



Scott-Moncrieff
business advisers and accountants

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

Annual Report and Financial Statements

for the year ended 31 August 2015

Company Number: SC128867
Charity Number: SC001587



THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
for the year ended 31 August 2015

Contents

	Page
Governors' annual report	1 - 7
Independent auditor's report.....	8 - 9
Statement of financial activities	10
Balance sheet	11
Notes to the financial statements.....	12 - 22

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

GOVERNORS' ANNUAL REPORT

for the year ended 31 August 2015

The governors, who are also trustees of the charity for the purposes of charitable law, present their report and the audited financial statements for the year ended 31 August 2015.

Reference and administrative information

Charity name	The New School Butterstone
Charity registration number	SC001587
Principal office	Butterstone Dunkeld Perthshire PH8 0HJ
Registered office	1 Rutland Court Edinburgh EH3 8EY
Governors	Sir Andrew Cubie, Chairman Mrs Joyce Cullen Mr John A Cummings Mr Magnus D Linklater Mr Kenneth McDowell Mr Toby Metcalfe Mrs Thursa Sanderson Mr David Gemmell Ms Sally Kuenssberg
Secretary	AS Company Services Limited
Guarantors	Mr Magnus D Linklater Baroness Linklater of Butterstone Sir Gavin Lyle Bt
Head of School	Mr Scott Gordon
Head of Care	Mr Chris Holmes
Head of Education	Ms Melanie Elmer
Business Manager	Mrs Morna Bell
Bankers	Bank of Scotland High Street Dunkeld Perthshire, PH8 0AL
Auditor	Scott-Moncrieff Exchange Place 3 Semple Street Edinburgh, EH3 8BL
Solicitor	Anderson Strathern LLP 1 Rutland Court Edinburgh, EH3 8EY

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

GOVERNORS' ANNUAL REPORT

for the year ended 31 August 2015

The governors present their report and the audited financial statements of The New School Butterstone for the year ended 31 August 2015.

The financial statements have been prepared in accordance with accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Structure, governance and management

The New School Butterstone Limited is a registered charitable company, charity registration number SC001587 and company number SC128867. The liability of members is limited by guarantee.

None of the governors has any beneficial interest in the company.

Mr Magnus D Linklater, Baroness Linklater of Butterstone and Sir Gavin Lyle are members of the company and guarantee to contribute £1 each in the event of winding up.

Governing document and constitution

The Memorandum and Articles of Association sets out that the company has been established for the advancement of education. Its main object is to serve the educational needs of children who would benefit from specialist support.

Recruitment and appointment of governors

The Board has capacity for 12 governors who are appointed by the Board and who are eligible for election at the first AGM following appointment. Thereafter they are eligible for re-election every three years. With the exception of guarantors or members, governors cannot hold office after the AGM following their having been in office for 12 consecutive years.

In considering the composition of the Board, close regard is paid to the business, educational or professional background of governors and potential governors so that a proper balance of skills and experience is maintained in order to exercise good governance.

The Board actively reviews and considers the required and desired skills and experience in the composition of the Board and seeks to identify suitably skilled individuals to fill any vacancies. Training and induction is undertaken as required in order to ensure Board members maintain the required knowledge of the sector, skills and experience to undertake their role as governor.

When appointed, new governors should receive copies of the Memorandum and Articles of Association of the company, together with sets of minutes of the past year's governors' meetings and committee meetings, and any other papers, such as accounts and budgets, which might be appropriate depending on circumstances.

In order to keep abreast of developments in the law and regulations in relation to charities and schools, and to maintain an appropriate ongoing level of awareness with regard to effective governance, the governors devote time to this as required.

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

GOVERNORS' ANNUAL REPORT

for the year ended 31 August 2015

Organisational structure and decision making

The Board of Governors normally meets three times a year, once per term, to review general policies of the school and its overall management for which it is legally responsible. The Board will meet more often if the need arises.

The Chairman meets with the Head of School and Business Manager to review the circumstances of the school both in regard to educational character welfare and financial sustainability.

Much of the implementation of the Board's policies is overseen on behalf of the Board by two committees: the Business Committee and the Education and Care Committee; both of which meet regularly and support the Head of School, the Head of Education, the Business Manager and the Head of Care in the day to day management and running of the school.

The composition of these committees pays due regard to their respective remits, requiring relevant qualification and experience: business and legal disciplines for the Business Committee and education and care backgrounds for the Education and Care Committee.

In particular, the Business Committee carries responsibility for making recommendations to the Board on all reserves and financial matters, and for drawing to the attention of the Board any compliance matters arising from the Office of the Scottish Charity Regulator, the Statement of Recommended Practice (SORP), or the financial compliance matters in relation to The Charities and Trustee Investment (Scotland) Act 2005.

The Board convenes an annual Strategy Meeting at which the longer term strategies, objectives and funding of the school are debated. Such a strategy meeting was held in February 2015 with the next one planned for February 2016.

Management organisation

The school continues to endeavour to provide a focused and individual educational curriculum for the pupils in its care, and continues to seek to improve that provision. These endeavours are led by the Head of School in consultation with the Chairman of the Board and the governors as appropriate.

In terms of general administration, the Business Manager is responsible on a day to day basis to the Head of School for, amongst other matters, the financial management reporting. The Estate manager is responsible, amongst other things, for the maintenance of the school buildings and grounds. They provide regular reports on these issues to the governors through the Business Committee.

The Head of Care is responsible to the Head of School for the health and welfare of the pupils. He is supported by a care team who provide 24 hour cover as required. He provides regular reports on care issues to the governors through the Education and Care Committee.

Relationships with related parties

Mr Magnus Linklater and his wife, Baroness Linklater, are members and guarantors of the company; their son, Mr Alexander Linklater is landlord of the school; and Mr Magnus Linklater is a member of the school's Board of Governors.

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

GOVERNORS' ANNUAL REPORT

for the year ended 31 August 2015

Risk management

The school acknowledges and endorses the principles of corporate governance, including adopting a risk based approach. The senior management team reports termly to the Board of Governors on the key risks and the Board considers and reviews the risks. This covers business, operational, compliance and financial risks as well as consideration of the internal and external environment. The school has reviewed its procedures and in 2012 approved a Risk Management Strategy and continues to develop systems to mitigate risk.

The principal risks that are being monitored are:

- The level of pupil numbers at the school.
- The costs of running the school, including those relating to property and pension provision.
- The level of fees being charged by the school, and recoverability from local authorities.
- Changes to legislation affecting the current education and care system.
- Ongoing viability and new initiatives.

Objectives and activities

Aims

The principal aims are:

- To operate as close to full capacity as possible.
- To help pupils attain academic qualifications to enable them to go on to further educational and vocational pursuits after leaving the school.
- To help pupils achieve a level of social and emotional development to allow them to participate competently and happily in the community at large.
- To develop the Adult Services initiative, improving the lives of young people with support needs.

Strategies

Continued dialogue with parents, local education authorities and regulatory bodies play a vital part in developing the school roll. The continuing professional development of staff, and the investment of funds in physical facilities project development is critical in realising these strategic aims.

Objectives for the current year

The aims and objectives outlined above continue to be priorities for the school, namely a capacity school roll, the educational and emotional development of pupils, and the development of adult services.

The development and investment plans to achieve these aims for 2015-16 are being pursued through the School Improvement Plan.

Activities

The principal activity of the school is to operate as an independent boarding and day school for the benefit of children with specialist support needs.

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

GOVERNORS' ANNUAL REPORT

for the year ended 31 August 2015

Achievements and performance

Operational performance

The school roll at the end of the 2014-15 session was 27. The school roll at the beginning of the 2015-16 session stood at 22, with many placements out on offer.

Students completed units at National 4, National 5 and Higher levels during 2014-15 over ten subjects. National 5 English, the results were a notable 7, A grade passes and 1, B pass. Accreditation was achieved in SQA (up to Higher) and ASDAN (up to Gold) frameworks and also LAMDA (up to Grade 7) and Duke of Edinburgh Awards in Silver and Bronze were achieved.

The governors are grateful to the many benefactors of the school who have been most generous in their support.

Education Scotland/ Care Inspectorate Joint Inspection December 2015. Evaluations achieved:

Improvements in performance	Very Good
Learners' experiences	Very Good
Meeting learning needs	Very Good

The New School was further evaluated as good for aspects of The Curriculum and Improvement through self-evaluation.

Financial review and results for the year

The financial statements for the year ended 31 August 2015 show a deficit of £135,288 (2014: surplus of £28,939) comprising a deficit on unrestricted funds of £127,693 and a deficit of £7,595 on restricted funds.

School fees have fallen to £1,307,437 (2014: £1,660,839), however costs of running the school have also decreased in the year to £1,443,581 (2014: £1,647,195).

With regard to sustainability of pupil numbers, as disclosed in note 1 to the accounts, the governors are mindful that the school has not yet received confirmed bookings for new pupils to replace those that are anticipated to leave for the 2015-16 school year. Close scrutiny of the factors affecting this is kept by governors and management along with vigilance in relation to the underlying costs to ensure the future financial sustainability of the school. In order to improve the financial outlook, new initiatives are being considered and developed, including the provision of education and support for young people with additional support needs who are no longer of the age to attend School.

Reserves policy

The governors give consideration to the level of reserves that reflect the inherent risk in the school's area of activity. As with any fee paying school, the Board is mindful of the reliance on key funding stakeholders and the sensitivities of changing pupil numbers and the significant impact this can have on results year on year. The balance of funds is monitored in relation to operational and financial plans to ensure that sufficient funding is available to meet the school's objectives on an ongoing basis. Specifically, the policy of the school is to have sufficient funds available to meet its running costs for three months. Average running costs are £100,000 per month, and so the reserves policy is met.

At the year end the balance on unrestricted funds stood at £1,205,877 (2014: £1,333,570) which comprises capital funds of £315,553 (2014: £327,378), designated funds of £589,267 (2014: £614,577) and unrestricted operational funds of £301,057 (2014: £391,615).

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

GOVERNORS' ANNUAL REPORT

for the year ended 31 August 2015

Investment policy

The Board of Governors has wide powers of investment, which fall to be exercised in furtherance of the company's charitable objectives. The bank accounts are closely monitored to ensure that the optimal balance of access to funds and level of bank interest is received.

Future plans

The school has embarked on a long-term improvement strategy which will be further developed at the Governors' Strategy Meeting.

Statement of Responsibilities of the Board of Governors

The governors (who are also directors of The New School Butterstone for the purposes of company law) are responsible for preparing the Governors' Annual Report and the financial statements in accordance with applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the governors 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 income and expenditure, of the charitable company for that period. In preparing these financial statements, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departure 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 company will continue in operation.

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

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

GOVERNORS' ANNUAL REPORT

for the year ended 31 August 2015

Disclosure of information to the auditor

In so far as the governors are aware:

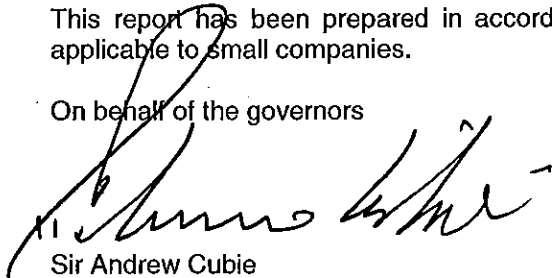
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

A resolution to re-appoint Scott-Moncrieff as auditor for the ensuing year will be proposed at the annual general meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 applicable to small companies.

On behalf of the governors



Sir Andrew Cubie
Chairman

5 February 2016

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND GOVERNORS OF
THE NEW SCHOOL BUTTERSTONE

We have audited the financial statements of The New School Butterstone for the year ended 31 August 2015, which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account and Statement of Total Recognised Gains and Losses), the Balance Sheet and the related notes. 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 governors and members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and the governors, 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 (as amended). Our audit work has been undertaken so that we might state to the charitable company's governors and members 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 governors and members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditor

As explained more fully in the Statement of Responsibilities of the Board of Governors set out on page 6, the governors (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 those 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 Ethical Standards for Auditors, including "APB Ethical Standard – Provisions Available for Small Entities (Revised)", in the circumstances set out in note 16 to the financial statements.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on the 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 August 2015 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 applicable to smaller entities; 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).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Governors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

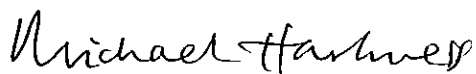
THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND GOVERNORS OF
THE NEW SCHOOL BUTTERSTONE**

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 or the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- we have not received all 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of governors' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit; or
- the governors were not entitled to prepare the financial statements in accordance with the small companies regime; or
- the governors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Michael Harkness, Senior Statutory Auditor
For and on behalf of Scott-Moncrieff, Statutory Auditor
Chartered Accountants
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

5 February 2016

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income and Expenditure Account
and Statement of Total Recognised Gains and Losses)

for the year ended 31 August 2015

	Note	Unrestricted Funds £	Restricted Funds £	2015 Total Funds £	2014 Total Funds £
Incoming resources					
Incoming resources from generated funds					
Grants, donations and gifts		4,628	18,032	22,660	41,486
Activities for generating funds		1,099	-	1,099	10,693
Investment income		5,223	-	5,223	2,527
Incoming resources from charitable activities					
School fees receivable		1,307,437	-	1,307,437	1,660,839
Other income		678	-	678	-
Total incoming resources		<u>1,319,065</u>	<u>18,032</u>	<u>1,337,097</u>	<u>1,715,545</u>
 Resources expended					
Costs for generating funds					
Fundraising activities		323	-	323	8,855
Charitable activities					
Running of the school	2	1,417,954	25,627	1,443,581	1,647,195
Governance costs	3	28,481	-	28,481	30,556
Total resources expended		<u>1,446,758</u>	<u>25,627</u>	<u>1,472,385</u>	<u>1,686,606</u>
Net movement in funds for the year		(127,693)	(7,595)	(135,288)	28,939
Fund balances at 1 September 2014		1,333,570	17,047	1,350,617	1,321,678
Fund balances at 31 August 2015	14	<u>1,205,877</u>	<u>9,452</u>	<u>1,215,329</u>	<u>1,350,617</u>

All incoming resources and resources expended derive from continuing activities.
The charity has no recognised gains or losses for the year other than the results above.

The notes on pages 12 to 22 form a part of these financial statements

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

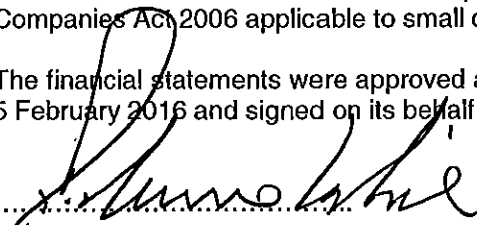
BALANCE SHEET

as at 31 August 2015

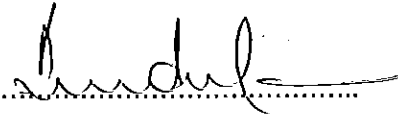
		2015		2014	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	7		504,820		541,955
Current assets					
Debtors	8	197,463		231,971	
Cash at bank and in hand		1,076,634		1,034,406	
		1,274,097		1,266,377	
Creditors					
Amounts falling due within one year	9	(563,588)		(457,715)	
Net current assets			710,509		808,662
Net assets			1,215,329		1,350,617
Funds					
Unrestricted funds	14				
General funds			616,610		718,993
Designated funds			589,267		614,577
Total unrestricted funds			1,205,877		1,333,570
Restricted funds	14		9,452		17,047
Total funds			1,215,329		1,350,617

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

The financial statements were approved and authorised for issue and approved by the Board of Governors on 5 February 2016 and signed on its behalf by:



 Sir Andrew Cubie
 Chairman



 Mr Kenneth McDowell
 Governor

The notes on pages 12 to 22 form a part of these financial statements

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

1 Principal accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and have been prepared in accordance with applicable accounting standards, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) issued in March 2005. A summary of the more important accounting policies, which have been applied consistently, is set out below.

The financial statements have been prepared on the going concern basis. As with any fee paying school, the Board is mindful of the reliance on key funding stakeholders and the sensitivities of changing pupil numbers. At present the Board is aware, as in previous years, that the school has not yet received confirmed bookings for the number of new pupils to start at the school in the Autumn of 2016 that will replace the number of anticipated pupils leaving this year. Against this background, the Board has prepared indicative financial projections for the period to 31 August 2016 and has considered the inherent risk attached.

Based on the pupil number assumptions, which the Board consider reasonable, and the utilisation of existing reserves, the projections indicate that the company can meet debts as they fall due for the foreseeable future. On this basis the financial statements have been prepared on the going concern basis. The Board continues to address issues about the longer term sustainability of the school, including the size of the school roll, the policy in regard to fees and how the business of the school is developed further.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. Income is deferred when the charity is not yet entitled to the money as at the year end. The following specific policies are applied to particular categories of income:

- Legacies and donations are included in full in the Statement of Financial Activities when unconditional entitlement and the amount have been confirmed.
- Income from operating activities for generating funds and investment income is included in the Statement of Financial Activities when receivable.

Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for it. The company is not registered for VAT and accordingly costs are shown gross of irrecoverable VAT.

- Costs of generating funds comprise the costs associated with attracting voluntary income and with operating activities for generating funds.
- Charitable activities expenditure comprises those costs incurred by the company in the delivery of its activities and services for its beneficiaries.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the company.
- All costs are allocated directly between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource.

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

1 Principal accounting policies (continued)

Fixed assets and depreciation

Fixed assets are recorded at cost. Items of expenditure are capitalised only where the purchase price exceeds £500. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	20% straight line
Computers	33% straight line
Motor vehicles	25% reducing balance

Items costing less than £500 are written off to the Statement of Financial Activities when the cost is incurred.

Leasehold improvements over length of lease

The school has a lease over the property which runs to 31 August 2026. The tenant has an option to terminate the lease by giving the required notice as at 31 August 2016.

Operating leases

Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions

The pension costs charged in the accounts represent the contributions payable by the school during the period. Contributions to the Teachers' Superannuation Scheme, a defined benefit scheme, are treated as payments to a defined contribution scheme in accordance with FRS17 "Retirement Benefits".

Taxation

The company is a registered charity and is exempt from taxation on the whole of its income.

Government grants

Government grants relating to revenue are recognised in the Statement of Financial Activities in the period in which the company is entitled to the funding.

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

1 Principal accounting policies (continued)

Unrestricted funds and restricted funds

Unrestricted funds are donations and other incoming resources generated for the objects of the company without further specified purpose and are available to be used at the discretion of the governors.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure that meets these criteria is charged to the fund.

Designated funds are to be used for specific purposes as laid down by the governors. Expenditure that meets these criteria is charged to the fund.

2 Charitable activities

	Unrestricted £	Restricted £	Total 2015 £	Total 2014 £
Running of the school				
Education and Care	953,973	25,627	979,600	1,160,001
Property	282,117	-	282,117	292,025
Office and Governance	181,864	-	181,864	195,169
	<u>1,417,954</u>	<u>25,627</u>	<u>1,443,581</u>	<u>1,647,195</u>

3 Governance costs

	Unrestricted £	Restricted £	Total 2015 £	Total 2014 £
Accountancy fees	-	-	-	2,470
Audit fees	7,821	-	7,821	7,098
Legal and professional fees	8,952	-	8,952	8,280
Business Manager and Head of School costs	11,708	-	11,708	12,708
	<u>28,481</u>	<u>-</u>	<u>28,481</u>	<u>30,556</u>

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

4 Governors' remuneration and expenses

No governors received any remuneration or reimbursement of expenses during the year (2014: nil).

The school leases from Mr Alexander Linklater the grounds and the buildings in which the school operates. Mr Magnus Linklater is both a governor of the school and father of the landlord. Rent paid during the year was £30,000 (2014: £30,000).

During the year an amount of £nil (2014: £864) was paid to Smiths Gore for professional services, a company in which Mr Toby Metcalfe, governor, has an interest.

5 Net incoming/(outgoing) resources

This is stated after charging/(crediting):

	2015	2014
	£	£
Depreciation	66,358	68,115
Operating lease charges – land and buildings	30,000	30,000
– other	5,310	5,310
Auditors' remuneration – audit fee	7,191	7,098
– non-audit services	630	2,470
Gain on disposal of tangible fixed assets	(678)	-
	<u> </u>	<u> </u>

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

6 Employees' remuneration

The average number of persons employed by the charity during the year, analysed by category, was as follows:

	2015 No.	2014 No.
Teaching staff full time	2	6
Teaching staff part time	7	5
Care, support and domestic	19	21
Administration	2	3
	30	35
	30	35

The aggregate payroll costs of these persons were as follows:

	2015 £	2014 £
Wages and salaries	933,472	1,060,407
Social security	71,075	76,688
Other pension costs	57,258	56,901
	1,061,805	1,193,996
	1,061,805	1,193,996

Senior employees

During the year, the number of senior employees who received emoluments falling within the following range was:

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

For the employee earning more than £60,000 per annum, employer pension contributions made to the multi-employer defined benefit scheme (note 11) for the year were £nil (2014: £9,323).

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

7 Tangible fixed assets

	Leasehold improvements £	Motor vehicles £	Computers £	Furniture & equipment £	Total £
Cost					
As at 1 September 2014	1,081,332	61,941	63,448	168,162	1,374,883
Additions	2,556	13,300	12,221	5,508	33,585
Disposals	-	(7,755)	(1,040)	-	(8,795)
As at 31 August 2015	<u>1,083,888</u>	<u>67,486</u>	<u>74,629</u>	<u>173,670</u>	<u>1,399,673</u>
Depreciation					
As at 1 September 2014	581,795	41,201	53,687	156,245	832,928
Charge for the year	41,741	7,420	11,500	5,697	66,358
Depreciation on disposal	-	(3,393)	(1,040)	-	(4,433)
As at 31 August 2015	<u>623,536</u>	<u>45,228</u>	<u>64,147</u>	<u>161,942</u>	<u>894,853</u>
Net book value					
As at 31 August 2015	<u>460,352</u>	<u>22,258</u>	<u>10,482</u>	<u>11,728</u>	<u>504,820</u>
As at 31 August 2014	<u>499,537</u>	<u>20,740</u>	<u>9,761</u>	<u>11,917</u>	<u>541,955</u>

8 Debtors

	2015 £	2014 £
Trade debtors	189,415	223,687
Other debtors	3,048	3,284
Prepayments and accrued income	5,000	5,000
	<u>197,463</u>	<u>231,971</u>

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

9 Creditors: amounts falling due within one year

	2015	2014
	£	£
Trade creditors	3,152	3,957
Fees in advance	513,025	412,159
Taxation and social security	21,842	23,453
Other creditors	18,501	11,282
Accruals	7,068	6,864
	<u>563,588</u>	<u>457,715</u>
	<u>563,588</u>	<u>457,715</u>
Deferred income – fees in advance	£	£
Balance at 1 September 2015	412,159	525,613
Income received and deferred in year	513,025	412,159
Released in year	(412,159)	(525,613)
	<u>513,025</u>	<u>412,159</u>
	<u>513,025</u>	<u>412,159</u>

10 Operating lease commitments

As at 31 August 2015 the charity had annual commitments under non-cancellable operating leases which expire as follows:

	Land and Buildings		Other	
	2015	2014	2015	2014
	£	£	£	£
Within two and five years	-	-	5,310	5,310
Over five years	30,000	30,000	-	-
	<u>30,000</u>	<u>30,000</u>	<u>5,310</u>	<u>5,310</u>
	<u>30,000</u>	<u>30,000</u>	<u>5,310</u>	<u>5,310</u>

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

11 Pension scheme

- (a) Past and present teaching staff are members of the Scottish Teachers' Superannuation Scheme. The scheme is an unfunded statutory public service pension scheme with benefits underwritten by the UK Government. The scheme is financed by payments from employers and from those current employees who are members of the scheme and paying contributions at progressively higher marginal rates based on pensionable pay, as specified in the regulations. The rate of employer contributions is set with reference to a funding valuation undertaken by the scheme actuary. The last four-yearly valuation was undertaken as at 31 March 2012. The next valuation will be as at 31 March 2016 and this will set contribution rates from 1 April 2019.
- (b) The New School Butterstone has no liability for other employers obligations to the multi-employer scheme.
- (c) As the scheme is unfunded there can be no deficit or surplus to distribute on the wind-up of the scheme or withdrawal from the scheme.
- (d) (i) The scheme is an unfunded multi-employer defined benefit scheme.
- (ii) It is accepted that the scheme can be treated for accounting purposes as a defined contribution scheme in circumstances where The New School Butterstone is unable to identify its share of the underlying assets and liabilities of the scheme.
- (iii) The employer contribution rate from 1 April 2015 will be 14.9% of pensionable pay. This will increase to 17.2% from 1 September 2015. While the employee rate applied is a variable it will provide an actuarial yield of 9.6% of pensionable pay.
- (iv) At the last valuation a shortfall of £1.3 billion was identified in the notional fund which will be repaid by a supplementary rate of 4.5% of employers pension contributions for fifteen years from 1 April 2015. This contribution is included in the 17.2% employers contribution rate.
- (v) The New School Butterstone's level of participation in the scheme is 0.02% based on the proportion of employer contributions paid in 2013-14.

During the year the school made payments to various defined contribution personal pension plans amounting to £4,541 (2014: £4,716). At the balance sheet date £4,135 (2014: £nil) was due to be paid to these pension plans.

12 Related parties

There are no related party transactions other than those disclosed in note 4.

13 Resources held for a third party

The school holds pupils' pocket money in a separate bank account in its name. This bank account is not included in the financial statements, and the balance at the year end was £478 (2014: £676).

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

14 Statement of funds

	At 1 September 2014 £	Incoming resources £	Resources expended £	Transfer	At 31 August 2015 £	Available for future spend £
Restricted funds						
2011 Appeal	3,827	-	(319)		3,508	3,508
Sports equipment	850	600	(1,450)		-	-
ECORYS UK LTD – Leonardo's Project	-	3,089	(3,089)		-	-
Music Bursary	1,335	-	(487)		848	848
TADHA	10,113	14,343	(19,360)		5,096	5,096
Summer Camp	922	-	(922)		-	-
Total restricted funds	17,047	18,032	(25,627)	-	9,452	9,452
Unrestricted funds						
Designated funds						
Gannochy Trust - classroom extension	5,715	-	(476)		5,239	-
Gannochy Trust - arts classroom	12,000	-	(1,000)		11,000	-
Wooden Spoon	21,000	-	(1,750)		19,250	-
Scottish Executive 1st grant	61,387	-	(4,865)		56,522	-
Mrs Dingwall-Fordyce	13,336	-	(1,085)		12,251	-
Recital	15,340	-	(1,697)		13,643	-
Scottish Executive 2nd grant	(2,511)	-	-	2,511	-	-
Esmee Fairbairn Foundation	10,310	-	(937)		9,373	-
MacRobert Trust	2,400	-	(200)		2,200	-
Scottish Community Fund	22,747	-	(2,009)		20,738	-
Antonia Ellis Bequest	401	-	(33)		368	-
Portack Trust	802	-	(66)		736	-
Mrs Katrina Turner re Expressive Arts Project	802	-	(66)		736	-
2011 Appeal	21,762	-	(1,814)		19,948	-
Perth & Kinross Quality of Life Trust	2,400	-	(200)		2,200	-
Robertsons Trust	12,000	-	(1,000)		11,000	-
Cortachy Castle	1,121	-	(94)		1,027	-
Griffin	766	-	(64)		702	-
Rothschild Foundation	7,999	-	(667)		7,332	-
William Watson Trust	799	-	(67)		732	-
Binks Trust	4,001	-	(333)		3,668	-
Tennis court refurbishments	50,000	-	-		50,000	50,000
Strategic development funds	300,000	-	-		300,000	300,000
Residential accommodation	50,000	-	-		50,000	50,000
	614,577	-	(18,423)	2,511	598,665	400,000
General funds	718,993	1,319,065	(1,428,335)	(2,511)	607,212	616,610
Total unrestricted funds	1,333,570	1,319,065	(1,446,758)	-	1,205,877	1,016,610
Total funds	1,350,617	1,337,097	(1,472,385)	-	1,215,329	1,026,062

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

14 Statement of funds (continued)

The purpose of the individual restricted funds is as follows:

The Baroness Veronica Linklater 2011/12 Appeal will be used to fund the Expressive Arts Project development phase 2, new classroom facilities and other various capital improvements. The balance already spent on this fund has been reclassified as designated.

The balance remaining on the sports equipment fund was used to purchase sports equipment.

Funds received from ECORYS UK LTD was be used to fund the Leonardos Project.

The Music Bursary is funds received from the sale of music equipment now identified for the support of students to promote and enhance music skills.

TADHA funds are those funds donation and identified to recognise and reward young people (up to the age of 30), with additional support needs and resident in Scotland, who have shown bravery, outstanding achievement, or an act of heroism in a difficult and challenging situation, thereby enhancing education by the acknowledgement of the person's contribution to the community.

The Summer Camp fund is those funds donated to support summer camp activities organised by TNS. There was no camp held in 2015 but funds are available for future camps.

The purpose of the individual designated funds was as follows:

The Gannochy Trust and Wooden Spoon funds were used to finance classroom extensions and the Expressive Arts Project development phase 2.

The Scottish Executive 1st grant was used to finance the Sports Hall and Expressive Arts Project development phase 1.

Mrs Dingwall-Fordyce fund was used to fund property improvements.

The Recital and the Esmee Fairbairn Foundation funds were used to finance the Expressive Arts Project development phase 1.

The Scottish Executive 2nd grant was used to finance a new minibus, Sports Hall, Expressive Arts Project development phase 1 and the Lodge kitchen upgrade. The transfer from general funds corrects the over release of the restricted fund in the prior year.

The MacRobert Trust, Scottish Community Fund and Portack Trust were used to fund the Expressive Arts Project development phase 2.

The Antonia Ellis Bequest was used towards the playground equipment.

The donation from Mrs Katrina Turner was used to fund the Expressive Arts Project development phase 2, new classroom facilities and other various capital improvements.

The Perth & Kinross Quality of Life Trust grant was used towards the purchase of playground equipment.

The grants and donations received from the Robertson Trust, Cortachy Castle, the Griffin Community Fund, the Rothschild Foundation, the William Watson Trust and the Binks Trust were used to support the Expressive Arts Project.

THE NEW SCHOOL BUTTERSTONE
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

14 Statement of funds (continued)

A designated fund for the refurbishment of the tennis courts was set up in 2012. A further £15k was designated in 2013.

A strategic development fund was created in 2012 in order to ring-fence £300,000.

A designated fund was created in 2013 for future spends on residential accommodation.

15 Analysis of net assets by fund

	Unrestricted		Restricted Funds £	Total Funds 2015 £
	General Funds £	Designated Funds £		
Tangible assets	306,155	198,665	-	504,820
Current assets	864,645	400,000	9,452	1,274,097
Creditors: amounts falling due within one year	(563,588)	-	-	(563,588)
	<u>607,212</u>	<u>598,665</u>	<u>9,452</u>	<u>1,215,329</u>

16 Non-audit services

In common with many other businesses of our size and nature we use our auditors to assist with the preparation of the financial statements.

