



ROBERT GORDON'S  
COLLEGE

# Annual Report and Financial Statements for the year ended 31 July 2024

# Annual Report 2023-2024

This report covers the year to July 2024, and provides a commentary on the educational and financial activities of the College during this time. Robert Gordon's College has been a registered charity since January 1992 (SC000123) and these accounts are publicly available through the websites of both RGC and the Scottish Charity Regulator (OSCR).

3 Chair's  
Introduction

5 Message from the Head  
of College

6 Annual Education Report of  
Robert Gordon's College

7 The RGC Community

9 Values

10 Leadership Structure  
The Board of Governors

11 The College Improvement Plan

12 Teaching and Learning

13 Co-curriculum

15 Pastoral Care and Safeguarding

16 RGC Online

17 Educational Partnerships

18 Environmental, Social and  
Governance (ESG) Report

19 Bursaries

20 Charity Work and Fundraising

21 Educational Public Benefit  
Scottish Education Support

22 Support for the Local Business Community

23 Equity, Diversity and Inclusion  
Sustainability and Net Zero

24 Financial Review

33 Financial Statements

Click  
on the  
article titles  
to navigate to  
the pages

Welcome to the College's

# Annual Report

The year ended 31 July 2024, and the months since then have presented a fascinating and challenging environment for Robert Gordon's College.

Great results have been achieved, plans to grasp opportunities are being developed and governments and the economy continue to present significant challenges. Starting with our objective – sustaining and constantly improving the quality of the Robert Gordon's educational experience, our pupils continue to astound with excellent exam results across the board. The quality of attainment for all students is admirable and the range of post-school destinations is impressive. Also, as explained in more detail by the Head of College, we received an inspection by our chief educational regulator – His Majesty's Inspectorate of Education (HMIe). The Governors are delighted with the excellent report from this

inspection which validates the educational strategy so ably executed by all our teaching staff. The inspectorate team was not only impressed by the excellence of our pupil attainment and equity for all learners, but highlighted the ethos of the College as well as the positive mood and happiness of those that learn and work at Schoolhill.

Away from the traditional classroom, your Governors are focussed on a number of opportunities to bolster revenue streams and build resilience. Work continues on developing the quality of the leadership team and we have made successful appointments in the areas of HR and Operations which will reap benefits as we focus on the strategy of streamlining operations and processes, as well as focus on opportunities for additional income such as RGC Online and greater leverage from our sports and other facilities.

More importantly, we recognise that families make a significant choice and financial commitment in sending their children to Robert Gordon's. I assure you that the Governors and management review and challenge financial projections – and that we will continue to do everything possible to manage our balanced budget and focus on costs / operating effectiveness while maintaining the quality and breadth of education. No easy task, I assure you.



Governors take a keen interest in the day-to-day experiences of children, young people and staff. For example, Governors conduct learning walks and meet focus groups of staff and learners to hear their views and opinions. As a result, Governors provide strategic advice and guidance for improvement based on an informed insight into school life.

His Majesty's Inspectorate of Education report, May 2024

Other challenges face the College. I am especially indebted to all our staff who take their safeguarding and welfare responsibilities so seriously and carefully. The leadership of [REDACTED] is instrumental in providing this safe environment and the results of our inspection provide comfort that we are doing the right things to look after the pupils' welfare – but we are not complacent. Welfare and safeguarding are high on the Board's agenda and continues to get utmost attention.

As I commented last year, philanthropy and community good are at the very heart of Robert Gordon's ethos. We look forward in the next few years to celebrating the tercentenary (300 years!) of the original establishment of the College and can take a huge amount of pride that the objectives of Robert Gordon himself are alive and well in the College and throughout the Gordon's community.

We are hugely grateful to all our donors – whether individuals, families, trusts – who give so much in the way of money, time and effort for the good of current and future pupils. One of our key donating trusts is currently undergoing a reorganisation and for reasons outside the control of the College has paused donations for new bursaries. This, and other economic factors, have put our overall bursary programme under some pressure and the Governors are very focussed on rebuilding the number of new bursaries. However, we remain hugely proud that so many children currently receive a bursary, or some other form of financial support, from the College and its donors.

There is much more to talk about – so please read all about the College activities, successes and challenges in the rest of the Annual Report.

Despite a rocky landscape, the Governors are confident in the College's strategic and financial resilience – founded in educational excellence and supported by sound financial management and oversight. We have a strong team, well led by [REDACTED] – and I am hugely grateful to all our staff for all the effort and focus on quality in what has been, and will continue to be, a challenging but rewarding time for the College.

Chair of the Board of Governors



This ethos of philanthropy and service to others remains a strong feature of the RGC co-educational community today.

His Majesty's Inspectorate of Education report, May 2024

L to R: S1 Orientation Day,  
S6 Graduation, Junior School  
cricket at Countesswells



Message from the

# Head of College

This has been a very successful year in terms of the educational progress of our pupils and we were pleased to see their successes recognised by His Majesty's Inspectorate of Education (HMIe).

It was our first inspection for many years, and we received a coveted rating of 'excellent' for pupil attainment and equity for all learners. We have outstanding staff and their commitment and professionalism are integral to the ongoing success of our pupils, and we are also grateful to our parents and families for their support. The surveys they completed, and the focus groups they participated in with inspectors, showed an incredible level of pride and support for RGC. We never take this for granted.

This year we said goodbye to some exceptional servants to RGC, with the retirement of [REDACTED] (Head of the Junior School), [REDACTED] (Nursery teacher), and [REDACTED] (Junior School teacher). They have been outstanding practitioners and strong supporters of the Gordon's community over many years, and we will miss them greatly.

Whilst we have had an exceptional year in terms of education, the wider challenges politically and economically have been concerning. We fundamentally disagree with the new government that education should be taxed, and we have worked with sector groups such as ISC, HMC, ISBA and SCIS to help make this case through collective lobbying. The social value that the College provides is detailed in this annual report's ESG section, and we will continue to follow the ethos set out by our founder, Robert Gordon, in being a socially responsible organisation. Service is at the heart of an RGC education, and the annual report shows our incredible commitment to public benefit.

[REDACTED]  
Head of College



Senior leaders and Governors use their knowledge of the individual circumstances of children, young people and their families very thoughtfully. A very diverse range of children and young people benefit from the wealth of academic and enriching wider opportunities on offer at RGC, despite socio-economic and other challenges.

His Majesty's Inspectorate of Education report, May 2024

pupils supporting their House and Sports Day, Nursery Music lesson, first day of school!



# Annual Education Report

# Community

Robert Gordon's College is a 3-18 school for around 1500 pupils in the heart of Aberdeen.

It consists of a Nursery, Junior School and Senior School with all three situated on the main campus at Schoolhill. In addition we have a 39-acre sports ground at Countesswells which is used for sport and outdoor education by all age groups throughout the year.

We have a large number of teaching, education support and business support staff, as well as ad hoc employees in areas such as supply teaching and exam invigilation. All staff undergo a PVG check, and all teachers have to be registered with the GTCS.

Over 14,000 former pupils are spread around the globe. Our Development Office keeps them connected with the school, and provides a range of social and professional events to create further opportunities for engagement, which provides valuable opportunities for pupils currently at the school. In addition to this, our former pupils are represented by the Gordonian Association which organises regional events and functions to keep Gordonians connected to one another. This

includes five sports sections, for rugby, hockey, netball, golf and cricket.

The vibrant life of our school community is captured in our annual publications. The Gordonian magazine covers all of the events and successes of our pupils, and the former pupil community, which is represented by the Gordonian Association, is covered in the Pelican.

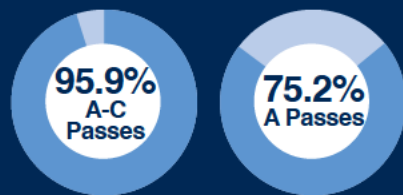


The school has built up a very involved alumni community from across the globe. Former pupils add significant value to young people's learning, for example by sharing their knowledge and experience of different career paths and opportunities.

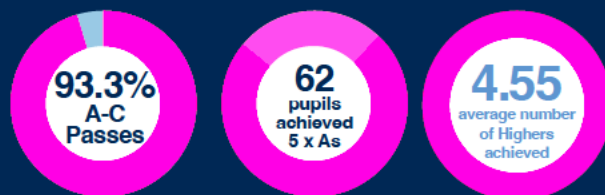
His Majesty's Inspectorate of Education report, May 2024

Clockwise from top: First day of school, pupils supporting their House at Sports Day, pupils were invited by a former pupil to visit the Google offices in New York while there for Tartan Week, P4 Art Class with a specialist art teacher.

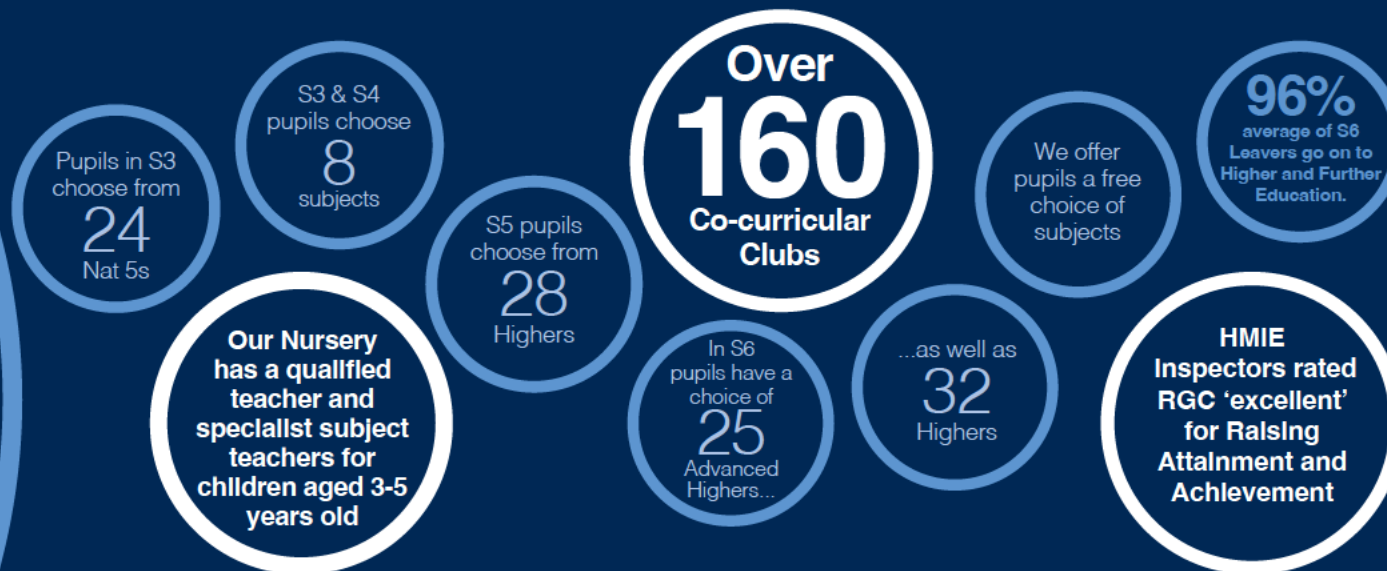
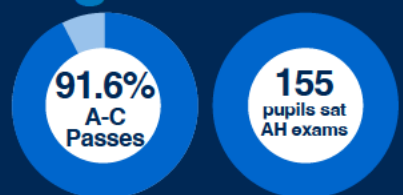
## National 5



## Higher S5



## Advanced Higher S6



## Junior School Specialist subjects



# Values

RGC has five core values:  
community, leadership, resilience,  
innovation and curiosity.

Our core values underpin all that we do and are the qualities we aim to instil in all of our pupils. Our aim is to empower pupils to set their own targets in the confidence they will achieve them.



The school's established core values of community, curiosity, innovation, leadership and resilience are clearly understood by all. The sense of community is highly evident across the life of the school, and in daily interactions between staff, children and young people.

His Majesty's Inspectorate of Education report, May 2024

Clockwise from far left: S1 History lesson, Prizegiving, Sports Day, P6 residential trip to Alltnacriche, P7 Science Club



# Leadership Structure

The leadership of the College covers academic and operational functions.

These are overseen by the College Executive, which consists of the Head of College, Head of Junior School, Head of Senior School, the Chief Financial and People Officer and Clerk to the Board of Governors, and the Chief Operating Officer.

Educational leadership is provided by the Joint Senior Leadership Team (SLT). This consists of the Head of College, Head of Junior School and Head of Senior School, and the Deputy Head Teachers. In the Junior School, the Head of Junior School is assisted by two Deputy Heads, covering Nursery to P3 and P4-P7. They in turn are assisted by a

team of Principal Teachers. The Head of Senior School is assisted by three Deputy Heads, covering S2/3, S4/5, and pastoral care. There are two Heads of Year, for S1 and S6. The Senior SLT is supported by middle leaders, such as the Heads of Department and Heads of Guidance, as well as other specific leadership roles. This session, a restructuring programme led to the creation of 3-18 leadership roles in Science, the Creative Arts, and Languages, with oversight of teaching and learning for all ages and stages within the school.

The operational dimension of the school is led by the Head of College, CFO, CPO and COO. Key leadership roles are covered by those with the title of Director, namely the Director of Development, Marketing and Admissions (DMA), the Director of People, and the Director of IT.

## The Board of Governors

The Board of Governors is led by a Chair and Vice Chair. Under the revised constitution (2023) there are representatives from the Gordonian Association, the University of Aberdeen, Robert Gordon University, the Seven Incorporated Trades, the Aberdeen Endowments Trust, and the Presbytery of the North East and Northern Isles. There are also co-opted Governors who provide a breadth of skills and experience required to oversee the leadership of the College. All Governors serve in a voluntary capacity and are not remunerated for their roles.



Senior leaders have a very good understanding of the strengths of the school and have identified key areas for further development.”

His Majesty's Inspectorate of Education report, May 2024

Chief Financial Officer,  
Chief People  
Officer,  
Head of Junior School,  
Head  
of College and  
Head of Senior School,  
Chief Operations  
Officer

# The College Improvement Plan



## Priority 1: Academic Improvement

- Review curriculum rationale within the 3-18 curriculum and super-curriculum
- Focus on curriculum progression at key transition points
- Use assessment data to track academic progress
- Enhance the digital curriculum



## Priority 2: Pastoral

- Develop staff use of Wellbeing Manager (ISAMS)
- Continue to increase awareness of and respect for diversity and inclusion
- Enhance staff wellbeing systems



## Priority 3: Co-curricular

- Continuous improvement of increased range of co-curricular activities from 3-18
- Accurate tracking and monitoring systems
- Promote a culture of service



## Priority 4: Professional Learning

- Continued evaluation of Professional Learning Pathways and a stronger culture of staff-led CLPL
- Increase opportunities for staff to undertake significant CLPL
- Specific CLPL focus on neurodiversity across 3-18 departments



# Teaching and Learning

A major feature of the RGC pupil experience is specialist teaching in art, music, drama, languages, science, PE, and Sport across all age ranges from 3-18.

To support this specialist teaching, new departmental structures were created this year to provide continuous learning, curriculum design, and enhanced transition. Heads of Department in Science, the Creative Arts and Languages were established, with PE and Sport already existing as all-through departments.

Attainment continues to be outstanding, with excellent exam results in the Senior Phase. A particularly pleasing aspect of this year's exam results were the record breaking levels achieved by S4, the year group that had a disrupted transition from P7 to S1 as a result of lockdown during the COVID-19 pandemic.

In February 2024, the school was inspected for the first time in almost two decades by His Majesty's Inspectorate of Education (HMIe). The school received a very strong report, and was rated as 'excellent' for 3.2 Raising Attainment and Equity for All Learners. RGC was also identified as sector leading in four areas:

- Commitment to equity, diversity and inclusion (EDI)
- RGC Online
- Career Long Professional Learning (CLPL) for staff
- International partnerships

Clockwise from top left: Senior School production of Grease, P1 Science, P6 Art, Mandarin, Cricket at Countesswells, Intermediate Concert Band.



Positively, teachers in all senior school subject departments are moderating the P6-S2 curriculum with colleagues in the junior school. This is resulting in stronger course planning processes, as well as cross-sector collaborative working.

His Majesty's Inspectorate of Education report, May 2024

# Co-curriculum

RGC provides a vibrant co-curricular offering to pupils at all ages.

Clubs, societies and activities cover the visual and performing arts, academics, sport, outdoor education, culture, service learning as well as the purely social and fun. The Junior and Senior School each run their own specific programme, though some activities, such as the Pipe Band and Highland Dancing, cover age groups across both parts of the school. In total there are over 70 co-curricular clubs and activities in the Junior School, and over 120 in the Senior School. Service-based learning is particularly strong, as seen in the vibrant CCF and the very high uptake for the Duke of Edinburgh's Award (one of the highest in Scotland). Pupils are actively encouraged to participate to develop socially and emotionally as they progress through the school.

Clockwise from above:  
Dance Club, P3 Netball,  
Paddlesports, Pipe Band,  
Allotment Society

An outstanding range of wider activities, clubs and teams is accessible to all children and young people. Often these experiences take place at little or no cost to children, young people and families."

His Majesty's Inspectorate of Education report, May 2024

# Residential trips

Residential trips form a very important part of the RGC pupil experience.

There are many opportunities for our pupils to enjoy trips beyond the school gates, beginning in Nursery and continuing through their Junior and Senior school years. All pupils have the opportunity to participate in a wide variety of trips and tours to suit their own interests, both locally and further afield, allowing them to expand their horizons and build self-confidence away from home.

For Junior School pupils in P5-7 these are to Alltnacriche, Dalguise and Glasgow. The Senior School pupils have residential trips in Projects Week in June, with S1 going to various locations in Scotland, and S2 and S5 having the opportunity to travel abroad. In addition, there are many bespoke trip opportunities, such as the Geography trip to Iceland, the Music Tour to Italy, the Sports tour to South Africa, and the Pipe Band and Highland Dancers performing at the Tartan Day Parade in New York.



Senior leaders and Governors use their knowledge of the individual circumstances of children, young people and their families very thoughtfully. A very diverse range of children and young people benefit from the wealth of academic and enriching wider opportunities on offer at RGC, despite socio-economic and other challenges."

His Majesty's Inspectorate of Education report, May 2024

Clockwise from left: S1 Projects Week, Alltnacriche, Dalguise, Italy Music Tour, Iceland, South Africa Sports Tour

# Pastoral Care and Safeguarding

Pastoral care at the school is multi-layered and every child is well known to staff.

Child protection and safeguarding are of paramount importance and we have well established and clearly understood systems in place to ensure that we meet the needs of every child in our care. Although RGC has approximately 1500 pupils, the ratio of pupils to teachers remained consistent at 8.9:1, which is exactly in line with the Independent School Council's average for the sector.

In the Junior School, each class has one class teacher who is the principal contact for each child's care and development. Across each year group the class teacher is supported by a competent classroom assistant, and children are well cared for by a playground supervisor during breaks and lunch. There are no composite classes, and we have not had any classes with a 'job-share' arrangement in place.

We have a Wellbeing Centre staffed by highly qualified nurses, who also work within the NHS. The Wellbeing Centre tracks and monitors pupil health across the school and this data is reported to the Board of Governors. The school also employs a counsellor for more serious mental health support. We have Heads of Guidance who follow the house structure; pupils from the same family are allocated to the same house, and therefore the same Head of Guidance, so the family is well known to them.

We have a specific Governors' committee for safeguarding, which has external advisers for critical scrutiny. Our HMIE report found no significant concerns with safeguarding and made only minor recommendations.



Children and young people benefit from a nurturing and inclusive ethos across the school. Staff recognise fully their role in supporting the wellbeing of all learners. They have positive and mutually respectful relationships with children and young people across the school. Staff know learners very well as individuals and use this knowledge to inform approaches to universal and targeted support."

His Majesty's Inspectorate of Education report, May 2024

L to R: Psychology, Nursery, P4

# RGC Online

RGC Online was launched as a response to the pandemic and was inspired by the Logan Review (2020) into Scotland's tech ecosystem.

RGC Online has a clear focus on technology education through Higher Computing Science and our own bespoke modules on Artificial Intelligence (AI), data science, computer game design, entrepreneurship and cyber security. The platform allows pupils from across Scotland to be taught Computing Science, with direct instruction by a highly qualified and experienced teacher. Many of these pupils are unable to take Computing Science as a subject at their own schools.

Our second national cohort completed the Higher Computing Science course in 2024, with 100% of pupils achieving A-C grades, and an incredible 89% achieving an A grade. We are delighted to partner with Aberdeen City Council's ABZ Campus, and we continue to support pupils with bursary places to ensure the widest possible access to the service. We will continue to partner with local authorities as we look to scale up, and we will be introducing Application of Mathematics in 2024-25.

## Live-taught virtual SQA Highers

"I applied to study at RGC Online because I couldn't fit it into my school timetable. My favourite part of the course so far is that there are plenty of practical components to the course, the pace is very steady and there is plenty of support from the teachers."  
RGC Online Student, Edinburgh

## 100% A/B pass rate

(August 2024)

"We're not far off from a world where essentially every company, regardless of stage or sector, will need to develop software. This only furthers the importance of developing great AI and data science talent to enable companies to delight their customers and deliver products that matter. To that end, RGC Online is an intelligent, flexible and tailored learning solution that provides young people in Scotland with the necessary building blocks to not only participate in, but also lead, in this innovation economy."

"I would recommend RGC Online to others as it increases the availability of subjects to areas that don't offer them. I applied because there wasn't an offering available where I lived and it presented me with an opportunity to do so."  
RGC Online Student, Scottish Borders



Watch videos on students' experiences with RGC Online  
[www.rgc.aberdeen.sch.uk/learning/rgconline/about](http://www.rgc.aberdeen.sch.uk/learning/rgconline/about)

## Study alongside local school timetable

"After a decade of leadership at Microsoft Xbox, and now as an advisor to numerous fast-growing games companies, I'm constantly aware of the huge importance of the video games industry to the UK's economic and cultural life. With this in mind, I am incredibly excited by the RGC Online project and its potential to position Scotland as a key source of young emerging talent in this rapidly growing field."

Player One Consulting



## Small class sizes



## Developed with university & industry partners


"I am an enthusiastic supporter of the RGC Online initiative enabling students across Scotland to gain knowledge of and leading to broad career choices in the expanding technology space. The accelerating global deployment of such technologies is driving the need for new skills in the workplace, and indeed the creation of new types of jobs based on these skillsets. RGC Online's online teaching provides a novel approach to providing this early technology training to students across Scotland, generating excitement about the capabilities of this technology, and leading to the creation of new expert pools to drive the prospects of this new technology ecosystem."

Theseus Pharmaceuticals



Read the latest news about RGC Online at  
[www.rgc.aberdeen.sch.uk/rgconlinenews](http://www.rgc.aberdeen.sch.uk/rgconlinenews)



 Additional self-study tech modules

 Artificial Intelligence

 Data Science and Machine Learning

 Game Design

 Cyber Security

 Entrepreneurship

 Quantum Computing



Scan this QR code to find out more about RGC Online



# Educational Partnerships

RGC is affiliated to the Scottish Council for Independent Schools (SCIS), the Heads' Conference (HMC), and the Independent Schools Council (ISC). We are a member of the Global Alliance for Innovative Learning (GAIL), which consists of eight schools across six continents: RGC represents Europe and we took part in the GAIL conference in 2023 at Kristin School, Auckland on diversity.

Our nursery provision is in partnership with Aberdeen City Council, as we provide the 1140 hours in a year round setting.

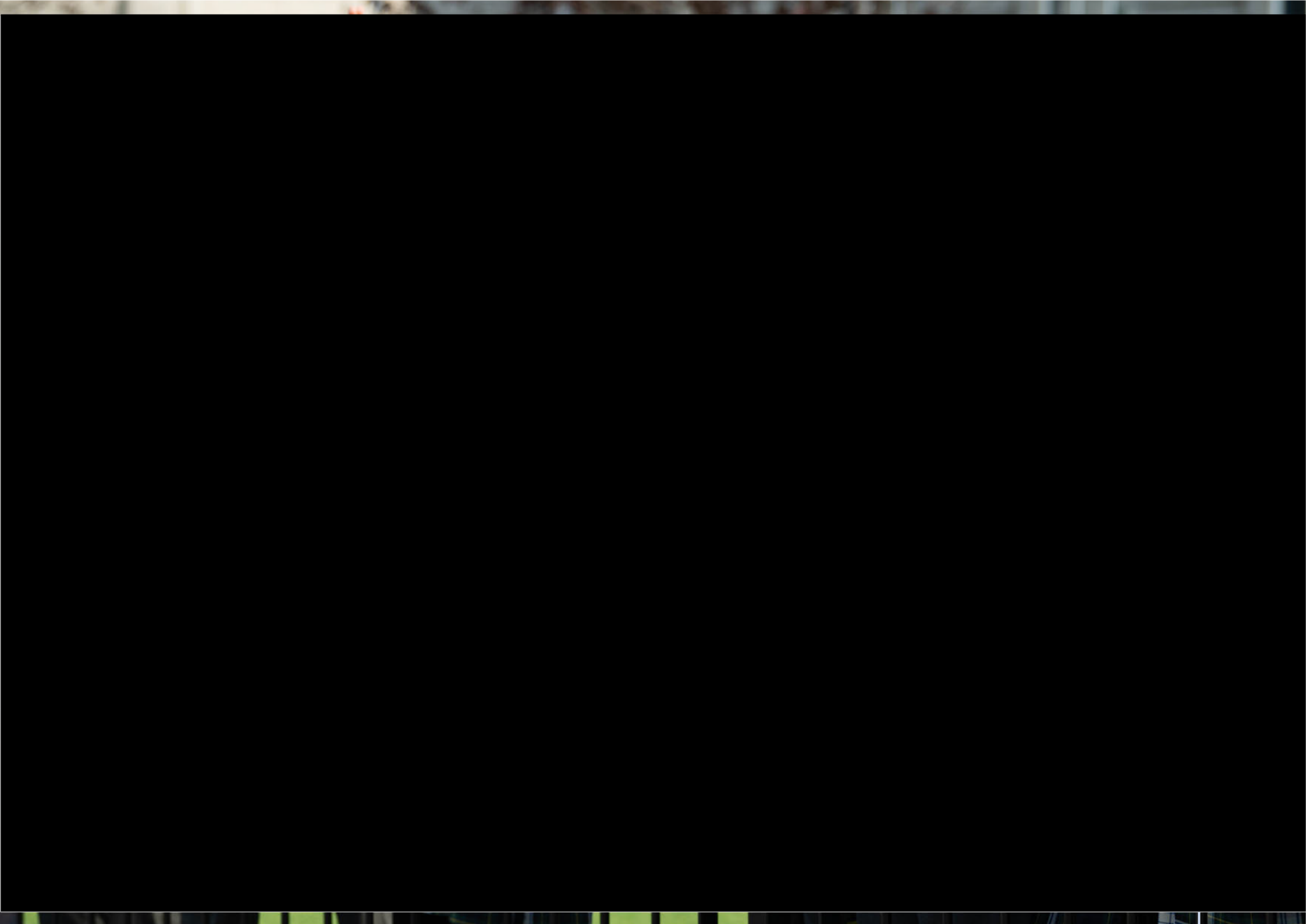
We partner with the Massachusetts Institute of Technology (MIT), which means we have visiting students each year working with staff and pupils on innovation educational programmes.

We have an historic partnership with the New Zealand government whereby the Otaki Scholar (the school captain in S6) visits New Zealand after graduating from RGC. This goes back to the sinking of the SS Otaki in 1917 during the First World War. We work closely with Otaki College on planning the visit, and we have a reciprocal arrangement for an Otaki pupil to visit through the Everiss Trust. We also have a partnership with St Andrew's College, Christchurch, where we host the Robert Burns Scholar on an annual basis.

We work in partnership on various areas with Robert Gordon University including student placements, archival material and sporting facilities. We share our sporting facilities with RGU to enable them to play BUCS fixtures at Countesswells on Wednesday afternoons.

L to R: GAIL pupils visit Otaki, MIT student with S6 MIT student in Junior School.







# Bursaries

Robert Gordon's deed of mortification (written in 1729) set out a vision for a school that would support the children of 'decayed burgesses', to provide an education that they would otherwise not receive, in order to prepare them for the world of work and to contribute to society.

Nearly three centuries later, the school is a registered charity and we take our founding as a contributor to wider society very seriously.

## Bursaries

The school remains true to its founding ethos by running one of the most extensive bursary programmes in the UK, which is also sector-leading in Scotland. The majority of bursaries are 'transformational', which means 100% of the fees are covered as well as some of the ancillary costs. In the 2023-24 school session, 124 pupils were in receipt of a part or full bursary, with 39% of RGC bursaries going to pupils living in areas of highest deprivation, as measured by the Scottish Index of Multiple Deprivation (SIMD). The Junior Foundationer Awards were launched this year and this extends bursary provision to all ages in the Junior School (P1-7).

Bursaries are supported through a variety of means; many come from well established trust funds, such as the Aberdeen Endowments Trust, the Duguid Trust and the Burnett Trust. The significance of the relationship with AET is demonstrated by the presence of RGC Governors on the board of AET. Other bursaries are funded through donations which need to be renewed annually.



This ethos of philanthropy and service to others remains a strong feature of the RGC co-educational community today.

His Majesty's Inspectorate of Education report, May 2024

L to R: S6 Creative Industries course, S1 orientation day, Sports Day.

*Note: The pupils featured in these photos are not bursary recipients.*

# Charity Work and Fundraising

The school raises a significant amount of money for a variety of causes, locally, nationally and internationally.

This year the Junior School raised over £10,000, and the Senior School Charities Committee raised over £8,000 through specific pupil-led campaigns.

Charities (and charitable appeals) which have received donations from RGC include:

- Aberdeen Cyrenians
- AberNecessities's teenage clothing appeal
- The Empty Pots Initiative
- Home Start's 'Cosy up for Christmas' appeal and book drive for their shop
- Instant Neighbour - food donations at Harvest and Christmas
- Foodbank collection
- Rotary shoe box appeal
- The Scottish Refugee Council
- The Trinity Centre Easter Egg appeal

## Educational Public Benefit

The school provides support through membership of various networks and partnerships which have an educational focus. These include:

- Aberdeen Mosque and Islamic Centre
- Aberdeen Secondary Schools Netball Association
- Aberdeen Synagogue
- The ADHD Foundation
- The Astronomy Society
- Cricket Scotland
- Interfaith Scotland
- The Institute of Physics
- Netball Scotland Umpiring Committee
- Peacock Visual Arts workshops
- Beyond Srebrenica Scotland
- Robert Gordon University
- SATPE
- Scottish Mathematical Council
- The Scottish Rugby Union
- The University of Aberdeen

Clockwise from above: S3 pupils at Aberdeen Cyrenians, P7 Charities Committee, Abernecessities collection, Christmas Jumper Day, Senior School Charities Committee foodbank collection

# Educational Public Benefit

We have also provided support for schools in the state sector, and other community partners, including:

- Aberdeen Children's Hospital
- Aberdeen City Council: Art Teachers network; resource sharing to deliver Advanced Higher Computing; Geography pupils supporting the George Street Masterplan
- Aberdeen Harbour
- Aberdeen Inspired - NUART festival
- Big Sing - Primary 4
- Classical Association of Scotland: North of Scotland, and Classics For All
- City and Shire Drama Network
- Fernielea Church
- Franco-Scottish Society
- Institute for Physics - Getting Girls into Physics initiative
- Open Space Trust
- Otaki College (a state school in New Zealand) through the Everiss Trust
- Psychology Conference organisers and hosts
- Rotary Club of Aberdeen
- Science Early Intervention Aberdeen
- STACS network for Computing Science
- Techfest
- Worldwide Quiz for Geography hosts

**Scottish Education Support:** A significant number of RGC staff provide support for the SQA: subject marking, paper setting and team leadership for other schools.



In addition to this, [REDACTED] Head of Junior School (to December 2023), is an Associate Assessor for Education and inspects both Independent and Local Authority Schools. [REDACTED], Head of the Senior School, is a board member of the Scottish Council for Independent Schools (SCIS). The Head of College, [REDACTED] is a member of the Academic Policy Committee for HMC, and a member of the Diversity and Inclusion Group for the ISC, and a trustee of Beyond Srebrenica and the [REDACTED] Clerical Fund.

RGC regularly takes student teachers on placements and encourages people to join the teaching profession by providing work experience for prospective PGDE applicants. RGC staff also support the University of Aberdeen's Education School by visiting trainee teachers at other schools to undertake assessments.

# Support for the local business community



Investing in infrastructure, distributing economic benefits across the community:

£7,643,000

Capital investment projects from 2019 to 2024.

Estimated to have supported around 70 short-term construction jobs



388

As a large city centre employer, Robert Gordon's College directly employs 388 staff.

We are a member of Prosper and the Aberdeen and Grampian Chamber of Commerce. We conducted an Economic Impact Assessment in 2024 with AGCC which evaluated the economic effects of RGC in areas such as employment, expenditure, city contributions, public benefit and public sector savings.

The report demonstrates that RGC saves local authorities £10.6m by educating children outside of the state sector. It also shows that RGC provides a GVA contribution of £6.14M annually to the North East economy.



As a large school community with campuses in the city centre and at Countesswells, additional benefits are being realised through pupil and parent expenditure due to their attendance at RGC.



39% of the 124 Bursaries provided by RGC in 2023/24 reached the most deprived areas in the region



Generating income and boosting local suppliers:

£1.55m

Direct gross salary spend in the local economy



99%

RGC salary expenditure is within the North-East region.

35%

RGC's annual expenditure is with suppliers in Aberdeen City and Aberdeenshire.



# Equity, Diversity and Inclusio

RGC is a highly diverse school in terms of its socio-economic profile.

Our commitment to EDI was recognised in our HMIE inspection report. We have an EDI Liaison Group which consists of pupils, parents, former pupils, staff and external stakeholders. It meets on a termly basis and provides support and challenge on all issues relating to how the school delivers education and how it operates as an employer. We conduct an annual Gender Pay Gap Report, and have policies in place to ensure that RGC is an equitable employer for all staff in our community.

Our pupils lead an annual Diversity Week, which celebrates all cultures within our community. Our commitment to EDI follows our motto of 'be all you can be'.



The EDI liaison group, consists of children and young people, former pupils, parents, staff and stakeholders. They add significant value to the review of school policies and practices. They successfully promote and celebrate the highly effective approaches to inclusion, particularly for those members of the school community with protected characteristics. As a result, RGC is a highly inclusive school where individuals are supported to feel confident and respected by all."

His Majesty's Inspectorate of Education report, May 2024

## Sustainability and Net Zero

We are working with Zero Matters to conduct a full carbon footprint audit, and to plan for a transition to net zero.

We have reduced our energy consumption by 61% since our first Carbon Trust audit in 2011.

We will continue to invest in systems and technologies that help us to become more sustainable as an organisation.

We have appointed an Energy Manager to lead in this area.

We provide educational opportunities for our pupils in the curriculum, and also through our super-curriculum, principally by our partnership with Powering Futures.

We have a Junior School co-curricular group called Green Beans, and in the Senior School we have a sustainability group called ROAR.

L to R: Diversity Assembly, pupils sampling traditional food from different cultures on Diversity Day. Pupils dress up in traditional costume on Diversity Day.



# Financial Review

# Annual Results

## Operating environment

The annual operating budget set in May 2023 reflected the continuing highly challenging environment with change being a constant whilst our management and Governors remained focussed on maintaining and enhancing our pupils' experience. Nationally, after the year end, from 31 October 2024, general inflation reducing but still 4%, an unknown teacher's pay settlement and political challenges to the UK independent sector as a whole emanating from the Labour Party pledge to apply VAT on school fees. The flat local economy also means less families are able to afford and choose independent education. In March 2024 and March 2025, we shared these challenges, the action taken to date and the key messages ahead, with our parent community. We are always cognisant and sensitive to the fact that most of the economic and financial challenges faced by RGC are also faced by our community.

The work carried out to reduce staffing and operating costs in 2023 and reported last year, the setting of expenditure levels commensurate with the projected pupil roll and fee income, maintaining the reduced energy consumption reported last year, and the setting of an affordable level of pay review, irrespective of the public sector pay bargaining outcome, enabled an inflationary increase of 5.9% to tuition fees and a balanced budget after 2 years of reducing reserves. College Governors and staff balanced providing quality education and assessments, and managing finances in a prudent and sustainable manner. Capital and maintenance expenditure were again carefully controlled to preserve cash, with deferral of some works. The College's financial objectives, namely to maintain expenditure and tuition fees at appropriate levels thus generating minimal net income whilst generating cash to reinvest in the school facilities and estate, continued to be modified to respond to the inflationary environment and current and predicted fiscal and local and national economic uncertainty. Headcount is at an appropriate level, and revenue streams other than tuition fees are being developed. Our trading subsidiary formally started trade from 1st January 2024 and this is the first set of consolidated accounts. We moved into the current 2024/25 session and financial year with the College financially stable and sustainable going

forward. However as referenced in Post Balance Sheet Events the UK Government has implemented 20% VAT on tuition fees from 1st January 2025 and effectively added 2.5% to our wage costs with the Employers NIC increase and threshold changes. As reported, in this unstable economic and political environment for independent schools, there remains a preparedness to make further difficult decisions ahead.

## Financial Performance

During the year ended 31 July 2024, the College charity recorded net income of £167,000 (2023 - net expenditure of £1,964,000). After taking account of pension actuarial losses due to the asset ceiling restriction, there was a net decrease in funds of £1,045,000 (2023 - increase of £1,560,000).

The overall financial performance in the year is considered satisfactory. Operational results were in line with the budget recording a small deficit increased by planned non-recurring costs related to essential building facade and swimming pool maintenance in the summer holidays. Careful cash management enabled much improved positive cash generation from operating activities of £1,680,000 (2023 - £668,000).

Total income and endowments rose as a result of an increase in both school and nursery tuition fees billed, an increase in other income driven by a return to pre-pandemic volume of pupil educational visits and trips, and an increase in donations and legacies received. Tuition fees income was £21.1 million and the average fee per pupil was £15,077. The annual tuition fee increase effective from August 2023 was 3.9%. The pupil roll at the year-end was 1,527 taking a half-day nursery place as one place in the roll.

Our estate has been well maintained over a number of years, whilst at the same time there is a continuous need for repairs, maintenance and upgrade activities. This expenditure category varies each year as budgets are set to provide the required level of maintenance for our historic, impressive and demanding campus, with, if necessary, the deferral of non-urgent works within the budgetary constraints applied.

Financial Year Ended	31 March 2020 £'000	Restated 31 July 2021 £'000 (17 months)	Restated 31 July 2022 £'000	31 July 2023 £'000	31 July 2024 £'000
Total income and endowments	21,112	26,429	20,797	23,285	25,251
Net income (expenditure) prior to actuarial gains/losses on pensions	42	414	(891)	(1,673)	(67)
Net cash provided by operating activities	1,891	1,072	1,825	668	1,680
Total Funds	27,740	29,709	32,343	33,903	32,858

Operating staff costs reported in our management accounts of £15.0m (2023 - £14.9m) were 71% of net tuition fee income (2023 - 74.2%). The number of full-time equivalent staff employed by the College decreased in the year although due to the increase in part-time sports coaches the total academic staff increased to 281 (2023 - 265). Pension costs as a percentage of salaries and NIC was 18.6% (2023 - 19.6%).

Finance costs (interest paid on bank loans) increased as projected and also due to increasing interest rates.

Fixed asset additions in the year, as detailed in Note 8, were £143,000 and depreciation of £1.38 million was charged.

Donations received in the year were £389,000, a significant increase despite there being no public fundraising campaign and the challenging economic environment (2023 - £190,000).



### Bank cash, liquidity and long term borrowing facilities

The College focuses on the generation and preservation of cash, especially during times of economic downturn or uncertainty, which is critical to enable investment in the College's educational activity and to service bank borrowings.

The Statement of Cash Flows shows net cash provided by operating activities of £1.7 million (2023 - £0.7 million). This was principally used to service bank interest and loan repayments.

Overall, as shown in Note 18, there was an increase in the total cash balance to £4.0 million at the end of the year (2023 - £3.0 million) and net debt as shown stood at £4.2 million (2023 - £5.8 million).

In order to meet its capital requirements and to support the Reserves policy noted on page 27, the College utilises structured long-term borrowing facilities. The College keeps these facilities, our working capital balances and cash flow projections under regular review to ensure that our debt servicing requirements and bank covenants can be met. The College maintains open and enabling communication with the College's bankers.

### Pension scheme liability

As required by financial reporting standards, the balance sheet recognises an asset or liability in respect of a defined benefit pension scheme, the North East Scotland Pension Fund, in which some of the College's current and retired support staff participate (see Note 19). At July 2024, an asset of £1,951,000 is reported (2023 - £2,829,000). The actual surplus reported by the Fund was £3,638,000 (2023 - £3,481,000) but a ceiling applies, limiting the asset the school reports to £1,951,000. The fair value of plan assets and the present value of funded obligations both increased in the year primarily due to changes to a number of actuarial assumptions. The key assumption for establishing the discount rate uses the value of high quality corporate bond yields in the calculations. This method is carried out by the scheme actuary using the standard assumptions and prescribed approach set by the International Accounting Standards Board and the Financial Reporting Council. The accounting policy is described in detail in Note 1.

The pension contributions paid by the College are determined by the scheme actuary considering the most recent triennial valuation prepared as of 31st March 2023, and adopting a roll forward approach to value the pensions liability as at 31st July 2024. This valuation compiled by the Scheme actuary was carried out using real returns as a basis to determine the discount rate instead of the bond yields as required to be used in the accounting standards. The results of the triennial valuation established the funding level of the whole fund and for each participating employer. The funding level and the future service rate for the College's membership in the North East Scotland Pension Scheme is based on the average cost for the pension scheme to provide future benefits to members, and recovery of the funding deficit as calculated in the 2023 triennial valuation. This determines the contribution rate for the College on a three year cycle. This rate was 28.4% from April 2021 to March 2024. The funding position for the College following the 2023 triennial valuation is positive, resulting in the deficit recovery element of the contribution rate being removed from April 2024 with the contribution rate reducing to 23% from April 2024, part way through the financial year being reported, and for the 3 years to March 2027.

The Governors closed the scheme to new entrants in 2016 to mitigate future liabilities and now provide a lower cost, defined contribution pension option appropriately structured to recruit and retain new support staff. Further information on this option is reported in Note 19.

### Investments

The Governors' policy is to invest donations arising from the Gordon's Today and Forever funds referred to on page 27. The investments continue to be managed on behalf of the Governors by independent investment advisors. An Investment Policy is in place, Governors regularly review market trends and agree investment strategy and objectives annually, and more often if necessary. The established objectives are to maintain income as a priority, whilst also seeking to preserve, wherever possible, the capital value of endowment investments for the future. These investments are primarily held for the purpose of generating income to support the College's bursary programme. Investment income for the period was £575,000 (2023 - £458,000) of which £443,000 was allocated to appeal funds.

The market value of investments at 31 July 2024, as detailed in Note 9, were £9.3 million (2023 - £9.3 million). Donations and legacies were invested, as reported above, and the College's invested funds performed satisfactorily given market conditions.



Public Benefit - Fee Assistance

A number of benefactors have provided funds to be used for the provision of scholarships, bursaries, grants, prizes and other awards to pupils of the College, primarily when attending school but also when entering further education. Some of these funds are administered by the Aberdeen Endowments Trust, which has supported pupils who would not otherwise have benefited from education provided by the College. Other funds are administered directly by the Governors and include awards from other trusts to candidates proposed by the school. The College continues to receive and be grateful for the bursary support provided by the Aberdeen Endowments Trust and other philanthropic contributors.

The Governors believe that the College's fee assistance policy provides significant public benefit by allowing access to an independent education for many pupils whose parents would otherwise be unable to meet the tuition fees.

Guidance from the Office of the Scottish Charity Regulator (OSCR), indicates certain key measures related to means tested bursaries are used by OSCR as part of the assessment of independent schools' charitable status. These are carefully monitored by the Governors and, taking the school roll to be the average roll over the three terms within the financial year, the key measures are:

	2024	2023	2022	2021
Means tested bursaries as a % of fee income	8.5%	8.3%	8.7%	8.8%
Means tested bursaries as a % of school roll	9.4%	9.4%	9.2%	9.6%
100% means tested bursaries as a % of school roll	7.4%	6.8%	6.7%	7.0%

The Governors aim to maintain and/or increase the breadth of access to the school and have tasked the College's development office with attracting the additional funding that this will require.

Reserves or Funds of the College

Notes 15 and 16 of the financial statements show the assets and liabilities attributable to the various funds by type, provide descriptions of the funds and summarise the year's movements on each fund.

The Governors' overall aim is to continue to build an appropriate level of reserves to ensure that the College's long term financial strength and independence are sustained.

Unrestricted funds amounted to £19.2 million (2023 - £20.4 million), the decrease being due to pension scheme actuarial losses referenced in Note 19. Given the extent of investment in fixed assets, it is the College's policy to monitor the level of unrestricted funds whilst focussing on liquidity, key to that being the maintenance of sufficient liquidity to meet ongoing working capital requirements. To support this policy, the College utilises long term borrowing facilities, structured to enable debt servicing to be achieved and any covenants to be met with sufficient headroom. The Governors keep these facilities under regular review.

Endowment Funds amounted to £7.5 million (2023 - £7.2 million). These donated funds are restricted and are required by donors to be held as capital. As described on page 27 it is policy to invest the funds to preserve the capital and there are fundraising strategies in place to grow these funds. The income generated is applied in line with donor requirements.

Restricted Income Funds amounted to £501,000 (2023 - £506,000). These funds include an element of accumulated income from restricted special funds which are yet to be applied due mainly to the original donor's terms specifying how the College can apply the funds. It is policy to protect and preserve this restricted income which cannot be currently applied and, over time, to explore ways to allocate the funds in line with good governance.

Restricted Appeal Funds, net of the above, amount to £5.7 million (2023 - £5.8 million). These funds represent donations received arising from appeals run by the Development Office under the Gordon's Today, Gordon's Tomorrow, Gordon's Forever and RGC Online headings, as detailed in Note 15. The majority of the funds have been invested in fixed asset land and buildings and there are fundraising strategies in place to grow these funds.

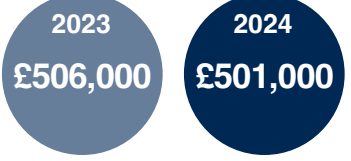
Unrestricted Funds



Endowment Funds



Restricted Income Funds



Restricted Appeal Funds



Going Concern










At the time of approving the financial statements the Governors have a reasonable expectation that the College has adequate resources to continue in operational existence for the foreseeable future. This expectation is based on reviewing, analysing and challenging detailed annual budgets, forward looking trading and cash flow projections prepared by management, as well as considering reasonably plausible downside scenarios. This going concern evaluation also takes into account the College's debt, availability of overdraft facilities, and ability to meet its banking covenants, and has been prepared for a period extending more than 12 months from the date of approving these financial statements. Accordingly, the Governors have continued to adopt the going concern basis in preparing the financial statements - see Note 1.

# Risk Management

The Board of Governors is responsible for the oversight of the risks faced by the College.

Management maintains and updates a Risk Register. Risks are identified, assessed and appropriate control measures refined and established throughout the year. The various Committees, detailed under Governance on page 30, consider the relevant risks and how these have been addressed by management, as well as any particular issues arising. The formal review and oversight of the College's risk management processes, including the Risk Register, is undertaken on a regular basis by the Audit & Risk Management Sub-Committee.

The principal risks and uncertainties currently facing the College, and captured in the College-wide Risk Register, are:

	Child Protection and safeguarding of pupils, current and past		Estates development, capital projects and maintenance
	Digital and data protection compliance, alongside cyber security		Legislative and regulatory compliance, particularly charitable status
	Reputation within local and national communities		Impact of macro and local market conditions and/or economic factors on the College's ability to manage its operations and achieve its objectives
	Health, safety and environmental compliance		Business Continuity, particularly the ability to continue teaching following a serious incident
	Economic and financial factors, including cost pressures and consequences of VAT in delivering a balanced budget.		

There are also political risks and uncertainties related to the independent school sector in Scotland and the United Kingdom which are out with the College's direct control. The Scottish Council of Independent Schools represents its member schools and communicates and negotiates with the Scottish Parliament, the Government and public and private bodies on behalf of the sector regarding devolved matters. The Independent Schools Council (ISC), the Heads Conference (HMC) and the Independent Schools Bursars Association (ISBA) carry out a similar role, primarily within England, and regarding UK Government and reserved matters.

The key governance and/or management controls adopted by the College, and subject to regular dialogue and review amongst the Senior Leadership Team and Governors, include:

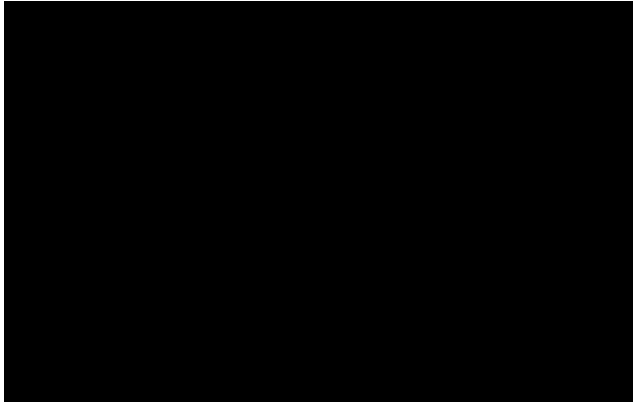
- Formal agenda for all Governor committee and Board activity
- Terms of reference for all Governor committees and subcommittees
- Comprehensive longer term strategic and 5 year financial business planning
- Comprehensive annual financial budgeting and quarterly management accounting reporting
- Established organisational staffing structure and lines of reporting
- Formal written policies
- Clear authorisation and approval levels
- Seeking of professional advice whenever appropriate

Through the risk management processes established for the College, the College Board of Governors is satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

# Governance

The Governors who held office during the period, and up to the date of publication of this report, were:

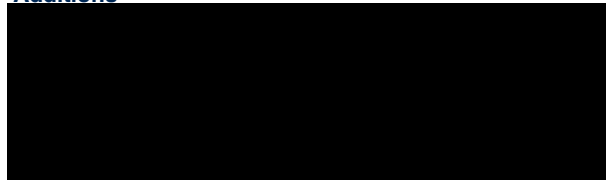
## Governors



## Nominated by/Co Opted

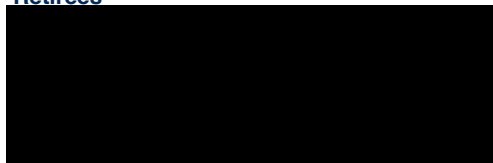
Co Opted  
Co Opted  
Presbytery of the North East and the Northern Isles  
Co Opted  
Gordonian Association  
Seven Incorporated Trades of Aberdeen  
Co Opted  
Aberdeen Endowments Trust  
Aberdeen Endowments Trust  
Co Opted  
Gordonian Association  
Robert Gordon University

## Additions



Co Opted  
Co Opted  
University of Aberdeen  
Co Opted  
Co Opted

## Retirees

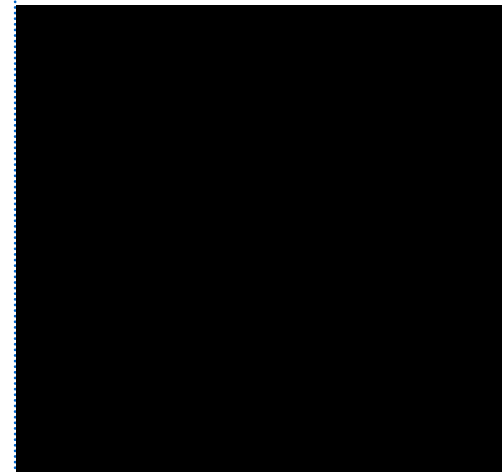


Co Opted  
Co Opted  
Co Opted  
Co Opted

The Governors' principal general duties are described opposite. Several but not all of these duties, including the development for approval and subsequent implementation of the Board's strategy and policies, and the day to day running of the College, are delegated to the the Head of College, supported by the Senior Leadership Team. The College's delegation of authority recognises that the Board of Governors are responsible for making sure the specific duties are met.

## Senior Leadership Team

The Senior Leadership Team and members of the College Strategy Group that served during the year and up to the date of this report, were:



Head of College  
Head of Senior School  
Deputy Head Senior School  
Deputy Head Senior School  
Deputy Head Senior School  
Head of Junior School  
Head of Junior School  
Deputy Head Junior School  
Deputy Head Junior School  
Chief Financial Officer (retiring June 2025)  
Chief Operating Officer  
Chief Financial and People Officer (appointed February 2025)  
Director of Advancement  
Director of IT Services

## Governors' Responsibilities

The Governors' principal general duties include:

- acting in the interests of the charity, specifically to operate in a manner consistent with the charity's purpose
- acting with care and diligence and manage any conflict of interest between the charity and any person or organisation who appoints trustees
- ensure compliance with the 2005 Act, specifically maintaining charity details on the Scottish Charity Register and reporting to OSCR any changes to the charity
- financial record keeping and reporting
- fundraising
- providing information to the public

Regarding financial reporting, the Governors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the College and of the incoming resources and application of resources of the College for that period. In preparing these financial statements, the Governors require to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 (FRS 102)



- make judgements and 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the College will continue in operation

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the College's constitution. They are also responsible for safeguarding the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Governors reviews its performance and activities on an ongoing basis. The structure of committees, agendas and scope of activities regularly evolve to ensure that Governance is focussed and relevant.

### Recruitment and Training of Governors

In considering nominations for appointment to the Board of Governors, the Nominations Committee, having sought sector advice, periodically considers the particular skills and expertise which are felt to be desirable and helpful and include areas such as education, finance, child welfare, diversity, legal matters, fund raising, communications and marketing, human resources, and property and construction. Efforts are made to achieve a composition and balance of these and other skills within the Board. A skills survey then identifies gaps thus guiding the recruitment and selection process.

On appointment, Governors participate in an induction process involving meetings with the Chair, the Head of College, the Chief Financial Officer and Clerk to the Governors in order to gain an appreciation of the objectives of the School and its operation and their duties as Governors and charity trustees. In addition, the responsibilities of the Board and its Governors to the pupils, staff, parents and the wider community are explained. This also includes the legal responsibilities and obligations of operating an independent school within the Scottish education system and the relationship with the Scottish Executive and His Majesty's Inspectors of Education and other government bodies. A Trustee training

workshop for Governors is also made available through the Scottish Council for Independent Schools.

Governors are encouraged to visit the College at any time and there are specific slots set aside for Governors to visit the school during the day to engage with staff and pupils. Governors are also invited to attend all main School events and take an active interest in the College community. Governors are expected to support and enhance the public reputation of the College in the community. Through the Scottish Council for Independent Schools, which represents the vast majority of independent schools in Scotland, special seminars are provided for school Governors and the Governors of Robert Gordon's College are encouraged to attend such events. Governors attend briefings and seminars provided by other UK sector providers, such as HMC and AGBIS. Governors are briefed on relevant information received by the College relating to the educational provision and changes in legislation and the Head of College and the Chief Financial Officer provide regular updates at Board and Committee meetings.

Members of the Board give a great many hours of their time to the College attending meetings of the Board, committees, sub-committees and working groups, as well as College events, providing advice and guidance, and supporting the members of the Executive. The value of such time is significant and is greatly valued by the Chair and Senior Leadership Team. Members of the Board receive no remuneration for the services they provide to the College in their capacity as Governor.

### Board of Governors Composition

The composition of the Board of Governors is determined by the statutory instrument, The City of Aberdeen Educational Endowments Scheme 2023. Some Governors are elected by various bodies, as detailed earlier, and service on the Board is for a minimum term of three years. The Board also includes a number of Governors who are co-opted by the College Governors. Retiring Governors may be re-elected. The Governors, as trustees of the College, are responsible for overall management and control. The Board of Governors meets at least four times a year to review financial and operational performance and strategy and is supported by a number of committees, each of which operates in accordance with written terms of reference approved by the Board. There are various committees which meet regularly throughout the year including:

- Finance & Property Committee
- Audit & Risk Management Sub-Committee

- Education Committee
- Development Committee
- Health, Safety & Security Committee
- Staff/Governors Liaison Group
- Nomination Committee
- Remuneration Sub-Committee
- Safeguarding Sub-Committee
- Bursary & Scholarship Sub-Committee

The Conciliation Committee meets as and when required.

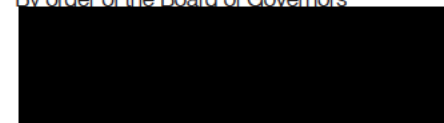
### Remuneration of Key Management Personnel

The Governors Remuneration Sub-Committee addresses the remuneration of key management personnel, following the teachers' national pay scales and established uplifts approved by the Governors for promoted teaching staff. For those staff not remunerated by reference to national pay scales, the Governors serving on the Remuneration Sub-Committee set remuneration annually by reference to sector salary survey information and local market and sector conditions.

### STATEMENT OF DISCLOSURE TO AUDITOR

By means of a letter to the auditors, the Board of Governors, having made appropriate enquiries, provided the following representations to the best of their knowledge and belief: generally that they had fulfilled their responsibilities as trustees, all the transactions undertaken by the College have been properly reflected and recorded in the accounting records, the accounting records have been made available to the auditors for the purpose of the audit and the auditors have been provided with unrestricted access to all appropriate persons within the College, and with all other records and related information requested, including minutes of all Governor meetings and correspondence with the Office of the Scottish Charity Regulator. Specific detailed representations were also provided regarding adjustments and disclosures, internal controls, assets and liabilities, accounting estimates, loans and arrangements, legal claims, laws and regulations, related parties, subsequent events, going concern and grants and donations.

By order of the Board of Governors



Chair 14th April 2025

# Independent Auditor's Report To The Governors Of Robert Gordon's College

## Opinion

We have audited the financial statements of Robert Gordon's College (the parent charity) and its subsidiary (the group) for the year ended 31 July 2024 which comprise the Consolidated and Parent Charity Statement of Financial Activities; the Consolidated and Parent Charity Balance Sheet; the Consolidated and Parent Charity Statement of Cash Flows; and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 July 2024 and of the group's and parent charity's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our 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 audit opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the Governors with respect to going concern are described in the relevant sections of this report.

## 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 Governors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and 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.

## Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Governors' Report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of Governors

As explained more fully in the Governors' responsibilities statement set out on page 16, the Governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Governors either intend to liquidate the parent charity or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting

Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the FRC's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group and parent charity through discussions with management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and parent charity, including the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and taxation, data protection, anti-bribery, employment and health and safety legislation;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any correspondence with HMRC, relevant regulators and the group's legal advisors.

We assessed the susceptibility of the group and parent charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that

compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

### **Use of our report**

This report is made solely to the parent charity's Governors, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Our audit work has been undertaken so that we might state to the parent charity's Governors, as a body, 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 parent charity and the parent charity's Governors, as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services  
Statutory Auditor  
Chartered Accountants  
Quay 2  
139 Fountainbridge  
Edinburgh  
EH3 9QG

Date: 17 April 2025

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.



## Group Statement Of Financial Activities For The Year Ended 31 July 2024

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Year to 31 July 2024 £'000	Year to 31 July 2023 £'000
<b>Income and Endowments From</b>						
Charitable activities	2	24,148	-	-	24,148	22,602
Investment income		132	443	-	575	458
Donations and legacies	3	15	374	-	389	190
Trading and other income		189	-	-	189	35
<b>Total income and endowments</b>		24,484	817	-	25,301	23,285
<b>EXPENDITURE ON:</b>						
Charitable activities	4	(23,991)	(851)	-	(24,842)	(24,748)
Raising funds: fundraising and publicity costs		(526)	-	-	(526)	(210)
<b>Total expenditure</b>		(24,517)	(851)	-	(25,368)	(24,958)
<b>Net expenditure prior to gains and losses</b>		(33)	(34)	-	(67)	(1,673)
Net gains/(losses) on investments	9	1	-	235	236	(318)
Net (losses)/gains on investment in subsidiary charity	9	-	-	(2)	(2)	27
<b>Net income/(expenditure)</b>		(32)	(34)	233	167	(1,964)
<b>Other recognised gains/(losses):</b>						
Actuarial (loss)/gain on defined benefit pension plans	19	(1,212)	-	-	(1,212)	3,524
Transfers between funds	15	-	-	-	-	-
<b>Net movements in funds</b>		(1,244)	(34)	233	(1,045)	1,560
<b>Reconciliation of funds</b>						
<b>Fund balances at</b>						
31 July 2023	15	20,410	6,266	7,227	33,903	32,343
<b>Fund balances at</b>						
31 July 2024	15	19,166	6,232	7,460	32,858	33,903

All items dealt with in arriving at the net income/(expenditure) for the period relate to continuing activities.  
The notes form part of these financial statements.

## Charity Statement Of Financial Activities For The Year Ended 31 July 2024

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Year to 31 July 2024 £'000	Year to 31 July 2023 £'000
<b>Income and Endowments From</b>						
Charitable activities	2	24,148	-	-	24,148	22,602
Investment income		132	443	-	575	458
Donations and legacies	3	15	374	-	389	190
Trading and other income		139	-	-	139	35
<b>Total income and endowments</b>		24,434	817	-	25,251	23,285
<b>EXPENDITURE ON:</b>						
Charitable activities	4	(23,991)	(851)	-	(24,842)	(24,748)
Raising funds: fundraising and publicity costs		(476)	-	-	(476)	(210)
<b>Total expenditure</b>		(24,467)	(851)	-	(25,318)	(24,958)
<b>Net (expenditure)/income prior to gains and losses</b>		(33)	(34)	-	(67)	(1,673)
Net gains/(losses) on investments	9	1	-	235	236	(318)
Net (losses)/gains on investment in subsidiary charity	9	-	-	(2)	(2)	27
<b>Net income/(expenditure)</b>		(32)	(34)	233	167	(1,964)
<b>Other recognised gains/(losses):</b>						
Actuarial (loss)/gain on defined benefit pension plans	19	(1,212)	-	-	(1,212)	3,524
Transfers between funds	15	-	-	-	-	-
<b>Net movements in funds</b>		(1,244)	(34)	233	(1,045)	1,560
<b>Reconciliation of funds</b>						
<b>Fund balances at</b>						
31 July 2023	15	20,410	6,266	7,227	33,903	32,343
<b>Fund balances at</b>						
31 July 2024	15	19,166	6,232	7,460	32,858	33,903

All items dealt with in arriving at the net income/(expenditure) for the period relate to continuing activities.  
The notes form part of these financial statements.

## Balance Sheet as at 31 July 2024

	Note	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
<b>FIXED ASSETS</b>	8	<b>28,216</b>	29,449	<b>28,216</b>	29,449
Tangible assets	9	<b>9,313</b>	9,328	<b>9,313</b>	9,328
Investments					
		<b>37,529</b>	38,777	<b>37,529</b>	38,777
<b>CURRENT ASSETS</b>					
Debtors: amounts falling due within one year	10	<b>1,384</b>	1,198	<b>1,479</b>	1,198
Bank and cash		<b>4,092</b>	2,720	<b>3,981</b>	2,720
		<b>5,476</b>	3,918	<b>5,460</b>	3,918
<b>CURRENT LIABILITIES</b>					
Creditors: amounts falling due within one year	11	<b>(3,923)</b>	(3,411)	<b>(3,907)</b>	(3,411)
		<b>1,553</b>	507	<b>1,553</b>	507
<b>NET CURRENT ASSETS</b>					
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>39,082</b>	39,284	<b>39,082</b>	39,284
<b>CREDITORS:</b> amounts falling due after more than one year	12	<b>(8,175)</b>	(8,210)	<b>(8,175)</b>	(8,210)
<b>DEFINED BENEFIT PENSION ASSET</b>	19	<b>1,951</b>	2,829	<b>1,951</b>	2,829
<b>NET ASSETS</b>		<b>32,858</b>	33,903	<b>32,858</b>	33,903
<b>FUNDS OF THE COLLEGE:</b>					
Unrestricted funds					
General	15	<b>18,127</b>	19,381	<b>18,127</b>	19,381
Designated	15	<b>1,039</b>	1,029	<b>1,039</b>	1,029
<b>Restricted funds</b>	15	<b>6,232</b>	6,266	<b>6,232</b>	6,266
<b>Endowment funds</b>	15	<b>7,460</b>	7,227	<b>7,460</b>	7,227
<b>TOTAL FUNDS</b>		<b>32,858</b>	33,903	<b>32,858</b>	33,903

The financial statements were approved by the Board of Governors on Monday 14th April 2025 and signed on their behalf by:

Governor

Governor

The notes form part of these financial statements.

## Statement Of Cash Flows For The Year Ended 31 July 2024

	Note	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Net cash provided by operating activities	17	1,791	668	1,680	668
<b>Investing activities</b>					
Dividends and interest received		575	458	575	458
Purchase of tangible fixed assets	8	(143)	(316)	(143)	(316)
Purchase of investments	9	(1,338)	(957)	(1,338)	(957)
Proceeds from sale of investments	9	1,406	474	1,406	474
<b>Net cash provided by/(used in) investing activities</b>		<b>500</b>	<b>(341)</b>	<b>500</b>	<b>(341)</b>
<b>Financing activities</b>					
Interest paid on bank loan and overdraft	4	(534)	(423)	(534)	(423)
Repayment of bank loan	13	(566)	(584)	(566)	(584)
<b>Net cash used in financing activities</b>		<b>(1,100)</b>	<b>(1,007)</b>	<b>(1,100)</b>	<b>(1,007)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>1,191</b>	<b>(680)</b>	<b>1,080</b>	<b>(680)</b>
<b>Cash and cash equivalents at start of reporting period</b>		<b>2,954</b>	<b>3,634</b>	<b>2,954</b>	<b>3,634</b>
<b>Cash and cash equivalents at end of reporting period</b>	18	<b>4,145</b>	<b>2,954</b>	<b>4,034</b>	<b>2,954</b>

The notes form part of these financial statements.

# Notes To The Financial Statements For The Year Ended 31 July 2024

## 1. Accounting Policies

### CHARITY INFORMATION

Robert Gordon's College is an independent co-educational day school providing all-round education and bursaries for children from 3 to 18 years of age.

The College is established under the City of Aberdeen Educational Endowments Scheme 2023 and is registered with the Office of the Scottish Charity Regulator with registration number SC000123. The registered office is at Schoolhill, Aberdeen, AB10 1FE.

Further details are set out within the Governors' report.

### GENERAL INFORMATION AND BASIS OF PREPARATION

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102 and UK Generally Accepted Accounting Practice. The financial statements have also been prepared in accordance with the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities and Trustee Investment (Scotland) Act 2005 and the City of Aberdeen Educational Endowments Scheme 2023. The charity is a Public Benefit Entity as defined by FRS 102. The accounts are prepared in sterling, which is the functional currency of the College. Monetary amounts in these financial statements are rounded to the nearest £1,000 where indicated. The accounts have been prepared on a going concern basis under the historical cost convention, modified to reflect the carrying of investments at fair value. The principal accounting policies adopted are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

### BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the results of Robert Gordon's College and its subsidiary undertaking, Robert Gordon's College (Trading) Limited on a line by line basis. This is the first time the consolidated statements have been required.

### GOING CONCERN

At the time of approving the financial statements, the Governors have a reasonable expectation that the College has adequate resources to continue in operational existence for the foreseeable future. This expectation is based on reviewing, analysing and challenging detailed annual budgets and longer term business plans, forward-looking trading and cash flow projections prepared by management, as well as considering reasonable sensitivities and variations. This going concern analysis takes into account the College's available bank facilities and reasonably plausible downside scenarios, and has been prepared for a period extending more than 12 months from the date of approving these financial statements. Accordingly, the Governors have adopted the going concern basis of accounting in preparing the financial statements.

### FEES

Tuition and other fees consist of charges for the financial period and include scholarships, bursaries and other contributions. For those fees subject to staff and sibling discount, the fee are stated net. All fees are recognised as income in the period in which the related tuition and other services are provided. Fees invoiced in advance are included in deferred income (see Notes 11, 12 and summary table) and fees invoiced in arrears are included in accrued income. The cost of scholarships and bursaries funded by the College's Unrestricted, Special and Appeal Funds is allocated to the relevant fund and is included within expenditure on charitable activities. For those bursaries contributed by the College, other than those funded by the Funds and/or external trusts, the effective income for these "free places" is shown in Tuition Fees (Note 2), and the equivalent cost within Expenditure on Charitable Activities (Note 4).

### DONATIONS AND LEGACIES

Donations are recognised when the College becomes entitled to the income, receipt is probable, and the amount can be measured reliably. Donations subject to specific wishes of the donors are allocated to the relevant restricted funds, or to endowment funds where the amount is required to be held as permanent capital. Where the receipt of donations can be

attributed to appeals run by the Development Office, these donations are treated as being restricted to the purposes for which the appeal was raising funds. Donations receivable for the general purposes of the College are credited to unrestricted funds but may be subsequently designated for specific projects or purposes by the Governors.

Legacy income is recognised when the College becomes entitled to the income, receipt is probable, and the amount can be measured reliably. This is generally the earlier of the charity being notified of an impending distribution or the legacy being received. Where the College has been notified of a legacy within an accounting period, but amounts are yet to be received, all information available is used to determine the amount expected to be received; however, on occasion, there is insufficient information available for a reliable measurement. On these occasions, the legacy is recognised when the amount becomes reliably measurable.

### INVESTMENT INCOME

Investment income is earned through holding investment portfolios and includes both dividends and interest. Income is recognised in the period to which it relates.

### EXPENDITURE

Expenditure is accounted for on an accruals basis and is allocated to expense headings on a direct cost basis. The irrecoverable element of VAT is included with the item of expense to which it relates.

Governance costs in Note 6 comprise the external audit fees and costs of complying with statutory reporting requirements, i.e. the costs of preparing statutory accounts.

### FIXED ASSETS

Tangible fixed assets are stated at cost less accumulated depreciation. Expenditure on tangible fixed assets above a threshold of £1,000 is capitalised on initial recognition. Subsequent expenditure is only capitalised when it is probable that there will be future economic benefits attributable to the item.



## DEPRECIATION

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets, by equal instalments over their estimated useful economic lives as follows:

Buildings and facilities, including upgrades - over 10-40 years  
Plant and equipment - over 4 years  
Teaching equipment - over 4 years  
Fixtures and fittings - over 4 years  
Freehold land is not depreciated.

## IMPAIRMENT OF FIXED ASSETS

At each reporting date, the College reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that those assets may have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any) by comparing this to the asset's carrying value. The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of future cash flows before interest and tax, obtained as a result of the asset's continued use.

## INVESTMENTS

Investments in listed securities are measured initially at cost and subsequently at fair value at each reporting date. Fair value is taken as the mid-market value of the investment by the investment manager at the reporting date. Realised and unrealised gains and losses are recognised in the income and expenditure account and statement of financial activities in the year in which they arise.

The investment in the subsidiary company Robert Gordon's College (Trading) Limited is held at cost in the Charity accounts. The subsidiary's registered company number is SC698101. The investment in the subsidiary charity refers to the College's interest in the Gordonian Association R B Strathdee Bequest Fund, registered charity number SC051659. This is classified as a programme-related investment held at fair value, based on the fair value of the underlying listed investments and cash held, in both the Group and Charity accounts. The subsidiary investment's financial statements are dominated by a listed investment portfolio and there would be no significant affect from accounting for the subsidiary charity using the equity method. Both entities share a registered office address with the College.

## CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

## FINANCIAL INSTRUMENTS

The College has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the College's balance sheet when the College becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

## BASIC FINANCIAL ASSETS

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest rate method, less any impairment.

## IMPAIRMENT OF FINANCIAL ASSETS

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting 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. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the assets original effective interest rate. The impairment loss is recognised in income and expenditure. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the

impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in income and expenditure.

## BASIC FINANCIAL LIABILITIES

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

## DERECOGNITION OF FINANCIAL LIABILITIES

Financial liabilities are derecognised when the College's contractual obligations expire or are discharged or cancelled.

## PENSION SCHEMES

The College contributes to the Scottish Teachers' Superannuation Scheme ("STSS") and to the North East Scotland Pension Fund ("NESPF") at rates set by the Schemes' Actuaries and advised to the College by the Schemes' Administrators. Both schemes are multi-employer pension schemes.

The STSS scheme is unfunded and it is not possible to identify the assets and liabilities of the scheme which are attributable to the College. In accordance with FRS 102 therefore, the scheme is accounted for as a defined contribution scheme and pension costs charged in the accounts represent the contributions payable by the College in the year in accordance with the rules of the scheme.

The NESPF scheme is funded, with the assets of the scheme held separately from those of the College in a separate, trustee-administered fund. The scheme is treated as a defined benefit scheme. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the

projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained triennially and are updated at each balance sheet date.

The difference between the market value of the assets of the scheme and the present value of accrued pension liabilities is shown as an asset or liability on the balance sheet. Any difference between the expected return on assets and that actually achieved, is recognised as a gain or loss in the statement of financial activities, along with differences which arise from experience of assumption changes.

The cost of providing benefits under the scheme is determined using the projected unit credit method and is based on actuarial advice. The change in the net defined benefit pension deficit arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised in income and expenditure in the period in which they arise.

The net interest element is determined by multiplying the net defined benefit pension deficit by the discount rate, taking into account any changes in the net defined benefit pension deficit during the period as a result of contribution and benefit payments. The net interest is recognised in income and expenditure.

Remeasurement changes comprise actuarial gains and losses and the return on the net defined benefit pension deficit excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses within the statement of financial activities in the period to which they relate and are not reclassified to income and expenditure in subsequent periods.

The College also participates in the APTIS defined contribution pension scheme. Contributions in respect of the defined contribution scheme are charged in the Statement of Financial Activities as they become payable in accordance with the Scheme Rules.

#### EMPLOYEE BENEFITS

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the College is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### TAXATION

The College has been granted charitable status by HMRC and is not therefore liable for corporation tax on charitable income and gains.

#### OPERATING LEASES

Rentals for operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

#### FUNDS

Endowment funds represent funds on which the donor has stipulated that the capital balance should be permanently maintained. This includes monies received under the 'Gordon's Forever' campaign to build the College's endowment funds to provide bursaries.

Restricted funds represent funds whose use is restricted either by the donor or by the terms of an appeal for particular projects. Unrestricted funds represent the remaining funds of the College. Donations received are allocated to unrestricted funds unless the donor has specified otherwise. Unrestricted funds are subdivided into general unrestricted funds, which are available for everyday expenditure of the College; and designated funds, which the Governors have earmarked for specific projects or purposes, such as capital projects and bursaries.

#### CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the College's accounting policies the Governors 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The following judgements or estimation uncertainties have a significant risk of material adjustment to the carrying value of assets and liabilities within the financial year:

#### Depreciation rates

Depreciation is calculated to fully write off the cost of assets over their estimated useful life. Management estimate the useful life of each asset and residual values.

#### Provision for doubtful debts

Management analyses the recoverability of debtors and makes a provision where the debt is not expected to be recovered. Judgement and estimation is required where future outcomes are uncertain.

#### Defined benefit pension asset

The present value of the NESPF defined benefit pension scheme depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact on the carrying amount of the pension valuation. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2023 has been used by the actuary in valuing the pensions liability at 31 July 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The fair value of the pension plan assets at 31 July 2024 is in excess of the present value of the defined benefit obligation at that date giving rise to a surplus of £3,638,000.

The surplus is recognised in the financial statements only to the extent that the College can recover that surplus, either through a reduction in future contributions or through a refund to the College. The College is not able to determine that future contributions will be reduced and it is not possible to receive a refund, as the specific conditions for this have not been met. Therefore, an asset ceiling is in place such that the surplus of £3,638,000 is not recognised as an asset at 31 July 2024 and is reduced to £1,951,000 as the College is not able to determine that future contributions will be sufficiently reduced or that a refund of the surplus will be available in the foreseeable future.

## Notes To The Financial Statements For The Year Ended 31 July 2024

### 2. Fee Income

#### Group and Charity

	2024 £'000	2023 £'000
Tuition fees	21,131	20,119
Nursery fees	736	765
Out of school care	212	127
Catering	475	388
Other income	1,594	1,203
Total fee income	24,148	22,602
Fee income includes bursaries and other contributions as follows:		
Unrestricted Special Funds of the College	320	352
Appeal Funds of the College	141	91
Special Funds of the College	409	237
External contributors:		
- Aberdeen Endowments Trust	813	803
- Other external contributors	251	308
	1,934	1,791

### 3 Donations and legacies

#### Group and Charity

	Notes	2024 £'000	2023 £'000
Appeal funds:	15	31	75
- Gordon's Today	15	56	10
- Gordon's Tomorrow	15	287	105
- Gordon's Forever		15	-
- Unrestricted		389	190

## Notes To The Financial Statements For The Year Ended 31 July 2024

### 4 Analysis of total expenditure

2024	Staff costs £'000	Depreciation & impairment £'000	Other costs £'000	31 July 2024 Total £'000
<b>Charitable Activities:</b>				
Teaching costs	(11,272)	-	-	(11,272)
Property costs	-	(1,027)	(1,264)	(2,291)
Teaching facility costs	-	-	(1,115)	(1,115)
General running costs	(2,448)	(349)	(2,132)	(4,929)
Management and administration	(1,481)	-	(694)	(2,175)
Pension scheme adjustments	147	-	-	147
Governance costs (note 6)	-	-	(34)	(34)
Pupil oncosts	-	-	(1,816)	(1,816)
Bursary awards (note 5)	-	-	(823)	(823)
	(15,054)	(1,376)	(7,878)	(24,308)
Interest on loans and overdrafts	-	-	(534)	(534)
Interest on defined benefit pension	-	-	-	-
<b>Total charitable expenditure</b>	<b>(15,054)</b>	<b>(1,376)</b>	<b>(8,412)</b>	<b>(24,842)</b>
<b>Raising funds:</b>				
Fundraising and enterprise costs	(241)	-	(235)	(476)
<b>Total expenditure - Charity</b>	<b>(15,295)</b>	<b>(1,376)</b>	<b>(8,647)</b>	<b>(25,318)</b>
<b>Raising funds:</b>				
Enterprise costs	(33)	-	(17)	(50)
<b>Total expenditure - Group</b>	<b>(15,328)</b>	<b>(1,376)</b>	<b>(8,664)</b>	<b>(25,368)</b>

2023	Staff costs £'000	Depreciation & impairment £'000	Other costs £'000	31 July 2023 Total £'000
<b>Charitable Activities:</b>				
Teaching costs	(11,265)	-	-	(11,265)
Property costs	-	(1,349)	(1,148)	(2,497)
Teaching facility costs	-	-	(1,074)	(1,074)
General running costs	(2,136)	(460)	(1,735)	(4,331)
Management and administration	(1,915)	-	(789)	(2,704)
Pension scheme adjustments	9	-	-	9
Governance costs (note 6)	-	-	(32)	(32)
Pupil oncosts	-	-	(1,731)	(1,731)
Bursary awards (note 5)	-	-	(680)	(680)
	(15,307)	(1,809)	(7,189)	(24,305)
Interest on loans and overdrafts	-	-	(423)	(423)
Interest on defined benefit pension	-	-	(20)	(20)
<b>Total charitable expenditure</b>	<b>(15,307)</b>	<b>(1,809)</b>	<b>(7,632)</b>	<b>(24,748)</b>
<b>Raising funds:</b>				
Fundraising and enterprise costs	(212)	-	2	(210)
<b>Total expenditure - Charity</b>	<b>(15,519)</b>	<b>(1,809)</b>	<b>(7,630)</b>	<b>(24,958)</b>
<b>Raising funds:</b>				
Enterprise costs	-	-	-	-
<b>Total expenditure - Group</b>	<b>(15,519)</b>	<b>(1,809)</b>	<b>(7,630)</b>	<b>(24,958)</b>

## Notes To The Financial Statements For The Year Ended 31 July 2024

### 5 Bursary Awards

2024 - Group and Charity	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	31 July 2024 Total £'000
Bursaries	(273)	(550)	-	(823)

2023 - Group and Charity	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	31 July 2023 Total £'000
Bursaries	(322)	(358)	-	(680)

All of the above awards were made in respect of fees to individual pupils.

### 6 Governance costs

	Group 31 July 2024 £'000	Group 31 July 2023 £'000	Charity 31 July 2024 £'000	Charity 31 July 2023 £'000
Governance expenditure includes:				
Auditor's remuneration for:				
Audit of financial statements	(34)	(32)	(34)	(32)
Fundraising and enterprise costs include:				
Auditor's remuneration for:				
Audit of subsidiary financial statements	(5)	-	-	-

The Governors do not receive any remuneration. Expenditure incurred on travel for College business during the year was £835 (2023 - £280) for one (2023 – one) Governor.

### 7 Employee information - Group and Charity

The average number of persons employed by the College during the period was:

By activity:  
Academic  
Non-academic

31 July 2024	31 July 2023
281	265
120	125
401	390

31 July 2024 £'000	31 July 2023 £'000
(11,893)	(11,547)
(1,184)	(1,196)
(2,217)	(2,332)
(34)	(444)
(15,328)	(15,519)

Staff costs:  
Wages and salaries  
Social security costs  
Pension costs  
Other staff costs

Staff costs includes redundancy related payments totalling £nil (2023: £396,000).

Remuneration of key management personnel

31 July 2024 £'000	31 July 2023 £'000
(1,365)	(1,425)

The number of employees who received annual remuneration during the period in the following ranges was:

£60,000 - £69,999  
£70,000 - £79,999  
£90,000 - £99,999  
£110,000 - £119,999  
£140,000 - £149,999  
£150,000 - £159,999

31 July 2024	31 July 2023
30	25
7	9
1	2
1	1
-	1
1	-

All forty (2023 - thirty-eight) of these employees were accruing benefits under defined benefit pension schemes



## Notes To The Financial Statements For The Year Ended 31 July 2024

### 8 Fixed assets

#### Group and Charity

	Land and Buildings £'000	Plant and equipment £'000	Teaching equipment £'000	Fixtures and fittings £'000	31 July Total £'000
COST					
At 1 August 2023	54,738	398	2,184	158	57,478
Additions	7	25	111	-	143
Disposals	(27)	-	(192)	-	(219)
<b>At 31 July 2024</b>	<b>54,718</b>	<b>423</b>	<b>2,103</b>	<b>158</b>	<b>57,402</b>
DEPRECIATION					
At 1 August 2023	(25,509)	(355)	(2,026)	(139)	(28,029)
Charge for period	(1,248)	(21)	(100)	(7)	(1,376)
Disposals	27	-	192	-	219
<b>At 31 July 2024</b>	<b>(26,730)</b>	<b>(376)</b>	<b>(1,934)</b>	<b>(146)</b>	<b>(29,186)</b>
NET BOOK VALUE					
<b>At 31 July 2024</b>	<b>27,988</b>	<b>47</b>	<b>169</b>	<b>12</b>	<b>28,216</b>
At 31 July 2023	29,229	43	158	19	29,449

Land and buildings includes land at a cost of £534,000 (2023 - £534,000) which is not depreciated.

The College holds a number of artefacts such as coins, artwork, and furniture which have historic or artistic importance. The insurance value of these items is approximately £1 million. These items are not accounted for as heritage assets on the basis that the items are not held principally for their contribution to knowledge and culture and/or are not generally accessible to the public for viewing or research. Accordingly they are considered to be tangible fixed assets held at nil value.

### 9 Investments

#### Listed investments:

Opening market value	9,031	9,257
Additions	1,338	957
Disposals	(1,406)	(474)
Movement on cash deposits	(181)	(392)
Net gain/(loss) on investments	236	(317)

Closing market value

#### Investment in subsidiary charity:

Gordonian Association R B Strathdee Bequest Fund

Listed	8,965	8,797
Investment in subsidiary charity	295	297
Cash deposits	53	234

### Group and Charity

31 July 2024 £'000	31 July 2023 £'000
9,031	9,257
1,338	957
(1,406)	(474)
(181)	(392)
236	(317)
9,018	9,031
295	297
9,313	9,328
8,965	8,797
295	297
53	234
9,313	9,328

Robert Gordon's College owns the sole ordinary share of £1 in Robert Gordon's College (Trading) Limited, a company registered in Scotland, which was incorporated during 2021. The subsidiary is consolidated into the group accounts and carried at cost in the Charity accounts. The subsidiary commenced trading on 1 August 2024, operating RGC Online, and took over commercial lets of the school facilities from 1 January 2024. Relevant financial information of the subsidiary company is detailed below.

The Gordonian Association R B Strathdee Bequest Fund has a majority of trustees in common with the school, which is its principal beneficiary. The Trust obtained charitable status in Scotland with registration number SCO51659. The Trust is consolidated into the group accounts as a programme related investment on the basis of materiality. Relevant financial information of the subsidiary charity is detailed below.

## Notes To The Financial Statements For The Year Ended 31 July 2024

### 9 Investments (continued)

	Strathdee Trust		RGTCCL	
	31 July 2024 £'000	31 July 2023 £'000	31 July 2024 £'000	31 July 2023 £'000
Income	11	5	158	-
Expenditure	(7)	(17)	(158)	-
Gains & (losses)	1	(6)	-	-
Profit/(loss) for the year	5	(18)	-	-
Listed investments	279	178	-	-
Debtors	4	8	35	-
Bank	15	117	111	-
Creditors	(3)	(6)	(146)	-
Aggregate share capital and reserves	295	297	-	-

### 10 Debtors

	Group 31 July 2024 £'000	Group 31 July 2023 £'000	Charity 31 July 2024 £'000	Charity 31 July 2023 £'000
Fees receivable, net of doubtful debt provision of £292,000 (2023: £257,000)	546	506	546	506
Other debtors	50	156	26	156
Prepayments and accrued income	788	536	777	536
Amounts due from subsidiary	-	-	130	-
	1,384	1,198	1,479	1,198

The amounts due from the subsidiary are repayable on demand, unsecured and no interest is charged.

### 11 Creditors: amounts falling due in less than one year

	Group 31 July 2024 £'000	Group 31 July 2023 £'000	Charity 31 July 2024 £'000	Charity 31 July 2023 £'000
Bank loans (note 13)	569	577	569	577
Trade creditors	745	899	745	899
Accruals	1,042	905	1,037	905
Tax and social security	308	378	297	378
Other creditors	410	337	410	337
Fees paid in advance (note 1 Fees)	849	315	849	315
	3,923	3,411	3,907	3,411

### 12 Creditors: amounts falling due after more than one year

	Group and Charity 31 July 2024 £'000	31 July 2023 £'000
Fees paid in advance (note 1 Fees)	523	-
Bank loans (note 13)	7,652	8,210
	8,175	8,210

### Deferred income (Group and Charity)

	Group and Charity 31 July 2024 £'000	31 July 2023 £'000
School fees received in advance are deferred into the year in which they relate:		
Balance at 1 August	315	282
Income received and deferred in year	1,372	315
Released in year	(315)	(282)
Fees paid in advance total balance at 31 July (notes 11 and 12)	1,372	315

Fees in Advance Summary Table		
Current	849	315
Non-current	523	-
	1,372	315

## Notes To The Financial Statements For The Year Ended 31 July 2024

### 13 Bank loan maturity analysis

	Group and Charity	
	31 July 2024 £'000	31 July 2023 £'000
In less than one year (note 11)	569	577
In more than one years but not more than five years	1,337	1,767
In more than five years	6,315	6,443
	<b>8,221</b>	<b>8,787</b>

At 31 July 2024 the College had the following bank loans:

- The first loan is repayable in quarterly instalments of £165,171 including interest until July 2030, with the balance repayable at the end of the term. The loan is subject to an interest rate of 1.55% per annum over base.
- The second loan is repayable in monthly instalments of £33,333 plus interest until November 2026, with the balance repayable at the end of the term. The loan is subject to an interest rate of 2.97% per annum after the first year.

The bank loans are secured by a standard security over the land and buildings at Schoolhill and Countesswells.

The bank agreement governing the borrowing facility arrangements includes a trailing 12 month covenant calculated and reported quarterly.

### 14 Financial instruments at fair value through net income/(expenditure)

	Group and Charity	
	31 July 2024 £'000	31 July 2023 £'000
Listed investment portfolio (note 9)	8,965	8,797

## Notes To The Financial Statements For The Year Ended 31 July 2024

### 15 Statement of funds

#### 2024 - Group

	At 1 August 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Investment gains/ (losses) £'000	Actuarial gains/ (losses) £'000	31 July 2024 £'000
<b>Unrestricted funds</b>							
Designated funds:							
Capital	981	-	-	-	(7)	-	974
Revenue	48	41	(32)	-	8	-	65
Trading subsidiary	-	50	(50)	-	-	-	-
Total designated funds	1,029	91	(82)	-	1	-	1,039
General fund	19,381	24,393	(24,435)	-	-	(1,212)	18,127
Total unrestricted funds	20,410	24,484	(24,517)	-	1	(1,212)	19,166
<b>Restricted funds</b>							
Gordon's Today	267	31	(42)	-	-	-	256
Gordon's Tomorrow	4,341	56	(141)	-	-	-	4,256
Gordon's Forever - revenue	1,002	311*	(109)	-	-	-	1,204
RGC Online	150	15	(150)	-	-	-	15
Special funds - revenue	506	404	(409)	-	-	-	501
Total restricted funds	6,266	817	(851)	-	-	-	6,232
<b>Endowment funds</b>							
Gordonian Association							
R B Strathdee Bequest Fund	297	-	-	-	(2)	-	295
Gordon's Forever - capital	401	-	-	-	-	-	401
Special funds - capital	6,529	-	-	-	235	-	6,764
Total endowment funds	7,227	-	-	-	233	-	7,460
Total funds	33,903	25,301	(25,368)	-	234	(1,212)	32,858

\*£311k includes £287k of donations and legacies income and £24k of investment income

## Notes To The Financial Statements For The Year Ended 31 July 2024

### 15 Statement of funds (continued)

#### 2024 - Charity

	At 1 August 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Investment gains/ (losses) £'000	Actuarial gains/ (losses) £'000	31 July 2024 £'000
<b>Unrestricted funds</b>							
Designated funds:							
Capital	981	-	-	-	(7)	-	974
Revenue	48	41	(32)	-	8	-	65
Total designated funds	1,029	41	(32)	-	1	-	1,039
General fund	19,381	24,393	(24,435)	-	-	(1,212)	18,127
Total unrestricted funds	20,410	24,434	(24,467)	-	1	(1,212)	19,166
<b>Restricted funds</b>							
Gordon's Today	267	31	(42)	-	-	-	256
Gordon's Tomorrow	4,341	56	(141)	-	-	-	4,256
Gordon's Forever - revenue	1,002	311*	(109)	-	-	-	1,204
RGC Online	150	15	(150)	-	-	-	15
Special funds - revenue	506	404	(409)	-	-	-	501
Total restricted funds	6,266	817	(851)	-	-	-	6,232
<b>Endowment funds</b>							
Gordonian Association							
R B Strathdee Bequest Fund	297	-	-	-	(2)	-	295
Gordon's Forever - capital	401	-	-	-	-	-	401
Special funds - capital	6,529	-	-	-	235	-	6,764
Total endowment funds	7,227	-	-	-	233	-	7,460
Total funds	33,903	25,251	(25,318)	-	234	(1,212)	32,858

\*£311k includes £287k of donations and legacies income and £24k of investment income



## Notes To The Financial Statements For The Year Ended 31 July 2024

### 15 Statement of funds (continued)

#### 2023 - Group and Charity

	At 1 August 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Investment gains/ (losses) £'000	Actuarial gains/ (losses) £'000	31 July 2023 £'000
<b>Unrestricted funds</b>							
Designated funds:							
Capital	1,034	-	-	-	(53)	-	981
Revenue	53	33	(30)	-	(8)	-	48
Total designated funds	1,087	33	(30)	-	(61)	-	1,029
General fund	17,570	22,662	(24,398)	23	-	3,524	19,381
Total unrestricted funds	18,657	22,695	(24,428)	23	(61)	3,524	20,410
<b>Restricted funds</b>							
Gordon's Today	240	75	(48)	-	-	-	267
Gordon's Tomorrow	4,508	10	(154)	(23)	-	-	4,341
Gordon's Forever - revenue	968	125*	(91)	-	-	-	1,002
RGC Online	150	-	-	-	-	-	150
Special funds - revenue	363	380	(237)	-	-	-	506
Total restricted funds	6,229	590	(530)	(23)	-	-	6,266
<b>Endowment funds</b>							
Gordonian Association							
R B Strathdee Bequest Fund	270	-	-	-	27	-	297
Gordon's Forever - capital	401	-	-	-	-	-	401
Special funds - capital	6,786	-	-	-	(257)	-	6,529
Total endowment funds	7,457	-	-	-	(230)	-	7,227
Total funds	32,343	23,285	(24,958)	-	(291)	3,524	33,903

\*£125k includes £105k of donations and legacies income and £20k of investment income

## Notes To The Financial Statements For The Year Ended 31 July 2024

### 15 Statement of funds (continued)

General unrestricted funds are retained to help finance the ongoing activities of the College.

The designated funds balance consists of funds that the Governors have allocated towards future capital projects and providing perpetual bursaries. Transfers are made to designated funds from general unrestricted funds when designations are agreed by the Governors. Designated capital funds invested in the listed investment portfolio generate investment income which is allocated to the relevant designated revenue fund.

The College's special funds consist of a number of individual bursary, trust and prize funds, set up by individual donors. These include donations received as a result of appeals by the Development Office under the 'Gordon's Forever' banner. The capital is held permanently and the income is used to fund bursaries and prizes in perpetuity. Each fund is allocated its proportion of investment income and gains and losses and bears its own expenses.

The appeal funds represent funds raised under the appeals run by the Development Office: 'Gordon's Today', for new initiatives and projects to benefit pupils in an immediate way; and 'Gordon's Tomorrow' for capital projects to develop the campus.

RGC Online fundraising supports the start up costs for the new service to offer SQA higher examinations and a new diploma of tech modules to students ages 16 and 17 who wish to study via online learning rather than a full-time pupil of the College.

The purpose of the Gordonian Association R B Strathdee Bequest Fund is to augment the normal supply of books to the College Library and to make possible the purchase of works, including musical works, not normally available for purchase from College funds.

### 16 Analysis of net assets by funds

An analysis of the balance sheet split by fund is as follows:

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	31 July 2024 Total £'000
<b>2024 - Group</b>				
Fixed assets	24,016	4,200	-	28,216
Investments	1,039	125	8,149	9,313
Net current assets	335	1,907	(689)	1,553
Long term liabilities	(8,175)	-	-	(8,175)
Defined benefit pension asset	1,951	-	-	1,951
	19,166	6,232	7,460	32,858
<b>2024 - Charity</b>				
Fixed assets	24,016	4,200	-	28,216
Investments	1,039	125	8,149	9,313
Net current assets	335	1,907	(689)	1,553
Long term liabilities	(8,175)	-	-	(8,175)
Defined benefit pension asset	1,951	-	-	1,951
	19,166	6,232	7,460	32,858
<b>2023 - Group and Charity</b>				
Fixed assets	25,108	4,341	-	29,449
Investments	1,029	125	8,174	9,328
Net current assets	(346)	1,800	(947)	507
Long term liabilities	(8,210)	-	-	(8,210)
Defined benefit pension asset	2,829	-	-	2,829
	20,410	6,266	7,227	33,903

## Notes To The Financial Statements For The Year Ended 31 July 2024

### 17 Reconciliation of net income/(expenditure) to net cash provided by operating activities

	Group 31 July 2024 £'000	Group 31 July 2023 £'000	Charity 31 July 2024 £'000	Charity 31 July 2023 £'000
Net income/(expenditure) for the reporting period (per Statement of Financial Activities)	167	(1,964)	167	(1,964)
Depreciation and impairment of fixed assets	1,376	1,822	1,376	1,822
Difference between service costs and cash contributions to defined benefit pension scheme	(334)	30	(334)	30
(Increase) in debtors	(186)	(64)	(281)	(64)
Increase in creditors	1,043	589	1,027	589
Interest paid on bank loan and overdraft	534	423	534	423
Dividends and interest received	(575)	(458)	(575)	(458)
(Gain)/loss on investments	(234)	290	(234)	290
Net cash provided by operating activities	1,791	668	1,680	668

### 18 Reconciliation of net debt

Group	2023 £'000	Cash flows £'000	2024 £'000
Cash at hand and at bank	2,720	1,372	4,092
Cash held as part of investment portfolio	234	(181)	53
Cash and cash equivalents	2,954	1,191	4,145
Bank loans due within one year	(577)	8	(569)
Bank loans due in more than one year	(8,210)	558	(7,652)
Net debt	(5,833)	1,757	(4,076)

### 18 Reconciliation of net debt

Charity	2023 £'000	Cash flows £'000	2024 £'000
Cash at hand and at bank	2,720	1,261	3,981
Cash held as part of investment portfolio	234	(181)	53
Cash and cash equivalents	2,954	1,080	4,034
Bank loans due within one year	(577)	8	(569)
Bank loans due in more than one year	(8,210)	558	(7,652)
Net debt	(5,833)	1,646	(4,187)

## 19 Pension obligations

### Group and charity

The College participates in one defined contribution pension scheme and two multi-employer defined benefit pension schemes: the Scottish Teachers' Pension Scheme ("STPS") and the North East Scotland Pension Fund ("NESPF").

### Defined contribution scheme - "APTIS"

The College operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the College in an independently administered fund.

The charge for the period to the Statement of Financial Activities (including the income and expenditure account) in respect of the defined contribution scheme was £187,000 (2023 - £151,000).

### Scottish Teachers' Pension Scheme ("STPS")

The scheme is an unfunded statutory public service pension scheme with benefits underwritten by the UK Government. The scheme is financed by payments from employers and from those current employees who are members of the scheme and paying contributions at progressively higher marginal rates based on pensionable pay, as specified in the regulations. The rate of employer contributions is set with reference to a funding valuation undertaken by the scheme actuary.

The last four-yearly valuation based on scheme data at 31 March 2020 was published in October 2023. This valuation informed an increase in the employer contribution rate from 23.0% to 26.0% of pensionable pay from 1 April 2024 to 31 March 2027. The next valuation will be based on scheme data as at 31 March 2024 and will set the employer contribution rate for the period 1 April 2027 to 31 March 2031.

Robert Gordon's College has no liability for other employers obligations to the multi-employer scheme. As the scheme is unfunded there can be no deficit or surplus to distribute on the wind-up of the scheme or withdrawal from the scheme.

While a valuation was carried out as at 31 March 2020, it is not possible to say what deficit or surplus may affect future contributions.

The scheme is an unfunded multi-employer defined benefit scheme. It is accepted that the scheme can be treated for

accounting purposes as a defined contribution scheme in circumstances where Robert Gordon's College is unable to identify its share of the underlying assets and liabilities of the scheme.

Robert Gordon's College's level of participation in the scheme is 0.25% based on the proportion of employer contributions paid in 2022-23. Employer contributions payable to STPS for the period were £1,795,000 (2023 - £1,771,000) and total outstanding STPS contributions at the period end were £226,000 (2023 - £196,000).

### North East Scotland Pension Fund ("NESPF")

The valuation used for the FRS 102 disclosures for the defined benefit NESPF scheme has been based on the most recent actuarial valuation at 31 March 2023 and updated by an independent qualified actuary to take account of the requirements of FRS 102 in order to assess the liabilities of the scheme at 31 July 2024. Scheme assets are stated at their market value at 31 July 2024.

The contribution rate payable by the College was 28.4% until 31 March, then 23% from 1 April 2024 until 31 March 2027. The next valuation is scheduled at 31 March 2026 with any changes to the contribution rate to take effect from April 2027. Pension contributions paid in the period amounted to £446,000 (2023: £540,000).

The following tables set out the amounts recognised in the balance sheet and in the statement of financial activities, reconciliations between opening and closing balances, and the key actuarial assumptions used in calculating the amounts recognised, in accordance with FRS 102. They should be read in conjunction with the 'Pension Schemes' accounting policy within Note 1.

### Amounts recognised in the balance sheet (NESPF only)

	31 July 2024 £'000	31 July 2023 £'000
Fair value of plan assets	17,238	15,525
Present value of funded obligations	(13,600)	(12,044)
Surplus/(deficit) in scheme	3,638	3,481
Asset ceiling restriction	(1,687)	(652)
Surplus/(deficit) in scheme	1,951	2,829

### Amounts recognised in net income/(expenditure) (NESPF only)

	31 July 2024 £'000	31 July 2023 £'000
<u>Included within total resources expended</u>		
Current service cost	270	490
Past service cost / curtailments	30	60
<u>Net finance (income)/costs included within total (incoming resources)/resources expended</u>		
Administration expenses	5	7
Net interest (income)/cost	(193)	13
	112	570

### Reconciliation of difference between amounts recognised in net income/(expenditure) and cash contributions to defined benefit pension scheme (NESPF only)

Amounts recognised in net income/(expenditure)	112	570
Contributions by employer	(446)	(540)
Difference between amounts recognised in net income and cash contributions	(334)	30

## 19 Pension obligations (continued)

### Amounts included as actuarial gains and losses

	31 July 2024 £'000	31 July 2023 £'000
Actual return less expected return on pension scheme assets	675	(145)
Experience gains and (losses) arising on scheme liabilities	(852)	4,321
Asset ceiling restriction	(1,035)	(652)
Actuarial (loss)/gain for the period	(1,212)	3,524

### Changes in the present value of the defined benefit obligation

	31 July 2024 £'000	31 July 2023 £'000
Defined benefit obligation at 1 August	12,044	15,477
Current service cost	270	490
Past service cost / curtailments	30	60
Interest cost	620	537
Contributions by scheme participants	148	132
Actuarial loss/(gain)	852	(4,321)
Benefits paid	(364)	(331)
Defined benefit obligation at 31 July	13,600	12,044

### Changes in the fair value of plan assets

	31 July 2024 £'000	31 July 2023 £'000
Fair value of plan assets at 1 August	15,525	14,812
Interest on plan assets	813	524
Actuarial gain/(loss)	675	(145)
Administration expenses	(5)	(7)
Contributions by employer	446	540
Contributions by scheme participants	148	132
Benefits paid	(364)	(331)
Fair value of plan assets at 31 July	17,238	15,525

### Asset ceiling

The present value of the NESPF defined benefit pension scheme depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions will impact on the carrying amount of the pension valuation. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2023 has been used by the actuary in valuing the pensions liability at 31 July 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The fair value of the pension plan assets at 31 July 2024 is in excess of the present value of the defined benefit obligation at that date giving rise to a surplus of £3,638,000.

The surplus is recognised in the financial statements only to the extent that the College can recover that surplus, either through a reduction in future contributions or through a refund to the College. The College is not able to determine that future contributions will be reduced and it is not possible to receive a refund, as the specific conditions for this have not been met. Therefore, an asset ceiling is in place such that the surplus of £3,638,000 is not recognised as an asset

at 31 July 2024 and is reduced to £1,951,000 as the College is not able to determine that future contributions will be sufficiently reduced or that a refund of the surplus will be available in the foreseeable future.

### Major categories of plan assets as a percentage of total plan assets

	31 July 2024	31 July 2023
Equities	58.20%	57.40%
Government bonds	5.40%	6.00%
Property	6.20%	6.50%
Cash/liquidity	2.90%	3.50%
Other	27.30%	26.60%

### Principal actuarial assumptions at the balance sheet date

	31 July 2024	31 July 2023
Discount rate	4.90%	5.20%
Rate of CPI inflation	2.60%	2.70%
Future salary increases	4.10%	4.20%
Future pension increases	2.70%	2.80%
Life expectancy of members:		
Retiring at age 65 today:		
Males	20.6	20.6
Females	23.0	22.9
Retiring at age 65 in 20 years:		
Males	21.9	21.9
Females	24.7	24.7

The return on plan assets was 7.9% (2023: 2.4%).



## 20 Control

Robert Gordon's College is controlled by the Board of Governors, as determined by the statutory instrument City of Aberdeen Educational Endowments Scheme 2023.

## 21 Related Parties

During the year the College's subsidiary Robert Gordon's College (Trading) Limited commenced trading. The subsidiary's costs were initially met by the parent and recharged to the subsidiary, including £32,065 of staff time recharged at cost (2023: £nil). A management fee of £57,382 (2023: £nil) was charged to the subsidiary to recover overhead costs. Grant funding of £50,000 was awarded by the College to the subsidiary (2023: £nil). At 31 July 2024 a balance of £129,547 was owed by the subsidiary to the parent charity (2023: £nil). The Gordonian Association RB Strathdee Trust donated £15,000 towards books for the junior school during the year (2023: £nil). No balances were owing at 31 July 2024 (2023: £nil).

The Aberdeen Endowments Trust is entitled to nominate two Governors. Under the City of Aberdeen Educational Endowments Scheme 2023, the Aberdeen Endowments Trust is required to pay the residue of its free income to the Governors of Robert Gordon's College to be used for the purposes set out in the Scheme.

The total amount received from the Aberdeen Endowments Trust during the period was £813,356 (2023: £862,882), including bursarial and other support on behalf of pupils. No balance was held by Robert Gordon's College at the period end (2023: £nil).

## 22 Subsequent events

On 29 July 2024, the government published draft legislation which charges VAT at 20% on education and boarding services provided by private schools. The measure applies to fees paid from 29 July 2024 in relation to the term starting on or after 1 January 2025.

This legislation passed into law within the Finance Act 2025 in April 2025, will have a significant financial impact on fee affordability for parents, the full extent of which will impact the College in the financial year to 31st July 2025 and beyond.

## 23 Comparative Statement of Financial Activities

### 2023 - Group and Charity

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Year to 31 July 2023 £'00
<b>INCOME AND ENDOWMENTS FROM:</b>				
Charitable activities	22,602	-	-	<b>22,602</b>
Investment income	58	400	-	<b>458</b>
Donations and legacies	-	190	-	<b>190</b>
Trading income	35	-	-	<b>35</b>
<b>Total income and endowments</b>	<b>22,695</b>	<b>590</b>	<b>-</b>	<b>23,285</b>
<b>EXPENDITURE ON:</b>				
Charitable activities	(24,218)	(530)	-	<b>(24,748)</b>
Raising funds: fundraising and publicity costs	(210)	-	-	<b>(210)</b>
<b>Total expenditure</b>	<b>(24,428)</b>	<b>(530)</b>	<b>-</b>	<b>(24,958)</b>
<b>Net (expenditure)/income prior to gains and losses</b>	<b>(1,733)</b>	<b>60</b>	<b>-</b>	<b>(1,673)</b>
Net (losses) on investments	(61)	-	(257)	<b>(318)</b>
Net gains on investment in associate	-	-	27	<b>27</b>
<b>Net (expenditure)/income</b>	<b>(1,794)</b>	<b>60</b>	<b>(230)</b>	<b>(1,964)</b>
<b>Other recognised gains/(losses):</b>				
Actuarial gains on defined benefit pension plans	3,524	-	-	<b>3,524</b>
Transfers between funds	23	(23)	-	<b>-</b>
<b>Net movements in funds</b>	<b>1,753</b>	<b>37</b>	<b>(230)</b>	<b>1,560</b>
<b>Reconciliation of funds</b>				
<b>Fund balances at</b>				
31 July 2022	18,657	6,229	7,457	<b>32,343</b>
<b>Fund balances at</b>				
31 July 2023	20,410	6,266	7,227	<b>33,903</b>



# ROBERT GORDON'S COLLEGE

Schoolhill, Aberdeen, Scotland AB10 1FE

Tel 01224 646346

email [enquiries@rgc.aberdeen.sch.uk](mailto:enquiries@rgc.aberdeen.sch.uk)

[www.rgc.aberdeen.sch.uk](http://www.rgc.aberdeen.sch.uk)

Robert Gordon's College is a charity registered in Scotland, No. SC000123