

St Columba's School Limited

Report and Consolidated Financial Statements

Year Ended 31 July 2023

Registered Scottish Charity Number SC012598

Company Number SC016856



St Columba's School Limited

Annual report and financial statements for the year ended 31 July 2023

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St Columba's School Limited

Legal and administrative information for the year ended 31 July 2023

Trustees

The trustees of the company during the year and subsequently were:

Mrs S Bomphray
Mrs A Brodie
Ms N Bowd
Dr M Coffield
Mr G Cunning
Mrs D Cook (appointed 26/9/23)
Mr H. M. Currie
Mr R. Davidson
Prof C.A. Espie
Dr A. Findlay (Vice Chair to 26/9/23)
Dr A Fraser (appointed 26/9/23)
Mr D Girdwood (Chair)
Mrs J Halliday
Mr P Jennings
Mr A Simpson
Mr K. Wilson (Vice Chair from 26/9/23)

Registered office

Chalot, The Finance Office, St. Columba's Junior School, Knockbuckle Road, Kilmacolm, Inverclyde, PA13 4EQ

Company Number

SC016856

Charity number

SC012598

Auditor

BDO LLP, 2 Atlantic Square, 31 York Street, Glasgow, G2 8NJ

Bankers

The Royal Bank of Scotland plc, 9 Clifton Place, Glasgow, G3 7JU
Bank of Scotland plc, The Mound, Edinburgh EH1 1YZ

Solicitors

Pinsent Masons LLP, 141 Bothwell Street, Glasgow, G2 7EQ
Davidson, Chalmers, Stewart, 12 Hope Street, Edinburgh, EH2 4DB
Navigator Employment Law, Floor 3, 1-4 Atholl Crescent, Edinburgh, EH3 8HA

Health & Safety Advisers

Navigator, Floor 3, 1-4 Atholl Crescent, Edinburgh, EH3 8HA

The trustees present their report together with the audited financial statements of the charity for the year ended 31 July 2023.

Structure, governance and management

Governing Document

The School is a charitable company limited by guarantee and was incorporated on 6 June 1932. The company was established under a Memorandum of Association which sets out the objects and powers of the charitable company and is governed under its Articles of Association. The Articles of Association have been updated from time to time, the most recent update taking place in May 2020.

Recruitment and Training of Trustees

The Trustees are also Directors of the company and act as Governors of the School. Nominations or expressions of interest are welcome at any time of the year and should be made in writing to the Chairman of the Nominations Committee. When a vacancy arises on the Board, the Nominations Committee will use the register of nominees, be they from interested parties or from out with the parent body, to carry out a selection process, the results of which will be presented to all Board members for their approval. Particular emphasis is placed on personal competence, specialist skills and local availability. The School aims to ensure that a comprehensive range of skills, knowledge and experience are represented within the Board. New appointments can be made at any time throughout the year and are then approved at the next Annual General Meeting of the School.

New Directors are initially appointed for a period of three years, following which they retire by rotation at the annual general meeting and can seek re-election for up to a further two terms of office. The Board has the authority to co-opt members and has exercised this authority in respect of three current directors who had previously served their maximum terms. A comprehensive induction pack is given to new directors, including Board policy and procedures and guidance on the role and responsibilities. Disclosure checks are carried out in respect of all prospective directors and all directors are required to undertake annual safeguarding training.

During the session the Governors undertook training and attended briefing sessions provided by AGBIS and SCIS on a variety of topics including Engagement with the Registrar, Safeguarding, Scottish Schools Updates and Challenges Facing the Sector.

Organisational Management

The Board is legally responsible for the overall management and control of the School and meets at least six times a year. The management of the School and the implementation of all Board policies are carried out by the Board and a number of its sub committees. These are: Safeguarding; Finance; Education; Estates; Remuneration; Nominations; and Development, Marketing and Admissions. All committees meet on a regular basis throughout the year and subsequently report to the Trustees at each Board meeting. The membership of each Board committee during the year was as follows:

Safeguarding Committee

Mary Jo Coffield (Chair)
Aileen Findlay
Kenneth Norrie (co-opted, to 18/9/23)
Clare Fallone (co-opted)
Vicky Reilly (Rector)
Jan Fulton (Depute Rector)
Anne Fraser (from 18/9/23)
Alison Duncan (Head of Junior School, to 19/5/23)
Emma Corbett (Principal Teacher, Junior School, From 18/9/23)

Finance Committee

Kenneth Wilson (Chair, to 11/9/23)
Graham Cuning
Roddy Davidson
Alison Brodrie (Chair, from 11/9/23)
Vicky Reilly (Rector)
Una Telfer (Bursar)
Stephen Duddy (Assistant Bursar)

Development, Marketing and Admissions Committee

Sue Bomphray (Chair)
Jo Halliday
Vicky Reilly (Rector)
Una Telfer (Bursar)
Antonia Berry (Depute Rector)
Allan McKay (Depute Rector Junior School, from 20/9/23)
Roberta Bianchini (Head of Marketing, Development & Admissions)

Remuneration Committee

Hugh Currie (Chair)
Kenneth Wilson

Structure, governance and management (continued)

Education & Pastoral Committee

Anthony Simpson (Chair)
Hugh Currie
Colin Espie
Aileen Findlay
Vicky Reilly (Rector)
Alison Duncan (Head of Junior School, to 19/5/23)
Allan McKay (Depute Rector Junior School, from 26/9/23)
Also members of the Senior Leadership Team as required:
Jan Fulton (Depute Rector)
Antonia Berry (Depute Rector)

Nominations Committee

Hugh Currie (Chair)
Aileen Findlay
Niki Bowd

Estates Committee

Roddy Davidson (Chair)
Paul Jennings
Vicky Reilly (Rector)
Una Telfer (Bursar)
Alasdair McGregor (Facilities Manager)

Each committee is comprised of Board Members, the Rector and/or members of the School's Leadership Team. In the case of the Safeguarding Committee and Development, Admissions and Marketing Committee, a number of individuals with relevant experience and expertise have been co-opted.

The day-to-day running of the School is delegated to the Rector and her Senior Leadership Team. The Chair may join any committee meeting except the Nominations Committee.

The School is a participating member of the Scottish Council of Independent Schools (SCIS), the Heads' Conference (HMC), the Association of Governing Bodies of Independent Schools (AGBIS) and the Independent Schools Bursars' Association (ISBA).

Senior management pay policy and procedures

The Trustees aim to provide overall packages of terms and conditions that are competitive in the Scottish independent schools' market and will attract, retain and motivate high quality senior management, capable of achieving the Trustees' objectives and to ensure that they are fairly rewarded for their individual responsibilities and contribution to the School's overall performance.

The Trustees regularly review the existing remuneration of its senior management, making comparisons with peer independent schools of similar size and complexity. Proposals for the forthcoming year are then discussed in the light of the prospects for the School as a whole. The approach is consistent with that applied for the teaching and non-teaching staff in that we look to pay competitively with reference to the market rate for similar positions.

Group Structure

The School has two non-charitable wholly owned subsidiary companies, St Columba's School (Developments) Limited and St Columba's School (Construction) Limited, both of which are non-trading. The Board members of these companies are also Trustees of the School.

Objectives of the Trustees

The principal objectives of the Trustees are to advance the formal education of children and young people to high academic standards in a manner which optimises the opportunities of individual pupils to develop every aspect of their characters and prepares pupils for the responsibilities, challenges, obligations of citizenship and (without compromising the company's commitment to high academic standards or the company's financial well-being) to adopt admission policies and promote the financial assistance scheme designed to make places available to the widest practicable cross section of children and young people. The Trustees also have a responsibility to ensure that the school meets its statutory obligations and adheres to the highest possible standards in relation to child protection, well-being and safeguarding.

In pursuit of these objectives, the School aims to:

- Maintain the highest educational standards with a relevant curriculum that prepares pupils to be global citizens;
- Nurture the individual and foster an environment of equity and inclusion;
- Foster a culture of shared respect and responsibility for all staff in which they feel supported, valued and empowered to be the best they can be;
- Raise the profile of the School through increased local, national and global visibility;

Structure, governance and management (continued)

Governance Matters

The Trustees continue to recognise the importance of good governance and remain committed to ensuring that best practice is adopted throughout the School. In August 2022, the Board of Governors achieved the HMC/AGBIS Good Governance Certificate which remains valid for three years and demonstrates a level of expertise and commitment from Governors across a range of relevant topics. Throughout the year, Governors attended a variety of independent school sector updates and training on educational and safeguarding developments hosted by SCIS, AGBIS, HMC and ISBA.

Fees

Fees charged in 2022/23 increased by 8.5%. Fees ranged from £10,445 for Junior 1 to £14,385 for Senior School pupils. A capital levy of £250 or £350 was payable for Junior and Senior pupils respectively. This remains unchanged from the previous year.

During the session the School remained in partnership with Inverclyde Council for the provision of fully funded Early Learning and Childcare places for children aged 3 and 4 years old. The School received a maximum of £6,486.60 per child.

Work and Activities of the Board of Trustees during the Year

The School as a Charity

The policy approved by the Directors continues to support wider access to the School and also supports current parents who find themselves in difficult financial circumstances. A Sub Committee of the Finance committee meets to consider applications and award financial assistance when required. Financial assistance remission on fees is assessed according to parent/guardians' ability to pay full fees and the availability of financial assistance funds. The Board was pleased to be able to assist 59 pupils who, without such help, could not have attended St Columba's. This equates to 10.1% of the school roll. The amount of means tested financial assistance awarded during the year was £513,499 (2022: £527,066).

The School shares its facilities with the wider community. During term-time the Junior School premises are used daily by an external company for a breakfast club and after school club, which is open to local school children. The Games Hall and the Astroturf pitch are used extensively by local sports organisations during evenings and weekends. The Music Department is used for Trinity music exams and the local nursery school uses the Games Hall. In October 2022, the local Rotary Club held a charity lunch on school premises.

Following the period of restricted activities due to Covid-19 in 2020/21 and 2021/22, the School was pleased to return to normal levels of curricular and non-curricular activities in 2022/23.

Teaching staff are involved in national educational activities including writing and marking assessment materials for the SQA and they take part in West of Scotland subject groups to share good practice.

The School trains staff for Strathclyde University and University of West of Scotland Educational Faculties. The School also hosts events and seminars to which teaching staff from other schools are invited.

Fundraising

During the year the Charities Committee organized various activities and events which raised £8,682 for several charities including Get Home Safe, The Maggie Keswick Centres, ROAR Connections for Life, BBC Children in Need, Save the Children, Macmillan Cancer, Gartnavel Hospital Eye Clinic, Glasgow Childrens Hospital, Jubilee House and Mind Mosaic as well as local charities Ardgowan Hospice, Home Start Renfrewshire, and The Haven Kilmacolm.

During the session, fundraising of £9,200 was obtained to part fund the fees of our Ukrainian pupil, who joined the School in 2022, following the conflict in her homeland.

Work and Activities of the Board of Trustees during the Year (continued)

The Board has continued to actively assist the School in maintaining, and improving on its high standards; seeking to support and encourage the Rector and staff in their work wherever possible, and to provide the required resources. The Board and the Senior Leadership Team work closely together. Through its various Committees the Board continues to safeguard the financial, educational and general well-being of the School and its staff and pupils. It seeks to exercise strict financial control and monitors teaching and learning. The Board regularly reviews and discusses the School's Improvement Plan and the Risk Register is reviewed at each Board Committee meeting during the session. Trustees enjoyed visiting the Junior and Senior Schools on Governors Day which provided the opportunity to meet with staff and pupils and observe lessons.

Trustees responsibilities

The Trustees are responsible for preparing the Trustee's Annual Report, the Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law and charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law and charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

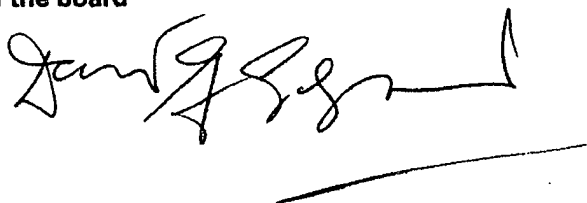
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies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

Auditor

All of the current Trustees have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditor for the purposes of their audit and to establish that the auditor is aware of that information. The Trustees are not aware of any relevant audit information of which the auditor is unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the board



**D Girdwood
Trustee**

Achievements & Performance

Our senior pupils achieved an excellent set of SQA exam results in 2023. At National 5, pupils achieved a pass rate of 97.1% (2022: 98.2%) with 85.6% (2022: 76.9%) at A grades. For Highers, pupils achieved a pass rate of 90.5%, of which 51.1% were Grade A (2022: 93.6% and 65%) and for Advanced Highers, the pass rate was 92.7% with 46.8% at Grade A (2022: 90.1% and 53.5%).

Our rugby team was delighted to win the West/Midlands Schools' Conference and to be highly placed in other competitions. The rugby and hockey teams enjoyed a successful tour to Barcelona during the session. Many of our pupils achieved major success in a wide range of sports, including pentathlon, triathlon, athletics, and swimming.

The Duke of Edinburgh's Award Scheme continues to thrive with exceptionally high levels of participation across all levels. Between April 2022 and March 2023 St Columba's pupils spent 2197 hours volunteering in the community. From Junior 1 to Transitus over 120 pupils participated in Mini and Junior Duke Awards.

In Debating, a St Columba's pupil finished top of the speaker tab at the Oxford Schools Finals Day. St Columba's pupils were involved in the Scottish Debating Team for the 11th time in the last 14 years with two Senior V pupils gaining places on the team this year. The Senior IV Public Speaking team represented Scotland in the UK final of the Rotary Youth Speaks competition.

The piping and drumming programme continues to go from strength to strength. In their first year after achieving promotion to the Novice A category, the pipe band was crowned World Champions at Glasgow Green in August 2023. This was preceded by a successful trip to New York when over 60 band members, aged between 11 and 18, were proud to take part in the annual Tartan Day Parade.

In October 2022, Dame Eleanor Laing MP, Deputy Speaker of the House of Commons and former St Columba's pupil, hosted a lunch at the House of Commons, attended by over 70 former pupils and staff.

In March 2023, the School hosted a Celebration Ball to commemorate the 125th anniversary of the School. This was attended by almost 300 members of the school community.

The Early Years partnership with Campbell Snowden House, a local care home for the elderly, continues to thrive. This session, an inter-generational concert was held with the residents and the Early Years pupils. This partnership was recognised with a Highly Commended Award from Generations Working Together.

In Music, pupils have excelled again this year. In May 2023, a St Columba's pupil won the coveted Scottish Young Musician Solo Performer of the Year title. Pupils are involved in Edinburgh Youth Orchestra, West of Scotland Schools' Symphony Orchestra, the National Youth Orchestra of Scotland, Royal Conservatoire of Scotland Junior Department and the Scottish Fiddle Youth Engagement Project.

The annual Silver Tablet competition continued this session. This is one of the oldest and most prestigious awards that the School presents. This award was first presented in 1917. Performers are chosen from pupils who have attained a minimum standard of Associated Board Grade 8 and each competitor delivers a 15 minute programme.

The total number of pupils at the end of the session reduced to 579 pupils (2022: 603), 398 in Senior School and 181 in Junior School. Pupil numbers in Junior School remain less than capacity and significant effort is being made to ensure that the School is being marketed effectively, in a very challenging economic market. The Marketing team has engaged an array of traditional and digital marketing methods in order to ensure a broad advertising reach across the west of Scotland. The number of enquiries from new families remains strong.

School Improvement Plan

Teaching and learning priorities during session 2022/23 focused on further developing a number of projects.

Digital Development

A staff working group was established to carry out an audit and review of digital platforms to assist learning. Bring Your Own Device (BYOD) has grown in popularity during the session and the School has purchased laptop charging carts to facilitate this.

Sustainability

The Sustainability Committee was established, involving teaching and non-teaching staff covering all areas of the School. Future plans include a whole school audit and the development of a sustainable vision for the future in line with Vision 2030. Pupils are consulted through the Eco Committee and the Pupil Council. We were delighted that the Eco School's Green Flag Award was re-awarded during the session.

Child Protection and Safeguarding

The School is committed to delivering outstanding care for all pupils and we ensure that effective Child Protection and Safeguarding measures are embedded in day to day operations. All staff and senior pupils with pastoral responsibilities, as well as volunteers, sports coaches and DofE leaders are trained annually in Child Protection and Safeguarding procedures and the School's policies are kept in line with national guidance. The School was delighted to achieve the Silver Rights Respecting Schools award and is now officially recognized as "Rights Aware". The two- year journey to achieving the UN Convention on the Rights of the Child (UNCRC) Gold Status is underway.

Mental Health First Aid Training

Two members of staff qualified as mental health first aid trainers which allows them to train others, with the intention that all staff will be trained mental health first aiders in the near future. All SVI pupils received training as Mental Health Ambassadors and 32 SVI pupils successfully achieved the Mental Health First Aid qualification.

Upgrading facilities

During the session, the Senior School Main Building roof was replaced and resurfacing work was carried out to the Junior School rear car park and the car park at the AstroTurf pitch. Several rooms were redecorated and a boiler was replaced. In line with our focus on accessibility, two accessible parking places were created at the Senior School. The IT infrastructure was upgraded with the installation of new servers and a new firewall. These projects were part funded by the Capital Levy.

Financial review

Results

The statement of financial activities is set out on page 14. The School's net expenditure was £306,673 (2022: £189,802) mainly driven by lower pupils numbers in Junior School and increased running costs due to a period of high inflation.

Total income of £8,040,663 increased by 9.2% and total expenditure of £8,347,235 increased by 10.5% reflecting the increase in business rates, utility costs and the SNCT salary increase. The main expenditure of the School is that of staff salaries which accounts for 66% of total expenditure.

Despite the loss, the School generated sufficient cash to service the loan interest and capital repayments and meet the financial covenant test. Trustees are mindful of the fee affordability pressures facing parents and families. All aspects of the School's finances are under review and strategic plans are being developed to ensure the future financial stability of the School.

At 31 July 2023, net current assets were £2,604,897 (2022: £3,156,409). Total capital expenditure of £547,256 was incurred to upgrade facilities during the year. The bank loan amount outstanding is £4,099,207. Assets decreased during the year from £9,286,526 to £8,979,853.

Future developments

Over the last few years, the School has faced significant inflationary pressures across all aspects of expenditure. In addition, the Labour party has announced that if elected they will introduce VAT on school fees. Like other independent schools, fees have risen substantially to meet the increased costs impacting the affordability of a private education. Our school roll has fallen, particularly, in the Junior school, as parents delay sending their children until later years.

Given the reduction in the school roll, there is no longer a need to maintain the Junior and Senior school over two sites. The Board has made the decision to relocate the Junior school to the state-of-the art Girdwood Building on the Senior school site. It is proposed that the games hall will be retained and the remaining Junior school site will be sold for development. This will significantly reduce the running costs of operating two sites, provide the Junior School with a high-quality teaching environment and enable capital expenditure to be focused on ensuring that the buildings are maintained to the highest standard. This action will right size the School's facilities and secure the long term financial viability of the School.

Reserves policy

The School holds the majority of its reserves in cash. The financial strategy of the School is to achieve a breakeven position and generate cash surpluses from normal activities in order to fund capital expenditure and debt repayment and to protect against any unexpected finance demands. The levels of normal operating income and expenditure are reasonably predictable looking up to 12 months ahead. As at 31 July 2023, the School had total reserves of £8,979,853 of which £1,980 were restricted and £8,977,873 were unrestricted. Cash balances were £3,283,806. The policy is to hold cash reserves of between 3 and 6 months of operating expenditure.

Investment policy

Our investment aims are to achieve a reasonable return on our cash surplus whilst minimising the risks of any capital losses. In order to achieve this, we restrict our investments to cash deposits only, we spread the available funds over a number of financial institutions and where possible, ensure that any fixed term deposits mature at differing times throughout the calendar year.

Going concern

The Trustees have considered whether the use of the going concern basis is appropriate for the preparation of these consolidated Financial Statements based upon the financial position and cash requirements of the Group for the period of twelve months from the date of signing of these financial statements and for the subsequent foreseeable future.

The net current asset position of the group was £2,604,897 (2022 £3,156,409).

Since the year end 31 July 2023, high inflation and high interest rates continue to adversely impact on the School's finances. The economic environment is putting pressure on fee affordability and the School roll, most significantly at Junior School. Forecast assumptions have been updated to reflect the lower than budgeted pupil roll and market conditions.

In light of these factors, Trustees have undertaken a number of actions to safeguard the school's finances.

- The employers' pension contribution rate for the Scottish Teachers' Pension Scheme will increase from 23% to 26% with effect from April 2024. With this in mind, the Board of Governors has commenced consultation with teaching staff regarding the potential withdrawal from the Scottish Teachers' Pension Scheme and the setting up of an alternative defined contribution pension scheme, within the current financial year in order to provide more control of teachers' pension costs in future.
- In order to right size the School's facilities for the future pupil roll, and to reduce operating costs, the Trustees have announced a plan to relocate the Junior School to the state-of-the art Girdwood Building on the Senior School site and sell part of the Junior School site for development. The new school will open in August 2025.
- Received confirmation from the lenders of the bank loan that they remain fully supportive of the School and its plans to dispose of the Junior school site.

Trustees have performed a robust assessment of the group's forecasts and cash flows and its ability to meet its obligations as they fall due over the period to 31 July 2025. In doing so, they have reviewed current and projected pupil numbers, financial projections, including the long-term business plan post consolidation of the Junior and Senior schools, and considered sensitivities to test the robustness of the assumptions. The School is fortunate to have significant cash reserves, £3,283,806 at 31 July 2023, which provides some headroom for any unexpected additional expenditure or reduced income. At 31 July 2023, the School has a bank loan of £4,099,207 which is repayable over the next 17 years. The School's banker, Bank of Scotland has confirmed it is supportive of the School's strategy and long-term business plan.

The Board is satisfied that the School's financial forecasts and projections demonstrate that with the support of the School's banker, the group should be able to operate for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing the annual report and financial statements.

Principal Risks and Uncertainties

The Board continually reviews the potential risks facing the School and is responsible for ensuring that systems and procedures are in place to manage these risks. Risks are identified, assessed and recorded in the risk register. The contents of the risk register are reviewed by the Board of Governors and the relevant Board Committees at every meeting and updated as appropriate.

Following the completion of major capital expenditure projects in recent years the School has significant bank borrowings. The Trustees are aware of the need for the School to comply with banking covenants and to meet future repayments and this is kept under review.

The School, in common with all independent schools, is operating in a challenging financial environment. The loss of business rates relief in April 2022, and the 14% SNCT pay increase awarded to teaching staff by the Scottish Government, covering the period 1st April 2022 to 31st July 2024, has had a significant impact on the School's running costs. In addition, the high rate of inflation affecting other resources resulted in the School having to implement a higher than normal fee increase of 8.5%. Every effort is being made to ensure that the School obtains best value from all suppliers and contractors in order to manage costs carefully. Procedures are in place to ensure robust financial management and budgeting. Detailed longer term forecasts and budgets have been prepared to model the potential impact of the imposition of VAT on school fees should that occur in future.

Attracting and retaining pupils remains the key priority in order to maintain income levels at an appropriate level. The Trustees, in conjunction with the Senior Leadership Team and the Development, Marketing and Admissions Team are working together to ensure the School is marketed effectively. The Board remains committed to ensuring that the School remains affordable for as many families as possible.

Plans For Future Periods

Priorities for the Board of Trustees during the School Year 2023 - 2024

- 1 To maintain the highest quality of teaching and learning and provide a wide range of co-curricular experiences;
- 2 To review and monitor all aspects of costs to ensure financial stability, with a focus on increasing the Junior School roll;
- 3 To maintain the focus on the health and wellbeing of pupils and staff and ensure the provision of a safe and nurturing environment in which pupils and staff can thrive;
- 4 To ensure that the School has in place robust procedures to meet its statutory responsibilities in respect of safeguarding, welfare and child protection;
- 5 To maintain progress in upgrading the School's estate and to ensure that all aspects of School property comply with legislation including that relating to accessibility and health and safety;
- 6 To progress liaison and facilitate strong relationships with the Parent Council and with the Former Pupils' Association;
- 7 To continue to refine governance procedures in line with best practice; and
- 8 To increase the focus on sustainability on all aspects of the school.

Subsequent Events

In November 2023, the School entered into consultation with teaching staff in relation to potential withdrawal from the Scottish Teachers' Pension Scheme. Employer's pension contributions to this pension scheme will increase from 23% to 26% with effect from 1st April 2024. An alternative defined contribution pension scheme is being considered. The consultation is expected to take a number of months.

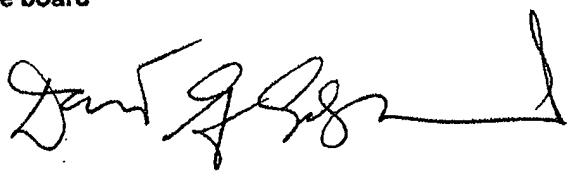
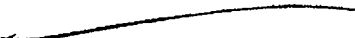
In March 2024, the School announced plans to consolidate the Junior and Senior Schools on the Senior School site on Gryffe Road, Kilmacolm, with effect from August 2025.

Conclusion

The Trustees are committed to ensuring that St Columba's continues to thrive and to provide an excellent educational experience for all its pupils, as well as contributing to the local community. The Trustees recognise and appreciate the dedication and commitment from the staff which ensures the continued success of the School.

On behalf of the board

**D Girdwood
Trustee**

Opinion on the financial statements

We have audited the financial statements of St Columba's School Limited ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 July 2023 which comprise the consolidated and charity statement of financial activities, the consolidated and company balance sheet, the consolidated cash flow statement and 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 of the Parent Charitable Company's affairs as at 31 July 2023 and of the Group's incoming resources and application of resources and the Parent Charitable Company's incoming resources and application of resources 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.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and Parent Charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic 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 Strategic report and the Directors' Report, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was 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, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on:

- Our understanding of the Parent and Charitable Company and the industry in which it operates;
- Discussion with management and those charged with governance;
- Obtaining and understanding of the Parent and Charitable Company policies and procedures regarding compliance with laws and regulations;

We considered the significant laws and regulations to be the financial reporting framework that has been applied in the preparation of the financial statement which is the 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), the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006.

The Parent and Charitable Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Parent and Charitable Company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

Based on our risk assessment, we considered the areas most susceptible to fraud to be Revenue Recognition and Management Override of Controls.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing management's revenue recognition for compliance with accounting standards and consistent application.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

DocuSigned by:
Martin Gill
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Martin Gill (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Glasgow, UK
Insert Date 28 March 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

St Columba's School Limited

Consolidated and charity statement of financial activities (including consolidated income and expenditure account) for the year ended 31 July 2023

		Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	Notes	2023	2023	2023	2022	2022	2022
		£	£	£	£	£	£
Income from:							
<i>Donations and legacies</i>							
Donations	3	23,606	59,130	82,736	61,570	42,205	103,775
<i>Charitable activities</i>							
Fee income	4	7,885,526	-	7,885,526	7,532,362	-	7,532,362
Bursaries awarded		(475,096)	(38,403)	(513,499)	(527,066)	-	(527,066)
Canteen income		218	-	218	6,327	-	6,327
<i>Other trading activities</i>							
Sports lets and after school activities		15,071	-	15,071	13,640	-	13,640
Music tuition, school bus and trips		510,607	-	510,607	227,564	-	227,564
<i>Investments</i>							
Investment income	5	80,491	-	80,491	9,895	-	9,895
<i>Other income</i>							
Insurance proceeds	6	240	-	240	-	-	-
Total Income		8,040,663	20,727	8,061,390	7,324,292	42,205	7,366,497
Expenditure on:							
Charitable activities	7	8,347,235	20,727	8,367,962	7,513,601	42,205	7,555,806
Total Expenditure	7	8,347,235	20,727	8,367,962	7,513,601	42,205	7,555,806
Net outgoing resources before investments		(306,572)	-	(306,572)	(189,309)	-	(189,309)
Net loss on investments	11	(101)	-	(101)	493	-	493
Net Expenditure		(306,673)	-	(306,673)	(189,802)	-	(189,802)
Net movement in funds	2	(306,673)	-	(306,673)	(189,802)	-	(189,802)
Reconciliation of funds							
Total funds brought forward		9,284,546	1,980	9,286,526	9,474,348	1,980	9,476,328
Total funds carried forward	16	8,977,873	1,980	8,979,853	9,284,546	1,980	9,286,526

The Statement of Financial Activities includes all recognised gains and losses in both the current and prior year. All income and expenditure derive from continuing activities.

The notes on pages 19 to 31 form part of these financial statements.

St Columba's School Limited

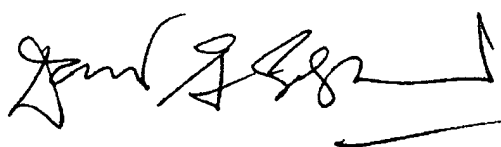
Consolidated balance sheet at 31 July 2023

Company number SC016856

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible fixed assets	10		10,677,577		10,695,876
Fixed asset investments	11		12,543		12,644
			<u>10,690,120</u>		<u>10,708,520</u>
Current assets					
Stock		679		679	
Debtors	12	379,986		331,454	
Cash at bank and in hand		<u>3,283,806</u>		<u>3,861,880</u>	
		3,664,471		4,194,013	
Creditors: amounts falling due within one year	13	<u>(1,059,574)</u>		<u>(1,037,604)</u>	
Net current assets			<u>2,604,897</u>		<u>3,156,409</u>
Total assets less current liabilities			<u>13,295,017</u>		<u>13,864,929</u>
Creditors: amounts falling due after more than one year	14		<u>(4,315,164)</u>		<u>(4,578,403)</u>
Net assets			<u>8,979,853</u>		<u>9,286,526</u>
Funds					
Restricted funds	16		1,980		1,980
Unrestricted funds	16		<u>8,977,873</u>		<u>9,284,546</u>
			8,977,873		9,284,546
Total	15		<u>8,979,853</u>		<u>9,286,526</u>

The financial statements were approved by the Trustees and authorised for issue on

D Girdwood
Trustee



19 March 2024

The notes on pages 19 to 31 form part of these financial statements.

St Columba's School Limited

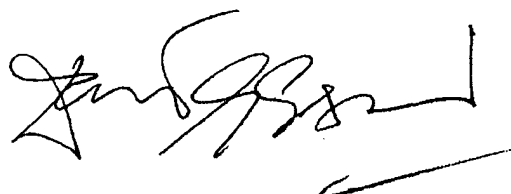
Company balance sheet at 31 July 2023

Company number SC016856

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible fixed assets	10		10,677,577		10,695,876
Fixed asset investments	11		12,547		12,648
			<u>10,690,124</u>		<u>10,708,524</u>
Current assets					
Stock		679		679	
Debtors	12	379,986		331,454	
Cash at bank and in hand		<u>3,283,804</u>		<u>3,861,878</u>	
		3,664,469		4,194,011	
Creditors: amounts falling due within one year	13	<u>(1,059,576)</u>		<u>(1,037,608)</u>	
Net current assets			<u>2,604,893</u>		<u>3,156,403</u>
Total assets less current liabilities			13,295,017		13,864,927
Creditors: amounts falling due after more than one year	14		<u>(4,315,164)</u>		<u>(4,578,403)</u>
Net assets			<u>8,979,853</u>		<u>9,286,524</u>
Funds					
Restricted funds	16		1,980		1,980
Unrestricted funds	16	<u>8,977,873</u>		<u>9,284,544</u>	
			8,977,873		9,284,544
Total	15		<u>8,979,853</u>		<u>9,286,524</u>

The financial statements were approved by the Trustees and authorised for issue on

D Girdwood
Trustee



19 March
2024

The notes on pages 19 to 31 form part of these financial statements.

St Columba's School Limited

Consolidated statement of cash flows for the year ended 31 July 2023

	Note	2023	2022
		£	£
Cash flows from operating activities			
Net (expenditure)/income per statement of financial activities		(306,673)	(189,802)
Interest receivable		(80,390)	(9,895)
Depreciation		565,555	546,546
(Increase)/Decrease in debtors		(48,532)	(228,709)
(Decrease)/Increase in creditors		(83,857)	493,071
(Increase) in stock		-	-
Interest payable		175,622	115,940
Loss on listed investments		101	493
Net cash provided by operations		221,826	727,644
Cash flow from investing activities			
Payment for tangible fixed assets		(547,256)	(151,204)
Transfers to long term deposit accounts		(825,479)	(302,553)
Interest received		80,390	9,895
Net cash used in investing activities		(1,292,345)	(443,862)
Cash flows from financing activities			
Bank loans repaid		(157,412)	(169,922)
Interest paid		(175,622)	(115,505)
Net cash (used in) financing activities		(333,034)	(285,427)
(Decrease)/Increase in cash and cash equivalents in the year	18	(1,403,553)	(1,645)
Cash and cash equivalents at the beginning of the year		2,251,305	2,252,950
Total cash and cash equivalents at the end of the year		847,752	2,251,305
Cash per balance sheet		3,283,806	3,861,880
Long term deposits not meeting the definition of cash and cash equivalents		(2,436,054)	(1,610,575)
		847,752	2,251,305

The notes on pages 19 to 31 form part of these financial statements.

1. Accounting policies

St. Columba's School Limited is a registered charity and private company limited by guarantee incorporated in Scotland under the Companies Act. The address of the registered office, the company number and charity number is given on the legal and administrative information page. Details of the work and activities of the company are given in the Trustees Report.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value and in accordance with the Companies Act 2006 and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies. Details of these have been provided under 'key judgements and estimates' policy.

The presentation currency of these financial statements is GBP. Rounding to the nearest £ has been applied in the preparation of these financial statements. St. Columba's School Limited meets the definition of a public benefit entity under FRS 102.

The following principal accounting policies have been applied:

Going Concern

The group and charity's structure, business objectives, principal activities, achievements, financial performance, future plans and principal risks and uncertainties facing the charity are set out in the trustees' report and strategic report.). Several factors have negatively impacted on recent results, particularly lower pupils numbers and higher operating costs. In addition, the economic environment is impacting fee affordability for parents. Forecast assumptions have been updated to reflect the lower than budgeted pupil roll and market conditions and the worsened position at 31 July 2024 is forecast to result in a breach of the annual interest covenant for the first time.

In light of these factors, Trustees have undertaken a number of mitigating measures.

- The employers' pension contribution rate for the Scottish Teachers' Pension Scheme will increase from 23% to 26% with effect from April 2024. With this in mind, the Board of Governors has commenced consultation with teaching staff regarding the potential withdrawal from the Scottish Teachers' Pension Scheme and the setting up of an alternative defined contribution pension scheme, within the current financial year in order to provide more control of teachers' pension costs in future.
- In order to right size the School, and to reduce operating costs in the future, the Trustees has engaged with professional advisors and developed a plan to consolidate the School onto one site at Senior School and sell a proportion of the Junior School site for development. The proposed timeline for consolidation is August 2025. Bank of Scotland has confirmed that it is supportive of the School's strategy to sell the Junior School site and will release security over the site at the time of sale. Furthermore, the Bank is working with the School to revise and agree future covenants during this period of change.
- Capital expenditure on facilities improvements will be kept to a minimum until future plans regarding the sites have been finalised.

The net current asset position of the group was £2,604,897 (2022: £3,156,409).

The Board is satisfied that the School's financial forecasts and projections demonstrate that with the support of the School's banker, the group should be able to operate for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in preparing the annual report and financial statements.

Basis of consolidation

The consolidated financial statements incorporate the results of St. Columba's School Limited and all of its subsidiary undertakings as at 31 July 2023.

Cash flow statement

The parent company has taken advantage of FRS 102 Section 1 and not prepared a company cash flow statement. The cash flows of the parent are included in the consolidated cash flow statement of the group.

1. Accounting policies (continued)

Income

All income is included in the Statement of Financial Activities when the School is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable;
- Income from charitable activities is accounted for when earned. Advance and prepaid fees are accounted for as income in the period in which they are earned. Fees are recorded net of discounts. Canteen income is recognised in the period in which it is earned;
- interest on funds held on deposit is included within investment income when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure

Expenditure is recognised on an accruals basis as the liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity. These are included in cost of charitable activities.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned based on relative usage.

Fund accounting

- Unrestricted general funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the school.
- Restricted funds are to be used for specific purposes as laid down, implicitly or explicitly, by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of overhead and support costs.
- The pension reserve represents the accumulated pension surplus.

Deposits

Deposits are paid by each student on registration at the school. These are included in the balance sheet within accruals and repaid when the registered holder sends a written request for repayment when they leave the school.

Valuation of investments

Investments in subsidiary undertakings are stated at cost less any provision for impairment. Listed investments are held to meet prize expenditure and are stated at bid price.

Stock

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price. Cost is based on the cost of purchase. At each Balance Sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price. The impairment loss is recognised immediately in Statement of Financial Activities.

1. Accounting policies (continued)

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets, except for freehold land and assets in the course of construction, evenly over their expected useful lives. It is calculated at the following rates:

Land	- nil
Buildings	- over 50 years
Fittings and equipment	- over 10 and 20 years
Computer equipment	- over 5 years

Pensions

Teaching staff have the option of becoming members of the Scottish Teachers' Pension Scheme. This is a defined benefit scheme which is externally funded. Contributions to the schemes are determined by qualified actuaries on the basis of periodic valuations using the projected unit method.

The school has accounted for the Scottish Teachers Pension Scheme (STPS) on a defined contribution basis. In addition to this, both ancillary and teaching staff are eligible to join the St. Columba's School designated pension plan, NEST, and receive an annual contracted contribution from the school. Contributions are charged to the income and expenditure account in the year in which they become payable.

Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the value of the lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation of the relevant assets is charged to the Statement of Financial Activities over the estimated useful economic life of the asset.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. The annual rentals of operating lease agreements are charged to the income and expenditure account on a straight-line basis over the term of the lease.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Fixed term deposits

Long term deposits represents funds held with financial institutions that are not accessible within three months and thus do not meet the definition of cash and cash equivalents under FRS 102.

Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

1. Accounting policies (continued)

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other debtors and creditors, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors or creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an 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.

Holiday pay

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

Key judgements and estimates

The preparation of these financial statements has required the Trustees to make judgements, estimates and assumptions that affect the application of policies and reported amounts. The areas involving a degree of judgement significant to the view given by these statements are:

- Tangible fixed assets, as mentioned above, are depreciated over a period intended to reflect their estimated useful lives. The applicability of the assumed lives is reviewed annually, taking into account factors such as physical condition, maintenance and obsolescence.
- Tangible fixed assets are also assessed as to whether there are indicators of impairment. This assessment involves consideration of the economic viability of the purpose for which the asset is used.

2. Net expenditure for the year

	2023	2022
	£	£
This is arrived at after charging		
Depreciation of owned tangible fixed assets	565,555	546,547
Group audit services	16,150	16,560

Included in the group audit fee of £16,150 (2022: £16,560) is the amount of £1,000 (2022: £1,310) in respect of subsidiaries which are dormant.

St Columba's School Limited

Notes forming part of the financial statements for the year ended 31 July 2023 (continued)

3. Donations

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Donations	23,606	59,130	82,736	61,570	42,205	103,775

4. Fee income

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
School fees	7,704,982	-	7,704,982	7,347,221	-	7,347,221
Capital levies	180,544	-	180,544	185,141	-	185,141
	7,885,526	-	7,885,526	7,532,362	-	7,532,362

5. Investment income

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Bank deposits	80,491	-	80,491	9,895	-	9,895
	80,491	-	80,491	9,895	-	9,895

6. Other income

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Insurance proceeds	240	-	240	-	-	-
	240	-	240	-	-	-

7. Expenditure

	Basis of allocation	Education	Canteen	Governance	2023 Total	2022 Total
	£	£	£	£	£	£
Cash directly allocated to activities						
Direct wages and salaries	Direct	4,806,920	-	-	4,806,920	4,522,371
Other direct costs	Direct	530,967	29,310	-	560,277	282,824
		5,337,887	29,310	-	5,367,197	4,805,195
Support costs allocated to activities						
Property costs	Usage	986,292	-	-	986,292	892,573
Property depreciation	Actual	481,155	-	-	481,155	463,272
Administration salaries	Usage	532,587	-	-	532,587	507,788
Auditors' remuneration	Actual	-	-	21,460	21,460	17,550
Other administration and finance costs	Usage	895,306	-	-	895,306	786,004
Fittings, equipment and computer depreciation	Actual	83,965	-	-	83,965	83,275
		2,979,305	-	21,460	3,000,765	2,750,611
Total		8,317,192	29,310	21,460	8,367,962	7,555,806

The 2023 expenditure was allocated to the same expenditure categories as in 2022. Other direct costs were split £530,967 to Education and £29,310 to Canteen. Auditors' remuneration of £21,460 was allocated to Governance.

8. Interest paid

	2023	2022
	£	£
Interest on bank loans	175,622	115,940

9. Employees

Group and company	2023	2022
Staff costs consist of:	£	£
Wages and salaries	4,296,384	4,047,489
Social security costs	460,997	434,067
Other pension costs (including FRS 102 pension adjustments)	803,782	759,826
	5,561,163	5,241,382

The average number of full time equivalent employees (excluding Trustees) during the year was as follows:

	2023	2022
	Number	Number
Teaching	76	72
Non-teaching	26	25
	102	97

9. Employees (continued)

One employee (2022 – one) received emoluments of between £60,001 and £70,000.

Three employees (2022 - three) received emoluments of between £70,001 and £80,000.

One employee (2022 – none) received emoluments of between £80,001 and £90,000

No employee (2022 - one) received emoluments of between £100,001 and £110,000.

One employee (2022 – none) received emoluments of between £110,001 and £120,000.

One employee (2022 – none) received emoluments of between £130,001 and £140,000.

10. Group and company

<i>Cost</i>	Freehold land and buildings	Fittings, equipment and computer	Total
	£	£	£
At 1 August 2022	15,355,652	1,007,605	16,363,257
Additions	430,257	116,999	547,256
At 31 July 2023	15,785,909	1,124,604	16,910,513
<i>Depreciation</i>			
At 1 August 2022	4,763,705	903,676	5,667,381
Provided for the year	481,595	83,960	565,555
At 31 July 2023	5,245,300	987,636	6,232,936
<i>Net book value</i>			
At 31 July 2023	10,540,609	136,968	10,677,577
At 31 July 2022	10,591,947	103,929	10,695,876

Freehold land included above at an estimated cost of £30,573 (2022: £30,573) is not depreciated.

11. Fixed asset investments

Group

	Investments in subsidiaries £	Listed investments £	Total £
At Valuation			
At 1 August 2022	-	12,644	12,644
Market Movement for listed investments	-	(101)	(101)
At 31 July 2023	-	12,543	12,543

Company

	Investments in subsidiaries £	Listed investments £	Total £
At cost or valuation			
At 1 August 2022	4	12,644	12,648
Market Movement for listed investments	-	(101)	(101)
At 31 July 2023	4	12,543	12,547

	Group and Company 2023 £	Group and Company 2022 £
Listed investments:		
Historic costs	11,591	11,591

Subsidiary undertakings, associated undertakings and other investments

The principal undertakings in which the company's interest at the year end is 20% or more are as follows:

Subsidiary undertakings	Company Number	Proportion of voting rights and ordinary share capital held	Nature of business
St Columba's School (Construction) Limited	SC204956	100%	Dormant
St Columba's School (Developments) Limited	SC203853	100%	Dormant

The registered office of both subsidiaries is Shalot, The Company Secretary, The Finance Department, St Columba's Junior School, Knockbuckle Road, Kilmacolm, Renfrewshire, PA13 4EQ.

12. Debtors

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Fee debtors	72,096	90,018	72,096	90,018
Prepayments and accrued income	307,890	241,436	307,890	241,436
	379,986	331,454	379,986	331,454

All amounts under debtors fall due for payment within one year.

13. Creditors: amounts falling due within one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Bank loans (secured)	151,008	157,766	151,008	157,766
Trade creditors	304,924	249,396	304,924	249,400
Taxation and social security	113,866	107,781	113,866	107,781
Deposits	51,054	51,200	51,054	51,200
Advance fees	98,285	24,396	98,285	24,396
Other creditors	87,447	85,054	87,447	85,054
Accruals and deferred income	252,990	362,011	252,992	362,011
	1,059,574	1,037,604	1,059,576	1,037,608

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Deferred income				
At 1 August	479,940	252,035	479,940	252,035
Released to statement of financial activities	(201,082)	(78,873)	(201,082)	(78,873)
Deferred in the year	164,146	306,778	164,146	306,778
At 31 July	443,004	479,940	443,004	479,940

Deferred income represents fees prepaid for the upcoming school year and fees paid in advance for future school years. All prepaid fees will be released in the year to 31 July 2023.

Advanced fees represents fees paid in advance for future school years. Advance fee income will be released in line with the ageing profile as shown at note 14.

14. Creditors: amounts falling due after more than one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Bank loans (secured)	3,948,199	4,098,853	3,948,199	4,098,853
Deposits	166,700	181,000	166,700	181,000
Advance fees	200,265	298,550	200,265	298,550
	4,315,164	4,578,403	4,315,164	4,578,403

The bank loans are secured with a bond and floating charge over the whole assets of the company and standard security over the buildings and AstroTurf pitches. The loans are shown net of amortised loan arrangement fees of £1,740 (2022: £2,175). The bank loan is repayable in 276 monthly instalments which began in February 2018. The rate of interest is fixed at 3.27% for the first draw down of £2.5m in 2016. A further £2.5m was drawn down during 2017. The interest rate on that tranche is 1.65% above base rate.

14. Creditors: amounts falling due after more than one year (continued)

Maturity of debt:

Group and company

	Deposits 2023 £	Deposits 2022 £	Advance fees 2023 £	Advance fees 2022 £	Bank loans 2023 £	Bank loans 2022 £
In one year or less, or on demand	51,054	51,200	98,285	24,396	151,008	157,766
In more than one year but not more than two years	19,600	21,700	9,922	22,096	158,388	164,219
In more than two years but not more than five years	64,400	66,500	11,513	78,686	523,718	534,193
In more than five years	82,700	92,800	178,830	197,769	3,266,093	3,400,441
	166,700	181,000	200,265	298,551	3,948,199	4,098,853

15. Analysis of group net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
2023			
Tangible fixed assets	10,677,577	-	10,677,577
Investments	12,543	-	12,543
Net current assets	2,602,917	1,980	2,604,897
Long term liabilities	(4,315,164)	-	(4,315,164)
	8,977,873	1,980	8,979,853
2022			
Tangible fixed assets	10,695,876	-	10,695,876
Investments	12,644	-	12,644
Net current assets	3,154,429	1,980	3,156,409
Long term liabilities	(4,578,403)	-	(4,578,403)
	9,284,546	1,980	9,286,526

Analysis of company net assets between funds

2023			
Tangible fixed assets	10,677,577	-	10,677,577
Investments	12,547	-	12,547
Net current assets	2,602,913	1,980	2,604,893
Long term liabilities	(4,315,164)	-	(4,315,164)
	8,977,873	1,980	8,979,853
2022			
Tangible fixed assets	10,695,876	-	10,695,875
Investments	12,648	-	12,648
Net current assets	3,154,423	1,980	3,156,403
Long term liabilities	(4,578,403)	-	(4,578,403)
	9,284,544	1,980	9,286,524

16. Reserves

Group	At 1 August 2022 £	Income £	Expenditure & net loss on investments £	Transfers £	At 31 July 2023 £
<i>Unrestricted funds</i>					
General funds	9,284,546	8,040,663	(8,347,336)	-	8,977,873
	9,284,546	8,040,663	(8,347,336)	-	8,977,873
<i>Restricted funds</i>					
Parents Association	-	16,727	(16,727)	-	-
Earnshaw Fund	1,250	-	-	-	1,250
David Lilburn Fund	730	-	-	-	730
Education Grants & Awards	-	-	-	-	-
Bursary Fund	-	38,403	(38,403)	-	-
Scottish Rugby Union - Development Fund	-	4,000	(4,000)	-	-
Inverclyde Council (Early Years Grants)	-	-	-	-	-
	1,980	59,130	(59,130)	-	1,980
Company					
<i>Unrestricted funds</i>					
General funds	9,284,546	8,040,663	(8,347,336)	-	8,977,873
	9,284,546	8,040,663	(8,347,336)	-	8,977,873
<i>Restricted funds</i>					
Parents Association	-	16,727	(16,727)	-	-
Earnshaw Fund	1,250	-	-	-	1,250
David Lilburn Fund	730	-	-	-	730
STEM Fund	-	-	-	-	-
Bursary Fund	-	38,403	(38,403)	-	-
Scottish Rugby Union - Development Fund	-	4,000	(4,000)	-	-
Inverclyde Council (Early Years Grants)	-	-	-	-	-
	1,980	59,130	(59,130)	-	1,980

The unrestricted funds are available for use at the discretion of the Trustees in the furtherance of the general objectives of the charity.

Restricted funds comprise of Prize Fund, Earnshaw Fund and David Lilburn Fund raised to be made available for bursaries and prizes.

During the year, £3,000 (2022: £3,000) of the bursaries were met from a donation from the Martin Charitable Trust, and £25,000 (2022: £25,000) from the W.A. Cargill Fund.

During the year, a donation of £4,000 (2022: £1,650) was received from the Scottish Rugby Union for the purpose of developing youth rugby in Scotland.

During the year, grant income of £Nil (2022: £5,783) was received from Inverclyde Council in respect of Early Years Learning grants.

17. Pensions

All members of the academic staff have the option to be covered by the Scottish Teachers' Pension Scheme (STPS) to which the School contributes. Up until Support staff have the option to join NEST.

The total pension costs for the school were:

	2023	2022
	£	£
Contribution to STPS	753,860	686,638
Private pension	6,371	6,100
Contribution to NEST	61,877	53,623
Total pension costs	<u>822,108</u>	<u>746,361</u>

Scottish Teachers' Pension Scheme (STPS)

The STPS is a multi-employer pension scheme and the Scottish Public Pensions Agency have indicated that at the moment they are not able to identify the net share of underlying assets and liabilities for each employer on a "consistent and reasonable basis". Therefore, in accordance with FRS 102, contributions to the scheme are accounted for as if it were a defined contribution scheme.

The STPS is an unfunded defined benefit scheme. Contributions on a pay as you go basis are credited to the Exchequer under an arrangement governed by the Superannuation Act 1972. A notional asset value is ascribed to the scheme for the purpose of determining contribution rates.

From 1 September 2019, the employer contribution increased from 17.2% to 23.0%, and has remained at this rate since then.

18. Net debt reconciliation

	At 1 August 2022	Cash flow	Other non- cash items	At 31 July 2023
	£	£	£	£
Cash at bank and in hand	3,861,880	(578,074)	-	3,283,806
Deposits	(1,610,575)	(825,479)	-	(2,436,054)
	<u>2,251,305</u>	<u>(1,403,553)</u>	<u>-</u>	<u>847,752</u>
Bank loans due within one year	(157,766)	157,412	(150,654)	(151,008)
Bank loans due after one year	(4,098,853)	-	150,654	(3,948,199)
Deposits	1,610,575	825,479	-	2,436,054
Total	<u>(394,739)</u>	<u>(420,662)</u>	<u>-</u>	<u>(815,401)</u>

Non-cash movements relate to ageing of bank loan.

19. Capital Commitments

At 31 July 2023, there was a capital commitment for the repair of the Senior School roof of £371,000 (2022: £106,008).

20. Members' Liability

St. Columba's School Limited is limited by guarantee. In the event of it being wound up, the members may be required to contribute a sum not exceeding £1 each. St. Columba's School (Developments) Limited and St. Columba's School (Construction) Limited are limited by share capital.

21. Related party disclosures

There were no related party transactions in the year to 31 July 2023 (2022: Nil).

Key Management Compensation

Key management personnel includes 2 (2022 - 2) members of the management team who together have the responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £264,339 (2022: £241,938).