

Company reference number: SC025744

REGISTRAR OF COMPANIES

**EDINBURGH STEINER SCHOOL TRUST LIMITED  
KNOWN AS EDINBURGH STEINER SCHOOL  
(A Company Limited by Guarantee)**

**REPORT AND FINANCIAL STATEMENTS**

**for the year ended 31 July 2017**

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COMPANIES HOUSE

# **EDINBURGH STEINER SCHOOL TRUST LIMITED**

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# **EDINBURGH STEINER SCHOOL TRUST LIMITED**

## **CHARITY INFORMATION**

### **Trustees**

Gerald Johnson (Chairman)  
Rachel Craig  
Roshini Dubey  
Thomas Moore  
Paul Newton  
Michael Palmer  
Juan Carlos Soto  
Layla Tree

### **Key Management Personnel**

Nick Brett – Chair of College  
Helen Newton – School Co-ordinator  
Barbara Scott – Management  
Alistair Pugh – Management

### **Bursar**

Lesley Chari

### **Registered Office**

6 St Colme Street  
Edinburgh  
EH3 6AD

### **Principal Address**

60 Spylaw Road  
Edinburgh  
EH10 5BR

### **Bankers**

CAF Bank  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4JQ

### **Auditors**

Geoghegans  
Chartered Accountants  
6 St Colme Street  
Edinburgh  
EH3 6AD

**Company Registration Number:** SC025744

**Scottish Charity Number:** SC002109

## **EDINBURGH STEINER SCHOOL TRUST LIMITED**

### **TRUSTEES' REPORT**

**For the Year Ended 31 July 2017**

The trustees are pleased to present their annual trustees' report together with the financial statements to the charity for the year ending 31 July 2017.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

### **OBJECTIVES AND ACTIVITIES**

The charitable objectives of the School is set out as follows in the Articles of Association dated November 2014:

- To carry on in Edinburgh and develop a school or college (for boarders or for day scholars or for both) having for its main objects the advancement of education of and the communication of instruction to children in accordance with the principles enunciated by the late Dr Rudolf Steiner of Dornach, near the City of Basle in Switzerland;
- To establish, equip and conduct and co-operate in establishing, equipping and conducting in such places as the charity shall from time to time determine such schools, classes, lectureships and other means of instruction as the charity shall deem expedient with a view to communication of instruction or the advancement of education in accordance with the aforesaid principles;
- To grant and establish bursaries and scholarships and to make payments towards the expenses of students and to grant prizes or take any other action designed to promote education and instruction in accordance with the foresaid principles as the charity may from time to time deem conducive to the furtherance of its objects;
- To publish and pay the cost of publishing literature which the charity may regard as conducive to education or the communication of instruction in accordance with the principles aforementioned and to contribute to and to promote such literature and to contribute towards the provision of a library or libraries designed to that end.

#### **Activities**

During 2016-17, the Trust continued to run a school providing education from age 7 to age 18; a kindergarten preparing children age 3 to 6 for school and parent and child groups for children aged 1 to 2. The Trust also runs a foundation seminar in the Steiner educational philosophy and a teacher training course. The Trust makes facilities available to the local community for lectures, seminars and similar activities.

## **EDINBURGH STEINER SCHOOL TRUST LIMITED**

### **TRUSTEES' REPORT (Continued)**

**For the Year Ended 31 July 2017**

#### **OBJECTIVES AND ACTIVITIES (Continued)**

##### **Bursary and Family Support**

The Trustees have long held that access to a Steiner education should not depend solely on the ability to pay. Hence the Trustees make available for allocation as bursaries 5% of the previous financial year's net fee income. Bursaries are means tested based on a family's total household income and capital position.

In 2016–17, 32 bursaries were awarded, ranging from 4% to 40% of fees. The total awarded was £68,688.

The Trustees also set aside 1% of net fee income as a hardship fund, available to parents in the school experiencing temporary financial hardship which threatens the continuing education of their children.

The amount available for distribution in session 2016–17 was £16,000. 2 families benefited from the Fund in the year 2016–17.

##### **Volunteers**

A large number of parents and carers gave their time voluntarily in assisting the school, kindergarten and early year's groups with the supervision of excursions and extra-curricular activities and with fund-raising at the Christmas Market.

##### **Pupils**

The average pupil numbers were:

	2016–17	2015–16
Parent & Child Groups	72	64
Kindergarten	49	51
Lower School	117	114
Upper School	83	81
Visiting Students	8	11

##### **Examination Results**

External examinations are taken in Classes 10, 11 and 12, with a mixture of GCSEs, National Courses (4 & 5, which replaced Intermediates in 2014) Highers and Advanced Higher (in Art only) being offered. To enable the broad curriculum of Main Lesson content to continue, exams are normally taken a year later than in some other schools.

Pupils continued to achieve excellent academic grades with 100% receiving pass rates (A-C) for Higher exams (national average 77%). For National 5 exams 95.3% received a pass rate and for GCSEs 84% achieved a pass (A\*-C) compared with a UK average of 66.3%.

## **EDINBURGH STEINER SCHOOL TRUST LIMITED**

### **TRUSTEES' REPORT (Continued) For the Year Ended 31 July 2017**

#### **FINANCIAL REVIEW**

This year's operating results saw a deficit before accounting for gains on investments, of £25,468 (2016: deficit of £9,437). After taking account of realised and unrealised gains on investments of £163,149 (2016: losses of £15,122) the overall net income/(expenditure) and movement in funds for the year was £137,681 (2016: negative £24,559).

The School's principle source of funding continues to be from fee income. The other main funding sources include donations and legacies, training courses and fundraising events.

#### **Reserves Policy**

The total unrestricted reserves of the School at the year end were £1,894,435 but after deducting the designated funds set aside by Trustees for specific purposes totalling £65,815 and the tangible fixed assets of £663,421 this leaves £1,165,199 of unrestricted 'free' reserves. Such reserves are required to provide funds to develop the school, kindergarten and early year's provision, for working capital requirements and to meet any unexpected variations from the income and expenditure operational budgets.

#### **FUTURE PLANS**

Increasing numbers and the poor state of our buildings (particularly the Coach House and linked buildings) are putting pressure on the available classroom space. During 2018 the Trustees intend to appoint an architect and quantity surveyor to set out and cost a campus strategy, and to begin work on improving the campus.

The Trustees also intend to assist in the development of a Steiner school in Northern Chile.

## **EDINBURGH STEINER SCHOOL TRUST LIMITED**

### **TRUSTEES' REPORT (Continued)** **For the Year Ended 31 July 2017**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing Document**

Edinburgh Steiner School Trust Limited is a company limited by guarantee, registered company number SC025744, governed by its Articles of Association which were reviewed and updated on 19 May 2015. It is a registered charity with the Scottish Charity Regulator, charity number SC002109.

##### **Governing Body**

The Trustees who served throughout the year and up to the date of this report were:

Rachel Craig

David Cumming (resigned 8 May 2017)

Roshini Dubey (appointed 12 June 2017)

Gerald Johnson (appointed 8 May 2017)

Thomas Moore (appointed 12 June 2017)

Paul Newton

Michael Palmer

Juan Carlos Soto (appointed 12 June 2017)

Layla Tree

Kevin White (resigned 8 May 2017)

##### **Appointment of Trustees**

Trustees are elected by majority by the Membership of the Charity at the Charity annual general meeting. The Board of Trustees may at any time co-opt any person duly qualified to be appointed as a Charity Trustee to fill a vacancy in their number or as an additional Charity Trustee. The Charity Trustees, when complete, consist of at least three and not more than nine individuals. At each AGM a third of the Charity Trustees must resign but may stand for re-election.

##### **Trustees Training**

New Trustees are inducted into the workings of the School in a series of meetings with the Chairperson. Trustees are encouraged to attend training events and seminars organised by the Scottish Council of Independent Schools.

##### **Organisational Structure and Decision Making**

The Trustees determine broad policy direction for the school, kindergarten and early year's provision particularly in regard to legal and financial requirements of the school. Management of delivery of the education is delegated to the College of Teachers, who in turn delegate day-to-day management to the Management Group. The Trustees meet monthly during term time and the College of Teachers meets weekly.

**TRUSTEES' REPORT (Continued)**  
**For the Year Ended 31 July 2017**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Related Parties**

None of the Trustees receive remuneration or other benefit from their work with the Trust. Any contractual relationship must be disclosed and notes of interest are retained in written form.

Some Trustees have children attending the school or kindergarten. Generally this does not affect their capability to make independent and fair decisions but, if there is a specific situation where there may be a conflict of interests, the affected Trustee will not take part in the discussion and decision making.

Details of related party transactions are shown under note 19 to the financial statements.

**Risks and mitigations**

The current risk register is:

- **General school roll**  
The primary funding of the school is through fees, so we are vulnerable to an unexpected fall in the overall school roll. The key mitigations are good marketing to ensure a steady flow of new applications and working closely with current parents to resolve any issues.
- **Class one size**  
Exploring class sizes over the years highlights that class size does not vary hugely as the cohort progresses through the school. The risk is that a small class one will cause low numbers for the next 12 years. The key mitigation is maximising the numbers in kindergarten to ensure a large flow through into class one.
- **Brexit**  
A significant number of the pupils are from families of continental European origin, reflecting the wider awareness of Steiner education in continental Europe. The risk is that Brexit concerns threaten their stability as residents of Edinburgh. The key mitigation is to stay closely in touch with the families affected.
- **GTCS Registration**  
The Education (Scotland) Act 2016 introduced a requirement (to be phased in by October 2020) for teachers in independent schools to be registered with the General Teaching Council for Scotland. The Edinburgh Steiner School has a number of teachers who are not currently GTCS registered and our training course is not currently recognised. The risk is that some of our staff may not be allowed to teach and our flow of new teachers may dry up. The key mitigation is working with the GTCS to agree arrangements that will enable our teachers to comply with this requirement and to obtain recognition for our training.



## **EDINBURGH STEINER SCHOOL TRUST LIMITED**

### **TRUSTEES' REPORT (Continued)**

**For the Year Ended 31 July 2017**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)**

#### **Risks and mitigations (Continued)**

- **Buildings**

Our buildings are increasingly showing their age and requiring substantial maintenance. The Coach House has deteriorated significantly and needs major work. Overall, increasing pupil numbers means we are struggling to fit classes in to the existing rooms. The risk is that a further building deteriorates significantly and we are unable to house all the classes. The mitigation is the development of a strategic campus development plan and a series of building projects to bring the buildings back up to a good state.

- **Fundraising**

The school does not currently have good contact with alumnae and does not have a pattern of fund-raising for large building projects. The risk is that we will be unable to fund necessary building works. The mitigation is to dedicate resources to creating a new approach to fund-raising.

- **Fund Management**

The Trusts Reserves are largely held in two funds managed by Standard Life, hence we are vulnerable to the performance of those funds. The mitigation is diversification of our assets.

The risk register is reviewed by the trustees in full once a year and considered at least once per term.

## **EDINBURGH STEINER SCHOOL TRUST LIMITED**

### **TRUSTEES' REPORT (Continued)**

**For the Year Ended 31 July 2017**

#### **TRUSTEES' RESPONSIBILITIES STATEMENT**

The Trustees (who are also directors of Edinburgh Steiner School Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

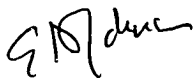
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP FRS 102;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees 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 that information.

Approved by the trustees at its meeting on 16 March 2018 and signed on their behalf by:



**Gerald Johnson**  
Chairman

## **EDINBURGH STEINER SCHOOL TRUST LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF EDINBURGH STEINER SCHOOL TRUST LIMITED**

#### **Opinion**

We have audited the financial statements of Edinburgh Steiner School Trust Limited for the year ended 31 July 2017 which comprise the statement of financial activities, the balance sheet, the statement of cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their presentation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2017 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to your where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

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

## **EDINBURGH STEINER SCHOOL TRUST LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF EDINBURGH STEINER SCHOOL TRUST LIMITED (CONTINUED)**

#### **Other information (continued)**

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

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report, which includes the directors report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors report included within trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

#### **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 charity or to cease operations, or have no realistic alternative but to do so.

## EDINBURGH STEINER SCHOOL TRUST LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF EDINBURGH STEINER SCHOOL TRUST LIMITED (CONTINUED)

#### Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, 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 charitable company's members and its trustees 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 company, the company's members as a body, and its trustees as a body for our audit work, for this report, or for the opinions we have formed.



**Michael Crerar, CA (Senior Statutory Auditor)**  
**For and on behalf of Geoghegans,**  
Chartered Accountants and Statutory Auditor  
6 St Colme Street  
Edinburgh  
EH3 6AD

**16 March 2018**

*Geoghegans is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.*

# EDINBURGH STEINER SCHOOL TRUST LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES (Incorporating the Income and Expenditure Account) For the year ended 31 July 2017

	Notes	Unrestricted Funds General Fund £	Designated Funds Funds £	Restricted Funds Funds £	Total Funds 2017 £	Total Funds 2016 £
<b>Income from:</b>						
Donations and legacies	4	31,948	2,753	-	34,701	12,521
Charitable activities	5	1,706,615	-	-	1,706,615	1,633,973
Trading activities	6	42,071	27,931	-	70,002	51,365
Investments	7	<u>1,779</u>	<u>-</u>	<u>1,273</u>	<u>3,052</u>	<u>3,373</u>
<b>Total income</b>		<u>1,782,413</u>	<u>30,684</u>	<u>1,273</u>	<u>1,814,370</u>	<u>1,701,232</u>
<b>Expenditure on:</b>						
Raising funds	8	-	11,198	-	11,198	9,923
Charitable activities	8	<u>1,810,246</u>	<u>18,344</u>	<u>50</u>	<u>1,828,640</u>	<u>1,700,746</u>
<b>Total expenditure</b>		<u>1,810,246</u>	<u>29,542</u>	<u>50</u>	<u>1,839,838</u>	<u>1,710,669</u>
<b>Net income/(expenditure) before gains/(losses) on investments</b>		(27,833)	1,142	1,223	(25,468)	(9,437)
Net gains/(losses) on investments	12	<u>147,235</u>	<u>-</u>	<u>15,914</u>	<u>163,149</u>	<u>(15,122)</u>
<b>Net income/(expenditure)</b>		119,402	1,142	17,137	137,681	(24,559)
Transfers between funds	20	<u>(13,620)</u>	<u>13,620</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		105,782	14,762	17,137	137,681	(24,559)
Total funds brought forward		<u>1,722,838</u>	<u>51,053</u>	<u>59,533</u>	<u>1,833,424</u>	<u>1,857,983</u>
<b>Total funds carried forward</b>	20/21	<u>1,828,620</u>	<u>65,815</u>	<u>76,670</u>	<u>1,971,105</u>	<u>1,833,424</u>

**EDINBURGH STEINER SCHOOL TRUST LIMITED,**

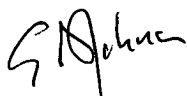
**BALANCE SHEET**

**As at 31 July 2017**

	Notes	2017 £	2016 £
<b>Fixed assets</b>			
Tangible fixed assets	11	663,421	676,510
Investments	12	<u>1,058,837</u>	<u>892,684</u>
		1,722,258	1,569,194
<b>Current assets</b>			
Debtors	13	196,326	227,928
Cash at bank and in hand		<u>181,644</u>	<u>187,899</u>
		377,970	415,827
<b>Liabilities: Creditors amounts falling due within one year</b>	14	<u>(129,123)</u>	<u>(151,597)</u>
<b>Net current assets</b>		<u>248,847</u>	<u>264,230</u>
<b>Net assets</b>		<u>1,971,105</u>	<u>1,833,424</u>
<b>The funds of the charity:</b>			
<i>Unrestricted funds:</i>			
Capital donated by Members	20	39	39
General fund	20	1,828,581	1,722,799
Designated funds	20	<u>65,815</u>	<u>51,053</u>
		1,894,435	1,773,891
Restricted funds	21	<u>76,670</u>	<u>59,533</u>
		<u>1,971,105</u>	<u>1,833,424</u>

The financial statements are prepared in accordance with the special provisions available to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements were approved and authorised for issue by the Trust on 16 March 2018 and are signed on their behalf by:



**Gerald Johnson**  
Chairman

**Company Registration Number: SC025744**

# EDINBURGH STEINER SCHOOL TRUST LIMITED

## RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES for the year ended 31 July 2017

	2017 £	2016 £
<b>Net income/(expenditure) for the year (as per the SOFA)</b>	137,681	(24,559)
<b>Adjustments for:</b>		
Losses/(gains) on investments	(163,149)	15,122
Depreciation	13,089	18,269
Dividends and interest from investments	(3,052)	(3,373)
Decrease/(increase) in debtors	31,602	(69,206)
(Decrease)/increase in creditors	(22,474)	31,153
<b>Net cash (used in) operating activities</b>	<u>(6,303)</u>	<u>(32,594)</u>

## STATEMENT OF CASH FLOWS for the year ended 31 July 2017

	2017 £	2016 £
<b>Cash flows from operating activities:</b>		
<i>Net cash (used in) operating activities</i>	<u>(6,303)</u>	<u>(32,594)</u>
<b>Cash flows from investing activities:</b>		
Dividends and interest from investments	3,052	3,373
Proceeds from sale of investments	17	24
Purchase of investments	<u>(1,248)</u>	<u>(1,092)</u>
<b>Net cash flow provided by investing activities</b>	<u>1,821</u>	<u>2,305</u>
<b>Change in cash and cash equivalents in the year</b>	(4,482)	(30,289)
Cash and cash equivalents at the beginning of the year	<u>277,283</u>	<u>307,572</u>
<b>Cash and cash equivalents at the end of the year</b>	<u>272,801</u>	<u>277,283</u>
Being:		
Cash in hand and in bank	181,644	187,899
Investments – cash deposits	<u>91,157</u>	<u>89,384</u>
	<u>£ 272,801</u>	<u>£ 277,283</u>



# EDINBURGH STEINER SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 July 2017

### 1 Accounting Policies

#### (a) *Basis of accounting*

The financial statements are prepared under the historic cost convention, as modified by the inclusion of fixed asset investments at fair value, and are in accordance with the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended), Accounting and Reporting by Charities: Statement of Recommended Practice applicable and charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP FRS 102) and the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102).

The financial statements have been prepared on a going concern basis as the Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements and take the view that the budgeted income and expenditure is sufficient with the level of reserves for the charitable company to be able to continue as a going concern.

Edinburgh Steiner School Trust Limited meets the definition of a public benefit entity under FRS102.

#### (b) *Fund accounting*

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

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

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

#### (c) *Income recognition*

All income is included in the Statement of Financial Activities ("SOFA") when the charitable 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 is received by way of donations and is included in full in SOFA when the charity becomes entitled to the resource.
- Investment income is included when receivable.
- School fees and charges for services and use of premises are accounted for in the period in which the service is provided. School fees receivable are stated after deducting allowances.
- Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is virtually certain; this will be once confirmation has been received from the representatives of the estate(s) that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled and it is virtually certain that the amount of incoming resources is known.

# EDINBURGH STEINER SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 July 2017

### 1 Accounting Policies (continued)

#### (d) *Expenditure recognition*

Expenditure is recognised on an accruals basis as a liability is incurred. The company is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

Raising funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities include expenditure associated with the running of the school, and include both the direct costs and the support costs relating to these activities.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, also including external audit, any legal advice for the school Trustees and all costs of complying with constitutional and statutory requirements, such as the costs of Trustees and Committee meetings and of preparing statutory accounts and satisfying public accountability.

The allocation of expenses between costs of activities in furtherance of the charitable objectives, costs of generating funds and resources expended on management and administration is based on the nature of the expenditure involved.

#### (e) *Tangible fixed assets and depreciation*

All assets costing more than £1,000 are capitalised. Depreciation is calculated at the following rates so as to write off the assets over their estimated useful lives.

Heritable property	1% to 2% on straight line
Equipment and fittings	25% on straight line
Computer equipment	25% on straight line

#### (f) *Investments*

All investments are restated at their fair value at the end of the financial year and the gain or loss taken to the SOFA.

#### (g) *Financial instruments*

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments other than investments are initially recognised at transaction value and subsequently measured at their settlement value.

#### (h) *Debtors*

Trade debtors and prepayments are recognised at settlement amount due.

#### (i) *Creditors*

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably.

# EDINBURGH STEINER SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended 31 July 2017

### 1 Accounting Policies (continued)

#### (j) Pension Scheme

The company has arranged a defined contribution scheme for its staff. The assets of the scheme are held separately from those of the company. Pension costs charged in the financial statements represent the contributions payable by the charitable company in the year.

#### (k) Operating Leases

Rentals payable under operating leases are charged to the income and expenditure account on a straight line basis over the lease term.

### 2 Legal Status of the Charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

3	Net income/(expenditure) for the year	2017 £	2016 £
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This is stated after charging:

Depreciation	13,089	18,269
Auditors' Remuneration (excluding VAT)	8,325	10,000
Operating Leases	<u>22,097</u>	<u>19,168</u>

### 4 Donations and legacies

	Unrestricted £	Restricted £	Total 2017 £	Total 2016 £
Donations and grants	12,537	-	12,537	12,521
Legacies	<u>22,164</u>	<u>-</u>	<u>22,164</u>	<u>-</u>
	<u>34,701</u>	<u>-</u>	<u>34,701</u>	<u>12,521</u>

Donations and legacies income in both this year and 2016 relate wholly to unrestricted funds.

# EDINBURGH STEINER SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended 31 July 2017

### 5 Charitable activities - Fees for Education of Children

	2017 £	2016 £
Gross school fees	1,787,195	1,720,481
Other fees	66,461	47,330
Less: Discounts	(147,041)	(133,838)
	<u>1,706,615</u>	<u>1,633,973</u>

Charitable activities income in both this year and 2016 relate wholly to unrestricted funds.

### 6 Trading activities

	2017 £	2016 £
Christmas market	27,931	26,332
Rents received	3,327	2,445
Training courses	<u>38,744</u>	<u>22,588</u>
	<u>70,002</u>	<u>51,365</u>

Trading activities income in both this year and 2016 relate wholly to unrestricted funds.

### 7 Investment income

	2017 £	2016 £
Bank interest	1,786	2,268
Dividends received	<u>1,266</u>	<u>1,105</u>
	<u>3,052</u>	<u>3,373</u>

Investment income of £3,052 (2016: £3,373) relates to £1,779 (2016: £2,252) in unrestricted funds and £1,273 (2016: £1,121) in restricted funds.

# EDINBURGH STEINER SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 July 2017

### 8 Expenditure

	Raising Funds £	Charitable Activities £	2017 Total £	2016 Total £
<b>Costs directly related to activities</b>				
Salaries	-	1,335,241	1,335,241	1,252,609
Books and materials	-	25,483	25,483	28,513
Exam fees	-	6,730	6,730	10,195
Costs of meals	3,799	7,351	11,150	5,892
Depreciation	-	13,089	13,089	18,269
Printing and stationery	-	53,347	53,347	48,306
Telephone and postages	-	13,784	13,784	7,266
Travelling expenses	-	3,498	3,498	2,226
Bad debts	-	48,432	48,432	15,819
Bursaries awarded	-	68,688	68,688	72,895
Professional and consultancy fees	-	43,328	43,328	10,098
Christmas market	7,399	-	7,399	6,613
Support costs	-	195,559	195,559	217,553
Governance costs	-	14,110	14,110	14,415
	<u>11,198</u>	<u>1,828,640</u>	<u>1,839,838</u>	<u>1,710,669</u>
<b>Support costs allocated to activities</b>				
Premises	-	130,910	130,910	150,554
Steiner Fellowship subscription	-	19,722	19,722	20,071
Advertising	-	10,745	10,745	19,657
Conferences and course expenses	-	9,254	9,254	10,587
Miscellaneous expenses	-	15,021	15,021	8,004
Subscriptions	-	6,490	6,490	6,846
Bank charges and loan interest	-	3,417	3,417	1,834
	<u>-</u>	<u>195,559</u>	<u>195,559</u>	<u>217,553</u>
<b>Governance costs</b>				
Audit and accounting fees	-	11,910	11,910	9,780
Salaries	-	2,200	2,200	4,635
	<u>-</u>	<u>14,110</u>	<u>14,110</u>	<u>14,415</u>

Raising funds expenditure in both this year and 2016 related wholly to unrestricted funds.

Charitable activity expenditure of £1,839,838 (2016: £1,700,746) relates to £1,839,788 (2016: £1,700,696) in unrestricted funds and £50 (2016: £50) in restricted funds.

# EDINBURGH STEINER SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended 31 July 2017

9. Employee Information	2017 £	2016 £
Staff costs comprise:		
Wages and salaries	1,162,974	1,101,109
Social security costs	74,034	70,700
Pension costs	100,433	85,435
	<u>1,337,441</u>	<u>1,257,244</u>

No employee received emoluments of more than £60,000 in either the current or prior year.

The total amount of employee benefits received by key management personnel is £108,051 (2016: £87,968). Key management is made up of 4 members of the management team which rotate year on year.

No trustee received any remuneration for his/her services as a trustee. No trustee received any reimbursement of travel expenses to attend meetings (2016: £Nil).

The average monthly number of persons employed on a full time equivalent basis was:

	2017	2016
Teaching staff	42	42
Administration and others	11	8
	<u>53</u>	<u>50</u>

## 10 Taxation

As a charity, Edinburgh Steiner School Trust Limited is exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

## 11 Tangible Fixed Assets

	Heritable Property £	Furniture and Equipment £	Total £
<b>Cost</b>			
As at 31 July 2016	871,532	124,123	995,655
Additions	-	-	-
Disposals	-	-	-
	<u>871,532</u>	<u>124,123</u>	<u>995,655</u>
As at 31 July 2017	871,532	124,123	995,655
<b>Depreciation</b>			
As at 31 July 2016	195,831	123,314	319,145
Charge for year	12,280	809	13,089
Disposals in year	-	-	-
	<u>208,111</u>	<u>124,123</u>	<u>332,234</u>
As at 31 July 2017	208,111	124,123	332,234
Net Book Value at 31 July 2017	<u>£ 663,421</u>	<u>£ -</u>	<u>£ 663,421</u>
Net Book Value at 31 July 2016	<u>£ 675,701</u>	<u>£ 809</u>	<u>£ 676,510</u>

**EDINBURGH STEINER SCHOOL TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**For the year ended 31 July 2017**

<b>12</b>	<b>Fixed Asset Investments</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Market value at 1 August 2016	803,300	817,353
	Additions	1,248	1,092
	Disposal proceeds	(17)	(23)
	Net gains on revaluation	<u>163,149</u>	<u>(15,122)</u>
		967,680	803,300
	Cash balances	<u>91,157</u>	<u>89,384</u>
	Market value at 31 July 2017	<u><u>1,058,837</u></u>	<u><u>892,684</u></u>
	Historical Cost at 31 July 2017	<u><u>673,818</u></u>	<u><u>672,567</u></u>
	Investments in individual entitles held at 31 July 2017 whose value exceeds 5% of the portfolio, are as follows:		
	Standard Life Investment Fund		898,750
	Witan Investment Trust		68,935
	United Trust Bank		91,152
<b>13</b>	<b>Debtors</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Fees and outlays outstanding	166,620	205,684
	Other debtors and prepayments	<u>29,706</u>	<u>22,244</u>
		<u><u>196,326</u></u>	<u><u>227,928</u></u>
<b>14</b>	<b>Liabilities: Creditors amounts falling due within one year</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Trade creditors	26,495	29,483
	Tax and social security costs	-	17,663
	Loans (note 15)	30,000	30,000
	Other creditors	<u>72,628</u>	<u>74,451</u>
		<u><u>129,123</u></u>	<u><u>151,597</u></u>

## EDINBURGH STEINER SCHOOL TRUST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended 31 July 2017

15	<b>Loans</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>

Creditors: Amounts falling due within one year includes the following loans:

Anthroposophical Society	30,000	30,000
	<u>30,000</u>	<u>30,000</u>

The loan from Anthroposophical Society is unsecured, repayable on demand and bears interest at 2% per annum.

#### 16 Financial Commitments

At 31 July 2017 the company was committed to making the following payments under non-cancellable operating leases:

Operating leases which expire:	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Within one year	-	3,352
Between two and five years	76,684	1,176
More than five years	<u>24,506</u>	<u>-</u>
	<u>101,190</u>	<u>4,528</u>

#### 17 Pension Commitments

The company operates a defined contribution pension scheme on behalf of its employees. The scheme is administered by Aviva. Contributions of £100,433 (2016: £85,435) have been made during the year. At 31 July 2017 contributions amounting to £10,582 (net of AVCs) (2016: £7,503) are payable and are included in creditors.

#### 18 Legacy of the Late K M A Kiniger

Following the death of Karla Kiniger during 2014, the School was bequeathed the dwelling house at 88/3 Polwarth Gardens, Edinburgh but with the liferent use to a named third party. With the continuing liferent use, the School does not have unencumbered title to the property and therefore its value is not reflected in the Balance Sheet of the School. The estimated value of the property is expected to be in the region of £280,000.



## EDINBURGH STEINER SCHOOL TRUST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended 31 July 2017

#### 19 Related Party Transactions

The following related party transactions occurred during the year:

One Trustee received a salary of £20,841 (2016: £18,181) for their employment as a teacher in the school together with fee remission of £16,226 (2016: £15,408) for two children.

The company in which one of the Trustees has a 50% shareholder received design service fees of £5,366 (2016: £200) in the year.

One of the Trustees is an Investment Director at Standard Life Investments (a subsidiary of Standard Life Aberdeen Plc). The school has an investment with Standard Life Investments and one of the two equity funds held the Trustees responsible for managing.

One member of key management is a Director of SWSF Limited which receives subscriptions from ESS in the year of £19,722 (2016: £20,071).

# EDINBURGH STEINER SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended 31 July 2017

### 20 Unrestricted Funds 2016/17

	Opening Balance at 31 July 2016 £	Income £	Expenditure £	Gains on Investments £	Transfer £	Closing Balance at 31 July 2017 £
Capital donated by Members	39	-	-	-	-	39
General fund	<u>1,722,799</u>	<u>1,782,413</u>	<u>(1,810,246)</u>	<u>147,235</u>	<u>(13,620)</u>	<u>1,828,581</u>
	<u>1,722,838</u>	<u>1,782,413</u>	<u>(1,810,246)</u>	<u>147,235</u>	<u>(13,620)</u>	<u>1,828,620</u>
<i>Designated Funds:</i>						
Christmas Market Fund	46,502	27,931	(20,539)	-	-	53,894
Improvement Fund	<u>4,551</u>	<u>2,753</u>	<u>(9,003)</u>	<u>-</u>	<u>13,620</u>	<u>11,921</u>
	<u>51,053</u>	<u>30,684</u>	<u>(29,542)</u>	<u>-</u>	<u>13,620</u>	<u>65,815</u>
	<u>1,773,891</u>	<u>1,813,097</u>	<u>(1,839,788)</u>	<u>147,235</u>	<u>-</u>	<u>1,894,435</u>

### Unrestricted Funds 2015/16

	Opening Balance at 31 July 2015 £	Income £	Expenditure £	Gains/(losses) on Investments £	Transfer £	Closing Balance at 31 July 2016 £
Capital donated by Members	39	-	-	-	-	39
General fund	<u>1,330,182</u>	<u>1,662,728</u>	<u>(1,671,649)</u>	<u>(28,125)</u>	<u>429,663</u>	<u>1,722,799</u>
	<u>1,330,221</u>	<u>1,662,728</u>	<u>(1,671,649)</u>	<u>(28,125)</u>	<u>429,663</u>	<u>1,722,838</u>
<i>Designated Funds:</i>						
Christmas Market Fund	45,460	26,332	(25,290)	-	-	46,502
Bursary Fund	415,018	9,663	(14)	12,616	(437,283)	-
Improvement Fund	<u>9,209</u>	<u>1,388</u>	<u>(13,666)</u>	<u>-</u>	<u>7,620</u>	<u>4,551</u>
	<u>469,687</u>	<u>37,383</u>	<u>(38,970)</u>	<u>12,616</u>	<u>429,663</u>	<u>51,053</u>
	<u>1,799,908</u>	<u>1,700,111</u>	<u>(1,706,979)</u>	<u>(15,509)</u>	<u>-</u>	<u>1,773,891</u>

#### "General Fund"

This fund represents unrestricted general funds available for use at the discretion of the Trustees.

#### "Christmas Market Fund"

This is a fund raising project, organised by some of the parents to raise funds through a Christmas Market and monies raised are used to support school activities and projects.

#### "Improvement Fund"

During the year funds additional funds were designated to the Improvement Fund. It is intended that these funds will be used to make ongoing improvements to the school.

# EDINBURGH STEINER SCHOOL TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended 31 July 2017

### 21 Restricted Funds

2016/17	Opening Balance at 31 July 2016 £	Income £	Expenditure £	Gains on Investments £	Transfers £	Closing Balance at 31 July 2017 £
Improvement fund	51,791	1,266	(36)	15,914	-	68,935
Education Fund	7,742	7	(14)	-	-	7,735
	<u>59,533</u>	<u>1,273</u>	<u>(50)</u>	<u>15,914</u>	<u>-</u>	<u>76,670</u>

### Restricted Funds 2015/16

	Opening Balance at 31 July 2015 £	Revenue £	Expenditure £	Gains on Investments £	Transfers £	Closing Balance at 31 July 2016 £
Improvement fund	50,335	1,105	(36)	387	-	51,791
Education Fund	7,740	16	(14)	-	-	7,742
	<u>58,075</u>	<u>1,121</u>	<u>(50)</u>	<u>387</u>	<u>-</u>	<u>59,533</u>

#### "Improvement Fund"

The Edinburgh Rudolf Steiner School Development Trust was wound up and its assets transferred to the school in 2009. It is intended that these funds will be used to make ongoing improvements to the school.

#### "Education Fund"

The school received funds from the Education Association be used to publicise the Rudolf Steiner way of education.

### 22 Analysis of Net Assets between Funds

2016/2017	Tangible Fixed Assets £	Investments £	Net Current Assets/ (Liabilities) £	Total £
Capital Donated by Members	-	-	39	39
<i>Unrestricted Funds</i>				
General Fund	663,421	989,902	175,258	1,828,581
<i>Designated Funds</i>				
Christmas Market Fund	-	-	53,894	53,894
Improvement Fund	-	-	11,921	11,921
	<u>663,421</u>	<u>989,902</u>	<u>241,112</u>	<u>1,894,435</u>
<i>Restricted Funds</i>				
Improvement Fund	-	68,935	-	68,935
Education Fund	-	-	7,735	7,735
	<u>-</u>	<u>68,935</u>	<u>7,735</u>	<u>76,670</u>
<b>Net Assets at 31 July 2017</b>	<u>663,421</u>	<u>1,058,837</u>	<u>248,847</u>	<u>1,971,105</u>

EDINBURGH STEINER SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)  
For the year ended 31 July 2017

22 Analysis of Net Assets between Funds (continued)

2015/2016	Tangible Fixed Assets £	Investments £	Net Current Assets/ (Liabilities) £	Total £
Capital Donated by Members	-	-	39	39
<i>Unrestricted Funds</i>				
General Fund	676,510	840,893	205,396	1,722,799
<i>Designated Funds</i>				
Christmas Market Fund	-	-	46,502	46,502
Improvement Fund	-	-	4,551	4,551
	<u>676,510</u>	<u>840,893</u>	<u>256,488</u>	<u>1,773,891</u>
<i>Restricted Funds</i>				
Improvement Fund	-	51,791	-	51,791
Education Fund	-	-	7,742	7,742
	<u>-</u>	<u>-</u>	<u>7,742</u>	<u>59,533</u>
<b>Net Assets at 31 July 2016</b>	<u>676,510</u>	<u>892,684</u>	<u>264,230</u>	<u>1,833,424</u>