

**THE FETTES FOUNDATION**  
*(A Charitable Company Limited by Guarantee)*

**FINANCIAL STATEMENTS**

**For the year ended 31 August 2019**

SATURDAY



\*S9473ZR4\*

SCT

02/05/2020

#145

COMPANIES HOUSE

**THE FETTES FOUNDATION**  
*(A Charitable Company Limited by Guarantee)*

**FINANCIAL STATEMENTS**

**Year ended 31 August 2019**

<b>Contents</b>	<b>Page</b>
Officers and Professional Advisors	<b>1</b>
Trustees' Report	<b>2 - 9</b>
Independent Auditor's Report to the Trustees and Members	<b>10 - 12</b>
Statement of Financial Activities	<b>13</b>
Balance Sheet	<b>14</b>
Statement of Cash Flows	<b>15</b>
Notes to the Financial Statements	<b>16 - 24</b>

**THE FETTES FOUNDATION**  
*(A Charitable Company Limited by Guarantee)*

**OFFICERS AND PROFESSIONAL ADVISORS**

**Year ended 31 August 2019**

**Trustees**

B A I Dingwall CBE – Chairman  
N J Bolton  
S J Bruce  
J C Lang  
B O Lloyd  
F M McGregor

S W Morrison (retired 4 December 2018)  
A Nairn  
R M Leckie (appointed 13 June 2019)  
A E H Salvesen CBE  
E M Young  
J L Aird (resigned 9 January 2019)

**Director of Development**

N Pickavance

**Company Secretary**

A E Oram

**Registered Office**

Fettes College  
Carrington Road  
EDINBURGH  
EH4 1QX

**Auditor**

Johnston Carmichael LLP  
7-11 Melville Street  
EDINBURGH  
EH3 7PE

**Solicitors**

Anderson Strathern LLP  
1 Rutland Court  
EDINBURGH  
EH3 8EY

**Scottish Charity Number**

SC028350

**Company Registration Number**

SC189253

## **TRUSTEES' REPORT**

**Year ended 31 August 2019**

### **REFERENCE AND ADMINISTRATIVE INFORMATION**

The Fettes Foundation ("the Foundation") is a company limited by guarantee and does not have any share capital. It was established in August 1998 as a registered Scottish charity (No. SC028350) and has its registered office at Fettes College, Carrington Road, Edinburgh, EH4 1QX, Scotland. The Foundation was established for charitable objects only, these objects being to advance the education, health and well-being of pupils attending Fettes College, by the provision, or the assistance in the provision, of financial and other support to the College. Details of the Trustees, Senior Manager, Advisors and principal address of the Foundation are listed on page 1 of this report.

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

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

The Foundation is governed by its Memorandum and Articles of Association. This report and the attached accounts have been prepared in accordance FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities: Statement of Recommended Practice for charities applying FRS 102" ("SORP (FRS 102) ") and with current statutory requirements.

#### ***Directors and Trustees***

The governing body of the Fettes Foundation comprises the Trustees listed on page 1, and the Directors of the Foundation are its Trustees for the purpose of charity law. A number of them have wider family connections with Fettes College including nine who have or have had children at the school. New Trustees are invited to join the Board of Trustees based on their commitment to Fettes College and its future development. Trustees are encouraged to pay regular visits to Fettes College and to meet with the Director of Development, as required, between the biannual Foundation meetings held in Edinburgh in May or June (Ordinary Meeting) and November or December (the Annual General Meeting).

#### ***Organisation Management***

The Foundation's Trustees have overall responsibility for ensuring that the operational activities of the Foundation are conducted in the most efficient manner possible. The Foundation is provided with office space and various other facilities by Fettes College.

The Foundation is staffed by members of the Development Team. The Development Team builds and maintains relationships with former pupils of Fettes College (Old Fettesians), current and past parents, former staff and other friends of Fettes College in order to raise philanthropic income for the Foundation.

The day to day management of the Foundation and the major gifts fundraising is in the hands of the Director of Development. She is supported by:

- the Development Officer (Fundraising & Stewardship) who runs the Annual Fund and supports fundraising for priority projects. She also ensures donors are thanked and kept informed about the projects they support and manages US fundraising and events.
- the Development Officer (Data and Research) who manages the Development Team's database and website. She also ensures the Fettes Foundation complies with data protection legislation and carries out research.
- the Development Manager who runs the Fettes Career Partnership Programme and manages the delivery of major engagement projects for Old Fettesians, including significant plans for the College's forthcoming 150<sup>th</sup> Anniversary in 2020/21.
- the Old Fettesian Co-ordinator who supports and manages opportunities for Old Fettesians to engage with each other and Fettes College.
- the Development Administrator who provides administrative support across all strands of the Development Team's work.

In turn the Development Team is assisted by the Accounts Department of Fettes College which maintains the Foundation's bank accounts and prepares the monthly financial statements on behalf of the Foundation. The Finance Manager is the Foundation's Company Secretary. The Director of Development meets regularly with the Head and the Bursar of Fettes College and the Foundation Chair.

In recognition of the fact that a significant proportion of funds raised have been and will continue to be provided by Old Fettesians, there is a strong working relationship between the Senior Management Team of Fettes College, the Old Fettesian Association and the Development Team.

**THE FETTES FOUNDATION**  
**(A Charitable Company Limited by Guarantee)**

**TRUSTEES' REPORT** *(cont'd)*

**Year ended 31 August 2019**

**STRUCTURE, GOVERNANCE AND MANAGEMENT** *(cont'd)*

***Relationship with the Fettes Trust***

The Foundation is a separately registered charity to that of The Governors of the Fettes Trust ("the Fettes Trust"), which manages Fettes College. However, its objectives and aims are to support the education, health and well-being of pupils at Fettes College. Three of the Foundation's Trustees were also Governors of the Fettes Trust during the year and a further three Trustees have at varying times been Governors of the Fettes Trust. The Foundation is independently constituted and operationally independent of the Fettes Trust, and is not a subsidiary or associated company of it.

***Risk Management***

Trustees are responsible for the management of risks faced by the Fettes Foundation. They recognise the value of an open and transparent culture which promotes prompt escalation of risk concerns. They have nominated the Director of Development to take overall responsibility for risk management and ensure its effectiveness. Risks are identified, assessed and controls established. Whilst these controls are reviewed throughout the year, a formal review of the Foundation's risk management processes is conducted twice a year at each Foundation meeting. The key controls used by the charity include:

- Formal agenda for and minuting of all Trustees meetings.
- Comprehensive strategic planning, budgeting and management accounting.
- Established organisation structure and lines of reporting.
- Clear authorisation and approval levels for expenditure.

Through the risk management processes established by the Foundation, the Trustees are satisfied that the major risks are identified and have been adequately assessed and mitigated, where necessary. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

The key risks facing the Foundation typically relate to governance, regulation, staffing, external economic uncertainties and financial and administrative factors which can in turn be broken down into succession planning for the Board; compliance with relevant legislation such as data protection regulations; retaining charitable status; recruitment then retention of good staff; ensuring sufficient funding from donations is coming into the Foundation and that cost controls relating to expenditure are in place; and developing and maintaining adequate systems including IT systems to ensure gifts to the Foundation are processed, acknowledged and recognised in accordance with the donor's wishes.

The Trustees place huge emphasis on ensuring that the Fettes Foundation does not suffer any material damage or loss arising from a risk factor which would affect its ability to deliver its strategy and key objectives.

**TRUSTEES' REPORT** *(cont'd)*

**Year ended 31 August 2019**

**OBJECTIVES AND ACTIVITIES**

***Charitable Object***

The Foundation's principal activity is to raise funds to provide financial and other support to Fettes College. This requires an active series of campaigns and communications to ensure that the constituency, primarily made up of former pupils and parents of current and past pupils of Fettes College, are aware of the needs of the College particularly as they relate to bursaries and the expansion and renewal of facilities.

***Strategic Aims***

In order to assist Fettes College to meet the challenges and demands of an increasingly complex regulatory, political and socio-economic world, the Foundation has, since 2016, when a Long Term Development Plan for the College was completed, been raising funds primarily towards bursaries. A new Buildings Masterplan is currently under development by the College and from this the Foundation's future capital campaign priorities will flow. In the meantime, the Development Team is carrying out preparatory work to underpin future campaign fundraising and will continue to strengthen bursary fundraising by securing philanthropic income to increase the Foundation's contribution to the endowment fund of Fettes College, known as the Combined Investment Fund. The Foundation will also fundraise for other priority projects, as required.

***Objectives for the Year***

The Foundation's objectives for the year were to:

- Prioritise raising funds towards bursaries, securing unrestricted income and obtaining donations for the Pavilion Restoration Project.
- Maximise the use of the Development Team database (The Raiser's Edge) and investigate possibilities for new Alumni /Community Portal, in support of the medium to long term strategy of the Foundation and the Development Team.
- Promote the Foundation and Fettes College to as wide an audience as possible in order to communicate the needs of the College for the future.
- Continue to support the development and growth of the Fettes Career Partnership Programme.
- Meet all statutory obligations placed upon the Foundation and its activities.
- Exercise due diligence in the management of the Foundation's donations.
- Develop plans for 2019-20 and beyond.

The Trustees believe these objectives have been achieved successfully during the year and are discussed further below.

**FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

***Results for the year***

Donations of £1,780,260 were received during the year which is £1,065,728 more than the £714,532 received in 2017/18. This means there has been, on average, £790,000 raised per annum since the Foundation was established in 1998.

During 2018/19 359 donors made donations to the Foundation, up from 327 donors in 2017/18. In addition to donations there was £439,729 of investment income being rental income and interest on bank deposits.

Donation income included £1,610,085 in 2018/19 and £469,037 in 2017/18 of restricted funds primarily to fund bursaries and the Pavilion Restoration Project.

**TRUSTEES' REPORT** *(cont'd)*

**Year ended 31 August 2019**

**FINANCIAL REVIEW AND RESULTS FOR THE YEAR** *(cont'd)*

***Results for the year*** *(cont'd)*

Disbursements during the year from restricted funds amounted to £1,722,343 compared with £328,936 in the prior year, leaving restricted funds of £2,809,190 at the year end. Unrestricted reserves at the year-end amounted to £1,716,364. Included within unrestricted funds is an amount of £343,079 (2018: £263,079) which the Trustees have chosen to designate for the purpose of school buildings projects and £697 (2018: £10,129) which the Trustees have chosen to designate for the purpose of a school archive project.

The resources expended in administering and promoting the fundraising activities of the Foundation totalled £243,018 during the year compared with £211,399 in the prior year. Hence, for every £1.00 expended, there was donation income of £7.33 (£3.38 in 2017/18 and an average of £7.12 over the last five years) which places the Foundation above the average for those schools which actively fundraise in the UK's independent schools sector.

***Reserves and Investment Policies***

The Foundation's purpose of raising funds to provide financial and other support to Fettes College is an ongoing one and the Trustees will provide that support as funds are available and when suitable projects arise. Thus, as fundraising is continuous, the level of reserves will depend on the timing and level of support given to the College.

The Trustees aim to retain sufficient unrestricted funds to meet at least six months of expenditure. At the year end the cash available to meet future expenses and unrestricted donations, amounted to £185,526, which would cover approximately nine months expenditure.

The Foundation's investments are held in property, with surplus cash held in interest bearing deposit accounts with the Bank of Scotland, part of Lloyds Banking Group. The objectives are to minimise risk and secure a commercial rate of return, and the Trustees are satisfied that these objectives have been achieved during the year.

**RECORD OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR**

***Income from Donations***

£1,780,260 income from donations was received in 2018/19, broken down as follows:

• Bursaries	£1,414,178
• Unrestricted Gifts	£132,870
• Legacies	£14,500
• Special Projects	£182,406
• Events	£36,306

There were a total of 14 donations of £10,000 or more received in the year, as opposed to 8 in 2017/18 in line with the Foundation's strategy to strengthen major giving.

The largest donation was a gift of £1,200,000 received as a restricted donation towards bursaries from an anonymous donor. Additional donations towards bursaries of particular note were £80,000 from past parents and the first of five £20,000 instalments towards a £100,000 donation for bursaries was received from current parents.

The fourth of four instalments was donated by current parents towards an unrestricted gift of £250,000 and six gifts of £10,000 or more were received from Old Fettesians and current parents towards the Pavilion Restoration Project.

One legacy of over £10,000 was received and a legacy pledge of £1,150,000 was made by an Old Fettesian.

**THE FETTES FOUNDATION**  
**(A Charitable Company Limited by Guarantee)**

**TRUSTEES' REPORT** (*cont'd*)

**Year ended 31 August 2019**

**RECORD OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR** (*cont'd*)

***Programmes and Activities***

The bulk of the Foundation's fundraising this year focussed on securing income towards bursaries, in line with the ongoing strategy to increase philanthropic income towards this priority area. Raising over £1,400,000 in donations this year was exceptional and more than tripled the sums raised in the previous year.

In particular, significant work went into developing and then launching a new programme of active bursary recruitment, thanks to an anonymous donation of £1,200,000. This initiative stays true to the founding ethos of Fettes College and is transforming the lives of bright, curious and caring young people from highly deprived backgrounds in Edinburgh. Thanks to this gift, Fettes College now has the opportunity to work in partnership with several local primary schools to actively recruit two bursary students per annum, in need of 100% (+) support, to provide them with the opportunity to learn, live and flourish at Fettes despite not having the means to do so.

A further grant of £140,000 towards bursaries was received directly by Fettes College from a charitable trust, increasing total philanthropic income towards bursaries to over £1,500,000.

43 donations were received towards the Pavilion Restoration. In total over £540,000 has been secured towards this project.

The Foundation invested time and resource again this year in thanking donors to the Fettes Foundation and those who support the work of the Fettes College Development Team as volunteers. Events were held in September 2018, February 2019, May 2019 and June 2019 to ensure all donors and volunteers were thanked accordingly and kept engaged. Additionally, in September 2018, all donors and volunteers received an email or letter from the Director of Development, relevant to them, to thank them for their support and received information to emphasise what a difference their support makes to Fettes.

In December 2018, a new legacy brochure, along with a covering letter, was sent to 1800 Old Fettesians. Half of these letters were hand signed by three Foundation Trustees. The appeal focussed on sharing information and promoting legacy giving through the use of stories and quotes from 'planned givers' and examples of transformational legacy gifts from the past. One of the Old Fettesians who received the new brochure, following detailed discussions with the Director of Development and a visit to Fettes to meet the Head and other members of the Senior Team, has confirmed a legacy pledge of £1,150,000 in favour of the Foundation.

Former Fettes College Headmaster, Geoffrey Stanford, left his post in early June 2019. He was succeeded by Helen Harrison, the then Deputy Head, as Head of Fettes. Helen has been part of the Fettes family for over 20 years as a parent, a teacher, a House Parent, Deputy Head and now Head. Since her appointment she has addressed many supporters at events and met with several major donors. Her vision is to provide Fettesians with the best all-round boarding education that she can deliver with her team, whilst instilling in them an understanding of what a privilege it is to be part of the Fettes community. She is committed to working with the Fettes Foundation and the Development Team to do all she can to ensure that the Fettes family continues to grow stronger as Fettes looks forward into an exciting future. This will include significant fundraising for the aforementioned new Buildings Masterplan, currently being developed, alongside fundraising for bursaries.

The Fettes Career Partnership Programme continued to facilitate connections across the global Fettes community network. Individuals received assistance and advice in pursuit of their careers including CV advice and internships and a programme of career-events was delivered. Foundation Trustees are very grateful to all who supported Careers Day, the Oxbridge Interview Evening, a CV workshop for the Lower Sixth, Business Networking events and a series of events which bring careers to life for current pupils by lifting the lid on a number of industry sectors. In recognition of the success of this initiative and the work of the College's Careers Team, Fettes won the *Independent School of the Year Award* for best Student Careers Programme this year.

The Development Team continued to play a key role in the delivery of various events for Old Fettesians including the Annual Remembrance Day Service, the Old Fettesian Association Commemoration Weekend and the Old Fettesian London Carol Service alongside supporting the delivery of many events for Old Fettesians across the globe facilitated by a network of Regional Representatives.



**TRUSTEES' REPORT** *(cont'd)*

**Year ended 31 August 2019**

**RECORD OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR** *(cont'd)*

They mounted a survey of OFs in the USA to inform future strategy and increase engagement and delivered the Annual New York Dinner in April 2019, which was attended by the then Headmaster and the Director of Development.

Whilst in New York they both attended the AGM of The Friends of Fettes Inc (a registered 501(c)(3) charity in the United States) and met with key contacts in the area.

In Asia the team delivered the Annual Friends of Fettes Drinks Reception in Hong Kong in November 2018 which was attended by the then Headmaster and the Director of Development. Whilst in Hong Kong the Headmaster met with prospective parents and the Director of Development had meetings with prospective donors and donors.

The detailed plans for the forthcoming 150<sup>th</sup> Anniversary of Fettes College in 2020/21 were developed this year, following approval of an overall strategy by the Board of Governors last year. The Development Team is leading on this significant project and is working with many colleagues and volunteers to deliver it. They are also leading on fundraising, via sponsorship, to cover some costs in 2019/20 and mounting an 150<sup>th</sup> Anniversary bursary appeal in 2020/21.

**Staffing**

As noted above former Fettes College Headmaster, Geoffrey Stanford, left his post in June 2019. He was succeeded by Helen Harrison, the then Deputy Head, as Head of Fettes. There were two further significant staffing changes in 2018/19.

The Development Co-ordinator left the Team in May 2019, after eight years at Fettes, to take up a new more senior position closer to home. The vacant role was reviewed and updated to become a Development Officer (Fundraising & Stewardship). The purpose of this post is to ensure long-term fundraising success for the Foundation by supporting the Director of Development to devise, promote and deliver compelling income generating programmes aligned to strategic priorities including annual giving, capital campaigns and legacy fundraising and to manage the Stewardship Strategy for the Fettes Foundation. After a successful recruitment campaign a new Development Officer (Fundraising & Stewardship) joined the team in June 2019.

The Old Fettesian Co-ordinator left the Team in April 2019 after just over two years, to take up a new more senior role in a sector aligned to his long term career goals. The role was reviewed but no significant changes were made and the purpose remained to support the Old Fettesian Association and the College to create, support and manage opportunities for Old Fettesians to engage with each other and with Fettes. After a successful recruitment campaign a new Old Fettesian Co-ordinator joined the team in August 2019.

Two resignations in quick succession created additional pressure on the remaining Development Team members who covered the resulting team gaps admirably.

**Key management personnel**

The Director of Development is the key management person within the Foundation and whilst the remuneration is set by another body, The Governors of the Fettes Trust, it is at a rate which the Trustees believe is competitive within the Charity Fundraising sector.

**TRUSTEES' REPORT** *(cont'd)*

**Year ended 31 August 2019**

**FUTURE PLANS**

The Foundation Trustees are committed to the Foundation focussing on the following areas until 2020/21 (Fettes 150<sup>th</sup> Anniversary year):

- Deepening and widening engagement with members of the Fettes community.
- Promoting Fettes past, present and future in everything we do.
- Strengthening Major Giving towards the Fettes Foundation.
- Increasing philanthropic income towards bursaries, in pursuit of the College's aim to significantly increase the Combined Investment Fund.
- Raising philanthropic income towards capital projects, in line with Fettes College short to medium term aspirations, and towards where the College needs it most.
- Enriching the data we hold.
- Supporting the Strategic Planning Process for Fettes College.

Specifically in 2019/20 the Development Team will support Foundation Trustees to deliver these plans by:

- Continuing to secure major gifts towards the Combined Investment Fund for bursaries.
- Looking after and thanking our supporters.
- Embarking on campaign feasibility work and planning as required.
- Maintaining annual fundraising income and participation rates.
- Planning a Bursaries appeal aligned to the 150<sup>th</sup> Anniversary for delivery in 2020/21.
- Building on the 2018/19 Legacy Appeal by engaging with potential and planned Legators at the College and beyond.
- Delivering a new Alumni/Community portal.
- Maximising the use of our database, continuing to enrich our data in support of objectives and to streamline business processes.
- Delivering the 150th Anniversary Action Plan.
- Delivering the Fettes Career Partnership Programme.

**THE FETTES FOUNDATION**  
**(A Charitable Company Limited by Guarantee)**

**TRUSTEES' REPORT** (cont'd)

**Year ended 31 August 2019**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also directors of The Fettes Foundation 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 the financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The Trustees 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.

The Trustees confirm that:

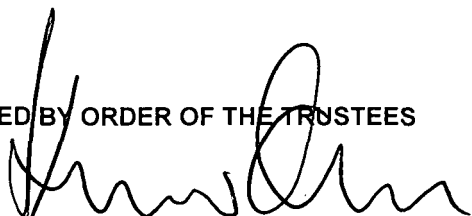
- as far as they are aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- each Trustee has taken all steps they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the Foundation's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

**SIGNED BY ORDER OF THE TRUSTEES**



**Andrew E Oram**  
**Company Secretary**

Approved by the trustees on 26/11/ 2020

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE FETTES FOUNDATION**

**Opinion**

We have audited the financial statements of The Fettes Foundation (the 'charitable company') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the 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, 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 August 2019 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 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 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.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE FETTES FOUNDATION (CONTINUED)**

**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 auditor's report thereon. 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.

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' Annual Report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

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

In the light of our 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 Trustees' Annual Report.

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

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 9, 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.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE FETTES FOUNDATION (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 regulations made under those Acts.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**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. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Graeme Fraser (Senior Statutory Auditor)**  
for and on behalf of Johnston Carmichael LLP  
Chartered Accountants  
Statutory Auditor

10 February 2020

7-11 Melville Street  
Edinburgh  
EH3 7PE

Johnston Carmichael LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**THE FETTES FOUNDATION**  
**(A Charitable Company Limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(Incorporating Income and Expenditure Account)**

**Year ended 31 August 2019**

	Note	Unrestricted Funds £	Restricted Funds £	2019 Total £	2018 Total £
<b>Income and endowments from</b>					
Donations and legacies	7	170,175	1,610,085	1,780,260	714,532
Investment	8	439,729	-	439,729	428,596
		-----	-----	-----	-----
<b>Total income and endowments</b>		609,904	1,610,085	2,219,989	1,143,128
		-----	-----	-----	-----
<b>Expenditure on:</b>					
Raising funds	9	181,732	58,755	240,487	208,437
Charitable activities	10	160,268	1,724,038	1,884,306	481,898
Other	11	-	50,065	50,065	47,890
		-----	-----	-----	-----
<b>Total expenditure</b>		342,000	1,832,858	2,174,858	738,225
		-----	-----	-----	-----
<b>Net losses on investments</b>	15	-	450,000	450,000	451,000
		-----	-----	-----	-----
<b>Net income/(expenditure)</b>		267,904	(672,773)	(404,869)	(46,097)
		-----	-----	-----	-----
<b>Net movement in funds</b>		267,904	(672,773)	(404,869)	(46,097)
		-----	-----	-----	-----
<b>Reconciliation of funds:</b>					
<b>Total funds brought forward</b>		1,448,460	3,481,963	4,930,423	4,976,520
		-----	-----	-----	-----
<b>Total funds carried forward</b>		1,716,364	2,809,190	4,525,554	4,930,423
		=====	=====	=====	=====

The results for the year derive from continuing activities and there are no gains or losses other than those shown above.

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

The notes on pages 16 to 24 form part of these financial statements

**THE FETTES FOUNDATION**  
(A Charitable Company Limited by Guarantee)

**BALANCE SHEET**

**As at 31 August 2019**

	<b>Note</b>	<b>2019</b> £	<b>2018</b> £
<b>Fixed Assets</b>			
Tangible assets	14	14,716	20,416
Investment properties	15	5,730,000	6,180,000
		<u>5,744,716</u>	<u>6,200,416</u>
<b>Current assets</b>			
Prepayments and accrued income		49,996	57,613
Bank		1,185,970	1,253,737
		<u>1,235,966</u>	<u>1,311,350</u>
<b>Creditors: amounts falling due within one year</b>	16	385,256	387,267
<b>Net current assets</b>		<u>850,710</u>	<u>924,083</u>
<b>Creditors: amounts falling due after one year</b>	17	2,069,872	2,194,076
<b>Total assets less current liabilities</b>		<u>4,525,554</u>	<u>4,930,423</u>
<b>Funds</b>			
Restricted income funds	20	2,809,190	3,481,963
Unrestricted income funds	20	1,716,364	1,448,460
		<u>4,525,554</u>	<u>4,930,423</u>

These financial statements were approved by the trustees on 20 January 2020 and are signed on their behalf by:-



Bruce Dingwall  
Trustee

Company Registration No SC189253

The notes on pages 16 to 24 form part of these financial statements



**THE FETTES FOUNDATION**  
*(A Charitable Company Limited by Guarantee)*

**STATEMENT OF CASHFLOWS**

**For the year ended 31 August 2019**

	Notes	2019 £	2018 £
<b>Net cash inflow from operating activities</b>	22	66,773	539,119
<b>Investing activities</b>			
Investment income		15,525	4,392
Payments to acquire fixed assets		-	(24,391)
<b>Net cash outflow from investing activities</b>		15,525	(19,999)
		82,298	519,120
<b>Financing activities</b>			
Bank loan interest		(50,065)	(47,890)
Loan repayments		(100,000)	(250,000)
<b>Net cash outflow from financing activities</b>		(150,065)	(297,890)
Increase/(decrease) in cash and cash equivalents		(67,767)	221,230
Cash and cash equivalents at start of reporting period		1,253,737	1,032,507
Cash and cash equivalents at end of reporting period		1,185,970	1,253,737
Cash and cash equivalents was all cash at bank			

The notes on pages 16 to 24 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 August 2019**

**1. Company constitution**

The Fettes Foundation is a charitable company limited by guarantee, a registered Scottish Charity (No. SC028350), registered with OSCR and has no share capital; however, in the event of a winding up each one of the members undertakes to contribute such amount as may be required not exceeding £1. The registered office is Fettes College, Carrington Road, Edinburgh, EH4 1QX.

**2. Accounting policies**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention, modified by the carrying of investment properties at fair value, and are in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") 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" ("SORP (FRS 102)"). The financial statements have also been prepared in accordance with the Charities Accounts (Scotland) Regulations 2006, Charities and Trustee Investment (Scotland) Act 2005 and Companies Act 2006.

The accounts are prepared in sterling, which is the functional currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest pound.

The charity has availed itself of S396 of the Companies Act 2006, as permitted in paragraph 4(1) of Schedule 1 of SI 2008 no.409, and adapted the Companies Act formats to reflect the special nature of the charities activities.

The charity is a Public Benefit Entity as defined by FRS 102.

The principal accounting policies adopted are set out below.

**Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for at least 12 months. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**Donations and legacies**

Net donations are accounted for upon entitlement on an accruals basis with any recoverable tax being included to record the donations at their gross value.

Income from legacies is recognised when there is evidence of entitlement to the income, receipt is probable and the amount can be measured reliably.

**Investment income**

Deposit interest and other investment income is shown gross of recoverable tax and is accrued where applicable. Rental income is recognised in the period to which it relates. Lease premiums (grassums) are recognised in deferred income and recognised in income over the period of the lease.

**Expenditure**

Costs of raising funds and governance costs are accounted for on an accruals basis and include irrecoverable VAT, where applicable. Staff and fundraising costs charged to restricted funds represent 20% of restricted income, together with certain direct costs associated with raising those funds, subject to a maximum of £25,000 per donor.

**Fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation. The Foundation has adopted a policy of capitalising individual items costing £500 or more with items below this limit being expensed.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its estimated useful life. Computer software is depreciated on a straight line basis over 4 years.

Assets under construction are to be depreciated once available for use.

**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 August 2019**

**Accounting policies (cont'd)**

**Investment Properties**

Investment property, which is property held to earn rentals, is measured using the fair value model and stated at its fair value at the reporting date. The surplus or deficit on revaluation is recognised in the statement of financial activities.

**Impairment of fixed assets**

At each reporting end date, the Foundation reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

**Cash and cash equivalents**

Cash and cash equivalents comprises cash in hand and at bank.

**Financial instruments**

The Foundation has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Foundation's balance sheet when the foundation becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include other receivables and cash and bank balances, are initially measured at transaction price including transaction costs.

**Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in income or expenditure.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in income or expenditure.

**Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the assets expire or are settled, or when the company transfers the financial assets and substantially all the risks and rewards of ownership to another entity, or some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the assets in its entirety to an unrelated third party.

**Basic financial liabilities**

Basic financial liabilities, including other payables, are initially recognised at transaction price and are subsequently carried at amortised cost, using the effective interest rate method unless the arrangement constitutes a financing transaction.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the Foundation's contractual obligations expire or are discharged or cancelled.

**THE FETTES FOUNDATION**  
**(A Charitable Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 August 2019**

**3. Critical accounting estimates and judgements**

In the application of the Foundation's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. The following judgements or estimation uncertainties have a significant effect on amounts recognised in the financial statements:

**Investment property valuation**

Investment property is carried at fair value, which is estimated by management using a discounted cash flow model, as disclosed in note 15.

**4. Funds**

The unrestricted funds are available for the Foundation's principal objects of providing support to Fettes College and include designated funds which are those amounts of unrestricted funds which the Trustees have elected to designate and apply towards particular purposes. The restricted funds are those donations received to fund specific purposes within the overall objective of providing support to Fettes College. These purposes include the provision of bursaries and scholarships, the provision of equipment and the maintenance of fabric, the provision of financial assistance to pupils for school trips, to assist in the teaching of specific subjects and to assist in the development of specific capital projects at the College. The running costs of the Foundation are borne by both the unrestricted fund and restricted funds received in the year.

**5. Taxation**

The company is recognised as a charity by HMRC and no charge for taxation arises on its charitable income in the year.

**6. Transactions with trustees**

No trustee received any remuneration or reimbursement of expenditure, or had expenditure paid directly on their behalf by the charity during the current or prior year.

**7. Donations and legacies**

	<b>2019</b>	<b>2018</b>
	£	£
Donations	1,779,260	688,281
Legacies	1,000	26,250
	-----	-----
	1,780,260	714,531
	=====	=====

Attributable to funds as follows:

	<b>2019</b>	<b>2018</b>
	£	£
Unrestricted	170,175	245,495
Restricted	439,729	469,037
	-----	-----
	1,780,260	714,532
	=====	=====

**8. Investment income**

	<b>2019</b>	<b>2018</b>
	£	£
Rental income	424,204	424,204
Bank interest	15,525	4,392
	-----	-----
	439,729	428,596
	=====	=====

All amounts included above relate to unrestricted funds.

**THE FETTES FOUNDATION**  
**(A Charitable Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 August 2019**

<b>9. Raising funds</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2019</b>	<b>Total 2018</b>
	£	£	£	£
Staff costs	122,358	39,558	161,916	160,552
Other fundraising costs	59,374	19,197	78,571	47,885
	-----	-----	-----	-----
	181,732	58,755	240,487	208,437
	=====	=====	=====	=====

The Foundation is provided with an office and other facilities by Fettes College, for which no charge is made.

All amounts included above relate to unrestricted funds except for £58,755 (2018: £22,321) which relate to restricted funds.

<b>10. Charitable activities</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2019</b>	<b>Total 2018</b>
	£	£	£	£
Donations to Fettes College	159,432	1,722,343	1,881,775	478,936
Support costs	835	1,696	2,531	2,962
	-----	-----	-----	-----
	160,268	1,724,038	1,884,306	481,898
	=====	=====	=====	=====

Attributable to funds as follows:

	<b>2019</b>	<b>2018</b>
	£	£
Unrestricted	160,268	151,766
Restricted	1,724,038	330,132
	-----	-----
	1,884,306	481,898
	=====	=====

The Foundation is a separately registered charity to that of The Governors of the Fettes Trust ("the Fettes Trust"). However, its objects and aims are to support the education, health and well-being of pupils at Fettes College. Three of the Foundation's Trustees were also Governors of the Fettes Trust during the year and a further three Trustees have at varying times been Governors of the Fettes Trust. The Foundation is independently constituted and operationally independent of the Fettes Trust, and is not a subsidiary or associated company of it.

**11. Other expenditure**

The full amount of interest on the bank loan was attributable to restricted funds in the current and prior year.

**12. Staff costs and employees**

The Foundation has no employees; however the Foundation reimburses Fettes College for the services of the Director of Development, the Annual Fund Coordinator, the Development Manager and administration support. These costs amounted to £161,916 (2018: £157,758). As at 31 August 2019 the Foundation owed the Fettes Trust £131,119 (2018: £130,033).

**13. Net income/(expenditure)**

Net income/(expenditure) is stated after charging: -	<b>2019</b>	<b>2018</b>
	£	£
Auditor's remuneration in respect of audit services (including VAT)		
- Audit services	2,338	2,917
- Other services	-	-
Recharged pension costs (within staff costs above)	11,521	11,243
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 August 2019

**14. Tangible fixed assets**

	Computer software £	Total £
Cost		
At 1 September 2018	22,791	22,791
Additions	-	-
Transfers	-	-
Disposals	-	-
	-----	-----
At 31 August 2019	22,791	22,791
	-----	-----
Depreciation		
At 1 September 2018	2,375	2,375
Charge for year	5,700	5,700
Disposals	-	-
	-----	-----
At 31 August 2019	8,075	8,075
	-----	-----
Net book value at 31 August 2019	14,716	14,716
	=====	=====
Net book value at 31 August 2018	20,416	20,416
	=====	=====

**15. Investment properties**

	Total £
<b>Fair value</b>	
At 1 September 2018	6,180,000
Revaluation	(450,000)
	-----
At 31 August 2019	5,730,000
	=====

Investment property consists of the Spens building, a building owned by the Foundation, built on land leased from The Governors of the Fettes Trust. The fair value of investment property has therefore been determined by management as the present value of future rental income, discounted at a risk free rate of return, which is deemed to be 2.1%.

Revaluation losses in the current and prior year are allocated to restricted funds.

**16. Creditors: amounts falling due within one year**

	2019 £	2018 £
Bank loan	100,000	100,000
Accruals and deferred income	134,136	137,234
Taxes and social security costs	20,000	20,000
Other creditors	131,120	130,033
	-----	-----
	385,256	387,267
	=====	=====

**THE FETTES FOUNDATION**  
**(A Charitable Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 August 2019**

**17. Creditors: amounts falling due after one year**

	<b>2019</b>	<b>2018</b>
	£	£
Bank loan	1,783,333	1,883,333
Deferred grassum income (see note 18)	286,539	310,743
	-----	-----
	2,069,872	2,194,076
	=====	=====

	<b>2019</b>	<b>2018</b>
	£	£
Analysis of bank loan payable:		
In one year or less	100,000	100,000
Between one and two years	100,000	100,000
Between two and five years	300,000	300,000
In five years or more	1,383,333	1,483,333
	-----	-----
	1,883,333	1,983,333
	=====	=====

Interest is charged on the loan at 1.84% above Bank of Scotland base rate and the loan is repayable over 25 years starting in January 2016. The loan of £1,883,333 is secured by floating charge over the whole assets of the Company.

**18. Deferred income**

Deferred income relates to a grassum received from The Governors of the Fettes Trust in relation to the Spens Building, which is being released to income over the life of the lease.

	<b>2019</b>	<b>2018</b>
	£	£
Balance at 1 September 2019	334,947	359,151
Amounts released from previous year	(24,204)	(24,204)
	-----	-----
Balance at 31 August 2019	310,743	334,947
	=====	=====

Deferred income is split as follows:

	<b>2019</b>	<b>2018</b>
	£	£
Amounts due within one year	24,204	24,204
Amounts due after one year	286,539	310,743
	-----	-----
Balance at 31 August 2019	310,743	334,947
	=====	=====

**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 August 2019**

**19. Financial instruments**

Categories of financial assets and financial liabilities

The following table sets out the Foundation's classification and carrying amount for each type of non-derivative financial asset and liability.

At 31 August 2019

	Fair value through income and expenditure £	Amortised cost Loans and receivables £	Non-derivative financial liabilities £	Total £
<b><u>Assets</u></b>				
Cash and cash equivalents	-	1,185,970	-	1,185,970
<b><u>Liabilities</u></b>				
Loans	-	-	(1,883,333)	(1,883,333)
Accruals and other creditors	-	-	(241,052)	(241,052)
	-	1,185,970	(2,124,385)	(938,415)

At 31 August 2018

	Fair value through income and expenditure £	Amortised cost Loans and receivables £	Non-derivative financial liabilities £	Total £
<b><u>Assets</u></b>				
Cash and cash equivalents	-	1,253,737	-	1,253,737
<b><u>Liabilities</u></b>				
Loans	-	-	(1,983,333)	(1,983,333)
Accruals and other creditors	-	-	(287,267)	(287,267)
	-	1,253,737	(2,270,600)	(1,016,863)



**THE FETTES FOUNDATION**  
**(A Charitable Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 August 2019**

**20. Summary of movements on funds**

	Unrestricted Funds	School Trips	Teaching	Bursaries and Scholarships	Equipment/ Archives	School Buildings	Sports	Total Restricted Funds	Total Funds
	£	£	£	£	£	£	£	£	£
Opening balances at 1 September 2018	1,448,460	62,406	46,920	412,087	38,345	2,916,968	5,237	3,481,963	4,930,423
Income	609,904	69,709	755	1,427,679	18,683	93,259	-	1,610,085	2,219,989
Expenditure	(342,000)	(20,937)	-	(1,727,846)	(16,342)	(66,408)	(1,325)	(1,832,858)	(2,174,858)
Net loss on investments	-	-	-	-	-	(450,000)	-	(450,000)	(450,000)
Transfers	-	(81,591)	-	39,289	-	42,302	-	-	-
	=====	=====	=====	=====	=====	=====	=====	=====	=====
Closing balances at 31 August 2019	1,716,364	29,587	47,675	151,209	40,686	2,536,121	3,912	2,809,190	4,525,554
	=====	=====	=====	=====	=====	=====	=====	=====	=====
Represented by:									
Fixed assets	1,423,662	-	-	-	-	4,321,054	-	4,321,054	5,744,716
Net current assets/(liabilities)	579,241	29,587	47,675	151,209	40,686	(1,600)	3,912	271,469	850,710
	=====	=====	=====	=====	=====	=====	=====	=====	=====
Total assets less current liabilities	2,002,903	29,587	47,675	151,209	40,686	4,319,454	3,912	4,592,523	6,595,426
Creditors: amounts falling due after 1 year	(286,539)	-	-	-	-	(1,783,333)	-	(1,783,333)	(2,069,872)
	=====	=====	=====	=====	=====	=====	=====	=====	=====
	1,716,364	29,587	47,675	151,209	40,686	2,536,121	3,912	2,809,190	4,525,554
	=====	=====	=====	=====	=====	=====	=====	=====	=====

The description of each element of the restricted funds shown in the table above indicates the purpose for which the funds have been donated and the type of activity/expenditure in respect of which the funds will be applied.

**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 August 2019**

**21. Designated funds**

Included within unrestricted funds is an amount of £343,079 (2018: £263,079) which the Trustees have chosen to designate for the purpose of school buildings projects and £697 (2018: £10,129) which the Trustees have chosen to designate for the purpose of a school archive project. These amounts consist of cash at bank and increased during the year by further donations received and designated by the Trustees.

**22. Reconciliation of net income/(expenditure) to net cash provided by operating activities**

	<b>2019</b>	<b>2018</b>
	£	£
Net expenditure for the reporting period	(404,869)	(46,097)
Depreciation of fixed assets	5,700	2,375
Revaluation of investment properties	450,000	451,000
Interest paid on bank loan	50,065	47,890
Interest received	(15,525)	(4,392)
(Increase)/decrease in prepayments and accrued income	7,617	(13,831)
Increase/(decrease) in creditors	(26,215)	102,174
	-----	-----
	66,773	539,119
	=====	=====

**23. Related party transactions**

There were no transactions with related parties during the year.