



Eastbourne College (Incorporated)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

Registered Charity No 307071
Company Registration No 115408

EASTBOURNE COLLEGE (INCORPORATED)
ANNUAL REPORT AND FINANCIAL STATEMENTS
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EASTBOURNE COLLEGE (INCORPORATED)
PRESIDENT, VICE-PRESIDENTS, GOVERNORS, OFFICERS AND ADVISORS

President	His Grace The Duke of Devonshire KCVO CBE DL
Vice-Presidents	The Earl of Burlington His Excellency Nasser Judeh BSc General The Lord Richards of Herstmonceux GCB CBE DSO DL
Governors	Mr Philip Broadley MA MSc FCA (Chairman) Mr Jonathan Watmough LLB (Vice-Chairman) Mr Charles Burrows MA Mr Jeremy Compton BSc MRSC Miss Louise Davidson (<i>appointed 6 Feb 2023</i>) Mr Richard Davidson-Houston BA Mr Freddie Dennis BA MA Mrs Nicola Eckert BA Mr Nick Elliott BA Mr James Fok MEng MSc MBA FCA Dr Peter Gombera MSc MA PhD FRICS MAPM (<i>appointed 1 Sep 2023</i>) Prof Keith Gull CBE DSc(Hon) FRS FMedSci FRSB Mrs Victoria Henley BA Mrs Mary Ireland BSc DipEd (<i>retired 26 Oct 2022</i>) Mr Matthew Kitson MIOD MBIFM (<i>appointed 1 Sep 2023</i>) Mrs Claire Locher (<i>retired 8 Dec 2023</i>) Dr Ian Long AKC BA PGCE MA PhD FRGS FRSA (<i>appointed 1 Sep 2023</i>) Mr John Maidens BSc ACA Mr Darren Meek LLB FCA Ms Suzanne Ornsby KC Mr James Piper BA MEd (<i>retired 9 Jun 2023</i>) Mrs Fionnuala Rodgers BA MA (<i>retired 13 Feb 2023</i>) Mrs Helen Rowe BA DipRAM Dr Robert Wicks MBBS
Headmasters	The Hon Tom Lawson MA (Eastbourne College) Mr Tom Gregory BA (St Andrew's Prep)
Chief Operating Officer and Clerk to the Governors	Mrs Abbey Gough BA FCA
Company Secretary	Mr Chris Bentley-Mawer ACMA
Registered Charity No.	307071
Company Registration No.	115408

EASTBOURNE COLLEGE (INCORPORATED)
PRESIDENT, VICE-PRESIDENTS, GOVERNORS, OFFICERS AND ADVISORS

Registered Office	Marlborough House Old Wish Road Eastbourne East Sussex BN21 4JY
Auditors	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers	Lloyds Bank Plc 104 Terminus Road Eastbourne East Sussex BN21 2AH Natwest Plc 96 Terminus Road Eastbourne East Sussex BN21 3AA
Investment Advisors	Charles Stanley & Co Limited 25 Luke Street London EC2A 4AR
Insurance Brokers	Marsh Limited Capital House 1-5 Perrymount Road Haywards Heath West Sussex RH16 3SY
Solicitors	Moore Barlow LLP The Oriel Sydenham Road Guildford Surrey GU1 3SR

EASTBOURNE COLLEGE (INCORPORATED)

CHAIRMAN'S INTRODUCTION

Chairman's report

I am pleased to introduce the Charity's Annual Report describing the activities of our two schools, Eastbourne College and St Andrew's Prep, over the year.

Everything we do as a charity is for the benefit of those we educate. We proudly devote much of the Annual Report to setting out the achievements of over 1,000 pupils from nursery to A-Levels. I congratulate the pupils in Years 11 and 13 at the College who collectively achieved the best performances, outside of the pandemic years, in GCSEs since 2017 and in A-Levels since 2016. As the table on page 12 shows, our pupils' significant outperformance at A-Level compared to national averages has improved further this year. At St Andrew's Prep, our Year 8 leavers collected a very impressive 23 scholarships and awards at their senior schools, the great majority at the College.

The strength and depth of the Charity's co-curricular programme continues to develop and to provide opportunities for all pupils. More than 90% of College pupils and School pupils in Years 3 and above were involved in at least one of over 200 sports teams. Pupils took part in national finals across ten different sports. More than one-third of pupils across the Charity learn a musical instrument. The College CCF remains one of the largest outside military schools and the College is the largest centre in Sussex for the Duke of Edinburgh Awards.

The Charity plays an important role in the Coastal Schools Partnership (CSP), an organisation that brings together the maintained and independent schools in Eastbourne and the surrounding area. The Annual Report describes the CSP's activities. I am particularly proud of the Maths homework club run by some of our Year 12 pupils for Willingdon Community School. Our pupils provided 1:1 support to 14 Year 11 pupils from Willingdon, 12 of whom saw an improvement over their predicted grades, with ten achieving Grade 7-9.

The Charity's fee income benefitted from the growth in pupil numbers and our external lettings programme returned to pre-pandemic levels. With good control of costs, the Charity made an overall operating surplus of £2,256k, an improvement of £832k over the previous year. Operating surplus is our result before interest and depreciation and, at 8.1%, more than meets our target for surplus generation. This is an encouraging result after a number of years where our performance was adversely affected by the pandemic. The operating surplus is wholly invested in the Charity for the benefit of our pupils. In recent years, it has allowed us to build the Goodwin Sports Hall at St Andrew's Prep and the Nugee and Winn Buildings at the College. We expect that future capital expenditure will be funded from surplus generation.

Thanks to the very close attention our senior leadership team has paid to managing our costs, the Charity has maintained its financial resilience. Current levels of inflation bring pressures on our operating costs, and we are very much aware of the pressures that are also faced by our parents. Our education continues to be in demand: the 2023-24 academic year started with 995 pupils across all ages in the two schools. We appear to be benefitting from the appreciation, enhanced during the pandemic, of the quality of our provision. The Annual Report sets out our progress in achieving the objectives of our 2018-23 strategic plan in its final year as we aim to deliver the best for our pupils. Our strategic plan for 2023-28 has been approved: building on what has been achieved, it is designed to be flexible in the face of political uncertainty.

Labour Party policy is to end business rate relief for schools that are charities and to remove the exemption from VAT on the school fees charged by independent schools. Were this policy to become law, the Charity

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CHAIRMAN'S INTRODUCTION

would be required to apply VAT to its fees paid by parents. We anticipate the Charity would also be able to reclaim the VAT on its inputs that is currently irrecoverable. None-the-less, the cost to parents of educating their children at the Charity's schools will increase significantly. Governors have devoted considerable time to considering the effects these proposals would have on our activities; although, in the absence of detail, this requires making assumptions about how the policy will be effected by a future government.

The College was established in 1867 'to provide a general education of the highest class'. Both schools strive to live up to that founding principle. We want to increase our ability to provide support to those pupils whose parents cannot afford our full fees. Our long-term target is to increase our restricted and endowed funds from £10m currently to £30m. During the year 163 pupils, 17% of the total, received some assistance with their fees through means-tested bursaries. The Governors greatly appreciate the support of a number of trusts and individuals who, in addition, contribute to the fees of ten current pupils. We also value the commitment of our Devonshire Society members who have promised to support the Charity in their wills.

On behalf of the Governors, I thank Tom Lawson and Tom Gregory, our two Heads, Abbey Gough, our Chief Operating Officer, and the almost 450 staff who teach at and support the two schools. I also thank all those who continue to support our fundraising. Without them all we would not be able to provide the education we do. Finally, I thank our parents for supporting the Charity and entrusting the education of their children to us.



Philip Broadley
11 December 2023

EASTBOURNE COLLEGE (INCORPORATED)
ANNUAL REPORT OF THE GOVERNORS
YEAR ENDED 31 AUGUST 2023

The Board of Governors (the ‘Board’) presents its Annual Report for the year ended 31 August 2023 under the Charities Act 2011 and the Companies Act 2006 (including the Board of Governors’ Report and Strategic Report under the 2006 Act) together with the audited accounts for the year and confirms that the latter complies with the requirements of the Acts and the Charities Statement of Recommended Practice (SORP) 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Eastbourne College (Incorporated) is constituted as a company limited by guarantee and is registered with the Charity Commission. It is governed by a Memorandum and Articles of Association dating from incorporation on 22 April 1911 and last amended on 14 March 2014. The Charity consists of two schools, Eastbourne College (the ‘College’) and St Andrew’s Prep (the ‘School’), together known as the ‘schools’, with a wholly-owned trading subsidiary, Eastbourne College Enterprises Limited. Legal and administrative information is set out on pages 2 and 3 and forms part of this report.

Governing body

The Governors serve without remuneration both as directors and trustees of the charitable company. The names of all Governors who served during the year and up to the date of this report are listed on page 2. Throughout this report they are collectively referred to as Governors or the Board. As a Board they are accountable to the members of the Company who are its guarantors; responsible for the overall strategy of the Charity; and they have statutory responsibility for key aspects of compliance including safeguarding and health & safety. In order to fulfil these responsibilities, they delegate the day-to-day management of the school to the Headmasters and the Chief Operating Officer as the key management personnel overseeing educational, pastoral and administrative functions in consultation with other senior staff. The day-to-day administration is undertaken within the policies and procedures approved by the Governors. The Board normally meets four times a year; once each term plus a further annual meeting focusing on the Charity’s strategic challenges and opportunities, as well as trends in education in both the maintained and independent sectors. Additional ad-hoc meetings are held from time to time, usually with a sub-set of Governors and senior management, where matters arise out of cycle requiring governor input.

The Board is aware of The Charity Governance Code, which sets out the principles and recommended practice for good governance within the sector. The Governors are satisfied that the Charity applies the principles of the Code within its current governance arrangements except in two respects - the current Board comprises 21 Governors, which is greater than the recommended maximum of 12; and five of the Governors have served for longer than nine years. Having given due regard to the code, the Governors consider the current range of expertise on the Board to be necessary given the size and complexity of the Charity, with the schools operating across two sites providing education to over 1,000 children aged from 9 months to 18 years, and the Governors’ statutory responsibilities for matters such as safeguarding, risk management, employment law, health and safety, finance, and education. Those who have served beyond nine years are considered to provide a wealth of experience and valued continuity that is believed to outweigh any risk of a loss of objectivity or independence, particularly as collectively they comprise less than a quarter of the Board. The Board is satisfied that it has adopted the principles of the Code, proportionately to the Charity’s circumstances, and routinely challenges itself on areas for improvement. An external review of Board effectiveness was conducted in the Spring of 2022, which pleasingly reported that ‘governance within the Charity is strong’.

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Recruitment, induction and training of Governors

Governors are appointed at a meeting of the Board following nominations received from the Nominations Committee, which regularly considers the range of skills, experience and diversity required by the Board and the Board's performance. The Nominations Committee reviews personal competence, specialist skills and availability before nominating for appointment. Persons appointed to the Board during the course of a year are subject to re-election by members of the Company at the first annual general meeting following appointment. Thereafter one third of the Board is required to retire by rotation at each AGM. The first appointed, or longest serving since the last re-appointment, are the first to retire. Members retiring by rotation can be re-elected. Any Governor who has served for more than 15 years must be re-elected annually. New Governors are inducted into the workings of the Charity, including the Board's policies and procedures, by the issue of appropriate documents, a personal briefing from the Chief Operating Officer and enrolment on externally led briefing days on governance if required. They also visit the College and the School for a day's familiarisation and receive appropriate training on child protection and safeguarding amongst other training as required. For additional training on relevant subjects, Governors are encouraged to attend events run by the Association of Governing Bodies of Independent Schools (AGBIS).

Organisational management

The Board's policy is implemented via the Headmasters and the Chief Operating Officer. Each school operates with its own senior management team, led by the relevant Headmaster. The Headmaster of the School reports into the Headmaster at the College. The Chief Operating Officer manages all support staff, many of whom work cross Charity, supporting both schools. Governance is conducted with the assistance of appropriate committees, with membership as at the date of this report set out below. Additional responsibilities held by governors are shown in brackets.

Eastbourne College Education & Pastoral Committee	Chair	Freddie Dennis
	Members	Jeremy Compton (Health and Safety Governor) Miss Louise Davidson Dr Peter Gombera Professor Keith Gull Dr Ian Long Dr Robert Wicks (Safeguarding Governor – College)
St Andrew's Prep Education & Pastoral Committee	Chair	Victoria Henley
	Members	Nicky Eckert (Safeguarding and Health & Safety – School) Nick Elliott Helen Rowe (Boarding Governor – School)
Finance & Property Committee	Chair	Charles Burrows
	Members	James Fok Matthew Kitson Suzanne Ornsby (Boarding Governor – College)
Investment Committee	Chair	Charles Burrows
	Members	James Fok

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Marketing Committee	Chair	Richard Davidson-Houston
	Members	Nick Elliott Claire Locher John Maidens
Fundraising & Development Committee	Chair	John Maidens
	Members	Philip Broadley Darren Meek
Nominations Committee	Chair	Jonathan Watmough (Boarding Governor - College)
	Members	Philip Broadley
Remuneration Committee	Chair	Philip Broadley
	Members	Chairs of committees

The Headmasters, Second Master at the College and Deputy Head of the School, together with the Chief Operating Officer, attend all termly meetings of the Board and relevant committees. The remuneration of key management personnel is set by the Remuneration Committee and approved by the full Board each year based on benchmarking, performance and target attainment. Remuneration for all other staff within the Charity is set by the Board each year as part of the budget setting process with the policy objective of providing appropriate incentives to encourage enhanced performance, recruitment and retention, and of rewarding fairly and responsibly contributions to the Charity's success.

The Headmasters oversee the recruitment of all educational staff and the Chief Operating Officer the recruitment of support staff. The Governors oversee the recruitment of the Headmasters and the Chief Operating Officer.

The Charity encourages all employees to be fully involved in the affairs of both schools with weekly briefings for both teaching and support staff held during term time. Staff liaison committees also exist for both teaching and support staff, which meet regularly to ensure efficient and constructive communication at all levels. There is Governor representation on the teaching staff liaison committees, which meet termly at each school, with the intention of furthering good relationships between the Governors, senior management and staff through the sharing of ideas and information.

Equality, diversity and inclusion

Robust policies exist to fulfil the Charity's commitment to develop diversity of staffing across all disciplines through equal opportunity policies, training and practical action. The Charity holds that every person has the same rights and is entitled to the same opportunities, regardless of age, gender, pregnancy or maternity, disability, race, religion or belief, cultural background, linguistic background, special educational need, sexual orientation, gender reassignment or academic or sporting (or any other) ability.

The Governors expect everyone involved throughout the Charity to:

1. respect and promote equal opportunities for all people
2. encourage harmony and understanding in society
3. recognise and oppose all forms of prejudice and discrimination

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4. remove both outward and hidden discrimination
5. enable differences to become positive and enriching attributes
6. develop each person's skills to the highest possible level
7. promote an environment where all can share equally in the opportunities offered
8. help pupils to learn acceptance and tolerance
9. enable pupils to communicate confidently without fear or prejudice
10. encourage pupils to accept responsibility for their behaviour and show they can contribute positively to society
11. further tolerance and harmony between different cultural traditions
12. encourage respect for other people, paying particular regard to the protected characteristics set out in the 2010 Equality Act.

The Charity is committed to providing equal opportunities in employment and to avoiding unlawful discrimination in employment and against its customers be they parents, visitors, suppliers, contractors or members of the public. The Charity encourages diversity in staff recruitment at all levels and seeks to advertise jobs across a variety of platforms and process applications in such a way as to remove any risk of unconscious bias.

Group structure and relationships

The Charity has one wholly-owned, non-charitable subsidiary, Eastbourne College Enterprises Limited, the activities of which are to provide bussing services, sports and letting facilities and school shop facilities to the schools, generating an alternative income stream to support the Charity's core objectives. Further information and details of the subsidiary's trading performance are set out on page 58.

The Charity actively supports promotion of the highest standards in the independent schools sector through networking with other major schools and through membership of various associations which support the sector, including the ISC, the Boarding Schools' Association (BSA); the Association of Governing Bodies of Independent Schools (AGBIS); and the Independent Schools' Bursars Association (ISBA). The Headmaster of the College is a member of the Headmasters' and Headmistresses' Conference (HMC). The Headmaster of the School is a member of the Independent Association of Prep Schools (IAPS).

The Charity has developed links with a wide range of charities and organisations, both local and national, in its efforts to optimise the educational use of its sporting and cultural facilities and to awaken in its pupils an awareness of the social context of the all-round education that is provided at both schools. The Charity continues to support the local community where possible and put its facilities to good use as referenced within the public benefit section below. The Charity also benefits from the generosity of the Eastbournian Society, a thriving network of Old Eastbournians, Old Androvians, Old Aschamians, Friends of St Andrew's Prep, current and former parents and staff, and other friends and supporters of the College, whose close support is greatly appreciated and gladly acknowledged.

PUBLIC BENEFIT

The Governors have given due consideration to the Charity Commission's published guidance on public benefit and are satisfied that the Charity's objectives, strategy, future plans and activities as referenced throughout this report fall within the charitable purpose of 'the advancement of education' as required by the Charities Act 2011.

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The Charity's charitable objectives are 'to carry on and conduct a College for the education of boys and girls', and these objectives benefit the public when pursued in the context of formal education in an organisation where all surplus funds are re-invested in education. The Charity's principal activity is the provision of education to children from the ages of 9 months to 18 years. Fees are set at a level consistent with the aim of providing a high-quality independent education to its pupils while ensuring the financial viability of the Charity for future generations. The schools pride themselves on providing strong academic tuition and the development of wider artistic, social and sporting skills in all pupils such that each pupil can develop and fulfil their potential, building self-confidence and a desire to contribute to the wider community and go on to live rewarding, positive and happy lives.

The two schools are very much a part of the wider community, offering employment locally and supporting education and providing facilities for the benefit of local children attending maintained schools and their teachers. The Charity is committed to continuing and improving the provision of direct and indirect public benefit, in accordance with its objects, not least as a founder member of the Coastal Schools Partnership (CSP), formerly known as the Eastbourne Schools Partnership, renamed in 2021 to reflect its broader reach which now includes schools from Seaford across to Bexhill and up to Hailsham. The activities undertaken and the success of this programme are included in the 'Partnership' section of the strategic report on page 16.

The schools welcome pupils from all backgrounds with entry procedures intended to identify those applicants who will benefit from the education provided irrespective of economic status, gender, ethnicity, race, religion, sexuality or disability. Means tested fee assistance, to the extent that resources permit, is available to support those unable to pay the full fees at either school. Further information on the support provided during the year is included within the Financial Review.

Parents of pupils at the schools often make significant sacrifices to pay the fees and the Governors feel that it is important that a record is maintained of the degree to which this relieves the state of the financial burden of funding the education of these pupils. The education provided by the Charity during the year saved the Exchequer in the order of £3.6m. In addition, the Charity paid £1.7m of irrecoverable VAT during the year on its operational and capital expenditure.

STRATEGIC REPORT

Objectives and activities

The objects under the Articles of Association are *'to carry on and conduct a College for the education of boys and girls; and to provide education of such type and in such manner as may from time to time be expedient for other persons'*.

The principal activity undertaken to achieve this objective is the provision of education in Eastbourne to children from the ages of 9 months to 18 years across the two schools.

This year marks the end of the current 5-year Strategic Plan and the launch of a new one. Following two years of disruption as a result of the pandemic, the new plan continues many of the themes from the 2018-

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2023 plan. The cornerstones of the 2018-2023 plan were to deliver **healthy learning for the long term, modern connected schooling / inspiring modern minds** and **good people that others want to be with**.

The objectives, as set out in the Strategic Plan for 2018-2023, were agreed as follows:

- Continuous improvement of academic quality
- Pastoral care second to none
- Co-curriculum embeds ‘whole of learning’ and unique healthiness of Eastbourne
- Improve affordability and optimise staffing structure
- Achieve optimum size, structure and develop campus
- Partnership and public benefit adds value to pupil experience and benefits the local community

The Charity has made continued pleasing progress against its strategic plan, with key highlights shared below.

Achievements and performance

Pupil numbers in the College averaged 652 (2022: 639) with a further 298 (2022: 297) at the School and 75 (2022: 97) in the nursery. Pupil numbers have continued to benefit from families recognising the value of independent education, particularly in Eastbourne within our two schools, following a challenging couple of years with the pandemic, with a number of families relocating in our catchment area. The ratio of boarding pupils at the College remained relatively constant at 45.7% (2022: 45.4%). Boarding numbers have pleasingly recovered to pre-covid levels at the School, but still remain below target. This will be an area of focus in the new plan. The ratio of boys to girls remained consistent year-on-year at 59:41 for the College, 49:51 at the School and 65:35 in the nursery.

Awards

The Governors were delighted that the School was a finalist in the Independent School of the Year Awards 2023 for International Boarding School of the Year. The School was also highly commended by Muddy Stilettos for Originality in teacher music and the arts. The College is one of very few to maintain the Platinum Artsmark from the Arts Council for the way cultural and artistic life is embedded in our culture. In the Times Educational Supplement awards we were a finalist for Boarding School of the Year and we were awarded the 2023 Eco Warrior award by Tatler. The College was given national recognition as the winner of the Talk Education Awards Inspiring Activities Award due to the breadth of sport offered, the focus on ‘Blue Health’ and the ‘Mind Gym’, and the breadth of performance-level programmes, as well as the College’s support to those on representative pathways.

The Governors were delighted to receive confirmation after the year end that the Charity has been awarded the Wellbeing Award for Schools by Optimus Education in partnership with the National Children’s Bureau. The Award provides formal recognition that the schools have met very high standards of provision for emotional wellbeing and mental health.

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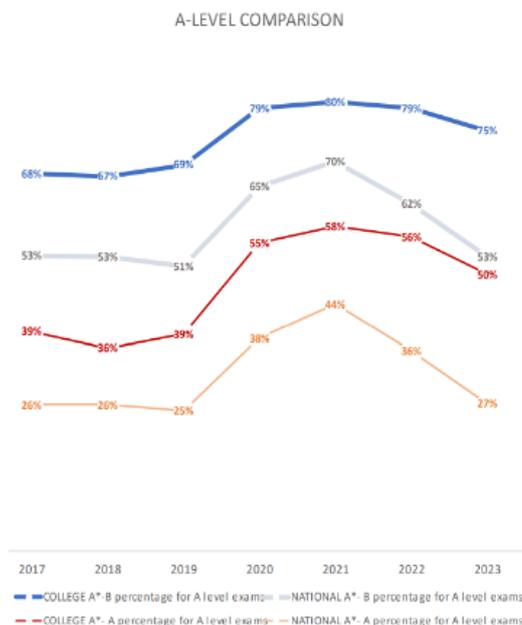
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Continuous improvement of academic quality

This year saw exam grades fall nationally with the biggest drop on record as a result of post-pandemic grade deflation. Against this backdrop, the Governors are very pleased with the results, with pupil outcomes not only exceeding national averages, but the gap widening between our pupils' outcomes and the national outcomes at A-level.

2023 saw an increase in the number of GCSE exam entries, up a quarter on the last two years, with 1,257 entries demonstrating the growing popularity of the College and the breadth of subjects offered at GCSE. While results were down on the last few years, 57% were graded 7, 8 or 9 (equivalent to A or A*) representing an improvement on grades achieved at this level pre-pandemic.



At A-level, half of all exam grades were awarded at A* or A, the highest proportion of A*/A results the College has had under full A-level conditions in a decade. Similarly, there was a pleasing improvement in grades A* to B, with 75% achieving these grades in 2023, compared to 69% pre-Covid in 2019. Some of the highest grades were achieved across the STEM subjects. One in four pupils achieved an A* or A grade in all their A-level subjects, with all Oxbridge and medical school applicants achieving their grade offers. 79% of leavers who applied to university secured a place at their first choice universities and 49% of leavers went on to Russell Group universities.

Beyond the classroom, the Charity has enjoyed a number of academic highlights during the year, including:

23 scholarships to senior schools awarded to pupils at the School across 6 disciplines.

Year 7 and 8 children took part in the UK Junior Maths Challenge



College pupils got involved in an Environment Symposium, participating in discussions with the House of Lords Environment and Climate Change Select Committee about how best to teach behaviour change at schools to reduce carbon footprint. Pupils took part in fieldwork with Sir Tim Smit and his Eden Project team to see how best to make part of the South Downs an area for interactive environmental education



72 sixth form pupils undertook Extended Project Qualifications on top of their A-level subjects

13 pupils completed the Chartered Institute of Securities and Investments Level 2 qualification

37 pupils are studying for an Arts Gold Award

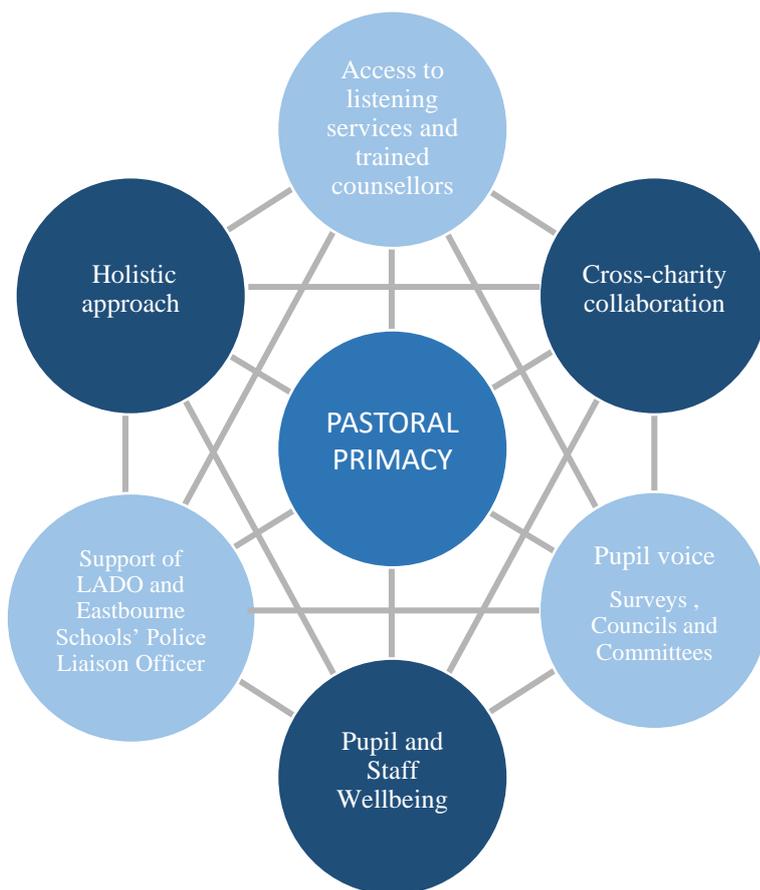
Two pupils were awarded places on the Trinity College Cambridge Language, Power and Cultures Programme



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Pastoral care second to none

Safeguarding and child protection remain at the top of the Charity’s agenda and our first duty, with staff regularly trained in best practice and safeguarding Governors integral at both schools. Safeguarding is a standing item on the agenda of weekly meetings of the senior management teams and is discussed at termly meetings of the Governors, with additional meetings held with the Safeguarding Governors as and when required. Boarding governors conduct regular on-site visits across both schools, further strengthening the bridge between governance and on the ground pastoral care.



Additional resources have been put in place over the last few years to support the increasing number of pupils dealing with pastoral issues. Work continues to further unify and strengthen the pastoral provision cross charity with the ECi welfare group and greater use of cross charity internal reporting systems. Prefects are encouraged to lead from the front, steering the pupils with initiatives and matters of concern. Older pupils are given the opportunity to support younger members of the school community. Pupil voice continues to be an area of focus for the schools with annual surveys being conducted, senior and junior school councils and a variety of committees operating to capture pupil voice on key issues. Staff, parents and pupils continue to benefit from The Wellbeing Hub: [TeenTips](#), which has been an excellent resource in the face of increasing mental health issues and related concerns amongst pupils. Both

schools continue to benefit from the support of the Eastbourne Schools’ Police Liaison Officer, who is able to raise awareness of relevant issues with pupils and through their weekly drop-in sessions to Tim’s Café at the College in an informal capacity, provide an avenue for our older pupils to seek advice from an independent expert on any matters which are concerning them should this be helpful. The two medical centres at each school are now managed under the leadership of one senior sister bringing further consistency and continuity of care between the two schools.

The Charity has been awarded the Wellbeing Award for Schools in recognition of our high standards of pastoral care. This award is officially sponsored by the National Children’s Bureau and offers a supportive and developmental process using an evidence-based framework to drive change. Undertaking this award ensures mental health and wellbeing sit at the heart of school life cross charity and helps us to demonstrate our commitment and provision to key stakeholders.

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Whole of learning

The Charity endeavours to provide an education of the highest class harnessing our coastal location to the benefit of our pupils' physical and mental wellbeing. Living near the sea is positively associated with health and wellbeing, not just as a result of the water-based activities that it inspires but because the views, smells and sounds all inspire active healthy engagement. (We term this 'Blue Health' following research by the [European Centre for Environment and Human Health / Exeter University](#) demonstrating the positive effects of seaside living). Healthy living comes through regular exercise, healthy eating, good sleep patterns and healthy social relationships, all culminating in a strong sense of self-worth. The co-curricular programme offered cross charity is geared to supporting the pupils in achieving this healthy balance. Pupils can choose from over 70 activities ranging from fencing and mountain biking to paddleboarding and yoga. In recent years the schools have seen greater participation in art, drama, and music, complementing the wide range of sports offered cross charity. The governors are delighted with the levels of participation and proud of the pupils' achievements with some notable successes highlighted below.

SPORT	CREATIVES	SERVICE
<p>18 competitive sports 200+ teams 1,000+ school fixtures 300+ house fixtures 90% of pupils competing in fixtures</p>  <p>10 sports in national finals – Rugby, Hockey, Tennis, Swimming, Golf, Fives, Equestrian, Athletics, Cross-country, Fencing</p> <p>18 county team titles plus individual county medals</p> <p>Sussex LTA School of the Year</p> <p>Winner of the Talk Education Awards <i>Inspiring Activities</i> Award</p>	<p>Over 90% of pupils in Years 3 - 8 engaged in a performing arts activity every week</p> <p>37 pupils in the sixth form working towards their Gold Arts Award</p> <p>353 pupils learning musical instruments cross charity with a further 77 taking LAMDA</p> <p>Successful productions of Shrek and Matilda performed by Years 7-8 and Years 5-6 respectively at the School</p> <p>College adaptation of MacBeth performed at the Edinburgh Fringe Festival</p> <p>3 commendations in the Royal Society of Arts Pupil Design Award</p> <p>Joint winner of the Royal Opera House Costume Design Challenge</p>	<p>Over 300 cadets in the College CCF across the Navy, Army and RAF making it one of the largest tri-service units in the country.</p> <p>College pupil appointed as East Sussex Lord Lieutenant's Cadet</p> <p>Over 120 members of the Lower Sixth involved in service activities involving outside partners and charities</p> <p>The Duke of Edinburgh programme continues to thrive with 180 pupils working towards awards, collectively offering 4,355 hours of volunteering</p> <p>£18,000 raised for various charities.</p>

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Improve affordability and optimise staffing structure

Affordability of fees remains a key area of focus for governors and senior management. The main financial pressure continues to come from high energy costs and food inflation. The Charity had been protected from the increase in gas prices until the end of August 2023, but now faces a sharp increase in unit price as the fixed contract comes to an end. Parents' disposable incomes continue to be squeezed with high inflation, energy costs and rising interest rates. Fee increases continue to be kept to a minimum, mindful of the financial pressures parents face, but also the need to maintain the standards of education that we provide. 2022/23 saw another significant increase in the National Living Wage and with inflation running at a level in excess of fee increases, robust cost management has been necessary to ensure that the Schools operated within budget.

In an effort to keep fees as low as possible and improve affordability, the Charity continues to focus on making the best use of the Charity's assets outside of term time, with lettings during the year generating additional revenue to help subsidise charitable activity.

Work continues on improving sustainability and reducing energy consumption. While pleasing progress has been made on reducing energy usage, this has not translated into a financial saving as a result of elevated energy prices. The Estates plan includes further investment over the coming years as part of the Charity's strategy to reduce its carbon footprint.

An important area of focus this year has been staff remuneration with an increased level of requests being received for benchmarking and retention being a particular challenge among lower paid staff. The Governors recognise recruitment and retention as greater risks in the current environment. A full review of salaries and conditions of service was carried out during the year with a new pay and reward structure to be implemented from September 2023. The new structure is designed to support recruitment and retention and to allow both schools to make maximum benefit of expertise, scale and flexibility, while remaining affordable.

The staffing model is continually reviewed to ensure it remains fit for purpose and that resources are being used efficiently across the two sites. Recruitment is based on the business/educational need across the two schools with opportunities taken to rationalise where appropriate. Tuition costs as a percentage of gross fee income are routinely monitored as a key performance indicator, with the schools driving efficiency through better timetabling and control of responsibilities whilst being mindful of the need to retain the culture of both schools that benefits from our committed and motivated staff.

Achieve optimum size, structure and develop campus

Progress continues to be made in moving towards the optimum size and structure, with a much more even spread of pupil numbers across year groups at the College and a strong Year 7 and 8 contingent at the School supporting a healthy pipeline into Year 9. There is still some capacity in the Pre-Prep and within boarding, but pupil numbers and interest in the two schools remains high, although the level of requests for financial support has increased, not surprisingly given the economic back drop. The services of Bursary Administration Limited continue to be employed, bringing a higher level of scrutiny to the means testing process, enabling the Charity to award fee remission based on genuine financial need.

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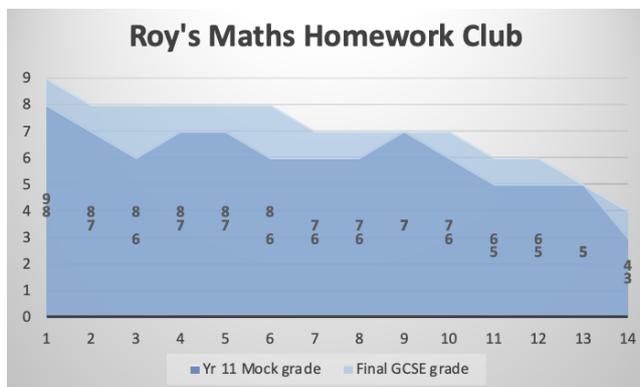
The 2018-2023 strategic plan did not include any significant site development plans, recognising the completion of the Winn and Nugee buildings brought an accelerated completion of the College’s needs identified in previous plans. However, the Governors recognise that many of the boarding houses at the College are in need of refurbishment and while there are no plans for any significant capital investment in the short-term, investment continues to be made in developing the current estate in order to support the strategic aim to remain competitive. Plans are underway for the demolition of the old Dining Hall, which is no longer in a fit condition to house exams. The Charity’s ambition is to consolidate the Charity’s operations in the buildings and plots around College Field.

Other areas of campus development include the new Library and Learning Enrichment space at St Andrew’s Prep School, which were opened during the year, and the installation of the new gates on Old Wish Road, following the granting of a stopping up order last year, to aide safeguarding of our pupils. The Governors are delighted that the gates were commissioned from an Old Eastbournian, David Mortimer, a Sussex-based blacksmith. On the sporting front, the Beresford Astroturf was resurfaced, with a new shock pad system installed over the summer providing a high-quality surface for hockey, and the tennis courts at St Andrew’s Prep and the College benefitted from a deep clean and a fresh coat of paint ahead of the new academic year.

IT infrastructure continues to be an area of focus for the Charity. All pupils from Years 7 and above now have access to iPads as part of their digital pencil case. Developments in AI continue to be monitored, mindful that the Charity wants to remain at the forefront of technology and delivery of education but at a sensible cost. A new bussing platform was introduced over the summer providing real time information to parents on the home to school transport service and driving efficiencies in the bookings process and fleet management.

Partnership

The Coastal Schools Partnership ‘CSP’, which was founded by four headteachers back in 2014, including the Headteacher at the College at the time, continues to thrive and provide measurable benefit to pupils in the maintained sector. There have been some great examples of partnership work during the year, with Roy’s Homework Club, which sees Lower Sixth pupils mentoring GCSE pupils weekly from Cavendish School, Eastbourne Academy and Willingdon Community School being just one example. For example, the chart here shows the uplift in results between November mocks and final GCSE grades for 14 Year 11 pupils at Willingdon Community School who were mentored by 14 Year 12 mathematicians from the College throughout the autumn and spring term.



The Governors are particularly proud that other regions are looking to set up similar partnership programmes using the CSP as a model for how schools can work together for the mutual benefit of all pupils and staff. The partnership has been praised for the way in which it collaborates across sectors, pools

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resources and shares expertise, offering genuinely exciting opportunities to young people, while at the same time having a real impact on the community.

During the year, the CSP undertook a number of academic, artistic and environmental initiatives including the Environment Symposium in September 2022 where CSP schools took part in a range of events linked to giving CSP pupils and teachers a voice on local and national environmental issues.

In May 2023 a Charity called Culture Shift were commissioned to deliver sessions across two secondary schools in Eastbourne; the Turing School and The Eastbourne Academy. The sessions were delivered as part of the Being Our Best Selves ('BOBS') programme, which has been designed to help people develop the tools needed to be our best selves. The skills pilot sessions were delivered to 54 Year 10 pupils with the content including interactive group and individual activities with a focus on raising aspirations, building resilience, setting goals and ambitions and recognising and responding to opportunities. One of the BOBS coaches is a member of staff at the College and in April 2023 they gave a motivational talk to Year 11 pupils at Turing School in advance of their GCSE exams as part of the BOBS programme. A former Eastbourne College pupil delivered a session to Year 10 pupils from a number of CSP schools in November 2022 raising aspiration about applying to University. The College hosted a CPD session in November 2022 on adapting teaching strategies for SEND pupils. Colleagues from CSP schools met to share best practice and ideas about how to best support SEND pupils in the classroom.

The Governors are delighted that the College was awarded the Platinum Artsmark in June 2022, an award which the College holds for two years. The Award reflects the College's creative practice and work within our community. In January 2023, the College opened up its facilities to exhibit the Emerging Exhibition to the public, a spectacular and professional exhibition showcasing artwork from our coastal schools community. In April 2023, East Sussex College visited the College to deliver a series of interactive sessions, where both CSP and College pupils could learn about a range of arts-related degrees including fashion, illustration, graphic design, architecture and more. The CSP are delighted to be working closely with the Head of Learning at the Towner Art Gallery who are hosting the Turner Prize. The College is supporting the Eastbourne Alive campaign with artwork showcased on the Art building.

The Charity was delighted to once again share its facilities with the Lawn Tennis Association in June 2023 and provide the ball crew for the Rothesay International Eastbourne Tennis Tournament at Devonshire Park. The Charity has a long history with the LTA and it was pleasing to see this partnership back in full operation. The Charity is very proud of the facilities that were created through the P150 development and the Governors are delighted to see these facilities being used by the wider community. The swimming pool is a great example with six local primary schools using the pool each week for their swimming lessons and Eastbourne Voluntary Lifeguards making use of the pool weekly. The College is excited to be partnering with Eastbourne-based Team Bodyworks, creating opportunities for aspiring young triathletes to benefit from the location and facilities on site alongside the world class training from Team Bodyworks coaches. The partnership reflects both parties' mutual aspiration to instil and inspire 'Blue Health' and wellbeing in pupils and a desire to support them in being the best they can be.

Further details on the Charity's outreach including through the Coastal Schools Partnership can be found at <https://coastalschoolspartnership.org> as well as within this report and on the College's website at <https://www.eastbourne-college.co.uk/about-us/community/partnerships/>

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Stakeholder engagement

The Governors, as directors of the company, have a duty under section 172 of the Companies Act 2006 to act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- a. the likely consequences of any decision in the long term
- b. the interests of the company's employees
- c. the need to foster the company's business relationships with suppliers, customers and others
- d. the impact of the company's operations on the community and the environment
- e. the desirability of the company maintaining its reputation
- f. the need to act fairly as between members of the company

The Governors consider that they have fulfilled their duties in accordance with section 172(1) of the U.K. Companies Act 2006 and have acted in a way in which is most likely to promote the success of the Charity for the benefit of its stakeholders as a whole in the following ways:

Role of Governors

The duties and responsibilities of Governors both as Charity trustees and company directors are clearly set out and communicated as part of the governor appointment process. An appropriate committee structure is in place to support decision-making by the Board with strategic matters and compliance routinely discussed to ensure that the Charity remains viable and that decisions are taken in the best interests of beneficiaries, both current and future.

Business relationships with key stakeholders

The Governors work closely with key stakeholders to understand their views, which help to shape Board discussions and decision-making, and are key to the long-term success of the Charity. Key stakeholders include pupils and parents (current, prospective and former), employees, the local community, suppliers, finance providers and regulatory bodies.

Pupils and parents

The Board includes some Governors who are parents and who provide additional insight and perspective. Governors visit regularly and attend a number of key school events each year, including Speech Day at both schools, providing opportunities to meet with staff, pupils and parents. The Foundation Office continues to work with alumni/ae across both schools arranging a wide range of activities allowing former pupils and parents to continue to engage with the Charity. Pupil voice is recognised as being important with a variety of forums available for current pupils cross charity to share ideas and concerns.

Employees

The Governors understand that the Charity's success is heavily contingent on the commitment and performance of its staff and, in order to maintain a current understanding of any issues and to assess morale, Governors attend termly Staff Liaison Committee meetings and report any issues to the wider Board for

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consideration. The Governors aim to provide employees with information on matters of concern to them as employees and to consult employees or their representatives on a regular basis, so that the view of employees can be taken into account in making decisions which are likely to affect their interests.

The local community

The Charity continues to work with the CSP enabling wider access to the Charity’s facilities. Pupils are encouraged to actively support the local community through initiatives such as the St Andrew’s Prep Community Award, designed to combine personal development with a strong sense of community through developing pupils’ sense of responsibility for their school environment and for society as a whole. Both schools engage with members of the local community routinely on matters of mutual interest or concern.

Suppliers

The Charity engages with key suppliers regularly to review the level of service provided and ensure strong and sustainable business relationships are fostered for the mutual benefit of both parties. Pupils and staff are given the opportunity to provide feedback on core suppliers, including catering and uniform, which is useful in improving the offering and supporting long-term successful relationships.

Finance providers and advisory bodies

The Governors are grateful for the ongoing support from the Charity’s bankers and other advisers, as well as advice from the many advisory bodies who support the Independent Education sector. Communication with these parties is both important and hugely beneficial given the challenges facing the sector. Governors and senior management within the Charity regularly attend sessions provided by ISBA, AGBIS, ISC, HMC and IAPS which help to inform decision making and support the Charity in remaining compliant with new and forthcoming legislation, regulation and guidance.

Streamlined Energy and Carbon Reporting

The Charity continues to place importance on environmental matters and was delighted to receive the Tatler Schools 2023 Eco Warrior Award. The salver was awarded to ‘the school that has gone green and champions environmentally friendly initiatives’ and was based on nominations from a variety of sources and a public vote.

The Charity is committed to improving its sustainability and reducing its carbon footprint. During the year, sixth form pupils sat alongside staff representatives on the Charity’s sustainability committee, recognising the importance of staff and pupil engagement in driving behavioural change. The School have a separate eco-committee formed of pupils and supported by staff, who are working towards achieving Green Flag status. The School took part in a number of initiatives during the year including adopting three beaches at Holywell through Plastic Free Eastbourne.



In terms of reducing the Charity’s carbon footprint, work continues on the programme of repair and renewal for older buildings, introducing more energy efficient technologies where possible. The estates

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strategy has been informed by a scope 1 and 2 energy audit undertaken by Save Money, Cut Carbon and by the work done with PEP Energy who support the Charity in completion of its ESOS obligations and in calculating the Charity’s carbon emissions as reported below. Principal energy efficiency actions taken during the year include boiler replacements with more energy efficient units; insulation added to roof areas; further LED lighting upgrades and installation of PIR controls as part of the continuing programme of LED lighting replacements; installation of secondary glazing and replacement of existing double glazing; and installation of destratification pumps in four of our larger spaces.

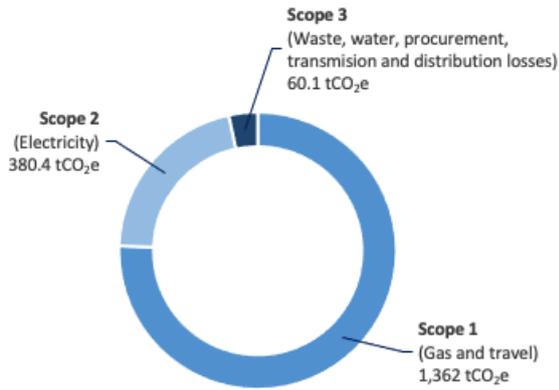
The Governors recognise that energy and carbon neutrality are key topics that require focus to not only reduce the Charity’s carbon footprint but also reduce energy usage and cost across the two schools. It is pleasing to see that the Charity’s initiatives in this area have generated a 7.7% reduction in the Charity’s carbon emissions this year.

Energy consumption

The following table reflects usage across both schools split by emission source. The carbon footprint is measured in metric tonnes of carbon dioxide equivalent (tCO₂e) and includes emissions from natural gas, purchased electricity, transmission and distribution losses, fleet, waste, water and paper procurement.

Source	Scope	Unit	1 September 2022 to 31 August 2023		1 September 2021 to 31 August 2022	
			Amount	tCO ₂ e	Amount	tCO ₂ e
BUILDING						
Natural Gas	1	kWh	6,693,702	1,223.6	7,272,145	1,327.5
Electricity	2	kWh	1,878,480	380.4	2,150,052	415.8
Transmission & Distribution losses	3			33.5		35.1
TRAVEL						
Fleet - Diesel	1	Litres	54,359	137.4	56,531	144.6
Fleet - Petrol	1	Litres	458	1.0	837	1.8
WASTE						
Recycled	3	Tonnes	64	1.4	53	1.1
Energy from waste	3	Tonnes	211	4.5	242	5.2
Composting	3	Tonnes	88	0.8	71	0.6
WATER						
Water supply	3	Tonnes	25,966	4.3	26,238	3.9
Water treatment	3	Tonnes	24,408	5.5	24,677	6.7
PROCUREMENT						
Paper - Primary content	3	Tonnes	11	10.1	11	10.1
Associated Greenhouse gas emissions (tCO₂e)				1,802.5		1,952.4
Intensity ratio: tCO₂e per member of (FTE) staff and pupil				1.40		1.46

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Associated greenhouse gases have been calculated using the GHG Protocol Corporate Accounting and Reporting Standard, which categorises greenhouse gas emissions into three scopes:

Scope 1 covers direct emissions from owned or controlled sources

Scope 2 covers indirect emissions from the generation of purchased energy

Scope 3 covers other indirect emissions related to the value chain of an organisation.

The intensity ratio has been calculated using full time equivalent staff numbers plus average pupil numbers across the year. The primary emitters of carbon are gas and electricity consumption used for operational buildings.

FINANCIAL REVIEW

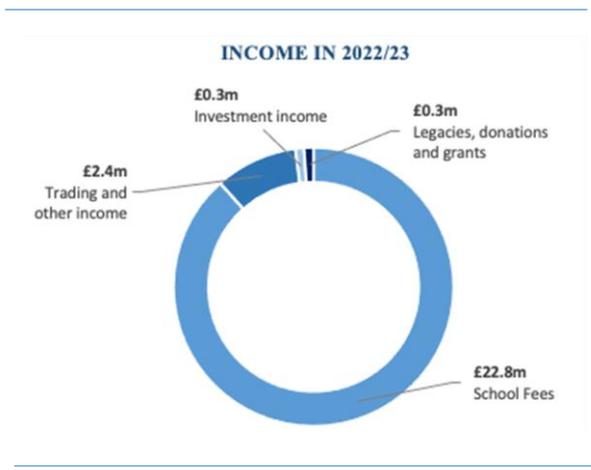
Income

Income from tuition fees continues to be the principal funding source for the Charity. Gross school fees receivable in the year amounted to £27,705k (2022: £25,426k), the increase reflecting increased pupil numbers and an increase in fees. After taking account of all fee remissions and the amount of awards paid for by restricted funds, total net fee income for the year was £22,773k (2022: £20,507k).

Ancillary and non-ancillary trading income have increased, in part due to fee increases and in part due to increased levels of activity. The lettings programme was particularly strong in the year, with the Charity making full use of its facilities outside of term time to maximise revenue generation to subsidise charitable activity.

Investment income has pleasingly generated a higher return in the year after a period of market volatility with £254k of income received in the year (2022: £235k).

Voluntary income in the form of legacies, donations and grants continues to provide a welcome source of



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additional income for the Charity with £281k received during the year (2022: £253k).

Expenditure

While every effort has been made to contain costs, an environment of high inflation, together with increases in energy and food costs in excess of inflation, has resulted in total expenditure increasing by 7.3% to £25,529k (2022: £23,785k). The cost of electricity has more than doubled year on year despite a reduction in overall consumption and catering costs have increased by 23% on the previous year. After many years of being forced to postpone work on maintaining the Charity's estate, principally owing to the pandemic, additional investment has been made in the current year on essential works.

The Charity has now registered for VAT following last year's discovery that agents' commission had not been correctly accounted for under the reverse charge rules. Having calculated the total VAT due retrospectively, a further £200k charge has been included in this year's accounts, with the current year VAT charge amounting to £44k. The depreciation charge for the year ended 31 August 2023 was in line with expectations at £1,675k (2022: £1,656k).

Bursary funding

The Charity operates a means-tested bursary scheme remitting up to 100% of fees for able young people who would not otherwise be able to attend the two schools. In the year to 31 August 2023 a total of 163 pupils (2022: 185) across the two schools benefited from help with their fees through means-tested bursaries totalling £1,932k (2022: £2,028k). The prior year amounts included a number of temporary hardship bursaries to families whose income was adversely affected during the pandemic. The current year figure includes five Professor Soddy scholarships, two existing and three new fully funded places into the sixth form for pupils coming from the maintained sector. These scholarships are awarded for academic excellence. Fully funded places also continued to be supported during the year for three Ukrainian refugees at the College and three at the School. The Charity continues to support pupils as part of the Royal National Children's Springboard Foundation scheme with five pupils being supported at the College. The Royal National Children's Springboard Foundation scheme is a national charity whose objects are to allow young people from impoverished backgrounds to attend independent boarding schools on a fully subsidised basis.

163
pupils in receipt of
bursaries in the year

21
fully funded places



Operating surplus

The accounts include the results of the Charity's wholly owned subsidiary, Eastbourne College Enterprises Limited ('ECEL'). The principal activities of ECEL continue to comprise the operation of a bussing service for day pupils on routes to surrounding areas, letting College facilities and running the College's school shop. ECEL recorded a profit before tax of £58k (2022: £46k) for the year ended 31 August 2023.

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The Charity made an overall profit for the year before losses on investments of £238k (2022: £670k loss). At an operational level the Charity made an overall surplus of £2,256k (2022: £1,424k) excluding the provision for VAT relating to previous years. This represents 8.1% of gross fee income (2022: 5.6%) against a target of at least 5%. The target reflects the minimum level of surplus considered necessary to maintain and reinvest in the Charity over the long term. The Board reviews and monitors operational earnings as set out in the table and is pleased that the Charity has achieved its target level this year, having fallen short during the past few challenging years. This level of operational surplus is comfortably above that required by the bank covenant and it is pleasing that the covenant has been met without relying on investment income or donations.

Operational Earnings	2023	2022
	£'000s	£'000s
Earnings	238	(670)
Add back: Depreciation	1,675	1,656
Interest	468	488
	<hr/>	<hr/>
'EBITDA'	2,381	1,474
Less: donations	(281)	(253)
Less: compensation received	-	-
Add back: Provision for VAT	156	203
	<hr/>	<hr/>
Operating surplus	2,256	1,424

Long-term borrowings

On 29 September 2017 the Charity borrowed a total of £10m from Lloyds Bank Plc, secured by a debenture over the Charity's assets comprising two loans for £5m each for a period of 25 years. The first loan has a fixed rate of 4% for a period of 10 years, the second a fixed rate of 4.6% for a period of 15 years. It is the Board's intention to repay £5m of borrowings by 2027. Beyond 15 years the interest rate reverts to a floating rate. The amount of the Charity's debt and its terms remain under constant review by the Board to ensure that the Charity's borrowing remains prudent and that its servicing does not strain cash flow.

Fundraising performance

The Eastbournian Society ('ES') and Development Office, together with the wider school community, raise funds for bursaries and the development of the schools' facilities. The Office continues to introduce new ways of connecting with former pupils of the schools (as well as Ascham, the College's prep school until 1977), current parents, parents of former pupils, current staff, former members of staff and other supporters of the Charity. There are currently in excess of 6,500 ES members. During the year, the Charity has continued to populate an innovative interactive platform and CRM to encourage community engagement and to effectively manage, track and steward donors ahead of a new fundraising appeal.

The promotion and management of events has been a significant improvement. Guests can now book and pay online through the website, which has streamlined event administration. The platform has enabled the ES to move forward with a contemporary and forward-thinking brand, facilitating campaign management and donor stewardship which will be key if the Charity is to achieve its longer-term target of building its endowment and restricted funds to £30m to support bursary funding.

The Office raises funds for bursaries in a number of ways, including running ticketed events and a programme of legacy giving, through the Devonshire Society, a legacy club which was created in 2002

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and from which a number of awards have been established. At 31 August 2023 78 (2022: 79), known pledges from Devonshire Society members were in existence.

Total donations received in the year amounted to £281k (2022: £253k), which included £241k (2022: £203k) towards bursaries. During the year the Office supported 12 pupils (2022: 12) who received substantial fee assistance through awards that are funded using the income from previous donations, together with continuing support from charities, trusts and individuals.

Generous benefaction from Old Eastbournians, parents, staff and other friends of the College has been at the heart of the school's success over many years. The ES continues to grow into a worldwide network, which allows Old Eastbournians, current College parents and prospective College parents to gather for events in different parts of the world. This network proves to be an effective means of marketing and recruitment for the school, as well as providing a community to support the Charity with fundraising.

The Board is very grateful to all those who support the Charity's charitable objects and endeavours and is particularly grateful to members of the Devonshire Society for their continuing commitment to support the Charity by way of legacies and bequests.

The Charity is committed to best practice in relation to all fundraising activities, which are carried out by the Eastbournian Society and Development Office. The Charity did not engage any third parties to carry out any fundraising activities on its behalf during the year and no formal complaints have been received during the year. The Charity is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice to ensure fundraising is legal, open, honest and respectful. This national code of practice includes rules governing consent, data sharing, data protection and privacy relating to all electronic and print communications. Face-to-face meetings with donors and potential donors are only conducted with the prior consent of the individual. Unreasonably persistent behaviours by fundraisers or undue pressure on a person to give money or other property is neither tolerated nor encouraged by operating guidelines.

The Charity's reserves

The Board has adopted the format of accounts prescribed by the Charities SORP 2019, which stipulates that funds are placed within four generic groups:

Endowed Funds	These comprise both permanently endowed funds as well as expendable endowments. Permanently endowed funds are treated as capital and only the income can be used either for the general purposes of the Charity or according to the specific wishes of the donors, whereas an expendable endowment allows for the capital to be used in certain circumstances specified in the terms of the endowment document
Restricted Funds	These have limitations on the use of both capital and income, according to the wishes of the donors
Unrestricted Funds	These can be used at the discretion of the Board
Designated Funds	These form part of the Unrestricted Funds that the Board has allocated to a specific purpose

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The Charity needs to have sufficient reserves and capacity to borrow to mitigate the operational risk of an unexpected revenue shortfall. The Charity’s annual surpluses from its operations are used to grow the General Fund. The Fund is available to develop and maintain the Charity’s plant and equipment used for educational purposes and to provide fee assistance to those unable to afford the full fees. The Board intends to continue using the General Fund for these purposes. It seeks actively donations and legacies to grow its funds over the long term.

The Finance and Property Committee reviews the Charity’s reserves policy and forecast levels of reserves regularly and reports to the Board. The majority of the Charity’s incoming resources arise through charging school fees in respect of the pupils it educates so its sources of income are well diversified. The Board recognises the importance of being in a position to fund the Charity’s operations out of operating income. The Charity is not dependent on third party grants or donations to fund its operations.

Free reserves

In common with other charities that have substantial fixed assets in use, the Charity has nil free reserves. This position was expected as a result of the considerable investment in construction of the Nugee and Winn Buildings. The project was partly funded by two £5m loans, which are repayable over the next 21 years. Operating cash flows are expected to be positive over the coming years, allowing the loans to be repaid and the Charity’s reserves to increase. The Charity has a bank overdraft in place for £2m to assist with its day-to-day liquidity. This is monitored by cash flow forecasts, which are produced and updated regularly to ensure the Charity has sufficient funds for its current and future operations.

	2023	2022
	£'000s	£'000s
Total Group reserves	48,456	48,398
Less:		
Endowed funds	(7,824)	(7,905)
Restricted funds	(1,946)	(1,928)
	<u>38,686</u>	<u>38,565</u>
Unrestricted funds		
Unrestricted fixed assets		
less value of related loans	(46,445)	(47,282)
	<u>Nil</u>	<u>Nil</u>
Free reserves	Nil	Nil

The Charity accounts for its land and buildings, including residential property, at depreciated historic cost, with much of the estate having been owned for many decades. The Master Plan exercise that was undertaken in 2020 supports the Governors’ opinion that the current market value of its estate is considerably higher than its carrying value shown in the accounts. If necessary, the Charity could sell some of its residential property to generate liquidity although it has no current plans to do so. The Board expects to operate without free reserves for the foreseeable future, but it considers the current level of reserves, substantially represented by fixed assets, taken together with the long-term loan and bank overdraft facilities in place, to be adequate to enable the Charity to continue its operations.

Investment Policy and objectives

The Board’s investment policy is to seek a minimum return of 3% in excess of the underlying rate of inflation on the Charity’s investments so as to preserve their capital while providing an income to support the Charity’s activities. The policy is reviewed annually by the Board. Investment performance is managed by the Investment Committee with regard to market conditions and performance of relevant indices.

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The financial markets continued to be volatile throughout the year. The impact of the pandemic and Russia's invasion of Ukraine have started to fade, but portfolio performance remains short of target against a period of high inflation. The Charity's portfolio saw a further, but reduced, loss on investments for the year of £180k (2022: £957k). Investment income for the year was slightly up on last year at £254k (2022: £235k) delivering a combined return of 0.8% (2022: -6.9%) against a target of inflation +3%. While the return is below target, it is in line with other indices and reflective of the overall market performance over the last 12 months. The Investment Committee monitors performance over the long term and is currently satisfied with longer term performance, especially considering the current volatility of the stock markets.

The investments held in Restricted Funds and Expendable Endowments provide income to be applied according to the wishes of donors. The income from the investments of the non-Expendable Endowment Funds is applied to the charitable activity of the Charity as the Board decides.

Going Concern

The Board has assessed the ability of the Charity to continue as a going concern and has considered several factors when forming its conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. This has included the revised budget for 2023/24 and forecast for 2024/25, cash flow forecast to 31 December 2024 and a consideration of the key risks, including scenario planning for a potential change in government and loss of various tax reliefs. Scenario planning has been conducted reviewing the sources of income and planned expenditure. The Board recognises the dependence on fees and lettings income to fund operations and is mindful of the need to maintain fees at an affordable level, which the addition of VAT would make even more challenging. The Charity continues to explore opportunities for further diversification within the lettings programme in order to maximise the return on facilities out of term time. In the event that the Charity were to lose various tax reliefs, putting further pressure on affordability, the Charity would need to consider the operational model, including consideration of whether outsourcing various services might provide better value, and putting in place additional measures to reduce expenditure, to only that which is deemed business critical.

The scenarios also consider the terms and conditions of the existing bank facilities. The Charity has a strong relationship with the bank which recognises the strong asset base supporting the Charity's activities that provides additional financial resilience if required.

The Board is comfortable that the Charity has sufficient resources to fund its ongoing operations and to service the long-term debt, with current forecasts indicating the Charity can meet its commitments for the foreseeable future. These forecasts are reviewed by the Finance and Property Committee at least termly. Accordingly, the Board is satisfied that there are no material uncertainties surrounding the Charity's ability to continue as a going concern and the accounts have been prepared on that basis.

Plans for future periods

The 2023-2028 strategic plan has been communicated to stakeholders. The new plan will focus on sustainable finances, education for life and the Charity's outward facing activities. The Board and senior leadership team are very aware of the political and macro-economic uncertainty and prepared for further financial headwinds in the years ahead. The plan will inevitably have to remain flexible to adapt to the

EASTBOURNE COLLEGE (INCORPORATED)
ANNUAL REPORT OF THE GOVERNORS
YEAR ENDED 31 AUGUST 2023

economic and political landscape. Ensuring that the provision remains competitive while affordable will be key. Efforts will continue to further strengthen links and unity between the two schools, maximising the opportunities for new and exciting ways of utilising the resources at the Charity’s disposal to further improve the experience for all. Equally efforts will continue to further strengthen links with alumni, other supporters of the Charity and our local community with the target of friend-raising and fundraising, mindful of the target to build the Charity’s endowment and restricted funds, recognising that the challenges with affordability are likely to increase in the coming years.

RISK MANAGEMENT

The Board is responsible for the management of risks faced by the Charity. Detailed consideration of risks is delegated to appropriate committees, as directed by the Finance and Property Committee. Risks are identified, assessed and controls established throughout the year. A formal review of the risk management process is undertaken on an annual basis. The key controls used by the Charity include

- formal agendas for all committee and Board activity
- detailed terms of reference for all committees
- comprehensive strategic planning, budgeting and management accounting
- established organisational structures and lines of reporting
- formal written policies
- clear authorisation and approval levels
- safeguarding procedures as required by law for the protection of the vulnerable
- annual consideration of the risk register.

Through the risk management processes, the Board is satisfied that the major risks to which the Charity is exposed have been reviewed and that systems have been established in order to manage those risks. It is recognised, however, that systems can provide only reasonable, but not absolute, assurance that major risks have been adequately managed.

The key specific risks for the foreseeable future, identified through this process, together with mitigation plans comprise:

Risk	Management
Operational and financial impact of current political and macro-economic uncertainty threatening viability of the Charity	<ul style="list-style-type: none"> • In response to the threat of loss of tax reliefs, the Governors are in regular contact with its auditors, key advisory bodies (ISC, ISBA, IAPS, BSA) as well as other independent schools and schools in the maintained sector and are continuously reviewing the situation and taking steps to respond and prepare as appropriate to any changes to legislation and regulation • The Charity continues to demonstrate the public benefit that the schools deliver as outlined in the report • Scenario planning modelling loss of tax reliefs • Robust financial controls in place to respond and adapt to the changing situation and provide financial flexibility • Best value sought for all contracts, with the Charity entering the wholesale market for gas and electricity

EASTBOURNE COLLEGE (INCORPORATED)
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	<ul style="list-style-type: none"> • The Governors monitor the budget and cost base for both schools, as well as seek to diversify income streams with a focus on affordability and ensuring best use of resources • The Eastbournian Society and Development Office continue to raise funds to support bursary and scholarship places for pupils who otherwise would be unable to attend • Open and collaborative communication with staff to support retention and minimise risk of strike action.
Reputational risk as a result of poor performance in any aspect of the business, increased competition from other independent schools, or non-compliance with legislation or regulatory guidelines, impacting all income streams and the Charity's ability to attract and retain pupils	<ul style="list-style-type: none"> • The Governors and senior management teams take their compliance responsibilities very seriously and ensure that all staff receive appropriate training and are kept up to date with key legislation including safeguarding and child protection • Staff are trained in Safer Recruitment and the Single Central Register is monitored and reviewed regularly by the SMT and school committees. Outsourced services such as catering are held to the same high standards as those employed by the Charity • Pastoral care, academic and co-curricular provision, together with academic results, are routinely reviewed and monitored against the 5-year Strategic Plan supported by staff appraisals and benchmarking against peers • The Charity has partnered with external providers to support the marketing efforts across both schools with analysis performed on the annual intake of pupils to inform future strategy • Health and safety risks, ranging from risks to the Charity's infrastructure such as fire or flood to personal risks, are minimised through appropriate planning and risk assessment as well as ensuring the Charity has adequate insurance cover.
Risk of cyber attack	<ul style="list-style-type: none"> • Cyber insurance and Cyber Incident Response Plan • Regular training provided to all staff regarding cyber awareness • Penetration testing undertaken • Two factor authentication implemented to further strengthen suite of systems in place.
Labour market pressures as a result of high inflation and industrial action in the maintained sector	<ul style="list-style-type: none"> • Regular benchmarking of salaries and conditions of service to ensure competitive offering to support both retention and recruitment • Non-financial benefits of working for the Charity to be more widely publicised • Well-being group and well-being policy • Exit interviews to identify trends • Recruitment incentives.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also directors for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

EASTBOURNE COLLEGE (INCORPORATED)
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YEAR ENDED 31 AUGUST 2023

Company law requires the Governors to prepare financial statements for each financial year. Under company law, the Governors 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 group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Governors are required to

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

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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 and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the Charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Governors of the Charity at the date of approval of this Report is aware, there is no relevant audit information (information needed by the Charity's auditor in connection with preparing the audit report) of which the Charity's auditor is unaware. Each Governor has taken all of the steps that they should have taken as a Governor in order to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

AUDITORS

Crowe U.K. LLP has expressed its willingness to be reappointed as statutory auditor.

The Annual Report of the Governors was approved by the Governing Body of Eastbourne College (Incorporated) on 11 December 2023, including, in their capacity as company directors, approving the Directors' and Strategic Reports contained therein, and signed on its behalf by



Philip Broadley MA MSc FCA
Chairman of the Board of Governors

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EASTBOURNE COLLEGE (INCORPORATED)

Independent Auditor's Report to the Members of Eastbourne College (Incorporated)

Opinion

We have audited the financial statements of Eastbourne College (Incorporated) ('the charitable company') and its subsidiary ('the group') for the year ended 31 August 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheets, Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2023 and of the group's income and receipts of endowments 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's 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 or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EASTBOURNE COLLEGE (INCORPORATED)

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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our 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 included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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 and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EASTBOURNE COLLEGE (INCORPORATED)

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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 identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, employment legislation and general data protection legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing and recognition of non-fee income, procurement processes for significant capital projects and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance and Investment Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF EASTBOURNE COLLEGE (INCORPORATED)**

some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.



Tina Allison
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

15 December 2023

EASTBOURNE COLLEGE (INCORPORATED)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2023

(Including Income and Expenditure account)	Notes	Unrestricted Funds	Restricted Funds	Endowed Funds	2023 Total	<i>2022 Total</i>
		£'000	£'000	£'000	£'000	£'000
Income and endowments from						
Charitable activities						
School fees receivable	3	22,773	-	-	22,773	20,507
Ancillary trading income	4	1,196	-	-	1,196	967
Other trading activities						
Non-ancillary trading income	5	1,255	-	-	1,255	1,144
Other activities	5	6	-	-	6	9
Investments						
Investment income	6	142	41	71	254	235
Bank and other interest	7	1	1	-	2	-
Voluntary sources						
Legacies, donations and grants	8	39	178	64	281	253
Total incoming resources		25,412	220	135	25,767	23,115
Expenditure on raising funds						
Non-ancillary trading	9	(686)	-	-	(686)	(771)
Financing costs	10	(467)	-	-	(467)	(488)
Investment management		(2)	(6)	(36)	(44)	(46)
Fundraising & development		(232)	-	-	(232)	(240)
Total expenditure on raising funds		(1,387)	(6)	(36)	(1,429)	(1,545)
Charitable activities						
Education and grant-making	9	(23,895)	(167)	(38)	(24,100)	(22,240)
Total expenditure		(25,282)	(173)	(74)	(25,529)	(23,785)
Net incoming/(outgoing) funds from operations before transfers and investment losses						
		130	47	61	238	(670)
Losses on investments	14	(9)	(29)	(142)	(180)	(957)
Net income/(expenditure) for the year		121	18	(81)	58	(1,627)
Transfers between funds	21	-	-	-	-	-
Net movement in funds for the year		121	18	(81)	58	(1,627)
Fund balances brought forward at 1 September 2022		38,565	1,928	7,905	48,398	50,025
Fund balances carried forward at 31 August 2023		38,686	1,946	7,824	48,456	48,398

The notes on pages 38 to 58 form part of these financial statements.

EASTBOURNE COLLEGE (INCORPORATED)
CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 AUGUST 2023

	Note	Group 2023 £'000	2022 £'000	Charity 2023 £'000	2022 £'000
FIXED ASSETS					
Tangible assets	12	55,101	56,234	53,492	54,824
Investments	14	9,413	9,540	9,899	10,678
		<u>64,514</u>	<u>65,774</u>	<u>63,391</u>	<u>65,502</u>
CURRENT ASSETS					
Stock		34	33	-	-
Debtors	15	691	783	664	778
Cash and deposits		5,334	3,130	5,133	3,043
		<u>6,059</u>	<u>3,946</u>	<u>5,797</u>	<u>3,821</u>
CURRENT LIABILITIES					
Creditors payable within one year	16	(12,569)	(10,962)	(12,377)	(11,800)
		<u>(6,510)</u>	<u>(7,016)</u>	<u>(6,580)</u>	<u>(7,979)</u>
NET CURRENT (LIABILITIES)					
		<u>(6,510)</u>	<u>(7,016)</u>	<u>(6,580)</u>	<u>(7,979)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>58,004</u>	<u>58,758</u>	<u>56,811</u>	<u>57,523</u>
LONG-TERM LIABILITIES					
Creditors payable after one year	17	(9,548)	(10,360)	(9,548)	(10,360)
		<u>48,456</u>	<u>48,398</u>	<u>47,263</u>	<u>47,163</u>
NET ASSETS					
REPRESENTED BY					
ENDOWED FUNDS					
Permanent Endowments	21	2,079	2,114	2,079	2,114
Expendable Endowments	21	5,745	5,791	5,745	5,791
		<u>1,946</u>	<u>1,928</u>	<u>1,946</u>	<u>1,928</u>
RESTRICTED FUNDS					
UNRESTRICTED FUNDS					
General Reserve	21	38,335	38,221	37,142	36,986
Designated	21	351	344	351	344
		<u>48,456</u>	<u>48,398</u>	<u>47,263</u>	<u>47,163</u>

The net result for the financial year dealt with in the financial statements of the parent Charity was a surplus of £100k (2022: £1,586k deficit).

These financial statements were approved by the Board of Governors on 11 December 2023 and were signed on its behalf by



Philip Broadley MA MSc FCA
Chairman



Charles Burrows MA
Chairman Finance and Property Committee

The notes on pages 38 to 58 form part of these financial statements.

EASTBOURNE COLLEGE (INCORPORATED)
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023		2022	
		£'000	£'000	£'000	£'000
Net cash inflow from operations					
Net cash provided by operating activities	(i)		<u>3,284</u>		<u>2,293</u>
Cash flows from investing activities					
Payments for tangible fixed assets		(542)		(242)	
Proceeds on sale of tangible fixed assets		22		-	
Additions to securities investments portfolio		(97)		(727)	
Withdrawals from securities investments portfolio		44		46	
Investment income and bank interest received		<u>256</u>		<u>235</u>	
Net cash (used in) investing activities			<u>(317)</u>		<u>(688)</u>
Cash flows from financing activities					
Repayment of bank loan		(296)		(2,285)	
Bank interest and arrangement fees paid		<u>(467)</u>		<u>(488)</u>	
Net cash (used) by financing activities			<u>(763)</u>		<u>(2,773)</u>
Change in cash and cash equivalents in the reporting period			2,204		(1,168)
Cash and cash equivalents at the beginning of period			3,130		4,298
Cash and cash equivalents at the end of the reporting period	(ii)		<u>5,334</u>		<u>3,130</u>

The notes on pages 38 to 58 form part of these financial statements.

EASTBOURNE COLLEGE (INCORPORATED)
NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

(i) Reconciliation of net income to net cash flow from operating activities	2023		2022	
	£'000	£'000	£'000	£'000
Net incoming/(outgoing) resources		238		(670)
Elimination of non-operating cash flows				
- Investment income	(256)		(235)	
- Finance costs	467		488	
Depreciation charge	1,675		1,656	
(Profit)/Loss on sale/disposal of assets	(20)		6	
Decrease/(Increase) in debtors	92		(307)	
Increase in stocks	(1)		(12)	
Increase in creditors (excluding fees in advance scheme and deposit)	1,305		1,343	
Decrease in Fees in Advance scheme creditors	(627)		(43)	
Increase in parents' deposits	411		67	
	3,046		2,963	
Net cash inflow from operations		3,284		2,293
(ii) Analysis of cash and cash equivalents				
		2023		2022
		£'000		£'000
Cash at bank		5,334		3,130
Deposits		-		-
		5,334		3,130
(iii) Analysis of changes in net debt				
	<i>At 1</i>	Cash	Other non	At 31
	<i>Sept.</i>	Flows	cash changes	August
	<i>2022</i>			2023
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	£'000
Cash and cash equivalents				
Cash at bank	3,130	2,204	-	5,334
Borrowings				
Debt due within one year	(297)	296	(305)	(306)
Debt due after one year	(8,655)	-	305	(8,350)
	(8,952)	296	-	(8,656)
Net debt	(5,822)	1,908	-	(3,322)

EASTBOURNE COLLEGE (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. CHARITY INFORMATION

Eastbourne College (Incorporated) is a charitable company limited by guarantee incorporated in England (charity number 307071, company number 115408) and is a public benefit entity operating from its registered office, Marlborough House, Old Wish Road, Eastbourne BN21 4JY.

2. ACCOUNTING POLICIES

The financial statements have been prepared on the historical cost basis of accounting, as modified by the revaluation of investments and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities and the accounting policies set out below.

The financial statements consolidate, on a line-by-line basis, the Endowment Funds and Restricted and Unrestricted Funds of Eastbourne College (Incorporated) together with the financial statements of its wholly owned subsidiary Eastbourne College Enterprises Limited, Company No. 3061136, prepared for the same financial period. No separate SoFA has been presented for the Charity alone, as permitted by Section 408 of the Companies Act 2006. The Charity has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a Charity only Cash Flow Statement with the consolidated financial statements.

Having reviewed the funding facilities available to the Charity, together with the revised budget for 2023/24, the forecast for 2024/25 and the Charity's future projected cash flows, the Governors have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future. As discussed on page 28 of the Annual Report, the Governors have given due consideration of the key risks, including scenario planning for a potential change in government and loss of various tax reliefs. The Governors are comfortable that the Charity has sufficient resources to fund its ongoing operations and to service the long-term debt. Accordingly, the Board is satisfied that there are no material uncertainties surrounding the Charity's ability to continue as a going concern and the accounts have been prepared on that basis.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Governors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects current and future periods.

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

EASTBOURNE COLLEGE (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Charity's financial statements.

2.1 Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the Charity against those fees, but including contributions received from Restricted Funds, are accounted for in the period in which the services are provided.

Amounts received under the Charity's Fees in Advance Scheme not yet utilised to settle school fees are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

2.2 Investment income

Dividend income is accounted for at the date on which the College has entitlement to the dividends. Interest on bank balances and fixed interest securities is accounted for in the period in which the interest is earned.

2.3 Donations, legacies, grants and other voluntary incoming resources

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Charity is considered probable.

Voluntary income for the Charity's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where through terms of an appeal or from the donor there is a trust law restriction on the use of any voluntary income, the income is credited to the relevant Restricted Funds or Endowment. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the Charity in the case of donated services or facilities.

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants relating to revenue are recognised in income over the period in which the related costs are recognised.

2.4 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Grants awarded are expensed as soon as they become a legal or constructive liability. Governance costs comprise the costs of complying with constitutional and statutory requirements.

Intra-group sales and charges between the Charity and its subsidiaries are excluded from trading income and expenditure.

EASTBOURNE COLLEGE (INCORPORATED)
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Redundancy costs are recognised as an expense in the period in which the Charity becomes irrevocably committed to incurring the costs and the main features of the plans have been announced to affected employees.

2.5 Tangible fixed assets

Expenditure on the acquisition, construction or enhancement of land and buildings, vehicles, furniture, machinery, ICT infrastructure and other equipment costing more than £2k is capitalised and carried in the balance sheet at historical cost. In certain circumstances, where the original costs of assets are not ascertainable, a reasonable estimate of the cost, if material, has been used. Other expenditure on equipment incurred in the normal day-to-day running of the Charity and its subsidiaries is charged to the Statement of Financial Activities as incurred.

2.6 Depreciation

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices, in equal annual instalments over their expected useful economic lives, as follows:

Newly constructed buildings	60 years
Other buildings, including major extensions	50 years
Furniture and equipment	10 years
IT equipment	3 years
Motor vehicles	5 years

2.7 Investments

Unlisted and alternative investments are stated at their fair values at the balance sheet date. For all listed and other investments where there is an active market the investments are listed at their quoted market prices.

Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate fund according to the 'ownership' of the underlying assets.

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

2.8 Loans

The Charity's bank loans are non-derivative financial liabilities and are recognised originally at transaction cost.

Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest rate method.

2.9 Stock

Stock represents goods for resale and is valued at the lower of cost and net realisable value.

EASTBOURNE COLLEGE (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS
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2.10 Fund accounting

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

Unrestricted income belongs to the Charity's corporate reserves, spendable at the discretion of the Governors either to further the Charity's objects or to benefit the Charity itself. Where the Governors decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

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

Expendable endowment arises where a donor attaches specific conditions to the gift meaning that it cannot be spent except in those circumstances specified in the terms of the endowment document.

Permanent endowment arises where a donor intends the gift to be retained permanently for use by the Charity (e.g. freehold land) or for its financial benefit (i.e. by investment). If the donor or the terms of an appeal has restricted the purpose for which the gift or any income from it is to be used, such income will accrue to the appropriate Restricted Fund.

2.11 Pension costs

Retirement benefits to employees of the Charity are provided through a defined contribution pension scheme, The Eastbourne College Worksave Pension, managed by Legal & General. Employers' pensions costs are charged in the period in which the salaries to which they relate are payable.

2.12 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised value with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with all debtors other than prepayments. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and fees received in advance. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year-end exchange rate.

2.13 Foreign currencies

The financial statements are presented in Sterling, which is also the functional currency of the Charity. Transactions in currencies other than Sterling are recorded at the rate of exchange at the date the transaction occurred. Monetary assets and liabilities denominated in other currencies are translated at the exchange rate prevailing at the end of the reporting period. All differences are taken to the Statement of Financial Activities.

EASTBOURNE COLLEGE (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

3. CHARITABLE ACTIVITIES - FEES RECEIVABLE

	2023	<i>2022</i>
	£'000	<i>£'000</i>
Fees receivable consist of		
School fees	27,705	<i>25,426</i>
Less total scholarships, bursaries and other fee remission	(5,113)	<i>(5,093)</i>
	22,592	<i>20,333</i>
Add back bursaries and other awards paid for by Restricted Funds	181	<i>174</i>
	22,773	<i>20,507</i>

Scholarships, bursaries and other awards were paid to 395 pupils (2022: 434). Within this, means-tested bursaries totalling £1,932k were paid to 163 pupils (2022: £2,028k to 185 pupils).

4. CHARITABLE ACTIVITIES - OTHER INCOME

	2023	<i>2022</i>
	£'000	<i>£'000</i>
Extra tuition	613	<i>499</i>
Entrance and registration fees	367	<i>302</i>
Trip income	121	<i>103</i>
Commissions and other income	95	<i>63</i>
	1,196	<i>967</i>

5. OTHER TRADING ACTIVITIES

	2023	<i>2022</i>
	£'000	<i>£'000</i>
Trading income		
Bussing operations	256	<i>271</i>
School shop	160	<i>169</i>
Lettings	839	<i>704</i>
Others	-	<i>-</i>
	1,255	<i>1,144</i>
Other activities		
Interest on overdue fees	6	<i>8</i>
Profit on disposal of fixed assets	-	<i>1</i>
	6	<i>9</i>

EASTBOURNE COLLEGE (INCORPORATED)
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6. INVESTMENT INCOME

	Unrestricted	Restricted	Endowed	Total	<i>Total</i>
	£'000	£'000	£'000	2023	<i>2022</i>
				£'000	<i>£'000</i>
Securities investment income					
Equities	136	39	70	245	229
Fixed interest	6	2	1	9	6
	<u>142</u>	<u>41</u>	<u>71</u>	<u>254</u>	<u>235</u>

7. BANK AND OTHER INTEREST

	Unrestricted	Restricted	Endowed	Total	<i>Total</i>
	£'000	£'000	£'000	2023	<i>2022</i>
				£'000	<i>£'000</i>
Bank interest	1	1	-	2	-

8. LEGACIES, DONATIONS AND GRANTS RECEIVABLE

	Unrestricted	Restricted	Endowed	Total	<i>Total</i>
	£'000	£'000	£'000	2023	<i>2022</i>
				£'000	<i>£'000</i>
Devonshire Society Bursary Fund	30	-	-	30	55
Le Brocq Fund	-	7	-	7	7
Arnold Embellishers	-	5	-	5	2
Foundation Office Bursary Fund	-	147	-	147	142
Foundation Office Development Fund	-	19	-	19	18
John Klyberg Bursary Fund	-	-	64	64	6
General Donations	9	-	-	9	20
Prizes Fund	-	-	-	-	3
	<u>39</u>	<u>178</u>	<u>64</u>	<u>281</u>	<u>253</u>

EASTBOURNE COLLEGE (INCORPORATED)
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9. ANALYSIS OF EXPENDITURE

(a) Total expenditure

	Staff costs (note 11) £'000	Depreciation (note 12) £'000	Other £'000	Total 2023 £'000	<i>Total 2022 £'000</i>
Expenditure on raising funds					
Trading costs	292	79	315	686	771
Financing costs (note 10)	-	-	467	467	488
Investment management	-	-	44	44	46
Development costs	176	-	56	232	240
Total expenditure on raising funds	468	79	882	1,429	1,545
Charitable expenditure education and grant-making					
Teaching	9,818	-	1,029	10,847	10,411
Welfare	1,596	-	3,730	5,326	4,454
Premises repair and maintenance	607	1,430	1,489	3,526	3,157
Support costs and governance	1,822	166	2,212	4,200	4,026
Grants, awards and prizes (b)	-	-	201	201	192
Total charitable expenditure	13,843	1,596	8,661	24,100	22,240
Total expended	14,311	1,675	9,543	25,529	23,785

(b) Grants, awards and prizes

	2023 £'000	<i>2022 £'000</i>
From Restricted Funds		
Bursaries and other grants and awards	182	174
Prizes and leaving awards	10	9
From Unrestricted Funds		
Prizes and leaving awards	9	9
	201	192

EASTBOURNE COLLEGE (INCORPORATED)
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9. ANALYSIS OF EXPENDITURE (CONTINUED)

(c) Charity Governance included in support costs

	2023	<i>2022</i>
	£'000	<i>£'000</i>
Remuneration paid to auditor for audit services	29	<i>25</i>
Reimbursement of personal expenses to Governors - travel costs	1	<i>1</i>
Other governance costs	19	<i>10</i>
	<u>49</u>	<i><u>36</u></i>

Travel expenses were reclaimed by 2 members (2022: 2) of the Board of Governors. In addition to the above audit remuneration, the auditor received fees for the audit of the trading subsidiary totalling £6k (2022: £4k) and fees for tax services amounting to £23k (2022: £2k).

10. FINANCE AND OTHER COSTS

	2023	<i>2022</i>
	£'000	<i>£'000</i>
Bank loan and overdraft interest	356	<i>367</i>
Bank arrangement fees	7	<i>14</i>
Fees in Advance debt-financing	104	<i>107</i>
	<u>467</u>	<i><u>488</u></i>

11a. STAFF COSTS

	2023	<i>2022</i>
	£'000	<i>£'000</i>
The aggregate payroll costs for the year were as follows		
Wages and salaries	11,633	<i>10,925</i>
Social security costs	1,087	<i>1,021</i>
Other pension costs	1,591	<i>1,540</i>
	<u>14,311</u>	<i><u>13,486</u></i>
Aggregate employee benefits of key management personnel	<u>385</u>	<i><u>367</u></i>

EASTBOURNE COLLEGE (INCORPORATED)
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11a. STAFF COSTS (CONTINUED)

	2023	2022
Number of higher paid employees (excluding termination payments) in bands of		
£60,001 to £70,000	13	12
£70,001 to £80,000	7	5
£80,001 to £90,000	1	2
£90,001 to £100,000	1	-
£130,001 to £140,000	1	1
The number with retirement benefits accruing		
- in defined contribution schemes was	23	20
of which the contributions amounted to	£265,548	£227,408

The average number of the Charity's employees during the year was 445 (2022: 440).

	2023	2022
Teaching	258	255
Welfare	72	72
Premises	24	23
Support	60	59
Other activities	31	31
	445	440

Employee numbers are based on the average number of staff employed over the year and not full-time equivalents. Included within teaching are nursery staff, teaching assistants, teaching technicians and visiting music teachers.

Redundancy or termination payments amounting to £62k (2022: £51k) were paid to three people during the year (2022: five).

11b. RELATED PARTY TRANSACTIONS

The Chairman of the Board of Governors is a Director of Legal & General Group Plc. The Charity's workplace pension scheme is managed by Legal & General. The Charity does not pay Legal & General directly for the management of this scheme and the scheme is provided on the company's standard commercial terms.

None of the Governors received any remuneration or other benefits from the Charity or from any connected body.

EASTBOURNE COLLEGE (INCORPORATED)
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11b. RELATED PARTY TRANSACTIONS (CONTINUED)

Three Governors had children attending either school on the same commercial terms as other parents. During the year a family member of a Governor was employed by the Charity following a competitive recruitment process. The family member received payments relating to their employment during the year amounting to £9k. All conflicts of interest are declared and managed effectively in line with the Board of Directors' Code of Conduct.

	2023	<i>2022</i>
	<i>£'000</i>	<i>£'000</i>
Donations made to the Charity by Governors	<u>19</u>	<u><i>51</i></u>

Three members of key management personnel had children attending the schools on the same terms as other members of teaching staff. Two close family members of key management personnel are employed by the Charity and received payments amounting to £68k (2022: £67k).

12. TANGIBLE FIXED ASSETS

Group	Freehold Land	Buildings	Furniture and Equipment	IT Equipment	Motor Vehicles	Total
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Cost						
At 1 September 2022	1,556	68,311	2,966	1,648	653	75,134
Additions	-	228	36	45	233	542
Disposals	-	-	-	-	(64)	(64)
At 31 August 2023	<u>1,556</u>	<u>68,539</u>	<u>3,002</u>	<u>1,693</u>	<u>822</u>	<u>75,612</u>
Depreciation						
At 1 September 2022	-	14,927	2,006	1,460	507	18,900
Charge for the year	-	1,213	204	167	91	1,675
Disposals	-	-	-	-	(64)	(64)
At 31 August 2023	<u>-</u>	<u>16,140</u>	<u>2,210</u>	<u>1,627</u>	<u>534</u>	<u>20,511</u>
Net book value						
At 31 August 2023	<u>1,556</u>	<u>52,399</u>	<u>792</u>	<u>66</u>	<u>288</u>	<u>55,101</u>
<i>At 31 August 2022</i>	<u><i>1,556</i></u>	<u><i>53,384</i></u>	<u><i>960</i></u>	<u><i>188</i></u>	<u><i>146</i></u>	<u><i>56,234</i></u>

EASTBOURNE COLLEGE (INCORPORATED)
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12. TANGIBLE FIXED ASSETS (CONTINUED)

Charity	Freehold Land	Buildings	Furniture and Equipment	IT Equipment	Motor Vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 September 2022	1,556	65,355	2,566	1,647	187	71,311
Additions	-	38	36	45	104	223
Disposals	-	-	-	-	-	-
At 31 August 2023	<u>1,556</u>	<u>65,393</u>	<u>2,602</u>	<u>1,692</u>	<u>291</u>	<u>71,534</u>
Depreciation						
At 1 September 2022	-	13,214	1,667	1,459	147	16,487
Charge for the year	-	1,172	197	167	19	1,555
Disposals	-	-	-	-	-	-
At 31 August 2023	<u>-</u>	<u>14,386</u>	<u>1,864</u>	<u>1,626</u>	<u>166</u>	<u>18,042</u>
Net book value						
At 31 August 2023	<u>1,556</u>	<u>51,007</u>	<u>738</u>	<u>66</u>	<u>125</u>	<u>53,492</u>
<i>At 31 August 2022</i>	<u><i>1,556</i></u>	<u><i>52,141</i></u>	<u><i>899</i></u>	<u><i>188</i></u>	<u><i>40</i></u>	<u><i>54,824</i></u>

The Charity has substantial long-held historic assets used in the course of the Charity's educational activities. These include listed buildings on the Eastbourne College campus, together with their contents. Because of their age and, in many cases, unique nature, reliable historical cost information is not available for these assets and could not be obtained except at disproportionate expense. However, in the opinion of the Governors, the depreciated historical cost of these assets would now be immaterial.

13. CAPITAL COMMITMENTS

As at 31 August 2023 there were no capital commitments (2022: none).

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14. INVESTMENTS

	2023	2022
	£'000	£'000
Group investments		
At 1 September 2022	9,540	9,816
New money invested	97	727
Amounts extracted	(44)	(46)
Decrease in value of investments	(180)	(957)
Group investments at 31 August 2023	9,413	9,540
Investment in subsidiaries	486	1,138
Charity investments at 31 August 2023	9,899	10,678
Investments comprise		
Listed investments		
Fixed interest	306	295
Equities	9,011	8,971
Cash	96	274
Group investments	9,413	9,540
Investment in subsidiaries	486	1,138
Charity investments	9,899	10,678
Historical cost	8,934	8,308

The Charity's investments are held in a spread of direct equities and fixed interest bonds. In addition, there are a number of collective instruments held in funds and investment trusts that provide further diversification. The securities investments are managed for the Charity by Charles Stanley & Co Limited. Of the total amounts invested at 31 August 2023, £3,751k was held in overseas securities (2022: £3,952k).

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15. DEBTORS

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Fees and extras	82	188	82	188
Trade	284	428	256	423
Other debtors	46	25	46	25
Amount due from subsidiary company	-	-	1	1
Other prepayments and accrued income	279	142	279	142
	<u>691</u>	<u>783</u>	<u>664</u>	<u>778</u>

All debtors are due within one year.

16. CREDITORS: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Deposits from parents	2,969	2,558	2,969	2,558
Fees received from parents in advance of term	5,115	4,228	5,115	4,228
Trade creditors	1,060	835	874	810
Taxation and social security	285	284	285	284
Bank loans	307	297	307	297
Other creditors	325	353	325	352
Fees in Advance scheme	1,928	2,049	1,928	2,049
Amount due to subsidiary company	-	-	-	879
Accruals and deferred income	155	133	149	118
Provision for VAT	425	225	425	225
	<u>12,569</u>	<u>10,962</u>	<u>12,377</u>	<u>11,800</u>

17. CREDITORS: amounts falling due after more than one year

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Fees in Advance scheme	1,199	1,705	1,199	1,705
Bank loan	8,349	8,655	8,349	8,655
	<u>9,548</u>	<u>10,360</u>	<u>9,548</u>	<u>10,360</u>

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18. FEES IN ADVANCE SCHEME

Parents may enter into a contract to pay the Charity in advance for fixed contributions towards the tuition fees for up to 5 years at Eastbourne College and up to 8 years at St Andrew's Prep. The money may be returned subject to specific conditions on the receipt of notice. Assuming pupils will remain in the College or School, fees in advance will be applied as follows

	2023	2022
	£'000	£'000
After five years	-	-
Within two to five years	154	679
Within one to two years	1,045	1,026
	1,199	1,705
Within one year	1,928	2,049
	3,127	3,754
Summary of movements in liability		£'000
Balance at 1 September 2022		3,754
New contracts		1,908
Repayments		-
Amounts used to pay fees		(2,639)
Amounts accrued to contract as debt financing cost		104
Balance at 31 August 2023		3,127

19. BANK LOAN

The bank loan is repayable as follows:

	2023	2022
	£'000	£'000
Within one year	307	297
Within two to five years	4,852	1,306
After five years	3,497	7,349
	8,656	8,952

The Charity borrowed a total of £10m from Lloyds Bank Plc on 29 September 2017 secured by a debenture over the Charity's assets. The first loan of £5m has a fixed rate of 4% for a period of 10 years. The second loan of £5m has a fixed rate of 4.6% for a period of 15 years.

EASTBOURNE COLLEGE (INCORPORATED)
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20. FUNDS OF THE CHARITY

The Charity's funds are analysed under the following headings

a) ENDOWED FUNDS

PERMANENT ENDOWMENTS

The Eastbourne College Endowment Fund

The Eastbourne College Endowment Fund includes the original Endowment Fund provided by the members and friends of the Old Eastbournian Association in December 1939.

The Rule Bequest

The Rule Bequest was established in 1983 with a legacy from Reginald Yorke Rule OE.

Income from each of the Endowed Funds above is credited to Unrestricted Funds and has been designated by the Governors for development.

EXPENDABLE ENDOWMENTS

The Ascham and Granville Fund

The Fund was established in 1978 using the sale proceeds of the Ascham and Granville sites. The Fund is treated as an expendable endowment with the income applied towards development.

Denso Scholarship Fund

The Denso Scholarship Fund is an expendable endowment established in 2019 with a donation from David Winn OE. The income from the fund is used to fund scholarships for pupils studying STEM subjects who would otherwise not have the opportunity to attend the College.

The John Klyberg Bursary Fund

The John Klyberg Bursary Fund is an expendable endowment established in 2020 with a legacy from John Klyberg OE. The Fund is to be used to support means-tested bursaries in keeping with the donor's wishes to enable those, including but not limited to, children of Old Eastbournians who could not otherwise afford the full fees to attend the College.

The Richard Holliday Fund

The Richard Holliday Fund is an expendable endowment established in 2021 with a donation from the Richard Holliday Foundation in memory of Richard Durden Holliday OE, and his wife Gillian. The Fund is to be used to support means-tested bursaries in keeping with the donor's wishes to support pupils who would not otherwise be able to afford the full fees to attend the sixth form at the College. The awardees are known as Richard Holliday Scholars and the donor's wish is that the Fund should have a life of 25 years.

b) RESTRICTED FUNDS

Prizes Fund

The income from the assets of the fund assists with the payment of prizes and leaving awards.

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Le Brocq Fund

The Le Brocq Fund was established by Philip and Sally Le Brocq in memory of their son, John, who died while a pupil at the College. The income from the fund is used to grant an annual award to a leaver who has made an outstanding contribution to the life of the College.

Scoresby Fund

The Scoresby Fund was established with a legacy from Thomas Scoresby-Jackson OE. The income from the fund assists with the payment of means-tested bursaries for pupils studying maths and sciences.

Birley Fund

The Birley Fund was set up to support musical causes in need of financial assistance.

Old Eastbournian Charity Fund

The income from the fund assists with the payment of means-tested bursaries. This Fund has been combined with the Devonshire Society Bursary Fund given the shared purpose for both Funds.

Arnold Embellishers

The Arnold Embellishers Fund is administered by an association of Old Eastbournians and friends of Eastbourne College. The purpose of the Fund is to finance improvements (embellishments) to the College in accordance with the wishes of its members.

Trevor Pescud Fund

The Trevor Pescud Fund was established in 2016 with a legacy from Trevor Pescud OE. The income from the fund is to be used to assist financing a place at the College for a talented female tennis player. Only the income can be expended for the first 21 years, after which the capital can then also be spent.

Sevorg Scholarship Fund

The Sevorg Scholarship Fund was established in 2018 with a legacy from James Groves OE. The income from the fund is to be used to fund one third of the fees for a pupil from the local area.

College Duke of Edinburgh Fund

The College Duke of Edinburgh Fund was established in 2021 with a legacy from Betty 'Skip' Charles. The fund is to be used in support of the College's Duke of Edinburgh Awards programme, including enabling pupils to participate who would otherwise not be able to.

Foundation Office Bursary Fund

The Foundation Office Bursary Fund is used to assist in financing specific bursaries.

Foundation Office Development Fund

The Development Fund exists to assist in the financing of future capital projects.

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c) UNRESTRICTED FUNDS

General Funds

Unrestricted General Funds represent accumulated income from the Charity's activities and other sources that are available for the general purposes of the Charity.

Designated Development Fund

The Designated Development Fund is designated by the Governors for the purpose of assisting in the funding of the Charity's development plan.

The Devonshire Society Bursary Fund

The Devonshire Society was established by the Foundation and Development Office in 2002 and is Eastbourne College's legacy club. Unrestricted bequests and legacies left to the Charity by members of the Devonshire Society form part of this Fund, the income from which is used to support means tested bursaries to enable children who could not otherwise afford full fees to attend the College.

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21. SUMMARY OF MOVEMENTS ON MAJOR FUNDS

	<i>At 1 Sept. 2022</i>	Incoming resources	Resources expended	Transfers	Gains/ (Losses)	At 31 August 2023
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	£'000
Unrestricted Funds						
General Reserve	38,221	25,242	(25,261)	133	-	38,335
Designated Development Fund	19	133	(19)	(133)	-	-
Devonshire Society Bursary Fund	325	37	(2)	-	(9)	351
	<u>38,565</u>	<u>25,412</u>	<u>(25,282)</u>	<u>-</u>	<u>(9)</u>	<u>38,686</u>
Restricted Funds						
Prizes Fund	133	4	(5)	-	(1)	131
Le Brocq Fund	99	10	(6)	-	(6)	97
Scoresby Fund	236	8	-	-	(5)	239
Birley Fund	7	-	-	-	-	7
Arnold Embellishers	78	6	(4)	-	(4)	76
Trevor Pescud Fund	494	14	(29)	-	(5)	474
Sevorg Scholarship Fund	431	10	(10)	-	(8)	423
College Duke of Edinburgh Fund	25	-	(10)	-	-	15
Foundation Office Bursary Fund	333	148	(109)	-	-	372
Foundation Office Development Fund	92	20	-	-	-	112
	<u>1,928</u>	<u>220</u>	<u>(173)</u>	<u>-</u>	<u>(29)</u>	<u>1,946</u>
Endowed						
Permanent Endowments						
Eastbourne College Endowment Fund	815	-	(4)	-	(8)	803
Rule Bequest	1,299	-	(6)	-	(17)	1,276
	<u>2,114</u>	<u>-</u>	<u>(10)</u>	<u>-</u>	<u>(25)</u>	<u>2,079</u>
Expendable Endowments						
The Ascham and Granville Fund	2,761	-	(12)	-	(47)	2,702
Denso Scholarship Fund	1,072	25	(31)	-	(11)	1,055
John Klyberg Bursary Fund	1,526	100	(7)	-	(49)	1,570
Richard Holliday Fund	432	10	(14)	-	(10)	418
	<u>5,791</u>	<u>135</u>	<u>(64)</u>	<u>-</u>	<u>(117)</u>	<u>5,745</u>
Total Funds	<u>48,398</u>	<u>25,767</u>	<u>(25,529)</u>	<u>-</u>	<u>(180)</u>	<u>48,456</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Endowed £'000	Restricted £'000	Unrestricted £'000	Total £'000
Tangible fixed assets	-	-	55,101	55,101
Securities investments	7,697	1,380	336	9,413
Net current assets/(liabilities)	127	566	(7,203)	(6,510)
Long-term liabilities	-	-	(9,548)	(9,548)
	<u>7,824</u>	<u>1,946</u>	<u>38,686</u>	<u>48,456</u>

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23. COMPARATIVE SUMMARY OF MOVEMENTS ON MAJOR FUNDS

	<i>At 1 Sept. 2021</i>	Incoming resources	Resources expended	Transfers	Gains/ (Losses)	At 31 August 2022
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	£'000
Unrestricted Funds						
General Reserve	39,022	22,649	(23,554)	104	-	38,221
Designated Development Fund	19	95	-	(95)	-	19
Devonshire Society Bursary Fund	298	59	(2)	-	(30)	325
	<u>39,339</u>	<u>22,803</u>	<u>(23,556)</u>	<u>9</u>	<u>(30)</u>	<u>38,565</u>
Restricted Funds						
Prizes Fund	148	6	(4)	-	(17)	133
Le Brocq Fund	105	10	(6)	-	(10)	99
Scoresby Fund	245	7	(1)	-	(15)	236
Birley Fund	7	-	-	-	-	7
Arnold Embellishers	95	4	(2)	(9)	(10)	78
Trevor Pescud Fund	552	13	(19)	-	(52)	494
Sevorg Scholarship Fund	477	9	(2)	-	(53)	431
College Duke of Edinburgh Fund	25	-	-	-	-	25
Foundation Office Bursary Fund	311	142	(120)	-	-	333
Foundation Office Development Fund	74	18	-	-	-	92
	<u>2,039</u>	<u>209</u>	<u>(154)</u>	<u>(9)</u>	<u>(157)</u>	<u>1,928</u>
Endowed						
Permanent Endowments						
Eastbourne College Endowment Fund	899	8	(4)	-	(88)	815
Rule Bequest	1,427	8	(6)	-	(130)	1,299
	<u>2,326</u>	<u>16</u>	<u>(10)</u>	<u>-</u>	<u>(218)</u>	<u>2,114</u>
Expendable Endowments						
The Ascham and Granville Fund	3,018	15	(14)	-	(258)	2,761
Denso Scholarship Fund	1,187	25	(30)	-	(110)	1,072
John Klyberg Bursary Fund	1,629	37	(6)	-	(134)	1,526
Richard Holliday Fund	487	10	(15)	-	(50)	432
	<u>6,321</u>	<u>87</u>	<u>(65)</u>	<u>-</u>	<u>(552)</u>	<u>5,791</u>
Total Funds	<u>50,025</u>	<u>23,115</u>	<u>(23,785)</u>	<u>-</u>	<u>(957)</u>	<u>48,398</u>

24. COMPARATIVE ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Endowed £'000	Restricted £'000	Unrestricted £'000	Total £'000
Tangible fixed assets	-	-	56,234	56,234
Securities investments	7,811	1,412	317	9,540
Net current assets/(liabilities)	94	516	(7,626)	(7,016)
Long-term liabilities	-	-	(10,360)	(10,360)
	<u>7,905</u>	<u>1,928</u>	<u>38,565</u>	<u>48,398</u>

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25. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE FIGURES BY FUND TYPE

(Including Income and Expenditure account)		Unrestricted	Restricted	Endowed	2022
	Notes	Funds	Funds	Funds	Total
		£'000	£'000	£'000	£'000
Income and endowments from:					
Charitable activities					
School fees receivable	3	20,507	-	-	20,507
Ancillary trading income	4	967	-	-	967
Other trading activities					
Non-ancillary trading income	5	1,144	-	-	1,144
Other activities	5	9	-	-	9
Investments					
Investment income	6	101	37	97	235
Bank and other interest	7	-	-	-	-
Voluntary sources					
Legacies and donations	8	75	172	6	253
Total incoming resources		22,803	209	103	23,115
Expenditure on raising funds					
Non-ancillary trading	9	(771)	-	-	(771)
Financing costs	10	(488)	-	-	(488)
Investment management		(1)	(7)	(38)	(46)
Fundraising & development		(240)	-	-	(240)
Total expenditure on raising funds		(1,500)	(7)	(38)	(1,545)
Charitable activities					
Education and grant-making	9	(22,056)	(147)	(37)	(22,240)
Total expenditure		(23,556)	(154)	(75)	(23,785)
Net incoming funds from operations before transfers and investment gains		(753)	55	28	(670)
Gains/(losses) on investments	14	(30)	(157)	(770)	(957)
Net (expenditure)/ income for the year		(783)	(102)	(742)	(1,627)
Transfers between funds	23	9	(9)	-	-
Net movement in funds for the year		(774)	(111)	(742)	(1,627)
Fund balances brought forward at 1 September 2021		39,339	2,039	8,647	50,025
Fund balances carried forward at 31 August 2022		38,565	1,928	7,905	48,398

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26. PENSION SCHEMES

Retirement benefits to employees of the Charity are provided through one defined contribution scheme, which is funded by the Charity's and employees' contributions.

The Worksave Pension has been in place since May 2014 in conjunction with the auto enrolment rules. The scheme is managed by Legal & General. Basic contributions for support staff are variable and start at 3%. The Charity contributes 5% for support staff who have been employed for 3 months in accordance with auto enrolment. For teaching staff, basic contributions are also variable but start at 0%, with the Charity contributing 15%. The Worksave Pension scheme was made available to teaching staff following the Charity's withdrawal from the Teachers' Pension Scheme as of 1 September 2020. No further contributions are payable to the Teachers' Pension Scheme beyond this date.

The employer's contributions are charged in the Statement of Financial Activities in the period in which the salaries to which they relate are due. The employer's contributions in the year, to the defined contribution scheme, amounted to £1,591k (2022: £1,540k). At 31 August 2023 there were no accrued pension contributions for this scheme (2022: £115k).

27. SUBSIDIARIES

Eastbourne College (Incorporated) owns the whole of the share capital of Eastbourne College Enterprises Limited (ECEL).

ECEL provides bussing services, sports and letting facilities and school shop facilities for Eastbourne College. ECEL had a turnover of £607k (2022: £692k), gross profit of £79k (2022: £66k) and a profit before taxation and gift aid of £57k in the year ended 31 August 2023 (2022: £46k profit). At 31 August 2023 the company had shareholder's funds of £485k (2022: £1,138k).

Related Party Transactions

In the year ended 31 August 2023, ECEL charged £572k (2022: £509k) to the Charity for lettings and the provision of bussing services. A dividend payment of £690,000 was made by ECEL to the Charity during the year. The Charity is owed £1k from ECEL at 31 August 2023.