



Scott-Moncrieff
business advisers and accountants

CRAIGHOLME SCHOOL
(Limited by Guarantee and not having a share capital)

Registered charity number: SC014860
Registered company number: SC022095

Directors' report and financial statements
30 June 2014

TUESDAY



S42VBRU3

SCT

10/03/2015

#46

COMPANIES HOUSE

CRAIGHOLME SCHOOL
FINANCIAL STATEMENTS

Year ended 30 June 2014

Contents	Page
Directors' report	1-5
Auditor's report	6-7
Statement of financial activities and income and expenditure account	8
Statement of historical cost profit and losses	9
Balance sheet	10
Cash flow statement	11
Notes to the financial statements	12-20

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2014

Directors' Report

Craigholme School

Craigholme School ('the School') was founded in 1894 and 2014 is therefore the School's 120th anniversary. The School is a registered charity number SC014860, company number SC022095 whose members' liability is limited by guarantee to £1 each. The registered office and principal place of business is 72 St Andrew's Drive, Glasgow.

The School is situated in the south side of Glasgow within easy reach from all parts of the city and the Greater Glasgow area due to the good road and rail connections. Craigholme is a leading provider of modern and dynamic education with the very best of traditional values. The school provides co-educational nursery facilities for 3-5 year olds and an excellent all-round education for girls aged 5-18 years.

Directors

The directors of the company, who are also the charity trustees and governors of the school, who served during the year and since the year end date were:

I B Curle* (Chair)
Ms J Boag-Thomson (Vice Chair)
Dr A M Gavin
Mrs N Mobarik*
C J Moore*
T O'Hara
G S Brown
G J R Mappin (appointed 1 October 2013)
A Henderson (appointed 28 January 2014)
A B Dickson (resigned 28 August 2013)

The director retiring at the Annual General Meeting is Mr I B Curle. The director, being eligible, has offered himself for re-election.

* Denotes directors who do not have children at the school. No special fee discounts were granted in respect of children of directors.

Key personnel and advisers

Principal session 2013 to 2014:	Gillian C K Stobo
Principal from August 2014:	Brendan P Farrelly
Secretary and Business Manager:	Shirley Love
Bankers:	The Royal Bank of Scotland plc 10 Gordon Street Glasgow
Solicitors:	HBJ Gately Wareing 146 West Regent Street Glasgow Shepherd and Wedderburn 191 West George Street Glasgow
Auditor:	Scott-Moncrieff 25 Bothwell Street Glasgow

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2014

Directors' Report

Structure, Governance & Management

Governing Document

The school is governed by its Memorandum and Articles of Association, which were amended on 3 August 2009.

Governing Body

The directors, who are also members of the company, are appointed at full directors' meetings, and are selected to ensure that the expertise available covers all the principal areas of governance of the school. The directors serve for three years, renewable for a further similar term. The Board of Directors includes members with a variety of professional skills in areas such as education, property, finance, IT, health and wellbeing and law as well as general experience in business.

In addition to a committed Board of Directors, the School has an active and supportive Craigholme School Parents' Association who provide many social activities and fundraising events and a Parents' Forum who provide valuable feedback to the School on a range of matters. Parents, in general, take a very close interest in their children's education and are valued partners in all that the School does.

Trustee Training

Following appointment, new directors are briefed on the working of the Board and the school by the Principal and Business Manager. Directors also attend seminars organised by the Scottish Council for Independent Schools and the School has a code of conduct for Governors policy.

Organisational Management

The directors meet at least eight times a year to determine the general policy of the school and review its overall management and control, for which they are legally responsible. The implementation of these policies is the responsibility of the various sub-committees of the Board, the Principal and the Business Manager, supported as required by the other members of the Senior Management Team.

Strategic report

Operational Performance of the School

The School's operational performance throughout the year is mapped out in the School's Improvement Plan and recorded in its Standards and Quality Report for Session 2013-2014.

HM Inspectors' visit and report – March 2014

HM Inspectors visited the school in March 2014. The inspectors have highlighted that across the School we have a strong focus on ensuring that pupils achieve all that they can, that staff know the children well and that our high quality experiences support broader achievements. We are delighted with this excellent endorsement of the School's all-round education and the acknowledgement of the outstanding achievements of our pupils.

Examination Results

Exam results in August 2013 were outstanding. The School's Higher pass rate of 93.4% in 2013 is a substantial 16% more than the national average with the School's Higher candidates averaging 4.5 Highers each. At Advanced Higher the School's pass rate is 12% above the national average with 27% of the School's S6 girls each securing A passes in three Advanced Highers.

The S4 results for 2013 are equally impressive with 100% pass rate at Standard Grade.

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2014

Directors' Report

Examination Results (cont.)

In the 2014 exam results the School's pupils achieved an outstanding 98% pass rate at Advanced Higher which is 17% above the national average. There was a 90% pass rate for S5 Higher pupils, which is 13% above the national average. In the first year of presentation of the National 5 examinations an overall pass rate of 90% was achieved, nearly 10% above the national average.

Objects, Aims, Objectives & Principal Activities

The School's principal activity continues to be the education of girls aged 5 to 18. There is also a co-educational nursery for ages 3 to 5.

The School remains committed to single-sex education. We will continue to offer education and resources of the highest quality which realises the potential of all our girls. Our school is a vibrant community of pupils, former pupils, parents, staff, friends and governors. We encourage and develop confidence and self esteem by creating a learning environment in which each pupil is known and valued. To achieve this, a high teacher-to-pupil ratio is an essential requirement.

It is the policy of the school to:

- Provide a full range of education courses which will maximise the academic achievement of all pupils;
- Develop confident, independent and articulate pupils who have a sense of social and moral responsibility and respect for others;
- Complement the academic goals with the provision of wide-ranging sporting, cultural and social activities;
- Foster good relationships between teachers, pupils, parents and the wider community in achieving these goals;
- Support deserving pupils through provision of bursaries. Bursary remission is assessed according to parents' ability to pay full fees and the availability of bursary funds to the school.

Curriculum

The School continues to promote a strong educational development from age 3 and above. The curriculum and facilities are designed to extend and enrich the whole educational experience. We aim to achieve the best for every pupil in our care, giving all pupils the opportunity to fulfil their personal and career ambitions. The Scottish Baccalaureates in science and modern languages continued to be included in the S6 curriculum along with the opportunity to take the interdisciplinary project as a stand-alone unit.

Sports

The School continues to encourage girls to participate and achieve excellence in a range of sports, for example, our under-16 hockey team are currently the Scottish champions. We also increase our community participation with extensive lets within our sports complex, promoting participation in sports and healthy lifestyles.

Office of the Scottish Charity regulator

In January 2014 the Office of the Scottish Charity Regulator (OSCR) confirmed that the School has retained its charitable status after successfully meeting the criteria of the public benefit and charity test applied by OSCR.

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2014

Directors' Report

Financial Review & Results of the Year

With the prevailing difficult economic conditions the choice of independent education is a difficult one for parents to make. In common with many independent schools, in the current climate, the School roll has reduced since the financial downturn, however, recruitment remains positive as we continue to attract pupils at all levels throughout the School. The financial outcome for the year shows a deficit of £141k (2013: £397k deficit). Net assets total £3,560k (2013: £3,701k) at the year end date and there are net current liabilities of £691k (2013: £623k). The rise in the net current liability position is due to the strengthening of parental confidence and the increase in tuition fees paid in advance.

Reserves policy

The Board of directors is committed to the longstanding practice of retaining sufficient reserves to meet liabilities by maintaining general reserves equivalent to at least 3 months running costs and other liabilities.

Restricted funds comprise income received by the School for use by the directors in pursuance of the stated aims of the relevant funds.

Future Plans

The school has seen an increasing roll through the first half of session 2014-15 and the Board is optimistic that this trend will continue. Having gained planning permission for a possible development at the pavilion near to the sports complex the Board intends to continue to monitor the School's accommodation requirements.

The Board is mindful of the school's charitable purpose and continues to monitor the number and value of bursaries available. The number of bursaries has increased in the current year. As a result, a greater number of children, whose families would not otherwise have the financial resources to choose independent education, are being given equal access to the School. The Board is aware that it has to achieve that objective while recognising the position of the rest of the parents who pay full fees. Support from the Craigholme Foundation has assisted with the provision of bursaries.

Related party transactions and balances

The Craigholme Foundation's principal objective is the provision of funds and benefits for the school. The Foundation is managed by a separate Board of Trustees. During the year ended 30 June 2014, the Foundation made donations totalling £184,000 (2013: £50,000) to the School. At the year end date, the School is owed £3,936 (2013: £3,650) by The Craigholme Foundation.

Shepherd and Wedderburn LLP, solicitors, where Ms J Boag-Thomson, director, is a partner, engaged in transactions with the School totalling £nil (2013: £2,397). No amounts were outstanding at the year end (2013: £nil).

Risk Management Policy

The Board continued to review risk management procedures during the year, summarised under four categories:

Strategic
Operational
Regulatory
Financial

Procedures have been set in place to manage significant identified risks in all areas whilst a system of continuing review is in place to monitor these procedures.

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2014

Directors' Report

Statement of Directors' Responsibilities

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

Charity and company law requires the directors to prepare financial statements for each financial year. Under charity law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

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

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

Disclosure of information to auditor

As far as each of the directors at the time of the report being approved are aware:

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

Approval of the Strategic report

In signing off and approving the Directors' Report the Directors understand that they are also approving the Strategic Report in their capacity as company directors.

By order of the Board



S Love
Secretary

Date: 23/2/15.

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Independent Auditor's Report to the Members and Directors

Year ended 30 June 2014

We have audited the financial statements of Craigholme School for the year ended 30 June 2014 which comprise the Statement of Financial Activities and Income and Expenditure Account, the Statement of Historical Cost Profit and Loss, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made exclusively to the members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006 and to the charitable company's directors, as a body, in accordance with section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charitable company's directors 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 its members and directors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 5), the directors (who are also the trustees of the charitable company for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (United Kingdom and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Independent Auditor's Report to the Members and Directors

Year ended 30 June 2014

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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



Iain D Lee, Senior Statutory Auditor
For and on behalf of Scott-Moncrieff, Statutory Auditor
Chartered Accountants
25 Bothwell Street
Glasgow
G2 6NL

Dated: 23/2/15

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Statement of Financial Activities and Income and Expenditure Account

For the year ended 30 June 2014

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total 2014 £'000	Total 2013 £'000
Incoming resources					
Incoming resources from generated funds:					
- Voluntary income	2	184	-	184	50
- Investment income	3	1	-	1	5
		<u>185</u>	<u>-</u>	<u>185</u>	<u>55</u>
Incoming resources from charitable activities	4	2,906	-	2,906	3,110
Total incoming resources		<u>3,091</u>	<u>-</u>	<u>3,091</u>	<u>3,165</u>
Resources expended					
Cost of charitable activities	5	3,220	-	3,220	3,550
Governance costs	6	12	-	12	12
Total resources expended		<u>3,232</u>	<u>-</u>	<u>3,232</u>	<u>3,562</u>
Net movement in funds	7	(141)	-	(141)	(397)
Balance at 1 July 2013		<u>3,692</u>	<u>9</u>	<u>3,701</u>	<u>4,098</u>
Balance at 30 June 2014		<u><u>3,551</u></u>	<u><u>9</u></u>	<u><u>3,560</u></u>	<u><u>3,701</u></u>

None of the company's activities were acquired or discontinued during the above two years.

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Statement of Historical Cost Profit and Loss

For the year ended 30 June 2014

	2014 £'000	2013 £'000
Reported deficit on ordinary activities	(141)	(397)
Difference between a historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	12	12
Historical cost deficit on ordinary activities	(129)	(385)
Historical cost deficit for the year retained after adjustment on revaluation	(129)	(385)

The notes on pages 12 to 20 form part of these accounts

CRAIGHOLME SCHOOL**FINANCIAL STATEMENTS****Balance Sheet****As at 30 June 2014**

	Note	2014 £'000	2013 £'000
Fixed assets			
Tangible fixed assets	10	5,241	5,312
Current assets			
Debtors	11	290	268
Creditors: amounts falling due within one year	12	(981)	(891)
Net current liabilities		(691)	(623)
Total assets less current liabilities		4,550	4,689
Creditors: amounts falling due after one year	13	(990)	(988)
Total net assets		3,560	3,701
Funds			
Restricted	14	9	9
Unrestricted			
Designated and general funds	15	3,551	3,692
		3,560	3,701

The financial statements were authorised for issue by the Board on 23/2/15 and signed on its behalf by:



I B Curle
Chairman

Registered charity number: SC014860
Registered company number: SC022095

The notes on pages 12 to 20 form part of these accounts

CRAIGHOLME SCHOOL
FINANCIAL STATEMENTS

Cash Flow Statement

For the year ended 30 June 2014

	Note	2014 £'000	2013 £'000
Net cash inflow/(outflow) from operating activities	18	179	(184)
Return on investments and servicing of finance	18	(29)	(75)
Capital expenditure and financial investment	18	(56)	506
Net cash inflow before financing		<u>94</u>	<u>247</u>
Financing	18	(79)	(54)
Increase in cash		<u><u>15</u></u>	<u><u>193</u></u>

Reconciliation of net cash flow to movement in net debt

Increase in cash		15	193
Repayment of loan in the year	18	<u>79</u>	<u>54</u>
Movement in net debt		<u>94</u>	<u>247</u>
Net debt at 1 July 2013		<u>(1,462)</u>	<u>(1,709)</u>
Net debt at 30 June 2014	18	<u><u>(1,368)</u></u>	<u><u>(1,462)</u></u>

The notes on pages 12 to 20 form part of these accounts

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2014

Notes to the Financial Statements

1 Accounting policies

a. Basis of preparation

The accounts are prepared under the historical cost convention, modified by the revaluation of certain assets, and in accordance with applicable accounting standards, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective April 2005).

b. Going concern

Although the charitable company has recorded a loss for the year ended 30 June 2014, the balance sheet reflects a satisfactory net asset and cash flow position at the year end date. As a result, the directors have a reasonable expectation that the company has sufficient resources to remain in operational existence for the foreseeable future and so have continued to prepare the accounts on the going concern basis.

c. Incoming resources

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

- Voluntary income received by way of donations is included in full in the Statement of Financial Activities when received unless this relates specifically to another accounting period. Voluntary income in the year relates to bursaries received from Craigholme Foundation.
- Incoming resources from charitable activities are accounted for when earned and include income generated from school fees and the sports complex levy. Fees are included net of bursaries and concessions. Fee income for future years has been deferred to the appropriate year.
- Investment income is included when receivable and is generated from interest and dividends.

d. Resources expended

Expenditure is recognised on an accruals basis as a liability when it is incurred and is reported as part of the expenditure to which it relates.

Charitable activities expenditure comprises those costs incurred by the company in the delivery of the activities carried out which meet the objectives of the company. The management and administration costs have been included under this heading.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the company.

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2014

Notes to the Financial Statements

1 Accounting policies (cont'd)

e. Tangible fixed assets

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Heritable property	- 1% straight line
Leasehold property) - over the period of the lease
Leasehold improvements)
Equipment	- 10% - 33% straight line

f. Fund accounting

Unrestricted funds are available for use at the discretion of the directors in furtherance of the general objectives of the charity. Unrestricted funds include a revaluation reserve.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

g. Pension schemes

Pension cost charges represent the contributions payable by the company to the schemes concerned.

h. Operating lease commitments

Operating leases are charged on a straight line basis over the term of the lease.

2 Voluntary income	2014 £'000	2013 £'000
Donations	<u>184</u>	<u>50</u>
3 Investment income		
Interest on short term deposits	<u>1</u>	<u>5</u>
4 Income from charitable activities		
Tuition fees	2,781	3,027
Miscellaneous income	<u>125</u>	<u>83</u>
	<u>2,906</u>	<u>3,110</u>

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2014

Notes to the Financial Statements

5	Cost of charitable activities	2014 £'000	2013 £'000
	Teaching costs	2,140	2,391
	Welfare	98	100
	Premises	427	423
		<hr/>	<hr/>
		2,665	2,914
	Support costs		
	Administration	525	556
	Finance	30	80
		<hr/>	<hr/>
		3,220	3,550
		<hr/>	<hr/>
The cost of professional indemnity insurance is included within support costs.			
6	Governance	2014 £'000	2013 £'000
	Auditor's remuneration – audit fee	9	9
	Auditor's remuneration – non audit services	3	3
		<hr/>	<hr/>
		12	12
		<hr/>	<hr/>
7	Net movement in funds	2014 £'000	2013 £'000
	The net movement in funds is stated after charging:		
	Auditor's remuneration – audit fee	9	9
	Auditor's remuneration – non audit services	3	3
	Depreciation	127	131
	Operating leases	14	8
		<hr/>	<hr/>
8	Employees	Number of Employees	
		2014	2013
	The average number of employees in the year was:		
	Teaching	56	63
	Domestic	9	10
	Non-teaching	21	19
		<hr/>	<hr/>
		86	92
		<hr/>	<hr/>
	The full-time equivalents in the year were:		
	Teaching	47	52
	Domestic	5	5
	Non-teaching	16	15
		<hr/>	<hr/>
		68	72
		<hr/>	<hr/>

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2014

Notes to the Financial Statements

8	Employees (cont'd)	2014 £'000	2013 £'000
	Staff costs comprise:		
	Wages and salaries	2,033	2,248
	Social security costs	158	178
	Pension contributions	240	263
		<u>2,431</u>	<u>2,689</u>

The directors received no remuneration or reimbursement of expenses during either year.

The number of employees whose emoluments exceeded £60,000 were:

	2014 No.	2013 No.
£60,000 - £70,000	-	1
£70,001 - £80,000	<u>1</u>	<u>-</u>

Pension contributions made in respect of this employee totalled £10,576 (2013: £10,419).

9	Interest payable	2014 £'000	2013 £'000
	Loan interest	<u>30</u>	<u>80</u>

10	Tangible fixed assets	Heritable Property £'000	Leasehold Property £'000	Equipment £'000	Total £'000
	<i>Cost or valuation</i>				
	At 1 July 2013	3,250	2,440	555	6,245
	Additions	-	-	56	56
	At 30 June 2014	<u>3,250</u>	<u>2,440</u>	<u>611</u>	<u>6,301</u>
	<i>Depreciation</i>				
	At 1 July 2013	98	393	442	933
	Charge for the year	32	53	42	127
	At 30 June 2014	<u>130</u>	<u>446</u>	<u>484</u>	<u>1,060</u>
	<i>Net book amount</i>				
	At 30 June 2014	<u>3,120</u>	<u>1,994</u>	<u>127</u>	<u>5,241</u>
	At 30 June 2013	<u>3,152</u>	<u>2,047</u>	<u>113</u>	<u>5,312</u>

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2014

Notes to the Financial Statements

10 Tangible fixed assets (cont'd)

The heritable property was valued at 26 July 2010 by Allied Surveyors Scotland, Chartered Surveyors, on the basis of estimated net realisable value for return to residential use. The directors have considered the value of the heritable property as at 30 June 2014 and have concluded that the net book value of heritable property that is reflected in the financial statements is reasonable as at the year end date. The leasehold property is the subject of a 99 year lease, of which 70 remain, from Pollok and Corrour Limited.

The comparable historical cost of the freehold property owned by the School is £2,011,183 (2013: £2,011,183).

11	Debtors	2014 £'000	2013 £'000
	Fees	259	237
	Prepayments and accrued income	31	29
	Other debtors	-	2
		<u>290</u>	<u>268</u>
12	Creditors: amounts due within one year	2014 £'000	2013 £'000
	Bank loans & overdrafts	425	485
	Trade creditors and accruals	155	164
	Taxation and social security	44	48
	Tuition fees paid in advance	258	109
	Other creditors	99	85
		<u>981</u>	<u>891</u>

Included within other creditors are two months' pension contributions payable of £61,582 (2013: £60,055).

Included within creditors due within one year and more than one year is deferred income for advance tuition fees summarised as follows:

	£'000
Balance at 1 July 2013	120
Received in the year	294
Released in the year	(109)
Balance at 30 June 2014	<u>305</u>

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2014

Notes to the Financial Statements

13	Creditors: amounts falling due after more than one year	2014 £'000	2013 £'000
	Loan from Royal Bank of Scotland plc	943	977
	Tuition fees paid in advance	47	11
		<u>990</u>	<u>988</u>
	Amounts are due within the following periods:		
	Between one and two years	134	142
	Between two and five years	259	395
	More than five years	597	451
		<u>990</u>	<u>988</u>

The loan from the Royal Bank of Scotland, which is secured by a bond and floating charge and standard securities over certain assets of the school, has been utilised solely in the construction of the sports complex. The loan is repayable in equal monthly instalments over 19 years, commencing 29 July 2008.

The school has an arrangement with the Royal Bank of Scotland ending 30 June 2017 to provide interest rate hedging on the loan. The total bank loan balance at the year end date was £1,029,126 (2013: £1,108,772). The notional value of this loan was £1,285,680 at the year end.

14	Restricted Funds	Prize Fund £'000	Ruth Campbell Memorial Fund £'000	Total £'000
	Balance at 1 July 2013 and at 30 June 2014	<u>4</u>	<u>5</u>	<u>9</u>

Prize Fund

The income from this fund is utilised to offset the cost of prizes.

Ruth Campbell Memorial Fund

The income from this fund is utilised to support former pupils undertaking approved projects.

CRAIGHOLME SCHOOL
FINANCIAL STATEMENTS

Year ended 30 June 2014

Notes to the Financial Statements

15 Unrestricted Funds	Development Fund £'000	Accumulated Fund £'000	Total £'000
Balance at 1 July 2013	374	3,318	3,692
Income	-	3,091	3,091
Expenditure	(10)	(3,222)	(3,232)
Balance at 30 June 2014	<u>364</u>	<u>3,187</u>	<u>3,551</u>

Development Fund

The development fund represents the value of donations received from The Craigholme Foundation (including the related income tax recoveries) less an amount offset against the depreciation charge on those assets funded by the Foundation.

16 Capital commitments

There are no capital commitments contracted for but not provided in these financial statements (2013: £nil).

17 Operating lease commitments

	Other Commitments 2014 £'000	2013 £'000
Due to expire in 2-5 years	<u>14</u>	<u>14</u>

18 Notes to the cash flow statement

	2014 £'000	2013 £'000
(a) Reconciliation of net outgoing resources to net cash inflow/(outflow) from operating activities:		
Net outgoing resources	(141)	(397)
Depreciation	127	131
(Increase)/decrease in debtors	(22)	30
Increase/(decrease) in creditors	186	(21)
Interest received	(1)	(5)
Interest paid	30	80
Gain on sale of asset	-	(2)
Net cash inflow/(outflow) from operating activities	<u>179</u>	<u>(184)</u>

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2014

Notes to the Financial Statements

18 Notes to the cash flow statement (cont'd)

	2014 £'000	2013 £'000
(b) Analysis of cash flows for headings netted in cash flow statement:		
<i>Returns on investments and servicing of finance</i>		
Interest received	1	5
Interest paid	(30)	(80)
	<u>(29)</u>	<u>(75)</u>
<i>Capital expenditure</i>		
Purchase of fixed assets	(56)	(43)
Proceeds from sale of fixed assets	-	549
	<u>(56)</u>	<u>506</u>
<i>Financing</i>		
Loan repayments	(79)	(54)

(c) Analysis of debt

	At 1 July 2013 £'000	Cash Flow £'000	At 30 June 2014 £'000
Bank overdraft	(354)	15	(339)
Debt due within one year	(131)	45	(86)
Debt due after one year	(977)	34	(943)
	<u>(1,462)</u>	<u>94</u>	<u>(1,368)</u>

CRAIGHOLME SCHOOL

FINANCIAL STATEMENTS

Year ended 30 June 2014

Notes to the Financial Statements

19 Pensions

All members of the academic staff are covered by the Scottish Teachers' Superannuation Scheme (STSS) to which the School contributes, unless they opt otherwise. Other staff of the School are covered by the Local Government Superannuation Scheme (LGSS) through Strathclyde Pension Fund. Again, the School contributes as the employer.

STSS

This scheme is a defined benefit scheme, which provides benefits based on final pensionable salary. It is not possible to identify each institution's share of the underlying assets and liabilities of the scheme and hence the School's contributions to the scheme are accounted for as if it were a defined contribution scheme. The cost of £213,331 (2013: £237,000) recognised within the deficit for the year in the Statement of Financial Activities is equal to the contributions paid to the scheme for the year. The pension costs are assessed using the projected unit method. Contribution rates during the year were:

	Employer	Employee
1 July 2013 to 31 March 2014	14.9%	6.4% - 11.2%
1 April 2014 to 30 June 2014	14.9%	6.4% - 12.4%

LGSS

This scheme is a defined benefit scheme, which provides benefits based on final pensionable salary. Whilst it is possible to identify each institution's share of the underlying assets and liabilities of the scheme, the small numbers of participating staff means the figures involved are immaterial and the directors have therefore decided not to incorporate the asset in the balance sheet at 30 June 2014, nor to provide the disclosure required under FRS 17. An actuarial valuation for the purposes of FRS17 was carried out at 31 March 2011 by a qualified independent actuary, identifying a net pension liability at that date of £90,000. Employer's contributions to the scheme during the year amounted to £21,266 (2013: £20,548).

Other

As part of the auto-enrolment process the School enrolled all eligible staff in a scheme administered by the Peoples Pension on the 1st August 2014. This scheme currently operates the minimum employer contributions of 1%.

A pension scheme operated by Scottish Royal Life is administered for one member of staff. Employer contributions to the scheme during the year amounted to £5,000 (2013: £5,000).

20 Analysis of net assets between funds

	Restricted Funds £'000	Unrestricted Funds £'000	Total 2014 £'000	Total 2013 £'000
Fixed assets	-	5,241	5,241	5,312
Current assets	-	290	290	268
Creditors due within 1 year	9	(990)	(981)	(891)
Creditors due in more than 1 year	-	(990)	(990)	(988)
	<u>9</u>	<u>3,551</u>	<u>3,560</u>	<u>3,701</u>