustees

Dame Francine Holroyd (Chair)
Mr M. Abraham B Ed (Hons)
Reverend C. Balding BEng (Hons) BA (Hons)
Mr G. Bowring DL MA
Reverend A. Chesworth
Ms S. Jackson MA
Dr H. Kemp MBChB MRCP FRCA
Mrs S. Papworth BA (Hons) Oxon ACIB FCSI
Mr D. Payne BSc (Hons) FCA
Mrs L. Renwick B.Ed NPQH
Mr J. Skinner ACIS ACIB
Dr H. Kemp MBChB MRCP FRCA

Company Secretary

Mr M. Porter BA MSc (Resigned June 24)
Mr A. Butterworth MA (Cantab) DChA

Key Management Personnel

Mrs S. Bowman
Mrs S. Brett
Mrs J. Fox
Mrs E. Richards
Mr J. Savile

Registered Office and Principal Office

Harrogate Ladies' College
Clarence Drive
Harrogate HG1 2QG

Auditors

Saffery LLP
10 Wellington Place,
Leeds, LS1 4AP

Bankers

Barclays Bank Plc
PO Box 858
Wytham Court
11 West Way,
Botley, Oxford,
OX2 0XP

Solicitors

Consilia Legal LLP
Park House
Park Square
Leeds,
LS21 2PW

Financial Statements

The Trustees, who are also referred to as Governors and are also Directors for Companies Act purposes, are pleased to present their annual Trustees' Annual Report together with the financial statements of the charity for the year ending 31 August 2024, which are also prepared to meet the requirements for a Directors' Report and accounts for Companies Act purposes.

OBJECTS, AIMS and VALUES

Charity's Objects

The primary object of the charity, as set out in its Memorandum of Association, is to provide the establishment and maintenance of schools for the education of girls and boys in accordance with the principles of the Church of England. The business of the company is entirely related to running the Schools known as Harrogate Ladies' College (girls only) and Highfield (co- educational) in Harrogate, North Yorkshire (together the 'School').

Charity's Aims

The Harrogate Ladies' College family of Schools - Highfield and College - aims to inspire and nurture pupils so as to engender in them a deep passion for learning and a love of life.

Girls and boys educated at this Christian foundation for day and boarding pupils will be challenged to be the best that they can be: responsible citizens of their community and the world.

Our pupils will value every individual equally with respect and openness of mind. They will go out into the world empowered with self-confidence and equipped with the academic qualities and emotional intelligence to make the most of life.

Charity's Values

Underpinning these aims are the core values of the School as articulated by the words of the School crest, which are Industria, Fide and Pietate:

- hard work and service;
- trust, loyalty, tolerance, inclusiveness and honesty; and
- conscientiousness, decency, forgiveness, compassion and gentleness.

A pupil leaving the Harrogate Ladies' College family of Schools will have had opportunities to develop key skills for life (as articulated by the CBI), some of which are listed here:

- self-management and the ability to take responsibility for one's actions;
- team working based on respect, the ability to listen and self-confidence;
- understanding of the wider world;
- problem solving using creativity and analysis; and
- numeracy, literacy and IT proficiency.

STRATEGIC REPORT – OBJECTIVES and ACTIVITIES

Our focus on academic and pastoral excellence is embodied by our School ethos of developing a passion for learning and a love of life in every child in our whole school community. The specific focus for the School during the financial year 2023 – 2024 was to build upon the significant progress made both academically and pastorally the previous year. The School's Flourish programme was enhanced to provide the support and advice our pupils required, as emotional and mental health needs were significantly greater across the whole school. The academic programme was boosted by the introduction of a teacher-led sharing of best practice, to ensure our pupils receive the both the support and challenge they require to achieve. Our extra-curricular opportunities across the whole school encouraged our pupils to develop passions in new and exciting areas. Behind the scenes, the School has been focussing on building and sustaining financial resilience to face the challenges of VAT on fees and changes to charitable status.

Charitable Activities

The School community supports a wide range of charities throughout the year although, in College, the pupils vote for one main charity. This year, the chosen charity was Active Against Cancer, which is a local Harrogate charity supporting cancer patients through sport and activity. The School community also supported Candlelighters and supported our sponsored children in Uganda in Highfield, as well as other national charities that are important to the pupils, for example the Poppy Appeal, Comic Relief and Children in Need. As a community, we baked and ate cakes, played sport, played silly games, dressed up, sang and held raffles to raise money to support our chosen charities, as well as donating Christmas gifts to Harrogate Hospital. Our pupils also participated in the Ethical Enterprise Challenge, which raised money for specific charities working towards a UN goal. The aim of this venture was for our pupils to consider more global issues which also need awareness and support. Charity is at the heart of the school, as is evident in the wide range of activities and charities we continue to support.

Boarding

Our boarding provision has maintained its strong programme of activities and trips, with specific focus on ensuring inclusivity. This year the boarders have enjoyed a wide variety of external visits including trips to Alton Towers, the York Food and Drink Festival, Harry Potter World, University visits, theatre trips, Christmas markets and museums. The boarding team choose the trips in consultation with the boarders, who are always keen to express their preference. The team ensure we make the most of our location so our boarders experience life beyond the school and Harrogate.

The internal provision has been just as wide-ranging, with an emphasis on encouraging as many boarders as possible to participate and connect with others from different boarding houses. This year, the boarders' formal dinner was a celebration of all our boarders' nationalities, whilst the many inter-house competitions such as 'Boarders have talent' and House parties really enhance the *esprit de corps* that is at the heart of the boarding houses.

Wellness in our boarding community continues to be a high priority. Wellbeing Wednesdays are popular with the boarders; they maximise the opportunity to take a break from their studies and spend time relaxing with their peers. These activities include, amongst others, pamper evenings in the Wellness Centre, Muay Thai and meditation.

Academics

Teaching and learning was a key academic focus in the year 2023-2024 and this was reflected in the development, and launch, of our HLC Learning Principles which outline the main elements of a lesson at HLC. Their primary aim is to facilitate the structured sharing of best practice, whilst creating increased consistency in the language of learning. During the year, learning walk records, feedback and sharing of best practice was aligned with our Learning Principles.

HLC's Teaching and Ideas and Learning Exchange (*TILE*) was launched to all staff. *TILE* is a voluntary teaching group and has been attended by a significant proportion of College staff. Additionally, it was part of the whole staff INSET in September 2023, where all staff, across all Schools, had the opportunity to attend a choice of *TILEs*. These sessions are led by HLC staff who share pedagogy and best practice within our community. *TILE* reflects our teachers' enthusiasm to be excellent practitioners.

At GCSE, 41% of our grades were 7-9 (the national average was 21.7%) and we were ranked 116 out of 344 schools in relation to the added value the pupils gained. These were good results but unfortunately represented a slight drop on the incredible high of 2023 (which were the school's best results to date). There was, unfortunately, a larger dip at A level where the pupils gained 18% A*-A against a national average of 27.6%. For those applying through UCAS, 45% of pupils gained places at Russell Group Universities and courses included Accounting, Psychology, Economics, English, Film Making, Law, Biochemistry, Marine Science, Medicine and Sociology.

With the appointment of the two Deputy Heads Academic, a lot of work has gone into fully understanding the reasons for lower results, particularly at A Level, in 2024. A new system of academic intervention and closer monitoring on pupils' wider commitments when their academic progress is identified as a concern has already been implemented. Sustained and excellent progress is at the heart of what we are trying to achieve with our pupils.

Performing Arts

The significant performing arts programme at the School helps our pupils to develop self-confidence and collaboration skills, whilst being involved in activities they love. Across the whole school, from Pre-school through to the Sixth Form, there are myriad occasions when our pupils can try new things, develop their skills and share their passion for performance.

In Highfield, the children up to Prep 2 enjoyed participating in 'Harvest Sing' and spectacular nativities, where they retold the Christmas story in their own inimitable ways. The older pupils in Highfield participated in carol concerts both within and beyond the school in the run-up to Christmas. During the Spring Term, Prep 3 and Prep 4 pupils enjoyed participating in a poignant 'Easter Cantata' whilst older pupils in Prep 5 and Prep 6 performed in the incredible 'Young Voices' event at Manchester Arena. During the Summer Term, the Prep 6 pupils produced a spectacularly vibrant performance of 'The Wizard of Oz', made all the more amazing as they had worked on it for just a week; this was an outstanding feat of collaboration and performance from young pupils.

In College, the focus was to build on the passion for the performing arts and to ensure all pupils had access, and the opportunity, to participate in events. Singing remains a strength of the school's repertoire: the Chapel Choir performed at Fountain's Abbey, competed in the final of the national Barnardo's competition and ventured on a trip to Normandy, even singing in French! The Gallery Choir made up of our younger pupils also performed at Ripon Cathedral. Across the year there were several opportunities for both individuals and whole sections of school to participate in music, acting, singing and dancing, including the whole school House Drama and House Music competitions. The pupils participated enthusiastically, striving to achieve for their houses, whilst also developing their own skills and confidence. The finale of the year's performances was the whole school production of 'Bugsy Malone', in which pupils from Upper 3 through to Upper 6 participated, whether backstage organising splurge guns, or in the limelight on centre stage.

CHARITY OBJECTIVES

The School's objectives for 2023 – 2024 are set out below.

1. Flourishing pupils

- a. *Safeguarding pupils:* Throughout the whole school, safeguarding remains at the top of everyone's agenda and underpins our decisions and practices. Regular training and updates, via the fortnightly safeguarding bulletin, further embed the importance the school places on the safeguarding of our pupils. The DSL team is experienced and represents all areas of the school to ensure rigorous management of the provision.
- b. *Secure pastoral provision:* The Flourish pastoral programme has been extended to include Highfield ensuring the 'team around the child' approach is consistent across the whole school. The school has appointed a full-time mental health lead and both she and the SENCO now join the weekly Flourish meetings which aim to provide proactive pastoral support for our pupils. There has also been a specific focus on pupils with SEND to ensure reasonable adjustments are made to accommodate the particular needs and interests of these pupils.
- c. *Developing boarding provision:* The half-term provision by an external company continues to be a popular choice for international pupils: they value being in an environment they know, with their friends. We have further developed our relationship with our Educational Guardians, who provide a valuable service for our boarders. They attended a hugely successful Guardian Invitation Day, which was much appreciated as they were very pleased to be able to visit the school, meet with the wider staff and other guardians. We also created an Educational Guardianship Policy which outlines expectations of both the school and educational guardians for parents. We have introduced EAL Prefects in the boarding houses who run sessions for their peers who may need support, which has proved to be very popular and effective; the pupils feel more confident in practising their speech with their friends.

2. Inspired Pupils

- a. *Development of ICT:* The school appointed a Director of Digital Strategy (DDS) in order to develop the strategy including the development of the school's SharePoint pages, a whole school digital audit and to train the staff accordingly. She also worked closely with the Deputy Head in Highfield to introduce iPads into the Prep School. A Digital Strategy working party was formed across all areas of the school, led by the DDS, to develop the organisation in line with current trends and to update/introduce current and new policies, including an AI Policy. In College, Computer Science has now moved into the Maths faculty, in order to build upon the programming part of the specifications.
- b. *Improve Quality Assurance across school:* The school implemented a more systematic approach to quality assurance through learning walks, feedback, work scrutiny and lesson observation. HLC's Learning Principles were developed to ensure best practice and increased consistency across all areas of school, whilst the appraisal system was reviewed and overhauled.

- c. *Invest in staff training:* The introduction of the TILE programme was highly successful in providing staff with opportunities to share best practice and ideas for teaching and learning. The school piloted the use of instructional coaching with a small number of staff, as instructional (pedagogical) coaching has proven to be an effective approach in school contexts.
- d. *College Curriculum Review:* Final decisions were made regarding the curriculum review. These included the MFL offer for pupils in Lower School, the opportunity for Year 9 pupils to have options to streamline their learning ahead of GCSEs and Lower School pupils studying Music, Art and Drama for the whole year.
- e. *Improved 2-18 provision:* Pupils in Prep 4 and 5 have Science Week in College, to enhance their science experience. College Heads of Departments and Prep Subject Leads were allocated time to meet to ensure the provision is cohesive and collaborative across the whole school. The extra-curricular programme across the whole school was also reviewed to ensure the offer supports the school's ethos of developing a passion for life and a love of learning.

3. Strengthening Recruitment and Retention

- a. *Ensure sustainable recruitment throughout the school from local, national and international markets:* The marketing team was restructured and a new Marketing Manager and Digital Marketing Executive were appointed. The team worked to increase the school's profile and reputation in the local market, in order to enhance day pupil recruitment, as well as developing local feeder school relationships. Relationships with agents and guardians were prioritised with webinars for agents and a UK-based Agents and Guardians Day.
- b. *Retention of current pupils:* The team delivered a programme specifically targeting Lower 5 pupils with 6th Form information and messaging, including a Lower 5 Parent Supper followed up with meetings with the Principal in the Summer Term.
- c. *Develop a mutually beneficial relationship with alumnae:* In the Autumn Term, the Prefects 'took over' the alumni communication channels in order to increase engagement, which was a successful venture. With choral singing at the heart of the school, the Choir Festival Reunion was very well attended, with over 100 singers returning to sing together in a Chapel concert. Old girls from every decade since the 1940 attended. Many then returned for further school events over the year, including Speech Day.

4. Steward Resources

- a. *Financial strategy:* Financial modelling and scenario planning has been and continues to be high on the agenda for Governors and the executive team. The aim being to ensure financial sustainability in the long term despite the challenges a change in Government has meant for the sector. Continued review of contracts and costs resulted in the decision to exit the TPT Growth Plan pension scheme (the School's pension scheme for support staff), following consultation, to avoid the risk of increasing deficit contributions due to a legacy arrangement for historic Defined Benefit schemes. The School continues to encourage a constructive relationship with its landlord, the Duchy of Lancaster, who are now looking at ways in which they can support us.
- b. *Estates:* The Estates team started a rolling programme of upskilling during the course of the year which has resulted in more work being carried out inhouse. This, in addition to an internal helpdesk provision created by the IT team, has enabled the School to reduce costs by not relying on external contracts.
- c. *Information Technology:* The School's Digital Strategy was reviewed to ensure one approach across the whole school. The decision to use SharePoint has provided a more cohesive system. It was agreed that Highfield would introduce iPads for learning in order to enhance the IT offer in the Prep School and increase the number of IT suites for College use

5. Fulfilled Staff

- a. *Staff excellence:* A review of the appraisal process was undertaken to develop a clear and straightforward appraisal system to ensure all our staff are performing at the highest level and being recognised.
- b. *Staff wellness:* The HR team reviewed the benefits already in place for staff and worked to identify if needs were being met. HR worked with the Head of Wellness in order to enhance the provision including staff use of multigym, wellbeing walks and corporate membership of local gym.
- c. *Workforce planning:* More work than ever has taken place earlier in the year to support the strategic plans for the right staffing, in the right place at the right time.

6. Engaged Parents

- a. *Empower tutors/class teachers/key people to be an effective first point of contact for parents:* The Flourish programme has supported the involvement of all staff in the care of individuals and has empowered Tutors to respond to initial enquiries. Highfield parents have regular opportunities to meet with staff. In order to ensure good communication with international parents, online sessions were introduced for parent meetings at times that were appropriate for their time zones.

- b. *Audit all current parent communication to identify and implement best practice:* Parents were asked for feedback to improve parental communication as part of the parent forum process. Their input has since been implemented in ongoing parental communication.
- c. *Ensure parents feel valued members of the school community:* Our aim was to provide a range of effective methods of listening to parents' ideas. Parent forum meetings took place across all areas of school, with regular drop-in events in College where parents can meet with the Heads of School and other members of the senior team. In Highfield, 'meet the teacher' events took place, along with a parent consultation. Parents were asked for feedback at Parents' Evenings and surveys resulted in a pleasing number of responses. These will continue as they provide valuable insight into parents' perspectives. The parent association, HLC Friends, is a valuable stakeholder in the school community, so we ensured they had extensive support following the departure of the previous chair. There have been numerous, successful events and they now contribute weekly to the School Bulletin.
- d. *Develop a robust Guardianship programme:* Our educational guardians play an important role in our school community, so a Guardian and Agent marketing event was held, which received very positive feedback from the attendees. There is now an Educational Guardianship in place, which outlines clear expectations for parents, guardians and the school.

Public Benefit

The Governing Body have referred to the Charity Commission's general guidance on public benefit, and in particular to its supplementary public benefit guidance on advancing education when reviewing the future aims and objectives. The School properly records its public benefit both in terms of activity and monetary value.

Harrogate Ladies' College's main charitable aim is to advance education. The reports on achievements and performance, above, reflect how well the School meets this primary charitable aim. In addition, the School continues to provide direct financial support to pupils through the provision of scholarships, bursaries and eligibility fee remissions, with £1,347,240 (2023: £1,510,311) spent on directly supporting pupils, representing 12.1% of gross fee income (2023: 13.9%). Of this 12.1%, 9.2% related to means tested bursaries, which in addition to scholarships and eligibility fee remissions, allow access for pupils from all backgrounds (2023: 10.1%). 47 pupils (2023: 53) received bursaries totalling £1,016,306 (2023: £1,097,183). 22 children benefited from a full remission of fees (2023: 23). Bursaries are fully means-tested, awarded on the basis of financial need and are reviewed annually.

Scholarships and bursaries are promoted in the School's marketing literature, on the School's website and through visits to local primary schools.

The School maintains a strong focus in the local community by offering access to its extensive facilities, many at reduced prices from market rates to offer support to groups and activities, particularly those of a charitable nature. In addition, as part of community development and the Duke of Edinburgh awards, support is given to those groups in need in the local community and international development projects, including the sponsorship of a primary school in Uganda. In 2023-24, the pupils and parents raised £34,976 (2023: £42,628) for local, national and international charities.

Fundraising Performance

During the year, the School received donations of £4,001. Donations came from parents, alumni and a former teacher – all to whom the School is extremely grateful. The School does not use professional fundraisers, is not registered with the Fundraising Regulator and is not signed up to the Code of Fundraising Practice. The School has not been in receipt of any complaints related to fundraising during the year.

FINANCIAL REVIEW AND RESULTS FOR THE PERIOD

The financial results for the year are set out in the accounts.

Net outgoing resources for the year to 31 August 2024 show a loss of £322,069, with total funds of £5,841,100 carried forward (31 August 2023: £6,163,169), of which £5,531,139 are unrestricted (31 August 2023: £5,807,209).

The School's closing bank balance at 31 August 2024 was £2,615,510 (31 August 2023: £3,119,394). This cash decrease is explained by a timing difference of less parents paying the Autumn 2024 fees prior to 31 August 2024 due to the start of term not falling until the 9th of September.

Through its subsidiary, HLC (Properties) Limited, Harrogate Ladies' College makes available its sporting and other amenities for use by the public. HLC (Properties) Limited made a profit of £131,272 during the year ended 31 August 2024 and a donation under gift aid of £130,000 was made to the School (year to 31 August 2023: £110,000).

The School has decided to exit the TPT Retirement solutions Growth Plan pension during the year, this is a legacy pension arrangement which exposes the School to the actions of other employers, which is not a tenable long-term position. All staff (Support only) have been consulted and have transferred to an alternative pension provision. The cost of this exit is £97,332 and has been accrued in this financial year.

Group financial statements have not been prepared as it is considered that they would be of no real value, in view of the insignificant overall effect of including the results of HLC (Properties) Limited. The gift-aid distribution of £130,000 means the net assets of that company at the year-end are £11,808.

FUTURE PLANS

The areas of strategic focus for 2024 – 2025 are provided below. They are both operational and aspirational, given the opportunities and threats in the sector, both nationally and globally.

1. **Flourishing Pupils** so that our pupils flourish in all areas of their lives, within a secure and nurturing environment where they feel valued and respected
2. **Inspired Pupils** in order to educate and inspire, by providing a holistic and inspirational education that leads to outstanding personal development and academic outcomes for all pupils
3. **Strengthening Recruitment and Retention** in order to meet/exceed the new pupil recruitment targets across all three areas of school
4. **Steward Resources** so that HLC and Highfield are an ongoing concern through financial stability and a fully compliant estate
5. **Fulfilled Staff** who are engaged and motivated and who fully embody the values of HLC
6. **Engaged Parents** who are both positive and engaged with the school

DIRECTORS' RESPONSIBILITIES

The Directors, who are also the Trustees of Harrogate Ladies' College Limited, are responsible for preparing the Directors' 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 Directors 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 of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Directors 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The company is limited by guarantee and the governing document is the Memorandum and Articles of Association, dated 16 May 1924, as most recently amended on 1 November 2021 by Special Resolution. Each of the seven members has undertaken to contribute an amount not exceeding £1 (one pound) towards the assets of the company in the event of the same being wound up and the assets being insufficient to cover the company's debts and liabilities.

Harrogate Ladies' College Limited is a member of the Allied Schools group of independent schools, all of which were founded by the Martyrs' Memorial and Church of England Trust (MMT). On 26 September 2013, the Allied Schools signed a new Management Agreement with MMT by which the members of the group agreed to the appointment of the Allied Schools Agency to oversee the performance of the schools and to monitor their adherence to the foundational religious principles on behalf of MMT. Allied Schools act in an advisory capacity only and have no managerial influence.

Charitable Status

The company, also referred to as Harrogate Ladies' College, is a registered charity with registered charity number 529579.

Governing Body

The Directors, who are also the Charity trustees, constitute the Governing Body and are elected by the Governing Body, except that two Directors shall be nominated by the MMT if the total number does not exceed 12, three if the number exceeds 12 but does not exceed 18, and four if the number exceeds 18.

The Directors of the company during the year to 31 August 2024 were as follows:

Dame Francine Holroyd

Mr M. Abraham B Ed (Hons)

Reverend C. Balding BEng (Hons) BA (Hons)

Mr G Bowring DL MA

Reverend A. Chesworth

Mrs S. Clark LLB CTA (Resigned Mar 24)

Ms S Jackson MA

Mrs S Papworth BA (Hons) Oxon ACIB

Mr D Payne BSc (Hons) FCA

Mrs L Renwick B.Ed NPQH

Mrs J Roe (Resigned Oct 24)

Mr J Skinner ACIS ACIB

Dr H Kemp MBChB MRCP FRCA

In accordance with the Articles of Association Reverend Balding, Mr Bowring, Reverend Chesworth and Dr Kemp retire by rotation, but, being eligible, offer themselves for re-election. None of the directors had a beneficial interest in any contract to which the company was a party during the period, except as disclosed in note 23.

Following the recommendation from the Nominations Committee, when new Directors are appointed, care is taken to ensure that the relevant skills and experience are represented. Each new Director is provided with training (including safeguarding training), an information pack and a list of further relevant training courses that they may attend. He/she also meets the Chairman, Principal and Finance Director and receives a conducted tour of the School. Directors receive regular safeguarding updates and a register of Director training is kept.

Governance

The Directors are responsible for the overall management and control of Harrogate Ladies' College Limited, which includes College (girls 11-18 years) and Highfield (girls and boys 2-11 years) and meet a minimum of once per term and as required if additional meetings are necessary to ratify or discuss major issues of policy and risk. The Finance and General Purposes Committee (F&GP), meet before each full Governing Board meeting and, as required, during the year to review budgets, performance, annual accounts and reports. There are a number of other committees who perform detailed reviews within their areas of responsibility and who, in most cases, meet termly. These include:

- Education Committee, which monitors the academic and extra-curricular aspects of School life;
- Estates Committee, which oversees all estates matters, household and catering services;
- Health and Safety Committee, which oversees all matters relating to health and safety in School;
- Human Resources Committee, which deals with all matters relating to employment issues including the monitoring and development of policies;
- Investment Committee, which directs and monitors the investment of the assets of Harrogate Ladies' College and, if requested by the Directors, of any associated Trusts for the sole interest of the School and associated beneficiaries;
- Marketing Committee, which oversees the promotion and public relations strategies of the organisation and covers both national and international marketing;
- Nominations Committee, which oversees the review, recruitment and appointment of Governors;
- Pupil Welfare Committee, which oversees all pupil welfare matters including safeguarding and boarding; and
- Scholarships and Bursaries Committee, which develops, approves and keeps under review the operation of a Scholarships and Bursaries Strategy for the School and ensures appropriate and consistent implementation of such a strategy.

All Committees are chaired by a Director, with membership embracing a combination of other Directors and appropriate members of senior staff.

The day-to-day running of Harrogate Ladies' College is delegated to the Principal and Chief Executive Officer, Mrs Sylvia Brett, who, in turn, delegates responsibilities to the Whole School Leadership Team. As well as themselves, the Directors consider the Principal and the Whole School Leadership Team comprise the key management personnel of the School, in charge of directing and controlling, running and operating the School on a day-to-day basis.

The remuneration of key management personnel is set by the Governing Body and is reviewed annually to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

All Directors give of their time freely and no Director received remuneration in the year. Details of Directors' expenses and related party transactions are disclosed in notes 8 and 23 to the accounts.

Group Structure and Relationships

Harrogate Ladies' College Limited has a wholly owned non-charitable trading subsidiary, HLC (Properties) Limited, which lets the facilities of the School for use by the public and various organisations for event, educational and leisure purposes.

Harrogate Ladies' College Limited has two linked charities, Harrogate Ladies' College Scholarship, Bursary and Prize Fund and Harrogate College Endowment Fund. The Directors of Harrogate Ladies' College Limited can apply the capital and income of the Harrogate Ladies' College Scholarship, Bursary and Prize Fund for the provision of scholarships and bursaries. The Directors of Harrogate Ladies' College Limited can apply the capital and income of the Harrogate College Endowment Fund both for the provision of scholarships and bursaries and also facilities at the School.

Annual General Meeting

The Annual General Meeting of the company is taking place in the week commencing 19 May 2025.

Risk Management

The Directors are responsible for risk management within the School. In the opinion of the Directors, the School has established systems, which under normal circumstances should allow those risks to be mitigated to an acceptable level in its day-to-day operations.

The Directors consider the School's financial risk to be low. It has a positive cash balance with no borrowings or other financial instruments. Additionally, there is an overdraft facility available but this has not been used for the past 10+ years.

The Directors keep the School's activities under review, particularly with regard to any major risks that may arise from time to time. A Risk Register is maintained by the School that itemises the risks likely to be encountered by the School, along with the systems and procedures that are in place in order to mitigate the risks. The register is reviewed by the Directors at least annually. The risks are classified on the register as High, Medium and Low.

The major risks to the School as noted on the Risk Register are:

- The affordability of school fees for parents particularly in the current economic and political climate;
- The ability to recruit pupils in a highly competitive market; and
- The financial challenges facing all independent schools with the uncertainty surrounding mandatory business rate relief and VAT; all of which are key risks because of their potential impact on affordability.

The Directors believe that appropriate controls are in place to manage these risks successfully. Individual Committees monitor the effectiveness of the controls on a regular basis in relation to the particular risks within each Committee's remit.

The key controls used by the School include:

- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal agendas and minutes for all Committees;
- Terms of reference for all Committees;
- Termly review by each Committee of the risks and controls within the remit of a particular Committee;
- Annual review of the Risk Register by the Governing Body;
- Formal written policies;
- Comprehensive insurance policies;
- Formal risk assessments undertaken for all activities, school trips, classroom environments, and workplaces;
- Clear authorisation and approval levels; and
- Safeguarding procedures as required by law for the protection of the children and vulnerable adults.

Harrogate Ladies' College Limited
Directors' Report – for the year ended 31 August 2024

Reserves Policy

The Reserves Policy is set by the Governing Body and is designed to protect and safeguard the assets of the Charity. The primary objective of the policy is to ensure sufficient funds are available to meet ongoing operational requirements whilst further investing in facilities, thereby ensuring long-term sustainability and the enduring quality of educational provision.

The Reserves Policy was implemented and approved by the Governing Body in 2024.

Financial forecasts are regularly reviewed to ensure that the level of free reserves is sufficient to meet the operational requirements and any potential threats to future income, these forecasts consider sensitivity to internal and external factors in determining the level of free reserves required.

The school aims to have a target for free unrestricted reserves of 13 weeks essential expenditure. Free reserves are currently the equivalent of 14.6 weeks expenditure. This includes the overdraft facility at the year end of £1 million.

The F&GP compare the level of reserves to the policy benchmarks at least once a term.

Investment Policy

The School has two investment funds at its disposal, currently held as cash: The General Investment Fund, which is unrestricted, and the Harrogate Ladies' College Scholarship, Bursary and Prize Fund, whose funds are to be used to further the education of pupils attending Harrogate Ladies' College by the awards of scholarships, bursaries, prizes, maintenance allowances and leaving exhibitions. The company's Memorandum of Association empowers it to invest and deal with the monies of the company that are not immediately required, as it thinks fit.

Since 2021 the funds have been held as cash. £1.4m of the funds have been in a notice deposit account earning interest.

Disabled Employees

The School is committed to equal opportunities for all; it is the policy of the School that no job applicant or employee receives less favorable treatment on the grounds of disability. Harrogate Ladies' College trains and encourages the career development of disabled employees in its employment.

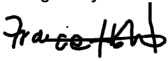
Auditors

Saffery LLP has expressed their willingness to remain in office as auditors of the company.

17 May 2025

This Directors' report, including a strategic report, were approved by order of the Board on..... and signed on

their behalf by:

Signed by:

7D38CEF3FAFE4AC...

Dame Francine Holroyd
Chairman of the Trustees

Opinion

We have audited the financial statements of Harrogate Ladies' College Limited for the year ended 31 August 2024 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows 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 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 charitable company's state of affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 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 annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the trustees (who are also 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 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 charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance to the charitable company include the Charities Act 2011, Companies Act 2006, and guidance issued by the Charity Commission for England and Wales. Further the charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charitable company's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

Audit response to risks identified

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available 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. 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.

Saffery LLP

Sally Appleton (Senior Statutory Auditor)
for and on behalf of Saffery LLP

Chartered Accountants
Saffery LLP 10 Wellington Place
Leeds
LS1 4AP

Statutory Auditors
Date: 28 May 2025

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

		2024	2024	2024	2023
		General	Restricted	Total	Total
		Funds	Funds		
		£	£	£	£
INCOME					
Donations	3	-	4,001	4,001	5,567
Charitable activities					
School fees receivable	1	9,365,616	-	9,365,616	9,126,457
Other educational income		292,364	-	292,364	314,977
Other ancillary trading income	2	87,950	-	87,950	94,534
Raising funds					
Activities for generating funds	2	130,000	-	130,000	110,000
Rents and school lets		124,913	-	124,913	130,085
Investment income	4	38,284	-	38,284	-
Other income	5	1,094	-	1,094	720
TOTAL INCOME		10,040,221	4,001	10,044,222	9,782,340
EXPENDITURE					
Raising Funds	6	33,876	-	33,876	28,428
Charitable activities					
Provision of education	6	10,332,415	-	10,332,415	9,824,099
TOTAL EXPENDITURE	6	10,366,291	-	10,366,291	9,852,527
NET (EXPENDITURE) / INCOME BEFORE OTHER GAINS		(326,070)	4,001	(322,069)	(70,187)
Transfer between funds	15	50,000	(50,000)	-	-
Net movement in funds		(276,070)	(45,999)	(322,069)	(70,187)
Funds brought forward at 1 September		5,807,209	355,960	6,163,169	6,233,356
Funds carried forward at 31 August	16	5,531,139	309,961	5,841,100	6,163,169

All operations of the charitable company are continuing operations.

The statement of financial activities incorporates an income and expenditure account for Companies Act purposes. The notes on pages 19 - 32 form part of these financial statements.

A comparative statement of financial activities is shown at note 24.

Harrogate Ladies' College Limited

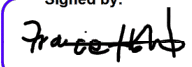
Balance Sheet

As at 31 August 2024

	Notes	As at 31 August 2024 £	As at 31 August 2023 £
Tangible fixed assets	8	5,964,223	6,160,025
Investment assets			
Investment in subsidiary	10	2	2
		<u>2</u>	<u>2</u>
Current assets			
Debtors	11	800,012	833,076
Cash in hand		2,615,510	3,119,394
		<u>3,415,522</u>	<u>3,952,470</u>
Creditors: amounts falling due within one year	12	(3,210,288)	(3,943,970)
Net current assets		<u>205,234</u>	<u>8,500</u>
Total assets less current liabilities		<u>6,169,459</u>	<u>6,168,527</u>
Creditors: amounts falling due after more than one year	13	(328,359)	(5,358)
Net assets		<u>5,841,100</u>	<u>6,163,169</u>
UNRESTRICTED FUNDS			
General funds	14	5,531,139	5,807,209
RESTRICTED FUNDS			
	15	309,961	355,960
Total funds	16	<u>5,841,100</u>	<u>6,163,169</u>

17 May 2025

The financial statements were approved by the board of Trustees on and signed on its behalf by:

Signed by:

 7D38CEF3FAFE4AC...

Dame Francine Holroyd Chairman

Company registered number: 00197987

The notes on pages 19 - 32 form part of these financial statements.

Harrogate Ladies' College Limited
Cash Flow Statement
For the year ended 31 August 2024

Notes		2024	2023
		£	£
Net cash flows from operating activities	18	(1,118,661)	(84,245)
Financing activities - Interest received		38,284	-
Composition fees:		677,436	-
Investing activities:			
Purchase of tangible fixed assets		(100,941)	(81,881)
Disposal of investments		-	-
Net cash flows from investing activities		<u>(100,941)</u>	<u>(81,881)</u>
(Decrease) in cash in the year		<u>(503,884)</u>	<u>(166,126)</u>
Cash at the start of the year		3,119,394	3,285,520
Cash at the end of the year		<u>2,615,510</u>	<u>3,119,394</u>
	At 1 September	Cash flow	At 31 August
	2023		2024
	£	£	£
Cash in hand	10,235	(8,132)	2,103
Cash at bank	3,109,159	(495,752)	2,613,407
Net cash	<u>3,119,394</u>	<u>(503,884)</u>	<u>2,615,510</u>

The charity had no net debt at the end of the year.

1. Accounting policies

a) Basis of accounting

The financial statements have been prepared under the Charities Act 2011, the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice ("SORP(FRS102)") and FRS 102. The financial statements have been prepared on the historical cost basis of accounting, with the exception of investments, which are included on a market value basis, and freehold buildings, whose deemed cost is included on a valuation basis adopted on the transition to FRS 102. The financial statements include a Statement of Financial Activities rather than a profit and loss account in order to comply with the SORP. The financial information is presented for the School as an individual undertaking and not for the group. The Trustees have taken advantage of the Companies Act 2006 (S405 (2)) exemption not to prepare group financial statements. They consider they would be of no real value to the members of Harrogate Ladies' College Limited as the effects of any changes would not be material to the financial statements of Harrogate Ladies' College Limited.

Going Concern

The Governors have reviewed the forecasts to August 2026 and believe that the School will continue to operate for the foreseeable future. The Governors have concluded that there is sufficient cash headroom for the School to remain a going concern. Included within this cash headroom at the year-end is the availability of an unused overdraft facility of £1m.

At 31 August 2024, there were net current assets of £199k. However, there were approximately £1,036k of pupil deposits and fees in advance included within current liabilities, and whilst these could technically mature in 1 year they are not expected to be repayable within one year.

b) Income and expenditure

Income

Fees Income

School fees are included in the financial statements on an accruals basis. Registration fees are credited to income in the year in which they are received.

Investment income

Investment income is accounted for in the period in which the School is entitled to receipt.

Donations

Donations are accounted for within the Statement of Financial Activities and donations of fixed assets are capitalised.

Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities. Contractual arrangements are recognised as goods or services as supplied. Irrecoverable VAT is included with the item of expenditure to which it relates. The following information is also relevant:

- Charitable Activities – these include expenditure associated with the operation of the charity's School, and
- Repairs and Maintenance – expenditure is charged as an operating expense in the year in which it is incurred.

c) Tangible fixed assets and depreciation Freehold land and buildings

Expenditure relating to the acquisition of, and extensions to, freehold land and buildings together with the initial equipping thereof is capitalised and is stated in the financial statements at cost less accumulated depreciation and any provision for impairment. A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Short leasehold property

The expenditure on leasehold property is shown at cost less accumulated depreciation, which is being provided to enable such expenditure is written off over the term of the lease.

Other

Other tangible fixed assets are stated at cost less accumulated depreciation. Donations of tangible fixed assets are capitalised at their cash value or at estimated cash value if received in kind.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off their cost by equal instalments over the expected useful lives of the assets concerned. The estimated useful lives are considered to be as follows:

Freehold buildings	- 20 to 125 years
Leasehold improvements	- period of lease
Plant and equipment	- 7 years
Computer equipment	- 5 years
Furniture, fixtures and fittings	- 10 years
Motor vehicles	- 4 years or period of lease

Land is not depreciated.

Capitalisation of fixed assets

Fixed assets costing more than £500 are capitalised and carried in the balance sheet at cost. Groups of assets whose total values exceed £500 (but individually would not) may be capitalised.

d) Stocks

Stocks are accounted for as consumables and expensed in the year of purchase.

e) Financial Instruments

The charity 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.

f) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity held for working capital.

g) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid. Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the income and expenditure account.

h) Creditors, loans and provisions

Creditors, loans and provisions are recognised where the charity 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, loans and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. Financial liabilities are derecognised when, and only when, the charity's obligations are discharged, cancelled or they expire. Amounts recognised as provisions are best estimates of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

The composition fees received represent a basic financial instrument and have been accounted for within creditors at cost.

i) Fund accounting

The charitable trust funds of the College are accounted for as unrestricted or restricted income in accordance with the terms of the trust imposed by the donors or any appeal to which they may have responded.

Unrestricted income belongs to the School's corporate reserves, spendable at the discretion of the Governors either to further the School's objects or to benefit the School itself.

Restricted income comprises gifts, legacies and donations where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

j) Pensions

The School's professional teaching staff are enrolled into the Royal London Defined Contribution Scheme. Employer contributions are 17% as well as re-investment of saving in ER NI as a result of a salary exchange scheme. The School's results for the year are stated after charging the relevant employer's contributions to the schemes.

Other staff are invited to become members of The Pensions Trust Growth Plan or Unitised Ethical Plan. Within The Growth Plan, Series 1, 2 and 3 contain guarantees as to a minimum level of benefits that will be paid and therefore are deemed to be multi-employer defined benefit pension schemes where it is not possible on a reasonable and consistent basis to separately identify the assets and liabilities of participating employers. Consequently, the amounts charged to the Statement of Financial Activities in respect of pension costs are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. Series 4 of The Pensions Trust Growth Plan and the Unitised Ethical Plan are defined contribution schemes. The amounts charged to the Statement of Financial Activities in respect of pension costs are the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

k) Operating and finance leases

Assets used by the School under operating leases are not capitalised. The costs associated with their rental are charged on a straight-line basis to expenditure over the lease term, even if payments are not made on such a basis. Assets that are financed by leasing agreements transferring substantially all risks and rewards of ownership (finance leases) are capitalised and depreciated over their useful lives. The liability to the leasing company is included in creditors. Leasing payments are treated as consisting of capital and interest elements and the interest element is charged to the statement of financial activities.

l) Linked Charities

In accordance with section 25 of SORP 2015, charities linked with Harrogate Ladies' College by the Charity Commission have been incorporated within these financial statements. Details of linked charities, including their activities and funds, are included in note 16.

m) Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

n) Bad debt provision

Fees due to the charity are reviewed regularly for signs of any impairment. Balances are provided for where there is significant uncertainty over the recoverability, and impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

1. Fees

	2024	2023
	£	£
Gross school fees	11,106,527	10,898,460
Less: Scholarships, bursaries, allowances and agent fees	(1,740,911)	(1,772,003)
	<u>9,365,616</u>	<u>9,126,457</u>

The income from fees is all unrestricted (2023: all unrestricted).

2. Other income

	2024	2023
	£	£
Other ancillary trading income:		
Transport to/from School	50,139	56,094
Uniform	37,811	38,440
	<u>87,950</u>	<u>94,534</u>
Activities for generating funds:		
Donation from HLC (Properties) Ltd	130,000	110,000
	<u>130,000</u>	<u>110,000</u>

Other income is all unrestricted (2023: all unrestricted).

3. Donation income

	2024	2023
	£	£
	Restricted	Restricted
Donations to the Scholarship, Bursary and Prize Fund	4,001	5,567
	<u>4,001</u>	<u>5,567</u>

4. Investment income

	2024	2023
	£	£
Bank Interest	38,284	-
	<u>38,284</u>	<u>-</u>

Investment income is all unrestricted (2023: all unrestricted).

5. Other income

	2024	2023
	£	£
Miscellaneous income	1,094	720
	<u>1,094</u>	<u>720</u>

Other income is all unrestricted (2023: all unrestricted).

6. Analysis of total expenditure

Year ended 31 August 2024	Staff costs	Other costs	Depreciation	2024 Total
	£	£	£	£
Cost of generating funds				
Rental costs	8,426	-	-	8,426
Bank charges	-	25,450	-	25,450
	8,426	25,450	-	33,876
Charitable activities				
Provision of education				
Teaching	4,505,593	217,219	-	4,722,812
Welfare	836,050	1,218,800	-	2,054,850
Premises	304,857	1,616,465	296,245	2,217,567
Support costs	776,024	534,617	-	1,310,641
Governance costs	-	26,545	-	26,545
	6,422,524	3,613,646	296,245	10,332,415
Total resources expended	6,430,950	3,639,096	296,245	10,366,291
Year ended 31 August 2023				
	Staff costs	Other costs	Depreciation	2023 Total
	£	£	£	£
Cost of generating funds				
Rental costs	8,108	-	-	8,108
Bank charges	-	20,320	-	20,320
	8,108	20,320	-	28,428
Charitable activities				
Provision of education				
Teaching	4,281,296	310,066	-	4,591,362
Welfare	686,331	1,227,423	-	1,913,754
Premises	263,143	1,554,993	310,191	2,128,327
Support costs	771,567	389,159	-	1,160,726
Governance costs	-	29,930	-	29,930
	6,002,337	3,511,571	310,191	9,824,099
Total resources expended	6,010,445	3,531,891	310,191	9,852,527

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2024

Analysis of total expenditure (continued)

	2024	2023
	£	£
Charitable activities include:		
Depreciation on owned assets	296,745	310,191
Operating lease rentals	38,934	37,832
	<u> </u>	<u> </u>
Governance costs include:		
Auditors' remuneration for:		
Audit services	18,780	16,400
Accountancy services	840	3,900
	<u>19,620</u>	<u>20,300</u>

Unless otherwise specified, all costs in this note are unrestricted.

7. Staff costs

	2024	2023
	£	£
Total staff costs comprised:		
Wages and salaries	5,239,902	4,960,143
Social security costs	450,552	432,018
Pensions contributions		
Schemes for teaching staff	517,284	530,069
Pensions Trust Growth Plan	217,798	79,067
Pensions Trust Unitised Ethical Plan	5,414	9,148
	<u>6,430,950</u>	<u>6,010,445</u>

Staff costs are all unrestricted (2023: all unrestricted). Included within wages and salaries are three compensation payments of three compensation payments of £15,030, £15,000 and £13,109. The TPT Growth Plan exit debt has been accrued into the Pensions Trust Growth Plan contributions figure.

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2024

The Trustees received £nil remuneration during the year (2023: £nil). An amount of £2,198 was reimbursed to two Trustees during the year in respect of travel and training expenses (2023: £3,550 to three Trustees).

The average numbers of employees in the year were:

		2024	2023
Teaching	Full time	58	60
	Part time	70	65
Welfare	Full time	11	11
	Part time	28	28
Premises	Full time	8	8
	Part time	3	3
Support	Full time	11	13
	Part time	10	8
		<u>199</u>	<u>196</u>

The aggregate remuneration (including gross pay and employer's pension contributions) paid to key management personnel during the period was: £466,184 (2023: £446,929).

The number of employees whose emoluments (gross pay) exceeded £60,000 were:	2024	2023
£60,001 to £70,000	2	2
£70,001 to £80,000	3	3
£80,001 to £90,000	-	1
£100,001-£110,000	-	-
£110,001-£120,000	1	1

8. Tangible assets

	Freehold	Leasehold	Furniture, fixtures & fittings	Motor & vehicles	Plant & equipment	& Computer equipment	Total
	£	£	£	£	£	£	£
Cost (or frozen valuation*)							
1 September 2023	3,501,786	6,764,441	1,024,589	119,514	1,240,080	346,436	12,996,846
Adjustment	-	-	-	-	-	-	-
Additions	-	59,384	22,617	6,000	-	12,940	100,941
Disposals	-	-	-	(10,605)	-	-	(10,605)
31 August 2024	3,501,786	6,823,825	1,047,206	114,909	1,240,080	359,376	13,087,182
Depreciation							
1 September 2023	255,769	4,070,670	959,372	103,185	1,133,390	314,433	6,836,819
Charge for the year	28,088	185,480	12,249	11,680	45,658	13,590	296,745
Disposals	-	-	-	(10,605)	-	-	(10,605)
31 August 2024	283,857	4,256,150	971,621	104,260	1,179,048	328,023	7,122,959
Net Book Value							
31 August 2024	3,217,929	2,567,675	75,585	10,649	61,032	31,353	5,964,223
31 August 2023	3,246,017	2,693,771	65,217	16,329	106,690	32,003	6,160,025

*The School has elected, in accordance with Section 35.10(d) of FRS 102, to use the carrying value on 1 August 2014, the date of transition to FRS 102, of any of the above freehold land and buildings previously carried at a valuation, as their deemed cost.

9. Capital commitments

At the balance sheet date, there was £nil of capital expenditure that was contracted for but not provided for within these financial statements (2023: £3,500).

10. Investment in subsidiary

	2024 £	2023 £
Shares at cost	2	2

The School owns the whole of the issued ordinary share capital of HLC (Properties) Limited, a company registered in England (company number 03699669). HLC (Properties) Limited lets the School's facilities for use by the public, and prepares its financial statements to 31 August. It made a profit of £131,272 for the year to 31 August 2024 and a gift aid donation of £130,000 was made to the School. In 2023, it made a profit of £136,849, and a gift aid donation of £130,000 was made to the School.

The following information is disclosed:

	2024 £	2023 £
Balance of Capital and reserves	11,408	10,135
Result for the period after distributions	11,408	10,135

11. Debtors	2024	2023
	£	£
Debtors in respect of school fees	207,761	244,274
Amounts owed by subsidiary undertaking	196,834	338,282
Other debtors	31,073	11,090
Prepayments and accrued income	364,344	239,430
	<u>800,012</u>	<u>833,076</u>

12. Creditors	2024	2023
Amounts falling due within one year	£	£
School fees received in advance	949,149	1,690,851
Composition fees	350,685	-
Pupils' initial deposits	1,035,666	1,227,363
Amounts owed to Teachers' Pension schemes	71,744	67,999
Taxation and social security	104,749	118,057
Net Present Value of Pensions Trust deficit recovery contributions	4,308	10,339
Accruals	334,753	307,909
Other creditors	359,234	521,452
	<u>3,210,288</u>	<u>3,943,970</u>

Pupils' initial deposits - fall due for repayment when the pupil leaves the School either by way of refund or offset against any monies owing at that date. In the normal course of events, the majority of deposits will fall due after more than one year. Total deferred income at the year end totaled £1,984,815 (2023: £2,918,214) constituting fees and deposits paid in advance.

Composition fees

School fees received in advance are apportioned over the pupil's time at the School. These fees may be returned to the fee payer subject to specific conditions on receipt of one term's notice.

Assuming pupils remain in the School, advance fees will be applied as follows:

	2024	2023
	£	£
Within 1 year	350,685	-
Within 1 to 2 years	146,135	-
Within 2 to 3 years	85,589	-
Greater than 3 years	95,027	-
	<u>677,436</u>	<u>-</u>

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

	2024 £	2023 £
Net Present Value of Pensions Trust deficit recovery contributions	-	3,750
Composition fees	326,751	-
Other creditors	1,608	1,608
	<u>328,359</u>	<u>5,358</u>

14. General funds – unrestricted

	2024 £	2023 £
At 1 September	5,807,209	5,832,963
Net outgoing resources	(326,070)	(75,754)
Transfer of funds	50,000	50,000
At 31 August	<u>5,531,139</u>	<u>5,807,209</u>

15. Restricted funds

	At 1 September 2023 £	Incoming resources £	Outgoing resources £	Transfer of funds £	At 31 August 2024 £
Scholarship, Bursary and Prize Fund	347,643	4,001	-	(50,000)	301,644
Small Hall Fund	8,317	-	-	-	8,317
	<u>355,960</u>	<u>4,001</u>	<u>-</u>	<u>(50,000)</u>	<u>309,961</u>

	At 1 September 2022 £	Incoming Resources £	Outgoing resources £	Transfer of funds £	At 31 August 2023 £
Scholarship, Bursary and Prize Fund	392,076	5,567	-	(50,000)	347,643
Small Hall Fund	8,317	-	-	-	8,317
	<u>400,393</u>	<u>5,567</u>	<u>-</u>	<u>(50,000)</u>	<u>355,960</u>

The Harrogate Ladies' College Scholarship, Bursary and Prize Fund is a linked charity and is made up of many smaller funds, the origins of which are bequests, donations and Speech Day prizes, which were managed separately until 2002 when they were amalgamated into one fund under a Charity Commission approved scheme to make the management more efficient. During the 2014 financial period, an additional fund, the Harrogate Ladies' College Scholarship Fund, which had previously been a separate registered charity, was amalgamated into the Harrogate Ladies' College Scholarship, Bursary and Prize Fund. The funds are to be used to further the education of pupils attending Harrogate Ladies' College by the awards of scholarships, bursaries, prizes, maintenance allowances and leaving exhibitions. The £50k transfer occurs annually from the restricted fund in order to fund a proportion of the bursaries through the College. The Small Hall Fund related to monies donated by the alumni for the refurbishment of the School's theatre.

16. Analysis of Net Assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 August 2024 are represented by:			
Tangible fixed assets	5,964,223	-	5,964,223
Investments	2	-	2
Current assets	3,105,561	309,961	3,415,522
Creditors	(3,538,647)	-	(3,538,647)
Total	5,531,139	309,961	5,841,100
	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 August 2023 are represented by:			
Tangible fixed assets	6,160,025	-	6,160,025
Investments	2	-	2
Current assets	3,596,510	355,960	3,952,470
Creditors	(3,949,328)	-	(3,949,328)
Total	5,807,209	355,960	6,163,169

17. Reconciliation of movement in total funds

	2024 £	2023 £
Result for the financial period	(322,069)	(70,187)
Net movement in funds	(322,069)	(70,187)
Opening funds	6,163,169	6,233,356
Closing funds	5,841,100	6,163,169

18. Reconciliation of net movement in funds to net cash flows from operating activities

	2024	2023
	£	£
Net expenditure for the period	(322,069)	(70,187)
Interest received	(38,284)	-
Interest paid	-	-
Operating loss for the period	(360,353)	(70,187)
Depreciation charge	296,745	310,191
Profit on disposal of asset	-	(2,199)
Decrease/(increase) in debtors	33,064	(78,372)
(Decrease) in creditors	(1,088,117)	(243,678)
Net cash inflow from operating activities	(1,118,661)	(84,245)

19. Leases

Operating leases

At 31 August 2024, the total of the company's future minimum lease payments under non-cancellable operating leases was:

	2024	2023
	£	£
Within one year		
Other leases	65,335	37,832
Land and Buildings	430,561	411,368
Two to five years		
Other leases	180,245	120,254
Land and Buildings	1,372,973	1,803,534
Over 5 years		
Land and Buildings (lease expires in 2062)	22,900,267	23,396,829

20. The Pension Scheme for Teaching staff

HLC exited the Teachers Pension scheme at 31 August 2023 at which point Teaching staff were enrolled into the Royal London Defined Contribution Scheme. Employer contributions are 17% as well as re-investment of saving in ER NI as a result of a salary exchange scheme. The pension charge for the year includes contributions payable to the scheme of £586,651 and at the year-end, £71,744 was accrued in respect of contributions to this scheme.

21. The Pensions Trust (TPT)

Growth Plan

Harrogate Ladies' College Limited participated in The Pensions Trust's Growth Plan, which is a multi-employer scheme which provides benefits to some 950 non-associated participating employers, up until 31 August 2024. Within the Growth Plan, the School participates in Series 1, 2, 3 and 4.

Growth Plan Series 1, 2 and 3

Growth Plan Series 1, 2 and 3 (the scheme) is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out at 30 September 2023. This valuation showed assets of £515m, liabilities of £531m and a deficit of £16m.

Harrogate Ladies' College Limited, following consultation with all affected staff, exited the TPT Growth Plan scheme on 31 August 2024 due to the unknown future liability. The exit debt has been confirmed by TPT and accrued for in the accounts ending 31 August 2024. A period of grace form has been submitted to delay the final exit decision by the board of Governors pending confirmation of ongoing deficit costs and expenses following the 2023 valuation.

Growth Plan Series 4

The Pensions Trust closed the Growth Plan Series 3 to new contributions from 30 September 2013. All employers that participated in Growth Plan Series 3 at the balance sheet date have switched to Growth Plan Series 4 for new contributions from 1 October 2013. Series 4 is a defined contribution scheme.

As at the balance sheet date, there were 93 active members of the Growth Plan employed by the company. These were all members of Series 4.

From 1 October 2013, the company paid contributions into the Growth Plan Series 4 at the rates of up to 7%. Members paid contributions at the rates of up to 4% during the same period.

Unitised Ethical Plan

The School also contributes to the Pensions Trust Unitised Ethical Plan, which is a defined contribution scheme. The School paid contributions at the rates of up to 7% during the accounting period. Members paid contributions at the rate of up to 4% during the accounting period. As at the balance sheet date, there were 2 active members of the Unitised Ethical Plan employed by the company. The company continues to offer membership of the Unitised Ethical Plan to its employees.

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2024

22. Related party transactions

At the year-end the School was owed £338,282 (2023: £286,774) from HLC (Properties) Limited. HLC (Properties) Limited made an annual charitable donation of £130,000 during the year to 31 August 2024 (2023: £110,000). During the year, expenditure of £39,520 (2023: £75,609) was recharged from Harrogate Ladies' College to HLC (Properties) Limited.

Certain Trustees send their children to the School but are charged fees on an arm's length basis and receive no discount or concessions by virtue of their Trusteeship.

23. Comparative Statement of Financial Activities

	2023	2023	2023
	General	Restricted	Total
	Funds	Funds	
	£	£	£
INCOME			
Donations	-	5,567	5,567
Charitable activities			
School fees receivable	9,126,457	-	9,126,457
Other educational income	314,977	-	314,977
Other ancillary trading income	94,534	-	94,534
Raising funds			
Activities for generating funds	110,000	-	110,000
Rents and school lets	130,085	-	130,085
Investment income	-	-	-
Other income	720	-	720
TOTAL INCOME	9,776,773	5,567	9,782,340
EXPENDITURE			
Raising Funds	28,428	-	28,428
Charitable activities			
Provision of education	9,824,099	-	9,824,099
TOTAL EXPENDITURE	9,852,527	-	9,852,527
NET (EXPENDITURE)/INCOME BEFORE OTHER GAINS	(75,754)	5,567	(70,187)
Transfer between funds	50,000	(50,000)	-
Net movement in funds	(25,754)	(44,433)	(70,187)
Funds brought forward at 1 September	5,832,963	400,393	6,233,356
Funds carried forward at 31 August	5,807,209	355,960	6,163,169

HARROGATE LADIES' COLLEGE LIMITED

England & Wales - Charity number 529579

Accounts

Company Registration No. 00197987 (England and Wales)

Charity Registration No. 529579

**HARROGATE LADIES' COLLEGE LIMITED
(CHARITABLE COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

Harrogate Ladies' College Limited
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Harrogate Ladies' College Limited
Directors, Officers and Administrative Details

Trustees

Dame Francine Holroyd (Chair)
Mr M. Abraham B Ed (Hons) (Appointed 17 March 2023)
Reverend C. Balding BEng (Hons) BA (Hons)
Mr G. Bowring DL MA
Reverend A.Chesworth
Mrs S. Clark LLB CTA
Ms S. Jackson MA
Mrs S. Papworth BA (Hons) Oxon ACIB FCSI
Mr D. Payne BSc (Hons) FCA
Mrs L. Renwick B.Ed NPQH
Mrs J. Roe BSc (Hons)
Mr J. Skinner ACIS ACIB
Dr H. Kemp MBChB MRCP FRCA (Appointed 17 March 2023)

Company Secretary

Mr M. Porter BA MSc

Key Management Personnel

Mrs S. Bowman
Mrs S. Brett
Mrs J. Fox
Mrs E. Richards
Mr J. Savile

Registered Office and Principal Office

Harrogate Ladies' College
Clarence Drive
Harrogate HG1 2QG

Auditors

Saffery LLP
Mitre House
North Park Road
Harrogate HG1 5RX

Bankers

Barclays Bank Plc
PO Box 858
Wytham Court
11 West Way, Botley
Oxford OX2 0XP

Solicitors

Consilia Legal LLP
Park House
Park Square
Leeds LS21 2PW

Financial Statements

The Trustees, who are also referred to as Governors and are also Directors for Companies Act purposes, are pleased to present their annual Trustees' Annual Report together with the financial statements of the charity for the year ending 31 August 2023, which are also prepared to meet the requirements for a Directors' Report and accounts for Companies Act purposes.

OBJECTS, AIMS and VALUES

Charity's Objects

The primary object of the charity, as set out in its Memorandum of Association, is to provide the establishment and maintenance of schools for the education of girls and boys in accordance with the principles of the Church of England. The business of the company is entirely related to running the Schools known as Harrogate Ladies' College (girls only) and Highfield (co-educational) in Harrogate, North Yorkshire (together the 'School').

Charity's Aims

The Harrogate Ladies' College family of Schools - Highfield and College - aims to inspire and nurture pupils so as to engender in them a deep passion for learning and a love of life.

Girls and boys educated at this Christian foundation for day and boarding pupils will be challenged to be the best that they can be: responsible citizens of their community and the world.

Our pupils will value every individual equally with respect and openness of mind. They will go out into the world empowered with self-confidence and equipped with the academic qualities and emotional intelligence to make the most of life.

Charity's Values

Underpinning these aims are the core values of the School as articulated by the words of the School crest, which are Industria, Fide and Pietate:

- hard work and service;
- trust, loyalty, tolerance, inclusiveness and honesty; and
- conscientiousness, decency, forgiveness, compassion and gentleness.

A pupil leaving the Harrogate Ladies' College family of Schools will have had opportunities to develop key skills for life (as articulated by the CBI), some of which are listed here:

- self-management and the ability to take responsibility for one's actions;
- team working based on respect, the ability to listen and self-confidence;
- understanding of the wider world;
- problem solving using creativity and analysis; and
- numeracy, literacy and IT proficiency.

STRATEGIC REPORT – OBJECTIVES and ACTIVITIES

The financial year 2022-2023 marked a welcome return to full school activities made all the more special by a greater awareness of the importance of connectedness in our lives and especially for the flourishing of our children. The focus of the year was rebuilding the skills which had been impacted by the pandemic. Whilst our pupils' learning may not have suffered, their social and emotional development has warranted special attention so that they can embrace again all that school and life has to offer. It has been a joyful year during which we could celebrate fully our extraordinary community. The financial resilience of the school continued to grow after the challenges of the pandemic and the Governors and Leadership of the School have shown remarkable nimbleness and dedication to ensuring the long term future of the School.

Charitable Activities

The School community continued to support a wide range of charities during the year including Harrogate Homeless (as the main focus in College) and Candlelighters and the Bombo School project in Highfield. Our fantastic community has baked, played sport, learnt new languages, created art, worn silly clothes and given generously to support our charities. An urgent appeal for support for victims of the Turkey/ Syria disaster led to an outflowing of gifts and on the one year anniversary of the start of the war in Ukraine pupils taught staff how to create traditional Ukrainian Art raising money for the Disasters Emergency Committee Ukraine Humanitarian Appeal. This year we held our first ever charity fashion show. The show raised £500 for Harrogate Clothes Bank, but also gave a strong message about fashion, clothing and the environment. We wanted to encourage our audience to think about the environmental and ethical impact of buying new clothing and shoes, and consider buying pre-loved.

Boarding

The trips and activities programme this year has been as amazing as ever, with boarders as well as day pupils visiting places such as Harry Potter Studios in London, theme parks, art galleries, museums and Christmas markets. We have also enjoyed being amongst nature, at nearby places including Harlow Carr, Stockeld Park and Valley Gardens. We feel very privileged that we have so many wonderful places on our doorstep and the pupils have really engaged with being outdoors, putting devices down and being present.

Something which is fast becoming a tradition is our firepits, where pupils gather outside around the firepit and toast marshmallows, eat s'mores and share stories. It has been a great bonding experience for so many of our boarders and a lovely way to get to know each other. There have been lots of fantastic activities within boarding, which has meant boarders have been busy baking, tie dying and utilising the school facilities for fun, late evening swim sessions.

Wellness and wellbeing are a priority at College so we conducted a survey with pupils, listened to their opinions, and chose things they want to do to relax. Wellbeing Wednesdays has so far included yoga sessions during the autumn term, pet therapy sessions, pamper evenings and mindfulness colouring. Boarders have really enjoyed spending time with the House dogs and with each other.

Academics

At the heart of the educational ethos of the School is the essential power of progress. We want our pupils to gain the best possible results for them as individuals and celebrate their learning journeys at whatever stage they are.

At GCSE 57% of our grades were 7-9 (the national average was 22.4%) and we were ranked an incredible 27 out of 344 schools in relation to the added value that the pupils gained. This success was echoed at A level where the pupils gained the best grades in comparison with other Harrogate schools. Pupils gained 43% A*-A against a national average of 18.1%. These results were a credit to the students and staff involved, particularly given this was the last cohort to have GCSE examinations cancelled due to covid. 54% of pupils gained places at Russell Group Universities and courses included Aircraft Engineering with Pilot Studies, International Business Management, Fashion Design and Technology, Archeology and Illustration. Two pupils gained places at Cambridge to read Psychological and Behavioural Sciences.

Performing Arts

Our Performing Arts programme is key to our pupils' progress. Whether it is being the star in Annie or speaking in Assembly for the first time, our pupils continue to amaze with their courage and willingness to try new things.

Four nativities at Christmas time were performed on the recently renovated Swinton Theatre stage. All members of Transition to Prep 2 dazzled audiences with their own bespoke retelling of the traditional Christmas story. Springtime saw a colourful and poignant 'Easter Cantata' performed by a Prep 3 and 4 combined ensemble in the Assembly Hall. After only eight days of intensive rehearsal, Prep 6 produced a phenomenal performance of 'Joseph and the Amazing Technicolor Dreamcoat'. The show was an outstanding feat of acting through song and teamwork at its best, as all cast members remained in character on stage for the entire performance. The technicolour set and the chariot of gold only added to the splendour of the production.

In College, the Department's vision was to provide a specialist subject area that evokes a fresh passion for the Arts and strived for an honest focus and energy to be present in the pupils from the moment they stepped into a lesson or rehearsal. The climax of the year was the whole school production of 'Annie Jr'. It's difficult to express the sheer amount of organisation, collaboration, stamina and passion it takes from a huge number of individuals to achieve a show of this scale. The Drama and Music Departments' vision was to stage a fresh, joyful and exhilarating production, and the dedicated pupils took on the challenge to achieve the highest quality performances. The final shows took audiences on an exhilarating roller-coaster of visual and aural delight. They told the timeless tale of a child that overcomes the odds through fierce determination, a bit of luck and remembering that tomorrow is only a day away!

CHARITY OBJECTIVES

The objectives for 2022-23 were agreed at a Governing Body meeting in September 2022. These objectives and an impact assessment of these areas of focus are set out below.

1. Flourishing Pupils

- a. Embed KCSIE2022 and safeguarding practices: staff throughout the School have worked to ensure that safeguarding our pupils is at the top of everyone's agenda. Regular training (online, internal and external) alongside fortnightly interactive bulletins have embedded the importance of safeguarding for everyone and developed understanding. Parents worked with staff in Highfield to create an internet safety leaflet for parents.
- b. Strengthen and coordinate pastoral provision: the Flourish programme of pastoral care now includes 'Team Around the Child' meetings to ensure that pastoral care is joined up between the different areas of school and adults with responsibility for pupils. The launch of the Flourish App enabled pupils to 'measure' their wellbeing and staff to provide appropriate support.
- c. Focus on wellness and resilience for pupils, parents and staff: Wellness Champions are embedded and motivated in College. They worked hard on Mental Health Awareness Week Chapels and activities and have resumed their lunchtime 'hot drink and biscuits' drop-in sessions twice-weekly. Friendship ambassadors continue to work in Highfield and support pupils. A new catering company was appointed with a renewed focus on healthy, locally sourced seasonal food.
- d. Develop boarding provision: Half Term provision continues to be a popular option for boarding pupils. The extensive activity programme and integration between the boarding houses is a welcome return to pre pandemic activities.
- e. Rebuild integration and inclusion programme: whilst 'bubbles' were important to everyone's safety, the community missed the chance to get to know friends across year groups and nationalities. The House Music competition was a wonderful moment of unity in College where the Covid separation had finally been dissolved and the whole community came together to celebrate one another. In Highfield the EDI group continues to meet and it includes pupils from College.

2. Inspired Pupils

- a. Develop a 2-18 academic strategy and review provision at Highfield, KS3, GCSE and A-Level: Useful discussions were had including a clear articulation of what 2-18 means for College and Highfield. The English department working with Highfield on various initiatives, including a whole school Readathon for January 2023.
- b. Curriculum review at College and implement and refine in Highfield: An extensive review of the College curriculum took place and the Lower School Curriculum has been revised for the new academic year to include more choice and greater teaching time. The new phonics scheme in Highfield is now bedded in and is supporting the pupils' learning very well. Learning walks, book scrutinies and observations in College and Highfield contribute useful data to ensuring ongoing progress for pupils.
- c. Review G&T, EAL and SEN programme and links between Highfield and College: The new Head of EAL has introduced some excellent new initiatives this year including the Young Interpreters scheme which is empowering the pupils to provide peer support within school (including senior pupils visiting Highfield). A new Head of Inclusive Learning has been appointed for Highfield for September 2024; the pupil progress tracker is proving helpful in identifying pupils with SEND. In College there has been a focus on STEM through the development of the WISE programme. 13 pupils from Upper 4 upwards have been awarded a WISE award so far, this academic year. In Highfield, the Apollo Talks continue to provide fascinating opportunities for pupils to learn about the world outside of the curriculum; one highlight was a talk from an Antarctic explorer.
- d. Develop a 2-18 digital strategy and review provision at Highfield and College: Key stakeholders have drawn together the HLC Digital Learning 2027 Vision. The decision was made to move to Sharepoint and there has been a focus on digital security.
- e. Embed aspiration and information about diverse careers and different pathways: a comprehensive careers programme introduces pupils of all years to a wide range of career opportunities and post 18 options.

3. Recruitment and Retention

- a. Ensure sustainable recruitment throughout the school from local, national and international markets: A creative enrichment programme for local primary schools was rolled out including an Essay Writing Competition, Art masterclass and Junior Choir Day. Internationally, the School visited Ghana for the first time and welcomed pupils from Kenya and Italy. Recruitment of boarders was strong and bucked national trends.

- b. Develop a whole school fundraising strategy: The opening of the newly refurbished Swinton Theatre thanks to the generous donations from former pupils and current parents was a real highlight of the year. The 1893 Scholarship continues to develop.

4. Steward our resources

- a. Rigorous business modelling and planning: the new Finance Director has worked tirelessly to ensure that the School is in good financial health. Pupil numbers returned to pre-pandemic levels and the new Estates Bursar made significant progress in the stewardship of the Estate.
- b. Develop alternative income streams: the Governors and Leadership continue to work on exciting different projects which could provide additional income streams for the School.
- c. Estates 5-year plan prioritisation: the new Estates Bursar has established a clear list of priorities for the Estate which are being fulfilled including the completion of the redecoration of the front of the School.

5. Develop our staff

- a. Maintaining staff morale and resilience: the commitment of the School's staff body is exceptional. They continue to show the remarkable resilience seen during the pandemic and they never fail to do the very best that they can for the pupils in their care.
- b. Increasing staff training in a strategic and focussed manner: a full training audit was completed by the new HR Manager so as to monitor and identify training needs in relation to Appraisal.

6. Parent partnership

- a. Foster positive relationships with Parents and Guardians in the support of their child's development: the Parents and Friends Association have been extremely generous in their support of the School this year. The new 'Baby Highfield' group has been successful and has included expert talks about key parenting issues. College parents have been invited to drop in sessions with the Heads of School. Whilst parents meetings have returned to being in-person, virtual meetings are now available for overseas parents.
- b. Empower tutors/class teachers/key workers to be an effective first point of contact for parents: the Flourish programme has supported the involvement of all staff in the care of individuals and has empowered Tutors to respond to initial enquiries. Highfield parents have regular opportunities to meet with staff.
- c. Develop a robust Guardianship program: The Marketing and Admissions department hosted an interesting and useful day event for Guardians.

Public Benefit

The Governing Body have referred to the Charity Commission's general guidance on public benefit, and in particular to its supplementary public benefit guidance on advancing education when reviewing the future aims and objectives. The School properly records its public benefit both in terms of activity and monetary value.

Harrogate Ladies' College's main charitable aim is to advance education. The reports on achievements and performance, above, reflect how well the School meets this primary charitable aim. In addition, the School continues to provide direct financial support to pupils through the provision of scholarships, bursaries and eligibility fee remissions, with £1,510,311 (2022: £1,541,133) spent on directly supporting pupils, representing 13.9% of gross fee income (2022: 14.9%). Of this 13.9%, 10.1% related to means tested bursaries, which in addition to scholarships and eligibility fee remissions, allow access for pupils from all backgrounds (2022: 10.9%). 53 pupils (2022: 57) received bursaries totalling £1,097,183 (2022: £1,120,552). 23 children benefited from a full remission of fees (2022: 18). Bursaries are fully means-tested, awarded on the basis of financial need and are reviewed annually.

Scholarships and bursaries are promoted in the School's marketing literature, on the School's website and through visits to local primary schools.

The School maintains a strong focus in the local community by offering access to its extensive facilities, many at reduced prices from market rates to offer support to groups and activities, particularly those of a charitable nature. In addition, as part of community development and the Duke of Edinburgh awards, support is given to those groups in need in the local community and international development projects, including the sponsorship of a primary school in Uganda. In 2022-23, the pupils and parents raised £42,628 (2022: £59,855) for local, national and international charities.

Fundraising Performance

During the year, the School received donations of £5,407 to the Scholarships and Bursaries Fund, plus a further £160 in unrestricted donations. Donations came from parents, alumni and a former teacher – all to whom the School is extremely grateful. The School does not use professional fundraisers, is not registered with the Fundraising Regulator and is not signed up to the Code of Fundraising Practice. The School has not been in receipt of any complaints related to fundraising during the year.

FINANCIAL REVIEW AND RESULTS FOR THE PERIOD

Net outgoing resources for the year to 31 August 2023 show a loss of £70,187 (31 August 2022: £80,561) with total funds of £6,163,169 carried forward (31 August 2022: £6,233,356), of which £5,807,209 are unrestricted (31 August 2022: £5,832,963).

School fees receivable continue to increase with £9,126,457 received for the year to 31 August 2023, up from £8,435,738 for the year to 31 August 2022.

The School's closing bank balance at 31 August 2023 was £3,119,394 (31 August 2022: £3,285,520). This cash decrease is explained by a timing difference of less parents paying the Autumn 2023 fees prior to 31 August 2023 due to the start of term not falling until the 11 September.

Through its subsidiary, HLC (Properties) Limited, Harrogate Ladies' College makes available its sporting and other amenities for use by the public. HLC (Properties) Limited made a profit of £113,284 during the year ended 31 August 2023 and a donation under gift aid of £110,000 was made to the School (year to 31 August 2022: £130,000).

Group financial statements have not been prepared as it is considered that they would be of no real value, in view of the insignificant overall effect of including the results of HLC (Properties) Limited. The gift-aid distribution of £110,000 means the net assets of the company at the year end are £10,135.

FUTURE PLANS

The areas of strategic focus for 2023-24 are given below.

1. Flourishing pupils so that all pupils grow and develop in all areas of their social and academic lives in a secure and nurturing environment.
2. Inspired pupils in order to provide a holistic and inspirational education that leads to outstanding development and excellent academic outcomes.
3. Strengthening recruitment and retention so that targets continue to be met across all areas of School.
4. Steward resources in order to ensure financial stability, a well-maintained estate and resilience to political changes.
5. Fulfilled staff who are engaged and motivated and fully embody the values of the School.
6. Engaged and positive parents who have an active role in their children's development and feel that they are an active part of the School community and ambassadors for it.

DIRECTORS' RESPONSIBILITIES

The Directors, who are also the Trustees of Harrogate Ladies' College Limited, are responsible for preparing the Directors' 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 Directors 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 of the income and expenditure of the charitable company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Directors 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The company is limited by guarantee and the governing document is the Memorandum and Articles of Association, dated 16 May 1924, as most recently amended on 1 November 2021 by Special Resolution. Each of the seven members has undertaken to contribute an amount not exceeding £1 (one pound) towards the assets of the company in the event of the same being wound up and the assets being insufficient to cover the company's debts and liabilities.

Harrogate Ladies' College Limited is a member of the Allied Schools group of independent schools, all of which were founded by the Martyrs' Memorial and Church of England Trust (MMT). On 26 September 2013, the Allied Schools signed a new Management Agreement with MMT by which the members of the group agreed to the appointment of the Allied Schools Agency to oversee the performance of the schools and to monitor their adherence to the foundational religious principles on behalf of MMT. Allied Schools act in an advisory capacity only and have no managerial influence.

Charitable Status

The company, also referred to as Harrogate Ladies' College, is a registered charity with registered charity number 529579.

Governing Body

The Directors, who are also the Charity trustees, constitute the Governing Body and are elected by the Governing Body, except that two Directors shall be nominated by the MMT if the total number does not exceed 12, three if the number exceeds 12 but does not exceed 18, and four if the number exceeds 18.

The Directors of the company during the year to 31 August 2023 were as follows:

Dame Francine Holroyd
Mr M. Abraham B Ed (Hons)
Reverend C. Balding BEng (Hons) BA (Hons)
Mr G. Bowring DL MA
Reverend A. Chesworth
Mrs S. Clark LLB CTA
Ms S. Jackson MA
Mrs S. Papworth BA (Hons) Oxon ACIB
Mr D. Payne BSc (Hons) FCA
Mrs L. Renwick B.Ed NPQH
Mrs J. Roe BSc (Hons)
Mr J. Skinner ACIS ACIB
Dr H. Kemp MBChB MRCP FRCA

In accordance with the Articles of Association Reverend Balding, Mrs Papworth, Mr Payne and Mrs Renwick retire by rotation, but, being eligible, offer themselves for re-election. None of the directors had a beneficial interest in any contract to which the company was a party during the period, except as disclosed in note 23.

Following the recommendation from the Nominations Committee, when new Directors are appointed, care is taken to ensure that the relevant skills and experience are represented. Each new Director is provided with training (including safeguarding training), an information pack and a list of further relevant training courses that they may attend. He/she also meets the Chairman, Principal and Finance Director and receives a conducted tour of the School. Directors receive regular safeguarding updates and a register of Director training is kept.

Governance

The Directors are responsible for the overall management and control of Harrogate Ladies' College Limited, which includes College (girls 11-18 years) and Highfield (girls and boys 2-11 years) and meet a minimum of once per term and as required if additional meetings are necessary to ratify or discuss major issues of policy and risk. The Finance and General Purposes Committee (F&GP), meet before each full Governing Board meeting and, as required, during the year to review budgets, performance, annual accounts and reports. There are a number of other committees who perform detailed reviews within their areas of responsibility and who, in most cases, meet termly. These include:

- Education Committee, which monitors the academic and extra-curricular aspects of School life;
- Estates Committee, which oversees all estates matters, household and catering services;
- Health and Safety Committee, which oversees all matters relating to health and safety in School;
- Human Resources Committee, which deals with all matters relating to employment issues including the monitoring and development of policies;
- Investment Committee, which directs and monitors the investment of the assets of Harrogate Ladies' College and, if requested by the Directors, of any associated Trusts for the sole interest of the School and associated beneficiaries;
- Marketing Committee, which oversees the promotion and public relations strategies of the organisation and covers both national and international marketing;
- Nominations Committee, which oversees the review, recruitment and appointment of Governors;
- Pupil Welfare Committee, which oversees all pupil welfare matters including safeguarding and boarding; and
- Scholarships and Bursaries Committee, which develops, approves and keeps under review the operation of a Scholarships and Bursaries Strategy for the School and ensures appropriate and consistent implementation of such a strategy.

All Committees are chaired by a Director, with membership embracing a combination of other Directors and appropriate members of senior staff.

The day-to-day running of Harrogate Ladies' College is delegated to the Principal and Chief Executive Officer, Mrs Sylvia Brett, who, in turn, delegates responsibilities to the Whole School Leadership Team. As well as themselves, the Directors consider the Principal and the Whole School Leadership Team comprise the key management personnel of the School, in charge of directing and controlling, running and operating the School on a day-to-day basis.

The remuneration of key management personnel is set by the Governing Body and is reviewed annually to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

All Directors give of their time freely and no Director received remuneration in the year. Details of Directors' expenses and related party transactions are disclosed in notes 8 and 23 to the accounts.

Group Structure and Relationships

Harrogate Ladies' College Limited has a wholly owned non-charitable trading subsidiary, HLC (Properties) Limited, which lets the facilities of the School for use by the public and various organisations for event, educational and leisure purposes.

Harrogate Ladies' College Limited has two linked charities, Harrogate Ladies' College Scholarship, Bursary and Prize Fund and Harrogate College Endowment Fund. The Directors of Harrogate Ladies' College Limited can apply the capital and income of the Harrogate Ladies' College Scholarship, Bursary and Prize Fund for the provision of scholarships and bursaries. The Directors of Harrogate Ladies' College Limited can apply the capital and income of the Harrogate College Endowment Fund both for the provision of scholarships and bursaries and also facilities at the School.

Annual General Meeting

The Annual General Meeting of the company is taking place on 21 March 2024 at Harrogate Ladies' College.

Risk Management

The Directors are responsible for risk management within the School. In the opinion of the Directors, the School has established systems, which under normal circumstances should allow those risks to be mitigated to an acceptable level in its day-to-day operations.

The Directors consider the School's financial risk to be low. It has a positive cash balance with no borrowings or other financial instruments. Additionally, there is an overdraft facility available but this has not been used for the past 10+ years.

The Directors keep the School's activities under review, particularly with regard to any major risks that may arise from time to time. A Risk Register is maintained by the School that itemises the risks likely to be encountered by the School, along with the systems and procedures that are in place in order to mitigate the risks. The register is reviewed by the Directors at least annually. The risks are classified on the register as High, Medium and Low.

The major risks to the School as noted on the Risk Register are:

- The affordability of school fees for parents particularly in the current economic and political climate;
- The ability to recruit pupils in a highly competitive market; and
- The financial challenges facing all independent schools with the uncertainty surrounding mandatory business rate relief and VAT; all of which are key risks because of their potential impact on affordability.

The Directors believe that appropriate controls are in place to manage these risks successfully. Individual Committees monitor the effectiveness of the controls on a regular basis in relation to the particular risks within each Committee's remit.

The key controls used by the School include:

- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal agendas and minutes for all Committees;
- Terms of reference for all Committees;
- Termly review by each Committee of the risks and controls within the remit of a particular Committee;
- Annual review of the Risk Register by the Governing Body;
- Formal written policies;
- Comprehensive insurance policies;
- Formal risk assessments undertaken for all activities, school trips, classroom environments, and workplaces;

- Clear authorisation and approval levels; and
- Safeguarding procedures as required by law for the protection of the children and vulnerable adults.

Reserves Policy

The Reserves Policy is set by the Governing Body and is designed to protect and safeguard the assets of the Charity. The primary objective of the policy is to ensure sufficient funds are available to meet ongoing operational requirements whilst further investing in facilities, thereby ensuring long-term sustainability and the enduring quality of educational provision.

The Reserves Policy was implemented and approved by the Governing Body in 2023.

Financial forecasts are regularly reviewed to ensure that the level of free reserves is sufficient to meet the operational requirements and any potential threats to future income, these forecasts consider sensitivity to internal and external factors in determining the level of free reserves required.

The school aims to have a target for free unrestricted reserves of 13 weeks essential expenditure. Free reserves are currently the equivalent of 14.8 weeks expenditure. This includes the overdraft facility at the year end of £500k plus an additional £500k currently in the process of being agreed.

At 31 August 2023, total funds were £6.16m (of which £6.16m were represented by fixed assets).

The F&GP compare the level of reserves to the policy benchmarks at least once a term.

Investment Policy

The School has two investment funds at its disposal: The General Investment Fund, which is unrestricted, and the Harrogate Ladies' College Scholarship, Bursary and Prize Fund, whose funds are to be used to further the education of pupils attending Harrogate Ladies' College by the awards of scholarships, bursaries, prizes, maintenance allowances and leaving exhibitions. The company's Memorandum of Association empowers it to invest and deal with the monies of the company that are not immediately required, as it thinks fit.

During the year to 31 August 2021, the Governors decided that the funds, which were previously managed by investment managers, should be disinvested to reduce the investment risk. At 31 August 2023, the investment funds were held as cash. The Governors will consider whether to reinvest these funds in the coming year.

Disabled Employees

The School is committed to equal opportunities for all; it is the policy of the School that no job applicant or employee receives less favorable treatment on the grounds of disability. Harrogate Ladies' College trains and encourages the career development of disabled employees in its employment.

Auditors

Saffery LLP has expressed their willingness to remain in office as auditors of the company.

This Directors' report, including a strategic report, were approved by order of the Board on 7/3/24 and signed on their behalf by:



Dame Francine Holroyd
Chairman of the Trustees

Opinion

We have audited the financial statements of Harrogate Ladies' College Limited for the year ended 31 August 2023 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows 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 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 charitable company's state of affairs as at 31 August 2023 and of 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 Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the trustees (who are also 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 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 charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance to the charitable company include the Charities Act 2011, Companies Act 2006, and guidance issued by the Charity Commission for England and Wales. Further the charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charitable company's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

Audit response to risks identified

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available 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. 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.

.....

Sally Appleton (Senior Statutory Auditor)
for and on behalf of Saffery LLP

	Saffery LLP
Chartered Accountants	Mitre House
	Harrogate
	HG1 5RX

Statutory Auditors

Date:

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Harrogate Ladies' College Limited

Statement of Financial Activities (Incorporating an Income and Expenditure Account)

For the year ended 31 August 2023

		2023 General Funds £	2023 Restricted Funds £	2023 Total £	2022 Total £
INCOME					
Donations	4	-	5,567	5,567	6,727
Charitable activities					
School fees receivable	2	9,126,457	-	9,126,457	8,435,738
Other educational income		314,977	-	314,977	293,310
Other ancillary trading income	3	94,534	-	94,534	93,541
Raising funds					
Activities for generating funds	3	110,000	-	110,000	130,000
Rents and school lets		130,085	-	130,085	117,194
Investment income	5	-	-	-	232
Other income	6	720	-	720	5,717
TOTAL INCOME		9,776,773	5,567	9,782,340	9,082,459
EXPENDITURE					
Raising Funds	7	28,428	-	28,428	29,362
Charitable activities					
Provision of education	7	9,824,099	-	9,824,099	9,133,658
TOTAL EXPENDITURE	7	9,852,527	-	9,852,527	9,163,020
NET (EXPENDITURE)/INCOME BEFORE OTHER GAINS		(75,754)	5,567	(70,187)	(80,561)
Transfer between funds	16	50,000	(50,000)	-	-
Net movement in funds		(25,754)	(44,433)	(70,187)	(80,561)
Funds brought forward at 1 September		5,832,963	400,393	6,233,356	6,313,917
Funds carried forward at 31 August	17	5,807,209	355,960	6,163,169	6,233,356

All operations of the charitable company are continuing operations.

The statement of financial activities incorporates an income and expenditure account for Companies Act purposes.

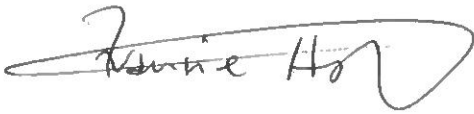
The notes on pages 18 - 34 form part of these financial statements.

A comparative statement of financial activities is shown at note 24.

Harrogate Ladies' College Limited
 Balance Sheet
 As at 31 August 2023

	Notes	As at 31 August 2023 £	As at 31 August 2022 £
Tangible fixed assets	9	6,160,025	6,387,136
Investment assets			
Investment in subsidiary	11	2	2
		<u>2</u>	<u>2</u>
Current assets			
Debtors	12	833,076	754,704
Cash in hand		3,119,394	3,285,520
		<u>3,952,470</u>	<u>4,040,224</u>
Creditors: amounts falling due within one year	13	(3,943,970)	(4,178,329)
Net current assets/(liabilities)		8,500	(138,105)
		<u>8,500</u>	<u>(138,105)</u>
Total assets less current liabilities		6,168,527	6,249,032
		<u>6,168,527</u>	<u>6,249,032</u>
Creditors: amounts falling due after more than one year	14	(5,358)	(15,676)
		<u>(5,358)</u>	<u>(15,676)</u>
Net assets		6,163,169	6,233,356
		<u>6,163,169</u>	<u>6,233,356</u>
UNRESTRICTED FUNDS			
General funds	15	5,807,209	5,832,963
RESTRICTED FUNDS	16	355,960	400,393
		<u>355,960</u>	<u>400,393</u>
Total funds	17	6,163,169	6,233,356
		<u>6,163,169</u>	<u>6,233,356</u>

The financial statements were approved by the board of Trustees on 7/3/24 and signed on its behalf by:



Dame Francine Holroyd

Chairman

Company registered number: 00197987

The notes on pages 18 - 34 form part of these financial statements.

Harrogate Ladies' College Limited
Cash Flow Statement
For the year ended 31 August 2023

	Notes	2023 £	2022 £
Net cash flows from operating activities	19	(84,245)	659,114
Financing activities:			
Investment income		-	232
Interest paid		-	(282)
Loan repayments		-	(250,000)
Net cash flows from financing activities		-	(250,050)
Investing activities:			
Purchase of tangible fixed assets		(81,881)	(85,450)
Disposal of investments		-	-
Net cash flows from investing activities		(81,881)	(85,450)
(Decrease)/Increase in cash in the year		(166,126)	323,614
Cash at the start of the year		3,285,520	2,961,906
Cash at the end of the year		3,119,394	3,285,520

	At 1 September 2022 £	Cash flow £	At 31 August 2023 £
Cash in hand	3,037	7,198	10,235
Cash at bank	3,282,483	(173,324)	3,109,159
Net cash	3,285,520	(166,126)	3,119,394

The charity had no net debt at the end of the year.

1 Accounting policies

a) Basis of accounting

The financial statements have been prepared under the Charities Act 2011 Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice ("SORP(FRS102)") and Financial Reporting Standard 102. The financial statements have been prepared on the historical cost basis of accounting, with the exception of investments, which are included on a market value basis, and freehold buildings, whose deemed cost is included on a valuation basis adopted on the transition to FRS 102. The financial statements include a Statement of Financial Activities rather than a profit and loss account in order to comply with the SORP. The financial information is presented for the Schools as an individual undertaking and not for the group. The Trustees have taken advantage of the Companies Act 2006 (S405 (2)) exemption not to prepare group financial statements. They consider they would be of no real value to the members of Harrogate Ladies' College Limited as the effects of any changes would not be material to the financial statements of Harrogate Ladies' College Limited.

Going Concern

The Governors have reviewed the forecasts to August 2025 and believe that the School will continue to operate for the foreseeable future. The Governors have concluded that there is sufficient cash headroom for the School to remain a going concern. Included within this cash headroom at the year end is the availability of an unused overdraft facility of £500k.

At 31 August 2023, there were net current assets of £8.5k. In addition, there were approximately £1,227k of pupil deposits included within current liabilities, which are not expected to be repayable within one year.

b) Income and expenditure

Income

Fees Income

School fees are included in the financial statements on an accruals basis. Registration fees are credited to income in the year in which they are received.

Investment income

Investment income is accounted for in the period in which the School is entitled to receipt.

Donations

Donations of tangible fixed assets are capitalised. Other donations are accounted for within the Statement of Financial Activities.

Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities. Contractual arrangements are recognised as goods or services as supplied. Irrecoverable VAT is included with the item of expenditure to which it relates. The following information is also relevant:

- Charitable Activities – these include expenditure associated with the operation of the charity's School, and
- Repairs and Maintenance – expenditure is charged as an operating expense in the year in which it is incurred.

c) Tangible fixed assets and depreciation

Freehold land and buildings

Expenditure relating to the acquisition of, and extensions to, freehold land and buildings together with the initial equipping thereof is capitalised, and is stated in the financial statements at cost less accumulated depreciation and any provision for impairment. A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Short leasehold property

The expenditure on leasehold property is shown at cost less accumulated depreciation, which is being provided to enable such expenditure is written off over the term of the lease.

Other

Other tangible fixed assets are stated at cost less accumulated depreciation. Donations of tangible fixed assets are capitalised at their cash value or at estimated cash value if received in kind.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off their cost by equal instalments over the expected useful lives of the assets concerned. The estimated useful lives are considered to be as follows:

Freehold buildings	- 20 to 125 years
Leasehold improvements	- period of lease
Plant and equipment	- 7 years
Computer equipment	- 5 years
Furniture, fixtures and fittings	- 10 years
Motor vehicles	- 4 years or period of lease

Land is not depreciated.

Capitalisation of fixed assets

Fixed assets costing more than £500 are capitalised and carried in the balance sheet at cost. Groups of assets whose total values exceed £500 (but individually would not) may be capitalised.

d) Stocks

Stocks are accounted for as consumables and expensed in the year of purchase.

e) Financial Instruments

The charity 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.

f) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity held for working capital.

g) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid. Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the income and expenditure account.

h) Creditors, loans and provisions

Creditors, loans and provisions are recognised where the charity 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, loans and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. Financial liabilities are derecognised when, and only when, the charity's obligations are discharged, cancelled or they expire. Amounts recognised as provisions are best estimates of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

i) *Fund accounting*

The charitable trust funds of the College are accounted for as unrestricted or restricted income in accordance with the terms of the trust imposed by the donors or any appeal to which they may have responded.

Unrestricted income belongs to the School's corporate reserves, spendable at the discretion of the Governors either to further the School's objects or to benefit the School itself.

Restricted income comprises gifts, legacies and donations where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

j) *Pensions*

In the prior year, the School's professional teaching staff were members of a Superannuation Scheme operated by the Department for Education and Skills. This is a multi-employer defined benefit scheme where individual schools are not able to identify their share of the underlying assets and liabilities of the scheme and it is therefore treated as a defined contribution scheme for accounting purposes.

In the current year, the School's professional teaching staff were enrolled into the Royal London Defined Contribution Scheme. Employer contributions are 17% as well as re-investment of saving in ER NI as a result of a salary exchange scheme. The School's results for the year are stated after charging the relevant employer's contributions to the schemes.

Other staff are invited to become members of The Pensions Trust Growth Plan or Unitised Ethical Plan. Within The Growth Plan, Series 1, 2 and 3 contain guarantees as to a minimum level of benefits that will be paid and therefore are deemed to be multi-employer defined benefit pension schemes where it is not possible on a reasonable and consistent basis to separately identify the assets and liabilities of participating employers. Consequently, the amounts charged to the Statement of Financial Activities in respect of pension costs are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. Series 4 of The Pensions Trust Growth Plan and the Unitised Ethical Plan are defined contribution schemes. The amounts charged to the Statement of Financial Activities in respect of pension costs are the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

k) Operating and finance leases

Assets used by the School under operating leases are not capitalised. The costs associated with their rental are charged on a straight-line basis to expenditure over the lease term, even if payments are not made on such a basis. Assets that are financed by leasing agreements transferring substantially all risks and rewards of ownership (finance leases) are capitalised and depreciated over their useful lives. The liability to the leasing company is included in creditors. Leasing payments are treated as consisting of capital and interest elements and the interest element is charged to the statement of financial activities.

l) Linked Charities

In accordance with section 25 of SORP 2015, charities linked with Harrogate Ladies' College by the Charity Commission have been incorporated within these financial statements. Details of linked charities, including their activities and funds, are included in note 16.

m) Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

n) Bad debt provision

Fees due to the charity are reviewed regularly for signs of any impairment. Balances are provided for where there is significant uncertainty over the recoverability, and impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2023

2 Fees

	2023	2022
	£	£
Gross school fees	10,898,460	10,315,332
Less: Scholarships, bursaries, allowances and agent fees	(1,772,003)	(1,879,594)
	<u>9,126,457</u>	<u>8,435,738</u>

The income from fees is all unrestricted (2022: all unrestricted).

3 Other income

	2023	2022
	£	£
Other ancillary trading income:		
Transport to/from School	56,094	53,047
Uniform	38,440	40,494
	<u>94,534</u>	<u>93,541</u>
Activity for generating funds:		
Donation from HLC (Properties) Ltd	110,000	130,000
	<u>110,000</u>	<u>130,000</u>

Other income is all unrestricted (2022: all unrestricted).

4 Donation income

	2023	2022
	Restricted	Restricted
	£	£
Donations to the Small Hall Fund	-	814
Donations to the Scholarship, Bursary and Prize Fund	5,567	5,912
	<u>5,567</u>	<u>6,726</u>

5 Investment income

	2023	2022
	£	£
Bank interest received	-	232
	<u>-</u>	<u>232</u>

Investment income is all unrestricted (2022: all unrestricted).

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2023

6 Other income

	2023	2022
	£	£
Miscellaneous income	720	5,717
	<u>720</u>	<u>5,717</u>

Other income is all unrestricted (2022: all unrestricted).

7 Analysis of total expenditure

Year ended 31 August 2023	Staff costs	Other costs	Depreciation	2023 Total
	£	£	£	£
Cost of generating funds				
Rental costs	8,108	-	-	8,108
Bank charges	-	20,320	-	20,320
	<u>8,108</u>	<u>20,320</u>	<u>-</u>	<u>28,428</u>
Charitable activities				
Provision of education				
Teaching	4,281,296	310,066	-	4,591,362
Welfare	686,331	1,227,423	-	1,913,754
Premises	263,143	1,554,993	310,191	2,128,327
Support costs	771,567	389,159	-	1,160,726
Governance costs	-	29,930	-	29,930
	<u>6,002,337</u>	<u>3,511,571</u>	<u>310,191</u>	<u>9,824,099</u>
Total resources expended	<u>6,010,445</u>	<u>3,531,891</u>	<u>310,191</u>	<u>9,852,527</u>
Year ended 31 August 2022	Staff costs	Other costs	Depreciation	2022 Total
	£	£	£	£
Cost of generating funds				
Rental costs	8,250	-	-	8,250
Bank charges	-	21,112	-	21,112
	<u>8,250</u>	<u>21,112</u>	<u>-</u>	<u>29,362</u>
Charitable activities				
Provision of education				
Teaching	4,089,196	185,769	-	4,274,965
Welfare	696,151	926,924	-	1,623,075
Premises	230,484	1,543,487	320,773	2,094,744
Support costs	688,411	419,471	-	1,107,882
Governance costs	-	32,992	-	32,992
	<u>5,704,242</u>	<u>3,108,643</u>	<u>320,773</u>	<u>9,133,658</u>
Total resources expended	<u>5,712,492</u>	<u>3,129,755</u>	<u>320,773</u>	<u>9,163,020</u>

7 Analysis of total expenditure (continued)

	2023	2022
	£	£
Charitable activities include:		
Depreciation on owned assets	310,191	320,773
Operating lease rentals	37,832	21,537
	<u>37,832</u>	<u>21,537</u>
Governance costs include:		
Auditors' remuneration for:		
Audit services	16,400	13,000
Accountancy services	3,900	3,000
	<u>20,300</u>	<u>16,000</u>

Unless otherwise specified, all costs in this note are unrestricted.

8 Staff costs

	2023	2022
	£	£
Total staff costs comprised:		
Wages and salaries	4,960,143	4,544,456
Social security costs	432,018	424,315
Pensions contributions		
Teachers' Pension schemes	530,069	610,703
Pensions Trust Growth Plan	79,067	127,940
Pensions Trust Utilised Ethical Plan	9,148	5,078
	<u>6,010,445</u>	<u>5,712,492</u>

Staff costs are all unrestricted (2022: all unrestricted). There are no compensation payments included within wages and salaries.

The Trustees received £nil remuneration during the year (2022: £nil). An amount of £3,550 was reimbursed to three Trustees during the year in respect of travel and training expenses (2022: £1,632 to three Trustees).

The average numbers of employees in the year were:		2023	2022
Teaching			
Full time		60	49
Part time		65	76
Welfare			
Full time		11	11
Part time		28	29
Premises			
Full time		8	7
Part time		3	5
Support			
Full time		13	14
Part time		8	6
		<u>196</u>	<u>197</u>

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2023

The aggregate remuneration (including gross pay and employer's pension contributions) paid to key management personnel during the period was: £446,929 (2022: £459,367).

The number of employees whose emoluments (gross pay) exceeded £60,000 were:	2023	2022
£60,001 to £70,000	2	1
£70,001 to £80,000	3	3
£80,001 to £90,000	1	1
£100,001-£110,000	-	1
£110,001-£120,000	1	-

9 Tangible assets

	Freehold	Leasehold	Furniture, fixtures & fittings	Motor vehicles	Plant & equipment	Computer equipment	Total
	£	£	£	£	£	£	£
Cost (or frozen valuation*)							
1 September 2022	3,501,786	6,730,175	996,369	286,306	1,235,011	344,410	13,094,057
Adjustment	-	-	-	1200	-	-	1,200
Additions	-	34,266	28,220	12,300	5,069	2,026	81,881
Disposals	-	-	-	(180,292)	-	-	(180,292)
31 August 2023	3,501,786	6,764,441	1,024,589	119,514	1,240,080	346,436	12,996,846
Depreciation							
1 September 2022	227,680	3,886,712	948,437	273,298	1,072,992	297,802	6,706,921
Charge for the year	28,089	183,958	10,935	10,180	60,398	16,631	310,191
Disposals	-	-	-	(180,293)	-	-	(180,293)
31 August 2023	255,769	4,070,670	959,372	103,185	1,133,390	314,433	6,836,819
Net Book Value							
31 August 2023	3,246,017	2,693,771	65,217	16,329	106,690	32,003	6,160,025
31 August 2022	3,274,106	2,843,463	47,932	13,008	162,019	46,608	6,387,136

*The School has elected, in accordance with Section 35.10(d) of FRS 102, to use the carrying value on 1 August 2014, the date of transition to FRS 102, of any of the above freehold land and buildings previously carried at a valuation, as their deemed cost.

10 Capital commitments

At the balance sheet date, there was £nil of capital expenditure that was contracted for but not provided for within these financial statements (2022: £3,500).

11 Investment in subsidiary

	2023	2022
	£	£
Shares at cost	<u>2</u>	<u>2</u>

The School owns the whole of the issued ordinary share capital of HLC (Properties) Limited, a company registered in England (company number 03699669). HLC (Properties) Limited lets the School's facilities for use by the public, and prepares its financial statements to 31 August. It made a profit of £113,284 for the year to 31 August 2023 and a gift aid donation of £110,000 was made to the School. In 2022, it made a profit of £136,849, and a gift aid donation of £130,000 was made to the School.

The following information is disclosed:

	2023	2022
	£	£
Balance of Capital and reserves	<u>10,135</u>	<u>6,851</u>
Result for the period after distributions	<u>10,133</u>	<u>6,849</u>

12 Debtors

	2023	2022
	£	£
Debtors in respect of school fee accounts	244,274	224,838
Amounts owed by subsidiary undertaking	338,282	286,774
Other debtors	11,090	8,872
Prepayments and accrued income	<u>239,430</u>	<u>234,220</u>
	<u>833,076</u>	<u>754,704</u>

13 Creditors: amounts falling due within one year

	2023	2022
	£	£
School fees paid on account	1,690,851	1,831,378
Pupils' initial deposits	1,227,363	1,144,114
Amounts owed to Teachers' Pension schemes	67,999	67,967
Taxation and social security	118,057	100,168
Net Present Value of Pensions Trust deficit recovery contributions	10,339	10,339
Accruals	307,909	394,181
Other creditors	<u>521,452</u>	<u>630,182</u>
	<u>3,943,970</u>	<u>4,178,329</u>

Note: Pupils' initial deposits fall due for repayment when the pupil leaves the School either by way of refund or offset against any monies owing at that date. In the normal course of events, the majority of deposits will fall due after more than one year. Total deferred income at the year end totalled £2,918,214 (2022: £2,975,492) constituting fees and deposits paid in advance.

14 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Net Present Value of Pensions Trust deficit recovery contributions	3,750	13,418
Other creditors	1,608	2,258
	<u>5,358</u>	<u>15,676</u>

15 General funds – unrestricted

	2023	2022
	£	£
At 1 September	5,832,963	5,870,251
Net outgoing resources	(75,754)	(87,288)
Transfer of funds	50,000	50,000
At 31 August	<u>5,807,209</u>	<u>5,832,963</u>

16 Restricted funds

	At 1 September 2022	Incoming resources	Outgoing resources	Transfer of funds	At 31 August 2023
	£	£	£	£	£
Scholarship, Bursary and Prize Fund	392,076	5,567	-	(50,000)	347,643
Small Hall Fund	8,317	-	-	-	8,317
	<u>400,393</u>	<u>5,567</u>	<u>-</u>	<u>(50,000)</u>	<u>355,960</u>

	At 1 September 2021	Incoming resources	Outgoing resources	Transfer of funds	At 31 August 2022
	£	£	£	£	£
Scholarship, Bursary and Prize Fund	436,164	5,912	-	(50,000)	392,076
Small Hall Fund	7,502	815	-	-	8,317
	<u>443,666</u>	<u>6,727</u>	<u>-</u>	<u>(50,000)</u>	<u>400,393</u>

The Harrogate Ladies' College Scholarship, Bursary and Prize Fund is a linked charity and is made up of many smaller funds, the origins of which are bequests, donations and Speech Day prizes, which were managed separately until 2002 when they were amalgamated into one fund under a Charity Commission approved scheme to make the management more efficient. During the 2014 financial period, an additional fund, the Harrogate Ladies' College Scholarship Fund, which had previously been a separate registered charity, was amalgamated into the Harrogate Ladies' College Scholarship, Bursary and Prize Fund. The funds are to be used to further the education of pupils attending Harrogate Ladies' College by the awards of scholarships, bursaries, prizes, maintenance allowances and leaving exhibitions. The £50k transfer occurs annually from the restricted fund in order to fund bursaries through the College.

The Small Hall Fund relates to monies donated by the alumni for a refurbishment of the School's theatre.

17 Analysis of Net Assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 August 2023 are represented by:			
Tangible fixed assets	6,160,025	-	6,160,025
Investments	2	-	2
Current assets	3,596,510	355,960	3,952,470
Creditors	(3,949,328)	-	(3,949,328)
	<u>5,807,209</u>	<u>355,960</u>	<u>6,163,169</u>

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 August 2022 are represented by:			
Tangible fixed assets	6,387,136	-	6,387,136
Investments	2	-	2
Current assets	3,639,831	400,393	4,040,224
Creditors	(4,194,006)	-	(4,194,006)
	<u>5,832,963</u>	<u>400,393</u>	<u>6,233,356</u>

18 Reconciliation of movement in total funds

	2023	2022
	£	£
Result for the financial period	(70,187)	(80,561)
Gains/(losses) on investments	-	-
Net movement in funds	<u>(70,187)</u>	<u>(80,561)</u>
Opening funds	6,233,356	6,313,917
Closing funds	<u>6,163,169</u>	<u>6,233,356</u>

19 Reconciliation of net movement in funds to net cash flows from operating activities

	2023	2022
	£	£
Net expenditure for the period	(70,187)	(80,561)
Investment income	-	(232)
Interest paid	-	282
Operating loss for the period	<u>(70,187)</u>	<u>(80,511)</u>
Depreciation charge	310,191	320,773
Profit on disposal of asset	(2,199)	-
(Increase) in debtors	(78,372)	(159,220)
(Decrease)/increase in creditors	(243,678)	578,072
Net cash inflow from operating activities	<u>(84,245)</u>	<u>659,114</u>

20 Leases

Operating leases

	2023	2022
	£	£
At 31 August 2023, the total of the company's future minimum lease payments under non-cancellable operating leases was:		
Within one year		
Other leases	37,832	36,030
Land and Buildings	411,368	393,140
Two to five years		
Other leases	120,254	171,150
Land and Buildings	1,803,534	1,572,558
Over 5 years		
Land and Buildings	23,396,829	21,229,916

21 The Teachers' Pension Scheme

In the prior year, The School participated in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £nil (2022: £610,703) and at the year-end, £nil (2022 - £67,967) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions. On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

On leaving the Teachers Pension scheme at 31 August 2022, Teaching staff were enrolled into the Royal London Defined Contribution Scheme. Employer contributions are 17% as well as re-investment of saving in ER NI as a result of a salary exchange scheme. The pension charge for the year includes contributions payable to the scheme of £530,069 and at the year-end, £67,999 was accrued in respect of contributions to this scheme.

22 The Pensions Trust

Growth Plan

Harrogate Ladies' College Limited participates in The Pensions Trust's Growth Plan, which is a multi-employer scheme which provides benefits to some 950 non-associated participating employers. Within the Growth Plan, the School participates in Series 1, 2, 3 and 4.

Growth Plan Series 1, 2 and 3

Growth Plan Series 1, 2 and 3 (the scheme) is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 31 January 2025	£11,243,000 per annum (payable monthly and increasing by 3% each on 1 st April)
--------------------------------------	--

Unless a concession has been agreed with the Trustee, the term to 31 January 2025 applies.

The Scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025	£12,945,440 per annum (payable monthly and increasing by 3% on 1 st April)
From 1 April 2016 to 30 September 2028	£54,560 per annum (payable monthly and increasing by 3% on 1 st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

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

Present values of Provision

	31 August 2023 (£'000)	31 August 2022 (£'000)	31 August 2021 (£'000)
Present Value of Provision	14	24	122

Reconciliation of Opening and Closing Provisions

	Period ending 31 August 2023 (£'000)	Period ending 31 August 2022 (£'000)
Provision at start of period	24	122
Unwinding of the discount factor (interest expense)	1	1
Deficit contribution paid	(10)	(24)
Remeasurements - impact of any change in assumptions	-	(1)
Remeasurements - amendments to the contribution schedule	(140)	(74)
Provision at end of period	14	24

Income and Expenditure Impact

	Period ending 31 August 2023 (£'000)	Period ending 31 August 2022 (£'000)
Interest expense	1	1
Remeasurements – impact of any change in assumptions	-	(1)
Remeasurements – amendments to the contribution schedule	-	(74)
Costs recognised in income and expenditure account	1	(74)

Assumptions

	31 August 2023 (% per annum)	31 August 2022 (% per annum)	31 August 2021 (% per annum)
Rate of Discount	6.04	4.46	0.63

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

The following schedule details the deficit contributions agreed between the company and the scheme at each year-end period:

Deficit Contributions Schedule

Year ending	31 August 2023 (£'000)	31 August 2022 (£'000)	31 August 2021 (£'000)
Year 1	10	10	35
Year 2	4	10	36
Year 3		4	37
Year 4		-	16
Year 5		-	-
Year 6		-	-
Year 7		-	-
Year 8		-	-
Year 9		-	-
Year 10		-	-

The School has recognised a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises. It is these contributions that have been used to derive the company's balance sheet liability.

Growth Plan Series 4

The Pensions Trust closed the Growth Plan Series 3 to new contributions from 30 September 2013. All employers that participated in Growth Plan Series 3 at the balance sheet date have switched to Growth Plan Series 4 for new contributions from 1 October 2013. Series 4 is a defined contribution scheme.

As at the balance sheet date, there were 98 active members of the Growth Plan employed by the company. These were all members of Series 4.

From 1 October 2013, the company paid contributions into the Growth Plan Series 4 at the rates of up to 7%. Members paid contributions at the rates of up to 4% during the same period. There were £17,530 of outstanding contributions at the balance sheet (2022: £78).

Unitised Ethical Plan

The School also contributes to the Pensions Trust Unitised Ethical Plan, which is a defined contribution scheme. The School paid contributions at the rates of up to 7% during the accounting period. Members paid contributions at the rate of up to 4% during the accounting period. There were £nil outstanding contributions at the balance sheet (2022: £nil). As at the balance sheet date, there were 5 active members of the Unitised Ethical Plan employed by the company. The company continues to offer membership of the Unitised Ethical Plan to its employees.

23 Related party transactions

At the year-end the School was owed £338,282 (2022: £286,774) from HLC (Properties) Limited. HLC (Properties) Limited made an annual charitable donation of £110,000 during the year to 31 August 2023 (2022: £130,000). During the year, expenditure of £75,609 (2022: £108,622) was recharged from Harrogate Ladies' College to HLC (Properties) Limited.

Certain Trustees send their children to the School but are charged fees on an arm's length basis and receive no discount or concessions by virtue of their Trusteeship.

24 Comparative Statement of Financial Activities

	2022 General Funds £	2022 Restricted Funds £	2022 Total £
INCOME			
Donations	-	6,727	6,727
Charitable activities			
School fees receivable	8,435,738	-	8,435,738
Other educational income	293,310	-	293,310
Other ancillary trading income	93,541	-	93,541
Raising funds			
Activities for generating funds	130,000	-	130,000
Rents and school lets	117,194	-	117,194
Investment income	232	-	232
Other income	5,717	-	5,717
TOTAL INCOME	9,075,732	6,727	9,082,459
EXPENDITURE			
Raising Funds	29,362	-	29,362
Charitable activities			
Provision of education	9,133,658	-	9,133,658
TOTAL EXPENDITURE	9,163,020	-	9,163,020
NET (EXPENDITURE)/INCOME BEFORE OTHER GAINS	(87,288)	6,767	(80,561)
Transfer between funds	50,000	(50,000)	-
Net movement in funds	(37,288)	(43,273)	(80,561)
Funds brought forward at 1 September	5,870,251	443,666	6,313,917
Funds carried forward at 31 August	5,832,963	400,393	6,233,356

HARROGATE LADIES' COLLEGE LIMITED

England & Wales - Charity number 529579

Accounts

Company Registration No. 197987 (England and Wales)
Charity Registration No. 529579

HARROGATE LADIES' COLLEGE LIMITED (LIMITED BY GUARANTEE)
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

Harrogate Ladies' College Limited
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Harrogate Ladies' College Limited
Directors, Officers and Administrative Details

Directors

Dame Francine Holroyd (Chair)
Mr M. Abraham B Ed (Hons)
Reverend C. Balding BEng (Hons) BA (Hons)
Mr G. Bowring DL MA
Reverend A. Chesworth
Mrs S. Clark LLB CTA
Ms S. Jackson MA
Mrs S. Papworth BA (Hons) Oxon ACIB
Mr D. Payne BSc (Hons) FCA
Mrs L. Renwick B.Ed NPQH
Mrs J. Roe BSc (Hons)
Mr J. Skinner ACIS ACIB
Dr H. Kemp MBChB MRCP FRCA

Company Secretary

Mr M. Porter BA MSc

Key Management Personnel

Mrs S. Bowman
Mrs S. Brett
Mrs J. Fox
Mrs E. Richards
Mr J. Savile

Registered Office and Principal Office

Harrogate Ladies' College
Clarence Drive
Harrogate HG1 2QG

Auditors

Saffery Champness LLP
Mitre House
North Park Road
Harrogate HG1 5RX

Bankers

Barclays Bank Plc
PO Box 858
Wytham Court
11 West Way, Botley
Oxford OX2 0XP

Solicitors

Consilia Legal LLP
Park House
Park Square
Leeds LS21 2PW

Financial Statements

The Directors, who are also referred to as Governors and are also Charity Trustees as defined in the Charities Act 2011, are pleased to present their annual Directors' Report together with the financial statements of the charity for the year ending 31 August 2022, which are also prepared to meet the requirements for a Directors' Report and accounts for Companies Act purposes.

OBJECTS, AIMS and VALUES

Charity's Objects

The primary object of the charity, as set out in its Memorandum of Association, is to provide the establishment and maintenance of schools for the education of girls and boys in accordance with the principles of the Church of England. The business of the company is entirely related to running the Schools known as Harrogate Ladies' College (girls only) and Highfield (co-educational) in Harrogate, North Yorkshire (together the 'School').

Charity's Aims

The Harrogate Ladies' College family of Schools - Highfield and College - aims to inspire and nurture pupils so as to engender in them a deep passion for learning and a love of life.

Girls and boys educated at this Christian foundation for day and boarding pupils will be challenged to be the best that they can be: responsible citizens of their community and the world.

Our pupils will value every individual equally with respect and openness of mind. They will go out into the world empowered with self-confidence and equipped with the academic qualities and emotional intelligence to make the most of life.

Charity's Values

Underpinning these aims are the core values of the School as articulated by the words of the School crest, which are Industria, Fide and Pietate:

- hard work and service;
- trust, loyalty, tolerance, inclusiveness and honesty; and
- conscientiousness, decency, forgiveness, compassion and gentleness.

A pupil leaving the Harrogate Ladies' College family of Schools will have had opportunities to develop key skills for life (as articulated by the CBI), some of which are listed here:

- self-management and the ability to take responsibility for one's actions;
- team working based on respect, the ability to listen and self-confidence;
- understanding of the wider world;
- problem solving using creativity and analysis; and
- numeracy, literacy and IT proficiency.

STRATEGIC REPORT – OBJECTIVES and ACTIVITIES

At the start of the academic year beginning 1 September 2021, we were beginning to emerge from the restrictions of the pandemic more aware than ever of the importance of offering educational opportunities which develop character and resilience as well as academic progress. The focus of the year was to provide stability for our pupils whilst maintaining their educational development; keeping members of our community as safe and well as possible and maintaining the joy and optimism that working in a School family such as ours brings in abundance. Meanwhile the Governors and Leadership worked successfully to ensure that the School's financial position was as strong as possible with the seeds of future growth sown. In the context of events on the global stage, it was our privilege to welcome 3 refugees from Ukraine into the School family who have enriched our community greatly, not least by their example of inner strength and determination.

Charitable Activities

The School supported a wide range of charities during the year including the School of Sanctuary, Red Cross Ukrainian Appeal, Red Nose Day and Harrogate Rumbly Tums. Our harvest collection was the largest donation to date and exceeded the expectations of Harrogate Homeless Project. We were also overwhelmed by the generous gifts donated for our Barnardo's Christmas gift appeal; we filled 4 large cars with Christmas gifts for local children. One of the most enjoyable charity events was the Colour Run where everyone had a brilliant afternoon and in doing so we raised £1185 for breast cancer support.

Boarding

The academic year 2021-22 has been another fantastic one in boarding, particularly in the Summer Term, as we were able to now operate completely as we did pre-covid. The boarders went on some excellent trips going to theme parks, museums, universities, dined out for their House meals and had a really good, unique end to the year with the 'Boarders Festival.' The festival was a real highlight in particular, as there were many games, a silent disco, a bouncy castle, bell tents, tattoos and nail painting, karaoke and much more. The event really brought the community together, and it was simply wonderful to toast marshmallows and have hot chocolate by the fire pit, gazing at the summer pink sky and setting sun.

Academics

It was a joy to be able to return to classroom-based learning. There is no doubt that staff and pupils became experts in the use of IT in the classroom and the progress that our pupils made during this year was exceptional throughout the School. At GCSE, 64% of all grades were 7-9 (the national average was 26%) against baseline data predictions of 44% showing once again that the added value that pupils gain at Harrogate Ladies' College is outstanding. This performance was echoed at A level where 22% of grades were A* against baseline predictions of 0%. Post 18 destinations included a wide range of Russell Group university courses alongside vocational and practical courses like Comic Book Design and Formula 1 Engine Development.

Performing Arts

Drama saw a real increase in pupils showing an increased willingness to be both brave and creatively ambitious. The school play, Fantastic Mr Fox, featured 2 casts and 4 performances including one for local primary schools. On young visitor wrote afterwards "I just want to say thanks for the show. I loved it so much I want to see it every day!". Prep 5 and 6 travelled to Manchester Arena to take part in Young Voices which was a singing experience with 9000 children which will never be forgotten. Prep 3 and 4 produced a moving Easter Cantata and the progression of singing in the school was showcased at the Spring Concert – the first major whole Highfield live musical event since lockdown. The return of College House Music was a wonderful occasion, with all College pupils participating. We heard some fabulous performances across all different styles, including the riotous whole House songs, this year on the theme of the Queen's Platinum Jubilee, all put together and rehearsed by the pupils themselves. Straight after this, we celebrated the joy of singing with a Choral Day for 136 Year 5 and

6 pupils from across the Harrogate area. The children learned an astonishing amount of music in just one day, performing confidently for parents at the end.

CHARITY OBJECTIVES

The objectives for 2021-22 were agreed at a Governing Body meeting in September 2021. These objectives and an impact assessment of these areas of focus are set out below. The recovery from the pandemic meant that the plans were both operational and longer term and were flexed during the year.

1. Educate to engender a deep passion for learning: *Empowering pupils in readiness for public examinations and transition to the next key stage.*

In Highfield a new phonics scheme was introduced to address some of the literacy concerns post Covid. Pupils and staff also launched an EDI initiative. In College greater flexibility was introduced to the Lower School Curriculum to increase Computing Studies provision and the Science Department launched the WISE@HLC programme to celebrate and develop the School's work to promote women in Science and Engineering. Pupils sitting GCSE and A levels were very well supported by teachers. Confirmation of examinations and not TAGs did not come until April which led to considerable additional stress as neither U5 nor U6 had sat public examinations before. They responded to the challenge brilliantly. ISC benchmark data showed that Harrogate Ladies' College compares on post 18 destinations extremely well with local and national ISC schools, many of whom are far more academically selective.

2. Empower with pastoral care to engender a love of life: *Responding to pupil, parent and staff 'living with Covid' anxiety and working on how to re-establish expectations and aims in terms of behaviour, conduct and fulfilment of duties. 'Re-opening' the school community with a wide range of community activities.*

The Pastoral Team came together to plan a cohesive 'Team Around the Child' approach which will be launched in the following academic year. The Boarding provision was considerably enhanced by the formalisation of the half term provision for boarders who cannot return home. Wellness Champions and Ambassadors provided drop in sessions in College and Friendship Ambassadors were introduced in Highfield. The 'bubbles' and zoom culture of covid have been significant impediments to the integration of pupils and promoting an inclusive school community. However, there has been considerable progress in College in recognition of the LGBTQ+ community. Having more whole school events has also been invaluable in rebuilding a sense of an inclusive community. In Highfield there has been the P6 production, book mornings, residentials, peri concerts, prep school choral day and active PFA planning of events. In College there has been an in person U3 parents meeting, a chance for U3 and L4 pupils to show their families around 'their school', the Jubilee Supper and whole school Ceilidh, Musical Showcase, House Music, Scholars' Dinner, HCU Reunion and a L5 Parent Supper and Junior House Drama to come. Highfield and College held 'normal' Sports' Days and Speech Days.

3. Recruit and retain pupils who thrive: *Re-engaging with prospective families in person, reaffirming relationships with families who have accepted places and reacquainting current families about all that the school has to offer.*

There was been a full programme of retention events focussing on pupils moving from P6 to U3 in College including Prep 4 & 5 attending Fantastic Mr Fox performance; Junior Art Masterclass for Prep 5 artists; Junior Choir Day for Prep 5; Essay Writing competition for Prep 3, 4 & 5; Food & Nutrition event for Prep 5 and Prep 5 Rounders Tournament. Recruitment and retention in other areas was impacted by financial concerns from parents and the difficulty of international travel. However, the School's overall pupil numbers including those recruited for the following year during this one were the highest for a number of years. There is no doubt that the excellent work of staff during lockdowns and the work that was done to maintain relationships with prospective families has borne fruit.

4. Steward our resources: *Reviewing the Finance and Operations function of the school including the Estate.*

It has been wonderful to see growth in the fundraising aspect of the School's life and our engagement with our Alumni who bring such a depth of experience and expertise to the community. Plans were completed for the refurbishment of the Small Hall with funds from former pupils and a Sixth Form Scholarship Fund was launched.

The Financial Strategy was closely discussed with a renewed determination to ensure that the School grows sustainably long into the future. Costs were carefully managed not least through the remarkable commitment of teachers who accepted the proposal to exit the TPS and the worst of the impact of Covid was shown to be in the past.

5. Develop our staff: *Empowering staff as they came out of Covid.*

The staff showed remarkable resilience and flexibility this year alongside their extraordinary commitment to the School. The Governors and Leadership are very grateful to them all.

6. Partner our parents: *'Re-building' parent confidence in the school by meeting them in person in Highfield and College and sending positive and optimistic communications about the school.*

Increasing opportunities for meeting parents in person has been very valuable and rewarding. The Parent Forum groups were constructive in their ideas for future development and the Parents and Friends showed creativity and good humour in their support and fundraising efforts.

Public Benefit

The Governing Body have referred to the Charity Commission's general guidance on public benefit, and in particular to its supplementary public benefit guidance on advancing education when reviewing the future aims and objectives. The School properly records its public benefit both in terms of activity and monetary value.

Harrogate Ladies' College's main charitable aim is to advance education. The reports on achievements and performance, above, reflect how well the School meets this primary charitable aim. In addition, the School continues to provide direct financial support to pupils through the provision of scholarships, bursaries and eligibility fee remissions, with £1,541,133 (2021: £1,528,614) spent on directly supporting pupils, representing 14.9% of gross fee income (2021: 17.4%). Of this 14.9%, 10.9% related to means tested bursaries, which in addition to scholarships and eligibility fee remissions, allow access for pupils from all backgrounds (2021: 10.5%). 57 pupils (2021: 55) received bursaries totalling £1,120,552 (2021: £925,042). 18 children benefited from a full remission of fees (2021: 16). Bursaries are fully means-tested, awarded on the basis of financial need and are reviewed annually.

Scholarships and bursaries are promoted in the School's marketing literature, on the School's website and through visits to local primary schools. A strong focus on promoting means tested bursaries over the last few years has resulted in a significant increase in bursaries.

The School maintains a strong focus in the local community by offering access to its extensive facilities, many at reduced prices from market rates to offer support to groups and activities, particularly those of a charitable nature. In addition, as part of community development and the Duke of Edinburgh awards, support is given to those groups in need in the local community and international development projects, including active involvement in and sponsorship of a primary school in Uganda. This support consists of both tangible physical input, as well as fund-raising for specific charities. In 2021-22, the pupils and parents raised £59,855 (2021: £38,926) for local, national and international charities.

Fundraising Performance

During the year, the School received donations of £1,938 from parents who opted to donate their initial deposit to the Scholarships and Bursaries Fund upon their child leaving the School. The School is extremely grateful to those parents who have donated to the Scholarships and Bursaries Fund. £814 of donations were received as a result of a fund-raising project to refurbish the School's theatre. Together with funds raised since 2019-20, this project is now underway.

The School does not use professional fundraisers, is not registered with the Fundraising Regulator and is not signed up to the Code of Fundraising Practice. The School has not been in receipt of any complaints related to fundraising during the year.

FINANCIAL REVIEW AND RESULTS FOR THE PERIOD

Net incoming/outgoing resources show a loss of £80,561 for the year to 31 August 2022. The net outgoing resources for the year to 31 August 2021 were a loss of £902,802. This significant improvement in performance is primarily due to the impact of Covid-19 not only on the number of international boarders accepting a place at the School for the academic year 2020-21, but also the impact on our regular letting facilities during that year.

The net movement in funds for the year to 31 August 2022 is therefore a loss of £80,561, with total funds of £6,233,356 carried forward (31 August 2021: £6,313,917), of which £5,832,963 unrestricted (31 August 2021: £5,870,251).

School fees receivable continue to increase with £8,435,738 received for the year to 31 August 2022, up from £7,070,682 for the year to 31 August 2021.

The School's closing bank balance at 31 August 2022 was £3,285,520 (31 August 2021: £2,961,906). This cash increase is explained by a timing difference of more parents paying the Autumn 2022 fees prior to 31 August 2022 due to the start of term falling at the very beginning of September.

Through its subsidiary, HLC (Properties) Limited, Harrogate Ladies' College makes available its sporting and other amenities for use by the public. HLC (Properties) Limited made a profit of £136,849 during the year ended 31 August 2022 (year to 31 August 2021: £44,175), and a donation under gift aid of £130,000 was made to the School (year to 31 August 2021: £41,129).

Group financial statements have not been prepared as it is considered that they would be of no real value, in view of the insignificant overall effect of including the results of HLC (Properties) Limited. The gift-aid distribution of £130,000 means the net assets of the company at the year-end are £6,851.

FUTURE PLANS

The areas of emphasis for 2022-23 are given below. They are both operational and strategic given the opportunities and threats in the sector educationally and globally.

1. Inspired Pupils

- a. Develop a 2-18 academic strategy and review provision at Highfield, KS3, GCSE and A-Level
- b. Curriculum review at College and implement and refine in Highfield
- c. Review G&T, EAL and SEN programme and links between Highfield and College
- d. Develop a 2-18 digital strategy and review provision at Highfield and College
- e. Embed aspiration and information about diverse careers and different pathways

2. **Flourishing pupils**
 - a. Embed KCSIE2022 and safeguarding practices
 - b. Strengthen and coordinate pastoral provision
 - c. Focus on wellness and resilience for pupils, parents and staff
 - d. Develop boarding provision
 - e. Rebuild integration and inclusion programme
3. **Recruitment and Retention**
 - a. Ensure sustainable recruitment throughout the school from local, national and international markets
 - b. Develop a whole school fundraising strategy
4. **Steward our resources**
 - a. Rigorous business modelling and planning
 - b. Develop alternative income streams
 - c. Estates 5-year plan prioritisation
5. **Develop our staff**
 - a. Maintaining staff morale and resilience
 - b. Increasing staff training in a strategic and focussed manner
 - c. Review of appraisal process
 - d. Development of Staff Voice
6. **Parent partnership**
 - a. Foster positive relationships with Parents and Guardians in the support of their child's development
 - b. Empower tutors/class teachers/key workers to be an effective first point of contact for parents
 - c. Review all current parent communication to identify and implement best practice so that parents feel heard
 - d. Develop a robust Guardianship program

DIRECTORS' RESPONSIBILITIES

The Directors, who are also the Trustees of Harrogate Ladies' College Limited, are responsible for preparing the Directors' 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 Directors 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Directors 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Harrogate Ladies' College Limited
Directors' Report – for the year ended 31 August 2022

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The company is limited by guarantee and the governing document is the Memorandum and Articles of Association, dated 16 May 1924, as most recently amended on 1 November 2021 by Special Resolution. Each of the seven members has undertaken to contribute an amount not exceeding £1 (one pound) towards the assets of the company in the event of the same being wound up and the assets being insufficient to cover the company's debts and liabilities.

Harrogate Ladies' College Limited is a member of the Allied Schools group of independent schools, all of which were founded by the Martyrs' Memorial and Church of England Trust (MMT). On 26 September 2013, the Allied Schools signed a new Management Agreement with MMT by which the members of the group agreed to the appointment of the Allied Schools Agency to oversee the performance of the schools and to monitor their adherence to the foundational religious principles on behalf of MMT. Allied Schools act in an advisory capacity only and have no managerial influence.

Charitable Status

The company, also referred to as Harrogate Ladies' College, is a registered charity with registered charity number 529579.

Governing Body

The Directors, who are also the Charity trustees, constitute the Governing Body and are elected by the Governing Body, except that two Directors shall be nominated by the MMT if the total number does not exceed 12, three if the number exceeds 12 but does not exceed 18, and four if the number exceeds 18.

The Directors of the company during the year to 31 August 2022 were as follows:

Dame Francine Holroyd
Mr M. Abraham B Ed (Hons)
Reverend C. Balding BEng (Hons) BA (Hons)
Mr G. Bowring DL MA
Reverend A. Chesworth
Mrs S. Clark LLB CTA
Mr M. Gardiner BSc *(resigned December 2021)*
Mr J. Garnett BSc Hons MRICS *(resigned February 2022)*
Mrs S. Hooper MA B.Ed (Hons) *(resigned June 2022)*
Ms S. Jackson MA
Mrs N. Loudon BA FCSI *(resigned January 2022)*
Mrs S. Papworth BA (Hons) Oxon ACIB
Mr D. Payne BSc (Hons) FCA
Mrs L. Renwick B.Ed NPQH
Mrs J. Roe BSc (Hons)
Mr J. Skinner ACIS ACIB
Dr H. Kemp MBChB MRCP FRCA

In accordance with the Articles of Association Mrs Clark, Mrs Jackson, Mrs Roe and Mr Skinner retire by rotation, but, being eligible, offer themselves for re-election. Dr Kemp was appointed during the period.

Mrs S Hooper was both appointed and resigned during the period. Mr Garnett, Mr Loudon and Mr Gardiner resigned during the period. None of the directors had a beneficial interest in any contract to which the company was a party during the period, except as disclosed in note 26.

Induction and Training of Directors

Following the recommendation from the Nominations Committee, when new Directors are appointed, care is taken to ensure that the relevant skills and experience are represented. Each new Director is provided with training (including safeguarding training), an information pack and a list of further relevant training courses that they may attend. He/she also meets the Chairman, Principal and Director of Finance and receives a conducted tour of the School. Directors receive regular safeguarding updates and a register of Director training is kept.

Governance

The Directors are responsible for the overall management and control of Harrogate Ladies' College Limited, which includes College (girls 11-18 years) and Highfield (girls and boys 2-11 years) and meet a minimum of once per term and as required if additional meetings are necessary to ratify or discuss major issues of policy and risk. The Finance and General Purposes Committee (F&GP), meet before each full Governing Board meeting and, as required, during the year to review budgets, performance, annual accounts and reports. There are a number of other committees who perform detailed reviews within their areas of responsibility and who, in most cases, meet termly. These include:

- Education Committee, which monitors the academic and extra-curricular aspects of School life;
- Estates Committee, which oversees all estates matters, household and catering services;
- Health and Safety Committee, which oversees all matters relating to health and safety in School;
- Human Resources Committee, which deals with all matters relating to employment issues including the monitoring and development of policies;
- Investment Committee, which directs and monitors the investment of the assets of Harrogate Ladies' College and, if requested by the Directors, of any associated Trusts for the sole interest of the School and associated beneficiaries;
- Marketing Committee, which oversees the promotion and public relations strategies of the organisation and takes the lead on developing College and Highfield as attractive schools to both parents and pupils. The remit of the Committee covers both national and international marketing;
- Nominations Committee, which oversees the review, recruitment and appointment of Governors;
- Pupil Welfare Committee, which oversees all pupil welfare matters including safeguarding and boarding; and
- Scholarships and Bursaries Committee, which develops, approves and keeps under review the operation of a Scholarships and Bursaries Strategy for the School and ensures appropriate and consistent implementation of such a strategy.

All Committees are chaired by a Director, with membership embracing a combination of other Directors and appropriate members of senior staff.

The day-to-day running of Harrogate Ladies' College is delegated to the Principal and Chief Executive Officer, Mrs Sylvia Brett, who, in turn, delegates responsibilities to the Whole School Leadership Team. As well as themselves, the Directors consider the Principal and the Whole School Leadership Team comprise the key management personnel of the School, in charge of directing and controlling, running and operating the School on a day-to-day basis.

The remuneration of key management personnel is set by the Governing Body and is reviewed annually and normally increased in accordance with average earnings. The remuneration is also benchmarked with other schools of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

All Directors give of their time freely and no Director received remuneration in the year. Details of Directors' expenses and related party transactions are disclosed in notes 8 and 26 to the accounts.

Group Structure and Relationships

Harrogate Ladies' College Limited has a wholly owned non-charitable trading subsidiary, HLC (Properties) Limited, which lets the facilities of the School for use by the public and various organisations for event, educational and leisure purposes.

Harrogate Ladies' College Limited has two linked charities, Harrogate Ladies' College Scholarship, Bursary and Prize Fund and Harrogate College Endowment Fund. The Directors of Harrogate Ladies' College Limited can apply the capital and income of the Harrogate Ladies' College Scholarship, Bursary and Prize Fund for the provision of scholarships and bursaries. The Directors of Harrogate Ladies' College Limited can apply the capital and income of the Harrogate College Endowment Fund both for the provision of scholarships and bursaries and also facilities at the School.

Annual General Meeting

The Annual General Meeting of the company is taking place on 23 March 2023 at Harrogate Ladies' College.

Risk Management

The Directors are responsible for risk management within the School. In the opinion of the Directors, the School has established systems, which under normal circumstances should allow those risks to be mitigated to an acceptable level in its day-to-day operations.

The Directors consider the School's financial risk to be low. It has a positive cash balance with no borrowings or other financial instruments. Additionally, there is an overdraft facility available but this has not been used for the past 10 years.

The Directors keep the School's activities under review, particularly with regard to any major risks that may arise from time to time. A Risk Register is maintained by the School that itemizes the risks likely to be encountered by the School, along with the systems and procedures that are in place in order to mitigate the risks. The register is reviewed by the Directors at least annually. The risks are classified on the register as High, Medium and Low.

The major risks to the School as noted on the Risk Register are:

- The affordability of school fees for parents particularly in the current economic and political climate;
- The ability to recruit pupils in a highly competitive market; and
- The financial challenges facing all independent schools with the uncertainty surrounding mandatory business rate relief and VAT; all of which are key risks because of their potential impact on affordability.

The Directors believe that appropriate controls are in place to manage these risks successfully. Individual Committees monitor the effectiveness of the controls on a regular basis in relation to the particular risks within each Committee's remit.

The key controls used by the School include:

- Comprehensive strategic planning, budgeting and management accounting;
- Established organizational structure and lines of reporting;
- Formal agendas and minutes for all Committees;
- Terms of reference for all Committees;
- Termly review by each Committee of the risks and controls within the remit of a particular Committee;
- Annual review of the Risk Register by the Governing Body;
- Formal written policies;
- Comprehensive insurance policies;
- Formal risk assessments undertaken for all activities, school trips, classroom environments, and workplaces;
- Clear authorization and approval levels; and

- Safeguarding procedures as required by law for the protection of the children and vulnerable adults.

Reserves Policy

The Reserves Policy is set by the Governing Body and is designed to protect and safeguard the assets of the Charity. The primary objective of the policy is to ensure sufficient funds are available to meet ongoing operational requirements whilst further investing in facilities, thereby ensuring long-term sustainability and the enduring quality of educational provision.

The level of funds available to the Governing Body as at 31 August 2022 and the composition of the associated assets are set out in note 19 to the financial statements. The funds comprise both unrestricted and restricted elements. The restricted funds primarily relate to the provision of scholarships and bursaries. The level of scholarships and bursaries provided each year is above that of the total of restricted funds and therefore the restricted funds could be expended in any one year. The Governors therefore believe that the restricted funds can be taken into account when assessing the overall level of reserves. No funds have been set aside for designated purposes.

The Reserves Policy was implemented and approved by the Governing Body in 2016 and reflects both the operational requirements (operational reserves) as well as the longer-term solvency position (protection of assets for the enjoyment of current and future beneficiaries). The Reserves Policy will undergo a review in 2023.

The operational element of the Reserves Policy reflects the ability of the School to operate during a period of cost realignment and requires that short-term accessible funds (operational reserves) exceed 13 weeks of operating costs (£1.82m), which is the equivalent of one term. Short term accessible funds are defined as total funds less tangible fixed assets, creditors due after more than one year (including long term fees paid in advance) and investments held for future designated capital expenditure plus any un-utilized overdraft facility. At 31 August 2022, short-term accessible funds totaled £2,005,897 and exceeded 13 weeks of operating expenses by £185,897, which is a ratio of 1.10:1.

The Governing Body recognise that to secure the Charity for the future enjoyment of beneficiaries an adequate level of solvency needs to be maintained, especially as a significant level of fixed assets is required to deliver the charitable objectives. The solvency element of the Reserves Policy requires that total funds exceed 52 weeks of operating costs, which is thought to be adequate to secure long-term sustainability. However, if circumstances (other than financial ones) dictate, they also believe the level of reserves should be sufficient to affect an ordered closure. The Governing Body are not aware of any current circumstances that would require an ordered closure to commence.

At 31 August 2022, total funds were £6.2m (of which £6.3m were represented by fixed assets) and target reserves (52 weeks of operating costs) were approximately £7.3m.

The F&GP compare the level of reserves to the policy benchmarks at least once a term.

Investment Policy

The School has two investment funds at its disposal: The General Investment Fund, which is unrestricted, and the Harrogate Ladies' College Scholarship, Bursary and Prize Fund, whose funds are to be used to further the education of pupils attending Harrogate Ladies' College by the awards of scholarships, bursaries, prizes, maintenance allowances and leaving exhibitions. The company's Memorandum of Association empowers it to invest and deal with the monies of the company that are not immediately required, as it thinks fit

During the year to 31 August 2021, the Governors decided that the funds, which were previously managed by investment managers, should be disinvested to reduce the investment risk. At 31 August 2022, the investment funds were held as cash. The Governors will consider whether to reinvest these funds in the coming year.

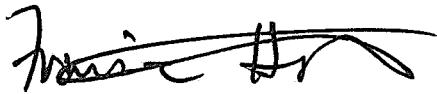
Disabled Employees

The School is committed to equal opportunities for all; it is the policy of the School that no job applicant or employee receives less favourable treatment on the grounds of disability. Harrogate Ladies' College trains and encourages the career development of disabled employees in its employment.

Auditors

Saffery Champness LLP has expressed their willingness to remain in office as auditors of the company.

This Directors' report, including a strategic report, were approved by order of the Board on 23 March 2023 and signed on their behalf by:



Dame Francine Holroyd
Chairman of the Trustees

Opinion

We have audited the financial statements of Harrogate Ladies' College Limited for the year ended 31 August 2022 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement 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 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 charitable company's state of affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the trustees (who are also 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 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 charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance to the charitable company include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales. Further the charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charity's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

Audit response to risks identified

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available 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. 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.

Saffery Champness LLP

Sally Appleton (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants	Saffery Champness LLP Mitre House Harrogate HG1 5RX
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Statutory Auditors

Date: 11 May 2023

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Harrogate Ladies' College Limited

Statement of Financial Activities (Incorporating an Income and Expenditure Account)

For the year ended 31 August 2022

		2022 General Funds £	2022 Restricted Funds £	2022 Total £	2021 Total £
INCOMING RESOURCES					
Income from charitable activities					
School fees receivable	2	8,435,738	-	8,435,738	7,070,682
Other educational income		293,310	-	293,310	288,474
Other ancillary trading income	3	93,541	-	93,541	57,891
		<u>8,822,589</u>	<u>-</u>	<u>8,822,589</u>	<u>7,417,047</u>
Incoming resources from generated funds					
Voluntary income	4	-	6,727	6,727	8,726
Activities for generating funds	3	130,000	-	130,000	41,129
Rents and school lets		117,194	-	117,194	64,295
Investment income	5	232	-	232	10,687
Other incoming resources	6	5,717	-	5,717	73,020
Total incoming resources		<u>9,075,732</u>	<u>6,727</u>	<u>9,082,459</u>	<u>7,614,904</u>
RESOURCES EXPENDED					
Cost of generating funds	7	29,362	-	29,362	40,521
Charitable activities					
Provision of education	7	9,133,658	-	9,133,658	8,477,185
Total resources expended	7	<u>9,163,020</u>	<u>-</u>	<u>9,163,020</u>	<u>8,517,706</u>
NET (OUTGOING)/INCOMING FUNDS BEFORE INVESTMENT GAINS		<u>(87,288)</u>	<u>6,727</u>	<u>(80,561)</u>	<u>(902,802)</u>
Gains/(losses) on investments	11	-	-	-	66,785
Transfer of funds		50,000	(50,000)	-	-
Net movement in funds		<u>(37,288)</u>	<u>(43,273)</u>	<u>(80,561)</u>	<u>(836,017)</u>
Funds brought forward at 1 September		5,870,251	443,666	6,313,917	7,149,934
Funds carried forward at 31 August		<u>5,832,963</u>	<u>400,393</u>	<u>6,233,356</u>	<u>6,313,917</u>

All operations of the company continued throughout both periods and no operations were acquired or discontinued in either period under review. The result for the period for Companies Act purposes is equal to the net incoming/outgoing resources for the period. The accompanying notes are an integral part of this Statement of Financial Activities.

Harrogate Ladies' College Limited

Balance Sheet

As at 31 August 2022

	Notes	As at 31 August 2022 £	As at 31 August 2021 £
Tangible fixed assets	9	<u>6,387,136</u>	<u>6,622,459</u>
Investment assets			
Funds deposited	11	-	-
Investment in subsidiary	12	<u>2</u>	<u>2</u>
		<u>2</u>	<u>2</u>
Current assets			
Stocks	13	-	-
Debtors	14	754,704	595,484
Cash in hand		<u>3,285,520</u>	<u>2,961,906</u>
		<u>4,040,224</u>	<u>3,557,390</u>
Creditors: amounts falling due within one year	15	<u>(4,178,329)</u>	<u>(3,576,164)</u>
Net current liabilities		<u>(138,105)</u>	<u>(18,774)</u>
Total assets less current liabilities		<u>6,249,032</u>	<u>6,603,687</u>
Creditors: amounts falling due after more than one year	16	<u>(15,676)</u>	<u>(289,770)</u>
Net assets		<u>6,233,356</u>	<u>6,313,917</u>
UNRESTRICTED FUNDS			
General funds	17	5,832,963	5,870,251
RESTRICTED FUNDS	18	400,393	443,666
Total funds		<u>6,233,356</u>	<u>6,313,917</u>

The financial statements on pages 18 to 36 were approved by the board of directors on 23 March 2023 and signed on its behalf by:



Dame Francine Holroyd

Chairman

Company registered number: 197987

The accompanying notes form an integral part of this balance sheet.

Harrogate Ladies' College Limited
Cash Flow Statement
For the year ended 31 August 2022

	Notes	2022 £	20201 £
Net cash inflow from operating activities	21	409,114	527,679
Returns on investments and servicing of finance			
Investment income		232	10,687
Interest paid		(282)	(1,385)
Net cash inflow from returns on investments and servicing of finance		(50)	9,302
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(85,450)	(72,839)
Disposal of investments		-	1,618,359
Net cash (outflow) from capital expenditure and financial investment		(85,450)	1,545,520
Increase in cash in the year	22	323,614	2,082,501

The accompanying notes are an integral part of this cash flow statement.

1 Accounting policies

a) Basis of accounting

The financial statements have been prepared under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice ("SORP(FRS102)") and Financial Reporting Standard 102. The financial statements have been drawn up on the historical cost basis of accounting, with the exception of investments, which are included on a market value basis, and freehold buildings, whose deemed cost is included on a valuation basis adopted on the transition to FRS 102. The financial statements include a Statement of Financial Activities rather than a profit and loss account in order to comply with the SORP. The financial information is presented for the Schools as an individual undertaking and not for the group. The directors have taken advantage of the Companies Act 2006 (S405 (2)) exemption not to prepare group financial statements. They consider they would be of no real value to the members of Harrogate Ladies' College Limited as the effects of any changes would not be material to the financial statements of Harrogate Ladies' College Limited.

Going Concern

The Governors have reviewed the forecasts to August 2024 and believe that the School will continue to operate for the foreseeable future. The Governors have concluded that there is sufficient cash headroom for the School to remain a going concern. Included within this cash headroom is the availability of an unused overdraft facility of £1m.

At 31 August 2022, there were net current liabilities of £138k. In addition, there were approximately £1,144k of pupil deposits included within current liabilities, which are not expected to be repayable within one year.

b) Income and expenditure

Income

Fees Income

School fees are included in the financial statements on an accruals basis. Registration fees are credited to income in the year in which they are received.

Investment income

Investment income is accounted for in the period in which the School is entitled to receipt. The Statement of Financial Activities includes the realised gain arising from the disinvestment of the investment portfolio during the period.

Donations

Donations of tangible fixed assets are capitalised. Other donations are accounted for within the Statement of Financial Activities.

Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities. Contractual arrangements are recognised as goods or services as supplied. Irrecoverable VAT is included with the item of expenditure to which it relates. The following information is also relevant:

- Charitable Activities – these include expenditure associated with the operation of the charity's Schools.
- Repairs and Maintenance – expenditure is charged as an operating expense in the year in which incurred.

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2022

c) Tangible fixed assets and depreciation

Freehold land and buildings

Expenditure relating to the acquisition of, and extensions to, freehold land and buildings together with the initial equipping thereof is capitalised, and is stated in the financial statements at cost less accumulated depreciation and any provision for impairment. A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Short leasehold property

The expenditure on leasehold property is shown at cost less amortisation, which is being provided to enable such expenditure to be written off over the term of the lease.

Other

Other tangible fixed assets are stated at cost less accumulated depreciation. Donations of tangible fixed assets are capitalised at their cash value or at estimated cash value if received in kind.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off their cost by equal instalments over the expected useful lives of the assets concerned. The estimated useful lives are considered to be as follows:

Freehold buildings	- 20 to 125 years
Leasehold improvements	- period of lease
Plant and equipment	- 7 years
Computer equipment	- 5 years
Furniture, fixtures and fittings	- 10 years
Motor vehicles	- 4 years or period of lease

Capitalisation of fixed assets

Fixed assets costing more than £500 are capitalised and carried in the balance sheet at cost. Groups of assets whose total values exceed £500 (but individually would not) may be capitalised.

d) Stocks

Stocks are accounted for as consumables and expensed in the year of purchase.

e) 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.

f) Fund Accounting

The charitable trust funds of the College and its subsidiaries are accounted for as unrestricted or restricted income in accordance with the terms of the trust imposed by the donors or any appeal to which they may have responded.

Unrestricted income belongs to the School's corporate reserves, spendable at the discretion of the Governors either to further the School's objects or to benefit the School itself.

Restricted income comprises gifts, legacies and donations where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

g) Pensions

The School's professional teaching staff are members of a Superannuation Scheme operated by the Department for Education and Skills. This is a multi-employer defined benefit scheme where individual schools are not able to identify their share of the underlying assets and liabilities of the scheme and it is therefore treated as a defined contribution scheme for accounting purposes. The School's results for the year are stated after charging the relevant employer's contributions to the scheme.

Other staff are invited to become members of The Pensions Trust Growth Plan or Unitised Ethical Plan. Within The Growth Plan, Series 1, 2 and 3 contain guarantees as to a minimum level of benefits that will be paid and therefore are deemed to be multi-employer defined benefit pension schemes where it is not possible on a reasonable and consistent basis to separately identify the assets and liabilities of participating employers. Consequently, the amounts charged to the Statement of Financial Activities in respect of pension costs are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. Series 4 of The Pensions Trust Growth Plan and the Unitised Ethical Plan are defined contribution schemes. The amounts charged to the Statement of Financial Activities in respect of pension costs are the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

h) Operating and finance leases

Assets used by the School under operating leases are not capitalised. The costs associated with their rental are charged on a straight-line basis to expenditure over the lease term, even if payments are not made on such a basis. Assets that are financed by leasing agreements transferring substantially all risks and rewards of ownership (finance leases) are capitalised and depreciated over their useful lives. The liability to the leasing company is included in creditors. Leasing payments are treated as consisting of capital and interest elements and the interest element is charged to the statement of financial activities.

i) Linked Charities

In accordance with section 25 of SORP 2015, charities linked with Harrogate Ladies' College by the Charity Commission have been incorporated within these financial statements. Details of linked charities, including their activities and funds, are included in note 18.

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2022

2 Fees

	2022	2021
	£	£
Gross school fees	10,315,332	8,809,142
Less: Scholarships, bursaries, allowances and agent fees	(1,879,594)	(1,738,460)
	<u>8,435,738</u>	<u>7,070,682</u>

The income from fees is all unrestricted (2021: all unrestricted).

3 Other income

	2022	2021
	£	£
Other ancillary trading income:		
Transport to/from School	53,047	34,931
Uniform	40,494	22,960
	<u>93,541</u>	<u>57,891</u>
Activity for generating funds:		
Donation from HLC (Properties) Ltd	130,000	41,129
	130,000	<u>41,129</u>

Other income is all unrestricted (2021: all unrestricted).

4 Voluntary income

	2022	2021
	£	£
Donations – unrestricted	-	3,502
Donations to the Small Hall Fund – restricted	814	4,167
Donations to the Scholarship, Bursary and Prize Fund – restricted	5,912	1,057
	<u>6,727</u>	<u>8,726</u>

5 Investment income

	2022	2021
	£	£
Dividends from investments – unrestricted	-	6,788
Dividends from investments – restricted	-	3,765
Bank interest received – unrestricted	232	134
	<u>232</u>	<u>10,687</u>

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2022

6 Other incoming resources

	2022 £	2021 £
Amounts received under the Coronavirus Job Retention Scheme - unrestricted	-	67,795
Miscellaneous income - all unrestricted	5,717	5,225
	<u>5,717</u>	<u>73,020</u>

7 Analysis of total resources expended

	Staff costs £	Other costs £	Depreciation £	2022 Total £	2021 Total £
Cost of generating funds					
Rental costs	8,250	-	-	8,250	12,247
Finance costs comprising:					
Bank charges	-	21,112	-	21,112	20,829
Investment manager fees	-	-	-	-	4,880
Investment manager fees - restricted	-	-	-	-	2,565
	<u>8,250</u>	<u>21,112</u>	<u>-</u>	<u>29,362</u>	<u>40,521</u>
Charitable activities					
Provision of education					
Teaching	4,089,196	185,769	-	4,274,965	4,019,070
Welfare	696,151	926,924	-	1,623,075	1,396,272
Premises	230,484	1,543,487	320,773	2,094,744	1,925,644
Support costs	688,411	419,471	-	1,107,882	1,119,912
Governance costs	-	32,992	-	32,992	16,287
	<u>5,704,242</u>	<u>3,108,643</u>	<u>320,773</u>	<u>9,133,658</u>	<u>8,477,185</u>
Total resources expended	<u>5,712,492</u>	<u>3,129,755</u>	<u>320,773</u>	<u>9,163,020</u>	<u>8,517,706</u>

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2022

	Staff costs £	Other costs £	Depreciation £	2021 Total £	2020 Total £
Cost of generating funds					
Rental costs	12,247	-	-	12,247	11,824
Finance costs comprising:					
Bank charges	-	20,829	-	20,829	20,598
Investment manager fees	-	4,880	-	4,880	6,449
Investment manager fees - restricted	-	2,565	-	2,565	2,609
	<u>12,247</u>	<u>28,274</u>	<u>-</u>	<u>40,521</u>	<u>41,480</u>
Charitable activities					
Provision of education					
Teaching	3,857,599	161,471	-	4,019,070	4,146,434
Welfare	693,701	702,571	-	1,396,272	1,271,966
Premises	176,304	1,418,089	331,251	1,925,644	1,659,965
Support costs	661,665	458,247	-	1,119,912	985,138
Governance costs	-	16,287	-	16,287	17,901
	<u>5,389,269</u>	<u>2,756,665</u>	<u>331,251</u>	<u>8,477,185</u>	<u>8,081,404</u>
Total resources expended	<u>5,401,516</u>	<u>2,784,939</u>	<u>331,251</u>	<u>8,517,706</u>	<u>8,122,884</u>

	2022 £	2021 £
Charitable activities include:		
Depreciation on owned assets	320,773	331,251
Operating lease rentals	<u>21,537</u>	<u>21,568</u>
Governance costs include:		
Auditors' remuneration for:		
Audit services, current year accounts	13,000	11,868
Audit services, other services	<u>3,000</u>	<u>1,362</u>
	<u>16,000</u>	<u>13,230</u>

Unless otherwise specified, all costs in this note are unrestricted.

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2022

8 Staff costs

	2022	2021
	£	£
Total staff costs comprised:		
Wages and salaries	4,544,456	4,328,474
Social security costs	424,315	388,508
Pensions contributions		
Teachers' Pension	610,703	586,651
Pensions Trust Growth Plan	127,940	88,735
Pensions Trust Unitised Ethical Plan	5,078	9,148
	<u>5,712,492</u>	<u>5,401,516</u>
Aggregate employee benefits of	<u>493,226</u>	<u>436,282</u>

Staff costs are all unrestricted (2021: all unrestricted). There are no compensation payments included within wages and salaries.

The Directors received £nil remuneration during the year (2021: £nil). An amount of £1,632 was reimbursed to three Directors during the year in respect of travel and training expenses (2021: £508 to one Director).

The average numbers of employees in the year were:	2022	2021
Teaching		
Full time	49	53
Part time	76	66
Welfare		
Full time	11	9
Part time	29	31
Premises		
Full time	7	7
Part time	5	4
Support		
Full time	14	15
Part time	6	6
	<u>197</u>	<u>191</u>

The number of employees whose emoluments exceeded £60,000 were:	2022	2021
£60,001 to £70,000	3	-
£70,001 to £80,000	-	1
£80,001 to £90,000	2	2
£120,001 to £130,000	-	1
£140,001 to £150,000	1	-

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2022

9 Tangible assets

	Freehold	Leasehold	Furniture, fixtures & fittings	Motor vehicles	Plant & equipment	Computer equipment	Total
	£	£	£	£	£	£	£
Cost (or frozen valuation*)							
1 September 2021	3,501,786	6,707,111	981,330	287,506	1,235,011	295,862	13,008,606
Additions	-	23,064	15,039	(1,200)	-	48,548	85,451
31 August 2022	3,501,786	6,730,175	996,369	286,306	1,235,011	344,410	13,094,057
Depreciation							
1 September 2021	199,591	3,703,610	928,911	261,194	1,012,518	280,324	6,386,148
Charge for the year	28,089	183,102	19,526	12,104	60,474	17,478	320,773
31 August 2022	227,680	3,886,712	948,437	273,298	1,072,992	297,802	6,706,921
Net Book Value							
31 August 2022	3,274,106	2,843,463	47,932	13,008	162,019	46,608	6,387,136
31 August 2021	3,302,195	3,003,502	52,419	26,312	222,493	15,538	6,622,459

*The School has elected, in accordance with Section 35.10(d) of FRS 102, to use the carrying value on 1 August 2014, the date of transition to FRS 102, of any of the above freehold land and buildings previously carried at a valuation, as their deemed cost.

10 Capital commitments

At the balance sheet date, there was £3,500 of capital expenditure that was contracted for but not provided for within these financial statements (2021: £nil).

11 Investments – Funds Deposited

The School investments were managed by Quilter Cheviot Ltd. The decision was made by the Governors to disinvest the investments in full during the prior year in order to reduce investment risk during the uncertainty of the Covid-19 pandemic. Prior to disinvestment, all investments were managed and held in the UK.

The School is now holding the disinvested funds as cash.

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2022

12 Investment in subsidiary

	2022	2021
	£	£
Shares at cost	<u>2</u>	<u>2</u>

The School owns the whole of the issued ordinary share capital of HLC (Properties) Limited, a company registered in England (company number 03699669). HLC (Properties) Limited lets the School's facilities for use by the public, and prepares its financial statements to 31 August. It made a profit of £136,849 for the year to 31 August 2022 and a gift aid donation of £130,000 was made to the School. In 2021, it made a profit of £44,175, and a gift aid donation of £41,129 was made to the School.

The following information is disclosed:

	2022	2021
	£	£
Balance of Capital and reserves	<u>6,851</u>	<u>2</u>
Result for the period	<u>6,849</u>	<u>2</u>

13 Stocks

	2022	2021
	£	£
Raw material and consumables	<u>-</u>	<u>-</u>

The accounting policy relating to stocks was changed during the prior year. Stocks are now accounted for as consumables and expensed in the year of purchase.

14 Debtors

	2022	2021
	£	£
Debtors in respect of school fee accounts	224,838	245,578
Amounts owed by subsidiary undertaking	286,774	91,620
Other debtors	8,872	14,354
Prepayments and accrued income	<u>234,220</u>	<u>243,932</u>
	<u>754,704</u>	<u>595,484</u>

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2022

15 Creditors: amounts falling due within one year

	2022	2021
	£	£
School fees paid on account	1,831,378	1,296,773
Pupils' initial deposits	1,144,114	1,057,977
Amounts owed to Teachers' Pension	67,967	73,160
Taxation and social security	100,168	99,180
Net Present Value of Pensions Trust deficit recovery contributions	10,339	34,821
Accruals and deferred income	394,181	499,918
CBILS loan	-	57,078
Other creditors	630,182	457,257
	<u>4,178,329</u>	<u>3,576,164</u>

Note: Pupils' initial deposits fall due for repayment when the pupil leaves the School either by way of refund or offset against any monies owing at that date. In the normal course of events, the majority of deposits will fall due after more than one year.

16 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
CBILS loan	-	192,922
Net Present Value of Pensions Trust deficit recovery contributions	13,418	87,162
Other creditors	2,258	9,686
	<u>15,676</u>	<u>289,770</u>

17 General funds – unrestricted

	2022	2021
	£	£
At 1 September	5,870,251	6,685,740
Net outgoing resources	(87,288)	(909,226)
Gains/(losses) on investments arising in the periods	-	43,737
Transfer of funds	50,000	50,000
At 31 August	<u>5,832,963</u>	<u>5,870,251</u>

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2022

18 Restricted funds

	At 1 September 2021	Incoming resources	Outgoing resources	Gains and losses	Transfer of funds	At 31 August 2022
	£	£	£	£	£	£
Scholarship, Bursary and Prize Fund	436,164	5,912	-	-	(50,000)	392,076
Small Hall Fund	7,502	815	-	-	-	8,317
	443,666	6,727	-	-	(50,000)	400,393

	At 1 September 2020	Incoming resources	Outgoing resources	Gains and losses	Transfer of funds	At 31 August 2021
	£	£	£	£	£	£
Scholarship, Bursary and Prize Fund	460,959	4,722	(2,565)	23,048	(50,000)	436,164
Small Hall Fund	3,235	4,267	-	-	-	7,502
	464,194	8,989	(2,565)	23,048	(50,000)	443,666

The Harrogate Ladies' College Scholarship, Bursary and Prize Fund is a linked charity and is made up of many smaller funds, the origins of which are bequests, donations and Speech Day prizes, which were managed separately until 2002 when they were amalgamated into one fund under a Charity Commission approved scheme to make the management more efficient. During the 2014 financial period, an additional fund, the Harrogate Ladies' College Scholarship Fund, which had previously been a separate registered charity, was amalgamated into the Harrogate Ladies' College Scholarship, Bursary and Prize Fund. The funds are to be used to further the education of pupils attending Harrogate Ladies' College by the awards of scholarships, bursaries, prizes, maintenance allowances and leaving exhibitions. The £50k transfer occurs annually from the restricted fund in order to fund bursaries through the College.

The Small Hall Fund relates to monies donated by the alumni for a refurbishment of the School's theatre.

19 Analysis of Net Assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 August 2022 are represented by:			
Tangible fixed assets	6,387,136	-	6,387,136
Investments	2	-	2
Current assets	3,639,831	400,393	4,040,224
Creditors	(4,194,006)	-	(4,194,006)
	5,832,963	400,393	6,233,356

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 August 2021 are represented by:			
Tangible fixed assets	6,622,459	-	6,622,459
Investments	2	-	2
Current assets	3,113,724	443,666	3,557,390
Creditors	(3,865,934)	-	(3,865,934)
	5,870,251	443,666	6,313,917

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2022

20 Reconciliation of movement in total funds

	2022	2021
	£	£
Result for the financial period	(80,561)	(902,802)
Gains/(losses) on investments	-	66,785
Net movement in funds	<u>(80,561)</u>	<u>(836,017)</u>
Opening funds	6,313,917	7,149,934
Closing funds	<u>6,233,356</u>	<u>6,313,917</u>

21 Reconciliation of net movement in funds to net cash inflow from operating activities

	2022	2021
	£	£
Net outgoing resources	(80,561)	(902,802)
Investment income	(232)	(10,687)
Interest paid	282	1,385
Operating loss for the period	<u>(80,511)</u>	<u>(912,104)</u>
Depreciation charge	320,773	331,251
Decrease in stocks	-	23,290
(Decrease) in debtors	(159,220)	(165,467)
Increase/(decrease) in creditors	385,149	1,250,709
Net cash inflow from operating activities	<u>409,114</u>	<u>527,679</u>

	At 1 September 2021	Cash flow	At 31 August 2022
	£	£	£
Cash in hand	1,859	1,178	3,037
Cash at bank	2,960,047	322,436	3,282,483
Net cash	2,961,906	<u>323,614</u>	<u>3,285,520</u>

	2022	2021
	£	£
Increase in cash in period	323,614	2,082,501
Change in net cash resulting from cash flows	<u>323,614</u>	<u>2,082,501</u>
Net cash at 1 September	2,961,906	879,405
Net cash at 31 August	<u>3,285,520</u>	<u>2,961,906</u>

23 Leases

Operating leases

	2022	2021
	£	£
At 31 August 2022, the total of the company's future minimum lease payments under non-cancellable operating leases was:		
Within one year		
Other leases	36,030	31,989
Land and Buildings	393,140	378,893
Two to five years		
Other leases	171,150	33,868
Land and Buildings	1,572,558	1,670,027
Over 5 years		
Land and Buildings	21,229,916	22,638,702

24 The Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £610,703 (2021: £586,639) and at the year-end, £69,619 (2021 - £73,160) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions. On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

25 The Pensions Trust

Growth Plan

Harrogate Ladies' College Limited participates in The Pensions Trust's Growth Plan, which is a multi-employer scheme which provides benefits to some 950 non-associated participating employers. Within the Growth Plan, the School participates in Series 1, 2, 3 and 4.

Growth Plan Series 1, 2 and 3

Growth Plan Series 1, 2 and 3 (the scheme) is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2022

Deficit contributions

From 1 April 2019 to 31 January 2025	£11,243,000 per annum (payable monthly and increasing by 3% each on 1 st April)
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Unless a concession has been agreed with the Trustee, the term to 31 January 2025 applies.

The Scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025	£12,945,440 per annum (payable monthly and increasing by 3% on 1 st April)
From 1 April 2016 to 30 September 2028	£54,560 per annum (payable monthly and increasing by 3% on 1 st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

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

Present values of Provision

	31 August 2022 (£'000)	31 August 2021 (£'000)	31 August 2020 (£'000)
Present Value of Provision	24	122	155

Reconciliation of Opening and Closing Provisions

	Period ending 31 August 2022 (£'000)	Period ending 31 August 2021 (£'000)
Provision at start of period	122	155
Unwinding of the discount factor (interest expense)	1	1
Deficit contribution paid	(24)	(34)
Remeasurements - impact of any change in assumptions	(1)	-
Remeasurements - amendments to the contribution schedule	(74)	-
Provision at end of period	24	122

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2022

Income and Expenditure Impact

	Period ending 31 August 2022 (£'000)	Period ending 31 August 2021 (£'000)
Interest expense	1	1
Remeasurements – impact of any change in assumptions	(1)	-
Remeasurements – amendments to the contribution schedule	(74)	-
Costs recognised in income and expenditure account	(74)	1

Assumptions

	31 August 2022 (% per annum)	31 August 2021 (% per annum)	31 August 2020 (% per annum)
Rate of Discount	4.46	0.63	0.55

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

The following schedule details the deficit contributions agreed between the company and the scheme at each year-end period:

Deficit Contributions Schedule

Year ending	31 August 2022 (£'000)	31 August 2021 (£'000)	31 August 2020 (£'000)
Year 1	10	35	34
Year 2	10	36	35
Year 3	4	37	36
Year 4		16	37
Year 5		-	16
Year 6		-	-
Year 7		-	-
Year 8		-	-
Year 9		-	-
Year 10		-	-

The School has recognised a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises. It is these contributions that have been used to derive the company's balance sheet liability.

Growth Plan Series 4

The Pensions Trust closed the Growth Plan Series 3 to new contributions from 30 September 2013. All employers that participated in Growth Plan Series 3 at the balance sheet date have switched to Growth Plan Series 4 for new contributions from 1 October 2013. Series 4 is a defined contribution scheme.

As at the balance sheet date, there were 98 active members of the Growth Plan employed by the company. These were all members of Series 4.

From 1 October 2013, the company paid contributions into the Growth Plan Series 4 at the rates of up to 7%. Members paid contributions at the rates of up to 4% during the same period. There were £78 of outstanding contributions at the balance sheet (2021: £658).

Unitised Ethical Plan

The School also contributes to the Pensions Trust Unitised Ethical Plan, which is a defined contribution scheme. The School paid contributions at the rates of up to 7% during the accounting period. Members paid contributions at the rate of up to 4% during the accounting period. There were £nil outstanding contributions at the balance sheet (2021: £nil). As at the balance sheet date, there were 5 active members of the Unitised Ethical Plan employed by the company. The company continues to offer membership of the Unitised Ethical Plan to its employees.

26 Related party transactions

At the year-end the School was owed £286,774 (2021: £91,620) from HLC (Properties) Limited. HLC (Properties) Limited made an annual charitable donation of £130,000 during the year to 31 August 2022 (2021: £41,129). During the year, recharges of expenditure of £108,622 (2021: £34,991) were made from Harrogate Ladies' College to HLC (Properties) Limited.

Certain directors send their children to the School but are charged fees on an arm's length basis and receive no discount or concessions by virtue of their directorship.

HARROGATE LADIES' COLLEGE LIMITED

England & Wales - Charity number 529579

Accounts

Company Registration No. 197987 (England and Wales)
Charity Registration No. 529579

HARROGATE LADIES' COLLEGE LIMITED (LIMITED BY GUARANTEE)
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

Harrogate Ladies' College Limited
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Harrogate Ladies' College Limited
Directors, Officers and Administrative Details

Directors

Dame Francine Holroyd (Chair)
Mr M. Abraham B Ed (Hons)
Reverend C. Balding BEng (Hons) BA (Hons)
Mr G. Bowring DL MA
Reverend A. Chesworth
Mrs S. Clark LLB CTA
Mr M. Gardiner BSc
Mrs S. Hooper MA B.Ed (Hons)
Ms S. Jackson MA
Mrs S. Papworth BA (Hons) Oxon ACIB
Mr D. Payne BSc (Hons) FCA
Mrs L. Renwick B.Ed NPQH
Mrs J. Roe BSc (Hons)
Mr J. Skinner ACIS ACIB

Company Secretary

Mr M. Porter BA MSc

Key Management Personnel

Mrs S. Bowman
Mrs S. Brett
Mrs J. Fox
Mrs R. Henriksen
Mr J. Savile

Registered Office and Principal Office

Harrogate Ladies' College
Clarence Drive
Harrogate HG1 2QG

Auditors

Saffery Champness LLP
Mitre House
North Park Road
Harrogate HG1 5RX

Bankers

Barclays Bank Plc
PO Box 858
Wytham Court
11 West Way, Botley
Oxford OX2 0XP

Solicitors

Consilia Legal LLP
Park House
Park Square
Leeds LS21 2PW

Financial Statements

The Directors, who are also referred to as Governors and are also Charity Trustees as defined in the Charities Act 2011, are pleased to present their annual Directors' Report together with the financial statements of the charity for the year ending 31 August 2021, which are also prepared to meet the requirements for a Directors' Report and accounts for Companies Act purposes.

OBJECTS, AIMS and VALUES

Charity's Objects

The primary object of the charity, as set out in its Memorandum of Association, is to provide the establishment and maintenance of schools for the education of girls and boys in accordance with the principles of the Church of England. The business of the company is entirely related to running the Schools known as Harrogate Ladies' College (girls only) and Highfield (co-educational) in Harrogate, North Yorkshire (together the 'School').

Charity's Aims

The Harrogate Ladies' College family of Schools - Highfield and College - aims to inspire and nurture pupils so as to engender in them a deep passion for learning and a love of life.

Girls and boys educated at this Christian foundation for day and boarding pupils will be challenged to be the best that they can be: responsible citizens of their community and the world.

Our pupils will value every individual equally with respect and openness of mind. They will go out into the world empowered with self-confidence and equipped with the academic qualities and emotional intelligence to make the most of life.

Charity's Values

Underpinning these aims are the core values of the School as articulated by the words of the School crest, which are Industria, Fide and Pietate:

- hard work and service;
- trust, loyalty, tolerance, inclusiveness and honesty; and
- conscientiousness, decency, forgiveness, compassion and gentleness.

A pupil leaving the Harrogate Ladies' College family of Schools will have had opportunities to develop key skills for life (as articulated by the CBI), some of which are listed here:

- self-management and the ability to take responsibility for one's actions;
- team working based on respect, the ability to listen and self-confidence;
- understanding of the wider world;
- problem solving using creativity and analysis; and
- numeracy, literacy and IT proficiency.

STRATEGIC REPORT – OBJECTIVES and ACTIVITIES

At the start of the academic year beginning 1 September 2020, it was inconceivable that we would face another 12 months of challenges relating to the coronavirus pandemic. After a summer of 'eat out to help out', we were cautiously optimistic that by Christmas we would be celebrating together. Yet, just a few months later we were back in lockdown; the School was open to key worker children and we cared for boarders unable to return home. The simple pleasure of a school chapel service was a distant memory and most pupils and staff remained zoom images in our minds. However, during this year more than ever, the school community showed the strength of its values, the power of its determination to care for its members as well as possible and its considerable ingenuity. Pre-School children entered their 'bubbles' through a curtain of actual bubbles; Highfield families joined together for a weekly singing assembly, 'Rejoice with our Voice', (complete with actions) on Zoom, and College pupils raised money for numerous charities and achieved phenomenal academic outcomes.

Charitable Activities

Highfield developed its 'Lend with Care programme' to offer over £9,000 to entrepreneurs in the developing world. One parent wrote, *'Lend With Care has had a profound effect on my children. Donating through this charity has allowed them to learn that even a small act of kindness can make a big difference when joined with a community of others willing to give'*. Along with donations of money, our community has also donated gifts and food. We supported Harrogate Homeless Shelter as part of our Harvest events and Harrogate-based charity, Resurrected Bites, to ensure those in need locally had access to essential items. A real joy was our Christmas Barnardo's gift appeal, which saw hundreds of beautiful gifts donated to local vulnerable children.

Wellness

Wellbeing was more important than ever this year. Even though at times we could not be together, we always ensured that everybody stayed connected - no matter where they were in the world. The Wellness Ambassadors enjoyed running virtual 'tea and chats' via Zoom during the holidays and throughout lockdown to stay in touch with pupils overseas and to ensure they always had someone to talk to. Virtual events such as 'HLC's Got Talent', sports challenges, quiz nights and even teacher TikToks kept our pupils laughing. Extending break time this year meant pupils had an opportunity to be outside for a little longer.

Academics

The adaptability of staff and pupils was shown clearly this year as Zoom became the norm and staff became experts in blended learning, teaching both those children in the classroom and those isolating in the boarding houses or at home. For the second year there were no public examinations and GCSE and A level grades were awarded through a rigorous exercise of Teacher Assessed Grades. The results were exceptional. At GCSE, 62% of all grades were 7-9 against baseline data predictions of 25.4% showing once again that the added value that pupils gain at Harrogate Ladies' College is exceptional. This performance was echoed at A level where 69% of pupils gained A*-A against baseline predictions of 23.7%. There were 38 UK university applications this year: 87% achieved places at their first choice university and 66% are now studying at Russell Group universities. Courses are as diverse as the pupils and include Midwifery, Astrophysics, Fashion Design, Medicine and Japanese Studies.

Performing Arts

This has been the year to champion technology to keep the flag flying for Music and Drama at school. A highlight of the Autumn Term was our pre-filmed College carol service, featuring recordings from all members of the choirs and filmed items in St Wilfrid's church and our Chapel, with the congregational carols sung on behalf of everyone by the Upper 6 Chapel Choir, prefects and a small number of staff. In the Summer Term, and in a determined effort to have all the Chapel Choir singing together just once, they were filmed in the Music House garden. This produced some very special performances for our end

of year events with the birds singing louder with every piece! Prep 6 produced a moving film for Remembrance Day and four separate nativities were staged for EYFS and KS1 which were professionally filmed for families to enjoy. When pupils finally came back together in March, plans got underway to film a postponed Easter Cantata for Prep 3 and 4 and produce a full-scale musical for Prep 6, 'Treasure Island', for the first time in 18 months.

CHARITY OBJECTIVES

The objectives for 2016-21 were agreed at a Governing Body meeting in November 2016. These objectives, the particular focus that was set out for 2020-21 and an impact assessment of these areas of focus are set out below. The on-going nature of the pandemic meant that the plans are both operational and longer term.

1. Pastoral progress

- a. Covid-19 safety and reassurance.
 - i. Pupils, staff and parents were kept regularly informed about the school's coronavirus policies and procedures, which changed frequently according to the changing situation and the different government advice.
 - ii. An extraordinary team of staff from all areas of school volunteered to be part of the testing team.
 - iii. Pupils reported feeling that this was a 'new normal' and were a constant inspiration in their attitudes and capacity to consider not what was lost, but the small pleasures that could be found.
- b. Proactive management of pastoral issues.
 - i. The introduction of CPOMS has been a very powerful tool in the process of monitoring the welfare of individual pupils and tracking common themes.
 - ii. The process of awarding GCSE and A level grades was stressful for pupils and staff and the School continued to be mindful of this, allowing pupils as much agency as the OfQual process allowed.
- c. Further development of the wellness strategy.
 - i. Regular feedback questionnaires to pupils, parents and staff enabled new initiatives to be introduced, for example a longer lunchtime in winter to allow families to get outside in day light during lock down.

2. Academic progress

- a. Development of more effective and interactive reporting and assessment.
 - i. College introduced 'Reflective Learning Plans' for older pupils to help them track their progress and take ownership of their academic development.
- b. Improved tracking and differentiation including proactive management of issues.
 - i. Deeper analysis of examination data enabled staff to identify trends within the pupil body and also across departments in relation to progress.
- c. Development of blended and remote learning.
 - i. Teachers adapted well to the demands of blended and remote learning and there were regular opportunities for sharing good practice.
- d. Assessment and response to learning gaps and syllabus changes.
 - i. The School found that, in terms of learning gaps, most pupils were at or even beyond where we would expect them to be after 18 months on the pandemic.
 - ii. The key challenges for our pupils in terms of lost learning has been in relation to social skills and emotional maturity.

3. Recruitment and Retention

- a. Ongoing work to increase retention including Transition to Reception, Year 6 to Upper 3 and Year 11 to Year 12.

- i. The school's transition rates were some of the highest we have seen. 82% of pupils moved from Y11 to Sixth Form; 84% moved from Pre-School to Reception but only 50% of girls moved from Highfield to College. Most of those who did not come to College went either to state or to co-ed schools where they had siblings.
- b. Further recruitment of boarders.
 - i. This was our most challenging year for recruitment and retention of boarders. Our boarding numbers were approximately 30 fewer pupils than target. Almost all existing boarding pupils continued their education with the School but many of those who had accepted places in early 2020 then declined them for the start of the 2020-2021 academic year. In addition, it was difficult to recruit new boarding pupils. The Admissions and Marketing team worked hard to maintain active relationships with agents and contacts overseas and numerous virtual events were held across the world.
 - ii. Recruitment activity for 2021-2022 was encouraging.

4. Staff development

- a. Maintaining staff morale.
 - i. The staff have been exceptional in their conscientiousness, good humour and determination to provide the best possible outcomes and support for the pupils.
- b. Increasing staff training in a strategic and focussed manner.
 - i. Sharing Good Practice continued between Highfield and College and within both staff communities.

5. Parent partnership

- a. Continuing to seek parental feedback.
 - i. The Head of Highfield continued to meet representatives of the parent community and was able to discuss concerns as they arose.
 - ii. Regular surveys enabled the school to implement new ideas at the suggestion of parents.

6. Business Viability

- a. Work with our insurers in relation to Covid-19.
 - i. Despite considerable efforts, there was no success in relation to Business Interruption Insurance. However, the travel insurers did pay out for cancelled trips in early 2020.
- b. Rigorous business modelling and planning.
 - i. The 5-year indicative financial model was revised throughout the year to account for the different financial demands of the pandemic.
- c. Work on pensions' provision.
 - i. Alongside the financial modelling, there was detailed work in relation to managing the School's cost base and the decision was made to begin consultation on withdrawal from the Teachers' Pension Scheme in Autumn 2021.

Public Benefit

The Governing Body have referred to the Charity Commission's general guidance on public benefit, and in particular to its supplementary public benefit guidance on advancing education when reviewing the future aims and objectives. The School properly records its public benefit both in terms of activity and monetary value.

Harrogate Ladies' College's main charitable aim is to advance education. The reports on achievements and performance, above, reflect how well the School meets this primary charitable aim. In addition, the School continues to provide direct

financial support to pupils through the provision of scholarships, bursaries and eligibility fee remissions, with £1,528,614 (2020: £1,076,304) spent on directly supporting pupils, representing 17.4% of gross fee income (2020: 13%). Of this 17.4%, 10.5% related to means tested bursaries, which in addition to scholarships and eligibility fee remissions, allow access for pupils from all backgrounds (2020: 7.8%). 55 pupils (2020: 51) received bursaries totalling £925,042 (2020: £645,965). 16 children benefited from a full remission of fees (2020: 10). Bursaries are fully means-tested, awarded on the basis of financial need and are reviewed annually.

Scholarships and bursaries are promoted in the School's marketing literature, on the School's website and through visits to local primary schools. A strong focus on promoting means tested bursaries over the last few years has resulted in a significant increase in bursaries.

The School maintains a strong focus in the local community by offering access to its extensive facilities, many at reduced prices from market rates to offer support to groups and activities, particularly those of a charitable nature. In addition, as part of community development and the Duke of Edinburgh awards, support is given to those groups in need in the local community and international development projects, including active involvement in and sponsorship of a primary school in Uganda. This support consists of both tangible physical input, as well as fund-raising for specific charities. In 2020-21, the pupils and parents raised £38,926 (2020: £119,571) for local, national and international charities.

Fundraising Performance

During the year, the School received donations of £1,058 from parents who opted to donate their initial deposit to the Scholarships and Bursaries Fund upon their child leaving the School. The School is extremely grateful to those parents who have donated to the Scholarships and Bursaries Fund. The School also received a donation of £3,390 from a former teacher to whom the School is also extremely grateful. £4,267 of donations were received as a result of a fund raising project to refurbish the School's theatre.

The School does not use professional fundraisers, is not registered with the Fundraising Regulator and is not signed up to the Code of Fundraising Practice. The School has not been in receipt of any complaints related to fundraising during the year.

FINANCIAL REVIEW AND RESULTS FOR THE PERIOD

Net incoming/outgoing resources, before gains on investments, show a loss of £902,802 for the year to 31 August 2021. The net outgoing resources for the year to 31 August 2020 were a loss of £573,690. This decrease is primarily due to the impact of Covid-19 on the number of international boarders accepting a place at the School for the academic year 2020-21.

Net income for the year to 31 August 2021, which includes gains on investments of £66,785, results in a decrease to funds of £836,017. The year to 31 August 2020 saw a decrease to funds of £580,970, which included losses on investments of £7,280.

School fees receivable increased from £6,918,075 for the year to 31 August 2020 to £7,070,682 for the year to 31 August 2021. School fees receivable were significantly impacted by the fee remission given to parents on their Summer Term 2020 bills as a result of the lockdown during that term.

The School disinvested its investments funds during the year. At the point of disinvestment, the value of the School's investments had increased from £1,551,574 at 31 August 2020 to £1,601,790. Dividends received totalled £10,553 from 1 September 2020 to the point of disinvestment (year to 31 August 2020: £23,180). There was a revaluation gain on the investments of £66,785 from 1 September 2020 to the point of disinvestment (year to 31 August 2020: loss of £7,280).

The School's closing bank balance at 31 August 2021 was £2,961,906 (31 August 2020: £879,405). This increase is due to the net of the impact of the decrease in funds of £832,971, an increase in parent creditors of £766,457, the disinvestment of the investment funds of £1,601,790 and the receipt of a CBILS loan of £250,000. The increase in parent creditors was due to more parents paying the Autumn Term 2021 fees prior to 31 August 2021 and is a timing difference.

Total funds at 31 August 2021 decreased by £836,017 to £6,313,917 (31 August 2020: £7,149,934), of which £5,870,251 were unrestricted (31 August 2020: £6,685,740).

Through its subsidiary, HLC (Properties) Limited, Harrogate Ladies' College makes available its sporting and other amenities for use by the public. HLC (Properties) Limited made a profit of £44,175 during the year ended 31 August 2021 (year to 31 August 2020: loss of £3,046), and a donation under gift aid of £41,129 was made to the School (year to 31 August 2020: £nil).

Group financial statements have not been prepared as it is considered that they would be of no real value, in view of the insignificant overall effect of including the results of HLC (Properties) Limited. A gift-aid distribution of £41,129 has been transferred to the College in the year and the net assets of the company at the year-end are £2.

Coronavirus Pandemic

In the year to 31 August 2020, the School site was shut for all pupils during the Summer Term 2020 as the country went into a national lockdown. The pandemic had a financial impact on the results for the financial year to 31 August 2020 due to fee discounts which were offered to parents for the Summer Term 2020 and the inability of the School to let the site during the Easter and summer holidays. Whilst the School mitigated some of this reduced income by furloughing appropriate non-teaching staff under the Government's Coronavirus Job Retention Scheme and managing the cost base accordingly, the financial result was below what would have been expected pre-Covid.

The pandemic has also had a financial impact on the results for the financial year to 31 August 2021. Whilst day pupil numbers across both College and Highfield held up well, the number of international boarders was significantly below what would have been expected pre-Covid. The School site was shut once again for College and Highfield Prep pupils from the start of the Spring Term 2021 for a period of 8 weeks. The School provided a credit to parents on their Summer Term 2021 bills reflecting the cost savings which the School was able to make during this time.

Whilst Covid-19 has had a financial impact on the results for the financial year to 31 August 2021, asset values in the balance sheet have not been impacted materially. The investments were managed under a conservative strategy, which mitigated any downside risk as a result of Covid-19 and the School has not seen a significant increase in its exposure to debt recoverability.

As required, the Trustees have assessed going concern. In order to do this, detailed forecasts covering the period to August 2025 have been prepared using current and expected pupil numbers and costs. The Trustees have concluded that there is sufficient cash headroom for the School to remain a going concern. Included within this cash headroom is the availability of an unused overdraft facility of £1m. Taking all of the above into account, the Trustees have concluded that the going concern assumption remains appropriate when preparing these financial statements.

FUTURE PLANS

The areas of emphasis for 2021-22 relate to the objectives set out in the 2019-25 strategic plan as presented to the Governors in the autumn of 2021. The on-going nature of the pandemic means that the plans are both operational and longer term. Underpinning all the plans are the priorities of:

- shouting loudly about the School's excellence in all areas;
- being innovative in the School's offering;
- being sector leaders in relation to the School's Wellness programme;
- investing in the School's boarding community;
- strengthening the School's family through its alumni; and
- ensuring that the School offers the best possible pupil experience.

1. Educate to engender a deep passion for learning

Asking the questions:

- a. What are we teaching and is it equipping pupils for their future?
- b. Is our teaching being 'learned'?
- c. How do we support our teachers?

2. Empower with pastoral care to engender a love of life

- a. To ensure that safeguarding culture is woven into every aspect of school life.
- b. Reviewing the boarding experience in relation to staffing, estate, holiday provision and guardianship.
- c. Embedding of new Director of Wellness and PSHE.
- d. A culture of integration and inclusion demonstrated and lived every day.

3. Recruitment and Retention

- a. Ongoing work to increase retention including Transition to Reception, Year 6 to Upper 3 and Year 11 to Year 12.
- b. Further recruitment of boarders.
- c. Development of virtual recruitment activities and content.
- d. Build on the Alumni Relations and Development programmes.

4. Steward our resources

- a. Rigorous business modelling and planning.
- b. Work on pensions' provision.
- c. Estates 5-year plan prioritisation.

5. Develop our staff

- a. Maintaining staff morale and resilience.
- b. Increasing staff training in a strategic and focussed manner.

6. Parent partnership

- a. Continuing to seek parental feedback.

DIRECTORS' RESPONSIBILITIES

The Directors, who are also the Trustees of Harrogate Ladies' College Limited, are responsible for preparing the Directors' 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 Directors 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Directors 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The company is limited by guarantee and the governing document is the Memorandum and Articles of Association, dated 16 May 1924, as most recently amended on 1 November 2021 by Special Resolution. Each of the seven members has undertaken to contribute an amount not exceeding £1 (one pound) towards the assets of the company in the event of the same being wound up and the assets being insufficient to cover the company's debts and liabilities.

Harrogate Ladies' College Limited is a member of the Allied Schools group of independent schools, all of which were founded by the Martyrs' Memorial and Church of England Trust (MMT). On 26 September 2013, the Allied Schools signed a new Management Agreement with MMT by which the members of the group agreed to the appointment of the Allied Schools Agency to oversee the performance of the schools and to monitor their adherence to the foundational religious principles on behalf of MMT. Allied Schools act in an advisory capacity only and have no managerial influence.

Charitable Status

The company, also referred to as Harrogate Ladies' College, is a registered charity with registered charity number 529579.

Harrogate Ladies' College Limited
Directors' Report – for the year ended 31 August 2021

Governing Body

The Directors, who are also the Charity trustees, constitute the Governing Body and are elected by the Governing Body, except that two Directors shall be nominated by the MMT if the total number does not exceed 12, three if the number exceeds 12 but does not exceed 18, and four if the number exceeds 18.

The Directors of the company during the year to 31 August 2021 were as follows:

Dame Francine Holroyd	
Mr M. Abraham B Ed (Hons)	<i>(appointed 16 March 2021)</i>
Reverend C. Balding BEng (Hons) BA (Hons)	<i>(appointed 16 March 2021)</i>
Mr G. Bowring DL MA	
Reverend A. Chesworth	
Mrs S. Clark LLB CTA	
Mrs J. Crossley B.Ed	<i>(resigned 2 December 2020)</i>
Mr M. Gardiner BSc	
Mr J. Garnett BSc Hons MRICS	<i>(resigned 3 February 2022)</i>
Mrs L. Gray Cert. Ed MA	<i>(appointed 16 March 2021; resigned 4 June 2021)</i>
Mrs S. Hooper MA B.Ed (Hons)	
Ms S. Jackson MA	
Mrs N. Loudon BA FCSI	<i>(resigned 17 January 2022)</i>
Mrs S. Papworth BA (Hons) Oxon ACIB	
Mr D. Payne BSc (Hons) FCA	
Mrs L. Renwick B.Ed NPQH	
Mrs J. Roe BSc (Hons)	
Mr J. Skinner ACIS ACIB	

In accordance with the Articles of Association Mr Bowring, Reverend Chesworth, Dame Holroyd, Mrs Papworth and Mrs Renwick retire by rotation, but, being eligible, offer themselves for re-election. Mr Abraham and Reverend Balding were appointed during the period and, being eligible, offer themselves for re-election. Mrs Gray was both appointed and resigned during the period. Mrs Crossley resigned during the period. Mrs Loudon and Mr Garnett resigned after the period. None of the directors had a beneficial interest in any contract to which the company was a party during the period, except as disclosed in note 26.

Induction and Training of Directors

Following the recommendation from the Nominations Committee, when new Directors are appointed, care is taken to ensure that the relevant skills and experience are represented. Each new Director is provided with training (including safeguarding training), an information pack and a list of further relevant training courses that they may attend. He/she also meets the Chairman, Principal and Director of Finance and receives a conducted tour of the School. Directors receive regular safeguarding updates and a register of Director training is kept.

Governance

The Directors are responsible for the overall management and control of Harrogate Ladies' College Limited, which includes College (girls 11-18 years) and Highfield (girls and boys 2-11 years) and meet a minimum of once per term and as required if additional meetings are necessary to ratify or discuss major issues of policy and risk. The Finance and General Purposes Committee (F&GP), meet before each full Governing Board meeting and, as required, during the year to review budgets,

performance, annual accounts and reports. There are a number of other committees who perform detailed reviews within their areas of responsibility and who, in most cases, meet termly. These include:

- Education Committee, which monitors the academic and extra-curricular aspects of School life;
- Estates Committee, which oversees all estates matters, household and catering services;
- Health and Safety Committee, which oversees all matters relating to health and safety in School;
- Human Resources Committee, which deals with all matters relating to employment issues including the monitoring and development of policies;
- Investment Committee, which directs and monitors the investment of the assets of Harrogate Ladies' College and, if requested by the Directors, of any associated Trusts for the sole interest of the School and associated beneficiaries;
- Marketing Committee, which oversees the promotion and public relations strategies of the organisation and takes the lead on developing College and Highfield as attractive schools to both parents and pupils. The remit of the Committee covers both national and international marketing;
- Nominations Committee, which oversees the review, recruitment and appointment of Governors;
- Pupil Welfare Committee, which oversees all pupil welfare matters including safeguarding and boarding; and
- Scholarships and Bursaries Committee, which develops, approves and keeps under review the operation of a Scholarships and Bursaries Strategy for the School and ensures appropriate and consistent implementation of such a strategy.

All Committees are chaired by a Director, with membership embracing a combination of other Directors and appropriate members of senior staff.

The day-to-day running of Harrogate Ladies' College is delegated to the Principal and Chief Executive Officer, Mrs Sylvia Brett, who, in turn, delegates responsibilities to the Whole School Leadership Team. As well as themselves, the Directors consider the Principal and the Whole School Leadership Team comprise the key management personnel of the School, in charge of directing and controlling, running and operating the School on a day-to-day basis.

The remuneration of key management personnel is set by the Governing Body and is reviewed annually and normally increased in accordance with average earnings. The remuneration is also benchmarked with other schools of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

All Directors give of their time freely and no Director received remuneration in the year. Details of Directors' expenses and related party transactions are disclosed in notes 8 and 26 to the accounts.

Group Structure and Relationships

Harrogate Ladies' College Limited has a wholly owned non-charitable trading subsidiary, HLC (Properties) Limited, which lets the facilities of the School for use by the public and various organisations for event, educational and leisure purposes.

Harrogate Ladies' College Limited has two linked charities, Harrogate Ladies' College Scholarship, Bursary and Prize Fund and Harrogate College Endowment Fund. The Directors of Harrogate Ladies' College Limited can apply the capital and income of the Harrogate Ladies' College Scholarship, Bursary and Prize Fund for the provision of scholarships and bursaries. The Directors of Harrogate Ladies' College Limited can apply the capital and income of the Harrogate College Endowment Fund both for the provision of scholarships and bursaries and also facilities at the School.

Annual General Meeting

The Annual General Meeting of the company is taking place on 24 March 2022 at Canford School.

Risk Management

The Directors are responsible for risk management within the School. In the opinion of the Directors, the School has established systems, which under normal circumstances should allow those risks to be mitigated to an acceptable level in its day-to-day operations.

The Directors consider the School's financial risk to be low. It has a positive cash balance with no borrowings or other financial instruments except for a CBILS loan of £250,000 which was taken out in November 2020 and paid back in full in November 2021. Additionally, there is an overdraft facility available but this has not been used for the past 10 years.

The Directors keep the School's activities under review, particularly with regard to any major risks that may arise from time to time. A Risk Register is maintained by the School that itemises the risks likely to be encountered by the School, along with the systems and procedures that are in place in order to mitigate the risks. The register is reviewed by the Directors at least annually. The risks are classified on the register as High, Medium and Low.

The major risks to the School as noted on the Risk Register are:

- The on-going Covid-19 pandemic which has had consequences for international boarding pupil retention and recruitment;
- The affordability of school fees for parents particularly in the current economic and political climate;
- The ability to recruit pupils in a highly competitive market; and
- The financial challenges facing all independent schools with the increases to the Teachers' Pension employer contributions, uncertainty surrounding mandatory business rate relief and VAT; all of which are key risks because of their potential impact on affordability.

The Directors believe that appropriate controls are in place to manage these risks successfully. Individual Committees monitor the effectiveness of the controls on a regular basis in relation to the particular risks within each Committee's remit.

The key controls used by the School include:

- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal agendas and minutes for all Committees;
- Terms of reference for all Committees;
- Termly review by each Committee of the risks and controls within the remit of a particular Committee;
- Annual review of the Risk Register by the Governing Body;
- Formal written policies;
- Comprehensive insurance policies;
- Formal risk assessments undertaken for all activities, school trips, classroom environments, and workplaces;
- Clear authorisation and approval levels; and
- Safeguarding procedures as required by law for the protection of the children and vulnerable adults.

Reserves Policy

The Reserves Policy is set by the Governing Body and is designed to protect and safeguard the assets of the Charity. The primary objective of the policy is to ensure sufficient funds are available to meet ongoing operational requirements whilst further investing in facilities, thereby ensuring long-term sustainability and the enduring quality of educational provision.

The level of funds available to the Governing Body as at 31 August 2021 and the composition of the associated assets are set out in note 19 to the financial statements. The funds comprise both unrestricted and restricted elements. The restricted

funds primarily relate to the provision of scholarships and bursaries. The level of scholarships and bursaries provided each year is above that of the total of restricted funds and therefore the restricted funds could be expended in any one year. The Governors therefore believe that the restricted funds can be taken into account when assessing the overall level of reserves. No funds have been set aside for designated purposes.

The Reserves Policy was implemented and approved by the Governing Body in 2016 and reflects both the operational requirements (operational reserves) as well as the longer-term solvency position (protection of assets for the enjoyment of current and future beneficiaries).

The operational element of the Reserves Policy reflects the ability of the School to operate during a period of cost realignment and requires that short-term accessible funds (operational reserves) exceed 13 weeks of operating costs (£1.82m), which is the equivalent of one term. Short term accessible funds are defined as total funds less tangible fixed assets, creditors due after more than one year (including long term fees paid in advance) and investments held for future designated capital expenditure plus any un-utilised overdraft facility. At 31 August 2021, short-term accessible funds totalled £1,881,228 and exceeded 13 weeks of operating expenses by £61k, which is a ratio of 1.04:1.

The Governing Body recognise that to secure the Charity for the future enjoyment of beneficiaries an adequate level of solvency needs to be maintained, especially as a significant level of fixed assets is required to deliver the charitable objectives. The solvency element of the Reserves Policy requires that total funds exceed 52 weeks of operating costs, which is thought to be adequate to secure long-term sustainability. However, if circumstances (other than financial ones) dictate, they also believe the level of reserves should be sufficient to affect an ordered closure. The Governing Body are not aware of any current circumstances that would require an ordered closure to commence.

At 31 August 2021, total funds were £6.3m (of which £6.6m were represented by fixed assets) and target reserves (52 weeks of operating costs) were approximately £7.3m.

The F&GP compare the level of reserves to the policy benchmarks at least once a term.

Investment Policy

The School has two investment funds at its disposal: the General Investment Fund, which is unrestricted, and the Harrogate Ladies' College Scholarship, Bursary and Prize Fund, whose funds are to be used to further the education of pupils attending Harrogate Ladies' College by the awards of scholarships, bursaries, prizes, maintenance allowances and leaving exhibitions. The company's Memorandum of Association empowers it to invest and deal with the monies of the company that are not immediately required, as it thinks fit.

At 31 August 2020, the School's investments were managed by investment managers. The School's policy was to maintain income whilst preserving capital value, subject both to particular requirements of the School and also subject to the particular investment fund. However, during the year to 31 August 2021, the Governors decided that the funds should be disinvested to reduce the investment risk. At 31 August 2021, the investment funds were held as cash. The Governors will consider whether to reinvest these funds in the coming year.

Disabled Employees

The School is committed to equal opportunities for all; it is the policy of the School that no job applicant or employee receives less favourable treatment on the grounds of disability. Harrogate Ladies' College trains and encourages the career development of disabled employees in its employment.

Harrogate Ladies' College Limited
Directors' Report – for the year ended 31 August 2021

Auditors

Saffery Champness LLP has expressed their willingness to remain in office as auditors of the company.

This Directors' report, including a strategic report, were approved by order of the Board on 8 March 2022 and signed on their behalf by:



Dame Francine Holroyd
Chairman of the Trustees

Opinion

We have audited the financial statements of Harrogate Ladies' College Limited for the year ended 31 August 2021 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement 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 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 charitable company's state of affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, the trustees (who are also 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 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 charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance to the charitable company include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales. Further the charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charity's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

Audit response to risks identified

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available 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. 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.

Saffery Champness LLP

Sally Appleton (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants	Saffery Champness LLP Mitre House Harrogate HG1 5RX
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Statutory Auditors

Date: 31/3/2022

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Harrogate Ladies' College Limited

Statement of Financial Activities (Incorporating an Income and Expenditure Account)

For the year ended 31 August 2021

		2021 General Funds £	2021 Restricted Funds £	2021 Total £	2020 Total £
INCOMING RESOURCES					
Income from charitable activities					
School fees receivable	2	7,070,682	-	7,070,682	6,918,075
Other educational income		288,474	-	288,474	292,856
Other ancillary trading income	3	57,891	-	57,891	64,806
		<u>7,417,047</u>	-	<u>7,417,047</u>	<u>7,275,737</u>
Incoming resources from generated funds					
Voluntary income	4	3,502	5,224	8,726	8,359
Activities for generating funds	3	41,129	-	41,129	-
Rents and school lets		64,295	-	64,295	62,952
Investment income	5	6,922	3,765	10,687	23,180
Other incoming resources	6	73,020	-	73,020	178,966
Total incoming resources		<u>7,605,915</u>	<u>8,989</u>	<u>7,614,904</u>	<u>7,549,194</u>
RESOURCES EXPENDED					
Cost of generating funds	7	37,956	2,565	40,521	41,480
Charitable activities					
Provision of education	7	8,477,185	-	8,477,185	8,081,404
Total resources expended	7	<u>8,515,141</u>	<u>2,565</u>	<u>8,517,706</u>	<u>8,122,884</u>
NET (OUTGOING)/INCOMING FUNDS BEFORE INVESTMENT GAINS		<u>(909,226)</u>	<u>6,424</u>	<u>(902,802)</u>	<u>(573,690)</u>
Gains/(losses) on investments	11	43,737	23,048	66,785	(7,280)
Transfer of funds		50,000	(50,000)	-	-
Net movement in funds		<u>(815,489)</u>	<u>(20,528)</u>	<u>(836,017)</u>	<u>(580,970)</u>
Funds brought forward at 1 September		6,685,740	464,194	7,149,934	7,730,904
Funds carried forward at 31 August		<u>5,870,251</u>	<u>443,666</u>	<u>6,313,917</u>	<u>7,149,934</u>

All operations of the company continued throughout both periods and no operations were acquired or discontinued in either period under review. The result for the period for Companies Act purposes is equal to the net incoming/outgoing resources for the period. The accompanying notes are an integral part of this Statement of Financial Activities.

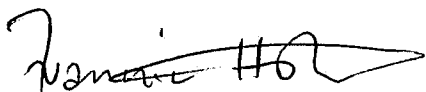
Harrogate Ladies' College Limited

Balance Sheet

As at 31 August 2021

	Notes	As at 31 August 2021 £	As at 31 August 2020 £
Tangible fixed assets	9	6,622,459	6,880,871
Investment assets			
Funds deposited	11	-	1,551,574
Investment in subsidiary	12	2	2
		<u>2</u>	<u>1,551,576</u>
Current assets			
Stocks	13	-	23,290
Debtors	14	595,484	430,017
Cash in hand		<u>2,961,906</u>	<u>879,405</u>
		<u>3,557,390</u>	<u>1,332,712</u>
Creditors: amounts falling due within one year	15	(3,576,164)	(2,480,051)
Net current liabilities		(18,774)	(1,147,339)
Total assets less current liabilities		6,603,687	7,285,108
Creditors: amounts falling due after more than one year	16	(289,770)	(135,174)
Net assets		6,313,917	7,149,934
UNRESTRICTED FUNDS			
General funds	17	5,870,251	6,685,740
RESTRICTED FUNDS	18	443,666	464,194
Total funds		6,313,917	7,149,934

The financial statements on pages 19 to 37 were approved by the board of directors on 8 March 2022 and signed on its behalf by:



Dame Francine Holroyd

Chairman

Company registered number: 197987

The accompanying notes form an integral part of this balance sheet.

Harrogate Ladies' College Limited
Cash Flow Statement
For the year ended 31 August 2021

	Notes	2021 £	2020 £
Net cash inflow/(outflow) from operating activities	21	527,679	(808,663)
Returns on investments and servicing of finance			
Investment income		10,687	23,180
Interest paid		(1,385)	-
Net cash inflow from returns on investments and servicing of finance		9,302	23,180
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(72,839)	(352,787)
Disposal of investments		1,618,359	(19,246)
Net cash inflow/(outflow) from capital expenditure and financial investment		1,545,520	(372,033)
Increase/(decrease) in cash in the year	22	2,082,501	(1,157,516)

The accompanying notes are an integral part of this cash flow statement.

1 Accounting policies

a) Basis of accounting

The financial statements have been prepared under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice ("SORP(FRS102)") and Financial Reporting Standard 102. The financial statements have been drawn up on the historical cost basis of accounting, with the exception of investments, which are included on a market value basis, and freehold buildings, whose deemed cost is included on a valuation basis adopted on the transition to FRS 102. The financial statements include a Statement of Financial Activities rather than a profit and loss account in order to comply with the SORP. The financial information is presented for the Schools as an individual undertaking and not for the group. The directors have taken advantage of the Companies Act 2006 (S405 (2)) exemption not to prepare group financial statements. They consider they would be of no real value to the members of Harrogate Ladies' College Limited as the effects of any changes would not be material to the financial statements of Harrogate Ladies' College Limited.

Going Concern

The Governors have reviewed the forecasts to August 2025 and believe that the School will continue to operate for the foreseeable future. The Governors have concluded that there is sufficient cash headroom for the School to remain a going concern. Included within this cash headroom is the availability of an unused overdraft facility of £1m.

~~At 31 August 2021, there were net current liabilities of £10,774. In addition, there were approximately £900,000 of pupil deposits included within current liabilities, which are not expected to be repayable within one year.~~

Harrogate Ladies' College meets the definition of a public benefit entity.

b) Income and expenditure

Income

Fees Income

School fees are included in the financial statements on an accruals basis. Registration fees are credited to income in the year in which they are received.

Investment income

Investment income is accounted for in the period in which the School is entitled to receipt. The Statement of Financial Activities includes the realised gain arising from the disinvestment of the investment portfolio during the period.

Donations

Donations of tangible fixed assets are capitalised. Other donations are accounted for within the Statement of Financial Activities.

Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities. Contractual arrangements are recognised as goods or services as supplied. Irrecoverable VAT is included with the item of expenditure to which it relates. The following information is also relevant:

- Charitable Activities – these include expenditure associated with the operation of the charity's Schools.
- Repairs and Maintenance – expenditure is charged as an operating expense in the year in which incurred.

c) Tangible fixed assets and depreciation

Freehold land and buildings

Expenditure relating to the acquisition of, and extensions to, freehold land and buildings together with the initial equipping thereof is capitalised, and is stated in the financial statements at cost less accumulated depreciation and any provision for impairment. A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Short leasehold property

The expenditure on leasehold property is shown at cost less amortisation, which is being provided to enable such expenditure to be written off over the term of the lease.

Other

Other tangible fixed assets are stated at cost less accumulated depreciation. Donations of tangible fixed assets are capitalised at their cash value or at estimated cash value if received in kind.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off their cost by equal instalments over the expected useful lives of the assets concerned. The estimated useful lives are considered to be as follows:

Freehold buildings	- 20 to 125 years
Leasehold improvements	- period of lease
Plant and equipment	- 7 years
Computer equipment	- 5 years
Furniture, fixtures and fittings	- 10 years
Motor vehicles	- 4 years or period of lease

Capitalisation of fixed assets

Fixed assets costing more than £500 are capitalised and carried in the balance sheet at cost. Groups of assets whose total values exceed £500 (but individually would not) may be capitalised.

d) Stocks

Stocks are accounted for as consumables and expensed in the year of purchase.

e) 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.

f) Fund Accounting

The charitable trust funds of the College and its subsidiaries are accounted for as unrestricted or restricted income in accordance with the terms of the trust imposed by the donors or any appeal to which they may have responded.

Unrestricted income belongs to the School's corporate reserves, spendable at the discretion of the Governors either to further the School's objects or to benefit the School itself.

Restricted income comprises gifts, legacies and donations where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

g) Pensions

The School's professional teaching staff are members of a Superannuation Scheme operated by the Department for Education and Skills. This is a multi-employer defined benefit scheme where individual schools are not able to identify their share of the underlying assets and liabilities of the scheme and it is therefore treated as a defined contribution scheme for accounting purposes. The School's results for the year are stated after charging the relevant employer's contributions to the scheme.

Other staff are invited to become members of The Pensions Trust Growth Plan or Unitised Ethical Plan. Within The Growth Plan, Series 1, 2 and 3 contain guarantees as to a minimum level of benefits that will be paid and therefore are deemed to be multi-employer defined benefit pension schemes where it is not possible on a reasonable and consistent basis to separately identify the assets and liabilities of participating employers. Consequently, the amounts charged to the Statement of Financial Activities in respect of pension costs are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. Series 4 of The Pensions Trust Growth Plan and the Unitised Ethical Plan are defined contribution schemes. The amounts charged to the Statement of Financial Activities in respect of pension costs are the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

h) Operating and finance leases

Assets used by the School under operating leases are not capitalised. The costs associated with their rental are charged on a straight-line basis to expenditure over the lease term, even if payments are not made on such a basis. Assets that are financed by leasing agreements transferring substantially all risks and rewards of ownership (finance leases) are capitalised and depreciated over their useful lives. The liability to the leasing company is included in creditors. Leasing payments are treated as consisting of capital and interest elements and the interest element is charged to the statement of financial activities.

i) Linked Charities

In accordance with section 25 of SORP 2015, charities linked with Harrogate Ladies' College by the Charity Commission have been incorporated within these financial statements. Details of linked charities, including their activities and funds, are included in note 18.

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2021

2 Fees

	2021	2020
	£	£
Gross school fees	8,809,142	8,275,668
Less: Scholarships, bursaries, allowances and agent fees	(1,738,460)	(1,357,593)
	<u>7,070,682</u>	<u>6,918,075</u>

The income from fees is all unrestricted (2020: all unrestricted).

3 Other income

	2021	2020
	£	£
Other ancillary trading income:		
Transport to/from School	34,931	34,552
Uniform	22,960	30,254
	<u>57,891</u>	<u>64,806</u>
Activity for generating funds:		
Donation from HLC (Properties) Ltd	41,129	-
	<u>41,129</u>	<u>-</u>

Other income is all unrestricted (2020: all unrestricted).

4 Voluntary income

	2021	2020
	£	£
Donations – unrestricted	3,502	-
Donations to the Small Hall Fund – restricted	4,167	3,235
Donations to the Scholarship, Bursary and Prize Fund – restricted	1,057	5,124
	<u>8,726</u>	<u>8,359</u>

5 Investment income

	2021	2020
	£	£
Dividends from investments – unrestricted	6,788	16,418
Dividends from investments – restricted	3,765	6,762
Bank interest received – unrestricted	134	-
	<u>10,687</u>	<u>23,180</u>

Harrogate Ladies' College Limited
Notes to the Financial Statements
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6 Other incoming resources

	2021 £	2020 £
Amounts received under the Coronavirus Job Retention Scheme - unrestricted	67,795	173,755
Miscellaneous income - all unrestricted	5,225	5,211
	<u>73,020</u>	<u>178,966</u>

7 Analysis of total resources expended

	Staff costs £	Other costs £	Depreciation £	2021 Total £	2020 Total £
Cost of generating funds					
Rental costs	12,247	-	-	12,247	11,824
Finance costs comprising:					
Bank charges	-	20,829	-	20,829	20,598
Investment manager fees	-	4,880	-	4,880	6,449
Investment manager fees - restricted	-	2,565	-	2,565	2,609
	<u>12,247</u>	<u>28,274</u>	<u>-</u>	<u>40,521</u>	<u>41,480</u>
Charitable activities					
Provision of education					
Teaching	3,857,599	161,471	-	4,019,070	4,146,434
Welfare	693,701	702,571	-	1,396,272	1,271,966
Premises	176,304	1,418,089	331,251	1,925,644	1,659,965
Support costs	661,665	458,247	-	1,119,912	985,138
Governance costs	-	16,287	-	16,287	17,901
	<u>5,389,269</u>	<u>2,756,665</u>	<u>331,251</u>	<u>8,477,185</u>	<u>8,081,404</u>
Total resources expended	<u>5,401,516</u>	<u>2,784,939</u>	<u>331,251</u>	<u>8,517,706</u>	<u>8,122,884</u>

	2021 £	2020 £
Charitable activities include:		
Depreciation on owned assets	331,251	328,804
Operating lease rentals	<u>21,568</u>	<u>414,372</u>
Governance costs include:		
Auditors' remuneration for:		
Audit services, current year accounts	11,868	11,748
Audit services, other services	1,362	1,320
	<u>13,230</u>	<u>13,068</u>

Unless otherwise specified, all costs in this note are unrestricted.

Harrogate Ladies' College Limited
Notes to the Financial Statements
For the year ended 31 August 2021

8 Staff costs

	2021	2020
	£	£
Total staff costs comprised:		
Wages and salaries	4,328,474	4,320,817
Social security costs	388,508	392,254
Pensions contributions		
Teachers' Pension	586,651	585,258
Pensions Trust Growth Plan	88,735	81,826
Pensions Trust Unitised Ethical Plan	9,148	10,740
	<u>5,401,516</u>	<u>5,390,895</u>
Aggregate employee benefits of key management personnel	<u>436,282</u>	<u>549,249</u>

Staff costs are all unrestricted (2020: all unrestricted). There are no compensation payments included within wages and salaries.

The Directors received no remuneration during the year (2020: £nil). An amount of £508 was reimbursed to one Director during the year in respect of travel and training expenses (2020: £818 to two Directors).

The average numbers of employees in the year were:	2021	2020
Teaching		
Full time	53	62
Part time	66	54
Welfare		
Full time	9	9
Part time	31	29
Premises		
Full time	7	8
Part time	4	2
Support		
Full time	15	13
Part time	6	5
	<u>191</u>	<u>182</u>

The number of employees whose emoluments exceeded £60,000 were:	2021	2020
£60,001 to £70,000	-	1
£70,001 to £80,000	1	1
£80,001 to £90,000	2	-
£90,001 to £100,000	-	1
£120,001 to £130,000	1	1

Harrogate Ladies' College Limited
Notes to the Financial Statements
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9 Tangible assets

	Freehold	Leasehold	Furniture, fixtures & fittings	Motor vehicles	Plant & equipment	Computer equipment	Total
	£	£	£	£	£	£	£
Cost (or frozen valuation*)							
1 September 2020	3,501,786	6,697,394	979,113	259,087	1,204,345	294,043	12,935,768
Additions	0	9,718	2,217	28,419	30,666	1,819	72,839
31 August 2021	3,501,786	6,707,112	981,330	287,506	1,235,011	295,862	13,008,607
Depreciation							
1 September 2020	171,502	3,521,069	905,488	243,092	952,044	261,702	6,054,897
Charge for the year	28,089	182,541	23,423	18,102	60,474	18,622	331,251
31 August 2021	199,591	3,703,610	928,911	261,194	1,012,518	280,324	6,386,148
Net Book Value							
31 August 2021	3,302,195	3,003,502	52,419	26,312	222,493	15,538	6,622,459
31 August 2020	3,330,284	3,176,325	73,625	15,995	252,301	32,341	6,880,871

*The School has elected, in accordance with Section 35.10(d) of FRS 102, to use the carrying value on 1 August 2014, the date of transition to FRS 102, of any of the above freehold land and buildings previously carried at a valuation, as their deemed cost.

10 Capital commitments

At the balance sheet date, there was £nil of capital expenditure that was contracted for but not provided for within these financial statements (2020: £9,718).

11 Investments – Funds Deposited

	At 1 Sept 2020	Additions	Disposals	Change in market value	Movement on cash held	At 31 August 2021
	£	£	£	£	£	£
General Investment Fund	1,057,150	170,479	(1,271,366)	43,737	-	0
Cash	33,465	-	-	-	(33,465)	0
Total General Investment Fund	1,090,615	170,479	(1,271,366)	43,737	(33,465)	0
Scholarships and Bursaries Fund	427,728	63,257	(514,033)	23,048	-	0
Cash	33,231	-	-	-	(33,231)	0
Total Scholarships and Bursaries Fund	460,959	63,257	(514,033)	23,048	(33,231)	0
Total Investment	1,551,574	233,736	(1,785,399)	66,785	(66,696)	0

Harrogate Ladies' College Limited
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The School investments were managed by Quilter Cheviot Ltd. The decision was made by the Governors to disinvest the investments in full during the year in order to reduce investment risk during the uncertainty of the Covid-19 pandemic. Prior to disinvestment, all investments were managed and held in the UK.

The School is now holding the disinvested funds as cash. A decision on re-investment will be made in the coming year.

12 Investment in subsidiary

	2021	2020
	£	£
Shares at cost	<u>2</u>	<u>2</u>

The School owns the whole of the issued ordinary share capital of HLC (Properties) Limited, a company registered in England (company number 03699669). HLC (Properties) Limited lets the School's facilities for use by the public, and prepares its financial statements to 31 August. It made a profit of £44,175 for the year to 31 August 2021 and a gift aid donation of £41,129 was made to the School. In 2020, it made a loss of £3,046, and no donation under gift aid was made to the School.

The following information is disclosed:

	2021	2020
	£	£
Balance of Capital and reserves	<u>2</u>	<u>(3,044)</u>
Result for the period	<u>2</u>	<u>(3,046)</u>

13 Stocks

	2021	2020
	£	£
Raw material and consumables	<u>-</u>	<u>23,290</u>

The accounting policy relating to stocks was changed during the year. Stocks are now accounted for as consumables and expensed in the year of purchase.

14 Debtors

	2021	2020
	£	£
Debtors in respect of school fee accounts	245,578	165,930
Amounts owed by subsidiary undertaking	91,620	14,419
Other debtors	14,354	17,075
Prepayments and accrued income	243,932	232,593
	<u>595,484</u>	<u>430,017</u>

15 Creditors: amounts falling due within one year

	2021	2020
	£	£
School fees paid on account	1,296,773	379,678
Pupils' initial deposits	1,057,977	1,208,615
Amounts owed to Teachers' Pension	73,160	71,053
Taxation and social security	99,180	101,507
Net Present Value of Pensions Trust deficit recovery contributions	34,821	33,807
Accruals and deferred income	499,918	442,690
CBILS loan	57,078	-
Other creditors	457,257	242,701
	<u>3,576,164</u>	<u>2,480,051</u>

Note: Pupils' initial deposits fall due for repayment when the pupil leaves the School either by way of refund or offset against any monies owing at that date. In the normal course of events, the majority of deposits will fall due after more than one year.

16 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
CBILS loan	192,922	-
Net Present Value of Pensions Trust deficit recovery contributions	87,162	121,393
Other creditors	9,686	13,781
	<u>289,770</u>	<u>135,174</u>

17 General funds – unrestricted

	2021	2020
	£	£
At 1 September	6,685,740	7,277,149
Net outgoing resources	(909,226)	(586,202)
Gains/(losses) on investments arising in the periods	43,737	(5,207)
Transfer of funds	50,000	-
At 31 August	<u>5,870,251</u>	<u>6,685,740</u>

Harrogate Ladies' College Limited
Notes to the Financial Statements
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18 Restricted funds

	At 1 September 2020	Incoming resources	Outgoing resources	Gains and losses	Transfer of funds	At 31 August 2021
	£	£	£	£	£	£
Scholarship, Bursary and Prize Fund	460,959	4,722	(2,565)	23,048	(50,000)	436,164
Small Hall Fund	3,235	4,267	-	-	-	7,502
	<u>464,194</u>	<u>8,989</u>	<u>(2,565)</u>	<u>23,048</u>	<u>(50,000)</u>	<u>443,666</u>

	At 1 September 2019	Incoming resources	Outgoing resources	Gains and losses	Transfer of funds	At 31 August 2020
	£	£	£	£	£	£
Scholarship, Bursary and Prize Fund	453,755	11,886	(2,609)	(2,073)	-	460,959
Small Hall Fund	-	3,235	-	-	-	3,235
	<u>453,755</u>	<u>15,121</u>	<u>(2,609)</u>	<u>(2,073)</u>	<u>-</u>	<u>464,194</u>

The Harrogate Ladies' College Scholarship, Bursary and Prize Fund is a linked charity and is made up of many smaller funds, the origins of which are bequests, donations and Speech Day prizes, which were managed separately until 2002 when they were amalgamated into one fund under a Charity Commission approved scheme to make the management more efficient. During the 2014 financial period, an additional fund, the Harrogate Ladies' College Scholarship Fund, which had previously been a separate registered charity, was amalgamated into the Harrogate Ladies' College Scholarship, Bursary and Prize Fund. The funds are to be used to further the education of pupils attending Harrogate Ladies' College by the awards of scholarships, bursaries, prizes, maintenance allowances and leaving exhibitions. The £50k transfer occurs annually from the restricted fund in order to fund bursaries through the College.

The Small Hall Fund relates to monies donated by the alumni for a refurbishment of the School's theatre.

19 Analysis of Net Assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 August 2021 are represented by:			
Tangible fixed assets	6,622,459	-	6,622,459
Investments	2	-	2
Current assets	3,113,724	443,666	3,557,390
Creditors	(3,865,934)	-	(3,865,934)
	<u>5,870,251</u>	<u>443,666</u>	<u>6,313,917</u>

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 August 2020 are represented by:			
Tangible fixed assets	6,880,871	-	6,880,871
Investments	1,090,617	460,959	1,551,576
Current assets	1,329,477	3,235	1,332,712
Creditors	(2,615,225)	-	(2,615,225)
	<u>6,685,740</u>	<u>464,194</u>	<u>7,149,934</u>

20 Reconciliation of movement in total funds

	2021	2020
	£	£
Result for the financial period	(902,802)	(573,690)
Gains/(losses) on investments	66,785	(7,280)
Net movement in funds	<u>(836,017)</u>	<u>(580,970)</u>
Opening funds	7,149,934	7,730,904
Closing funds	<u>6,313,917</u>	<u>7,149,934</u>

21 Reconciliation of net movement in funds to net cash inflow from operating activities

	2021	2020
	£	£
Net outgoing resources	(902,802)	(573,690)
Investment income	(10,687)	(23,180)
Interest paid	1,385	-
Operating loss for the period	<u>(912,104)</u>	<u>(596,870)</u>
Depreciation charge	331,251	328,804
Decrease in stocks	23,290	3,599
(Increase)/decrease in debtors	(165,467)	175,186
Increase/(decrease) in creditors	1,250,709	(719,382)
Net cash inflow/(outflow) from operating activities	<u>527,679</u>	<u>(808,663)</u>

	At 1 September 2020	Cash flow	At 31 August 2021
	£	£	£
Cash in hand	13,420	(11,561)	1,859
Cash at bank	865,985	2,094,062	2,960,047
Net cash	<u>879,405</u>	<u>2,082,501</u>	<u>2,961,906</u>

	2021	2020
	£	£
Increase/(decrease) in cash in period	2,082,501	(1,157,516)
Change in net cash resulting from cash flows	<u>2,082,501</u>	<u>(1,157,516)</u>
Net cash at 1 September	879,405	2,036,921
Net cash at 31 August	<u>2,961,906</u>	<u>879,405</u>

23 Leases

Operating leases

	2021	2020
	£	£
At 31 August 2021, the total of the company's future minimum lease payments under non-cancellable operating leases was:		
Within one year		
Other leases	31,989	34,125
Land and Buildings	378,893	378,893
Two to five years		
Other leases	33,868	63,584
Land and Buildings	1,670,027	1,630,591
Over 5 years		
Land and Buildings	22,638,702	23,057,030

24 The Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £586,639 (2020: £585,258) and at the year-end, £73,160 (2020 - £71,053) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions. On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

25 The Pensions Trust

Growth Plan

Harrogate Ladies' College Limited participates in The Pensions Trust's Growth Plan, which is a multi-employer scheme which provides benefits to some 950 non-associated participating employers. Within the Growth Plan, the School participates in Series 1, 2, 3 and 4.

Growth Plan Series 1, 2 and 3

Growth Plan Series 1, 2 and 3 (the scheme) is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 31 January 2025	£11,243,000 per annum (payable monthly and increasing by 3% each on 1 st April)
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Unless a concession has been agreed with the Trustee, the term to 31 January 2025 applies.

The Scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025	£12,945,440 per annum (payable monthly and increasing by 3% on 1 st April)
From 1 April 2016 to 30 September 2028	£54,560 per annum (payable monthly and increasing by 3% on 1 st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

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

Present values of Provision

	31 August 2021 (£'000)	31 August 2020 (£'000)	31 August 2019 (£'000)
Present Value of Provision	122	155	185

Reconciliation of Opening and Closing Provisions

	Period ending 31 August 2021 (£'000)	Period ending 31 August 2020 (£'000)
Provision at start of period	155	185
Unwinding of the discount factor (interest expense)	1	2
Deficit contribution paid	(34)	(33)
Remeasurements - impact of any change in assumptions	-	1
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	122	155

Income and Expenditure Impact

	Period ending 31 August 2021 (£'000)	Period ending 31 August 2020 (£'000)
Interest expense	1	2
Remeasurements – impact of any change in assumptions	-	1
Remeasurements – amendments to the contribution schedule	-	-
Costs recognised in income and expenditure account	1	3

Assumptions

	31 August 2021 (% per annum)	31 August 2020 (% per annum)	31 August 2019 (% per annum)
Rate of Discount	0.63	0.55	0.97

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

The following schedule details the deficit contributions agreed between the company and the scheme at each year-end period:

Deficit Contributions Schedule

Year ending	31 August 2021 (£'000)	31 August 2020 (£'000)	31 August 2019 (£'000)
Year 1	35	34	33
Year 2	36	35	34
Year 3	37	36	35
Year 4	16	37	36
Year 5	-	16	37
Year 6	-	-	16
Year 7	-	-	-
Year 8	-	-	-
Year 9	-	-	-
Year 10	-	-	-

The School has recognised a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises. It is these contributions that have been used to derive the company's balance sheet liability.

Growth Plan Series 4

The Pensions Trust closed the Growth Plan Series 3 to new contributions from 30 September 2013. All employers that participated in Growth Plan Series 3 at the balance sheet date have switched to Growth Plan Series 4 for new contributions from 1 October 2013. Series 4 is a defined contribution scheme.

As at the balance sheet date, there were 98 active members of the Growth Plan employed by the company. These were all members of Series 4.

From 1 October 2013, the company paid contributions into the Growth Plan Series 4 at the rates of up to 7%. Members paid contributions at the rates of up to 4% during the same period. There were £658 of outstanding contributions at the balance sheet (2020: £554).

Unitised Ethical Plan

The School also contributes to the Pensions Trust Unitised Ethical Plan, which is a defined contribution scheme. The School paid contributions at the rates of up to 7% during the accounting period. Members paid contributions at the rate of up to 4% during the accounting period. There were no outstanding contributions at the balance sheet (2020: £nil). As at the balance sheet date, there were 5 active members of the Unitised Ethical Plan employed by the company. The company continues to offer membership of the Unitised Ethical Plan to its employees.

26 Related party transactions

At the year-end the School was owed £91,620 (2020: £14,419) from HLC (Properties) Limited. HLC (Properties) Limited made an annual charitable donation of £41,129 during the year to 31 August 2021 (2020: £nil). During the year, recharges of expenditure of £34,991 (2020: £40,520) were made from Harrogate Ladies' College to HLC (Properties) Limited.

Certain directors send their children to the School but are charged fees on an arm's length basis and receive no discount or concessions by virtue of their directorship.

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