

**REGISTERED COMPANY NUMBER: SC026589 (Scotland)**  
**REGISTERED CHARITY NUMBER: SC005052**

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020  
FOR  
WELLINGTON SCHOOL (AYR) LIMITED**

**WELLINGTON SCHOOL (AYR) LIMITED**

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FOR THE YEAR ENDED 30 JUNE 2020**

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**WELLINGTON SCHOOL (AYR) LIMITED (REGISTERED NUMBER: SC026589)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 30 JUNE 2020**

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2020. The trustees have adopted the provisions of 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) (effective 1 January 2019).

**REPORT OF THE TRUSTEES  
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**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The Charity's principal objects reflect the ethos of a modern Independent School in the 21st century:-

"3. The Objects for which the Company is established are:-

3.1 The advancement of education for the public benefit by:

(a) promoting education in all its branches through carrying on and operating Wellington School ( the "School") as a co-educational day school for boys and girls from ages 3 to 18 (the "Students");

(b) co-operating with other educational bodies, both public and private, in teacher training and curriculum development;

3.2 The advancement of citizenship and community development for the public benefit by:

(a) promoting volunteering and community involvement amongst the Students; and

(b) making the School's facilities available to community organisations when not otherwise required in connection with the School's objects set out in Clause 3.1 above."

As a charity, the School is regulated by the Office of the Scottish Charity Regulator (OSCR). Following an OSCR review, issue of a direction and corrective action by the School, Wellington School passed the Charity Test on 1 May 2014.

The School's mission statement seeks to help provide pupils with a basis on which they can lead a successful adult life by:

- fulfilling their academic potential;
- developing interests which will enrich life at school and beyond;
- having a curriculum appropriate to the world of the future;
- promoting confidence and high self-esteem;
- teaching them to act and think in an independent and resourceful manner;
- encouraging a caring attitude towards each other and the wider community and
- instilling a sense of duty and providing opportunities for service to the world at large.

The School endeavours to achieve these aims by providing the best possible learning environment in which young people can thrive, supported by a productive partnership involving themselves, their parents and the staff of the School. The ethos of Wellington School attaches great importance to values and the School is a place that operates on principles of courtesy, tolerance and consideration for others, and where pupils are expected to demonstrate a high standard of behaviour at all times and to treat those around them with respect and kindness. The School is fully committed to the Curriculum for Excellence and to developing pupils who are confident, successful, responsible and effective contributors to society.

The Company seeks to make a surplus each year which is entirely re-invested in the School in order to maintain and enhance the educational supply, in its widest form. The Company has no endowed funds or trusts, and has only annual surpluses to fulfil its objects. As well as their duty to maintain investment in the School's fabric, the Directors have endeavoured over recent years, to significantly widen access to the local community by offering bursaries to those in financial need, who may not otherwise be able to give their child an independent schooling. The School is reassured that OSCR has recognised those efforts.

**Means-tested financial assistance**

In 2019/20, there were 91 pupils (2018/19 - 96 pupils) in receipt of means-tested assistance representing a total means-tested assistance actual spend (fees plus uniforms, travel etc.) of £592,639 (2018/19 - £558,701). This represents 10.4% of total School income less restricted funds, of £5,679,291 in 2019/20 (9.9% in 2018/19). The 91 pupils represent 21% of the School Roll, excluding the Nursery (19% incl Nursery). The range of Bursary awards is as follows:

0-20%	12 beneficiaries
21-40%	20 beneficiaries
41-60%	38 beneficiaries
61-80%	10 beneficiaries

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81-100% 11 beneficiaries (of whom 5 received 100%)

The Board's Bursary Policy which was updated in October 2015, explains both the policy and practice covering full and partial bursaries, availability to existing families who experience financial difficulty as well as new families to the School and the extension of financial assistance into the Junior School. Bursaries are typically awarded with an expectation that assistance will be maintained for as long as the pupil remains at Wellington School. All awards are means-tested and are subject to review. The annual review is undertaken by the Bursary Committee and consideration is given to financial need, academic progress, behaviour, attendance and contribution to the wider school community.

The Bursary programme is communicated to all interested parties via an extensive advertising programme each autumn which is aimed at both existing and prospective parents and typically utilises press, radio, bus advertising amongst many other modes of communication. This generates good numbers of applications for means tested assistance each year.

**Non means-tested financial assistance**

The only remaining form of non means-tested assistance is sibling discount. In total, these awards were made to 104 children and amounted to £73,403 in 2019/20. These awards benefitted 21% of the School Roll, including Nursery, and amounted to 1.29% of total School income, less restricted funds.

Substantial funds are made available each year for staff training, over and above the in-service training provided in school.

The School timetable is reviewed every year to ensure maximum flexibility in subject choices whilst also taking due cognisance of teaching staff resources.

Along with investment in staff, the Company is continually re-investing in the facilities and fabric of the School and its equipment, to keep these as up to date and efficient as possible.

**Volunteers**

Members of the Governing Body did not receive any payment for the work they carried out in that capacity for the charity in the year ending 30 June 2020. In addition, a large number of parents gave their time voluntarily in assisting the School with the supervision of excursions and extra-curricular sporting activities.

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**STRATEGIC REPORT**

**Achievement and performance**

2019/20 was another good year for the School, but the financial climate continues to prove challenging. Whilst pupil numbers in the Senior School are strong, recruitment in the early years is increasingly difficult. This is reflected in the fact that the School now has only single classes in P1 - P4.

Key elements underpinning the School's achievements include:-

- A capable and well-structured Senior Management Team made up of the Head, Deputy Head, Assistant Head (Academic), Assistant Head (Wellbeing), Head of the Junior School and Bursar.
- Strong pastoral middle management in the form of Heads of Year, overseen by the Assistant Head (Wellbeing).
- Expert curricular leadership through the retention of Heads of Department for individual subjects, ensuring a commitment to the highest academic standards.
- Senior School Heads of Department oversee curricular planning throughout the 3-18 school, particularly in Science, Modern Languages and the Expressive subjects.
- Objective externally verified tests (CATS) are used at various stages 3-14 in order to provide baseline data and facilitate progress tracking and curricular planning.
- Parent Focus Groups provide the opportunity for parents to ask questions, express opinions and discuss any area of interest or concern, pastoral or curricular. Focus Groups are in place throughout the School - Nursery, P1-P6, P7, S1/2, S3/4 and S5/6.
- A full programme of Parents' Evenings and Information Evenings provide parents with detailed feedback on the progress of their children and regular, timely advice at significant points in the year.
- Strategic sessions are provided for parents and pupils regarding Option Choices: S2 for S3/4, S4 for S5, S5 for S6. Personal interviews with senior staff are arranged for each pupil, with his or her parents, in S2 and S4.
- Improved consistency and quality of subject/course specific information for parents from 3-18 has meant parents and pupils are better informed at the time of option choices.
- A comprehensive system of departmental review is in place to monitor performance and promote self-evaluation. Heads of Department complete a detailed report on the work of the last session, which is then discussed at a meeting with the Head and the SMT Departmental Link. Subsequently, targets are agreed for the forthcoming session.
- A staff PRD Committee continues to monitor and review the procedures implemented in accordance with national GTCS requirements.
- Regular additional Junior School INSET sessions take place outwith normal timetable to coordinate and promote good practice.
- In-Service Days allow whole school discussion and feedback of good practice 3-18.
- The School uses Groupcall Messenger extensively in order to communicate more easily with parents via email, text and Groupcall's own 'Expressions' App.
- The Modern Language curriculum gives all pupils tuition in French from P1 and enables all pupils to begin two further languages (from German, Spanish and Latin) from S1.
- There has been significant development in the use of social media. The School now has a strong digital marketing programme across a range of channels, including Facebook, Twitter and Instagram.
- The School's traditional publication 'The Turret' continues to evolve and there are both Winter and Summer editions.
- A strategic plan has been put in place to re-launch the School's FP operations and to re-connect with former pupils.

The School roll was 486 at the end of June 2020 (515 at June 2019). Pupil numbers for the relevant year groups are shown below:

Nursery and Junior school 214  
Senior School 272

The Board is aware that the School continues to operate in a challenging economic climate and the School has worked hard to maintain numbers since the downturn in the economy. Interest in the School remains strong, however, and there is evidence to confirm the continuing appeal of the School, its staff, ethos and approach. The lockdown closure imposed on all schools in March 2020 dictated a move to remote, online learning that continued for the remainder of the school session. High quality online provision ensured that the school retained strong parental support.

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On account of the cancellation of the 2020 diet of SQA examinations, the grades awarded were based on school estimates. At Advanced Higher, 100% of Advanced Higher awards were passed with grades ABC, including 95% at grades AB and 87% at grade A. At S5 Higher, 99% of presentations resulted in a pass at grades ABC, including 89% at grades AB and 67% at grade A. Meanwhile, at S4 National 5, 99% of awards were at grades ABC, 88% at grades AB and 74% at grade A. Every sixth year pupil progressing to University or College received an offer of entry.

Pupils continued to be involved in a very wide range of activities, even where possible during the period of lockdown. Details of participation and achievement are documented in the "Turret" magazine and success is recognised in Assembly, at Speech Day and in a variety of other ways throughout the year. Many pupils, according to age, participate in the Duke of Edinburgh Award scheme, the John Muir Award scheme and the 'Junior Duke' scheme.

The School holds International School status, granted by the British Council in recognition of its commitment to projects and partnerships with schools in other parts of the world. Many pupils benefit from their participation in overseas exchanges, projects and tours.

The Erasmus+ project 'Eurostronomia' has now concluded, but the School has been successful in obtaining funding for two further projects. The first of these, entitled 'Celebrating Success', helped to mark the 30-year anniversary of the partnership between Wellington School and the Mallinckrodt Gymnasium, Dortmund. The second, 'Small Countries, Strong Cultures', is a joint project with schools in Slovenia and Belgium.

In order to support its programme of Modern Languages teaching, the School maintains longstanding partnerships with schools in France, Germany, Slovenia and India, together with a number of other significant links.

On the charitable front the School raised in the region of £24,000 for Epilepsy Scotland, in memory of a recent former pupil. Pupils also take part in a wide range of local community activities including musical performances for senior citizens, visiting and performing for nursing home residents and visiting and performing for the local hospice. Moreover, a large number of senior pupils undertake voluntary work in connection with the Duke of Edinburgh Award Scheme and their own preparation for university.

The School considers that it contributes to the public benefit and wider community in many ways. This was recognised by OSCR in its Update Report in 2014, where it referred to "a large number of beneficiaries both within and outwith the School" and that the School's activities in that regard were "regular, scheduled and show a clear commitment by the School to opening up access to the benefit it provides for those who are unable to afford the fees".

Particular examples, with reference to its amended Object 3.1 "the advancement of education for the public benefit by: (a) promoting education in all its branches through carrying on and operating Wellington School ..... and (b) co-operating with other educational bodies, both public and private, in teacher training and curriculum development", include:

- Provision of student teacher placements for trainees from University Education faculties;
- Provision of probationer teacher appointments for newly qualified teachers from University Education faculties;
- Provision of work placement experience visits for pupils from other South Ayrshire schools and colleges;
- Regular provision of work placement experiences for trainee teachers linked to our partner school in Germany;
- Provision of a high quality Nursery and Woodland Nursery, recognised as "excellent" by the Care Inspectorate, in partnership with South Ayrshire Council;
- Organisation and delivery of in-service training courses for staff from our own School and other schools (both maintained and independent) and nurseries;
- Sharing resources and teaching strategies with colleagues from both independent and maintained schools and nurseries;
- Providing examiners, markers, setters and verifiers for SQA examinations;
- Provision of staff to develop and support the SQA and National Qualifications in a number of subjects via national Quality Development Teams and Subject Working Groups;
- Inviting all of Ayr, Troon and Prestwick's secondary schools to attend its Higher Education Fair, when representatives from most of Scotland's colleges and universities exhibit within the School;
- Organising and hosting a programming of specialist Debating and Public Speaking coaching sessions, attended also by pupils from a number of local South Ayrshire Schools.
- Hosting language assistants from the European Economic Area and thereby contributing to the training of teachers in Europe;

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- Significant input and collaboration with European colleagues through the School's active participation in the Erasmus+ and UCAPE which brings together language teachers and senior management from a range of Schools throughout Europe. These programmes also advance education as they involve annual pupil exchanges and conferences which enable pupils from the participant countries, to meet, work, study and play together.
- In addition to the above Erasmus+/UCAPE programmes, the School also organises and hosts its own annual programme of exchange visits which enable around 40-50 pupils plus 3-4 staff to visit Wellington for around one week each year to learn about Scottish culture, language, specific subjects and enjoy sporting opportunities.
- School staff representing UCAPE at the Council of Europe Working Group on "Teaching in the 21st Century", undertaking translator duties and representing the British Council at the Scottish Learning Festival.
- Continued expansion of its collaboration with St Edmunds School in Jaipur, India. 2018/19 saw further staff exchanges taking place.

The School considers that it contributes to (as per amended Object 3.2) "the advancement of citizenship and community development for the public benefit by: (a) promoting volunteering and community involvement amongst the Students; and (b) making the School's facilities available to community organisations when not otherwise required to in connection with the School's objects set out in clause 3.1 above". It does so by: -

- Pupils delivering training at rugby, hockey, cricket, swimming, skating and football clubs throughout Ayrshire;
- Pupils assisting in the leadership of cubs, scouts, rainbows, brownies and guides throughout Ayrshire;
- Pupils providing a range of assistance to Ayr's charity shops including stocking shelves, dressing windows and operating tills;
- Pupils assisting in hospices, hospitals and care homes throughout Ayrshire;
- Pupils undertaking beach cleaning on Ayr beach and similar gardening, cleaning, litter-picking duties etc. in two local parks - Corsehill and Newton;
- Pupils undertaking conservation work in nearby forests;
- Pupils providing musical and vocal entertainment to a range of local charities, care homes, hospices and hospitals including Hansel Village, Ayr Hospice, Ayr Hospital and Cancer Research;
- Charitable fundraising amounting to over £100k in just the past three years;
- Continuing collaboration with Ayr Rugby, leading to extensive sharing of resources including staff, coaches and pitches, both natural and all-weather;
- Letting of the School's Doonside all-weather surface to Ayr Hockey Club.
- Provision of its minibuses to various local groups and organisations;
- Extensive use of our educational and sporting facilities for a wide variety of local groups for educational, sporting and recreational use. In recent years, these have included:

Klezmer Band  
Alloway Scout Troop  
Suzuki Violin School  
Ayr Art Circle  
Ayr Hockey Club  
Wheelchairs for Ukraine  
Ayr and Prestwick Tennis Club  
Guildhall Trinity Music examinations  
Scottish Rugby Union  
Ayr Archery Club

North Ayrshire Young Fine Arts Society  
South Ayrshire Floral Art Society  
Belmont High School  
Ayr Rugby Club  
Ayr United Football  
Rugby - International Youth Festival

**Improving Accessibility**

- Widening access to the full educational facilities through the provision of a range of full, and partially funded, means-tested bursaries, available throughout the entire School from Primary 1 to Senior 6 to both new and existing parents;

**General**



**REPORT OF THE TRUSTEES  
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- Provision of Independent schooling helps to retain and attract mid to high net-worth individuals to the community, to provide the mix required for a healthy local environment and with a consequent injection of funds into the local economy. The School is also a reasonable sized SME in Ayr with over 100 staff directly employed and a further 25 indirectly dependent upon the School - e.g. music instructors and catering staff.

**Financial review**

**Financial position**

The year to 30 June 2020 proved to be an extremely challenging one for a number of reasons.

The board was aware of the impending increase in teacher pension contributions and although provision had been made for the anticipated increase prior to the start of the current year the increase was greater than anticipated resulting in an increase in cost of 29.7%. The cost of pensions during the year amounted to 19.6% of gross teachers' salaries and the cost as a percentage of salaries is likely to continue to grow. Teaching costs have increased significantly in recent years with the overall increase during this year amounting to £268,913 (7.98%).

The COVID outbreak has had an impact not only on the school but pupils' parents and the board therefore agreed a fee reduction for the third term at a cost to the school of £233,000.

Use was made of the government Job Retention Scheme to assist in covering appropriate wage costs and every effort was made to save other costs particularly when the school was closed between March and June.

Although the board anticipated a deficit for the year the impact of the above factors is that the deficit is much greater than budgeted at £440,319.

It is likely that COVID will continue to be disruptive during the current year and inevitably overheads will continue to increase with the loss of discretionary rate relief a further financial burden.

There are significant challenges ahead as it is not possible to increase fees well above the rate of inflation and thus every effort is being made through reorganization and reduction in costs to move towards a return to profit.

**Principal funding sources**

The main source of income for the charity is through the fee income charged for the provision of education. In the 2019-20 school year, the annual fees charged were:

Primary 1-2	£7,500
Primary 3	£9,600
Primary 4	£11,550
Primary 5	£12,300
Primary 6	£13,050
Primary 7	£13,800
Senior 1-6	£13,800

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 30 JUNE 2020**

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**STRATEGIC REPORT**

**Principal risks and uncertainties**

The Governing Board, supported by the Headmaster, the Bursar, and the Senior Management Team of Deputy Head and Assistant Heads, regularly reviews the Company's activities with particular regard to risks that may arise and to the processes and procedures established to manage or mitigate such risks. Specific internal risks applicable to the operational running of the School are, in the first instance, monitored and reviewed by members of the Senior Management Team, whose policies and application of same are then overseen by the Board.

The Board through its deliberations, assesses the external risks affecting the Company, including financial stability, staffing, acts of God, protection of assets, changing legislation and the effects of a fall in the School roll, amongst others. These matters are dealt with on a frequent basis, in terms of reports and policy papers being regularly submitted by the Senior Management Team and risks considered by the Board. The Board also utilises guidance from the Scottish Council for Independent Schools, the Association of Governing Bodies of Independent Schools and the Office of the Scottish Charity Regulator. It also employs legal advisors on charity law, employment law and health and safety matters and employs specialist insurance brokers.

That said, the Board recognises the following as its key areas of risk:

**1 Reducing/loss of pupil numbers** - Although current pupil numbers are reasonable, the financial and political climate remains challenging. Rising costs in recent years have necessarily led to increased fees and this, in turn, has an impact on recruitment. The School, however, has implemented a number of measures to ensure that it remains attractive in the market place and improved online marketing has had a positive impact. While the Board continues to adopt a prudent approach to financial management, there is sufficient evidence to maintain a cautious optimism for the years ahead.

**2 Increasing staff costs** - Staff costs remain the single largest expenditure heading and these continue to rise. As Wellington teachers' salaries are tied to SNCT national scales, close attention is paid to any national negotiations and decisions regarding pay awards. Similarly, the teaching staff are aligned to the Scottish Teachers Pension Scheme 2015 (replacing the Scottish Teachers Superannuation Scheme) with consequent determination of the employer's contribution rates. All vacancies are therefore analysed carefully before the need to recruit is confirmed. Staff age profile, progression and incremental drift are closely monitored. As indicated elsewhere, the forthcoming increases both to teacher salaries and employer pension contributions are likely to be considerable and corresponding fee increases are unavoidable.

**3 Ageing buildings with high maintenance costs** - The age of the School's main buildings is such that there is always the possibility of major repairs being required. To mitigate this risk and to ensure that the quality of accommodation remains high, the School has in place regular maintenance and review schedules (including annual, six-monthly and monthly) in place for all electrical, central heating, fire and security systems. Preventative annual maintenance work schedules are in place for roofs, stonework and windows. Similarly, there is an annual programme of painting and decorating, flooring, furniture and IT replacement and renewal.

**4 Increased costs as a result of national changes** - The recent Barclay Review of commercial rates, if implemented as proposed, will lead to increased annual costs of approximately £80k. Increased fees and/or a reduction in the funds allocated to Bursaries are the only way in which this new overhead can be met without a reduction in the School's educational offering.

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**STRATEGIC REPORT**

**Future plans**

The Directors are satisfied that, having conducted a comprehensive skills audit and appointed two new members as a result in 2017/2018, and established a number of core Committees - Finance, Estates and Bursaries, it has an experienced Board and a set of constitutional documents which are appropriate and relevant to the operation of a modern independent school. In 2018/19, the Directors sought to further strengthen the Board by expanding the Board and appointing a further three new Directors who can bring additional relevant skills. In doing so, the Company, therefore, intends to continue with the provision of the aims and objectives set out earlier in this report and to implement existing strategies to maintain the ethos and environment at Wellington.

The Directors are delighted that Wellington School holds 'charitable status' and the School remains fully committed to the provision of means tested assistance and 'not charged for' benefit. The School will continue to follow any subsequent guidance issued by OSCR to demonstrate that it continues to meet the Charity Test.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Wellington School (Ayr) Limited was established as a company limited by guarantee on 11 October 1948 and is governed by the provisions of its Memorandum and Articles of Association of 1948, as amended in 1966 and 1995. The Board undertook a major review of its constitutional documents in 2009. The Office of the Scottish Charity Regulator (OSCR) approved the changes to the charity's purposes on 24 June 2009. The amended Memorandum and Articles of Association were approved by the board on 8 September 2009. A further minor revision of its Articles of Association was approved by the Board on 13 December 2011 and thereafter approved by OSCR on 16 January 2012. The company has been deemed to have charitable status by HM Revenue and Customs for many years and has remained on the register of the Office of the Scottish Charity Regulator since that body was established by the Act of the Scottish Parliament.

**Recruitment and appointment of governing board**

The Board's constitutional review created a Board which is well placed to reflect modern corporate thinking and address modern day challenges. Key tests of the constitution are:

- The Members of the Company 'shall consist of the Directors and such other members as may be admitted in accordance with the provisions of these Articles (article 2.2).
- 'The Company shall have no less than three and no more than fifteen Director' (article 5.1).
- 'Directors will serve in multiples of five-year terms and be eligible for re-election' (article 5.4).
- 'The Directors may from time to time and as required act, or establish an appropriate sub-committee pursuant to 7.7.1 for the purposes of acting, as a Committee of Governors responsible for educational matters at a school operated by the Company' (article 7.8).

All members of the Governing Body are Directors and Members of the company. The present Directors are as listed and have held office from the date of this report unless otherwise stated. Membership is based on eligibility, personal competence and mix of professional skills which can benefit the Company. While there are no formal criteria as to the make-up of the Board, the Directors endeavour to have some Directors who are current parents, of whom there were four at June 2020, with a further two being past parents.

None of the Directors received remuneration or other benefit from their work with charity. Any contractual relationship must be disclosed and notes of interests are retained in written form.

The Board has a number of committees to support key aspects of School activity. There are now committees covering - Education, Finance, Estates & Buildings and Bursaries. These are supplemented by a number of School committees which Governors attend including Marketing, Curriculum, Health and Safety.

An indemnity insurance policy is in place for the benefit of the Directors.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 30 JUNE 2020**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisational structure**

The Headmaster is appointed by the Governors to manage the day to day activities and is considered to be the Chief Executive. For operational purposes, the Headmaster and the Bursar have delegated authority, within terms approved by the Governors, to deal with matters arising, including education, finance and employment matters.

Board meetings are well attended and all major decisions are taken by the full Board. The establishment of the various committees has seen those committees make recommendations to the full Board or refer final decisions there for ratification. Matters of principle are determined by the Board, advised by the Headmaster or the committees, with the Headmaster then responsible for implementing these.

The Governors have delegated to the Bursar, who is also Company Secretary, the responsibility for keeping proper accounting records, the regular production of management accounts and information and the general safeguarding of the assets of the company.

The Headmaster and Bursar are able to consult the Chair of the Board at any time and also receive considerable support from the various Committees and members of the Board throughout the year, allowing them to access their particular skills, as and when required.

Board papers are prepared for each meeting by the Chair, the Headmaster and the Bursar and include detailed monthly management accounts to enable the financial position to be closely monitored.

**Induction and training of governors**

New Governors are inducted into the workings of the Company at briefing sessions held with the Chair, the Headmaster and the Bursar. These sessions cover educational and business matters and a familiarisation with the Company's activities. Governors are issued with extensive background material together with the Independent Schools Council's "Guidelines for Governors" publication. During the year, Governors are invited to meetings organised by the Scottish Council for Independent Schools (SCIS) and the Association of Governing Bodies of Independent Schools (AGBIS). They are also able to access online training sessions with AGBIS. Governors also have the opportunity to meet with governors from other independent schools.

**Pay policy for senior staff**

The School utilises the SNCT salary scales for all teaching staff, including senior teaching staff. The salaries scales are reviewed as part of national teacher pay negotiations and generally an inflationary increase is applied.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
SC026589 (Scotland)

**Registered Charity number**  
SC005052

**Registered office**  
Carleton Turrets  
1 Craigweil Road  
Ayr  
KA7 2XH

**WELLINGTON SCHOOL (AYR) LIMITED (REGISTERED NUMBER: SC026589)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 30 JUNE 2020**

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**Trustees**

Mrs F Ablett  
G M Andrew  
Mrs D A Gardner BA (Hons)  
PJ Lorimer DL, MA, DipA, ARIAS, RI BA, FSA (Scot)  
Mrs E M P Napier BA, MBA, FCMA  
Mrs J E M Simpson  
A Wilson  
T Steele  
Reverend F R Aitken  
Lady M C Hunter Blair  
L Wilson

**Company Secretary**

D C Kennedy FCIBS

**Senior Statutory Auditor**

Alistair Campbell

**Auditors**

Galbraith Pritchards  
Chartered Accountants & Statutory Auditor  
20 Barns Street  
Ayr  
Ayrshire  
KA7 1XA

**Bankers**

Bank of Scotland  
123 High Street  
Ayr  
KA7 2XH

**Solicitors**

Black Hay  
5 Wellington Square  
AYR  
KA7 1EN

**Investment Advisers**

1825  
Citadel House  
6 Citadel Place  
Ayr  
KA7 1JN

**Senior Management**

Chief Executive Mr S P Johnson MA (Cantab)

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Wellington School (Ayr) Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

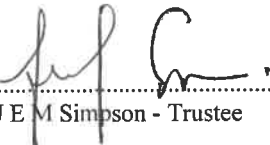
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

**AUDITORS**

The auditors, Galbraith Pritchards, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 2ND MARCH 2021 and signed on the board's behalf by:

  
.....  
Mrs J E M Simpson - Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF WELLINGTON SCHOOL (AYR) LIMITED**

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### **Opinion**

We have audited the financial statements of Wellington School (Ayr) Limited (the 'charitable company') for the year ended 30 June 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2020 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF WELLINGTON SCHOOL (AYR) LIMITED

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### 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 Report of the Trustees.

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

- 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees 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.


### Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

### 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 the trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Alistair Campbell (Senior Statutory Auditor)  
for and on behalf of Galbraith Pritchards  
Chartered Accountants & Statutory Auditor  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
20 Barns Street  
Ayr  
Ayrshire  
KA7 1XA

Date: 10th March 2021.



**WELLINGTON SCHOOL (AYR) LIMITED****STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 30 JUNE 2020**

	Notes	Unrestricted funds £	Restricted funds £	30/6/20 Total funds £	30/6/19 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
<b>Charitable activities</b>	3				
Provision of educational services		5,587,664	-	5,587,664	5,595,904
ERASMUS grant		-	19,158	19,158	34,113
Other income		78,165	-	78,165	-
Investment income	2	13,462	-	13,462	16,444
<b>Total</b>		<u>5,679,291</u>	<u>19,158</u>	<u>5,698,449</u>	<u>5,646,461</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	4				
Provision of educational services		6,089,180	-	6,089,180	5,881,903
Support costs		20,023	-	20,023	22,504
ERASMUS grant		-	29,565	29,565	18,295
<b>Total</b>		<u>6,109,203</u>	<u>29,565</u>	<u>6,138,768</u>	<u>5,922,702</u>
<b>NET INCOME/(EXPENDITURE)</b>		<u>(429,912)</u>	<u>(10,407)</u>	<u>(440,319)</u>	<u>(276,241)</u>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		4,762,234	53,897	4,816,131	5,092,372
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>4,332,322</u></u>	<u><u>43,490</u></u>	<u><u>4,375,812</u></u>	<u><u>4,816,131</u></u>

The notes form part of these financial statements

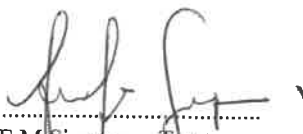
**WELLINGTON SCHOOL (AYR) LIMITED (REGISTERED NUMBER: SC026589)**

**BALANCE SHEET**

**30 JUNE 2020**

	Notes	Unrestricted funds £	Restricted funds £	30/6/20 Total funds £	30/6/19 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	10	3,430,822	-	3,430,822	3,481,911
<b>CURRENT ASSETS</b>					
Stocks	11	26,372	-	26,372	39,216
Debtors	12	167,431	-	167,431	108,312
Cash at bank and in hand		1,502,390	43,490	1,545,880	1,898,558
		<u>1,696,193</u>	<u>43,490</u>	<u>1,739,683</u>	<u>2,046,086</u>
<b>CREDITORS</b>					
Amounts falling due within one year	13	(732,893)	-	(732,893)	(651,366)
<b>NET CURRENT ASSETS</b>		<u>963,300</u>	<u>43,490</u>	<u>1,006,790</u>	<u>1,394,720</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		4,394,122	43,490	4,437,612	4,876,631
<b>CREDITORS</b>					
Amounts falling due after more than one year	14	(61,800)	-	(61,800)	(60,500)
<b>NET ASSETS</b>		<u>4,332,322</u>	<u>43,490</u>	<u>4,375,812</u>	<u>4,816,131</u>
<b>FUNDS</b>	16				
Unrestricted funds				4,332,322	4,762,234
Restricted funds				43,490	53,897
<b>TOTAL FUNDS</b>				<u>4,375,812</u>	<u>4,816,131</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 2nd March 2021 and were signed on its behalf by:

  
J E M Simpson - Trustee

  
G M Andrew - Trustee

The notes form part of these financial statements

**WELLINGTON SCHOOL (AYR) LIMITED****CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2020**

	Notes	30/6/20 £	30/6/19 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(276,119)	(283,215)
Net cash used in operating activities		(276,119)	(283,215)
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(90,021)	(233,212)
Sale of current asset investments		-	818,044
Interest received		13,462	16,444
Net cash (used in)/provided by investing activities		(76,559)	601,276
<b>Change in cash and cash equivalents in the reporting period</b>		(352,678)	318,061
<b>Cash and cash equivalents at the beginning of the reporting period</b>		1,898,558	1,580,497
<b>Cash and cash equivalents at the end of the reporting period</b>		1,545,880	1,898,558

The notes form part of these financial statements

**WELLINGTON SCHOOL (AYR) LIMITED****NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2020****1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	30/6/20 £	30/6/19 £
<b>Net expenditure for the reporting period (as per the Statement of Financial Activities)</b>	<b>(440,319)</b>	<b>(276,241)</b>
<b>Adjustments for:</b>		
Depreciation charges	141,110	126,637
Interest received	(13,462)	(16,444)
Decrease in stocks	12,844	7,479
(Increase)/decrease in debtors	(59,119)	14,349
Increase/(decrease) in creditors	82,827	(138,995)
<b>Net cash used in operations</b>	<b>(276,119)</b>	<b>(283,215)</b>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1/7/19 £	Cash flow £	At 30/6/20 £
<b>Net cash</b>			
Cash at bank and in hand	1,898,558	(352,678)	1,545,880
	<u>1,898,558</u>	<u>(352,678)</u>	<u>1,545,880</u>
<b>Total</b>	<u>1,898,558</u>	<u>(352,678)</u>	<u>1,545,880</u>

The notes form part of these financial statements

**1. ACCOUNTING POLICIES**

**BASIS OF PREPARING THE FINANCIAL STATEMENTS**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**PREPARATION OF THE FINANCIAL STATEMENTS ON A GOING CONCERN BASIS**

The School is currently self financing and the Trustees are in the fortunate position that they do not rely on external finance to operate the school.

The Trustees recognise that the current economic climate is affecting independent schools and they are mindful that this needs to be considered when determining future plans.

**INCOME**

All income is recognised in the Statement of Financial Activities once the Schoolcharity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. The following specific policies are applied to particular categories of income:

Incoming resources from charitable activities are accounted for when earned.

Fees receivable are accounted for in the period in which the service is provided. Fees are stated before deducting bursaries.

Investment income is included when receivable.

Income from grants is recognised when the School has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

**EXPENDITURE**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable value added tax is charged as a cost against the activity for which the expenditure was incurred.

**ALLOCATION AND APPORTIONMENT OF COSTS**

All costs are allocated between the expenditure categories of the statement of financial activities account on a direct basis or a fair and reasonable apportionment designed to reflect the use of the resource.

**TANGIBLE FIXED ASSETS**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost or valuation
Fixtures and fittings	- 25% on reducing balance
Office and computer equipment	- 20% on cost

No depreciation is provided on freehold land and other tangible fixed assets in the course of construction.

## **WELLINGTON SCHOOL (AYR) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 JUNE 2020**

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#### **1. ACCOUNTING POLICIES - continued**

##### **TANGIBLE FIXED ASSETS**

Individual assets costing £5,000 or more are capitalised.

A review of impairment is carried out at each reporting date. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

##### **STOCKS**

Stocks of textbooks and other consumable materials represent the cost of department requisitions purchased during the previous year after due allowance has been made for obsolete and slow moving items. The trustees believe that the resulting figure fairly values the stock at the lower of cost and net realisable value as at the balance sheet date.

##### **TAXATION**

Wellington School (Ayr) Limited has been approved as a charity by HM Revenue and Customs and charity is exempt from corporation tax on its charitable activities.

##### **FUND ACCOUNTING**

Unrestricted funds are those available to be expended in achieving the general objects of Wellington School (Ayr) Limited at the discretion of the trustees. During the year the decision was made to transfer £150,000 from general unrestricted funds to a designated fund for future large repairs.

Restricted funds are those received subject to restrictions placed by the donor, or by the wording of a particular appeal.

Wellington School (Ayr) Limited had restricted funds at 30 June 2020 relating to the ERASMUS project.

##### **PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS**

The School contributes to the Scottish Teachers Superannuation Scheme for its teaching employees.

The scheme is a multi employer scheme and it is not possible to identify the assets and liabilities which are attributable to the School. In accordance with FRS 102 therefore it is accounted for as a defined contribution scheme.

The School also has a stakeholder scheme for the administration staff which is a defined contribution scheme.

##### **FINANCIAL INSTRUMENTS**

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value

##### **DEBTORS**

Trade and other debtors are recognised at the settlement amount due.

##### **CASH AND BANK**

Cash in bank and in hand includes cash and short term highly liquid investments with a short term maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### **CREDITORS AND PROVISIONS**

Creditors and provisions are recognised when the Company has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**WELLINGTON SCHOOL (AYR) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2020**

**2. INVESTMENT INCOME**

	30/6/20	30/6/19
	£	£
Investment income	13,462	16,444

**3. INCOME FROM CHARITABLE ACTIVITIES**

	Activity	30/6/20	30/6/19
		£	£
School fees and extras	Provision of educational services	5,587,664	5,595,904
Grants	ERASMUS grant	19,158	34,113
Furlough income	Other income	78,165	-
		<u>5,684,987</u>	<u>5,630,017</u>

Grants received, included in the above, are as follows:

	30/6/20	30/6/19
	£	£
ERASMUS grant	19,158	34,113

**4. CHARITABLE ACTIVITIES COSTS**

	Direct Costs	Support costs (see note 5)	Totals
	£	£	£
Provision of educational services	4,623,730	1,465,450	6,089,180
Support costs	-	20,023	20,023
ERASMUS grant	29,565	-	29,565
	<u>4,653,295</u>	<u>1,485,473</u>	<u>6,138,768</u>

**5. SUPPORT COSTS**

	Management	Finance	Governance costs	Totals
	£	£	£	£
Provision of educational services	1,461,147	4,303	-	1,465,450
Support costs	-	-	20,023	20,023
	<u>1,461,147</u>	<u>4,303</u>	<u>20,023</u>	<u>1,485,473</u>

**WELLINGTON SCHOOL (AYR) LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2020****5. SUPPORT COSTS - continued**

Support costs, included in the above, are as follows:

**MANAGEMENT**

	30/6/20 Provision of educational services £	30/6/19 Total activities £
Wages	490,978	487,420
Social security	38,445	45,058
Pensions	17,910	17,825
Rent, rates and water charges	31,305	28,478
Insurance	44,309	44,763
Light and heat	89,713	82,176
Telephone	9,829	14,087
Sundry expenses	15,717	22,752
School events	20,579	19,418
Staff training	15,803	13,251
Maintenance of playing fields	18,702	28,497
Repairs and maintenance	339,895	365,882
Laundry and cleaning	72,354	75,000
Security costs	15,236	15,920
Printing, postage & stationery	10,169	21,594
Advertising	23,010	35,661
Minibus running costs	14,540	15,801
Travel expenses	4,045	5,256
Accountancy fees	4,740	8,790
Subscriptions	20,114	24,456
Bad debts (recovery)/charge	22,644	(8,086)
Depreciation of tangible and heritage assets	141,110	126,637
	<u>1,461,147</u>	<u>1,490,636</u>

**FINANCE**

	30/6/20 Provision of educational services £	30/6/19 Total activities £
Bank charges	<u>4,303</u>	<u>4,952</u>



**WELLINGTON SCHOOL (AYR) LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2020****5. SUPPORT COSTS - continued  
GOVERNANCE COSTS**

	30/6/20 Support costs £	30/6/19 Total activities £
Auditors' remuneration	3,260	4,600
Legal and professional fees	16,763	13,344
	<u>20,023</u>	<u>17,944</u>

**6. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	30/6/20 £	30/6/19 £
Auditors' remuneration	3,260	4,600
Depreciation - owned assets	141,110	126,637
	<u>144,370</u>	<u>131,237</u>

**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 30 June 2020 nor for the year ended 30 June 2019.

**TRUSTEES' EXPENSES**

There were no trustees' expenses paid for the year ended 30 June 2020 nor for the year ended 30 June 2019.

**8. STAFF COSTS**

	30/6/20 £	30/6/19 £
Wages and salaries	3,303,618	3,175,100
Social security costs	313,690	302,473
Other pension costs	568,905	442,697
	<u>4,186,213</u>	<u>3,920,270</u>

The average monthly number of employees during the year was as follows:

	30/6/20	30/6/19
Teaching staff	87	91
Administration	11	11
Janitors and domestic	7	7
	<u>105</u>	<u>109</u>

**WELLINGTON SCHOOL (AYR) LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2020****8. STAFF COSTS - continued**

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	30/6/20	30/6/19
£60,001 - £70,000	2	2
£80,001 - £90,000	1	1
	<u>3</u>	<u>3</u>

The School considers its key management personnel to be the Headmaster, the Head of the Junior School, the Bursar, the Deputy Head and the two Assistant Heads. The total employment benefits including employer pension contributions of the key management personnel were £512,451 (2019: £477,984).

The company provides pensions for its teaching employees through contributions to the Scottish Teachers Superannuation Scheme (STSS).

The STSS is a group scheme covering teachers and related occupations and is the responsibility of the Scottish Public Pensions Agency, and is maintained separately of the company's finances.

The fund is a defined benefit scheme which was established to enable a number of autonomous but related employers to operate a pension scheme through the sharing of risk within a wider membership base. As such it is not possible to identify the assets and liabilities which are attributable to the company. In accordance with FRS 102 therefore it is accounted for as a defined contribution scheme.

The pension cost charge represents contributions payable by the company to the fund and amounted to £550,995 (2019 - £424,872).

The company has a stakeholder scheme for the administration staff which is a defined contribution scheme.

During the year ended 30 June 2019 contributions amounting to £17,910 (2019 - £17,825) were paid into this scheme.

**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
<b>Charitable activities</b>			
Provision of educational services	5,595,904	-	5,595,904
ERASMUS grant	-	34,113	34,113
Investment income	16,444	-	16,444
<b>Total</b>	<u>5,612,348</u>	<u>34,113</u>	<u>5,646,461</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Provision of educational services	5,881,903	-	5,881,903
Support costs	22,504	-	22,504
ERASMUS grant	-	18,295	18,295
<b>Total</b>	<u>5,904,407</u>	<u>18,295</u>	<u>5,922,702</u>

**WELLINGTON SCHOOL (AYR) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2020**

**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>NET INCOME/(EXPENDITURE)</b>	(292,059)	15,818	(276,241)
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	5,054,293	38,079	5,092,372
<b>TOTAL FUNDS CARRIED FORWARD</b>	4,762,234	53,897	4,816,131

**10. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Office and computer equipment £	Totals £
<b>COST</b>				
At 1 July 2019	4,505,107	485,693	88,288	5,079,088
Additions	-	42,782	47,239	90,021
At 30 June 2020	4,505,107	528,475	135,527	5,169,109
<b>DEPRECIATION</b>				
At 1 July 2019	1,149,406	417,662	30,109	1,597,177
Charge for year	86,302	27,703	27,105	141,110
At 30 June 2020	1,235,708	445,365	57,214	1,738,287
<b>NET BOOK VALUE</b>				
At 30 June 2020	3,269,399	83,110	78,313	3,430,822
At 30 June 2019	3,355,701	68,031	58,179	3,481,911

Included in cost or valuation of land and buildings is freehold land of £190,000 (2019 - £190,000) which is not depreciated.

**WELLINGTON SCHOOL (AYR) LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2020****11. STOCKS**

	30/6/20	30/6/19
	£	£
Text books & other consumable materials	<u>26,372</u>	<u>39,216</u>

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30/6/20	30/6/19
	£	£
Trade debtors	91,012	49,011
Other debtors	35,399	-
Prepayments	41,020	59,301
	<u>167,431</u>	<u>108,312</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30/6/20	30/6/19
	£	£
Trade creditors	29,840	131,127
Social security and other taxes	85,132	86,028
Accruals and deferred income	617,921	434,211
	<u>732,893</u>	<u>651,366</u>

Included in accruals are outstanding pension contributions of £72,507 (2019: £62,469).

Deferred income of £194,708 (2019: nil) is also included in creditors. This represents school fees paid in advance spanning more than one academic year.

**14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	30/6/20	30/6/19
	£	£
Parents' deposits	<u>61,800</u>	<u>60,500</u>

**15. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	30/6/20	30/6/19
	£	£
Between one and five years	<u>36,338</u>	<u>32,811</u>

**WELLINGTON SCHOOL (AYR) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2020**

**16. MOVEMENT IN FUNDS**

	At 1/7/19 £	Net movement in funds £	At 30/6/20 £
<b>Unrestricted funds</b>			
General Fund	4,612,234	(305,582)	4,306,652
Major Repair Fund	150,000	(124,330)	25,670
	<u>4,762,234</u>	<u>(429,912)</u>	<u>4,332,322</u>
<b>Restricted funds</b>			
ERASMUS Fund	53,897	(10,407)	43,490
	<u>53,897</u>	<u>(10,407)</u>	<u>43,490</u>
<b>TOTAL FUNDS</b>	<u><u>4,816,131</u></u>	<u><u>(440,319)</u></u>	<u><u>4,375,812</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General Fund	5,679,291	(5,984,873)	(305,582)
Major Repair Fund	-	(124,330)	(124,330)
	<u>5,679,291</u>	<u>(6,109,203)</u>	<u>(429,912)</u>
<b>Restricted funds</b>			
ERASMUS Fund	19,158	(29,565)	(10,407)
	<u>19,158</u>	<u>(29,565)</u>	<u>(10,407)</u>
<b>TOTAL FUNDS</b>	<u><u>5,698,449</u></u>	<u><u>(6,138,768)</u></u>	<u><u>(440,319)</u></u>

**Comparatives for movement in funds**

	At 1/7/18 £	Net movement in funds £	At 30/6/19 £
<b>Unrestricted funds</b>			
General Fund	5,054,293	(292,059)	4,762,234
<b>Restricted funds</b>			
ERASMUS Fund	38,079	15,818	53,897
	<u>38,079</u>	<u>15,818</u>	<u>53,897</u>
<b>TOTAL FUNDS</b>	<u><u>5,092,372</u></u>	<u><u>(276,241)</u></u>	<u><u>4,816,131</u></u>

**WELLINGTON SCHOOL (AYR) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2020**

**16. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General Fund	5,612,348	(5,904,407)	(292,059)
<b>Restricted funds</b>			
ERASMUS Fund	34,113	(18,295)	15,818
<b>TOTAL FUNDS</b>	<u>5,646,461</u>	<u>(5,922,702)</u>	<u>(276,241)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/7/18 £	Net movement in funds £	At 30/6/20 £
<b>Unrestricted funds</b>			
General Fund	5,054,293	(597,641)	4,456,652
Major Repair Fund	-	(124,330)	(124,330)
	<u>5,054,293</u>	<u>(721,971)</u>	<u>4,332,322</u>
<b>Restricted funds</b>			
ERASMUS Fund	38,079	5,411	43,490
<b>TOTAL FUNDS</b>	<u>5,092,372</u>	<u>(716,560)</u>	<u>4,375,812</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General Fund	11,291,639	(11,889,280)	(597,641)
Major Repair Fund	-	(124,330)	(124,330)
	<u>11,291,639</u>	<u>(12,013,610)</u>	<u>(721,971)</u>
<b>Restricted funds</b>			
ERASMUS Fund	53,271	(47,860)	5,411
<b>TOTAL FUNDS</b>	<u>11,344,910</u>	<u>(12,061,470)</u>	<u>(716,560)</u>

**WELLINGTON SCHOOL (AYR) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2020**

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**17. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 30 June 2020.

**18. ULTIMATE CONTROLLING PARTY**

In the opinion of the Trustees, there is no ultimate controlling party.