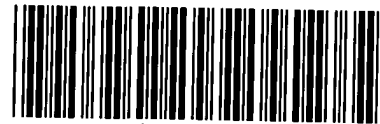


REGISTERED COMPANY NUMBER: SC050819 (Scotland)  
REGISTERED CHARITY NUMBER: SC011011

Report of the Trustees and  
Audited Financial Statements for the Year Ended 31 July 2017  
for  
Fernhill School Limited

SATURDAY



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COMPANIES HOUSE

Fernhill School Limited

Contents of the Financial Statements  
for the Year Ended 31 July 2017

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Fernhill School Limited

Reference and Administrative Details  
for the Year Ended 31 July 2017

<b>TRUSTEES</b>	G Marini W B Hamilton Mrs H M Quail (resigned 17.5.2017) D Equi
<b>COMPANY SECRETARY</b>	Burness Paull LLP
<b>REGISTERED OFFICE</b>	Fernbrae Avenue Burnside Rutherglen Glasgow G73 4SG
<b>REGISTERED COMPANY NUMBER</b>	SC050819 (Scotland)
<b>REGISTERED CHARITY NUMBER</b>	SC011011
<b>SENIOR STATUTORY AUDITOR</b>	Jennifer Irvine
<b>AUDITORS</b>	Bell Barr & Company, Statutory Auditor 2 Stewart Street Milngavie Glasgow G62 6BW
<b>SOLICITORS</b>	Burness Paull LLP 120 Bothwell Street Glasgow G2 7JL

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2017. The trustees have adopted the provisions of 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) (effective 1 January 2015).

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

The Charity's aim is to provide a bespoke education package in an inspirational and dynamic environment to pupils from Nursery, through Primary to Secondary 6 and to make such education available for the benefit of as broad a spectrum of children as possible in both the local and extended community. The school motto "Cor Unum et Anima Una" is at the core of everything the charity strives to achieve. The school follows the Catholic Ethos in delivering both educational needs and spiritual guidance and promotes high ethical and moral values in the preparation of pupils for adulthood. The school's objectives are to maintain a high level of achievement by encouraging and supporting all pupils and to identify and enhance each child's particular talents and skills on an individual basis.

### **Public Benefit**

The school is committed to provide means-tested financial support to parents through the provision of bursary funding and scholarship packages in order to make a Fernhill education all-inclusive and available to pupils who would not otherwise have the opportunity to access independent education. Furthermore the school strives to make its facilities available outwith the school community for the wider public benefit and shares resources with other local schools where appropriate to do so.

Our staff make a national contribution to Scottish education as SQA appointees. Our Head teacher serves on the Board of the Scottish Council for Independent Schools and the school support the training programmes of both student teachers and early years workers.

## **ACHIEVEMENT AND PERFORMANCE**

### **Academic Review**

Fernhill School attained some of the best results in the country in the 2017 SQA examinations which secures Fernhill as one of the top schools in Scotland. In the benchmark Higher examinations our S5 pupils achieved excellent results with an overall pass rate of 96.8%; 88.7% of passes being A/B Grades. S6 pupils have also excelled with a 100% pass rate at Advanced Higher for the second successive year; 92.3% of these results at A/B Grade. The school ranked 7th nationally in the Herald School League Table and 3rd in the West of Scotland.

Results from standardised testing in Reading, Maths and Language show that pupils in Fernhill School are, in general, attaining above national norms across the curriculum.

All S6 pupils went on to their chosen careers including 40% of applicants securing courses in the professions of Medicine, Dentistry and Law with the remainder reading their chosen courses at leading universities and further education institutions.

Our pupils have excelled in wider achievement awards. This session 14 pupils have achieved their Bronze Duke of Edinburgh's Award and 3 have achieved a Silver Award. For the first year, our Primary 6 pupils participated in the JASS award. Pupils were given the opportunity to bear witness to their faith through faith awards. 4 pupils completed their Pope Benedict Caritas Award this session and 12 children achieved the Pope Francis Faith Award. Pupils were fully prepared and celebrated the sacraments of Reconciliation, Communion and Confirmation.

Our pupils have participated in a wide range of residential trips including P6 and P7 visiting Lockerbie Outdoor Centre. A Creative Retreat to Cove Park helped our senior pupils prepare for English, Art and Music exams. This year our Ski trip to Austria was also a great success.

As a Catholic School our pupils are encouraged to give to others. As a school, Charities that have benefitted have included Quarriers, SCIAF, Food Bank, Mary's Meals and Marie Curie Cancer. Our S6 pupils spent a half day a week each supporting pupils with physical and learning challenges at Kirkriggs School. Social Justice is a key part of our ethos and pupils have supported this through becoming a Fair Achiever School this session through the Fair Trade Group. We also have a thriving ECO committee represented by pupils from P1-S6.

In the area of Debating and Public Speaking, our senior pupils competed successfully in the Donald Dewar Debating Competition, and in the Crown Office Procurator Fiscal Competition Fernhill School were Glasgow finalists. Our young debaters excelled in the school's mock elections.

A big achievement for all of us this year was taking part in the Glasgow Dental Hospital Record Breaking Big Smile. This has led us to form a partnership with Glasgow Dental Hospital to develop programmes to enhance the health and wellbeing of our children and young people.

## **FINANCIAL REVIEW**

### **Reserves policy**

The trustees have examined the charity's requirements for reserves in light of the main risks to the school. A policy has been established whereby the unrestricted funds not invested in tangible fixed assets should be approximately 3 months of expenditure. The present level of reserves available to the charity falls significantly short of the target level.

### **Funds in deficit**

The general fund is in deficit at 31 July 2017 and the trustees have noted this position.

## **FUTURE PLANS**

We are very proud of our pupils' successes in recent years, testament that the school ethos and commitment to individualised learning produces the desired results in our pupils' education and social development, helping them to realise their full potential. We continue to work towards the advancement of co-education throughout the school and are extremely pleased that the initial smooth transition and integration of boys into Secondary has continued into 2017-18 with an enhanced curriculum suitable to a leading co-educational establishment.

The ongoing programme of enhancements to school facilities continues with the implementation of new technology and sports facilities.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

Fernhill School is a charitable company limited by guarantee incorporated on 20 June 1972. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

The present Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, are detailed on page 1.

### **Recruitment and appointment of Board of Governors**

The directors of the company are also charity trustees for the purposes of charity law and are known as members of the Board of Governors within the organisation. Recruitment of Governors follows a process of advertising, interview and selection. Members are selected to establish a management team within specific organisational structure. They bring wide and diverse skill sets to the school primarily covering the key areas of business management, marketing, governance, legal and professional and academia which are considered essential to operate and manage the school effectively.

### **Organisational structure**

Board meetings are held on a regular basis, with sub-committees meeting to deal with specific matters where required. The Board is responsible for the overall operation of the school. The Headteacher makes academic decisions and is responsible for the running of the school on a day to day basis with the assistance of the Board.

### **Governors induction and training**

On appointment, Governors are given induction into the structure, status and organisation of the school. Governors are instructed on the operational needs of the school and of their duties and responsibilities as directors and trustees of the organisation.

### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Board examines the major risks that the school faces each financial year and has developed systems to monitor and control these risks to mitigate any impact that they may have on the school.

The major risks facing the charity continue to be financial. The financial situation has stabilised but there remain challenges to monitor and address whilst the school works through the ongoing period of financial recovery.

**TRUSTEES RESPONSIBILITY STATEMENT**

The trustees (who are also the directors of Fernhill School Limited for the purposes of company law) are responsible for preparing the Report of the Trustees 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 that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which 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. 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.

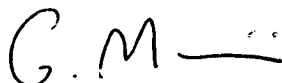
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

**AUDITORS**

The auditors, Bell Barr & Company, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 25 April 2018 and signed on its behalf by:



G Marini - Trustee

Report of the Independent Auditors to the Trustees and Members of  
Fernhill School Limited

**Opinion**

We have audited the financial statements of Fernhill School Limited (the 'charitable company') for the year ended 31 July 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made 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. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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 incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors 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 you 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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, 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.

**Opinion 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.



Report of the Independent Auditors to the Trustees and Members of  
Fernhill School Limited

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

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

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**Responsibilities of trustees**

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

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

**Our responsibilities for the audit of the financial statements**

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 a Report of the Independent Auditors 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 at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.



Jennifer Irvine (Senior Statutory Auditor)

for and on behalf of Bell Barr & Company, Statutory Auditor

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

2 Stewart Street

Milngavie

Glasgow

G62 6BW

Date: 27 April 2018

Fernhill School Limited

Statement of Financial Activities  
for the Year Ended 31 July 2017

		31.7.17 Unrestricted fund £'000	31.7.16 Total funds £'000
	Notes		
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	2	42	40
<b>Charitable activities</b>	3		
Fees		1,656	1,466
Fundraising		57	76
<b>Total</b>		1,755	1,582
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>	4		
Teaching Salaries & School operating charges		1,321	1,247
Bursaries		142	165
Publicity		24	20
Management & administration		230	240
Finance costs & depreciation		33	33
<b>Total</b>		1,750	1,705
<b>NET INCOME/(EXPENDITURE)</b>		5	(123)
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		(950)	(827)
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>(945)</u>	<u>(950)</u>
<b>CONTINUING OPERATIONS</b>			
All income and expenditure has arisen from continuing activities.			

The notes form part of these financial statements

Fernhill School Limited

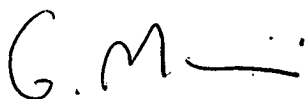
Balance Sheet

At 31 July 2017

		31.7.17 Unrestricted fund £'000	31.7.16 Total funds £'000
	Notes		
<b>FIXED ASSETS</b>			
Tangible assets	10	955	987
<b>CURRENT ASSETS</b>			
Debtors	11	94	61
Cash at bank		12	19
		<u>106</u>	<u>80</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	(173)	(184)
		<u>(67)</u>	<u>(104)</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			
		888	883
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	(1,833)	(1,833)
		<u>(945)</u>	<u>(950)</u>
<b>NET ASSETS/(LIABILITIES)</b>			
<b>FUNDS</b>			
Unrestricted funds:			
General fund		(945)	(950)
<b>TOTAL FUNDS</b>		<u>(945)</u>	<u>(950)</u>

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

The financial statements were approved by the Board of Trustees on 25 April 2018 and were signed on its behalf by:



G Marini -Trustee



W B Hamilton -Trustee

The notes form part of these financial statements

Fernhill School Limited

Cash Flow Statement  
for the Year Ended 31 July 2017

	Notes	31.7.17 £'000	31.7.16 £'000
<b>Cash flows from operating activities:</b>			
Cash generated from operations	20	(4)	(11)
Interest paid		-	11
		<hr/>	<hr/>
<b>Net cash provided by (used in) operating activities</b>		<b>(4)</b>	<b>-</b>
		<hr/>	<hr/>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(3)	(5)
		<hr/>	<hr/>
<b>Net cash provided by (used in) investing activities</b>		<b>(3)</b>	<b>(5)</b>
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(7)</b>	<b>(5)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>19</b>	<b>24</b>
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>12</b>	<b>19</b>
		<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

## **1. ACCOUNTING POLICIES**

### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The trustees have reviewed the charity's income and operating expenses to April 2019, together with other financial commitments due in this period, and are satisfied that the charity has sufficient resources to meet financial obligations as they become due. It is therefore appropriate to prepare the financial statements on the going concern basis.

The financial statements for the year ended 31 July 2017 are the first financial statements that comply with FRS 102. The transition to FRS 102 has resulted in a small number of changes to accounting policies but has not required restatement of any balances in the previous year's financial statements.

### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land & Buildings	- 4% on reducing balance
Art/Computer Building	- 2% on cost
Improvements to property	- 20% on cost, 4% on reducing balance and 2.5% on reducing balance
Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 33% on reducing balance and 22.5% on reducing balance

### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

### **Hire purchase and leasing commitments**

Rentals paid under operating leases are charged against income as incurred.

### **Pension costs and other post-retirement benefits**

The charity operates a defined contribution pension scheme for all staff in accordance with the requirements of the auto enrolment legislation. For certain employees the charity continues to contribute to the Scottish Teachers Superannuation Scheme at rates set by the scheme Actuary and advised to the Board by Scheme Administrator. In both cases the pension cost charges represent the contributions payable by the company to the schemes concerned.

Notes to the Financial Statements - continued  
for the Year Ended 31 July 2017

**1. ACCOUNTING POLICIES - continued**

**Bursaries**

Educational bursaries are included in the statement of financial activities as granted.

**Cash at bank**

Cash at bank includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the account.

**Financial instruments**

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

**2. DONATIONS AND LEGACIES**

	31.7.17	31.7.16
	£'000	£'000
Donations	42	40
	<u>42</u>	<u>40</u>

**3. INCOME FROM CHARITABLE ACTIVITIES**

	Activity	31.7.17	31.7.16
		£'000	£'000
Fees	Fees	1,572	1,395
Transport	Fees	75	62
Exam Fees	Fees	9	9
Fundraising	Fundraising	57	76
		<u>1,713</u>	<u>1,542</u>

**4. CHARITABLE ACTIVITIES COSTS**

	Direct costs	Grant funding of activities (See note 5)	Support costs (See note 6)	Totals
	£'000	£'000	£'000	£'000
Teaching Salaries & School operating charges	1,321	-	-	1,321
Bursaries	-	142	-	142
Publicity	-	-	24	24
Management & administration	-	-	230	230
Finance costs & depreciation	-	-	33	33
	<u>1,321</u>	<u>142</u>	<u>287</u>	<u>1,750</u>

**5. GRANTS PAYABLE**

	31.7.17	31.7.16
	£'000	£'000
Bursaries	142	165
	<u>142</u>	<u>165</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 July 2017

**6. SUPPORT COSTS**

	Management	Finance	Other	Governance	Totals
	£'000	£'000	£'000	costs £'000	£'000
Publicity	24	-	-	-	24
Management & administration	223	-	-	7	230
Finance costs & depreciation	-	(2)	35	-	33
	<u>247</u>	<u>(2)</u>	<u>35</u>	<u>7</u>	<u>287</u>

**7. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	31.7.17	31.7.16
	£'000	£'000
Auditors' remuneration	7	6
Depreciation - owned assets	35	38
Hire of plant and machinery	11	16
	<u>53</u>	<u>60</u>

**8. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 July 2017 nor for the year ended 31 July 2016.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 July 2017 nor for the year ended 31 July 2016.

Notes to the Financial Statements - continued  
for the Year Ended 31 July 2017

9. STAFF COSTS

	31.7.17	31.7.16
	£'000	£'000
Wages and salaries	1,136	1,043
Social security costs	97	79
Other pension costs	40	46
	<u>1,273</u>	<u>1,168</u>

The average monthly number of employees during the year was as follows:

	31.7.17	31.7.16
Teaching Staff	38	37
Support Staff	18	17
	<u>56</u>	<u>54</u>

The estimated full time equivalent number of employees during the year was as follows;

	31.7.17	31.7.16
Teaching staff	29	27
Support Staff	11	10
	<u>40</u>	<u>37</u>

No employee received remuneration in excess of £60,000 during the year. (2016 - 0 employees). There were no pension contributions in the year for higher paid staff. (2016 - £0).

The total remuneration of key management personnel during the year ended 31 July 2017 was £210,240, including employer pension contributions.



Notes to the Financial Statements - continued  
for the Year Ended 31 July 2017

10. TANGIBLE FIXED ASSETS

	Land & Buildings £'000	Art/Computer Building £'000	Improvements to property £'000
<b>COST</b>			
At 1 August 2016	703	762	345
Additions	-	-	-
At 31 July 2017	703	762	345
<b>DEPRECIATION</b>			
At 1 August 2016	355	198	303
Charge for year	7	15	5
At 31 July 2017	362	213	308
<b>NET BOOK VALUE</b>			
At 31 July 2017	341	549	37
At 31 July 2016	348	564	42

	Plant and machinery £'000	Fixtures and fittings £'000	Totals £'000
<b>COST</b>			
At 1 August 2016	13	431	2,254
Additions	-	3	3
At 31 July 2017	13	434	2,257
<b>DEPRECIATION</b>			
At 1 August 2016	12	399	1,267
Charge for year	-	8	35
At 31 July 2017	12	407	1,302
<b>NET BOOK VALUE</b>			
At 31 July 2017	1	27	955
At 31 July 2016	1	32	987

11. DEBTORS

	31.7.17 £'000	31.7.16 £'000
Amounts falling due within one year:		
Trade debtors	21	40
Other Debtors	1	1
Prepayments	45	20
	67	61

Notes to the Financial Statements - continued  
for the Year Ended 31 July 2017

**11. DEBTORS - continued**

	31.7.17 £'000	31.7.16 £'000
Amounts falling due after more than one year:		
Trade debtors	27	-
	<u>27</u>	<u>-</u>
Aggregate amounts	94	61
	<u>94</u>	<u>61</u>

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.7.17 £'000	31.7.16 £'000
Trade creditors	48	30
Social security and other taxes	25	15
Other Creditors	17	13
Accrued expenses	21	23
Fees In Advance	62	103
	<u>173</u>	<u>184</u>

**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.7.17 £'000	31.7.16 £'000
Other loans (see note 14)	1,833	1,833
	<u>1,833</u>	<u>1,833</u>

**14. LOANS**

An analysis of the maturity of loans is given below:

	31.7.17 £'000	31.7.16 £'000
Amounts falling between one and two years:		
Other loans - 1-2 years	1,813	-
	<u>1,813</u>	<u>-</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	-	1,813
	<u>-</u>	<u>1,813</u>
Amounts falling due in more than five years:		
Repayable otherwise then by instalments:		
Other loans	20	20
	<u>20</u>	<u>20</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 July 2017

**15. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.7.17	31.7.16
	£'000	£'000
Within one year	13	16
Between one and five years	54	-
	<u>67</u>	<u>16</u>

**16. SECURED DEBTS**

The following secured debts are included within creditors:

	31.7.17	31.7.16
	£'000	£'000
Other loans	<u>1,813</u>	<u>1,813</u>

The loans from Mrs K Boswell and Retronix Ltd are secured by standard securities over the land and buildings of the charity.

**17. PENSION COMMITMENTS**

All members of staff are enrolled in the Fernhill School defined contribution pension scheme administered by Now Pensions, unless they opt otherwise. During the year the employer contribution rate was 1%.

Certain members of staff continue to be covered by the Scottish Teachers' Superannuation Scheme (STSS) administered by the Scottish Public Pensions Agency. The scheme is a multi employer defined benefit plan and subject to independent actuarial valuation using the projected accrued benefit method. This determines the contribution rates payable by the school. The employer contribution rate has been 17.2% since 1 September 2015. It is not possible to identify each institution's share of the underlying assets and liabilities of the scheme and so the scheme has been accounted for as if it were a defined contribution scheme.

Employer contributions to the pension schemes during the year amounted to £40,138 (2016: £46,177).

Pension contributions outstanding at 31 July 2017 amounted to £4,628 (2016: £5,617).

**18. RELATED PARTY DISCLOSURES**

**G Marini**  
(Trustee)

G Marini is owed a balance of £28,868 from Fernhill School Limited at 31 July 2017. The balance is interest free and carries no fixed repayment terms.

**Donations from trustees**

During the year under review donations of £15,073 were received from trustees.

**19. MEMBERS GUARANTEE**

The members of the company undertake to contribute up to a maximum of £10 to the assets of the company in the event of the company being wound up while he or she is a member, or within one year afterwards.

**20. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.7.17 £'000	31.7.16 £'000
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	5	(123)
<b>Adjustments for:</b>		
Depreciation charges	35	38
Interest paid	-	(11)
(Increase)/decrease in debtors	(33)	23
(Decrease)/increase in creditors	(11)	62
<b>Net cash provided by (used in) operating activities</b>	<u>(4)</u>	<u>(11)</u>