

The Heriot's Centre for Sport and Exercise Limited

Scotland · Charity number SC044874

Details

Status	Active
Legal form	Company (the charity is registered with Companies House)
Part of	George Heriot's Trust (SC011463)
Registered	2014-05-22
Register	View on the OSCR register

Contact

Address	George Heriot's Trust Lauriston Place Edinburgh EH3 9EQ
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Activities

Activities: 'It carries out activities or services itself'

Purposes: 'the advancement of education', 'the advancement of health', 'the advancement of public participation in sport', 'the provision of recreational facilities, or the organisation of recreational activities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended'

What the charity does: The principal activity of the company and its charitable objectives are: for the benefit of the public in Scotland and elsewhere, to advance health, education and public participation in sport generally as well as the provision of recreational facilities or the organisation of recreational activities.

Beneficiaries: 'No specific group, or for the benefit of the community', 'Other charities or voluntary bodies'

Objectives: This clause shall be interpreted as if it incorporated an over-riding qualification limiting the powers of the company such that any activity which would otherwise be permitted by the terms of the clause may be carried on only if that activity furthers a purpose which is regarded as charitable. Subject to that overriding qualification the company's objects are, for the benefit of the public in Scotland and elsewhere, to advance health, education and public participation in sport generally as well as the provision of recreational facilities or the organisation of recreational activities

Geography

- **Main operating location:** City of Edinburgh
- **Geographical spread:** A specific local point, community or neighbourhood

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£177,012	£196,500	-	6
2024-07-31	£174,195	£194,155	-	7
2023-07-31	£170,664	£173,815	-	6
2022-07-31	£161,304	£156,910	-	5
2021-07-31	£143,643	£126,260	-	6
2020-07-31	£148,392	£146,884	-	6

The Heriot's Centre for Sport and Exercise Limited

Scotland - Charity number SC044874

Accounts



THE HERIOT'S CENTRE FOR SPORT AND EXERCISE LIMITED

Company registration number SC364937

Scottish charity number SC044874

Audited Financial Statements

For the year ended 31 July 2025

THE HERIOT'S CENTRE FOR SPORT AND EXERCISE LIMITED

Financial statements for the year ended 31 July 2025

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THE HERIOT'S CENTRE FOR SPORT AND EXERCISE LIMITED

Directors' report for the year ended 31 July 2025

The directors, who are also the trustees for the purposes of charity law, present their report and the financial statements of the company for the year ended 31 July 2025. George Heriot's Trust prepares consolidated Trustees' Report and Financial Statements which include The Heriot's Centre for Sport and Exercise Limited. A copy may be obtained from George Heriot's Trust Lauriston Place Edinburgh EH3 9HE.

Objectives and activities

The principal activity of the company and its charitable objects are: -
For the benefit of the public in Scotland and elsewhere, to advance health, education and public participation in sport generally as well as the provision of recreational facilities or the organisation of recreational activities.

Achievements and performance

The Heriot's Centre for Sport and Exercise has continued to provide facilities for physical recreation to George Heriot's School, which books the facilities for use during the school term time, and to a number of external customers out with school term time. Customers include individuals and clubs/organisations which are mainly based locally. Main regular customers remained unchanged from previous years: Go Mammoth with social netball, Edinburgh Badminton Academy, the Black Boar Swordsmanship School using the facilities for fencing and a number of smaller but also very regular users for badminton, basketball and dance. We have a number of returning customers for their annual events, such as the Fencing Symposium, and a few different Edinburgh University societies have held their annual events in the sports centre. The Sports Hall remains the best-selling space where the Dance Studio has more availability. George Heriot's School provided all staffing during their booked periods. Out with school hours, the centre is staffed, and costs are controlled as far as possible against a need to ensure an adequate level of staffing at all times. The Heriot's Centre for Sport and Exercise staff are all fully trained in health and safety and operating procedures.

Financial review

Hire income in the year increased by 1.6%. Costs increased by 1.2% with staff costs and utilities being the main drivers. This resulted in a deficit of £19,488, (2024: deficit £19,960) being generated. The company's cash flow is funded by way of a loan facility from George Heriot's Trust, and it is satisfied that sufficient facilities are available to it to continue to trade for the foreseeable future.

The company's accounting policies are set out in the notes to the financial statements.

Risk management

The directors implemented a risk management strategy which monitors and assesses the major risks to which the company is exposed. This comprised an annual review of the risks which the company may face; the establishment of systems and procedures to mitigate those risks identified in the risk assessment and; the implementation of procedures designed to minimise any potential impact on the company, should any of those risks materialise.

Reserves

The directors have considered a minimum level of reserves sufficient to cover normal operating costs to be the most appropriate policy which the company should adopt and are working towards this level. The unrestricted reserves of £14,059 (2024: £33,547) are considered adequate due to the cashflow financing by the parent.

Plans for future periods

The directors will continue to support the advancement of health education and public participation in sport including the provision of recreational facilities.

The directors endeavour to generate further income to meet their charitable purpose and will actively monitor expenditure to ensure that they are able to maximise investment in relation to their charitable objectives.

Structure Governance and Management

The charity is a private limited company governed by Memorandum and Articles of Association. It is a wholly owned subsidiary of and controlled by George Heriot's Trust, which approves the appointment of all directors. New directors/trustees are provided with induction and information regarding the duties of charity trustees. Further training is available as required.

THE HERIOT'S CENTRE FOR SPORT AND EXERCISE LIMITED

Directors' report for the year ended 31 July 2025

Reference and Administrative Details

The company is registered as a charity with OSCR, registration number SC044874. Its company registration number is SC364937. The principal and registered office of the company is at Lauriston Place Edinburgh EH3 9HE.

The directors and charity trustees who served during the year and up to the date of approval of the financial statements were: -

M J Gilbert (resigned 06 November 2025)
K S Milne (resigned 27 November 2025)
M Strachan (resigned 18 December 2024)
J Cullen
A McGeough
P Rowllings (appointed 01 December 2025)

Company Secretary L Fyffe

The Sports Centre Manager Z Sestule

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

Bankers Bank of Scotland
New Uberior House
11 Earl Grey Street
Edinburgh, EH3 9BN

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the directors to prepare financial statements for each financial year. The directors have elected to prepare the financial statements in accordance with 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). Under company and charity law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the results of the charitable company for that year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to the auditor

To the knowledge and belief of each of the persons who are directors at the time the report is approved:

- so far as each director is aware, there is no relevant information of which the auditor is unaware; and
- he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information, and to establish that the auditor is aware of the information.

Auditor

The auditor, Azets Audit Services, will be proposed for reappointment at a General Meeting.

Small companies' exemptions

This report has been prepared in accordance with the special provisions for small companies under Section 419(2) of the Companies Act 2006.

Approved by the board of directors and signed on its behalf by:



Andrew McGeough
Director and Trustee

03 December 2025

THE HERIOT'S CENTRE FOR SPORT AND EXERCISE LIMITED

Independent Auditor's Report to the Members and Directors of The Heriot's Centre for Sport and Exercise Limited for the year ended 31 July 2025

Opinion

We have audited the financial statements of The Heriot's Centre for Sport and Exercise Limited (the 'charitable company') for the year ended 31 July 2025 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the directors 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 directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

THE HERIOT'S CENTRE FOR SPORT AND EXERCISE LIMITED

Independent Auditor's Report to the Members and Directors of The Heriot's Centre for Sport and Exercise Limited for the year ended 31 July 2025

Other information (continued)

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 there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report, prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

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

Responsibilities of the directors

As explained more fully in the statement of directors' responsibilities, the directors (who are the directors for the purposes of company law and trustees for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

THE HERIOT'S CENTRE FOR SPORT AND EXERCISE LIMITED

Independent Auditor's Report to the Members and Directors of The Heriot's Centre for Sport and Exercise Limited for the year ended 31 July 2025

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 under the Companies Act 2006 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

The 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 charitable company, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the charitable company 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 charitable company 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 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 charitable company through discussions with management, and from our knowledge and experience of the charity 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 charitable company, including the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended) and taxation, data protection, anti-bribery, environmental 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;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any correspondence with HMRC, relevant regulators, and the company's legal advisors.

THE HERIOT'S CENTRE FOR SPORT AND EXERCISE LIMITED

Independent Auditor's Report to the Members and Directors of The Heriot's Centre for Sport and Exercise Limited for the year ended 31 July 2025

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's directors, 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 charitable company's members, as a body, and the charitable company's directors, 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 charitable company, the charitable company's members, as a body, and the charitable company's directors, as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Allison Gibson, Senior Statutory Auditor

For and on behalf of

Azets Audit Services, Statutory Auditor

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Chartered Accountants

Quay 2

139 Fountainbridge

Edinburgh

EH3 9QG

Date: 18 December 2025

THE HERIOT'S CENTRE FOR SPORT AND EXERCISE LIMITED
Statement of Financial Activities (incorporating the Income and Expenditure Account)
for the year ended 31 July 2025

	Notes	Total 2025 £	Total 2024 £
Income			
<i>Income from charitable activities:</i>			
Hire income		177,012	174,195
Total		<u>177,012</u>	<u>174,195</u>
Expenditure			
Charitable activities		196,500	194,155
Total	4	<u>196,500</u>	<u>194,155</u>
Net expenditure and movement in funds		(19,488)	(19,960)
Total funds brought forward		33,547	53,507
Total funds carried forward	12	<u><u>14,059</u></u>	<u><u>33,547</u></u>

All funds were unrestricted in the current and preceding period.

All activities relate to continuing operations.

There were no recognised gains or losses other than as set out above.

The notes on pages 12 to 17 form part of these financial statements

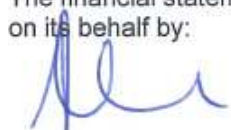
THE HERIOT'S CENTRE FOR SPORT AND EXERCISE LIMITED

**Balance Sheet
as at 31 July 2025**

	Notes	2025 £	2024 £
Fixed assets			
Tangible assets	8	21,130	-
Current assets			
Debtors	9	8,934	36,179
Cash at bank and in hand		24,336	40,248
		33,270	76,427
Creditors: amounts falling due within one year	10	(40,341)	(42,880)
Net current (liabilities)/assets		(7,071)	33,547
Net assets		14,059	33,547
Funds			
Unrestricted – share capital	11	160,000	160,000
Unrestricted – general fund		(145,941)	(126,453)
Total funds	12	14,059	33,547

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

The financial statements were authorised for issue by the board of directors on 3 December 2025 and signed on its behalf by:



Andrew McGeough
Director and Trustee

Company Registration No: SC364937

The notes on pages 12 to 17 form part of these financial statements

THE HERIOT'S CENTRE FOR SPORT AND EXERCISE LIMITED

Statement of Cash Flows

For the year ended 31 July 2025

	2025	2024
	£	£
Net cash flow from operating activities		
Net expenditure per the Statement of Financial Activities	(19,488)	(19,960)
Depreciation	5,282	-
Decrease/(increase) in debtors	27,245	(33,927)
(Decrease)/increase in creditors	(2,539)	18,857
Net cash provided by/(used in) operating activities	10,500	(35,030)
Net cash flow from investing activities		
Acquisition of fixed assets	(26,412)	-
Change in cash and cash equivalents in the period	(15,912)	(35,030)
Cash and cash equivalents at the beginning of the period	40,248	75,278
Cash and cash equivalents at the end of the period	24,336	40,248

All cash and cash equivalents refer to cash at bank. The charity has no debt financing, accordingly no reconciliation of net debt has been prepared.

The notes on pages 12 to 17 form part of these financial statements

1. General information

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the charitable company's transactions are denominated. They comprise the financial statements of The Heriot's Centre for Sport and Exercise Limited.

The principal activity of The Heriot's Centre for Sport and Exercise Limited is detailed in the Directors' Report on page 1.

The Heriot's Centre for Sport and Exercise Limited is a charitable company limited by shares incorporated in the United Kingdom and registered in Scotland. It is recognised as a charity for tax purposes by HMRC and is registered with the Office of the Scottish Charity Regulator (OSCR) under charity number SC044874. Details of the registered office and company registration number can be found on page 3 of these financial statements.

2. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS 102") (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)', the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The Heriot's Centre for Sport and Exercise Limited meets the definition of a public benefit entity under FRS 102. The financial statements are prepared on the historical cost basis.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires directors to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The principal accounting policies applied in the preparation of these financial statements are noted below. These policies have been applied consistently to all the years presented in dealing with items which are considered material in relation to the charitable company's financial statements unless otherwise stated.

Going concern

Having given consideration to cash flow and budgets for the forthcoming period, the directors are of the opinion that the charitable company can continue to meet its obligations as they fall due for the foreseeable future. As a consequence, the directors have prepared the financial statements under the going concern assumption.

Income

Income is recognised when the charitable company has legal entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Income from the hire of facilities and equipment is recognised in line with the performance of the service. Income received in advance of the hire period is deferred to the relevant period.

2. Accounting policies (continued)

Expenditure

Expenditure is recognised on an accruals basis as a legal or constructive liability is incurred. Where VAT cannot be recovered it is reported as part of the expenditure to which it relates. Where practicable, expenditure is classified directly to the operating activity of the charity.

- Charitable activities expenditure comprises those costs incurred by the charitable company in the delivery of its activities and services.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include professional fees and costs linked to the strategic management of the charitable company.

Funds

Unrestricted funds are generated for the objects of the charitable company without further specified purpose and are available as general funds. There were no restricted or endowed funds in either the current or preceding year.

Debtors

Trade debtors are amounts due from hire customers. Trade debtors are recognised at the undiscounted amount of cash receivable, which is normally the invoiced amount, less any allowance for doubtful debts.

Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and balances with banks which are readily convertible.

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired. Accounts payable are classified as creditors falling due within one year if payment is due within one year or less. If not, they are presented as creditors falling due after one year. Trade creditors are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

Pension scheme

The charitable company provides a defined contribution pension scheme, the assets of which are held separately from those of the charitable company in an independently administered fund. Contributions payable to the charitable company's pension scheme are charged to the statement of financial activities in the period to which they relate.

Financial assets and financial liabilities

Financial instruments are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 and 12 of FRS 102. The charitable company only enters into basic financial instruments. Financial instruments are initially measured at transaction price.

At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective interest rate method.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the charity has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

THE HERIOT'S CENTRE FOR SPORT AND EXERCISE LIMITED
Notes to the financial statements for the year ended 31 July 2025

3. Critical judgements and estimates

In preparing the financial statements directors make estimates and assumptions which affect reported results, financial position and disclosure of contingencies. Use of available information and application of judgement are inherent in the formation of the estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

In the opinion of the directors there are no estimates or assumptions with a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4 Resources expended

	2025	2024
	£	£
Charitable activities		
Staff costs	74,791	69,920
Service charge	21,305	21,305
Licence fees	40,126	41,247
Light and heat	31,935	28,715
Rates and insurance	9,245	10,345
Depreciation	5,282	-
Interest payable and similar charges	282	(44)
Equipment hire	4,437	7,215
Sundry expenses	(1,178)	542
Cleaning	1,162	4,662
	<u>187,387</u>	<u>183,907</u>
Governance costs		
Professional fees	9,113	10,248
	<u>196,500</u>	<u>194,155</u>

5 Staff Costs

	2025	2024
	£	£
Wages and salaries	68,108	63,093
Social security	1,874	3,233
Pension costs – defined contribution scheme	4,809	3,594
	<u>74,791</u>	<u>69,920</u>

	Number	Number
Average number of employees during the year	6	6

There were no employees with employee benefits exceeding £60,000 in the current or previous year.

No director was remunerated during the current or prior year in respect of services provided. No director was reimbursed for expenses during the year (2024: £nil). There are no other key management personnel.

THE HERIOT'S CENTRE FOR SPORT AND EXERCISE LIMITED
Notes to the financial statements for the year ended 31 July 2025

6 Net expenditure

Net expenditure for the year is stated after charging:

	2025	2024
	£	£
Auditors' remuneration	6,065	5,775
	<u> </u>	<u> </u>

7 Taxation

The company is accepted as a charitable body under the terms of section 478 of the Corporation Tax Act 2010 and therefore no provision for corporation tax is required.

8 Tangible fixed assets

	Equipment, fixtures and fittings
	£
Cost	
At 1 August 2024	4,457
Additions	26,412
	<u> </u>
At 31 July 2025	30,869
	<u> </u>
Depreciation	
At 1 August 2024	4,457
Depreciation charged in the year	5,282
	<u> </u>
At 31 July 2025	9,739
	<u> </u>
Net book value	
At 31 July 2025	21,130
	<u> </u>
At 31 July 2024	-
	<u> </u>

9 Debtors

	2025	2024
	£	£
Trade debtors	621	923
Prepayments	6,158	2,398
Amounts owed by group undertakings	2,155	32,858
	<u> </u>	<u> </u>
	8,934	36,179
	<u> </u>	<u> </u>

Amounts owed by the parent charity are unsecured and repayable on demand.

THE HERIOT'S CENTRE FOR SPORT AND EXERCISE LIMITED
Notes to the financial statements for the year ended 31 July 2025

10 Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	1,007	3,587
Amounts owed to group undertakings	20,741	30,544
Accruals	8,812	7,975
Pensions	-	358
Other tax and social security	9,781	416
	<u>40,341</u>	<u>42,880</u>

Amounts owed to the parent charity are unsecured and repayable on demand.

11 Called-up share capital

	2025	2024
	£	£
Allotted, called up and fully paid equity shares:		
160,000 ordinary shares of £1 each	<u>160,000</u>	<u>160,000</u>

12 Movement in funds

2025	At 1 August 2024	Incoming resources	Resources expended	At 31 July 2025
	£	£	£	£
Unrestricted funds				
Share capital	160,000	-	-	160,000
General fund	(126,453)	177,012	(196,500)	(145,941)
	<u>33,547</u>	<u>177,012</u>	<u>(196,500)</u>	<u>14,059</u>
	<u><u>33,547</u></u>	<u><u>177,012</u></u>	<u><u>(196,500)</u></u>	<u><u>14,059</u></u>
 2024	 At 1 August 2023	 Incoming resources	 Resources expended	 At 31 July 2024
	£	£	£	£
Unrestricted funds				
Share capital	160,000	-	-	160,000
General fund	(106,493)	174,195	(194,155)	(126,453)
	<u>53,507</u>	<u>174,195</u>	<u>(194,155)</u>	<u>33,547</u>
	<u><u>53,507</u></u>	<u><u>174,195</u></u>	<u><u>(194,155)</u></u>	<u><u>33,547</u></u>

13 Controlling party

The immediate parent and ultimate controlling party via 100% share ownership is George Heriot's Trust, registered charity number SC011463. The address of its principal office is: Lauriston Place, Edinburgh, EH3 9HE. Consolidated accounts including the charitable company may be obtained from that address. The Trust's principal activity is the provision of an independent day school for 4–18 year-old boys and girls. The provision of free education for fatherless and motherless children at the School ("Foundationers") is also a core activity of the Trust.

14 Related parties

During the year The Heriot's Centre for Sport and Exercise Limited charged George Heriot's Trust £109,527 (2024: £109,527) for premises hire. The subsidiary paid the Trust £61,431 (2024: £62,552) in licence and service fees. At 31 July 2025 £20,741 (2024: £30,544) was owing to the Trust and £2,155 (2024: £32,858) was owing by the Trust to the company.

15 Legal form

The company is a private limited company limited by share capital and governed by its Memorandum and Articles of Association. The company is registered in Scotland with registration number SC364937. The principal and registered office of the company is at Lauriston Place, Edinburgh, EH3 9HE.