

St. Mary's Kenmure
Report and Financial Statements
Year Ended 31 March 2015
Charity No: SC029984
Company No: SC390523

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St. Mary's Kenmure

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St. Mary's Kenmure

Reference and Administrative Information Year Ended 31 March 2015

Directors:

Brian Mallon, Chairman
Rt Rev Mgr. Peter Canon Smith
Joseph Farrell
Margaret Greig
Terence McKee
Alan Haggerty
Angus Gillon

Head of Unit:

James Crawford

Scottish Charity Number:

SC029984

Registered Company Number:

SC390523

Registered Office:

C/o McSparran McCormick
Waterloo Chambers
19 Waterloo Street
Glasgow
G2 6AH

Principal Business Address:

St. Mary's Road
Bishopbriggs
Glasgow
G64 2EH

Solicitors:

McSparran McCormick
Solicitors
Waterloo Chambers
19 Waterloo Street
Glasgow
G2 6AH

Auditors:

John Di Mambro & Co.
Chartered Accountants
Statutory Auditors
16 Muir Street
Hamilton
ML3 6EP

Principal Bankers:

Clydesdale Bank plc
Business Banking Centre
Suite 2
Ochil House
Springkerse Business Park
Stirling FK7 7XE

St. Mary's Kenmure

Report of the Trustees Year Ended 31 March 2015

The Trustees have pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2015.

Reference and Administration information

The Board of Managers, who are charity trustees for the purposes of charity law and also directors of the charity for the purposes of the Companies Act 2006, who served throughout the year and up to the date of this report are listed on page 1, together with particulars of the principal address of the charity and details of its professional advisers.

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee. The company was formed 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 £1.

Recruitment and Appointment of Trustees

In accordance with the Articles of Association the first Trustees of the company shall be those persons appointed as the first directors on incorporation of the company. Subsequent appointments shall be made as follows:

- (a) There must be at least three Trustees at all times. The Board of Managers shall comprise the Officers and not more than ten other Trustees.
- (b) No person may be appointed as a Trustee unless he has been approved in advance by the Ecclesiastical Superior for the time being of the Roman Catholic Archdiocese of Glasgow (The Superior).
- (c) The Chairperson shall be directly appointed by decision of the Superior for a term of three years.
- (d) The other Trustees shall be appointed by decision of the Trustees for a term of three years.

At the end of a term of office a willing Trustee who remains eligible under the law to act as a charity trustee and company director may be re-appointed to another term.

Trustee Induction and Training

New trustees attend a short induction and training session where they are briefed on the content of the Constitution, the decision making process, the business plan and recent financial performance of the charity.

Organisational Structure

The Board of Managers meet regularly throughout the year to administer the charity. A Head of Unit is appointed by the managers to manage the day to day operations of the secure unit. The Head has delegated authority, as approved by the managers, for all operational matters and project related activity within the unit.

Risk Management

The Trustees have a risk management strategy which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

Internal control risks are minimised by the implementation of procedures for the authorisation of all transactions. The finance sub-committee discuss any external risks to funding, decide on appropriate action to minimise risks, and develop a strategic plan.

St. Mary's Kenmure

Report of the Trustees Year Ended 31 March 2015

Structure, Governance and Management (cont.)

Related Parties

St. Mary's Kenmure is one of four specialist schools affiliated with Cora Foundation. The others are St. Philip's, Plains, Springboig St. John's School, Glasgow and The Good Shepherd Centre, Bishopton. Cora Foundation was established by the Bishop's Conference of the Roman Catholic Hierarchy in Scotland as the organisation within which a number of social care and specialist educational projects could operate and develop strategically. Cora Foundation promotes the operation of the residential schools, secure units and special needs units, administering funds on their behalf.

The school also works closely with Cora Services Limited and Stepdown, both of whom have common trusteeships with St. Mary's Kenmure. Cora Services Limited is a leasing company who provide the charity with vehicles and office equipment. Stepdown was established to provide care and support services for children moving from secure units back into society.

Objectives and Activities

The objects of the charity are to provide secure care and education for young people who are experiencing social, emotional and behavioural difficulties.

The charity meets its objectives by:

- the operation of a secure unit and special needs unit with a view to affecting their mental, physical and moral welfare and, as far as possible, to encourage them to take their place as responsible citizens of the community; and
- promoting the provision of additional childcare and educational facilities to disseminate experiences, information and treatments.

Achievements and Performance

St Mary's Kenmure continues to be an established member of the Secure Estate for Scotland and one of the recognised providers for Secure Care for young people of both genders aged between 10 to 18 years. St Mary's Kenmure continues to be involved in a Contract Procurement Framework Agreement with Scotland Excel which is annually reviewed taking into account increases necessary in the bed rate based on costs pressures on the service.

The service continues to be able to respond to most referral requests. The service since January 2015 has enjoyed a stable unit in terms of numbers of young people and would hope that this remains a constant feature going forward in 2015/16. The service will continue to be able to respond in times of falling numbers through a flexible staffing model and financial prudence.

Financial review

The full accounts are reproduced on pages 7 – 18.

The main source of income is by way of service income received from the Scottish Executive and the Local Authorities. Total incoming resources for the year were £5,975,263. Resources expended were £5,964,317. Net incoming resources before actuarial losses were £10,946.

Reserves Policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately two to three months unrestricted expenditure. This provides sufficient funds to cover management and administration costs and to respond to emergency applications for grants which may arise from time to time. Unrestricted funds were maintained at this level throughout the year.

**Report of the Trustees
Year Ended 31 March 2015**

Statement of Trustee's responsibilities

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the Trustees' Annual 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 that period. In preparing these financial statements, the trustees are required to:

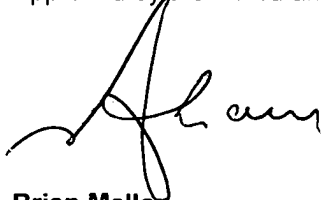
- select suitable accounting policies and then apply them consistently;
- observe the *methods and principles* in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures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

The trustees are responsible for keeping 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 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Board and signed on its behalf on 9 September 2015 by:



**Brian Mallon
Chairman**

**Independent Auditors' Report
To the Trustees and Members of St. Mary's Kenmure**

We have audited the financial statements of St. Mary's Kenmure for the year ended 31 March 2015 set out on pages 7 to 18. 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 Trustees Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and to its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities set out on page 4, 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.

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 that Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2015, and of its incoming resources and application of resources, including its income and expenditure for the year then ended; and
- 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 (as amended).

St. Mary's Kenmure

Independent Auditors' Report To the Trustees and Members of St. Mary's Kenmure

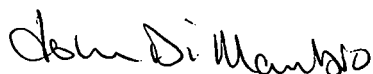
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial period for which the financial statements are prepared is consistent with the financial statements.

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
- 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.



John Di Mambro (Senior Statutory Auditor)

For and on behalf of
John Di Mambro & Co.
Chartered Accountants
Statutory Auditors
16 Muir Street
Hamilton ML3 6EP

Dated: 10.9.15

John Di Mambro & Co. is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

St. Mary's Kenmure

Statement of Financial Activities (Including an Income and Expenditure Account) Year Ended 31 March 2015

	Note	Unrestricted reserves £	Restricted reserves £	Total Year to 31.03.15 £	Total Year to 31.03.14 £
Incoming Resources					
Incoming resources from generated funds					
Investment income	2	117,014	-	117,014	20
Other incoming resources		1,262	-	1,262	885
Incoming resources from charitable activities					
Service income		5,856,987	-	5,856,987	5,140,629
Grant received		-	-	-	26,000
Total incoming resources		5,975,263	-	5,975,263	5,167,534
Resources Expended					
Charitable activities	3	5,894,530	26,000	5,920,530	5,378,220
Governance costs	4	43,787	-	43,787	46,187
Total resources expended		5,938,317	26,000	5,964,317	5,424,407
Net incoming / (outgoing) resources before other recognised gains & losses		36,946	(26,000)	10,946	(256,873)
Other recognised gains & losses					
Actuarial Loss - Pension asset	8	(1,071,000)	-	(1,071,000)	(414,000)
Net movement in funds		(1,034,054)	(26,000)	(1,060,054)	(670,873)
Fund balances at 31 March 2014		3,695,675	26,000	3,721,675	4,392,548
Fund balances at 31 March 2015		2,661,621	-	2,661,621	3,721,675

All amounts derive from continuing operations.

There were no gains or losses other than those stated above.

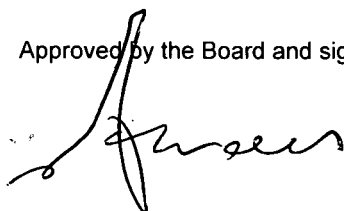
The notes on pages 10 to 18 form part of these financial statements

St. Mary's Kenmure (Company Number: SC390523)

**Balance Sheet
As at 31st March 2015**

	Note No.	2015 £	2014 £
Long Term Debtors			
Cora Foundation	6	5,064,352	5,344,352
Current assets			
Debtors	6	1,709,218	1,406,674
Cash at bank and in hand		6,071	2,533
		1,715,289	1,409,207
Creditors: Amounts falling due within one year	7	(274,020)	(264,884)
Net current assets		1,441,269	1,144,323
Net assets excluding pension liability		6,505,621	6,488,675
Pension scheme liability	8	(3,844,000)	(2,767,000)
Net assets including pension liability	9	2,661,621	3,721,675
Unrestricted funds	10		
- General funds		6,505,621	6,462,675
- Pension reserve		(3,844,000)	(2,767,000)
		2,661,621	3,695,675
Restricted funds	11	-	26,000
Total funds		2,661,621	3,721,675

Approved by the Board and signed on its behalf on 9 September 2015 by:



**Brian Mallon
Chairman**

St. Mary's Kenmure

Cash flow statement Year Ended 31 March 2015

	Year to 31.03.15 £	Year to 31.03.14 £
Net cash (outflow) / inflow from operating activities	(11,887)	26,220
Returns on investment and servicing of finance		
Interest received	14	20
(Decrease) / Increase in cash	(11,873)	26,240

Notes to the Cash flow Statement

Reconciliation of net income to net cash flow from operating activities

Net (outgoing) / incoming resources	10,946	(256,873)
Investment income	(14)	(20)
Decrease in net movement in funds due to FRS17	6,000	71,000
Decrease / (Increase) in debtors	(22,544)	206,811
(Decrease) / Increase in creditors excluding bank debt	(6,275)	5,302
Net cash (outflow) / inflow from operating activities	(11,887)	26,220

Reconciliation of net cash flow to movement in net funds

(Decrease) / Increase in cash	(11,873)	26,240
Net funds at 31 March 2014	(30,598)	(56,838)
Net funds at 31 March 2015	(42,471)	(30,598)

Analysis of changes in net funds

	31.03.14 £	Cash flow £	31.03.15 £
Cash at bank and in hand	2,533	3,538	6,071
Bank overdraft	(33,131)	(15,411)	(48,542)
	(30,598)	(11,873)	(42,471)

**Notes to the financial statements
Year Ended 31 March 2015**

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of the incoming resources can be measured with sufficient reliability.

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Leased assets

Rentals payable under operating leases are charged on a straight line basis over the lease term.

There are no assets held under finance leases.

Capital grants

Grants for capital expenditure are recognised in the Statement of Financial Activities (SOFA) when the grant is receivable. The depreciation of the asset is charged to the SOFA over the life of the asset.

Fund Accounting

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

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

Pensions

The charity participates in two defined benefit schemes, the Scottish Teachers Superannuation Scheme (STSS) and the Strathclyde Pension Fund. The STSS is a multi-employer scheme for which employer contributions are charged directly to the Statement of financial Activities as if the scheme was a defined contribution scheme.

For defined benefit schemes the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the Statement of Financial Activities.

Defined benefit scheme assets are held separately from those of the charity. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond. The actuarial valuation is obtained at least tri-annually and is updated at each balance sheet date. The resulting defined benefit asset or liability is shown separately on the face of the balance sheet. A pensions reserve has been created within the unrestricted funds in compliance with paragraph 335 of the SORP.

St. Mary's Kenmure

Notes to the financial statements Year Ended 31 March 2015

2. Investment income

	Year to 31.03.15 £	Year to 31.03.14 £
Bank interest	14	20
Net return on pension assets	117,000	-
	<u>117,014</u>	<u>20</u>

3. Charitable activities

	Year to 31.03.15 £	Year to 31.03.14 £
Teaching and care of children		
Teaching and care staff	3,157,913	2,756,590
Training costs	6,976	(372)
External services	38,300	71,840
Supplies and services	157,633	139,342
Storm training project	29,742	-
Other expenditure	27,479	22,210
	<u>3,418,043</u>	<u>2,989,610</u>
Running costs and maintenance of unit		
Kitchen and maintenance staff	252,663	229,507
Operations and control room staff	162,783	174,603
Property costs	584,285	508,787
Transport costs	14,466	24,597
Capital expenditure	102,263	103,750
Secure unit amortisation	280,000	280,000
St Philip's Loan contribution	709,190	708,191
	<u>2,105,650</u>	<u>2,029,435</u>
Support costs		
Administration staff	82,033	77,246
Management fees	235,199	215,109
Other administrative costs	79,605	66,820
	<u>396,837</u>	<u>359,175</u>
Total Charitable Activity Costs	<u><u>5,920,530</u></u>	<u><u>5,378,220</u></u>

St. Mary's Kenmure

Notes to the financial statements Year to 31 March 2015

4. Governance costs

	Year to 31.03.15 £	Year to 31.03.14 £
Auditors remuneration	15,280	12,580
Professional fees	28,507	33,607
	<u>43,787</u>	<u>46,187</u>

5. Employee costs and numbers

	Year to 31.03.15 £	Year to 31.03.14 £
Wages and salaries	2,909,227	2,602,805
Social security costs	213,181	217,934
Pension costs	532,984	417,207
	<u>3,655,392</u>	<u>3,237,946</u>

The average number of employees, calculated on a head count basis, analysed by function was:

	Year to 31.03.15 No.	Year to 31.03.14 No.
Teaching and care	100	96
Kitchen and maintenance	16	14
Operations and control room	6	7
Administration	4	4
	<u>126</u>	<u>121</u>

The following number of employees received emoluments in excess of £60,000:

	2015 No.	2014 No.
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1

These employees were also members of the defined benefit pension scheme.

Trustees received nil (2014: nil) remuneration for their services. None of the trustees were reimbursed for travel expenses during the year (2014: None).

St. Mary's Kenmure

Notes to the financial statements Year to 31 March 2015

6. Debtors

	2015 £	2014 £
Long Term Debtors		
Cora Foundation (see note below)	<u>5,064,352</u>	<u>5,344,352</u>
Debtors falling due within one year		
Prepayments and accrued income	235,071	301,123
Other debtors	812	512
Cora Foundation	1,473,335	1,105,039
	<u>1,709,218</u>	<u>1,406,674</u>

The Board of Managers of St. Mary's Kenmure entered into an agreement with Cora Foundation to procure the construction of the new Secure Unit at Bishopbriggs. Under the arrangement Cora Foundation financed the construction of the Unit by means of Government grant funding and a bank loan. In February 2013 Cora Foundation restructured their outstanding loans and an amended procurement agreement was drawn up with St. Mary's Kenmure.

Under the amended agreement Cora Foundation will make repayment of the new loan, interest and related costs from the revenues collected by it, on behalf of St. Mary's Kenmure and St. Philip's School Plains, in respect of the operation of their Units.

The loan is secured by a floating charge over the assets and undertakings of Cora Foundation and a legal first charge over St Marys Secure Unit which is currently occupied by St Marys Kenmure. Ownership of the Secure Unit remains with Cora Foundation until the bank loan has been repaid in full and will transfer to St. Mary's Kenmure thereafter. To facilitate transfer of the ownership of the Secure Unit to St. Mary's Kenmure after the loan has been extinguished a restricted fund, the New Secure Unit fund, has been set up to accumulate to an amount equal to the carrying value of the Secure Unit in Cora Foundation's balance sheet at the end of the loan period.

At 31 March 2015 the net book value of the property was £4,639,121, the amount owed to the bank was £1,892,158 and the balance of the New Secure Unit fund was £5,064,352.

7. Creditors: amounts falling due within one year

	2015 £	2014 £
Bank overdraft	48,542	33,131
Trade creditors	40,180	42,250
Sundry creditors	-	780
Social security and other taxes	117,285	101,054
Accrued expenses	68,013	87,669
	<u>274,020</u>	<u>264,884</u>

**Notes to the financial statements
Year Ended 31 March 2015**

8. Pension schemes

Scottish Teachers Superannuation Scheme

This Scheme is an unfunded, defined benefit scheme that is open to teachers in schools and other educational establishments in Scotland which are maintained or grant-aided out of money either provided by Parliament or raised by local authorities, and to teachers in many independent schools and establishments of further education, including the universities established in 1992. As a consequence it is not possible for St. Mary's Kenmure to identify its share of the underlying scheme liabilities.

The scheme is subject to a full valuation by the Government Actuary to assess the scheme's assets and liabilities to review the contribution rates. The last such valuation, which determined current contribution rates was undertaken as at 31 March 2005 and covered the period from 1 April 2001 to that date. On advice from the actuary the contribution may be varied from time to time to reflect changes in the scheme's liabilities.

The conclusion from the 2005 valuation was that the Scheme had accumulated a notional deficit of £836 million against the notional assets as at 31 March 2005. However, after taking into account the changes in the benefit and contribution structure effective from 1 April 2007, the Scheme actuary reported that employer contributions should increase from 13.5% to 14.9% of pensionable pay with effect from 1 April 2009. Members contributed between 8.3% and 11.0% dependant on the level of their pensionable pay.

St. Mary's Kenmure charges employer's pension contributions to operating expenses as and when they become due. The total employer contribution payable in the year to 31 March 2015 was £53,939. There was £4,180 of outstanding contributions at the balance sheet date.

Strathclyde Pension Fund

The Local Government Pension Scheme (LPGS) is a defined benefit statutory scheme, administered by Glasgow City Council in accordance with the Local Government Pension Scheme (Scotland) regulations 1998 as amended. It is contracted out of the State Second Pension Scheme. The assets of the scheme are held in a separate trustee-administered fund.

A full actuarial valuation was carried out at 31 March 2014 and updated to 31 March 2015 by a qualified independent actuary. The main assumptions used by the actuary were:

	At 31 March 2015 (% p.a.)	At 31 March 2014 (% p.a.)
Pension increase rate	2.4%	2.8%
Salary increase rate	4.3%	5.1%
Expected return on assets	3.2%	6.0%
Discount rate	3.2%	4.3%

Assumed life expectancies on retirement at age 65 are:

		At 31 March 2015	At 31 March 2014
Current pensioners	Males	22.1 years	21.0 years
	Females	23.6 years	23.4 years
Future pensioners	Males	24.8 years	23.3 years
	Females	26.2 years	25.3 years

Notes to the financial statements
Year Ended 31 March 2015

8. Pension scheme (contd.)

The fair value of the Scheme's assets, which are not intended to be realised in the short term and may be subject to significant change before they are realised, were:

	Expected return at 31 March 2015 p.a	Fair Value at 31 March 2015 £(000)	Expected return at 31 March 2014 p.a	Fair Value at 31 March 2014 £(000)
Equities	3.2%	11,572	6.6%	10,688
Bonds	3.2%	2,006	3.7%	1,688
Property	3.2%	1,697	4.8%	984
Cash	3.2%	154	3.7%	703
		<u>15,429</u>		<u>14,063</u>

The amounts recognised in the balance sheet are as follows:

	As at 31.03.15 £(000)	As at 31.03.14 £(000)
Fair value of Scheme assets	15,429	14,063
Present value of funded obligations	(19,178)	(16,739)
Surplus / (deficit) in the scheme	<u>(3,749)</u>	<u>(2,676)</u>
Present value of Unfunded Liabilities	(95)	(91)
Net Asset / (Liability)	<u>(3,844)</u>	<u>(2,767)</u>
Amounts in the balance sheet		
Liabilities	(3,844)	(2,767)
Assets	-	-
Net Asset / (Liability)	<u>(3,844)</u>	<u>(2,767)</u>

The amounts recognised in the Statement of Financial Activities are as follows:

	Year to 31.03.15 £(000)	Year to 31.03.14 £(000)
Current Service Cost	481	366
Interest Cost	724	697
Expected Return on Employers Assets	(841)	(685)
	<u>364</u>	<u>378</u>
Actual Return on Plan Assets	<u>1,834</u>	<u>887</u>

Notes to the financial statements
Year Ended 31 March 2015

8. Pension scheme (contd.)

Changes in the present value of the Scheme liabilities are as follows:

	Year to 31.03.15 £(000)	Year to 31.03.14 £(000)
Liabilities at 31 March 2014	16,830	15,448
Current service cost	481	366
Contributions by members	724	94
Interest cost	109	697
Actuarial Losses / (Gains)	1,680	616
Unfunded benefits paid	(7)	(7)
Benefits paid	(544)	(384)
	<u>19,273</u>	<u>16,830</u>

Changes in the Fair Value of assets are as follows:

	Year to 31.03.15 £(000)	Year to 31.03.14 £(000)
Fair value of Scheme assets at 31 March 2014	14,063	13,166
Expected return on Scheme assets	841	685
Actuarial Gains / (Losses)	609	202
Contributions by employer	351	300
Contributions by members	109	94
Contributions in respect of unfunded benefits	7	7
Unfunded benefits paid	(7)	(7)
Benefits paid	(544)	(384)
	<u>15,429</u>	<u>14,063</u>

During the year the employer's contribution rate was 20.2% plus additional contributions of £29,000. Members contributed between 5.5% and 9.1% dependant on the level of their pensionable pay. On 31 March 2015 an amount of £30,232 employer's contributions was payable to the Scheme.

The best estimate of expected employer's contributions to the Scheme in the year to 31 March 2016 is £498,000.

Notes to the financial statements
Year Ended 31 March 2015

8. Pension scheme (contd.)

Amounts for the current and previous four periods are:

	As at 31.03.15 £(000)	As at 31.03.14 £(000)	As at 31.03.13 £(000)	As at 31.03.12 £(000)	As at 31.03.11 £(000)
Fair value of employer assets	15,429	14,063	13,166	11,749	12,401
Present value of scheme liabilities	(19,273)	(16,830)	(15,448)	(13,520)	(13,415)
Surplus / (deficit)	(3,844)	(2,767)	(2,282)	(1,771)	(1,014)
Experience gains/(losses) on liabilities	798	6	20	1,377	4
as % of scheme liabilities	4.1%	0.0%	0.1%	10.2%	0.0%
Experience gains/(losses) on assets	609	202	1,048	(1,729)	77
as % of scheme assets	3.9%	1.2%	7.9%	(14.7%)	0.6%
Cumulative actuarial gains / (losses) shown in STRGL	(4,214)	(3,143)	(2,729)	(2,162)	(1,244)

9. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Long term debtor	5,064,352	-	5,064,352
Net current assets	1,441,269	-	1,441,269
Pension scheme liability	(3,844,000)	-	(3,844,000)
	<u>2,661,621</u>	<u>-</u>	<u>2,661,621</u>

10. Unrestricted funds

	Balance at 31.03.14 £	Incoming £	Outgoing £	Transfers and losses £	Balance at 31.03.15 £
General funds					
Revenue	6,248,629	5,080,263	(4,645,864)	(358,000)	6,325,028
Capital	214,046	778,000	(811,453)	-	180,593
	<u>6,462,675</u>	<u>5,858,263</u>	<u>(5,457,317)</u>	<u>(358,000)</u>	<u>6,505,621</u>
Pension reserve	(2,767,000)	117,000	(481,000)	(713,000)	(3,844,000)
	<u>3,695,675</u>	<u>5,975,263</u>	<u>(5,938,317)</u>	<u>(1,071,000)</u>	<u>2,661,621</u>

A transfer of £358,000 was made from Revenue funds to the Pension reserve in respect of employer's pension contributions. An actuarial loss of £1,071,000 arose on the Pension reserve.

St. Mary's Kenmure

Notes to the financial statements Year Ended 31 March 2015

11. Restricted funds

	Balance at 31.03.14 £	Incoming £	Outgoing £	Transfers and losses £	Balance at 31.03.15 £
Storm Training	26,000	-	(26,000)	-	-

This grant was provided by the Scottish Government.

12. Related Party Transactions

At 31 March 2015 Cora Foundation owed St. Mary's Kenmure £1,692,529 (31 March 2014: £1,380,823) in respect of revenues collected by Cora Foundation on behalf of the school.

St. Marys Kenmure has common trustees/directors with a number of organisations that operate under the Cora Foundation umbrella. Transactions during the year with these related organisations were:

Name	Transactions	Amount (received) / paid Year to 31.03.15 £	Balance due from/(to) as at 31.03.15 £	Amount (received) / paid Year to 31.03.14 £	Balance due from/(to) as at 31.03.14 £
Cora Foundation	Management fee	235,199	-	215,109	-
	New secure unit Amortisation	280,000	5,064,352	280,000	5,344,352
Cora Services Ltd	Leasing charges	1,093	-	15,338	-
Stepdown	Training	(39,405)	3,284	(39,042)	3,254