

ST MARY'S SCHOOL, MELROSE

A Charitable Company Limited by Guarantee

FINANCIAL STATEMENTS

For the year ended 31st July 2006



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ST. MARY'S SCHOOL, MELROSE
A Charitable Company Limited by Guarantee

FINANCIAL STATEMENTS
for the year ended 31st July, 2006

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ST. MARY'S SCHOOL, MELROSE
A Charitable Company Limited by Guarantee

FINANCIAL STATEMENTS
for the year ended 31st July, 2006

Company Registration Number	SC 23577
Recognised Charity Number	SC 009352
Registered Office	Abbey Park, Melrose, Roxburghshire, TD6 9LN
Governors	G T G Baird (Chairman) The Right Hon Lord Abernethy (Vice chairman) L A C Ashby D Sturrock I Wilson G N Farr D Younger J M Bruce J P H S Scott C D Grant (appointed 13 March 2006) E L Wood (appointed 13 March 2006)
Secretary	E Swinton (appointed 7 August 2006)
Auditors	Douglas Home & Co , Registered Auditors and Chartered Accountants, 47-49, The Square, Kelso, Roxburghshire, TD5 7HW
Bankers	The Royal Bank of Scotland, High Street, Melrose, Roxburghshire, TD6 9PF

ST MARY'S SCHOOL, MELROSE
A Charitable Company Limited by Guarantee

REPORT OF THE GOVERNORS

The Governors, who are also the Company Directors and the Charity Trustees, submit their report, together with financial statements, for the year ended 31st July, 2006

St Mary's School, Melrose is a charitable company founded in 1945 with the liability of its members limited to £1 each by guarantee

STRUCTURE, GOVERNANCE & MANAGEMENT

Governing Document

The school is governed by its Memorandum and Articles of Association, last amended 2005

Governing Body

The Board of Governors determine the general policy of the School. The day to day management of the School is delegated to the Headmaster and the School Treasurer. The membership of the Board during the year is set out below. All Governors served throughout the year except as stated below.

D Younger, J Scott and Mrs J Bruce retire by rotation at the A G M and, being eligible, offer themselves for re election. E L Wood and C Grant who were appointed since the last AGM offer themselves for re election.

G T G Baird	I Wilson	C Grant (appointed 13 03 06)
The Right Hon Lord Abernethy	L A C Ashby	G N Farr
D Younger	D Sturrock	J Scott
J Bruce	E L Wood (appointed 13 03 06)	V Dobie (resigned 31 08 05)

The company has no share capital and therefore no Governor holds any shares but each, as a member, has guaranteed to pay a sum of £1 if called upon. Governors are elected in accordance with the terms set out in the Articles of Association. Governors are elected for a three year term for a maximum of twenty years.

Governor's Responsibilities for the Financial Statements

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charitable company during the year and of the financial position at the end of the year. In preparing those financial statements, the Governors should follow best practice and

select suitable accounting policies and then apply them consistently,
make judgements and estimates that are reasonable and prudent,
state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts,
prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The Governors are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charitable company and which enable them to ascertain its financial position and to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charitable company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Fixed Assets

The Governors are of the opinion that, in aggregate, the market value of land and building is no less than the book value of the assets.

Risk Management

The Board continues to keep the School's activities under review, particularly with regard to any major risks that may arise from time to time, and to monitor steps which can be taken by which those risks already identified by the Governors can best be mitigated.

ST MARY'S SCHOOL, MELROSE
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REPORT OF THE GOVERNORS (continued)

OBJECTS, AIMS, OBJECTIVES & PRINCIPAL ACTIVITIES

Object

In accordance with the Charitable Company's Memorandum and Articles of Association, the object of the School is the advancement of education

Principal Activity

The company operates an independent preparatory school

FINANCIAL REVIEW & RESULTS

Review of Activities and Financial Position

A surplus of £157,220 was achieved and transferred to relevant funds. This is an exceptional result arising from growth in pupil numbers and future staff costs will reflect the increased staff levels required as a result of this growth. Class and boarding fees amounted to £1,187,713 after discounts of £96,866 (2005 £993,569 after discounts of £79,040)

During Summer 2005 much upgrading and refurbishment work took place as follows

▪ Conversion of computer room into additional girls changing facilities	£9,043
▪ Exterior woodwork repairs and repainting of main school extension	£15,205
▪ Refurbishment of Headmaster's House	£11,227
▪ Various new floor coverings within main school	£4,352
▪ Internal paintwork within main school	£3,680
▪ Reception Class damp proofing	£2,098

Other major costs incurred during the financial year included

▪ Provision of laptop computers and printers	£18,972
▪ New lights in Morrison Hall	£5,092
▪ New kitchen steam oven	£5,913
▪ New gang mowers and tractor	£8,212
▪ Replacement of groundsman's shed	£5,875
▪ Marquee for prizegiving	£3,017
▪ Initial cost of new website	£2,937
▪ Architects' fees and planning fees for new build	£7,135

The above expenditure has represented a substantial outlay for the school, made possible by a larger than expected increase in pupil numbers

Summer 2006 has also seen a number of projects being undertaken as follows

- Refurbishment/redecoration of Housemaster's House and Stables Cottage Flat for incoming new staff
- Repairs and repainting of windows and external woodwork to Pre Prep and Kindergarten areas followed by repainting
- New hut for storage of sports equipment
- Refurbishment of girls' showers and bathrooms within main school
- Computer networking
- Replacement carpets in Kindergarten and Pre Prep
- Repainting of Veranda and Morrison Hall
- Completion of new website

All of this work is expected to cost around £65,000

During the year an inspection by the Care Commission and Her Majesty's Inspectorate of Education resulted in the school achieving the highest category score possible in each of the Quality Indicators being measured

Academically, six scholarships were gained, with Alice Stevenson being awarded the top academic scholarship to Fettes College

ST. MARY'S SCHOOL, MELROSE
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REPORT OF THE GOVERNORS (continued)

In sport, all our rugby, cricket, hockey, netball and rounders teams did well. Two pupils were selected to represent the East of Scotland prep schools rugby team with ten girls being selected to represent the East of Scotland in hockey, netball or rounders. In athletics, Emily Douglas won the IAPS under 14 girls cross country championship and 4 golds, 4 silver and 9 bronze medals were gained at the IAPS championships.

This year's music and drama productions of Arthur of Camelot and the Snow Queen were thoroughly enjoyed by both participants and audiences alike.

In literature, Katherine Farr won first prize in the prep schools creative writing competition with Annabelle Barkworth winning the St Paul's International prize for literature.

Summer 2006 has seen the retirement of 3 members of staff and we are sure that their replacements will quickly settle and integrate into their roles within the school.

Pupil numbers within the main school continue to grow, hence the need for additional classroom space via the new build, and we remain well placed to face the future.

Reserves Policy

The School continues to meet its day to day working capital requirements by means of a bank overdraft facility, and growth in the School is now producing a surplus on general fund, which is helping to achieve the objective of reducing the bank overdraft and build reserves to a level appropriate to meet current needs for the efficient financial management of the School's activities, as well as funding ongoing capital improvement.

FUTURE PLANS

During the coming year our major task will involve working towards replacement of our science and art block. This will represent a substantial commitment for the school and an appeal will be launched to assist fund the project. Various options for the new build are currently being considered and our aim is to have the project underway next summer. The use of temporary accommodation may be required during completion.

Exceptional years of surplus such as we have experienced during the financial year to 31 July 2006 are regarded as fundamental to the school in order to allow the improvement of pupil facilities by progressing capital projects such as the above.

AUDITORS

Statement as to Disclosure of Information to Auditors

So far as the Governors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each Governor has taken all steps that he or she ought to have taken as a Governor in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Douglas Home & Co offer themselves for re appointment as auditors in accordance with Section 385 of the Companies Act 1985.

Small Company Exemptions

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

BY ORDER OF THE BOARD



Secretary

24/10/06

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF

ST. MARY'S SCHOOL, MELROSE

We have audited the financial statements of St Mary's School (Melrose) Limited for the year ended 31st July 2006 on pages 5 to 13. These financial statements have been prepared in accordance with the Statement of Recommended Practice Accounting by Charities issued March 2005, under the historical cost convention and the accounting policies set out on pages 7 and 8.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Governors and Auditors

As described on page 1 the company's Governors, who also act as Trustees for the company's charitable activities, are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Governors is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Governors remuneration and transactions with the company is not disclosed.

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

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Governors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charitable company's affairs at 31st July 2006 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

In our opinion the information given in the report of the Governors is consistent with the financial statements.

Douglas Home & Co
Douglas Home & Co,
Registered Auditors and Chartered Accountants,
47-49, The Square,
Kelso,
Roxburghshire,
TD5 7HW
30 October 2006

ST. MARY'S SCHOOL, MELROSE
A Charitable Company Limited by Guarantee

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income and Expenditure Account)
For the year ended 31st July, 2006

	Note	Unrestricted Fund £	Restricted Funds £	Total 2006 £	Total 2005 £
INCOMING RESOURCES					
Incoming Resources from Charitable Activities					
School Fees receivable (after discounts of £96,866)		1,187,713		1,187,713	993,569
Kindergarten Fees		84,662		84,662	77,017
Registration Fees		700		700	1200
Sundry Receipts		7,211		7,211	7501
Incoming Resources from Generated Funds					
Grants & Donations		6,150	4,437	10,587	13,278
Activities for generating funds					
Fundraising					693
Investment Income			4,079	4,079	49
Other Incoming Resources		12		12	3,547
Total Incoming Resources		<u>1,286,448</u>	<u>8,516</u>	<u>1,294,964</u>	<u>1,096,854</u>
RESOURCES EXPENDED					
Charitable Activities					
School Operating Costs		1,121,982	5,672	1,127,654	1,014,564
Costs of Generating Funds					
School Financing Costs		4,341	13	4,354	7,336
Governance Costs		5,736		5,736	6,150
Total Resources Expended	1	<u>1,132,059</u>	<u>5,685</u>	<u>1,137,744</u>	<u>1,028,050</u>
Net Incoming/(Outgoing) Resources before transfers		154,389	2,831	157,220	68,804
Transfers between Funds		(2,258)	2,258		
Net Incoming/(Outgoing) Resources		<u>152,131</u>	<u>5,089</u>	<u>157,220</u>	<u>68,804</u>
(Losses)/Gains on Investments			4,290	4,290	1,572
Net Movement in Funds		<u>152,131</u>	<u>9,379</u>	<u>161,510</u>	<u>70,376</u>
Fund Balances Brought Forward		875,596	47,756	923,352	852,976
Fund Balances Carried Forward	9	<u>1,027,727</u>	<u>57,135</u>	<u>1,084,862</u>	<u>923,352</u>

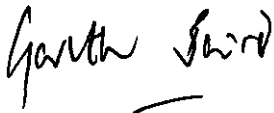
ST MARY'S SCHOOL, MELROSE
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BALANCE SHEET
At 31st July, 2006

	Note	2006 £	2005 £
Fixed Assets			
Tangible Assets	4	<u>983,798</u>	<u>978,443</u>
Current Assets			
Stock		2,295	2,700
Debtors	5	21,326	18,261
Investments	6	50,389	42,171
Cash at Bank		143,580	3,954
		<u>217,590</u>	<u>67,086</u>
Creditors: Amounts Falling Due Within One Year	7	(107,682)	(93,092)
Net Current Assets/(Liabilities)		<u>109,908</u>	<u>(26,006)</u>
Total Assets less Current Liabilities		1,093,706	952,437
Creditors: Amounts Falling Due After More than One Year	8	(8,844)	(29,085)
Total Net Assets		<u><u>£1,084,862</u></u>	<u><u>£ 923,352</u></u>
Reserves.			
Unrestricted Funds			
General Fund	9	1,027,727	875,596
Restricted Funds			
Bursary and Prize Fund	9	6,124	5,696
Centenary Debenture Sinking Fund	9		2,000
Development Campaign Fund	9	992	992
Redevelopment Appeal Fund	9	49,009	38,845
Designated Donations	9	1,010	223
		<u><u>£1,084,862</u></u>	<u><u>£ 923,352</u></u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

The financial statements were approved by the Board of Governors on 24/10/06 and signed on its behalf by

Chairman  24/10/06

The accompanying accounting policies and notes form an integral part of these financial statements

ST MARY'S SCHOOL, MELROSE
A Charitable Company Limited by Guarantee

PRINCIPAL ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared under the historical cost convention as modified by the revaluation of heritable property and investments and in accordance with applicable accounting standards, and follow the recommendations in the Statement of Recommended Practice Accounting by Charities issued February 2005

The principal accounting policies are set out below. The policies have remained unchanged from the previous year.

Fees and Meal Charges

Fees and meal charges are the total amount receivable by the company in respect of school fees and outlays and meal charges, and is inclusive of any VAT suffered on outlays. This is net of fee discounts granted which totalled £96,866 this year.

Depreciation

Depreciation is calculated to write down the cost or valuation of tangible fixed assets over their expected useful lives. The rates and methods generally applicable are:

Improvements to Property	5% straight line
Fixtures and Fittings	10% reducing balance
Plant and Equipment	25% straight line
Motor Vehicles	25% straight line

The company adopts a policy to maintain its heritable properties to a high standard and the Governors are therefore of the opinion that useful economic lives and residual values are such that any depreciation would not be material.

Stock

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

Contributions to Pension Funds

The pension costs charged against profits represent the amount of the contributions payable to the teachers superannuation scheme in respect of the accounting period.

PRINCIPAL ACCOUNTING POLICIES (continued)

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

Investments

Following the publication of Statement of Recommended Practice "Accounting by Charities" investments are included at market value.

Realised gains or losses arising from disposals of investments and unrealised gains and losses are added or deducted from the appropriate fund.

Expenditure

Expenditure, which is charged on an accruals basis, is allocated between

- expenditure incurred directly in the fulfilment of the charity's objectives (direct charitable),
- expenditure incurred directly in the effort to raise voluntary contributions (fund raising and publicity), and
- expenditure incurred in the management and administration of the charity.

Fund Accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund. Once the fund has been expensed on capital items a transfer is made to general fund.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st July, 2006

1 Resources Expended

The movement in funds is stated after

	2006	2005
	£	£
Auditors' Remuneration	3,236	2,750
Depreciation Owned Assets	37,095	30,659
Assets under Hire Purchase Obligations	10,130	8,548
Operating Lease Rentals	2,026	2,026
	<u> </u>	<u> </u>

Resources Expended

Staff Costs	801,196	734,288
Depreciation	47,229	39,207
Bank Interest	2,888	5,815
Other Resources expended	286,431	248,740
	<u>£1,137,744</u>	<u>£1,028,050</u>

The average number of employees during the year was 33 (2005 31)

Further details of resources expended are as follows

Charitable Activities	2006	2005
School Operating Costs	£	£
Staff Costs	764,196	700,788
Catering	49,288	40,032
Books & Class Materials	15,119	12,735
Rent, Rates & Insurance	31,915	26,949
Light, Heat & Water	31,325	31,885
Property Repairs	69,262	53,557
Other	55,159	50,173
Depreciation	47,229	39,207
 Support Costs		
Staff Costs	34,500	33,500
Printing, Stationery & Telephone	19,511	20,006
Marketing	10,150	5,732
	<u>£ 1,127,654</u>	<u>£ 1,014,564</u>

Costs of Generating Funds

School Financing Costs		
Bank Interest & Charges	1,389	3,570
Bank Loan Interest	1,499	2,245
Debentures	100	200
Hire Purchase	1,366	1,321
	<u>£ 4,354</u>	<u>£ 7,336</u>

Governance Costs

Audit & Accountancy	3,236	3,650
Staff Costs	2,500	2,500
	<u>£ 5,736</u>	<u>£ 6,150</u>

2 Governors' Remuneration

The Governors received no remuneration and no expenses were reimbursed during the year (2005 nil)

The School purchased insurance to indemnify the Governors which was included as part of the public liability premium

ST. MARY'S SCHOOL, MELROSE
A Charitable Company Limited by Guarantee

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st July, 2006

3 Taxation

The Company has been granted charitable status and is exempt from income tax by virtue of Section 505 of the Income and Corporation Taxes Act 1988, and from capital gains tax by virtue of the Capital Gains Tax Act 1979, Section 145

4. Fixed Assets

	Heritable Land and Buildings £	Fittings and Furniture £	Plant and Equipment £	Motor Vehicles £	Property Improvements £	Total £
Cost or Valuation						
At 1st August, 2005	687,635	140,741	79,638	40,521	190,555	1,139,090
Additions		24,062	28,876		234	53,172
Disposals			(1,175)			(1,175)
At 31st July, 2006	<u>687,635</u>	<u>164,803</u>	<u>107,339</u>	<u>40,521</u>	<u>190,789</u>	<u>1,191,087</u>
Depreciation						
At 1st August, 2005		60,807	56,676	13,929	29,235	160,647
Charge for Year		10,406	17,410	10,130	9,283	47,229
Disposals			(587)			(587)
At 31st July, 2006		<u>71,213</u>	<u>73,499</u>	<u>24,059</u>	<u>38,518</u>	<u>207,289</u>
Net Book Value						
At 31st July, 2006	<u>687,635</u>	<u>93,590</u>	<u>33,840</u>	<u>16,462</u>	<u>152,271</u>	<u>983,798</u>
At 31st July, 2005	<u>687,635</u>	<u>79,934</u>	<u>22,962</u>	<u>26,592</u>	<u>161,320</u>	<u>978,443</u>

The figures stated above for cost or valuation include a valuation as follows

	Heritable Land and Buildings	
	2006 £	2005 £
At Cost	290,635	290,635
At 1991 Valuation	397,000	397,000
	<u>£ 687,635</u>	<u>£ 687,635</u>

The heritable land and buildings were valued on 31st July, 1991 by Lorne Brown Associates, Chartered Surveyors, on an open market basis. The charity adopted the transitional provisions of Financial Reporting Standard 15 and this valuation has not therefore been updated.

Included in the fixed assets above are assets held under hire purchase contracts as follows

Class of Asset	Net Book Value		Depreciation Charge for Year	
	2006 £	2005 £	2006 £	2005 £
Motor Vehicles	<u>16,462</u>	<u>26,592</u>	<u>10,130</u>	<u>8,548</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st July, 2006

5. Debtors	2006	2005
	£	£
Trade Debtors	10,725	14,054
Other Debtors		300
Prepayments	10,601	3,907
	<u>21,326</u>	<u>18,261</u>

6. Current Asset Investments

Investments form part of the Bursary and Prize Funds and Bursary & Redevelopment Appeal Fund

	2006	2005
	£	£
Listed U K Investments		
Market Value at 1st August, 2005	42,171	3,553
Disposals at Opening Market Value		
Purchases at cost	3,928	37,046
Add net (Loss)/Gain on Revaluation at 31st July, 2006	4,290	1,572
	<u>£ 50,389</u>	<u>£ 42,171</u>
Total Market Value at 31st July, 2006	<u>£ 50,389</u>	<u>£ 42,171</u>
Historical Cost of Listed Investments at 31st July, 2006	<u>£ 43,983</u>	<u>£ 40,055</u>

7. Creditors: Amounts Falling Due Within One Year

	2006	2005
	£	£
Bank Loan	10,100	10,100
Bank Overdraft		34,733
Centenary Debentures		2,000
Hire Purchase Creditor	8,816	8,816
Other Taxes and Social Security	17,012	14,788
Accruals and Deferred Income	71,754	22,530
Loan Deposited Covenant		125
	<u>£ 107,682</u>	<u>£ 93,092</u>

The bank loan and any overdraft is secured by a standard security over the school buildings and land and by a bond and floating charge over all of the company's assets. The H P creditor is secured on the assets to which it relates.

8. Creditors: Amounts Falling Due After More than One Year

	2006	2005
	£	£
Bank Loan	5,159	15,506
Debenture Loans		750
Hire Purchase	3,685	12,829
	<u>£ 8,844</u>	<u>£ 29,085</u>

The bank loan is repayable within five years.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st July, 2006

9. Funds

	Restricted					Unrestricted	
	Bursary and Prize	Development Campaign	Centenary Debenture Sinking Fund	Designated Donations	Bursary & Redevelopment Appeal Fund	General Fund	Total
	£	£	£	£	£	£	£
At 1st August, 2004	5,696	992	2,000	223	38,845	875,596	923,352
Net Incoming/Outgoing Resources			(2,000)	787	6,302	152,131	159,220
Unrealised (Losses)/Gain on Investments	428				3,862		4,290
At 31st July, 2005	<u>£ 6,124</u>	<u>£ 992</u>	<u>£</u>	<u>£ 1,010</u>	<u>£ 49,009</u>	<u>£ 1,027,727</u>	<u>£ 1,084,862</u>

With the exception of the general fund, distributions from the above funds are restricted to specified purposes only

Unrealised gains of £168,817 (2005 £168,817) for tangible fixed assets are included in the General Fund above

The Bursary and Prize Fund represents cash & investments held, the income on which goes towards prizes during the academic year

The Development Campaign Fund was set up in 1995 to raise funds towards the provision of new and enhanced school facilities for the use of its pupils and the surrounding community. Distributions from this fund are restricted to projects within the School's Development Plan. This fund is almost fully expensed on capital expenditure, the year end balance represented by cash at bank

Designated Donations are donations received for a specific purpose, either to meet revenue expenditure or provide fixed assets for use by the School. These funds have largely been expensed on the items specified by the donor, and transferred to general funds where items are of a capital nature. The balance remaining is represented by cash at bank

The Bursary and Redevelopment Appeal was further promoted during the year to raise funds for sponsorship of pupils qualifying for support, the redevelopment works being complete. The balance on the fund at the year end comprises investments (£45,665) and cash at bank (£3,344)

10. Analysis of Net Assets Between Funds

	Tangible Fixed Assets	Net Current Liabilities	Long Term Liabilities	Total
	£	£	£	£
Restricted Funds				
Bursary and Prize Fund		6,124		6,124
Development Campaign Fund		992		992
Centenary Debenture Sinking Fund				
Designated Donations		1,010		1,010
Redevelopment Appeal Fund		49,009		49,009
		57,135		57,135
Unrestricted Funds	983,798	52,773	(8,844)	1,027,727
	<u>£ 983,798</u>	<u>109,908</u>	<u>£ (8,844)</u>	<u>£ 1,084,862</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st July, 2006

11. Pensions

The Charity participates in a multi employer defined benefits scheme, Scottish Teachers Superannuation Scheme, for its teaching staff. As a result it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the Charity.

Staff contribute 6% of salary and the participating employer's contribution was 12.5%.

The charge included in the financial statements amounts to £49,190, being the contributions payable by the School for the year (2005 £45,769).

12. Leasing Commitments

Annual payments under operating leases are due in respect of leases which expire

	2006	2005
	£	£
Between two and five years	1,676	2,538
Over five years	650	
	<u>2,326</u>	<u>2,538</u>

13. Transactions with Governors

Four Governors had children in attendance at the School during the year (2005 four Governors). All were charged at full rates.

14. Financial Commitments

During the summer various repair work was being carried out to the school buildings. The total cost is estimated to be £58,000 £60,000.