

St Margaret's School for Girls (Incorporated)

**Financial statements for
the year ended 31 July 2025**

**Company number: SC012585
Charity number: SC016265**

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St Margaret's School for Girls (Incorporated)

Company information

Trustees	Dr K Foster MBChB MPH (Chair) Professor ML Ross LLB (Hons) Professor E Gammie Dip.M BA CA PhD PFHEA Professor RM Wallace MA, LLB, Ph.D Mrs HJ Harper (resigned 27 June 2025) Mrs K Leighton BA (Hons) ACA Mr S Barker MD FRCS (T&O) Mr N Yeoman MA (Hons) FCCA Mrs J Craik BSc (Hons) PGCE Ms Y Thomson BArch MArch Ms L Watt LLB Dip LP CA Mrs C Baverstock (appointed 22 August 2024)
Secretary	Mrs M Miller MA (Hons) CA
Head	Miss A Tomlinson M Theol (Hons) PGCE
Registered office	17 Albyn Place Aberdeen AB10 1RU
Auditor	Henderson Loggie LLP Level 5 The Stamp Office 10 – 14 Waterloo Place Edinburgh EH1 3EG
Solicitors	Q & A Law Practice 1 St Swithin Row Aberdeen AB10 6DL
Investment advisors	Miller & Co Investment Managers 14 Queens Road Aberdeen AB15 4ZT
Charity number	SC016265
Company number	SC012585

The Trustees are pleased to present their annual Directors' report together with the financial statements of the Charity for the year ended 31 July 2025. These financial statements are prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and Activities

St Margaret's School for Girls is a charity, the object of which is the advancement of education generally and particularly by the provision of a girls only day school and a co-educational nursery. We provide a stimulating learning environment for girls aged 3 - 18 in an all-through school and for both girls and boys aged 3 - 5 in our Nursery.

A defining feature of St Margaret's is our identity as a girls' school and our commitment to meeting the academic, social and emotional needs of girls at their different developmental stages. The school's vision has long been to offer girls a learning environment in which their intellectual and physical identity can blossom, a space which is free from stereotype, full of challenge and rich with opportunity and care. It is in this environment that girls develop the self-esteem and confidence which will enable them to develop and make a positive impact on the world.

Our school is large enough to offer flexibility and choice in terms of the curriculum and extra-curricular activities, but small enough to ensure that each pupil is well known and treated as an individual within a friendly, family atmosphere. St Margaret's staff are committed to supporting each girl to be all that she can be, both inside and outside the classroom.

All aspects of the activities of the school are underpinned by five core values: respect, ambition, hard work, community and equality.

Through our extensive academic and extra-curricular programme we empower girls to develop the personal qualities and skills necessary to thrive, lead and contribute in the complex and ever changing world beyond school.

We aim to inform and educate pupils in matters of careers, employment and higher education, and we give them the opportunity to gather information from professionals and educators in their chosen fields.

The school aims to provide public benefit through education. The school encourages staff and pupils to contribute to the development of Scottish education by participating in educational initiatives. In particular, staff are supported in their contribution to the work of Qualifications Scotland and Education Scotland and in developing partnerships and collaborating with teachers and pupils in other schools, both in the local area and further afield.

As a charity we are committed to supporting social mobility within our local community through the development of our bursary programme which extends the opportunity of an independent all-girls education to individuals whose families may not otherwise be able to afford it.

The school's accessibility strategy was developed following extensive self-evaluation and engagement with pupils, parents and staff. It is reviewed annually with the aim of creating an accessible and inclusive school environment. This session a ramp was installed at the front door to increase physical accessibility to the nursery.

The St Margaret's nursery is run in partnership with Aberdeen City Council providing places for up to 40 children to benefit from the 1,140 hours funded nursery offering.

Financial Assistance and Public Benefit

The school offers financial assistance in the form of means tested academic bursaries as well as discounts for the children of staff and for families with a third child at the school.

Means tested bursaries are offered to girls selected on academic merit. Assessments for new applicants, usually for entry into 6J upwards, are conducted each January and by exception, at other times of the year. A Council sub-committee is responsible for allocations. The committee also allocates limited hardship funds to parents of children currently at the school who have had unexpected changes in their financial circumstances. Bursaries are promoted in school advertising, to parents making enquiries and on the school website. Recipients normally receive financial support throughout a girl's time at the school, but the level of support will be dependent on re-assessments of family income every 2 years. We are pleased to report strong uptake of these schemes. The policy of the Governors is that bursaries may be awarded to anyone who satisfies the standard entrance criteria but availability is necessarily limited because of the restricted funds available.

In 2024-2025 the school expended £807,681 on means tested bursaries and hardship awards for 85 girls. Of these, there were 10 awards totalling £65,700 specifically made to families suffering a downturn in income due to current economic pressures. There were also £118,013 assigned to non-means tested awards, of which £91,121 was for staff discounts and £26,892 was for third siblings.

Means tested awards were made as follows:

Level of Support	Number in receipt
81% - 100%	7
61% - 80%	23
41% - 60%	34
21% - 40%	14
5% - 20%	7

Charitable giving is central to the St Margaret's ethos. Each form class chooses its own charity to work for each year and the Charities Prefects also encourage girls to get involved in local community and whole school charity events, not only raising money and collecting goods for these charities but also raising the profile of the charity for which they are fundraising. Such events are organised with dedication, imagination and a great sense of fun. All IIS pupils participated in the Youth Philanthropy Initiative in December 2024. Groups of IIS girls presented on a wide range of charities and, although there had to be one winning group, all girls who took part were congratulated for raising awareness and support for these charities and the social issues they represent.

The Head led a fundraising initiative in the form of The St Margaret's Way Challenge. Over the course of five weekends she was joined by parents and staff as well as current and former pupils in walking the 60 mile route from the centre of Edinburgh to St Margaret's. £10,000 was raised for the school's bursary programme.

St Margaret's continues to provide student placements for trainee teachers and early years practitioners.

The Head is a member of School Leaders Scotland (SLS) and the Girls' Schools Association (GSA). During session 2024-2025 she was the Scottish Chair of GSA and a Board member of the Scottish Council of Independent Schools (SCIS). She chaired the SCIS Safeguarding Committee and represented the Aberdeen independent schools on the Aberdeen City Child Protection Committee.

Achievements and Performance

The school roll at the end of the year was 368:

Nursery
40

Junior
95

Senior
233

In August 2025 pupils and teachers celebrated the outcome of the summer 2025 SQA examinations with another stunning set of results:

National 5 (A-C pass rate)	Higher (A-C pass rate)	Advanced Higher (A-C pass rate)
St Margaret's 99.6%	St Margaret's 96.7%	St Margaret's 95.3%
SQA average 78.4%	SQA average 75.9%	SQA average 76.7%
Independent school average 94.8%	Independent school average 91.9%	Independent school average 90.6%

These results maintained the consistently high performance of St Margaret's pupils in relation to national pass rates and other independent schools.

Almost all leavers took up places at their first choice of university to read a wide range of subjects. We are delighted that the range of courses and institutions at which our leavers take up places varies from year to year. This reflects the emphasis which the school places on individual pupils pursuing their own interests and talents and being supported to do so. Every year a number of leavers are placed on high tariff courses with this year a quarter of the year group taking up places to study medicine.

At St Margaret's we are committed to both challenging and supporting our learners. Participation in external competitions is one means of providing challenge and St Margaret's teams achieved great success in a range of disciplines. The prestigious Stem in the Pipeline competition is one such example; after months of hard work the St Margaret's team of sixth year pupils claimed victory at BP headquarters. Of course, this all begins in the junior school and the 7 Juniors were prize winners in the Stemovator Challenge. The Mathematics department once more celebrated the achievements of many pupils at all levels in the UKMT British Mathematics Olympiads, UKMT Mathematics Challenge as well as the Scottish Mathematics Challenge. Indeed, one of our sixth year students was crowned Best in Scotland in the Maths Olympiad. Not to be outdone, one of our medical applicants was awarded First Prize in The Medic Collective Article of the Month Competition, while also on a health theme a II Senior pupil was the winner of the Generation Scotland competition for her age group. Girls again participated in the Royal Society of Biology's National Spelling Bee with considerable success and were delighted with their achievements in the Cyberfirst Girls National Cybersecurity Competition, the Young Coders Competition as well as the First Tech Robotics National Competition.

The school development priorities for 2024-25 were set in consultation with the wider school community. They were structured around *How Good Is Our School?* and were underpinned by the school's commitment to the provision of an excellent all-round education, the desire to 'hold fast' to the traditions and values of the school, whilst leading and embracing the innovations necessary to meet the needs of current and future pupils.

There are many opportunities for pupils of all ages to feed into the ongoing self-evaluation and improvement process of the school through a range of pupil-led councils and pupil committees, including the sustainability group, Rights Respecting School ambassadors, the sports committee, wellbeing committee and diversity group among others. The assessor for the Silver Rights Respecting School Award, which we achieved this year, was struck by the engagement of pupils and the way in which they spoke passionately about the impact their work has had. As we continue on the journey to the Gold Award we continue to look at new and innovative ways of promoting children's rights in our community.

Academic & Pastoral Developments

St Margaret's is committed to the ongoing professional development of all staff. Following a review of previous models of collaborative learning between teachers, a pilot of the 'Teaching Sprints' model was undertaken. This was subsequently rolled out to all teachers at the end of session. Throughout the year staff, pupils and parents were part of a consultation which fed into the development of the St Margaret's Learning & Teaching Framework, which is being used as an ongoing focus for professional development and the sharing of good practice. Throughout the session teachers worked with a digital creativity consultant who supported the development of a diversity of classroom experiences as well as capacity to use AI in learning and teaching.

St Margaret's staff are continually seeking fresh opportunities to set learning in a real-life context and barely a day goes by when there is not a visiting speaker or trip to a local business. We have been pleased to partner with the local Community Council to host Cafe Philosophie, a discussion forum for local S5 and S6 pupils on topics ranging from asylum seekers to AI. Our Climate Cafe has also been extended to neighbouring schools.

The Learning for Sustainability and UNCRC programme runs as a golden thread through the school's ethos and curriculum. The whole school theme for this session was water which proved to be an inspiring focus for a number of events, not least Mission H2O in the junior school. The school was pleased to introduce the Bikeability programme to 6J and 7J in the summer term.

The Daffodil DNA project continued in the biology department with the successful sequencing of the full chloroplast DNA of one daffodil, teaching just as much about the need for perseverance, patience and resilience in scientific research and life in general as it did about DNA extraction.

In addition to annual curriculum information evenings at each age and stage the school ran a number of subject specific events for parents including sessions on the teaching of modern languages and science. The senior leadership team worked with the parent forum throughout the year to plan these events and to inform ongoing self-evaluation and improvement planning.

Building on the external audits of safeguarding in the previous years the school commissioned a further review of all aspects of safeguarding across the school including the curriculum. This affirmed existing effective practice and led to the more consistent use of chronologies and strengthened visitor protocols.

Equality, diversity and inclusion

As the only girls' school in the north of Scotland, St Margaret's continued to champion careers where women are under-represented through a range of talks and events, such as the Cyber Fraud Scotland event held in November. In October 2024 St Margaret's held its third Culture Week, organised and led by sixth year students and featuring a range of activities and events designed to promote greater understanding of the different cultures represented at the school. Throughout the year senior school pupils worked with professionals from Linn Moor School to design a new sensory room. Girls organised a number of fundraising events to provide an item of sensory equipment for the new room. They also led assemblies and wrote articles to raise awareness of autism.

Activities and extra-curricular

The rich and varied programme of extra-curricular activities which is so much a part of school life at St Margaret's continued throughout the session, with the following summary capturing just a few of the highlights.

Physical Education

This session the PE department continued to encourage the widest possible participation in sport, urging all of our pupils to try out different activities and promoting healthy, active lifestyles.

In hockey, our players demonstrated outstanding sportsmanship. The junior and senior teams competed in the Scottish Hockey Challenge Cup with the 1st XI reaching the final in Glasgow. Netball squads trained consistently with our senior team coming runners-up in the Senior Shield league.

The physical and mental benefits of participating in sport are well documented and at St Margaret's we provide a variety of clubs. From athletics, netball, dodgeball, gymnastics, cross-country, tennis and pickleball to hockey, street dance, volleyball, basketball and martial arts, our clubs provide platforms for students to socialise, lead and have fun across various year groups. In addition to those already named there were notable successes in a range of sports.

Music

This year was an equally busy and productive one for the music department, filled with concerts, services, productions and community events. As always, music played a central role in our St Margaret's Day service held in November at St Machar's Cathedral. In December, our junior choir took part in the Evening Express concert at the P&J Live; the chamber and senior choirs along with some instrumental groups joined the Granite City Chorus and Albamix in a Christmas concert to raise funds for Maggie's cancer charity. Featuring all three choirs, orchestral ensembles and whole-school items the Carol Service was once again a memorable event.

Our annual Spring Concert featured a range of solos, choral and instrumental items ending with combined choirs and swing band, while the Summer Concert featured pupils from 2 Junior to IIS. During the year several informal concerts were also held giving girls the experience of performing in front of a live audience. This was again a successful year for girls sitting ABRSM, Trinity and LCM music exams. A number of girls were rewarded with places at the National Youth Orchestra of Scotland, and pupils also won places at the National Youth Orchestra of Great Britain and the National Youth Choir of Scotland. Scholarships were again awarded to St Margaret's pupils at NESMS. Unsurprisingly, the annual Rosebowl Piano Competition and the Murray and Lamont competitions attracted a very high standard of performances.

Public Speaking, Debating and Model United Nations

The 2024-25 academic year was another excellent year for St Margaret's Model United Nations team who were recognised a number of times for their skills. Throughout the course of the school year the team displayed impressive improvement in confidence and skill. Our public speaking and debating team continued to experience success in a range of competitions.

Duke of Edinburgh

A significant number of girls from IIS - VIS were again able to participate in and complete their Bronze, Silver and Gold Duke of Edinburgh Awards.

Residential Trips

A full programme of residential trips by both upper junior and senior school pupils was enjoyed. The Classics department ran a trip to Hadrian's Wall, and the PE department a hockey tour to Northern Ireland, while 6 Junior and 7 Junior visited the Scottish Adventure School in Crieff and a large number of girls from IS-VIS benefited from trips to London and Geneva. For those senior pupils who had not opted for a residential trip, we were delighted to provide a full programme of enriching experiences during activities week including an opportunity to take part in enterprise, drama, science and inter-disciplinary courses.

Financial review

A deficit of £77,986 was recorded for the financial year ended 31 July 2025 (2024 – deficit £208,515). This consisted of an unrestricted deficit of £82,975 (2024 – unrestricted deficit £188,479) and a restricted surplus of £4,989 (2024 – restricted deficit £20,036).

The main source of income for the Charity is from the fees charged for the provision of education. In the 2024-25 school year, core fees, net of VAT, were as follows:

Nursery (10 x half-days)	Fully funded
1 Junior	£10,485
2 Junior	£11,607
3 Junior	£14,300
4 Junior	£14,658
5, 6 & 7 Junior	£15,258
I-VI Senior	£17,231

The school charges for a variety of peripheral services such as after school care, lunches, bus services, trips, music tuition and extra-curricular activities, which are generally cost neutral. There were also limited sources of other income not directly associated with general school fees, including the following:

Investment portfolio	£9,747
Lettings	£21,676
School meals	£97,681
Donations	£70,435

The work of the development office continued to focus on fundraising and alumnae engagement. 2024-25 former pupil engagement also continued through the online portal St Margaret's Connect.

Payroll accounted for 78% (2024 - 76%) of expenditure and is by far the biggest expense. There have been substantial increases to national pay scales in recent years and there was also a mandatory 3% increase in the employers' contribution to the Scottish Teachers' Pension Scheme in the prior year. Included within payroll costs this year were increases to the pension deficit of £72,343 (2024 – credit £3,770).

The school has in recent years dealt with a number of economic challenges, not least the introduction of VAT on school fees necessitating VAT registration from 2 December 2024, the loss of business rates relief for independent schools, high inflation, rising interest rates and unprecedented increases in energy costs. The School Council is very aware of the impact some of these expenses are also having on families. The Council remains committed to both widening access to education and to maintaining fees at affordable levels despite considerable cost pressures.

In session 2024-25, the school continued to partner with Aberdeen City Council to allow children from 3-5 years to access fully funded nursery places of up to 1,140 hours per annum.

Investment Policy

The investment guidelines are to achieve a balance of income and growth from the investment portfolio, with the portfolio being held with a low degree of risk in gilts and collective funds. The School Council employs the services of professional fund managers regulated by the Financial Conduct Authority. They manage and advise on the investment portfolio and carry out regular performance reviews. They also take social, environmental and ethical considerations into account in managing the investment portfolio. Post year end the Trustees took the decision to dispose of the investment portfolio and utilise the proceeds as part of the school's free reserves. The proceeds received from this disposal amounted to £270,595.

Financial review (continued)

Balance Sheet and Cash Flow

Net current assets have decreased from £268,079 to £180,867.

There has been a £195,568 net outflow (2024 – net inflow £364,327) of cash for the financial year. The cash outflow from operations was £165,919 (2024 – inflow £422,585) alongside fixed asset purchases to the value of £3,862, net bank loan repayments of £27,546, and interest income and expenditure netting to an inflow of £1,759.

Reserves Policy

There are two categories of school reserves: restricted funds and unrestricted funds. Restricted funds totalled £98,118 at the end of the financial year (2024 – £93,129) and consist of the Bursaries Fund and various prize funds. Unrestricted funds of £1,987,815 (2024 – £2,070,790) represent amounts with no spending restrictions. In common with many independent schools, the unrestricted reserves are represented primarily by tangible fixed assets which total £2,659,142 offset by long term liabilities of £1,026,097 used to finance the property. This leaves £354,770 in investments and net current assets which the Trustees consider appropriate for the operational requirements of the school. The Council continues to adapt to address the economic challenges the school faces and to safeguard the school's reserves.

There is no revaluation reserve for property as the School Council's policy is to value heritable property on a historical cost basis. A valuation of the school buildings at Albyn Place, undertaken in 2015 and updated in 2024 for the purpose of a bank loan, valued the site at £2,950,000 on an open market basis; and the playing fields had been valued at £1,200,000 in 2009.

Restricted Funds

Restricted Funds have three fundraising objectives: to widen access to independent education by providing means-tested bursaries; to generate additional funding for capital projects; and to finance school prizes in recognition of achievements.

In 2025 there was a £4,989 surplus of income over expenditure (2024 – £20,036 deficit).

Pensions

The rate of employer contributions to the Scottish Teachers Pension Scheme is set with reference to a funding valuation undertaken by the scheme actuary. The last four-yearly valuation was undertaken as at 31 March 2020. This valuation informed an increase in the employer contribution rate from 23% to 26% of pensionable pay from April 2024 to 31 March 2027.

Until 2016 support staff had the option to join a defined benefit pension scheme. A revaluation revealed a shortfall of assets so an agreement was then made with staff requiring them to transition to a defined contribution scheme, mitigating the risk of a further unplanned liability. More details can be found at Note 19.

Future Plans

Having completed a major project for new science, art, drama and maths facilities in recent years, extended the nursery to accommodate up to 40 pupils and upgraded the toilet facilities throughout the school, the Council has decided to consolidate the school's position before further major work is undertaken.

Structure, Governance and Management

Governing Document and Status

St Margaret's School for Girls (Incorporated) is a private company limited by guarantee without share capital, governed by its Articles of Association dated 21 March 2024. It is registered under company number SC012585 and it is also registered with the Office of the Scottish Charity Regulator (OSCR), number SC016265.

The Governing Body

The School Council is the Governing Body of the school. Members of the Council, (who are both company Directors and Trustees) are elected in terms of the above mentioned Articles of Association. There is no restriction on the number of Trustees, but 5 members are required to form a quorum at any full meeting of the Council and 3 members are required to form a quorum at any sub-committee meeting. Trustees serve for a period of three years after which they may be re-elected for a further three years, with a maximum term of nine years, or such different term as is otherwise determined and approved by Council.

The School Council meets at least once each term and usually four times in the academic year. The Council operates a sub-committee structure, each reporting to the School Council. The sub-committees include Education, Finance & General Purposes and Child Protection. The Head attends all the meetings of the School Council and sub-committees, and minutes are circulated to all Trustees. Additional sub-committees will be established from time to time for specific purposes.

Trustees

The Trustees at the date of this report are shown on page 1.

On 27 June 2025 Mrs HJ Harper resigned as Trustee. On 22 August 2024 Mrs C Baverstock was appointed as Trustee.

Recruitment, Induction and Training of Trustees

The School Council considers the particular skills or expertise it requires in any member it nominates for election. Priorities include education, finance, education, legal matters, marketing, fund raising, property and business. The aim is to ensure a balance of skills represented on the School Council, but individuals with particular skills may be co-opted from time to time. Council members are all asked to identify nominees for Council membership. A member of the group informs nominees of the objectives of the school and its governance and operation. The nominee is invited to meet the Chair and the Head, and to tour the school - where they are made aware of Trustees' duties and responsibilities. The nominee is co-opted onto the Council and formally elected at the next AGM.

Trustees regularly attend the school's social and educational events and they are encouraged to meet with and take an active interest in the whole school community, including attendance at school training days. The Scottish Council of Independent Schools (SCIS) and Association of Governing Bodies of Independent Schools (AGBIS) represents most independent schools and organises seminars relevant to the governance and operation of independent schools. Trustees are made aware of these and other relevant meetings, and are encouraged to attend. Papers and reports relevant to the educational provision of the school and legislative changes are circulated to all Trustees. The Chair meets with each individual Trustee to periodically review the operation of the School Council and the individual's involvement.

Related Parties

None of the Trustees receive any remuneration or other benefit from their work with the school. Any contractual relationship must be disclosed and notes of interest are retained in written form.

Conflicts of interest are a standing agenda item at all meetings and Trustees and any ex-officio members are required to declare any personal or business interests.

Two of the Trustees, who were in office during the year ended 31 July 2025, made donations to the school, along with a donation being received from the Head.

During the year the school incurred expenditure with related parties for costs associated with the management of the school's investments.

Pay Policy

The Charity operates salary ranges for all teaching staff using bands published by the Scottish Negotiating Committee for Teachers (SNCT). Support staff salaries are benchmarked against current market rates.

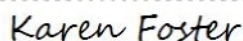
Risk Management

The Council's sub-committees conduct an annual risk management audit and report to the School Council. Risks are assessed and recorded, and appropriate action is taken to reduce their likelihood and to mitigate any impact they may have on the school.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The Trustees' annual report was approved and signed on behalf of the board of Trustees by:



Karen Foster – 2026-03-19, 12:56:37 UTC

Dr Karen Foster (Chair)

.....2026

Statement of Trustees' responsibilities for the year ended 31 July 2025

The Trustees, who are also Directors for the purposes of company law, are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable company for that period.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the school will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

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

Opinion

We have audited the financial statements of St Margaret's School for Girls (the 'charitable company') for the year ended 31 July 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2025, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' (who are also the Directors of the charitable company for the purpose of company law) 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 charitable company'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 Trustees 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 Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report, included within the Trustees' Report.

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 11, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

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 charitable company 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 charitable company. We determined that the following were most relevant: Compliance with the requirements from the Protection of Vulnerable Groups (PVG) scheme; the Care Inspectorate; the SQA; Health and Safety; Data Protection Act 2018; employment law (including payroll and pension regulations); and compliance with the UK Companies Act, Charities and Trustee Investments (Scotland) Act 2005 and the Charities Accounts Regulations 2006;
- We considered the incentives and opportunities that exist in the charitable company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetrated, and tailored our risk assessment accordingly; and

Independent auditor's report to the members of St Margaret's School for Girls (Incorporated)

- Using our knowledge of the charitable company, 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:

- Inquiry 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, including the School Council Committee and the Finance Committee;
- Reviewing key policies including those covering fire safety, Health and Safety, GDPR, and the Protection of Vulnerable Groups (PVG) scheme;
- Reviewing legal fee expenditure;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular the depreciation of fixed assets, the valuation of investments, the recoverability of debtors, the application of accruals and deferred income, and the defined benefit pension scheme liability; 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 Trustees.

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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's Trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.


Keith Macpherson – 2026-03-20, 14:57:48 UTC

Keith Macpherson (Senior Statutory Auditor)

For and on behalf of Henderson Loggie LLP
Chartered Accountants
Statutory Auditor

Henderson Loggie LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.
The Stamp Office
10 – 14 Waterloo Place
Edinburgh
EH1 3EG

..... 2026

St Margaret's School for Girls (Incorporated)

Statement of financial activities including income and expenditure account for the year ended 31 July 2025

	Note	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Unrestricted Funds £	Restricted Funds £	Total 2024 £
Income							
Donations and legacies	2	29,180	41,255	70,435	28,318	51,470	79,788
Charitable activities	3	4,985,063	-	4,985,063	4,788,159	-	4,788,159
Investments	4	31,235	-	31,235	22,786	-	22,786
Total income		5,045,478	41,255	5,086,733	4,839,263	51,470	4,890,733
Expenditure							
Raising funds	5	600	-	600	600	-	600
Charitable activities	6	5,074,009	36,266	5,110,275	5,055,159	71,506	5,126,665
Pension deficit movements	6	72,343	-	72,343	(3,770)	-	(3,770)
Total expenditure		5,146,952	36,266	5,183,218	5,051,989	71,506	5,123,495
Net gains on investments	11	18,499	-	18,499	24,247	-	24,247
Net (expenditure)/income for the year and net movement in funds		(82,975)	4,989	(77,986)	(188,479)	(20,036)	(208,515)
Total funds brought forward		2,070,790	93,129	2,163,919	2,259,269	113,165	2,372,434
Total funds carried forward	21	1,987,815	98,118	2,085,933	2,070,790	93,129	2,163,919

All activities relate to continuing operations.


The notes on pages 18 to 37 form part of these financial statements.

St Margaret's School for Girls (Incorporated)

Balance sheet at 31 July 2025

	Note	£	2025 £	£	2024 £
Fixed assets					
Tangible assets	12		2,659,142		2,757,507
Investments	13		272,021		253,522
			<u>2,931,163</u>		<u>3,011,029</u>
Current assets					
Debtors	15	253,561		197,970	
Cash at bank and in hand		568,496		764,064	
		<u>822,057</u>		<u>962,034</u>	
Creditors					
Amounts falling due within one year	16	(641,190)		(693,955)	
			<u>180,867</u>		<u>268,079</u>
Net current assets					
			<u>3,112,030</u>		<u>3,279,108</u>
Total assets less current liabilities					
Creditors					
Amounts falling due after more than one year	17		(1,026,097)		(1,115,189)
			<u>2,085,933</u>		<u>2,163,919</u>
Net assets					
The funds of the Charity	21				
Restricted funds			98,118		93,129
Unrestricted funds			1,987,815		2,070,790
			<u>2,085,933</u>		<u>2,163,919</u>

The financial statements were approved by the School Council on2026 and signed on its behalf by:


Karen Foster - 2026-03-19, 12:56:37 UTC

Dr Karen Foster (Chair)
Trustee

The notes on pages 18 to 37 form part of these financial statements.

St Margaret's School for Girls (Incorporated)

Statement of cash flows for the year ended 31 July 2025

	Note	£	2025 £	£	2024 £
Cash flows (used in)/provided by operating activities					
Net cash (outflow)/inflow from operating activities	25		(165,919)		422,585
Cash flows used in investing activities					
Purchase of tangible fixed assets		(3,862)		(21,230)	
Investment additions		-		(19,420)	
Investment proceeds		-		19,223	
Interest paid		(29,476)		(36,340)	
Investment income		31,235		22,786	
Net cash used in investing activities			(2,103)		(34,981)
Cash flows used in financing activities					
Movement of bank loans		(27,546)		(23,277)	
Net cash used in financing activities			(27,546)		(23,277)
Net (decrease)/increase in cash and cash equivalents			(195,568)		364,327
Cash and cash equivalents at the beginning of the year			764,064		399,737
Cash and cash equivalents at the end of the year			568,496		764,064
Relating to:					
Bank balances and short-term deposits			568,496		764,064
Analysis of changes in net debt					
	At 1 August 2024	Cash Flows	Non-cash changes	At 31 July 2025	
	£	£	£	£	
Cash	764,064	(195,568)	-	568,496	
Loans falling due within 1 year	(26,401)	27,546	(15,043)	(13,898)	
Loans falling due after more than one year	(668,896)	-	15,043	(653,853)	
Total	68,767	(168,022)	-	(99,255)	

The notes on pages 18 to 37 form part of these financial statements.

1 Accounting policies

Company information

St Margaret's School for Girls (Incorporated) is a private company limited by guarantee incorporated in Scotland. The registered office and principal place of business is 17 Albyn Place, Aberdeen, AB10 1RU.

Accounting convention

The financial statements have been prepared in accordance with applicable accounting standards and recommended practice under the historical cost accounting rules. They include the results of the school's operations as indicated in the Trustees' Report, all of which are continuing.

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"). "Accounting and Reporting by Charities" Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice. The financial statements have also been prepared in accordance with the Charities Accounts (Scotland) Regulations 2006 and the Charities and Trustee Investment (Scotland) Act 2005.

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

The school meets the definition of a Public Benefit Entity under FRS 102.

The financial statements have been prepared on the historical cost convention, modified by the inclusion of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Going concern

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The Trustees have also taken into consideration the current economic climate in the UK and the likelihood of increased costs in 2026 and beyond. Forecast future cash flows have been prepared taking into account expected pupil rolls and expected staff costs.

At the time of approving the financial statements, the Trustees have not identified any material uncertainty in respect of going concern and therefore have a reasonable expectation that the school has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Charitable funds

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the school.

Unrestricted general funds - these are funds that can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds - the Trustees may at their discretion set aside unrestricted general funds for specific purposes.

1 Accounting policies (continued)

Income

Income is recognised when the school is entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Fees receivable and charges for services and the 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.

Donations received are used for educational purposes as appropriate unless the donor specifies a particular project. They are credited to the Statement of Financial Activities in the year of receipt.

Interest is accounted for as it accrues. Interest from investments is included under investment income and fee instalment interest is included under incoming resources from charitable activities.

Expenditure

All expenditure is included in the financial statements on an accruals basis. Liabilities are recognised when the school has a legal or constructive obligation to incur a transfer of economic benefit.

Raising funds comprises the costs associated with attracting voluntary income and the costs of income generation, e.g. the costs associated with the investment portfolio.

Governance costs are costs associated with the governance arrangements of the school and include fees for audit, legal advice and preparing statutory accounts.

Charitable activities include all costs relating to activities where the primary aim is part of the objects of the school. This includes staff costs.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Heritable property	-	10 - 50 years straight line
Sports Pavilion	-	5 - 50 years straight line
Sports facilities and machinery	-	5 years straight line
Fixtures and fittings	-	5 - 10 years straight line
Computer equipment	-	5 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1 Accounting policies (continued)

Impairment of fixed assets

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

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks.

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.

Financial instruments are recognised in the school's balance sheet when the school becomes party to the contractual provisions of the instruments.

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

Basic financial assets

Basic financial assets, which include 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 income and expenditure, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income for the year.

1 Accounting policies (continued)

Derecognition of financial assets

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

Basic financial liabilities

Basic financial liabilities include creditors and bank loans. Financial liabilities classified as payable within one year are held at transaction price. Where the arrangement constitutes a financing transaction (extending over more than one financial year), the debt instrument is initially measured at fair value, net of transaction costs, and is subsequently measured at amortised cost using the effective interest rate method.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Derecognition of financial liabilities

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

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the school is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

The school operates a defined contribution scheme for some non-teaching staff or contributes to personal pensions. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The school contributes to the Scottish Teachers' Superannuation Scheme and the Independent School's Pension Scheme which are defined benefit schemes. It is not possible for the school to identify its share of the underlying assets and liabilities (as detailed in note 19). Consequently, in accordance with FRS 102 (SORP), the schemes are accounted for as defined contribution schemes and contributions are generally recognised in the SOFA as they are payable. However, a deficit funding plan has been established for the Independent Schools' Pension Scheme and this liability has been provided for.

1 Accounting policies (continued)

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight-line basis over the term of the relevant lease.

Taxation

The school is exempt from corporation tax on its charitable activities.

Judgements in applying accounting policies and key sources of estimation

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

Useful lives 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 Miller & Co Investment Managers. 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, management 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". Management adopt a prudent approach to credit control.

Accruals

Management estimate requirements for accruals using post year end information and information available from detailed budgets. This identifies costs and income that are expected to be incurred. 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 fees paid in advance which are recognised as being due out with one year where the payment received is for an academic year beyond the next year. Management estimate the deferred income in relation to fees paid in advance by pro rating the amount over the period covered in the agreement.

Defined benefit pension scheme liability

In the Trustees' 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 Trustees from the pension scheme actuary on a suitable discount rate based on the economic conditions at the balance sheet date. As at 31 July 2025, the future contributions have been discounted at a rate of 4.69% (2024 – 4.63%), reflecting a change in market conditions.

2 Donations and legacies

2025	Unrestricted funds £	Restricted funds £	Total 2025 £
Donations and legacies	29,180	41,255	70,435
2024	Unrestricted funds £	Restricted funds £	Total 2024 £
Donations and legacies	28,318	51,470	79,788

3 Charitable activities

	2025 £	2024 £
School fees	5,733,227	5,414,439
Retentions	(122,604)	(165,775)
Bursaries	(777,454)	(587,761)
Registration fees	4,259	6,000
Lettings	21,676	11,237
Fee instalment interest	22,006	17,716
School meals	97,681	92,036
Other income	6,272	267
	4,985,063	4,788,159

4 Investments

	2025 £	2024 £
Income from investments	9,747	8,464
Interest receivable	21,488	14,322
	31,235	22,786

All income in the current and prior year is unrestricted.

5 Raising funds

	2025 £	2024 £
Investment management	600	600

All expenditure in the current and prior year is unrestricted.

6 Charitable activities

	2025 £	2024 £
Staff costs	3,136,231	3,073,948
Bursaries	30,227	47,587
Depreciation	102,227	154,542
Teaching materials, school magazine and prospectus	87,253	115,124
Rates, insurance, heat and light and telephone	243,082	271,660
School meals, school buses and recharged costs	188,979	183,642
Office costs	91,079	96,786
Repairs and renewals	60,510	66,000
Laundry, cleaning and security	114,042	125,514
Staff training	12,462	11,714
Prizes	1,609	1,036
Rental costs and expenses on games and fields	458	696
Computer costs	51,609	11,614
Hospitality	4,000	3,964
Exam fees, subscriptions and licences	61,711	66,015
Bank charges and interest	31,738	38,302
Miscellaneous	(8,505)	4,121
	<u>4,208,712</u>	<u>4,272,265</u>
Support costs (see note 7)	859,123	815,475
Governance costs (see note 7)	42,440	38,925
	<u>5,110,275</u>	<u>5,126,665</u>
Non-operating expenditure		
Pension deficit movements	72,343	(3,770)
	<u>5,182,618</u>	<u>5,122,895</u>
Total charitable activities		
	<u>5,182,618</u>	<u>5,122,895</u>
Analysis of charitable expenditure by fund		
Unrestricted funds	5,146,352	5,051,389
Restricted funds	36,266	71,506
	<u>5,182,618</u>	<u>5,122,895</u>

7 Support costs

2025	Support Costs £	Governance Costs £	Total 2025 £
Staff costs	859,123	-	859,123
Legal and professional fees	-	16,064	16,064
Auditor's remuneration (Note 8)	-	15,875	15,875
Consultancy	-	10,501	10,501
	<u>859,123</u>	<u>42,440</u>	<u>901,563</u>
2024	Support Costs £	Governance Costs £	Total 2024 £
Staff costs	815,475	-	815,475
Legal and professional fees	-	9,082	9,082
Auditor's remuneration (Note 8)	-	17,640	17,640
Consultancy	-	12,203	12,203
	<u>815,475</u>	<u>38,925</u>	<u>854,400</u>

8 Auditor's remuneration

	2025 £	2024 £
The analysis of auditor's remuneration is as follows:		
Audit of the school's current year annual accounts	<u>15,875</u>	<u>17,640</u>

The auditor's remuneration has fallen as a result of the school registering for VAT and being in a position to reclaim a portion of the input VAT.

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the current year or the prior year. During the year none of the Trustees received reimbursement or payment of travel and subsistence expenses (2024 - £nil).

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Teaching staff	58	64
Administrative staff	17	19
Domestic staff	2	2
	77	85

	£	£
Employment costs		
Wages and salaries	3,010,477	2,984,442
Social security costs	343,744	313,997
Other pension costs	641,133	590,984
Pension deficit movements	72,343	(3,770)
	4,067,697	3,885,653

The number of employees whose annual remuneration was £60,000 or more were:

	Number	Number
£60,001 - £70,000	2	3
£70,001 - £80,000	4	1
£90,001 - £100,000	-	-
£100,001 - £110,000	1	1

Of the employees whose emoluments exceed £60,000, 6 employees (2024 - 5) have retirement benefits accruing under defined benefit pension schemes.

11 Net gains on investments

	2025 £	2024 £
Realised gains on investment	-	192
Unrealised gains on investments	18,499	24,055
	18,499	24,247

Notes to the financial statements (continued)

12	Tangible fixed assets								
2025		Heritable property £	Sports pavilion £	Sports facilities & machinery £	Fixtures & fittings £	Computer equipment £	Total £		
Cost									
At 1 August 2024		3,001,737	838,454	60,356	906,304	847,894	5,654,745		
Additions		599	-	-	-	3,263	3,862		
At 31 July 2025		3,002,336	838,454	60,356	906,304	851,157	5,658,607		
Depreciation									
At 1 August 2024		833,158	276,096	60,356	904,996	822,632	2,897,238		
Depreciation charged in the year		66,477	17,933	-	1,308	16,509	102,227		
At 31 July 2025		899,635	294,029	60,356	906,304	839,141	2,999,465		
Carrying amount									
At 31 July 2025		2,102,701	544,425	-	-	12,016	2,659,142		
At 31 July 2024		2,168,579	562,358	-	1,308	25,262	2,757,507		

13 Fixed asset investments

	2025	2024
	£	£
Investments	272,021	253,522

The investments are held within a managed portfolio and are mainly index linked securities and bonds.

Movement in fixed asset investments	2025	2024
	£	£
Fair value		
At 1 August	253,522	229,078
Additions at cost	-	19,420
Valuation changes	18,499	24,055
Disposals at market value	-	(19,031)
At 31 July	272,021	253,522

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 interest rate risk and other price risk.

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

Further information on the Trustees' approach to risk management and the school's exposure to credit and market risks are set out below.

Credit Risk

The school invests in pooled investment vehicles and is therefore directly exposed to credit risk in relation to the instruments it holds in the pooled investment vehicles and is indirectly exposed to credit risks arising on the financial instruments held by the pooled investment vehicles.

13 Fixed asset investments (continued)

Analysis of direct credit risk

Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled managers operate and diversification of investments amongst a number of pooled arrangements. The Trustees carry out due diligence checks on the appointment of new pooled investment managers and on an ongoing basis monitor any changes to the regulatory and operating environment of the pooled manager.

Pooled investment arrangements used by the school comprise authorised unit trusts.

Indirect credit risk arises in relation to underlying investments held in the bond pooled investment vehicles. This risk is mitigated by only investing in pooled funds which invest in at least investment grade credit rated securities.

Interest rate risk

The school is subject to interest rate risk through investments comprising bonds.

Other price risk

Other price risk arises principally in relation to equities held in pooled vehicles. The school manages this exposure to other price risk by constructing a diverse portfolio of investments across various markets.

14 Financial instruments

	2025	2024
	£	£
Carrying amount of financial assets		
Financial assets measured at fair value	272,021	253,522

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

15 Debtors

	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	140,089	89,998
Other debtors	15,506	7,453
Prepayments and accrued income	97,966	100,519
	253,561	197,970

16 Creditors

	2025 £	2024 £
Amounts falling due within one year:		
Loans and borrowings (Note 18)	13,898	26,401
Trade creditors	16,724	6,988
Other creditors	340,595	200,526
Deferred income	163,639	325,689
Accruals	106,334	134,351
	<u>641,190</u>	<u>693,955</u>

17 Creditors

	2025 £	2024 £
Amounts falling due after more than one year:		
Loans and borrowings (Note 18)	653,853	668,896
Pension liability (Note 19)	148,214	83,704
Deferred income	173,031	305,589
Other creditors	50,999	57,000
	<u>1,026,097</u>	<u>1,115,189</u>

The pension liability relates to the deficit funding of the Independent Schools' Pension Scheme. The element due in less than one year is included in other creditors in note 16 and amounts to £21,015 (2024 - £13,182).

Deferred income

	2025 £	2024 £
At 1 August	631,278	102,313
Released in year	(325,671)	(70,836)
Received in year	31,063	599,801
As at July	<u>336,670</u>	<u>631,278</u>
Due within one year	163,639	325,689
Due out with one year	173,031	305,589
As at July	<u>336,670</u>	<u>631,278</u>

Deferred income is made up of fees paid in advance which are recognised as being due out with one year where the payment received is for an academic year beyond the next year.

18 Loans and borrowings

	2025	2024
	£	£
Bank loans	667,751	695,296
Payable within one year	13,898	26,401
Payable between two and five years	102,383	119,674
Payable over five years	551,470	549,221

The long-term loans are secured by a standard security of St Margaret's School for Girls, 17 Albyn Place, Aberdeen, AB10 1RU and a bond and floating charge over all the assets of the school.

The bank term loan of £667,751 remaining is repayable over the next 193 months with repayments based on a fixed rate period for the first 60 months amounting to £5,044. Interest is charged at 4.98% for the duration of the fixed-rate, and 2.30% over base rate for the remaining duration.

19 Retirement benefit 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 £713,476 (2024 - £587,214). At the year end £133,076 (2024 - £83,704) of contributions were outstanding. This amount is included within other creditors due within one year.

In addition to this liability, the deficit funding on the ISPS scheme has been provided for. At the year end the liability amounted to £169,229 (2024 - £96,886).

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 2016 valuation set employer contribution rates at 23.0% from 1 September 2019 until 31 March 2023. This rate was maintained until 31 March 2024 at which point it was raised from 1 April 2024 to 26% of pensionable pay. The employee rate applied is variable and is anticipated to provide a yield of 9.6% of pensionable pay.

19 Retirement benefit schemes (continued)**STPS (continued)**

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 will 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%

The school has no liability for other employers' 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.

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.

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.

19 Retirement benefit schemes (continued)***ISPS (continued)***

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.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2023. This actuarial valuation was certified on 11 December 2024 and showed assets of £99.2m, liabilities of £151.5m and a deficit of £52.3m, equivalent to a past service funding level of 65%.

The School was notified by ISPS that following the triennial valuation undertaken to 30 September 2023 it would be necessary to increase the funding contributions to £21,015 per annum payable until 31 January 2034, increasing by 3% per annum resulting in a total repayment of £205,747. 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 2023.

The financial assumptions underlying the valuation as at 30 September 2023 were as follows:

	% p.a.
RPI Rate	Gilt RPI Inflation Curve at each term
CPI Rate	1% below RPI at each term until 2030 and 0.3% below RPI at each term thereafter
Rate of Salary increase	CPI inflation at each term
Investment return	1.19

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	23.47	25.57
Pensioners	21.89	24.16

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	20.4
Final salary with a 1/80th accrual rate	15.4

19 Retirement benefit schemes (continued)

ISPS (continued)

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.

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.

b) Defined Contribution Scheme

Following the closure of the defined benefit scheme on 31 August 2016, the school offers a defined contribution scheme, with an employee contribution of 4% which is matched by the school giving a total of 8%. This can be increased to a maximum of 5% which is matched by the school for a total of 10%.

20 Members liability

The members' liability is limited by guarantee, and in the event of winding up, does not exceed £1 per member.

21	Funds	Balance at 1 August 2024 £	Movement in funds			Balance at 31 July 2025 £
2025			Income £	Expenditure £	Gains £	
	Restricted					
	Alice Lumsden Memorial Prize Fund	4,655	-	(100)	-	4,555
	FP	880	-	(20)	-	860
	PTA	10,429	4,982	(4,722)	-	10,689
	Picnic Fund	3,103	-	-	-	3,103
	Astro-turf Fund	22,651	-	-	-	22,651
	John Witte Prize Fund	895	-	(20)	-	875
	Other donations	19,309	1,740	(1,157)	-	19,892
	Bursary Fund	30,227	34,533	(30,227)	-	34,533
	Stewart Prize for composition fund	980	-	(20)	-	960
		93,129	41,255	(36,266)	-	98,118
	Unrestricted	2,070,790	5,045,478	(5,146,952)	18,499	1,987,815
	Total funds	2,163,919	5,086,733	(5,183,218)	18,499	2,085,933

The Alice Lumsden Memorial Prize Fund was set up in 2007 from a legacy received in that year. The purpose of this fund is to fund annual music prizes for five pupils.

The FP Fund was set up by a donation from the Former Pupil body.

The PTA Fund was set up by a donation from the PTA in 2015.

The Picnic Fund was set up to pay for picnics for the nursery.

The Astro-Turf Fund was set up by a donation received for the purpose of astroturfing some of the sports fields.

The John Witte Prize Fund comp raise donations received for the purpose of providing prizes, in memory of individuals associated with the school.

Other donations consist of donations to the music department, library and conservation club etc.

The Bursary Fund was set up for the purpose of offering means tested bursaries to pupils.

The Stewart Prize for composition fund was set up to provide an annual prize for the Young Musician award.

22 Analysis of net assets between funds

2025	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 July 2025 are represented by:			
Tangible fixed assets	2,659,142	-	2,659,142
Investments	272,021	-	272,021
Net current assets	82,749	98,118	180,867
Long term liabilities	(1,026,097)	-	(1,026,097)
	<u>1,987,815</u>	<u>98,118</u>	<u>2,085,933</u>
2024	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 July 2024 are represented by:			
Tangible fixed assets	2,757,507	-	2,757,507
Investments	253,522	-	253,522
Net current assets	174,950	93,129	268,079
Long term liabilities	(1,115,189)	-	(1,115,189)
	<u>2,070,790</u>	<u>93,129</u>	<u>2,163,919</u>

23 Operating lease commitments

At the reporting end date the school had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	37,338	5,035
Between two and five years	57,833	12,588
	<u>95,171</u>	<u>17,623</u>

The operating leases represent office and IT equipment leased from third parties. The leases are negotiated over terms of 3 to 5 years. There are no options in place for either party to extend the lease terms.

24 Related party transactions

	2025	2024
	£	£
Remuneration of key management personnel		
The remuneration of key management personnel is as follows:		
Aggregate compensation	539,802	509,610

Transactions with related parties

During the year the school incurred expenditure with related parties amounting to £600 (2024 - £600) for costs associated with the management of the school's investments.

During the year the school received donations from related parties totalling £1,075 (2024 - £1,510).

No guarantees have been given or received.

25 Net cash (used in)/provided by operating activities

	2025	2024
	£	£
Net expenditure for the reporting period	(77,986)	(208,515)
Adjustments for:		
Investment income	(31,235)	(22,786)
Interest paid	29,476	36,340
Investment gains	(18,499)	(24,247)
Depreciation of tangible fixed assets	102,227	154,543
Movements in working capital:		
Increase in debtors	(55,591)	(27,504)
(Decrease)/increase in creditors	(114,311)	514,754
Cash (used in)/provided by operations	(165,919)	422,585

26 Control

The charitable company is controlled by the Trustees.

27 Commitments

At the year-end £Nil (2024 - £ Nil) was committed for capital expenditure but not provided for.

28 Subsequent events

Post year end the Trustees took the decision to dispose of the investment portfolio and utilise the proceeds as part of the school's free reserves. The proceeds received from this disposal amounted to £270,595.