

High School of Dundee
Incorporated by Royal Charter 1859 and
Education (Scotland) Act 1980 (as amended)
Charity number SC011522

Group financial statements for the year ended
31 July 2024

High School of Dundee

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High School of Dundee

Board of Directors and officials

Directors

Chair

Ex Officio Directors

Elected by the Guildry Incorporation
of Dundee

Elected by the Nine Incorporated
Trades of Dundee

Elected by the Old Boys' Club

Elected by the Old Girls' Club

Elected by the Parents' Association

Elected by Friends of The High School of Dundee

Co-opted Directors

Principal office

Rector

Secretary & Chief Operating Officer

Clerk to the Board

Auditor

Bankers

Investment advisers

Henderson Loggie LLP, Statutory Auditor

Royal Bank of Scotland plc

Seven Investment Management LLP

High School of Dundee

Directors' report

The Directors have pleasure in submitting their financial statements for the year ended 31 July 2024.

The information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the constitution of The High School of Dundee (the "School"), and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Reference and Administration Information

The management of the School is the responsibility of the Directors who are elected and co-opted under the rules of the High School of Dundee Scheme 1987. Particulars of the School's professional advisors are shown on page 1.

Structure, Governance and Management

Governing Document

The School, which is a charity registered with the Office of the Scottish Charity Regulator (Ref SC011522), is operated under the rules stated in the High School of Dundee Scheme 1987.

Governing Bodies

The annual financial statements reflect the activities of The High School of Dundee, The High School of Dundee Scholarship Fund, The High School of Dundee Foundation, and Euclid Trading Ltd.

High School of Dundee (the "School"): Under the Rules referred to above, other than for two Ex-Officio members, Directors are nominated by various established bodies in the City of Dundee and organisations connected with the School. Details of current members of the Board and their nominating body are shown on page 1. Directors serve a term of three years after which they may be re-elected for a further term of three years. The School provides guidelines to the various bodies and these describe the type of skills and expertise that are felt appropriate when consideration is given to nominating a member. The School may also express a desire for a nominee with specific skills which may be of particular benefit to the Board.

The Scholarship Fund (the "Scholarship Fund") is a separate registered charity (SC011441) established in 1977 under the terms of a Trust Deed with the purpose of raising and managing funds in order to provide Scholarships and Bursaries to allow young people to attend the School who would otherwise be unable to do so for financial reasons. The Directors of the School also form the Board of Trustees for the Scholarship Fund. Separate audited financial statements are prepared for the Fund and these are also incorporated in the School Financial statements as "Restricted Funds".

The Foundation (the "Foundation") is a registered charity (SC030842) established under the terms of a Trust Deed in 2000 with the object of raising funds for the benefit of pupils attending the School. At present such funds are primarily used for the purpose of providing bursary support and assisting with major capital projects. The Board of the School appoints the Trustees of the Foundation who do not necessarily require to be members of the Board. Separate audited financial statements are prepared for the Foundation and these are also incorporated in the School Financial statements as "Restricted Funds".

Euclid Trading Ltd (SC357247) is a company fully owned by the High School of Dundee formed with the purpose of undertaking any trading activities conducted by the School. At present such activities relate to the hire of the School's sports facilities at the Dalnacraig and Mayfield sports ground and sports centre at times when the facilities are not required for School purposes. The Directors are appointed by the Board of Directors of the School. Each year the net proceeds arising from the company's activities are passed to the School by way of a gift aid donation. The results of these trading activities are included in the "Unrestricted Funds" of the School's financial statements.

High School of Dundee

Directors' report (continued)

Structure, Governance and Management (continued)

Recruitment and Training of Directors, Appointments and Retirements

The School Board consists of 6 nominated directors, 10 co-opted directors, and 2 ex officio directors.

The High School of Dundee has a Board of Directors Skills Matrix. This will be reviewed annually by the Governance Committee and allows the Committee to identify and fill any skills gaps on the Board and plan and coordinate recruitment and appointment to the Board of Directors. Anticipated co-opted, ex officio, and nominated vacancies on the Board of Directors will be identified, and a recruitment process initiated (12 months in advance where possible).

The induction process involves meetings with the Chair, the Rector, and the Chief Operating Officer in order to gain an appreciation of the objects of the School and its operation. In addition, the responsibilities of the Board and its Directors to the pupils, staff, parents, and the wider community are explained. This also includes the legal responsibilities and obligations of operating an independent school within the Scottish education system and the relationship with the Scottish Government, Her Majesty's Inspection of Education, and other government bodies.

New Board Members are invited to the first Board meeting following formal approval of their appointment by the Board.

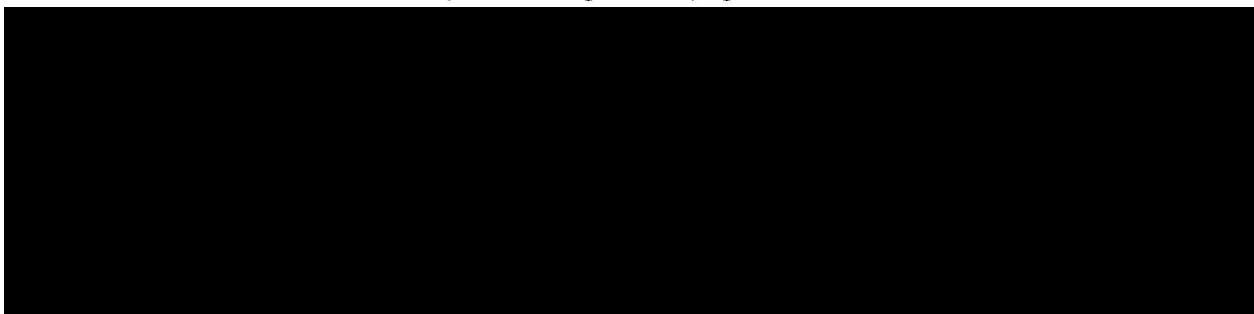
All Directors are appointed for an initial 3-year term. A second 3-year term may follow if agreed by both the individual and the Board, on the recommendation of the Governance Committee. Only rarely will a third 3-year term be permitted, and this will only be the case where the Director is serving as the Chair, the Vice Chair, or a Convenor at the time of completing their second term. There is a timetable of Directors' visit days set at the start of each session, to which all Directors are invited and expected to attend. Directors are also invited to attend all School events and take an active interest in the School community. Directors can also visit the School at any time throughout the year.

Directors are expected to participate in CPD events in order to further their experience in the Independent School sector. The School is a member of the Scottish Council for Independent Schools (SCIS), Association of Governing Bodies of Independent Schools (AGBIS), and Independent Schools' Council (ISC), and they provide a regular programme of seminars for School Governors. Directors of the School are encouraged to attend these. A programme of CPD requirements continues to be reviewed to ensure all Directors are attending relevant CPD courses.

The Board's review of Governance of the School is overseen by the Governance Committee. Terms of reference are updated annually for all Committees. During the period, the Committee undertook an internal self-review exercise, which Directors found to be a very valuable tool.

Members of the Board receive no remuneration for the services they provide to the School in their capacity as Directors. The Directors give a great many hours of their time to the School, attending meetings of the Board, committees, and working groups, school events, providing advice and guidance, and supporting the members of the Executive. Currently, the Chair meets with the Rector and Chief Operating Officer on a weekly basis. The value of such time is significant and, while never formally assessed, represents several tens of thousands of pounds.

Directors as at the date of this report are as given on page 1 of the financial statements.



High School of Dundee

Directors' report (continued)

Structure, Governance and Management (continued)

Organisational Management

The Directors are allocated to committees based on their skills and experience. Every Director will sit on at least two committees and attend Board meetings.

The day-to-day operation of the School rests with the Senior Leadership Team, led by the Rector, Deputy Rector (Senior Years), Deputy Rector (Junior Years), and the Chief Operating Officer. The Rector and Chief Operating Officer are invited to attend all meetings of the Board and its committees.

The Senior Leadership Team are the key management personnel of the School. The School has a pay structure, which is considered annually by the Remuneration Committee. Staff are placed within the pay structure commensurate with their qualifications, experience, and the responsibilities of their role.

Risk Management

The Board has considered the areas of risk to which the School is exposed and presents a comprehensive report to the meetings of the Full Board. Responsibilities are delegated to each of the Committees where applicable. The assessment considers eleven areas: 1) Financial, 2) Laws and Regulation, 3) Governance and Management, 4) External Factors, 5) Operational, 6) Human Resources, and 7) Educational. Risks are assessed, and appropriate action is put in place as deemed necessary.

The School continues to closely monitor the pressure on fee levels and the implications of VAT being introduced on educational services from 1 January 2025. The Chief Operating Officer is reviewing additional bursaries, and regular discussions are being undertaken with parents to support each of our families.

Objects, Aims, Objectives and Activities

Objects

Our vision is to nurture and inspire exceptional, real-world-ready pupils.

At HSD, we're all about unlocking the unique spark in each of our pupils, igniting their passion for learning, and celebrating their incredible talents. Our goal is to demonstrate and instil informed decision-making based on our shared core values as a guiding light throughout our lives. From the moment they join us, we dive into getting to know each of our pupils as individuals, making them feel valued, supported, and engaged in every aspect of their learning. This personalised approach allows individual talents and qualities to truly shine. In a fast-paced, increasingly polarised world, we equip our community to tackle pressing global issues head-on. Located in the heart of our city, we offer a real-world learning environment that is aspirational and inspires our whole community to stay grounded and connected. We're proud to nurture confident yet humble young people who form lifelong friendships, are ambitious learners, and work together to make the world a better place for all. We remember that our pupils learn first from us. The subject content and 'academic' outcomes are important, but how we make them feel about themselves, the world, and their unique potential and self-worth will last a lifetime. We lead by example.

In providing an exceptional learning experience in the independent sector without the financial support of central or local government, the Directors must ensure that the School recovers its costs through tuition fees. The level of such charges is scrutinised and considered every year by both the Finance Committee and the full Board, and efforts are made to ensure funds are used and managed in an efficient and economic manner.

The School seeks to draw pupils on the basis of their aptitude and to provide every opportunity to develop this to its full potential. A key purpose is to ensure that the personal financial circumstances of the family are not a barrier to any child, who is made an offer based on aptitude, attending the High School.

High School of Dundee

Directors' report (continued)

Objects, Aims, Objectives and Activities (continued)

To this end, the School offers information to parents with regard to how guidance can be obtained on planning their finances and can also direct them to potential sources of assistance. In addition, the School has access to Bursary funds, which allow it to offer financial support of up to one hundred per cent of tuition fees.

Objectives and Strategies for the Year

At the High School of Dundee, we are a community that inspires, empowers, and supports our young people to realise their potential through our creative, vibrant, challenging, and aspirational Learning Experience. Viewing each pupil as an individual, we aim to:

- Identify and nurture their talents
- Foster and encourage them to find their voice
- Empower them to take responsibility with confidence and resilience

Our Core Values underpin the aims of our School and, therefore, form the basis of our Improvement Planning programme.

Under the leadership of the Board of Directors and the Rector, the High School of Dundee is firmly committed to the philosophy of improvement through structured self-evaluation and review. Each year, the Whole School Improvement Plan (WSIP) is reviewed and updated, stating the main objectives for the next year and providing more detailed aims for the coming year.

During the year, the School finalised its Strategic Plan. As part of this, five key projects, phase one of which will be delivered during Session 2024-25, have been identified. These are as follows:

1. Curriculum Review Project
2. Staff Pensions & Benefits Project
3. Admissions & Marketing Review Project
4. Playground Project
5. 3rd Party Income Project

Each project is led by a Board Sponsor and an SLT member, who will report directly to the Rector on progress being made. The Rector will then update the Board at each meeting.

Principal Activities of the Year

The School is an all-through co-educational independent day school educating just under 900 pupils. Interest remains buoyant at all stages throughout the School, and parents continue to express a clear desire to have their children attend. The Board and the School's Senior Leadership Team continue to work to improve awareness of the benefits that the School's approach to education provides for its pupils.

The reasons for families wishing to have their children attend the School relate primarily to the high standard and quality of teaching provision within an atmosphere that stimulates and encourages learning. Parents comment on the orderly and purposeful atmosphere in the School, which is achieved through a respect shared amongst pupils and staff. The provision of a wide-ranging curriculum offering a broad spectrum of subjects, combined with an extensive programme of co-curricular activities, creates an excellent all-round education for pupils. The results of this approach were reflected in the many outstanding achievements of pupils during the year, both inside and outside the classroom, and are reported elsewhere.

High School of Dundee

Directors' report (continued)

Objects, Aims, Objectives and Activities (continued)

Grant Making Policy

The School awarded means-tested bursaries of £770,000 (2023 - £865,000). In addition, grants and remissions were provided of £352,000 (2023 - £322,000), thereby providing total assistance of £1,122,000 (2023 - £1,187,000). The level of bursary support reflects a growing number of applications from not only new entrants to the School but also from existing parents experiencing financial difficulties resulting from the ongoing difficult economic climate. The Awards Committee, along with the Finance Committee, monitors the level of support regularly within the charitable status guidance.

Bursaries are granted on the basis of both academic ability and financial need. In total, 77 bursaries were provided, ranging from 10% of tuition fees through to 100%. In addition, the School provided guidance to parents in seeking support from charitable and educational trusts, and grants were received by two pupils from such sources. As a result, 13% of the pupils in the senior school were in receipt of bursary support.

Ongoing efforts continued to be made through the Foundation to raise funds to maintain the level of grants to support bursaries at the School.

Staff and Volunteers and Bodies Associated with the School

The School enjoys a strong sense of community, which is made possible through the commitment of many staff who give their time to support co-curricular activities, either during or outwith the normal school day. In addition, activities such as the Duke of Edinburgh Award Scheme rely on the assistance and support of several voluntary helpers, whose contributions are invaluable in providing the range of activities available to pupils. In addition to the teaching staff, the School has a large number of support staff who play an essential role in providing the services that allow the School to operate. The Directors wish to record their appreciation for the invaluable contributions that all members of staff and volunteers make in meeting the School's objectives.

In addition to the activities of the Scholarship Fund and Foundation, whose results are incorporated in these financial statements, the School receives valuable support from the High School of Dundee Trust Appeal and other groups associated with the School through former pupils and parents. The contribution of these groups, in working for the benefit of the School in various ways, is acknowledged by the Board.

Review of Achievements and Performance for the Year

Operational Performance of the School

This year (to July 2024) we raised the magnificent total of £32,894 for our chosen charities. This record-breaking amount is thanks to an extraordinary whole school effort across Nursery, Junior and Senior Years. We are very proud that we have been able to support an extraordinary 38 individual charities and even more proud that our pupils have also volunteered over 10,000 hours across a range of placements in the local community. Thank you to our Rotakids, our Interact Club, Our Enterprise Teams, and our amazing Charity and Community Outreach Coordinator and her brilliant teams.

Neurodiversity Celebration Week was an important highlight with pupils and staff working together to raise awareness and demonstrating that this is a superpower. Our first ever Project Wellbeing Day was a huge success and again demonstrated what can be done with ambition, collaborative working and meticulous organisation. Our pupil led, Multicultural day was an explosion of energy, cultures and fun.

It has also been another very successful sports' season. Our Boys Hockey 1XI retained the Aspire Cup for a second year, our Girls' Hockey 1XI are the Scottish School's Plate Runners up, and our 1st XV headed to Murrayfield to compete against Dollar Academy in the National Schools Shield Final. Our Pipe Band led the way and we certainly won the day from a support and spirit perspective. Our netball 1st VII went all the way to the quarter final of the Scottish Schools Cup.

High School of Dundee

Directors' report (continued)

Review of Achievements and Performance for the Year

Operational Performance of the School (continued)

Five of our pupils were selected for Midlands U14 Hockey, and we also had three Scottish selections. In the U17 Scotland Emerging Squad, the U19 Emerging Squad, and at just 17 years old, one of our F5 pupils was selected for the Scotland U21 Squad!

Our Festival of Sport has now become a firm fixture in the calendar. Blessed with blue skies and sun, it was a wonderful whole-school occasion. It was so good to see so many activities, fun, and friendships wrapped around the serious matter of sporting competition and the fantastic PA Colour Run. It was also the setting for some extraordinary record-breakers this year! The F4-6 Girls' 100m record, set in 1975, was smashed with a time of 12:06, and the F3 Boys' 100m record, set in 1974, was also broken with an amazing time of 11:68. A new F4-6 Girls' Shot Put record was set with a remarkable 11m 33, and one of our F2 girls is now a double record holder, claiming both the 100m and 200m F2 girls' titles with times of 12:05 and 27.19, respectively. In the Dundee School Athletics Championships, we scooped 10 golds and 1 silver! Earlier in the month, at the Scottish Schools' Relay Championships, our U15 Girls' Team won gold, and our U17 Team won silver.

Our pupil newspaper, The Columns, celebrated its 100th edition this session. We have been so fortunate to have brilliant pupil editorial teams. The tradition of writing begins at the earliest point here at the High School of Dundee, and we can see wonderful writing emerging from L1 right through to F6. Again, this has been a bumper year for our young writers. One of last year's F6 pupils is the current Scottish Schools Young Writer of the Year. We also had a literary first, with another F6 pupil winning the JFK Presidential Library and Museum's Profiles in Courage Essay Contest. This contest is open to all U.S. citizens, including those living abroad, between the ages of 14-18. Our pupil is the first winner from outside the U.S., and we are unbelievably proud of this achievement, which has once again put the High School of Dundee on the world stage!

In Mathematics, we continue to excel. Our reputation and record in the UK Maths Olympiad are second to none. This year, we achieved 8 golds, 14 silvers, and 28 bronze awards, with three of our pupils qualifying for the prestigious Olympiads for their respective age groups. One of them received a distinction plus a gold medal from the UK Mathematics Trust for achieving the best score in Scotland!

Our trips, tours, expeditions, and activities are such a tradition at the School. We are delighted to say that, from Florida to the Alps via Barcelona and Dalguise, this session has already seen our pupils return from hockey tours, the Spanish trip, and a two-week trip to China! These experiences continue to take learning beyond the classroom and are transformational for our pupils and staff.

Academic Excellence and University Success

Our outstanding certificate examination results speak for themselves year on year, and 2023/24 was no exception. This is due to the exceptional dedication and expertise of our teachers and the hard work, resilience, and commitment of our pupils.

National 5		Higher		Advanced Higher	
327,950 entries	HSD 863	196,250 entries	HSD 566	28,495 entries	HSD 266
A-C attainment rate 77.2%	HSD 95.3%	A-C attainment rate 74.9%	HSD 89.2%	A-C attainment rate 75.3%	HSD 87.2%
A attainment rate 38.0%	HSD 71.8%	A attainment rate 30.3%	HSD 54.1%	A attainment rate 30.0%	HSD 44.2%

High School of Dundee

Directors' report (continued)

Review of Achievements and Performance for the Year

Academic Excellence and University Success (continued)

This year again, the proportion of our pupils securing places of their choice at the best universities and colleges, or directly into employment, is second to none. The statistics on our destinations are remarkable and demonstrate the breadth and variety of the routes and specialisms that our young people choose.

A total of 114 applicants applied to 556 individual courses. They applied to 239 subject courses across 46 institutions. Medicine was the most-applied-to course, followed by Mechanical Engineering and Computer Science. Edinburgh University was the top destination, followed by Aberdeen and Dundee Universities. Our top 12 destinations, by application count, were all in Scotland. Our top English destinations, by the same count, were Oxford, Bristol, Durham, and Manchester. Applications included four Form 5 pupils and 18 FPS (all the way back to the Class of 2020). Four pupils applied to conservatoires in addition to UCAS. Six Form 6 (Class of 2024) pupils did not apply through UCAS, either taking a gap year or applying directly to college.

As usual, we have enjoyed numerous musical events. Every performance has been a joyous occasion of music-making. We are truly a 'specialist Music School'! From our inaugural 3-day Piano Festival, our magnificent Winter and Spring Concerts, our Festival of Nine Lessons and Carols, our D-Day Memorial Concert, Chamber Evenings, Jazz Soirées, competitions, and A Night to Remember, to name but a few.

We have so many extraordinary solo musicians who have been gathering silverware. In the Rotary Young Musician 1010 District competition, one of our Form 5 pupils won the Vocal section, and one of our Form 1 violinists was named Runner-Up in the Instrumental section. Another Form 5 pupil won the Leng Gold Medal and continued our extraordinary successes in this competition, which is close to the heart of many Dundonians. Yet another Form 5 vocalist was announced as the winner of the Scottish Young Musician Independent Schools Competition—the first time one of our pupils has won this accolade.

Our Senior Years Musical Whistle Down the Wind was a total triumph—a truly professional production that would be at home on the West End stage.

Brilliant young people need inspirational teachers, instructors, coaches, and supporters who truly care about creating an exceptional learning environment. We would like to pay tribute to all colleagues for their extraordinary dedication, hard work, and willingness to go above and beyond every day.

Statement of Financial Activities

The statement of financial activities provides detail of Unrestricted Funds, which relate to the operation of the School, Restricted Funds comprising the Scholarship Fund and the Foundation, and Endowed Funds. The results of the wholly owned subsidiary, Euclid Trading Limited, have been included as "Trading Activities".

Financial Review and Results for Year

Restricted Funds

Detailed reports relating to the Scholarship Fund and the Foundation can be found in the financial statements for these two bodies. The Directors were satisfied with the performance of both these Trusts with total income increasing from £57,000 in 2023 to £72,000. Grants of £99,000 (2023 - £200,000) were made to the School with £69,000 (2023 - £170,000) from the Foundation and £30,000 (2023 - £30,000) from the Scholarship Fund being used to support School Bursaries.

High School of Dundee

Directors' report (continued)

Review of Achievements and Performance for the Year

During the year the amount received from donations and legacies through the Foundation remained stable at £22,000, whilst grants increased from £13,000 to £15,000, and fundraising income increased from £1,000 to £32,000.

The combined net deficit, before realised and unrealised investment gains/losses, of the Scholarship Fund and Foundation was £78,000, compared to a £182,000 deficit in the previous year. The Funds also experienced net investment gains of £60,000 (2023 - £13,000 losses). This resulted in a decrease in reserves of £18,000 from £1.773 million to £1.755 million.

Endowed Funds

In addition to the support received from the Scholarship Fund and Foundation referred to above, the School received £40,000 (2023 - £40,000) for bursaries from the Endowed Fund resulting in total support for bursaries from all three sources of £130,000 (2023 - £240,000), with the remaining £9,000 being received for other purposes.

Unrestricted Funds

Total unrestricted expenditure increased from £12.477 million to £12.491 million, an increase of less than 1%. There is a net increase in unrestricted funds of £793,000 from £7.877 million to £8.670 million.

Total Funds

The net income for the year was £888,000 (2023 - £71,000 net expenditure). This resulted in a increase in the opening balance on funds from £11.064 million to £11.952 million.

Financial Review and Results for Year (continued)

Balance Sheet

Investment in land and buildings during the year amounted to £454,000, with a further £168,000 being spent on plant and £73,000 being spent on computer equipment. Total tangible fixed asset additions in the year therefore amounted to £695,000.

Depreciation was charged in the year of £510,000 and a net book value of £521k was transferred from tangible fixed assets to current assets, tangible assets held for sale. This resulted in the net book value of the tangible fixed assets up to 31 July 2024 decreasing to £8.030 million.

Deferred income and trade debtors movements

Due to a change in the direct debit options available, the School raised its fee invoices for the 2024/25 academic year in June 2024. The full invoiced fees are recognised within trade debtors and deferred income at the year-end. This has resulted in trade debtors and deferred income at the year-end being significantly higher than the prior year's comparative balance. This treatment has no impact on the Statement of Financial Activities for the year.

Cash Flow

Total cash funds for the group generated from operating activities amounted to £2,186,000 compared to £436,000 in the previous year. After accounting for investment income and net interest costs, this increased to a total inflow of funds of £2,242,000 compared to £488,000. The net acquisition of tangible fixed assets and investments totalled £0.890 million compared to £1.499 million in the previous year. Proceeds were received for the realisation of tangible fixed assets and investments totalling £415,000 compared to £652,000 in the previous year.

High School of Dundee

Directors' report (continued)

Financial Review and Results for Year (continued)

Cash Flow (continued)

During the year £239,000 of capital repayments were made towards the bank loan in respect of the Nursery, and £26,000 towards hire purchase creditors. Overall, this resulted in a net increase in cash during the year of £1.515 million, and took cash resources at 31 July 2024 to £4.144 million.

Reserves Policy

The reserves of the School are represented by the Unrestricted Funds, Restricted Funds, and Endowed Funds shown in Note 13 to the financial statements and at 31 July 2024 totalled £11.952 million which represents an increase of £888,000 on the previous year's fund balance. Unrestricted Funds of £8.670 million represented £7.982 million of tangible assets plus net assets of £688,000.

Where the Board pursues projects that have a significant impact on the liquidity of the reserves of the School, the Directors make plans to ensure that, within a reasonable period of time, such reserves return to an appropriate level of liquidity in line with the normal operational requirements of the School.

The Directors believe the overall level of reserves is commensurate with the operational requirements of the School and will continue to pursue financial plans to maintain, and as appropriate, increase these reserves.

Investment Policy and Objectives

From its members, the Board appoints an Investment Committee to meet on a termly basis with the Investment Managers (refer to Page 1) to monitor the performance of the investment portfolios. This group considers the portfolios held by the School's Endowed and Trust Funds, the Scholarship Fund, and the Foundation, and reports to the Board through the Finance Committee.

The Investment Committee regularly reviews the Investment Policy Statement, which serves as a framework for the investment relationship between the Directors and the Investment Managers. The investment portfolio is aligned with a fully compliant ESG (Environmental, Social, Governance) Model. The current portfolio's risk is assessed as moderately adventurous and is managed using the total return measure, rather than separate recognition of income and capital. The investment objectives seek to achieve a stable income stream and provide sufficient growth to maintain the real value of the investment portfolio. The Board employs the services of investment managers on a discretionary basis to manage the investment portfolio. The performance of the investments is reviewed on a quarterly basis and measured against appropriate market indices.

Future Plans

The introduction of VAT on education fees from 1 January 2025 is a significant event for the School, and we have taken robust steps to ensure we are prepared for both the financial impact and administrative challenges it presents, without compromising on the quality and breadth of the education we deliver.

Despite the financial challenges ahead, it is important that the School continues to invest in our infrastructure, including IT and Estates. By replacing our end-of-life computers with new laptops throughout the School and installing state-of-the-art interactive displays in our Junior Years classrooms, we ensure we are using the latest technology to facilitate a full learning experience.

We have budgeted for a number of estates projects to continue our focus on making our school more energy-efficient, including new LED lighting systems at our Mayfield campus and heating system upgrades within our Margaret Harris building. Additionally, we have invested in creating a new, vital social space for our students within the main building and plan to reallocate our core dining facilities to the main building.

High School of Dundee

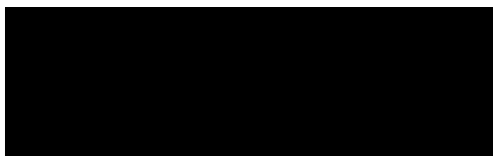
Directors' report (continued)

Statement of Disclosure of Information to Auditor

The Directors of the Board who held office at the date of approval of this Directors' Report as set out above each confirm that:

- So far as they are aware, there is no relevant audit information of which the School's auditor is unaware; and
- They have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the School's auditor is aware of that information.

These financial statements were approved and signed on its behalf by:



Chair of the Board of Directors

Date.....

Statement of directors' responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of The High School of Dundee and the group and of the incoming resources and application of resources of the group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- 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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that The High School of Dundee and the group will continue its activities.

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

Opinion

We have audited the financial statements of The High School of Dundee (the 'School'), which includes The High School of Dundee Scholarship Fund and The High School of Dundee Foundation, and its subsidiary, Euclid Trading Limited, for the year ended 31 July 2024 which comprise the group statement of financial activities, the group and School balance sheets, the group and School cash flow statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and School's affairs as at 31 July 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the School in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the School's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Directors' Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Directors' Report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 12, the Directors are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

As part of our planning process:

- We enquired of management the systems and controls the group and School has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. Management informed us that there were no instances of known, suspected or alleged fraud;
- We obtained an understanding of the legal and regulatory frameworks applicable to the group and School. We determined that the following were most relevant: compliance with the requirements from the PVG scheme, the Care Inspectorate, the SQA, and OSCR; health and safety including fire safety; Data Protection Act 2018; employment law (including payroll and pension regulations), and compliance with the UK Companies Act for the trading subsidiary;
- We considered the incentives and opportunities that exist in the group and School, including the extent of management bias, which present a potential for irregularities and fraud to be perpetrated, and tailored our risk assessment accordingly; and

- Using our knowledge of the group and School, together with the discussions held with management at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Inquiries of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing key policies including those covering fire safety, health and safety, data protection, and the Protection of Vulnerable Groups (PVG) scheme;
- Reviewing correspondence and reports from key regulatory bodies including the Care Inspectorate, the SQA and OSCR; and
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular the valuation of tangible fixed assets and investments, recoverability of debtors, the valuation of the defined benefit pension scheme obligations, and the application of accruals and deferred income; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Owing to the inherent limitations of an audit, there is unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. The primary responsibility for the prevention and detection of irregularities and fraud rests with the Directors.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Directors, 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 Directors 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 School and its Directors as a body for our audit work, for this report, or for the opinions we have formed.



Henderson Loggie LLP
Chartered Accountants & Statutory Auditors
(Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006)

Ground Floor
11-15 Thistle Street
Edinburgh
EH2 1DF

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High School of Dundee

Group statement of financial activities (incorporating the income and expenditure account) for the year ended 31 July 2024

2024		Unrestricted funds £000	Restricted funds £000	Endowed Funds £000	2024 Total Funds £000
	Note				
Income:					
Charitable activities					
School fees		12,931	-	-	12,931
Catering income		188	-	-	188
Other educational income		35	32	-	67
Raising funds					
Trading activities	4	102	-	-	102
Investment income		48	3	5	56
Grants		-	15	82	97
Donations and legacies		1	22	12	35
Total income		13,305	72	99	13,476
Expenditure:	5,6				
Raising funds					
Fundraising costs		-	42	15	57
Development and marketing costs		405	-	-	405
Trading activities	4	4	-	-	4
		409	42	15	466
Charitable activities					
Grants		-	99	40	139
Teaching		8,162	-	-	8,162
Premises		2,396	-	22	2,418
Catering		319	-	-	319
Support costs		1,205	9	-	1,214
		12,082	108	62	12,252
Total expenditure	7	12,491	150	77	12,718
Net income/(expenditure) before gains and losses		814	(78)	22	758
Actuarial losses		(21)	-	-	(21)
Realised investment losses	9	-	(3)	(9)	(12)
Unrealised investment gains	9	-	63	100	163
Net movement in funds		793	(18)	113	888
Fund balances at 31 July 2023		7,877	1,773	1,414	11,064
Fund balances at 31 July 2024	13	8,670 =====	1,755 =====	1,527 =====	11,952 =====

High School of Dundee

Group statement of financial activities (incorporating the income and expenditure account) for the year ended 31 July 2024 (continued)

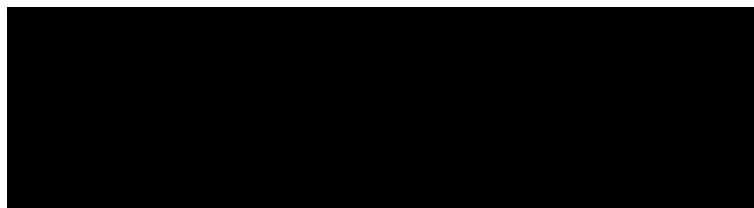
2023		Restated Unrestricted Funds £000	Restricted funds £000	Endowed Funds £000	2023 Restated Total Funds £000
	Note				
Income:					
Charitable activities					
School fees		12,245	-	-	12,245
Catering income		200	-	-	200
Other educational income		46	-	-	46
Raising funds					
Trading activities	4	95	-	-	95
Investment income		11	22	19	52
Grants		-	13	-	13
Donations and legacies		1	22	11	34
Total income		12,598	57	30	12,685
Expenditure:	5, 6				
Raising funds					
Fundraising costs		-	30	14	44
Development and marketing costs		306	-	-	306
Trading activities	4	5	-	-	5
		311	30	14	355
Charitable activities					
Grants		-	200	40	240
Teaching		8,635	-	-	8,635
Premises		1,961	-	13	1,974
Catering		294	-	-	294
Support costs		1,276	9	-	1,285
		12,166	209	53	12,428
Total expenditure	7	12,477	239	67	12,783
Net income/(expenditure) before gains and losses		121	(182)	(37)	(98)
Actuarial gains		61	-	-	61
Realised investment losses	9	-	(10)	(13)	(23)
Unrealised investment losses	9	-	(3)	(8)	(11)
Net movement in funds		182	(195)	(58)	(71)
Fund balances at 31 July 2022		7,695	1,968	1,472	11,135
Fund balances at 31 July 2023	13	7,877	1,773	1,414	11,064
		=====	=====	=====	=====

High School of Dundee

Balance sheets at 31 July 2024

	Note	Group 2024 £000	Group 2023 £000	School 2024 £000	School 2023 £000
Fixed assets					
Tangible assets	8	8,030	8,366	8,030	8,366
Investments	9	2,250	2,146	1,384	1,313
		10,280	10,512	9,414	9,679
Current assets					
Stock		11	14	11	14
Debtors	10	11,574	271	11,660	323
Tangible assets held for sale	8	521	-	521	-
Cash at bank and in hand		4,144	2,629	3,368	1,922
		16,250	2,914	15,560	2,259
Creditors					
Amounts falling due within one year	11	(13,577)	(1,553)	(13,866)	(1,921)
Net current assets		2,673	1,361	1,694	338
Total assets less current liabilities		12,953	11,873	11,108	10,017
Creditors					
Amounts falling due after more than one year	11	(1,001)	(809)	(1,001)	(809)
Total net assets		11,952 =====	11,064 =====	10,107 =====	9,208 =====
Represented by					
Endowed funds	13	1,527	1,414	1,527	1,414
Restricted funds	13	1,755	1,773	-	-
Unrestricted funds	13	8,670	7,877	8,580	7,794
		11,952 =====	11,064 =====	10,107 =====	9,208 =====

The financial statements were approved by the board of the School on2024 and signed on its behalf by:



The notes on pages 20 to 41 form part of these financial statements.

High School of Dundee

Cash flow statement for the year ended 31 July 2024

	Note	Group 2024 £000	Group 2023 £000	School 2024 £000	School 2023 £000
Net cash inflow from operating activities	14	2,186	436	2,148	568
Returns on investment					
Investment income received		56	52	52	43
Net cash inflow from investments and servicing of finance		56	52	52	43
Capital expenditure and financial investment					
Proceeds from disposal of tangible fixed assets		16	129	16	129
Payments to acquire tangible fixed assets		(538)	(1,026)	(538)	(1,026)
Proceeds from realisation of investments		399	523	231	326
Payments to acquire investments		(352)	(473)	(211)	(285)
		(475)	(847)	(502)	(856)
Net cash outflow before financing		1,767	(359)	1,698	(245)
Financing					
Bank loan repayments in the year		(239)	(130)	(239)	(130)
Hire purchase repayments in the year		(13)	(5)	(13)	(5)
		(252)	(135)	(252)	(135)
Increase/(decrease) in cash in the year		1,515	(494)	1,446	(380)
Cash and cash equivalents at 31 July 2023		2,629	3,123	1,922	2,302
Cash and cash equivalents at 31 July 2024		4,144	2,629	3,368	1,922

1 Accounting policies

Basis of accounting

The financial statements are prepared under the historical cost convention as modified by the revaluation of investments and include the results of the School and group's operations as indicated in the Directors' Report, all of which are continuing.

The financial statements have been prepared in accordance with applicable accounting standards and the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The School meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling, which is the financial currency of the School. Monetary amounts in these financial statements are rounded to the nearest £000.

Going concern

The financial statements have been prepared on a going concern basis. The Board of the High School of Dundee considers that the School has adequate resources to continue to operate for the foreseeable future. The financial results for 2023/24 were better than forecast, and the group cash and net current assets have also improved. With the introduction of VAT on school fees there is concern about the potential impact thereof within the independent sector, however the High School of Dundee is in a strong financial position with no debt, plans to reduce its cost base, assets identified for disposal, and investments that may be realised if required.

Group financial statements

These financial statements consolidate the results of the School, The High School of Dundee Scholarship Fund, The High School of Dundee Foundation and the wholly owned subsidiary, Euclid Trading Limited, on a line by line basis. The High School of Dundee Scholarship Fund and The High School of Dundee Foundation are both under the control of the High School of Dundee.

The following is a summary of the significant accounting policies adopted by the Directors in the presentation of the financial statements.

Income

All income is recognised once the School has entitlement to the income, it is probable the income will be received and the amount of income can be measured reliably.

Fees and similar income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting bursaries, grants and remissions granted by the School.

Deferred income - advance fees

Where the School receives fees in advance of the academic year to which they relate, they are included in deferred income allocated between falling due within one year and out with one year. Any discount given is deducted from school fees.

1 Accounting policies (continued)

Income (continued)

Donations

Donations receivable for the general purposes of the School are credited to “unrestricted funds”. Donations for purposes restricted by the wishes of the donor are taken to “restricted funds”. Donations required to be retained as capital in accordance with the donor’s wishes are accounted for as “endowed funds”. Where fixed tangible assets are donated, the endowed funds are released to unrestricted funds in line with the depreciation on those assets.

Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the School, this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the School to that expenditure, it is probable that a settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis. Certain expenditure is apportioned to cost categories based on the estimated amount attributable to that activity in the year. The irrecoverable element of VAT is included with the item of expense to which it relates.

- Costs of raising funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.
- Charitable activities include expenditure associated with the delivery of its activities and include both the direct costs and support costs relating to these activities.
- Governance costs include those incurred in the governance of the School and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of the resources e.g. allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Operating leases

Rentals payable are charged evenly over the lease term.

Pension schemes

Teaching staff join the Scottish Teachers’ Superannuation Scheme controlled by the Scottish Public Pensions Agency, while non-teaching staff join the Independent Schools’ Pension Scheme provided by the Pensions Trust. The teaching staff scheme is a defined benefit scheme for which the School’s costs are charged to the statement of financial activities so as to spread the cost of pensions over employees’ working lives with the School.

1 Accounting policies (continued)

Pension schemes (continued)

Until September 2016, the non-teaching staff scheme was also a defined benefit scheme, however, this was closed and the members moved to a defined contribution scheme. The benefits accrued up to the time of closure are preserved, accordingly there is still the potential for the scheme deficit to increase but to a significantly lesser extent. The School was advised that from 1 September 2013 deficit contributions will be payable for a fixed number of years in respect of the Independent School's Pension Scheme and this liability is now recorded within the School's liabilities at the year end. The last triennial valuation was undertaken to 30 September 2020. A defined contribution pension scheme is in place for the benefit of the employees. Contributions payable are recognised as a cost in the Statement of Financial Activities.

The teacher's scheme is independently administered and subject to regular actuarial valuations which determine the rate of contribution paid by the School as employer. The last four-yearly valuation was undertaken to 31 March 2020. The next valuation was due to 31 March 2024 however the results of this have not yet been published. The scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities of the schemes which are attributable to the School. In accordance with FRS 102 therefore, the scheme is accounted for as defined contribution scheme.

Tangible fixed assets

The view of the Directors in respect of buildings which are deemed to have a residual value greater than cost, is that no depreciation is charged, and that the carrying value of these buildings is considered as part of the annual impairment review of fixed assets. Where extensive refurbishment and modernisation is undertaken the capital cost is written off over ten years. In other cases buildings and ground works are depreciated over 50 years.

Additions to fixed assets are capitalised subject to a de-minimis level of £2,500. Depreciation is calculated on a straight line basis as follows:

Artwork	50 years
Plant & equipment	6 - 20 years
Computer equipment	4 - 6 years
Fixtures, fittings & refurbishment	6 - 10 years

Tangible fixed assets which are held for sale are transferred to current assets at their carrying value.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. This is with the exception of investments in subsidiaries which are initially recognised at their transaction value and subsequently measured at this value less any impairment losses.

Stock

Stock is valued at lower of cost and net realisable value.

Financial instruments

The School has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

1 Accounting policies (continued)

Financial instruments (continued)

Financial instruments are recognised in the School's statement of financial position when the School becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, and loans from fellow group entities, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

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

Fund accounting

The nature and purpose of each fund is explained in note 13.

Unrestricted funds are School fees, donations and other incoming resources receivable or generated for the objects of The High School of Dundee without further specified purpose and are available as general funds.

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

Endowed funds represent accumulated funds endowed for the long term benefit of the School.

Prior year restatement

In reviewing the allocation of bursaries and remissions, the Directors have determined that due to the application of these allowances being common practice, they are in effect discounts and form part of the public benefit the School offers as a registered charity. As a result, the bursaries and remissions should be allocated against the school fees to present a net school fees position in the Statement of Financial Activities. As part of the application of this allocation in the current year, the decision was taken to retrospectively correct the position and thus the prior periods have been updated accordingly. There was no impact on the comparative net movement in funds within the Statement of Financial Activities however the total income decreased by £939,000 and the total expenditure decreased by £939,000.

2 Critical accounting estimates and judgements

In the application of the group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

In preparing these financial statements, the Directors have made the following judgements:

Useful life of tangible fixed assets

Tangible fixed assets are depreciated over a period to reflect their estimated useful lives. The applicability of the assumed lives is reviewed annually, taking into account factors such as physical condition, maintenance and obsolescence. Fixed assets are also assessed as to whether there are indicators of impairment.

Carrying value of investments

The listed investments held by the School are administered by the School's investment advisors 7IM. Investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. The transaction price, transaction costs and fair value of the investments are based upon the regular investment portfolio reports obtained from the investment advisors.

Trade debtor recovery

Credit control is an important function which requires assessment, on an ongoing basis, of the recoverability of amounts due from debtors. Where recovery is in doubt, the Directors will adequately provide against this specific debt and will arrive at such conclusions based on the knowledge of the debtor and their "ability to pay". The Directors adopt a prudent approach to credit control.

Defined benefit pension scheme

In the Directors' opinion the long term commitment to make deficit reduction contributions to the pension scheme requires the total commitment to be discounted to take account of the time value of money. Advice is provided to the Directors from the pension scheme actuary on a suitable discount rate based on the economic conditions at the balance sheet date. As at 31 July 2024, the future contributions have been discounted at a rate of 4.63% (2023 – 5.70%), reflecting a change in market conditions.

Accruals

Directors estimate the requirements for accruals using post year end information and information available from detailed budgets. This identifies costs that are expected to be incurred for services provided by other parties. Accruals are only released when there is a reasonable expectation that these costs will not be invoiced in the future.

Deferred income

Deferred income is primarily on advance fees which is recognised as being due out with one year where the payment received is for an academic year beyond the next year. The Directors estimate the deferred income by pro rating the fees paid over the period in which the payment covers.

High School of Dundee

Notes to the group financial statements (continued)

3 Financial activities of the School

The financial activities shown in the group statement are those of the School, the Scholarship Fund and the Foundation, together with its wholly owned subsidiary, Euclid Trading Limited.

A summary of the financial activities of the School, excluding the other entities is set out below:

Statement of financial activities	2024	2023
	£000	Restated £000
Income	13,492	12,631
Expenditure on charitable activities	(12,243)	(12,233)
Cost of raising funds	(420)	(320)
Actuarial (losses)/gains	(21)	61
Realised investment losses	(9)	(13)
Unrealised investment gains/(losses)	100	(8)
Net movement in funds	899	118
Total funds brought forward	9,208	9,090
Total funds carried forward	10,107	9,208
	=====	=====

4 Financial activities of the subsidiaries

A summary of the financial activities of The High School of Dundee Scholarship Fund, The High School of Dundee Foundation, and Euclid Trading Limited are set out below:

	2024	2023
	£000	£000
The High School of Dundee Scholarship Fund		
Net movement in funds	23	(44)
	=====	=====
Total funds	840	818
	=====	=====
The High School of Dundee Foundation		
Net movement in funds	(41)	(151)
	=====	=====
Total funds	916	957
	=====	=====
Euclid Trading Limited		
Profit for the financial year	89	81
	=====	=====
Total equity	89	81
	=====	=====

High School of Dundee

Notes to the group financial statements (continued)

5 Expenditure includes:

	Group 2024 £000	School 2024 £000	Group 2023 £000	School 2023 £000
Auditor's remuneration: for audit services	24 =====	14 =====	22 =====	13 =====

6 Total staff costs comprises:

Wages and salaries	7,070	7,070	7,558	7,558
Social security costs	742	742	752	752
Pension contributions	1,343	1,343	1,323	1,323
Pension deficit payments	38	38	28	28
	9,193 =====	9,193 =====	9,661 =====	9,661 =====

The average number of employees in the year was 125 full time and 112 part time (2023 - 140 full time and 103 part time). Neither the Directors nor persons connected with them received any remuneration, other benefits or reimbursement of expenses from the School or any connected organisation.

Redundancy and termination payments in the year amount to £34,000 (2023 - £232,000) and were made from unrestricted funds.

	2024 No	2023 No
The number of higher paid employees was:		
£70,000 - £80,000	-	2
£80,000 - £90,000	2	1
£120,000 - £130,000	-	1
£130,000 - £140,000	1 ===	- ===

The remuneration of key management personnel in the year was £411,000 (2023 - £390,000).

High School of Dundee

Notes to the consolidated financial statements (continued)

7 Analysis of total expenditure

2024	Staff costs	Other costs	2024 Total	2023 Total Restated
	£000	£000	£000	£000
Charitable activities				
Grants	-	139	139	240
Teaching	7,379	783	8,162	8,635
Premises	642	1,282	1,924	1,553
Catering expenses		319	319	294
Support costs	1,029	136	1,165	1,238
Depreciation	-	510	510	421
Gain on disposal of fixed assets	-	(16)	(16)	-
Governance costs	-	49	49	47
	<u>9,050</u>	<u>3,202</u>	<u>12,252</u>	<u>12,428</u>
Raising funds				
Fundraising	-	57	57	44
Development office	143	262	405	306
Trading activities	-	4	4	5
	<u>143</u>	<u>323</u>	<u>466</u>	<u>355</u>
Total expenditure	<u>9,193</u>	<u>3,525</u>	<u>12,718</u>	<u>12,783</u>
	=====	=====	=====	=====

Governance costs are allocated as shown below:

Cost type	Basis of apportionment	2024 £000	2023 £000
Audit fee	Actual	24	22
Other costs	Actual	25	25
		<u>49</u>	<u>47</u>
		=====	=====

High School of Dundee

Notes to the consolidated financial statements (continued)

7 Analysis of total expenditure (continued)

2023	Staff costs £000	Other costs Restated £000	2023 Total Restated £000
Charitable activities			
Grants	-	240	240
Teaching	7,809	826	8,635
Premises	592	961	1,553
Catering expenses	-	294	294
Support costs	1,131	107	1,238
Depreciation	-	421	421
Governance costs	-	47	47
	<hr/> 9,532	<hr/> 2,896	<hr/> 12,428
Raising funds			
Fundraising	-	44	44
Development office	129	177	306
Trading activities	-	5	5
	<hr/> 129	<hr/> 226	<hr/> 355
Total expenditure	<hr/> 9,661 =====	<hr/> 3,122 =====	<hr/> 12,783 =====

Governance costs are allocated as shown below:

Cost type	Basis of apportionment	2023 £000
Audit fee	Actual	22
Other costs	Actual	25
		<hr/> 47 =====

High School of Dundee

Notes to the consolidated financial statements (continued)

8 Tangible fixed assets

Group and School	Land & buildings £000	Plant & equipment £000	Computer equipment £000	Fixtures & fittings £000	Total £000
Cost					
At 1 August 2023	13,529	1,796	724	476	16,525
Additions	454	168	73	-	695
Disposals	-	(60)	-	-	(60)
Transfers	(1,967)	-	-	-	(1,967)
At 31 July 2024	12,016	1,904	797	476	15,193
Depreciation					
At 1 August 2023	5,629	1,598	474	458	8,159
Charge for year	309	85	114	2	510
Disposals	-	(60)	-	-	(60)
Transfers	(1,446)	-	-	-	(1,446)
At 31 July 2024	4,492	1,623	588	460	7,163
Net book value					
At 31 July 2024	7,524	281	209	16	8,030
	=====	=====	=====	=====	=====
At 31 July 2023	5,629	1,598	474	458	8,159
	=====	=====	=====	=====	=====

Included above are assets with a net book value of £48,000 (2023 - £39,000) which were gifted to the School. Depreciation on these assets in the year was £15,000 (2023 - £15,000).

Included within plant & equipment above are assets held on hire purchase with a net book value of £29,000 (2023 - £39,000). Depreciation on these assets in the year was £10,000 (2023 - £10,000).

Included under land & buildings are transfers with a NBV of £521,000 (2023 - £Nil) from non-current tangible fixed assets to current tangible fixed assets held for sale. These relate to property owned that are being actively marketed or are planned to be actively marketed within one year post year end.

Tangible fixed assets held for sale

Group and School	Land & buildings £000	Total £000
At 1 August 2023	-	-
Transfers	521	521
At 31 July 2024	521	521
	=====	=====

High School of Dundee

Notes to the group financial statements (continued)

9 Investments

2024	Group 2024 £000	School 2024 £000	Group 2023 £000	School 2023 £000
At market value				
At 1 August 2023	2,146	1,313	2,230	1,375
Additions	352	211	473	285
Disposals	(411)	(240)	(546)	(339)
Unrealised gain/(loss)	163	100	(11)	(8)
Balance at 31 July 2024	2,250	1,384	2,146	1,313
Listed on stock exchange	4	-	4	-
Other	2,246	1,384	2,142	1,313
Total	2,250	1,384	2,146	1,313
	=====	=====	=====	=====
Historic cost				
Balance at 31 July 2024	2,096	1,281	2,103	1,288
	=====	=====	=====	=====

The investment portfolio is managed on a discretionary basis by the School's Investment Managers, Seven Investment Management LLP.

The following investments held at 31 July 2024 are greater than 5% of the portfolio by market value:

	2024 £000	2024 % of Total
Group		
7IM Sustainable Balance S Acc	923	41.0%
Amundi Index Solutions EM	314	14.0%
UBS (LUX) Fund Solutions	133	5.9%
	=====	=====
School		
7IM Sustainable Balance S Acc	569	41.1%
Amundi Index Solutions EM	263	19.0%
UBS (LUX) Fund Solutions	82	5.9%
UBS (IRL) ETF PLC	71	5.1%
	=====	=====

9 Investments (continued)

	2023 £000	2023 % of Total
Group		
7IM Sustainable Balance S Acc	872	40.6%
Amundi Index Solutions EM	270	12.6%
UBS (IRL) ETF PLC	134	6.2%
UBS (LUX) Fund Solutions	131	6.1%
	=====	=====
School		
7IM Sustainable Balance S Acc	534	40.7%
Amundi Index Solutions EM	217	16.5%
UBS (IRL) ETF PLC	88	6.7%
UBS (LUX) Fund Solutions	80	6.1%
	=====	=====

Investment Risks

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:

Credit risk: this is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Market risk: this comprises currency risk, interest rate risk and other price risk.

- Currency risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
- Interest rate risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.
- Other price risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Group and School have exposure to these risks because of the investments it makes to implement its investment strategy. The Directors manage investment risks, including credit risk and market risk, within agreed risk limits which are set taking into account the Group and School's strategic investment objectives. These investment objectives and risk limits are implemented through the investment manager agreements in place with the Group and School's investment managers and monitored by the Director's by regular reviews of the investment portfolios.

Further information on the Director's approach to risk management and the Group and School's exposure to credit and market risks are set out below:

High School of Dundee

Notes to the financial statements (continued)

9 Investments (continued)

Credit Risk

The Group and School invest directly in listed investments, as well as in pooled investment vehicles and is therefore directly exposed to credit risk in relation to these listed instruments and is indirectly exposed to credit risks arising on pooled investment vehicles.

Pooled investment arrangements used by the Group and School comprise authorised unit trusts.

Currency risk

The Group and School are subject to currency risk because some of the investments are held in overseas markets.

Interest rate risk

The Group and School are subject to interest rate risk through investments comprising bonds.

Other price risk

Other price risk arises principally in relation to equities held. The Group and School manage this exposure to other price risk by constructing a diverse portfolio of investments across various markets.

10 Debtors

	Group 2024 £000	School 2024 £000	Group 2023 £000	School 2023 £000
Trade debtors	11,348	11,330	113	105
Other debtors	44	36	40	36
Prepayments	182	182	118	118
Due from subsidiaries	-	112	-	64
	11,574	11,660	271	323
	=====	=====	=====	=====

11 Creditors

	Group 2024 £000	School 2024 £000	Group 2023 £000	School 2023 £000
Amounts falling due within one year:				
Bank loan (secured)	-	-	122	122
Hire purchase (secured)	13	13	13	13
Trade creditors	335	335	290	290
Sundry creditors and accruals	631	619	717	705
Taxes and other social security costs	331	331	317	317
Deferred income	12,192	12,192	21	21
Due to subsidiaries	-	301	-	380
Pension liability deficit funding	75	75	73	73
	13,577	13,866	1,553	1,921
	=====	=====	=====	=====

High School of Dundee

Notes to the financial statements (continued)

11 Creditors (continued)

	Group 2024 £000	School 2024 £000	Group 2023 £000	School 2023 £000
Amounts falling due after more than one year:				
Bank loan (secured)	-	-	117	117
Hire purchase (secured)	9	9	22	22
Deferred income	516	516	170	170
Pension liability deficit funding	476	476	500	500
	<u>1,001</u>	<u>1,001</u>	<u>809</u>	<u>809</u>
	=====	=====	=====	=====

The bank loan was secured upon Mayfield Sports Centre and at the year end this secured remained active. The loan was repaid by quarterly instalments of £35,000 and interest is charged at 2.2% over base rate and was fully repaid in the year.

The hire purchase creditor is secured over the asset in which it relates.

Deferred income relates to fees invoiced in advance or payments received in advance but in relation to future academic periods.

Deferred income – Group and School

	2024 £000	2023 £000
At 31 July 2023	191	217
Released in year	(21)	(26)
Received in year	12,538	-
	<u>12,708</u>	<u>191</u>
	=====	=====
At 31 July 2024	12,708	191
	<u>12,192</u>	<u>21</u>
Due within one year	516	170
Due out with one year	<u>12,708</u>	<u>191</u>
	=====	=====

12 Financial instruments

	Group 2024 £000	School 2024 £000	Group 2023 £000	School 2023 £000
Carrying amount of financial assets				
Financial assets measured at fair value through the statement of financial activities	2,250	1,384	2,146	1,313
	<u>2,250</u>	<u>1,384</u>	<u>2,146</u>	<u>1,313</u>
	=====	=====	=====	=====

Financial assets measured at fair value through the statement of financial activities comprises investments.

High School of Dundee

Notes to the financial statements (continued)

13 Funds

2024	Unrestricted funds £000	Restricted funds £000	Endowed funds £000	Total £000
Group				
Balance at 1 August 2023	7,877	1,773	1,414	11,064
Net income/(expenditure) before gains and losses	814	(78)	22	758
	<u>8,691</u>	<u>1,695</u>	<u>1,436</u>	<u>11,822</u>
Actuarial losses	(21)	-	-	(21)
Realised investment losses	-	(3)	(9)	(12)
Unrealised investment gains	-	63	100	163
Balance at 31 July 2024	<u>8,670</u> =====	<u>1,755</u> =====	<u>1,527</u> =====	<u>11,952</u> =====
Represented by				
Tangible fixed assets	7,982	-	48	8,030
Investments	-	866	1,384	2,250
Net current assets	1,689	889	95	2,673
Long term liabilities	(1,001)	-	-	(1,001)
	<u>8,670</u>	<u>1,755</u>	<u>1,527</u>	<u>11,952</u>
	=====	=====	=====	=====
School	Unrestricted funds £000	Restricted funds £000	Endowed funds £000	Total £000
Balance at 1 August 2023	7,794	-	1,414	9,208
Net income/(expenditure) before gains and losses	807	-	22	829
	<u>8,601</u>	<u>-</u>	<u>1,436</u>	<u>10,037</u>
Actuarial losses	(21)	-	-	(21)
Realised investment losses	-	-	(9)	(9)
Unrealised investment gains	-	-	100	100
Balance at 31 July 2024	<u>8,580</u> =====	<u>-</u> =====	<u>1,527</u> =====	<u>10,107</u> =====
Represented by				
Tangible fixed assets	7,982	-	48	8,030
Investments	-	-	1,384	1,384
Net current assets	1,599	-	95	1,694
Long term liabilities	(1,001)	-	-	(1,001)
	<u>8,580</u>	<u>-</u>	<u>1,527</u>	<u>10,107</u>
	=====	=====	=====	=====

High School of Dundee

Notes to the group financial statements (continued)

13 Funds (continued)

2023	Unrestricted funds £000	Restricted funds £000	Endowed funds £000	Total £000
Group				
Balance at 1 August 2022	7,695	1,968	1,472	11,135
Net income/(expenditure) before gains and losses	121	(182)	(37)	(98)
	<u>7,816</u>	<u>1,786</u>	<u>1,435</u>	<u>11,037</u>
Actuarial gains	61	-	-	61
Realised investment losses	-	(10)	(13)	(23)
Unrealised investment gains	-	(3)	(8)	(11)
Balance at 31 July 2023	<u>7,877</u> =====	<u>1,773</u> =====	<u>1,414</u> =====	<u>11,064</u> =====
Represented by				
Tangible fixed assets	8,327	-	39	8,366
Investments	-	833	1,313	2,146
Net current assets	359	940	62	1,361
Long term liabilities	(809)	-	-	(809)
	<u>7,877</u> =====	<u>1,773</u> =====	<u>1,414</u> =====	<u>11,064</u> =====
School				
Balance at 1 August 2022	7,618	-	1,472	9,090
Net income/(expenditure) before gains and losses	115	-	(37)	(78)
	<u>7,733</u>	<u>-</u>	<u>1,435</u>	<u>9,168</u>
Actuarial gains	61	-	-	61
Realised investment losses	-	-	(13)	(13)
Unrealised investment gains	-	-	(8)	(8)
Balance at 31 July 2023	<u>7,794</u> =====	<u>-</u> =====	<u>1,414</u> =====	<u>9,208</u> =====
Represented by				
Tangible fixed assets	8,327	-	39	8,366
Investments	-	-	1,313	1,313
Net current assets	276	-	62	338
Long term liabilities	(809)	-	-	(809)
	<u>7,794</u> =====	<u>-</u> =====	<u>1,414</u> =====	<u>9,208</u> =====

High School of Dundee

Notes to the group financial statements (continued)

13 Funds (continued)

The Unrestricted Funds are those funds which the Directors are free to use in accordance with the charitable objectives of the School.

Restricted Funds consist of the Scholarship Fund which has been set up to provide scholarships and bursaries for children wishing to attend the School, and the Foundation which seeks in addition to these objectives also to provide funding for specific School projects. At the year end £840,000 (2023 - £818,000) relates to the Scholarship Fund, and £916,000 (2023 - £957,000) relates to the Foundation, less adjustments applied on consolidation.

The Endowed Fund represents accumulated funds endowed for the long term benefit of the School.

14 Reconciliation of net income/(expenditure) to net cash inflow

	Group 2024 £000	School 2024 £000	Group 2023 £000	School 2023 £000
Net income/(expenditure)	888	899	(71)	118
Non-operating cashflows eliminated:				
- realised investment losses	12	9	23	13
- unrealised investment (gains)/losses	(163)	(100)	11	8
- investment income	(56)	(52)	(52)	(43)
- assets gifted	(24)	(24)	-	-
Depreciation	510	510	421	421
Gain on disposal of fixed assets	(16)	(16)	-	-
Decrease/(increase) in stock	3	3	(4)	(4)
(Increase)/decrease in debtors	(11,303)	(11,337)	40	27
Increase in creditors	12,335	12,256	68	28
Net cash inflow from operating activities	2,186	2,148	436	568
	=====	=====	=====	=====

Analysis of changes in net debt

Group	Start of year £000	Cash- flows £000	New financing £000	End of year £000
Cash	2,629	1,515	-	4,144
Loans falling due within one year	(122)	122	-	-
Loans falling due after more than one year	(117)	117	-	-
Finance lease obligations	(35)	13	-	(22)
Total	2,355	1,767	-	4,122
	=====	=====	=====	=====

School	Start of year £000	Cash- flows £000	New financing £000	End of year £000
Cash	1,922	1,446	-	3,368
Loans falling due within one year	(122)	122	-	-
Loans falling due after more than one year	(117)	117	-	-
Finance lease obligations	(35)	13	-	(22)
Total	1,648	1,698	-	3,346
	=====	=====	=====	=====

High School of Dundee

Notes to the financial statements (continued)

15 Plant and equipment commitments

Annual commitments under non-cancellable operating leases are set out below:

	Group		School	
	2024	2023	2024	2023
	£000	£000	£000	£000
Where lease expires:				
Within one year	23	16	23	16
Within two – five years	40	33	40	33
	=====	=====	=====	=====

16 Capital commitments

At the year-end £71,000 (2023 - £Nil) was contracted but not provided for.

17 Pension Schemes

All members of staff are required to participate in one of the School's pension schemes unless they expressly opt out.

Teaching staff participate in the **Scottish Teachers' Pension Scheme (STPS)** managed by the Scottish Public Pensions Agency (SPPA). This is a defined benefit scheme and is based on career average.

Support staff participated in the **Independent Schools' Pension Scheme (ISPS)** managed by The Pensions Trust. At 31 August 2016, the defined benefit scheme was closed, and all members transferred to a defined contribution scheme which lies within the ISPS. The rights of those members of the defined benefit scheme accrued until the date of transfer are preserved. The school offers employees a choice of three contribution levels.

During the year the total of the pension contributions amounted to £1,343,000 (2023 - £1,323,000). At the year end £165,000 (2023 - £148,000) of contributions were outstanding. This amount is included within other creditors due within one year.

STPS

The school participates in 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 four-yearly valuation undertaken as at 31 March 2016 informed an increase in the employer contribution rate from 17.2% to 23% of pensionable pay from September 2019 and an anticipated yield of 9.4%. Subsequent information from the last valuation undertaken as at 31 March 2024 indicates that the rate is expected to increase to 26% of pensionable pay from 1 April 2024 to 31 March 2027.

The School has no liability for other employer's obligations to the multi-employer scheme.

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.

The scheme is an unfunded multi-employer defined benefit scheme.

17 Pension Schemes (continued)

STPS (continued)

It is accepted that the scheme can be treated for accounting purposes as a defined contribution scheme in circumstances where the School is unable to identify its share of the underlying assets and liabilities of the scheme.

While a valuation was carried out as at 31 March 2016, it is not possible to say what deficit or surplus may affect future contributions. Work on the valuation was suspended by the UK Government pending the decision from the Court of Appeal (McCloud (Judiciary scheme)/Sargeant (Firefighters' Scheme) cases) that held that the transitional protections provided as part of the 2015 reforms was unlawfully discriminated on the grounds of age. Following consultation and an announcement in February 2021 on proposals to remedy the discrimination, the UK Government confirmed that the cost control element of the 2016 valuations could be completed. The UK Government has also asked the Government Actuary to review whether, and to what extent, the cost control mechanism is meeting its original objectives. The 2020 actuarial valuations were set to take the report's findings into account. The interim report is complete (restricted) and is currently being finalised with a consultation. Alongside these announcements, the UK Government confirmed that current employer contribution rates would stay in force until 1 April 2024. Employee contribution rates during the year were:

Pensionable Salary

Up to £34,286 - 7.35%	£54,729 - £67,975 - 10.61%
£34,287 - £46,155 - 8.88%	£67,976 - £92,693 - 11.73%
£46,156 - £54,728 - 9.90%	£92,694 and above – 12.14%

ISPS

The Pensions Trust offers five different benefit structures within the Independent Schools' Pension Scheme. The School participated in two of these structures a) a defined benefit - final salary with a 1/60th accrual rate and b) a defined contribution. The defined benefit scheme closed on 31 August 2016, and all members transferred to the defined contribution scheme. The School introduced the new contribution rates to the defined contribution scheme that was originally introduced in 2015 to comply with auto-enrolment requirements.

a) Defined Benefit Scheme – Final salary

The School closed the defined benefit scheme at 31 August 2016. All member benefits accrued until that date have been preserved, therefore there is an ongoing liability for the School. The Trustees commission an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required, in respect of each benefit structure, so that the Scheme can meet its pension obligations as they fall due.

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

17 Pension Schemes (continued)

ISPS (continued)

The last formal valuation of the Scheme was performed as at 30 September 2020 by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £201.1 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £55.2 million, equivalent to a past service funding level of 78%.

The School was notified by ISPS that following the triennial valuation undertaken to 30 September 2020 it would be necessary to increase the funding contributions to £70,331 per annum payable for a ten year period increasing by 3% per annum resulting in a total repayment of £801,816. Since the contribution rates payable to the Scheme have been determined by reference to the last full actuarial valuation the following notes relate to the formal actuarial valuation as at 30 September 2020.

The financial assumptions underlying the valuation as at 30 September 2020 were as follows:

	% p.a.
RPI Rate	Gilt Inflation Curve at each term (3.08%)
CPI Rate	1% below RPI (2.08%)
Rate of Salary increase	CPI inflation at each term
Investment return	2.2
Pension increases	% p.a.
Limited price indexation (5% cap)	Derived each term using Black Scholes Method with a volatility assumption of 1.75% p.a.

The table below illustrates the assumed life expectancy in years for pension scheme members at age 65 using these mortality assumptions:

	Males	Females
	Assumed life expectancy in years at age 65	Assumed life expectancy in years at age 65
Non-pensioners	23.88	26.01
Pensioners	22.24	24.56

The long-term joint contribution rates required from employers and members to meet the cost of future benefit accrual were assessed at:

Benefit structure	Long term joint contribution rate (% of pensionable salaries)
Final salary with a 1/60th accrual rate	48.6
Final salary with a 1/80th accrual rate	36.6

If an actuarial valuation reveals a shortfall of assets compared to liabilities the Trustees must prepare a recovery plan setting out the steps to be taken to make up the shortfall.

Following the results of the previous actuarial valuation at 2017, it was agreed that the shortfall of £38.2m would be dealt with by the payment of deficit contributions of £2.4m from 1 September 2019 to 30 April 2030. The latest actuarial valuation at 2020 shows a shortfall of £55.2m and this will be dealt with by the payment of deficit contributions of £2.7m from 1 September 2024 to 30 June 2032.

17 Pension Schemes (continued)

ISPS (continued)

The debt for the Scheme as a whole is calculated by comparing the liabilities for the Scheme (calculated on a buy-out basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Scheme. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Scheme's liabilities attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

Potential employer debt is treated as a contingent liability

The School has been notified by The Pensions Trust of the estimated employer debt on withdrawal from The Independent Schools' Pension Scheme based on the financial position of the Scheme as at 30 September 2023. As of this date the estimated employer debt for the School was £2,023,330.

b) Defined Contribution Scheme

Following the closure of the defined benefit scheme on 31 August 2016, the School offered two new levels of employee contribution into the defined contribution scheme, being 7% and 10%, both attracting an employer contribution of 13.55%. The existing option of 4% employee contribution continued, which is matched by an employer contribution of 8%.

18 Related party transactions

During the year, the School transacted with the Scholarship Fund and the Foundation, along with its wholly owned subsidiary, Euclid Trading Limited. The following is a summary of the transactions and balance with these related parties:

Transactions	2024 £000	2023 £000
Income		
Management charge (Euclid Trading Limited)	10	10
Gift aid (Euclid Trading Limited)	81	75
School fee support (High School of Dundee Scholarship Fund)	30	30
School fee support and donations (High School of Dundee Foundation)	69	170
Development office recharge (High School of Dundee Foundation)	25	25
	===	===
Expenditure		
Loan interest (High School of Dundee Foundation)	-	13
	===	===

High School of Dundee

Notes to the financial statements (continued)

18 Related party transactions (continued)

	2024 £000	2023 £000
Balances		
Amounts due from the Euclid Trading Limited	41	27
Amounts due from the High School of Dundee Scholarship Fund	71	37
Amounts due to the High School of Dundee Foundation	301	380
	===	===

During the year no (2023 - one) member of Key management personnel had children attending the school. The number of children involved was none (2023 - one) and the associated discount was £Nil (2023 - £5,732).