



**SCOTT-MONCRIEFF**

EDINBURGH AND GLASGOW

**CRAIGHOLME SCHOOL**

**(Limited by Guarantee and not having a share capital)**

**Registered charity number: SC014860**

**Registered company number: SC022095**

**Directors' report and consolidated financial statements  
30 June 2008**

WEDNESDAY



\*SPYHP5XN\*

SCT

24/12/2008

603

COMPANIES HOUSE

**CRAIGHOLME SCHOOL**

**FINANCIAL STATEMENTS**

**Year ended 30 June 2008**

<b>Contents</b>	<b>Page</b>
Notice of meeting	1
Directors' report	2-5
Statement of directors' responsibilities	6
Auditors' report	7-8
Group statement of financial activities and income and expenditure account	9
Group statement of historical cost profit and losses	10
Group and school balance sheet	11
Group cash flow statement	12
Notes to the financial statements	13-21

**CRAIGHOLME SCHOOL**

**FINANCIAL STATEMENTS**

**Year ended 30 June 2008**

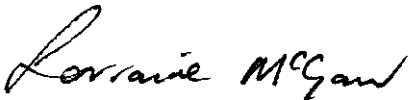
**Notice of Meeting**

Notice is hereby given that the Annual General Meeting of the Members of Craigholme School will be held on 9 December 2008 at 4.15pm at Craigholme School, Glasgow to transact the following business:

1. To receive and consider the group financial statements for the year ended 30 June 2008 and the reports of the directors and auditors thereon.
2. To re-elect directors.
3. To re-appoint the auditors.
4. To transact any other ordinary business of the company.

A member of the company entitled to attend and vote is entitled to appoint a proxy, who need not be a member of the company, to attend and vote instead of him.

By order of the board



**L McGaw**  
Secretary

72 St Andrew's Drive  
Glasgow

Date: 1 December 2008

## **CRAIGHOLME SCHOOL**

### **FINANCIAL STATEMENTS**

**Year ended 30 June 2008**

#### **Directors' Report**

##### **Craigholme School**

Craigholme School ('the school') was founded in 1894. 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.

##### **Review of Achievements & Performance for the year**

###### ***Operational Performance of the School***

The school has enjoyed a strong performance throughout the year as mapped out in the school's Improvement Plan and recorded in its Standards and Quality Report for Session 2007 – 08.

The SQA examination results were as impressive as ever with 100% pass rate at Standard Grade, the S5 cohort achieving a 92% Higher pass rate and the S6 Advanced Higher pass rate of 92% placing the school well nationally.

The school roll was maintained throughout the year underlining the school's strong operational performance.

The recent building of a new Home Economics room, along with the relocation and refurbishment of the Business Studies' department and S6 Common Room represent a significant improvement to the school's facilities. This has enhanced the teaching and learning environment and the Sports Complex has enabled far wider community involvement.

###### **Financial Review & Results of the Year**

The financial outcome for the year shows a satisfactory increase when compared to last year, principally due to a change in the mix of pupils attending the school. This has also made a significant improvement to the group's working capital.

Positive external reports and an improving profile continue to demonstrate the significant benefits of a Craigholme education, and whilst the present economic climate will create an added challenge, we continue to be aware of the need to maintain or increase the school roll in this competitive marketplace.

###### **Reserves policy**

The directors are satisfied that unrestricted funds held in liquid funds are sufficient to cover operating expenditure at current levels for the foreseeable future.

The restricted funds are held to receive income due to the company available for use by the directors in pursuance of the stated aims of the relevant funds.

## **CRAIGHOLME SCHOOL**

### **FINANCIAL STATEMENTS**

**Year ended 30 June 2008**

#### **Directors' Report (cont'd)**

##### **Future Plans**

The Board of Directors have outlined their vision for the development of the school facilities over the next 5 – 7 years.

The first phase of this development commenced in the summer with the creation of additional teaching space, the relocation of Business Management and Home Economics, the improvement of the Junior School playground, and the creation of a new 6<sup>th</sup> year common room and study.

Further developments will target the better use of our existing space across all sites. These will be funded by the Foundation and surpluses generated by the school.

##### **Directors**

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

I B Curle\* (Chair)  
Ms J Boag Thomson\* (Vice Chair)  
R M Bissland\*  
Dr A M Gavin\*  
J F MacGeachy\*  
J G Maxwell\*  
C J Moore\*  
T O'Hara\*  
Miss E N D Robertson  
W Wiseman  
Mrs N Mobarik (appointed 25 October 2007)

The directors retiring are I B Curle, Miss E N D Robertson and R M Bissland who, being eligible, have offered themselves for re-election.

\* Denotes directors who had children at the school during the year. No special fee discounts were granted in respect of these children.

##### **Key personnel and advisers**

Principal:	Gillian C K Stobo BSc MSc Dip Ed
Secretary and Business Manager:	Lorraine McGaw MBA
Bankers:	The Royal Bank of Scotland plc 10 Gordon Street Glasgow
Solicitors:	HBJ Gately Wareing 146 West Regent Street Glasgow
Auditors:	Scott-Moncrieff 25 Bothwell Street Glasgow

## **CRAIGHOLME SCHOOL**

### **FINANCIAL STATEMENTS**

**Year ended 30 June 2008**

#### **Directors' Report (cont'd)**

##### **Structure, Governance & Management**

###### ***Governing Document***

The school is governed by its Memorandum and Articles of Association, which were amended on 6 September 2006.

###### ***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.

###### ***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.

###### ***Organisational Management***

The directors meet at least six 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.

###### ***Group Structure & Relationships***

The group comprises Craigholme School and The Craigholme Foundation, which raises funds for major capital expenditure at the school, and for bursaries. Whilst the financial results of the school and the Foundation are consolidated in these accounts, the Foundation is managed by a separate Board of Trustees.

###### ***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 2008**

### **Directors' Report (cont'd)**

#### ***Objects, Aims, Objectives & Principal Activities***

The object of the company is to provide an all-round education for girls between three and a half and eighteen years of age.

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.

#### ***Strategic Aim & Intended Effect***

The School's strategic aim is to manage and improve the level of achievement of its pupils and to offer a balanced education of the highest quality, and thereby realise each pupil's full potential. The strategy is achieved by the implementation of a high teacher-to-pupil ratio, which allows the tailoring of each girl's education to her specific needs.

#### ***Principal Activity***

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. During the year, 513 pupils attended the school.

#### **Disclosure of information to auditors**

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 auditors are 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 auditors are aware of the information.

#### **By order of the Board**



**L McGaw**  
Secretary

Date: 9 December 2008

## **CRAIGHOLME SCHOOL**

### **FINANCIAL STATEMENTS**

**Year ended 30 June 2008**

#### **Statement of Directors' Responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and of the surplus or deficit of the group for that year. In preparing those 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the group will continue in business.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

**CRAIGHOLME SCHOOL**  
**FINANCIAL STATEMENTS**  
**Year ended 30 June 2008**

**Independent Auditors' Report to the Members of Craigholme School**

This report is issued in respect of an audit carried out under section 235 of the Companies Act 1985 and section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005.

We have audited the group financial statements of Craigholme School for the year ended 30 June 2008 set out on pages 9 to 21. These group financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made exclusively to the members, as a body, in accordance with Section 235 of the Companies Act 1985 and to the charity'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. Our audit work has been undertaken so that we might state to the company's members and the charity'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 auditors**

The responsibilities of the directors for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with the relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the group financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you whether the information given in the Directors' Report is consistent with the group financial statements, if the charity has not kept proper accounting records, if information specified by law regarding directors' remuneration and transactions with the charity is not disclosed, or if we have not received all the information and explanations we require for our audit.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

# **CRAIGHOLME SCHOOL**

## **FINANCIAL STATEMENTS**

**Year ended 30 June 2008**

### **Independent Auditors' Report to the Members of Craigholme School (cont'd)**

#### **Opinion**

In our opinion the group financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group and company's affairs as at 30 June 2008 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with the Companies Act 1985, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006, and
- the information given in the Directors' Report is consistent with the group financial statements.

*Scott-Moncrieff*

Scott-Moncrieff  
Chartered Accountants  
Registered Auditors  
25 Bothwell Street  
Glasgow

Date: 9 December 2008

**CRAIGHOLME SCHOOL**

**FINANCIAL STATEMENTS**

**Group Statement of Financial Activities and Income and Expenditure Account**

**For the year ended 30 June 2008**

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total 2008 £'000	Total 2007 £'000
<b>Incoming resources from generated funds</b>					
Voluntary income	2	70	-	70	70
Investment income	3	13	8	21	20
		<hr/>	<hr/>	<hr/>	<hr/>
		83	8	91	90
<b>Income from charitable activities</b>	4	3,940	-	3,940	3,719
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total incoming resources</b>		4,023	8	4,031	3,809
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Cost of generating funds</b>					
Cost of generating voluntary income		-	-	-	12
<b>Cost of charitable activities</b>	5	3,886	-	3,886	3,710
<b>Governance</b>	6	10	-	10	14
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total resources expended</b>		3,896	-	3,896	3,736
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net incoming resources</b>		127	8	135	73
Transfers		(12)	12	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net movement in funds</b>		115	20	135	73
Balance at 1 July 2007		4,349	210	4,559	4,486
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance at 30 June 2008</b>		4,464	230	4,694	4,559
		<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 13 to 21 form part of these accounts

**CRAIGHOLME SCHOOL**

**FINANCIAL STATEMENTS**

**Group Statement of Historical Cost Profit and Losses**

**For the year ended 30 June 2008**

	<b>2008 £'000</b>	<b>2007 £'000</b>
Reported surplus on ordinary activities	135	73
Difference between a historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	18	18
<b>Historical cost surplus on ordinary activities</b>	<b>153</b>	<b>91</b>
<b>Historical cost surplus for the year retained after transfers to reserves</b>	<b>153</b>	<b>91</b>

The notes on pages 13 to 21 form part of these accounts

**CRAIGHOLME SCHOOL**  
**FINANCIAL STATEMENTS**

**Balance Sheet**

**As at 30 June 2008**

		<b>Group</b>		<b>School</b>	
	<b>Note</b>	<b>2008 £'000</b>	<b>2007 £'000</b>	<b>2008 £'000</b>	<b>2007 £'000</b>
<b>Fixed assets</b>					
Tangible fixed assets	<b>9</b>	6,248	6,348	6,248	6,348
<b>Current assets</b>					
Debtors	<b>10</b>	108	182	111	188
Cash at bank		494	781	286	567
		602	963	397	755
<b>Creditors: amounts falling due within one year</b>	<b>11</b>	(389)	(903)	(409)	(918)
<b>Net current assets/(liabilities)</b>		213	60	(12)	(163)
<b>Total assets less current liabilities</b>		6,461	6,408	6,236	6,185
<b>Creditors: amounts falling due after one year</b>	<b>12</b>	(1,767)	(1,849)	(1,767)	(1,849)
<b>Total net assets</b>		4,694	4,559	4,469	4,336
<b>Funds</b>					
Restricted	<b>13</b>	230	210	9	9
Unrestricted					
Designated and general funds	<b>14</b>	4,464	4,349	4,460	4,327
		4,694	4,559	4,469	4,336

The financial statements were authorised for issue by the Board on 9 December 2008 and signed on its behalf by:

  
**T B Curle**  
**Chairman**

The notes on pages 13 to 21 form part of these accounts

**CRAIGHOLME SCHOOL****FINANCIAL STATEMENTS****Group Cash Flow Statement****For the year ended 30 June 2008**

	<b>Note</b>	<b>2008 £'000</b>	<b>2007 £'000</b>
Net cash inflow from operating activities	<b>16</b>	296	532
Return on investments and servicing of finance	<b>16</b>	(83)	(55)
Capital expenditure and financial investment	<b>16</b>	(68)	(1,328)
Net cash inflow/(outflow) before financing		<u>145</u>	<u>(851)</u>
Financing	<b>16</b>	(200)	605
Decrease in cash		<u>(55)</u>	<u>(246)</u>
<b>Reconciliation of net cash flow to movement in net debt</b>			
Decrease in cash		(55)	(246)
New loan taken out in the year	<b>16</b>	-	(605)
Repayment of loan in the year	<b>16</b>	200	-
Movement in net debt		<u>145</u>	<u>(851)</u>
Net debt at 1 July 2007		(1,293)	(442)
Net debt at 30 June 2008	<b>16</b>	<u>(1,148)</u>	<u>(1,293)</u>

The notes on pages 13 to 21 form part of these accounts

# **CRAIGHOLME SCHOOL**

## **FINANCIAL STATEMENTS**

**Year ended 30 June 2008**

### **Notes to the Financial Statements**

#### **1 Accounting policies**

##### *a. Basis of preparation*

The accounts of Craigholme School and The Craigholme Foundation have been consolidated due to the fact that the School exercises a dominant influence over the Foundation.

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

##### *b. Incoming resources*

All incoming resources are included in the statement of financial activities when the group 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 is received by way of donations and is included in full in the Statement of Financial Activities when received unless this relates specifically to another accounting period.
- 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.

##### *c. Resources expended*

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

- Charitable activities expenditure comprises those costs incurred by the group in the delivery of the activities carried out which meet the objectives of the group. 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 group.

##### *d. Tangible fixed assets*

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

Assets under construction are not depreciated until brought into use.

**CRAIGHOLME SCHOOL****FINANCIAL STATEMENTS****Year ended 30 June 2008****Notes to the Financial Statements (cont'd)****1 Accounting policies (cont'd)***e. Pension schemes*

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

	<b>Group</b>	
	<b>2008 £'000</b>	<b>2007 £'000</b>
<b>2 Voluntary income</b>		
Donations	70	70
<b>3 Investment income</b>		
Interest on short term deposits	21	20
<b>4 Income from charitable activities</b>		
Tuition fees	3,884	3,704
Miscellaneous income	56	15
	<u>3,940</u>	<u>3,719</u>
<b>5 Cost of charitable activities</b>		
Teaching costs	2,812	2,671
Welfare	72	61
Premises	421	443
	<u>3,305</u>	<u>3,175</u>
<b>Support costs</b>		
Administration	449	467
Finance	132	68
	<u>3,886</u>	<u>3,710</u>
The cost of professional indemnity insurance is included within support costs.		
<b>6 Governance</b>		
Audit fee	10	9
Other accountancy services	-	5
	<u>10</u>	<u>14</u>

**CRAIGHOLME SCHOOL****FINANCIAL STATEMENTS****Year ended 30 June 2008****Notes to the Financial Statements (cont'd)****7 Employees****2008  
Number of Employees****2007**

The average number of employees in the year was:

Teaching	81	80
Domestic	24	23
Administration	7	7
	<u>112</u>	<u>110</u>

The full-time equivalents in the year were:

Teaching	66	67
Domestic	11	11
Administration	6	6
	<u>83</u>	<u>84</u>

Staff costs comprise:

**2008  
£'000****2007  
£'000**

Wages and salaries	2,463	2,374
Social security costs	187	184
Pension contributions	272	255
	<u>2,922</u>	<u>2,813</u>

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

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

£60,000 - £70,000	<u>1</u>	<u>1</u>
-------------------	----------	----------

This employee also accrues defined benefit pension rights.

**8 Interest payable****2008  
£'000****2007  
£'000**

Loan interest	<u>104</u>	<u>75</u>
---------------	------------	-----------

# **CRAIGHOLME SCHOOL**

## **FINANCIAL STATEMENTS**

**Year ended 30 June 2008**

### **Notes to the Financial Statements (cont'd)**

#### **9 Tangible fixed assets**

##### **Group and school**

	<b>Heritable Property £'000</b>	<b>Leasehold Property £'000</b>	<b>Equipment £'000</b>	<b>Total £'000</b>
<i>Cost or valuation</i>				
At 1 July 2007	3,950	2,431	448	6,829
Additions	-	7	61	68
At 30 June 2008	3,950	2,438	509	6,897
<i>Depreciation</i>				
At 1 July 2007	80	83	318	481
Charge for the year	40	52	76	168
At 30 June 2008	120	135	394	649
<i>Net book amount</i>				
At 30 June 2008	3,830	2,303	115	6,248
At 30 June 2007	3,870	2,348	130	6,348

The heritable property was revalued by the directors at 30 June 2005 within a range of values provided by Graham & Sibbald, Chartered Surveyors on the basis of estimated net realisable value for return to residential use. The directors consider that this value continues to be reasonable at 30 June 2008.

The leasehold property additions represent the costs to completion of the school's sports complex at Haggs Road, Glasgow. The land is the subject of a 99 year lease, of which 75 remain, from Pollok and Corrour Limited.

	<b>Group</b>		<b>School</b>	
<b>10 Debtors and prepayments</b>	<b>2008 £'000</b>	<b>2007 £'000</b>	<b>2008 £'000</b>	<b>2007 £'000</b>
Fees	94	99	94	99
Prepayments and accrued income	9	11	5	8
Other debtors	5	72	12	81
	108	182	111	188

# **CRAIGHOLME SCHOOL**

## **FINANCIAL STATEMENTS**

**Year ended 30 June 2008**

### **Notes to the Financial Statements (cont'd)**

<b>11 Creditors: amounts due within one year</b>	<b>Group</b>		<b>School</b>	
	<b>2008 £'000</b>	<b>2007 £'000</b>	<b>2008 £'000</b>	<b>2007 £'000</b>
Bank loans & overdrafts	86	432	86	432
Trade creditors and accruals	82	205	82	205
Taxation and social security	61	61	61	61
Tuition fees paid in advance	158	160	158	160
Other creditors	2	45	22	60
	<u>389</u>	<u>903</u>	<u>409</u>	<u>918</u>

Included within creditors (notes 11 and 12) is deferred income for advance tuition fees summarised as follows:

	<b>£'000</b>
Balance at 1 July 2007	367
Received in the year	227
Released in the year	(212)
Refunded in the year	(13)
Balance at 30 June 2008	<u>369</u>

<b>12 Creditors: amounts falling due after more than one year</b>	<b>Group</b>		<b>School</b>	
	<b>2008 £'000</b>	<b>2007 £'000</b>	<b>2008 £'000</b>	<b>2007 £'000</b>
Loan from Royal Bank of Scotland plc	1,556	1,642	1,556	1,642
Tuition fees paid in advance	211	207	211	207
	<u>1,767</u>	<u>1,849</u>	<u>1,767</u>	<u>1,849</u>
Amounts are due within the following periods:				
Between one and two years	176	195	176	195
Between two and five years	375	340	375	340
More than five years	1,216	1,314	1,216	1,314
	<u>1,767</u>	<u>1,849</u>	<u>1,767</u>	<u>1,849</u>

Included within creditors due within one year is the portion of the tuition fees paid in advance which refers to the year to 30 June 2009 (note 11).

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.

# **CRAIGHOLME SCHOOL**

## **FINANCIAL STATEMENTS**

**Year ended 30 June 2008**

### **Notes to the Financial Statements (cont'd)**

<b>13</b>	<b>Restricted Funds - Group</b>	<b>Bursary Fund £'000</b>	<b>Prize Fund £'000</b>	<b>Ruth Campbell Memorial Fund £'000</b>	<b>Total £'000</b>
	Balance at 1 July 2007	201	4	5	210
	Income	8	-	-	8
	Transfers in	20	-	-	20
	Transfers out	(8)			(8)
	Balance at 30 June 2008	<u>221</u>	<u>4</u>	<u>5</u>	<u>230</u>

### **Restricted Funds - School**

	<b>Prize Fund £'000</b>	<b>Ruth Campbell Memorial Fund £'000</b>	<b>Total £'000</b>
Balance at 1 July 2007 and 30 June 2008	<u>4</u>	<u>5</u>	<u>9</u>

### **Bursary Fund**

The income from this fund is utilised to offset the cost of bursaries awarded by the school. During the year to 30<sup>th</sup> June 2003, the whole value of the fund was transferred to The Craigholme Foundation where all such funds are now held for the sole benefit of the school.

### **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 2008

**Notes to the Financial Statements (cont'd)**

<b>14</b>	<b>Unrestricted Funds - Group</b>	<b>Development Fund £'000</b>	<b>Accumulated Fund £'000</b>	<b>Total £'000</b>
	Balance at 1 July 2007	364	3,985	4,349
	Income	70	3,953	4,023
	Expenditure	(21)	(3,875)	(3,896)
	Transfers	-	(12)	(12)
	Balance at 30 June 2008	<u>413</u>	<u>4,051</u>	<u>4,464</u>

<b>Unrestricted Funds – School</b>	<b>Development Fund £'000</b>	<b>Accumulated Fund £'000</b>	<b>Total £'000</b>
Balance at 1 July 2007	345	3,982	4,327
Income	66	3,961	4,027
Expenditure	(8)	(3,886)	(3,894)
Balance at 30 June 2008	<u>403</u>	<u>4,057</u>	<u>4,460</u>

**Development Fund**

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

**15 Capital commitments**

Capital commitments contracted for but not provided in these financial statements are £190,000 (2007: £50,000).

# **CRAIGHOLME SCHOOL**

## **FINANCIAL STATEMENTS**

**Year ended 30 June 2008**

### **Notes to the Financial Statements (cont'd)**

#### **16 Notes to the cash flow statement**

	<b>2008 £'000</b>	<b>2007 £'000</b>
(a) Reconciliation of net incoming resources to net cash inflow from operating activities:		
Net incoming resources	135	73
Depreciation	168	141
Decrease /(increase) in debtors	74	(81)
(Decrease)/increase in creditors	(164)	344
Interest received	(21)	(20)
Interest paid	104	75
Net cash inflow from operating activities	<u>296</u>	<u>532</u>
(b) Analysis of cash flows for headings netted in cash flow statement:		
<i>Returns on investments and servicing of finance</i>		
Interest received	21	20
Interest paid	(104)	(75)
	<u>(83)</u>	<u>(55)</u>
<i>Capital expenditure</i>		
Purchase of fixed assets	<u>(68)</u>	<u>(1,328)</u>
<i>Financing</i>		
Loans raised	-	605
Loan repayments	(200)	-
	<u>(200)</u>	<u>605</u>

# **CRAIGHOLME SCHOOL**

## **FINANCIAL STATEMENTS**

**Year ended 30 June 2008**

### **Notes to the Financial Statements (cont'd)**

#### **(c) Analysis of debt**

	<b>At 1 July 2007 £'000</b>	<b>Cash Flow £'000</b>	<b>At 30 June 2008 £'000</b>
Cash	781	(287)	494
Debt due within one year	(432)	346	(86)
Debt due after one year	(1,642)	86	(1,556)
	<u>(1,293)</u>	<u>145</u>	<u>(1,148)</u>

#### **17 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 £256,000 (2007: £232,000) recognised within the surplus 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:

	<b>Employer</b>	<b>Employee</b>	<b>Total</b>
1 July 2007 to 30 June 2008	13.5%	6.4%	19.9%

##### **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 2008, nor to provide the disclosure required under FRS 17. An actuarial valuation for the purposes of FRS17 was carried out at 31 July 2007 by a qualified independent actuary, identifying a net pension asset at that date of £45,000. The last formal actuarial valuation was carried out at 31 March 2002. Employer's contributions to the scheme during the year amounted to £16,000 (2007: £23,000).