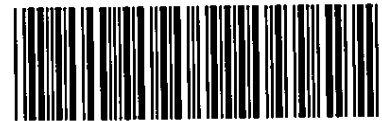


Charity Registration No. SCO18423

Company Registration No. SC43810 (Scotland)

**LATHALLAN SCHOOLS LIMITED**  
**DIRECTORS' REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 JULY 2010**

THURSDAY



\*SWEEXSBG\*

SCT

10/03/2011

808

COMPANIES HOUSE

**LATHALLAN SCHOOLS LIMITED****LEGAL AND ADMINISTRATIVE INFORMATION**

---

<b>Directors</b>	H Grant (Chairman) L Broadley D Campbell D Cowie P Garner Sir M Lockhead K McCormick
<b>Secretary</b>	V. Corbett
<b>Charity number</b>	SCO18423
<b>Company number</b>	SC43810
<b>Principal address</b>	Johnshaven Montrose
<b>Registered office</b>	Johnshaven Montrose
<b>Auditors</b>	Henderson Black & Co Edenbank House 22 Crossgate Cupar KY15 5HW
<b>Bankers</b>	Royal Bank of Scotland plc Montrose
<b>Solicitors</b>	Ledingham Chalmers Aberdeen

---

**LATHALLAN SCHOOLS LIMITED****CONTENTS**

---

	<b>Page</b>
Directors' report	1 - 3
Statement of directors' responsibilities	4
Independent auditors' report	5 - 6
Statement of financial activities (charity)	7
Statement of financial activities (consolidated)	8
Balance sheet (charity)	9
Balance sheet (consolidated)	10
Notes to the accounts	11 - 20

---

# LATHALLAN SCHOOLS LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 JULY 2010

The directors present their report and accounts for the year ended 31 July 2010. Legal and administrative details are included on the preceding pages.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in 2005.

#### Structure, governance and management

The charity is a company limited by guarantee.

The directors who served during the year were:

A Hamilton	(Resigned 10 July 2010)
S. Reekie	(Resigned 10 July 2010)
L Broadley	(Appointed 25 June 2010)
D Cowie	
K McCormick	(Appointed 13 November 2009)
P Garner	
J Kennedy	(Resigned 31 August 2010)
Sir M Lockhead	
D Campbell	
H Grant	

None of the directors has any beneficial interest in the company. All of the directors are members of the company and guarantee to contribute £1 in the event of a winding up.

New Directors are identified from parents, those connected with the school and outside individuals with the requisite skills and experience. Directors are elected by the members. Induction procedures involve a tour of the school, meetings with the Chairman and Headmaster and provision of a pack of documents.

The Board of Directors meets regularly. Certain powers are delegated to the Headmaster, R. Toley.

The directors have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### Objectives and activities

The charity's objects are to provide education as a School and other educational activities.

The aim of the charity is to provide high quality, independent education for boys and girls from a few weeks old to 17 years and, in the future, 18 years.

The policy adopted in furtherance of these objects is to operate a Senior School, Preparatory School and Nursery at Brotherton Castle. During the year the fourth year of the senior school was created. This will be further extended each year until a full senior school is operating. Educational activities are also hosted during holidays.

The running of the school is assisted by the time devoted to it by directors and parents.

# **LATHALLAN SCHOOLS LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2010**

---

### **Achievements and performance**

Lathallan School delivers high quality, independent education for boys and girls from a few weeks old to 16 years. Our Senior School started in 2006 with an S2 class and will be complete with the addition of S6 in the 2010/11 academic year. With 80 years experience in caring for young people, we continue in our commitment to provide a stimulating environment which encourages and celebrates children's achievements, both academic and non-academic. Whilst striving to fulfil the academic potential of all our pupils, we are very much committed to developing the 'whole' child and therefore motivate our children to develop their talents and interest in art, music, drama and sport. We expect our pupils to move on from the school as socially mature, confident and well rounded individuals that take full advantage of the challenges and opportunities which lie ahead of them.

### **Financial review**

The year produced a surplus due to the gain on sale of a property. The extension to a senior school has continued to be very well received and the future financial position is considered to be sound. The charity is not immune from the current economic situation, but the directors are aware of the requirement that that produces for sound financial planning and control. Further work has been carried out on fundraising and that will continue.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level that is prudent to support future activities. Total reserves stood at £796,514, of which £793,312 was unrestricted. The nature of charities such as this is that substantial amounts are invested in assets used for the educational purpose, rather than being 'free reserves' as defined by the SORP. Tangible fixed assets stood at £967,724.

The charity has in the past been gifted certain shareholdings, which it is retaining for the time being. The amounts are not material.

### **Asset cover for funds**

Note 15 sets out an analysis of the assets attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

### **Plans for the future**

Lathallan School continues on its programme of development, ongoing improvement and expansion. The shared aim within the school is to build upon recent successes and plan for further enhancements to the overall breadth of service Lathallan provides to the children, parents, staff and community as a whole. The extension of the school has been met with considerable interest and will assist us in meeting this goal. The Nursery, relaunched in 2004 is now thriving with over 50 pupils.

## **LATHALLAN SCHOOLS LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2010**

---

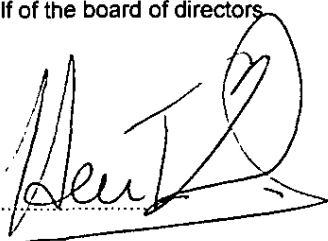
#### **Auditors**

In accordance with section 485 of the Companies Act 2006, a resolution proposing that Henderson Black & Co be reappointed as auditors of the company will be put to the Annual General Meeting.

The Directors have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the board of directors

**H Grant**  
Director  
Dated: .....

A handwritten signature in black ink, appearing to read 'H Grant', is written over a horizontal line. The signature is stylized with a large loop at the end.

8 November 2010

Henderson, Black & Co.

## **LATHALLAN SCHOOLS LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

---

The directors who are also the trustees are responsible for preparing the Directors' 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 directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and its group and of its incoming resources and application of resources, including its net income and expenditure for the year.

In preparing these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently and observe the methods and principles in the Charities SORP;
- 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 accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

## **LATHALLAN SCHOOLS LIMITED**

### **INDEPENDENT AUDITORS' REPORT**

#### **TO THE DIRECTORS AND MEMBERS OF LATHALLAN SCHOOLS LIMITED**

We have audited the financial statements of Lathallan Schools Limited for the year ended 31 July 2010 which comprise the charity and group Statement of Financial Activities, the Balance Sheet and the related notes. The financial statements have been prepared under the accounting policies set out therein.

#### **Respective responsibilities of directors and auditors**

The directors, (who also act as trustees for the charitable activities of LATHALLAN SCHOOLS LIMITED, responsibilities for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Directors' Responsibilities.

We have been appointed auditors under section 44(1)(c) of the Charity and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with those Acts.

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

We report to you our opinion as to whether the financial statements give a true and fair view, 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. We also report to you whether, in our opinion, the Directors' Report is consistent with those financial statements.

We also report to you if, in our opinion, the charity has not kept adequate and proper accounting records, if the charity's financial statements are not in agreement with these accounting records, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

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

#### **Basis of audit 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity'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 accounts 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 accounts.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out in note 17 to the accounts.



# **LATHALLAN SCHOOLS LIMITED**

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

### **TO THE DIRECTORS AND MEMBERS OF LATHALLAN SCHOOLS LIMITED**

---

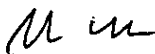
#### **Opinion**

In our opinion:

the financial statements give a true and fair view of the state of the charity's affairs as at 31 July 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;

the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;

the financial statements have been properly 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; and the information given in the Directors' Annual Report is consistent with the financial statements.



**Robin Winter LLB, CA, TEP**

**Senior Statutory Auditor**

**for and on behalf of**

**Henderson Black & Co**

**Chartered Accountants**

**Statutory Auditor**

Edenbank House

22 Crossgate

Cupar

KY15 5HW

Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Dated: 8 November 10

# LATHALLAN SCHOOLS LIMITED

## CHARITY STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2010

	Notes	Unrestricted funds £	Revaluation reserve £	Restricted funds £	Endowment funds £	Total 2010 £	Total 2009 £
<b>Incoming resources from generated funds</b>							
Donations and legacies	2	29,471	-	-	-	29,471	42,719
Activities for generating funds		6,728	-	-	-	6,728	2,861
Investment income	3	681	-	-	-	681	3,416
		<u>36,880</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,880</u>	<u>48,996</u>
<b>Incoming resources from charitable activities</b>							
	4	2,012,268	-	-	-	2,012,268	1,878,258
Other incoming resources	5	117,245	-	-	-	117,245	-
		<u>2,166,393</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,166,393</u>	<u>1,927,254</u>
<b>Total incoming resources</b>							
<b>Resources expended</b>							
<b>Costs of generating funds</b>							
Fundraising		-	-	16,723	-	16,723	5,077
<b>Charitable activities</b>							
Education		2,039,679	-	-	-	2,039,679	1,892,605
Development cost - education		26,031	-	-	-	26,031	25,846
		<u>5,400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,400</u>	<u>5,300</u>
Governance costs							
		<u>2,071,110</u>	<u>-</u>	<u>16,723</u>	<u>-</u>	<u>2,087,833</u>	<u>1,928,828</u>
<b>Total resources expended</b>							
<b>Net incoming/(outgoing) resources before transfers</b>							
		95,283	-	(16,723)	-	78,560	(1,574)
<b>Gross transfers between funds</b>							
		40,867	(40,867)	-	-	-	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>							
		136,150	(40,867)	(16,723)	-	78,560	(1,574)
<b>Fund balances at 1 August 2009</b>							
		256,721	441,308	19,923	2	717,954	719,528
<b>Fund balances at 31 July 2010</b>							
		<u>392,871</u>	<u>400,441</u>	<u>3,200</u>	<u>2</u>	<u>796,514</u>	<u>717,954</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. All activities are continuing.

# LATHALLAN SCHOOLS LIMITED

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2010

	Notes	Unrestricted funds £	Revaluation reserve £	Restricted funds £	Endowment funds £	Total 2010 £	Total 2009 £
<b>Incoming resources from generated funds</b>							
Donations and legacies	2	29,471	-	-	-	29,471	42,719
Activities for generating funds		21,730	-	-	-	21,730	12,148
Investment income	3	271	-	-	-	271	2,952
		51,472	-	-	-	51,472	57,819
<b>Incoming resources from charitable activities</b>							
	4	2,012,268	-	-	-	2,012,268	1,878,258
Other incoming resources	5	117,245	-	-	-	117,245	-
<b>Total incoming resources</b>		<b>2,180,985</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,180,985</b>	<b>1,936,077</b>
<b>Resources expended</b>							
<b>Costs of generating funds</b>							
Fundraising		-	-	16,723	-	16,723	5,077
Trading costs		14,232	-	-	-	14,232	8,456
<b>Charitable activities</b>							
Education		2,040,039	-	-	-	2,040,039	1,892,972
Development cost - education		26,031	-	-	-	26,031	25,846
Governance costs		5,400	-	-	-	5,400	5,300
<b>Total resources expended</b>		<b>2,085,702</b>	<b>-</b>	<b>16,723</b>	<b>-</b>	<b>2,102,425</b>	<b>1,937,651</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>95,283</b>	<b>-</b>	<b>(16,723)</b>	<b>-</b>	<b>78,560</b>	<b>(1,574)</b>
Gross transfers between funds		40,867	(40,867)	-	-	-	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>136,150</b>	<b>(40,867)</b>	<b>(16,723)</b>	<b>-</b>	<b>78,560</b>	<b>(1,574)</b>
Fund balances at 1 August 2009		256,721	441,308	19,923	2	717,954	719,528
Fund balances at 31 July 2010		392,871	400,441	3,200	2	796,514	717,954

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. All activities are continuing.

# LATHALLAN SCHOOLS LIMITED

## CHARITY BALANCE SHEET

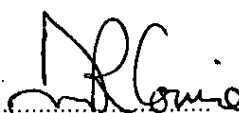
AS AT 31 JULY 2010

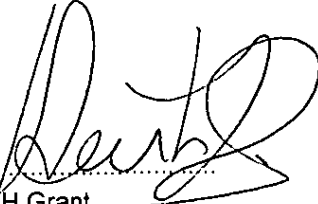
Company number SC43810

	Notes	2010 £	£	2009 £	£
<b>Fixed assets</b>					
Tangible assets	10	967,724		938,492	
Investments	11	3,331		3,331	
		<u>971,055</u>		<u>941,823</u>	
<b>Current assets</b>					
Debtors	12	118,803		88,639	
Cash at bank and in hand		49,795		255	
		<u>168,598</u>		<u>88,894</u>	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	13	(243,307)		(195,529)	
<b>Net current liabilities</b>			(74,709)		(106,635)
<b>Total assets less current liabilities</b>			<u>896,346</u>		<u>835,188</u>
Creditors: amounts falling due after more than one year	14		(99,832)		(117,234)
<b>Net assets</b>			<u>796,514</u>		<u>717,954</u>
<b>Capital funds</b>					
Members admission fees			2		2
<b>Income funds</b>					
Revaluation reserve		400,441		441,308	
Restricted funds		3,200		19,923	
Unrestricted funds		392,871		256,721	
		<u>796,514</u>		<u>717,954</u>	

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The accounts were approved by the Board on 31 November 2010

  
D Cowie  
Director

  
H Grant  
Director

# LATHALLAN SCHOOLS LIMITED

## CONSOLIDATED BALANCE SHEET

AS AT 31 JULY 2010

Company number SC43810

	Notes	2010 £	2009 £
<b>Fixed assets</b>			
Tangible assets	10	967,724	938,492
Investments	11	3,330	3,330
		<u>971,054</u>	<u>941,822</u>
<b>Current assets</b>			
Stocks		16,174	8,528
Debtors	12	102,961	80,443
Cash at bank and in hand		49,810	270
		<u>168,945</u>	<u>89,241</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	13	(243,653)	(195,875)
<b>Net current liabilities</b>		<u>(74,708)</u>	<u>(106,634)</u>
<b>Total assets less current liabilities</b>		<u>896,346</u>	<u>835,188</u>
Creditors: amounts falling due after more than one year	14	(99,832)	(117,234)
<b>Net assets</b>		<u>796,514</u>	<u>717,954</u>
<b>Capital funds</b>			
Members admission fees		2	2
<b>Income funds</b>			
Revaluation reserve		400,441	441,308
Restricted Funds		3,200	19,923
Unrestricted funds		392,871	256,721
		<u>796,514</u>	<u>717,954</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The accounts were approved by the Board on 8 November 2010

D Cowie  
Director

H Grant  
Director

# LATHALLAN SCHOOLS LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2010

### 1 Accounting policies

#### 1.1 Basis of preparation

The accounts have been prepared under the historical cost convention modified to include the revaluation of certain fixed assets.

The accounts are consolidated to include the results of one trading subsidiary. Notes refer to the charity and the group, unless otherwise stated.

The charity has taken advantage of the exemption in the SORP from the requirement to produce a cash flow statement on the grounds that it is a small charity.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006.

#### 1.2 Incoming resources

Fees and donations are recognised when the charity's entitlement to receive them is absolute.

#### 1.3 Resources expended

Resources expended are recognised on an accruals basis. The company is not registered for VAT and expenditure is therefore shown gross. All expenditure relates to the charitable purpose, apart from a small amount of governance cost and fundraising costs incurred by the subsidiary.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Freehold land is not depreciated

Freehold buildings	2% per annum on reducing balance
Plant and machinery	12.5% per annum on reducing balance
Motor vehicles	25% per annum on reducing balance

A transfer is made from Revaluation Reserve for depreciation on revalued assets.

#### 1.5 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

#### 1.6 Investments

Fixed asset investments are stated at market value. Unrealised gains and losses are dealt with through the revaluation reserve.

#### 1.7 Stock

Stock is valued at the lower of cost and net realisable value.

#### 1.8 Pensions

The pension costs charged in the accounts represent the contributions payable by the charity during the year. Contributions to the teachers superannuation scheme are treated as to a defined contribution scheme in accordance with FRS 17 paragraph 9. The present employer's rate is 14.25% of salary.

# LATHALLAN SCHOOLS LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2010

### 1 Accounting Policies (continued)

#### 1.9 Taxation

The charity is exempt from taxation. The subsidiary's profits are all paid to the charity by gift aid.

### 2 Donations and legacies

	2010 £	2009 £
Donations and gifts	<u>29,471</u>	<u>42,719</u>

### 3 Investment income

	2010 £	2009 £
<b>Charity</b>		
Income from listed investments	42	54
Interest receivable	<u>639</u>	<u>3,362</u>
	<u>681</u>	<u>3,416</u>
<b>Group</b>		
Income from listed investments	42	54
Interest receivable	<u>229</u>	<u>2,898</u>
	<u>271</u>	<u>2,952</u>

### 4 Incoming resources from charitable activities

	2010 £	2009 £
Education	<u>2,012,268</u>	<u>1,878,258</u>

### 5 Other incoming resources

	2010 £	2009 £
Gain on sale of building	<u>117,245</u>	<u>-</u>

# LATHALLAN SCHOOLS LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2010

### 6 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2010 £	Total 2009 £
<b>Costs of generating funds</b>					
Fundraising	-	-	16,723	16,723	5,077
Subsidiary trading costs	-	-	30,955	30,955	13,533
<b>Charitable activities</b>					
<u>Education</u>					
Activities undertaken directly	1,230,990	36,092	569,007	1,836,089	1,691,152
Support costs	229,981	-	-	229,981	227,666
<b>Total</b>	<b>1,460,971</b>	<b>36,092</b>	<b>569,007</b>	<b>2,066,070</b>	<b>1,918,818</b>
<b>Governance costs</b>	-	-	5,400	5,400	5,300
	<b>1,460,971</b>	<b>36,092</b>	<b>605,362</b>	<b>2,102,425</b>	<b>1,937,651</b>

Governance costs includes payments to the auditors of £1500 (2009- £1500) for audit fees and £3900 (group £4245) (2009- £3800 (group £4153)) for other services. Interest paid amounted to £2,952 (2009 £5,616).

### 7 Support costs

	2010 £	2009 £
Staff costs	229,981	227,666
	<b>229,981</b>	<b>227,666</b>

### 8 Directors

None of the directors (or any persons connected with them) received any direct remuneration during the year. The school educated children of directors at normal rates. Indemnity insurance was provided for directors as part of a standard school insurance package. No separate cost can be identified. Expenses amounting to £266 were paid to one director.



# LATHALLAN SCHOOLS LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2010

### 9 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2010 Number	2009 Number
Teaching	42	34
Other employees	26	24
	<u>68</u>	<u>58</u>

#### Employment costs

	2010 £	2009 £
Wages and salaries	1,250,416	1,177,927
Social security costs	91,145	87,030
Other pension costs	119,410	106,511
	<u>1,460,971</u>	<u>1,371,468</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2010 Number	2009 Number
60,000 to 69,999	-	1

Pension contributions for higher paid staff amounted to nil (2009 - £7,738).

# LATHALLAN SCHOOLS LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2010

### 10 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Total £
<b>Cost or valuation</b>			
At 1 August 2009	1,112,641	360,952	1,473,593
Additions	48,398	54,774	103,172
Disposals	(55,000)	-	(55,000)
<b>At 31 July 2010</b>	<b>1,106,039</b>	<b>415,726</b>	<b>1,521,765</b>
<b>Depreciation</b>			
At 1 August 2009	283,330	251,770	535,100
On disposals	(17,150)	-	(17,150)
Charge for the year	15,597	20,494	36,091
<b>At 31 July 2010</b>	<b>281,777</b>	<b>272,264</b>	<b>554,041</b>
<b>Net book value</b>			
<b>At 31 July 2010</b>	<b>824,262</b>	<b>143,462</b>	<b>967,724</b>
At 31 July 2009	829,311	109,181	938,492

The Heritable Property was valued on an open market basis in July 1991 by Savills plc. The transitional provisions of FRS15 are being followed. A valuation by Strutt and Parker in 2003 confirmed an open market value of £1,230,000.

#### Comparable historical cost for the land and buildings included at valuation:

	2010 £	2009 £
Cost	439,007	444,007
Accumulated depreciation	106,535	100,885
<b>At 31 July 2010</b>	<b>332,472</b>	<b>343,122</b>

All other tangible fixed assets are stated at historical cost.

Land with a value of £60,000 is not depreciated.

# LATHALLAN SCHOOLS LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2010

### 11 Fixed asset investments

	Listed investments £
Market value at 1 August 2009 and at 31 July 2010	<u>3,330</u>
Historical cost:	
At 31 July 2010	<u>3,331</u>
At 31 July 2009	<u>3,331</u>

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
		Class	%
<b>Subsidiary undertakings</b>			
Lathallan Educational Enterprises Ltd	Scotland	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Principle Activities	Capital and reserves £	Profit/(loss) for the year £
Lathallan Educational Enterprises Ltd	Sale of school clothing	<u>1</u>	<u>-</u>

# LATHALLAN SCHOOLS LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2010

12 Debtors (Charity)	2010 £	2009 £
Trade debtors	89,775	54,462
Amounts owed by group undertakings	15,842	8,196
Other debtors	1,056	15,845
Prepayments and accrued income	12,130	10,136
	<u>118,803</u>	<u>88,639</u>

Interest was charged on the unsecured amount owed by the subsidiary at 5% per annum.

Debtors (Group)	2010 £	2009 £
Trade debtors	89,775	54,462
Amounts owed by group undertakings	-	-
Other debtors	1,056	15,845
Prepayments and accrued income	12,130	10,136
	<u>102,961</u>	<u>80,443</u>

Henderson, Black & Co.

# LATHALLAN SCHOOLS LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2010

13 Creditors: amounts falling due within one year (charity)	2010 £	2009 £
Bank loans and overdraft	13,472	44,415
Trade creditors	22,792	31,010
Taxes and social security costs	30,269	28,541
Other creditors	70,736	71,407
Accruals	106,038	20,156
	<u>243,307</u>	<u>195,529</u>

The bank overdraft and loan are secured.

Creditors: amounts falling due within one year (group)	2010 £	2009 £
Bank loans and overdraft	13,472	44,415
Trade creditors	22,792	31,010
Taxes and social security costs	30,269	28,541
Other creditors	70,736	71,407
Accruals	106,384	20,502
	<u>243,653</u>	<u>195,875</u>

Henderson, Black & Co.

# LATHALLAN SCHOOLS LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2010

14 Creditors: amounts falling due after more than one year	2010 £	2009 £
Bank loans	99,324	116,726
Other creditors	508	508
	<u>99,832</u>	<u>117,234</u>
<b>Analysis of loans</b>		
Not wholly repayable within five years	112,796	161,141
Included in current liabilities	(13,472)	(44,415)
	<u>99,324</u>	<u>116,726</u>
<b>Loan maturity analysis</b>		
Debt due in one year or less	13,472	44,415
In more than one year but not more than two years	13,876	11,020
In more than two years but not more than five years	44,177	36,477
In more than five years	41,271	69,229
	<u>112,796</u>	<u>161,141</u>

The loan is secured by a fixed and floating charge over the assets of the company.

# LATHALLAN SCHOOLS LIMITED

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2010

### 15 Analysis of net assets between funds

	Unrestricted funds £	Revaluation reserve £	Restricted funds £	Endowment funds £	Total £
Fund balances at 31 July 2010 are represented by:					
Tangible fixed assets	567,283	400,441	-	-	967,724
Investments	3,330	-	-	-	3,330
Current assets	165,743	-	3,200	2	168,945
Creditors: amounts falling due within one year	(243,653)	-	-	-	(243,653)
Creditors: amounts falling due after more than one year	(99,832)	-	-	-	(99,832)
	<u>392,871</u>	<u>400,441</u>	<u>3,200</u>	<u>2</u>	<u>796,514</u>
Unrealised gains included above:					
On tangible fixed assets	-	400,441	-	-	400,441
	<u>-</u>	<u>400,441</u>	<u>-</u>	<u>-</u>	<u>400,441</u>

The transfer from the Revaluation Reserve to the Unrestricted Fund consists of depreciation and realised gains on revalued assets.

The restricted fund represents a donation to meet fundraising costs.

### 16 Commitments under operating leases

At 31 July 2010 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2010	2009	2010	2009
	£	£	£	£
Expiry date:				
Between two and five years	<u>28,951</u>	<u>25,657</u>	<u>16,287</u>	<u>14,527</u>

The charge during the year was £26,784 (2009 - 25,465) for Land and Buildings and £15,756 (2009 - 11,816) for Equipment.

### 17 Auditors' Ethical Standards

The relevant circumstances requiring disclosure in accordance with the requirements of APB Ethical Standard - Provisions Available for Small Entities are that, in common with many charities of our size and nature we use our auditors to assist with the preparation of the accounts.