

Fettes College

Annual Report & Financial Statement

Fettes College is a registered Scottish Charity, No SC051259 and as such we produce an annual report which includes details of our aims and objectives, achievements and performance as well as a full financial review.

Responsibility – Chair of the Board of Governors

Fettes College

**Report and Financial Statements
for the year ended 31 August 2024**

Scottish Charity number SC051259

Company number SC719759

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ADMINISTRATIVE AND LEGAL INFORMATION

Governors

The following persons served as Governors during the period from 1 September 2023 to the date of approval of these Financial Statements (OF designates Old Fettesian):

Name	Appointed by
The Rt Hon Lady Wise (Chair)	Senators of His Majesty's College of Justice
Mr R M Leckie (OF) (Deputy Chair)	Old Fettesian Association
Mr H W D Bruce-Watt (OF)	Society of Writers to His Majesty's Signet
Mr P L Gray KC	Faculty of Advocates
Professor A E Thomas OBE	Royal College of Physicians of Edinburgh
Mr G K Barrie	
Mrs E L Goodburn (OF)	
Mr P D Hunter	
Mrs I A Keith	(Retired 31 st August 2024)
Ms L S Paterson	
Mr W Sinclair	
Ms E Logan	
Professor M Griffin	(from 14 th June 2024)
Mr G Brar	(from 1 st September 2024)
Mr J D Edward	

The Standing Committees of the Board of Governors during the same period included the following:-

The Finance Committee

Mrs I A Keith (Convener to 30th June 2024)
Mr H W D Bruce-Watt
Mr R M Leckie
Mr W Sinclair
The Rt Hon Lady Wise

The Preparatory School Committee

Mr H W D Bruce-Watt WS (Convener)
Mr P L Gray KC
Mr P D Hunter
Professor A E Thomas OBE

The Risk Management Committee

Mrs I A Keith (Convener)
Professor M Griffin
Mr G K Barrie
Mr K McDowell (by invitation)
Ms L S Paterson

Buildings Committee

Mr W Sinclair (Convener)
Mr J Beeton (by invitation)
Mrs C Pilz (by invitation)
Mr E M Young (by invitation)

Academic Committee

Mr P D Hunter (Convener)
Professor A E Thomas OBE
Ms E L Goodburn
The Rt Hon Lady Wise
Ms E Logan

Nominations Committee

Ms E L Goodburn (Convener)
The Rt Hon Lady Wise
Professor A E Thomas
Mr P L Gray KC

Company Secretary

Mr C K Oliver OBE

ADMINISTRATIVE AND LEGAL INFORMATION (cont'd)

Head

Mrs H F Harrison

Bursar

Mr P J F Worlledge

Registered Address

Fettes College
Carrington Road
Edinburgh
EH4 1QX

Place of Business

Fettes College
Carrington Road
Edinburgh
EH4 1QX

Auditor

Henderson Loggie LLP
11-15 Thistle Street
Edinburgh
EH2 1DF

Bankers

Barclays Bank PLC
East of Scotland
Leicester
LE87 2BB

Investment Managers

CCLA
One Angel Lane
London
EC4R 3AB

Scottish Charity Number

SC051259

Governors' report for the year ended 31 August 2024

Fettes College is a charitable Company Limited by Guarantee ("CLG"). The CLG, which is also a registered Scottish Charity (No. SC051259), uses its funds and assets for the provision and advancement of education. The directors are obliged under the articles to maintain and develop Fettes College ("Fettes" or "the School") as a school for boarding and day students. Details of the Directors, who are Trustees for the purpose of charity law and henceforth referred to as Governors in this report, senior managers, advisers, and the principal address of the CLG are listed on pages 2 and 3 of this report.

This report and the attached 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" the Statement of Recommended Practice for charities applying FRS 102 ("SORP (FRS 102)") and with current statutory requirements.

The Head during the year was Mrs Helen Harrison.

The Administrative and Legal Information on pages 2 – 3 forms part of this report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Board comprises up to nine elected governors and a balance of co-opted governors, such that the total size of the Board may not exceed 14 governors. The elected governors are drawn from the following bodies, any of which may be invited to elect one person:

- a) Senators of His Majesty's College of Justice;
- b) The City of Edinburgh Council, as the Local Education Authority;
- c) University Court of the University of Edinburgh;
- d) Faculty of Advocates;
- e) Society of Writers to His Majesty's Signet;
- f) Royal College of Physicians of Edinburgh;
- g) The Master's Court of the Company of Merchants of The City of Edinburgh;
- h) Edinburgh Chamber of Commerce; and
- i) Old Fettesian Association from among former students of Fettes College.

Governors are elected or co-opted as appropriate to provide a range of skills required to enable the CLG to fulfil its object of providing education to young people.

New Governors are inducted by briefings from the Company Secretary, by initial meetings with senior management and subsequent regular visits to Fettes which includes both the Senior School for students between the ages of 13 and 18 and the Preparatory School for students between the ages of 7 and 13 ("the Prep School"). Governors are encouraged to take a specific interest in, and reporting responsibility for, one or more of the School's activities or facilities (in which they might have a particular interest or expertise). Governors are expected to attend all Board meetings and Committee meetings, as appropriate, and may also attend external courses relevant to the School and its operation or to its compliance with current regulatory requirements. Specifically in relation to safeguarding, and in accordance with the National Guidelines for Child Protection in Scotland (2021), the Governors undergo child protection training annually. The Governors conduct a process of self-assessment from time to time and this informs the Board as a whole as to any gaps in knowledge, skills or experience deemed necessary for the proper operation of the Board of Governors. Steps are then taken to remedy this through the co-option process of recruiting new Governors. Governor appointments and retirements are usually arranged to coincide with the end of the Financial Year in question.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational Management

The Governors have overall responsibility for ensuring that Fettes provides the best possible education for its students, for determining the aims and objectives of the School in that context and for determining the policies and strategies that will best support and protect those aims and objectives. The Board meets at least four times a year to consider reports on the performance of the School and issues affecting it from senior management, individual Governors and sub-committees and its advisers. The Chair of the Board during the year was the Right Honourable Lady Wise.

In addition, a Finance Committee of Governors comprising a subset of the Board meets up to ten times a year. The Finance Committee reports to the Board and is responsible, inter alia, for overseeing the financial and operational activities of the School and its trading subsidiaries and for supporting and assisting, where necessary, the management of the School and, in particular, the Head, the Bursar and the Head of the Prep School. The Finance Committee consists of a Convener and at least four other Governors elected from the members of the Board.

The Preparatory School Committee consists of a Convener and at least three other Governors elected from time to time from among members of the Board. It meets four times a year to consider and monitor the workings of the Prep School and to safeguard its interests within the overall strategy and objectives agreed by the main Board and Finance Committee for the School as a whole.

The Risk Management Committee, comprising a Convener and at least two other Governors, meets termly to recognise and consider risks possibly affecting the School and to assist the Board with the procedures necessary to control and manage risks, governance issues and other matters delegated to it from time to time by the Board. The Nominations Committee, comprising a Convener and three other Governors, meets termly to assess the skillsets of the Board, identify gaps and plan for succession. The Academic Committee, comprising a Convener and three further Governors, along with the academic leadership teams of both College and Prep School, meets once a term to monitor the School's academic performance and to consider future objectives to ensure both the curriculum and teaching meet current demands and parental expectations.

Two governors with specific responsibility for Safeguarding report regularly to the Board as a whole on matters involving Safeguarding within any part of the School community. The mechanism by which they are kept informed of relevant matters is covered in more detail below.

All of the aforementioned sub-committees of the Board have and report against formal terms of reference determined by the Board as a whole and have the authority to co-opt members not on the Board to supplement experience and expertise where appropriate.

KEY MANAGEMENT PERSONNEL

The day to day management of the School is undertaken by the Head and the other members of the Senior Leadership Team ("SLT"), which includes the Head of the Preparatory School, the Senior Deputy Head, the Deputy Head (Academic), the Deputy Head (Pastoral) and the Bursar, all of whom regularly attend and report to the main Board and other Committees, together with other School managers as required. The Company Secretary attends and minutes the Board meetings and Finance, Risk Management, Academic and Nominations Committee meetings.

Key management personnel include the Head, Senior Deputy Head, Deputy Head (Academic), Deputy Head (Pastoral), Prep Headmaster and Bursar. The Governors set the pay at rates which they believe are competitive within the Independent Schools sector and make use of benchmarking to achieve this.

Group Structure and Relationships

Fettes College owns a trading subsidiary, Fettes Enterprises Limited ("Fettes Enterprises") which in turn has two wholly owned trading subsidiaries, Fettes Centre for Language & Culture Limited and Fettes International Limited. The activities and trading performance of these subsidiaries are discussed below.

The Fettes Foundation is a separately registered charity (number SC028350), the aims of which are to support the education, health and well-being of students at Fettes by raising funds for investment in facilities and bursaries or by providing other direct financial aid to the School and its students. The Fettes Foundation is operationally independent and has its own Board of Trustees, some of whom are also Governors.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The charitable purpose of the School is the advancement of education. It provides public benefit, encourages community engagement and enables School staff to take active roles in charitable endeavours.

STRATEGIC REPORT

Strategic Aims

The ongoing aim is to maintain exceptional educational standards and facilities, as well as preserving the assets of the School, and to develop facilities and services to meet current and future demands. This has resulted in the Governors determining a governance model which will meet the challenges and demands of an increasingly complex regulatory, political and socio-economic world.

The School's objectives for the year were to:

- uphold and build upon the educational standards offered to the students and assist them in achieving their potential within a caring and happy environment;
- fully expend available funds for bursaries to those for whom a Fettes education is not otherwise accessible;
- promote the School and its activities to a wider audience and engage with its local community as far as practicable;
- maintain the environment and infrastructure of the School, its landmark building, its grounds and facilities;
- continue to implement the School Improvement Plan for the School to meet its future needs and challenges;
- meet all statutory obligations placed upon the School and its activities; and
- exercise due diligence in the management of the School's finances whilst meeting its objectives.

The Governors believe that these objectives have been achieved successfully during the year.

Fettes' vision and strategy, entitled *Fettes Moving Forward: A place to live. A place to learn. A place to grow.* are founded on the four key strands of learning, wellbeing, the community and people, each of which is integral to the ongoing success and growth of the school. There are many parts to all of these strands, including the design of a curriculum for the future, further broadening engagement in and with the local community and a steadfast belief in promoting a full boarding ethos.

The Governors recognise the risks and opportunities arising from climate change, stemming from both the transition towards a greener economy and specific weather-related events. The School's values are to Aim High and Give Back and as such the Governors endeavour to act sustainably and enhance the School's policies, processes and reporting towards reducing our environmental impact.

The Governors are acutely mindful of the responsibility placed upon them to act in good faith in the interests of all of the School's stakeholders and do so with regard to any long term consequences of their actions, the impact on the community and environment, relations with all those who engage with the School and the desire to maintain the School's strong reputation and high standards of conduct.

Social Impact

The Fettes College values of **Aim high, Give back** inform the School's revised strategic approach to Social Impact and are at the heart of an established partnership programme of working with children's groups, educational institutions and charities in Scotland and overseas.

Aim High

Fettes continues to provide high levels of access and support with a view to improving educational outcomes for children in Scotland.

Bursaries

The School continues to offer the Fettes Kick-start bursary programme to all primary schools across Scotland. The purpose is to identify candidates who would benefit from a Fettes education despite not having the financial means otherwise to attend. This initiative sits alongside the core Fettes bursary awards scheme and provides a fully funded boarding place for up to two 11-year-old students each year. Kick-start has been in operation since 2018, initially for students within Edinburgh, and there are currently 12 Kick-start students at Fettes.

STRATEGIC REPORT (continued)

Social Impact (continued)

Education Projects

Regular collaboration with local primaries includes a Drama workshop hosted at Fettes for 30 P7 children from Forthview Primary School and one-off language lessons to local primaries delivered by a team of Fourth Form Language Leaders.

'Opportutoring' is an e-learning non-profit organisation providing one-on-one English tutoring to refugees around the world. Each year the Opportutoring Edinburgh Chapter selects 8 pupils from Fettes who teach Syrian refugees once a week to allow them to improve their English skills so they can pass the Cambridge English Certificate. The pupils teach for one hour each week but, just as importantly, they spread awareness about the refugee crisis with posters and chapel speeches and raise money for teaching materials and tests via bake sales and Own Clothes Days.

The School continues to host its renowned Higher Education & Career Exploration Day in February and this year was attended by over 160 S5 students from Edinburgh High Schools, including Broughton HS, Firrhill HS, Portobello HS and Trinity Academy. Over 50 stand holders exhibited, including 27 universities from across the UK, GAP year organisations and employers. Attendees were also able to meet experts from a range of professions and attend a series of talks on UCAS, studying in the UK, Oxbridge applications, and student finance.

Separately, 27 Oxbridge applicants from several local high schools undertook practice interviews and received feedback through the Fettes Career Partnership Programme. Academic members of the Fettes Teaching Staff, along with Parents and Old Fettesians questioned students on their personal statements, discussed broader topics and reading as well as previously unseen material following which students were provided with feedback to help them in their final preparation. Several students were offered ongoing advice including students from Boroughmuir HS and James Gillespie's HS who received an offer from Cambridge University to study Maths and were invited to attend a weekly admissions testing preparation club at Fettes. Governors are aware of six students from Boroughmuir HS, Currie Community HS, James Gillespie's who were awarded places at Oxbridge and are grateful to those who so willingly gave of their time to support and coach those individuals.

Give Back

The notion of giving back and offering support to others is firmly embedded within the staff and student body alike and there are many examples, both in the wider community and beyond, of efforts made by Fettesians to support others.

Core Partners

FetLor Youth Club is a charity which offers children and young people in the North of Edinburgh a safe place to develop their resilience and confidence, achieve their potential and enjoy a hot meal, even in times of challenge, hardship and real need. Up to 300 young people are welcomed to the Club each week and all activities and food are free of charge. Fettes' bond with the FetLor Youth Club continues to grow through shared use of assets such as use of the Fettes minibus and resources with young people both from working together on a variety of projects, including gardening and FetLor renovations, climbing wall instructor lessons, use of the Fettes Low Ropes leadership training course and mentoring. In addition, members of the Fettes Leadership Team play an active role in strategically driving FetLor forward and, this year, the School has further developed its ties by sourcing, subsidising and supporting the provision of approximately one hundred hot meals two to three days each week to FetLor. Additionally, any surplus food and milk is donated to FetLor at the start of the School holidays. A new initiative this year was support offered by Fettes staff in the set up of the Duke of Edinburgh Bronze Award for the first cohort of FetLor students.

Fettes continues to be heavily involved in volunteering and fundraising in support of SuperTroop, an Edinburgh based charity set up to provide residential breaks and respite care for children with physical and learning disabilities. Each year, Fettes staff and students organise, run and host a week-long residential holiday for the SuperTroop children during July. This residential holiday facility is provided free of charge and involves transforming one of the Fettes boarding houses into an accessible residential location for the residents to enjoy. Fettes staff also provide all housekeeping and catering facilities throughout the week, work closely with the SuperTroop staff to run the activities programme and around two dozen Fettes students volunteer to provide 1 :1 round the clock support to each of the SuperTroop children. To support the residential holiday, students worked to raise over £9,000 this year to pay for travel, admission to places such as Edinburgh Zoo, fun activities and art supplies for the 16 young people staying on the holiday. In addition, three members of Fettes staff volunteer as Trustees of SuperTroop. SuperTroop is a charity very close to the hearts of everyone at Fettes and the Governors are proud of the relationship which has developed with such an important Scottish charity.

STRATEGIC REPORT (continued)

Social Impact (continued)

Volunteering

Two school days per year are typically assigned as "Volunteering Days" where the majority of Senior School students engage in several activities in the local community to support ongoing projects and charities, including food banks and care homes. These more formal days are further augmented by year-round informal activities, typically organised by the students themselves, to visit those in care and offer activities such as small music recitals or simply offering company.

Environmental improvement volunteering also takes place on these Volunteering Days in green spaces within walking distance of Fettes: Warriston Cemetery, Starbank Park, Inverleith Park, Corstorphine Hill and certain land agencies that handrail the cycle path.

Weekly volunteering is included as part of the co-curricular programme and includes Amnesty International which 10-20 students attend throughout the year.

Also engaged in weekly volunteering are those students who have chosen to embark on the Duke of Edinburgh scheme. The majority of students complete the service component through the CCF but, together with the IB CAS students, some Sixth Form students volunteered off-campus for organisations such as the soup kitchen at St Cuthbert's and the Western General Hospital.

During the summer holiday 14 IB students undertook 10 days of volunteering in Costa Rica helping to refurbish school buildings and repair pathways.

Staff

In addition to staff representation on the board of FetLor and SuperTroop, several members of staff volunteer at board level for charities where they are able to utilise skills developed in their role at Fettes, for example the School Library Association, Muslim Women's Resource Centre and Edinburgh Competition Festival and as Child Protection Officer at a local sports club. Other staff use their Fettes-linked skills in operational capacities for charitable and community organisations such as Charlotte Chapel Choir, Scottish Football for Rwanda and BBC Big 500.

Fettes is a community where staff and student activities are intertwined. Many of the staff engage in volunteering activities in their community and are encouraged to promote this to students knowing that modelling is an effective way of developing behavioural culture.

An additional benefit of staff volunteering is the opportunity to build connections, for example staff volunteers at Granton Community Gargen, Broxburn Community Gardens, and Canine Scotland Therapet have all led to school engagement.

Charitable Fundraising

This year over £57,000 has been raised by the school through a series of fundraising activities.

As has been the case for the last ten years, Harvest produce was collected and delivered to the storage facilities of Edinburgh City Mission's food banks. It is not possible to put a monetary value on this collection but, as is always the case, the School makes a significant contribution to the ongoing operation of these food banks.

The whole school charity run this year raised over £15,000 across all the Houses for a variety of charities, including Diabetes UK and The Welcoming.

Almost 500 Fettesians took part in what is fast becoming an annual event to raise significant funds for SuperTroop. Students worked in groups to continuously drag an enormous tractor tyre and down the West drive until finally resting it on the ground 24 hours later. Additionally, an open water swim challenge raised just under £1,000 bringing the total to £9,000.

Students following the International Baccalaureate programme in the Sixth Form worked to raise over £2,000 for RockTrust through a sponsored stay up all night event and associated fundraising and almost £1,000 for Breast Cancer Now's Wear It Pink campaign.

Addressing environmental concerns, over £1,000 was raised for Pristine Seas and, working to raise awareness of and combat disordered eating, almost £2,000 was raised for Beat; more locally, over £1,000 was raised for Sistema Scotland's Big Noise project based in Wester Hailes.

STRATEGIC REPORT (continued)

Social Impact (continued)

There were more than a dozen other fundraisers during the year, with whole school events, such as 'own clothes' days, and a good number of smaller scale House events, including the ever popular bake sales. Fundraising highlights for the year included two events which, together, raised over £8,500 for the Teapot Trust. In addition, £900 was raised for the Mountain Bothies Association, £600 for Save the Elephants, £500 for the Edinburgh Rape Crisis Centre and over £6,000 towards a host of charities, including MIND, SCORE Scotland (which addresses racism), and the Parish Church of St Cuthbert's work with the homeless.

The Young Philanthropy Initiative runs in schools across Scotland every year. The Wood Foundation, founded by the oil entrepreneur Sir Ian Wood, provides £2,500 to each school. Students compete for this award on behalf of their chosen charity and bid for £3,000. The key criteria are that the organisation must meet a social need and that there must be a business plan for the £3,000 of funding; £500 of that sum comes from Fettes. The panel of judges was impressed, as always, by the range of social issues in which young Fettesians are interested: homelessness, loneliness, disability, poverty, mental health. Any of the six finalists might have won but, in the end, one group's approach did stand out and secured the award for Mwamba, an advocate for women of African and other minority heritage, based in Leith. Mwamba helps people in their native language with education, careers advice, escape from domestic abuse and more. The team visited the charity, interviewed the founders and met some of those with whom the charity works. All of this - and the skills they learned about managing a team project - enabled them to speak passionately and persuasively, securing valuable funding.

Indirect support for charitable fundraising includes activities such as a performance of the Fettes Pipes and Drums for the annual fundraising lunch of the Master Chefs of Great Britain.

Donations

Where possible the School looks to donate equipment that is surplus to requirement. This year this included a large donation of library books and library furniture (beanbags, blankets etc) and eight Yamaha keyboards to Granton Primary School. Parents were encouraged to donate nearly-new plimsolls following the school play to the Edinburgh Uniform Bank, football shirts to the Leith Collective and boots to the Scottish Football for Rwanda project, loan of music on a regular basis to the Chapter House Singers and art materials to local charities and primary schools.

Shared Facilities

The School's formal teaching spaces provide public benefit through the annual hosting of ACT and Oxbridge examinations as well as by being provided for no fee to community groups such as Captivate Drama which engages 50 children from across Edinburgh on a twice weekly basis. Additionally, over 100 costume items from the School's wardrobe are provided for the group's annual Fringe show. Through the Art Department's relationship with Artlink, the School provides access to its facilities to adults and young people with a range of disabilities.

Informal learning spaces such as the Low Ropes Course, Climbing Wall and Bushcraft Area are also utilised by groups such as Police Scotland Youth Volunteers and Manor Care Home staff. Fettes College staff give their time to support these activities. Our local forest school use our wood for nature visits six times a year.

In addition to FetLor, the School's minibus is loaned to Maranatha Camp for one week each year at no cost to transport food and catering supplies.

Sporting facilities are made available to groups such as Lacrosse Scotland, Scottish Cricket and Scottish Hockey. Free use of facilities is offered to local schools and community groups. For example: our indoor cricket nets and equipment are used on a weekly basis by 30 children on the Wicketz national programme which supports children living in disadvantaged communities; and Broughton HS who use our netball facilities and coaches, training alongside our students on a weekly basis.

Sustainability

In the latter stages of this year the Governors initiated a review into the School's sustainability practices and began the development of a comprehensive strategic approach. The research for this included: consultation with key staff and students across the Prep and Senior Schools; review of sector and national obligations; review of sector best practice; and review of How Good Is Our School 4 ("HGIOS4") Learning for Sustainability framework.

The School has set the following targets which have been characterised as the 5 in 5 Environmental Pledges: measure campus-wide energy consumption and reduce usage by 10 percent; measure and reduce the use of single-use plastic by 25 percent; measure and reduce food waste by 15 percent; invest solely in sustainable developments and remove diesel from all school vehicles. These targets were set through careful consideration of the risks and opportunities available to Fettes through consideration by the Senior Leadership Team and Senior Management Teams, in collaboration with pupils.

STRATEGIC REPORT (continued)**Sustainability (continued)**

The Schools's sustainability strategy will also be guided by the UN Sustainable Development Goals as well as the School's existing 5 in 5 Environmental Pledges.

During the year, two minibuses were replaced with with ULEZ-compliant versions which are whole vehicle type approved and do not necessitate drivers to hold a D1 qualification on their driving licence. Governors have further implemented several energy and resource reduction plans in Westwoods. The test version of the School's in-house energy portal has been tested but still requires more work before it can be officially launched to the wider school community.

Streamlined Energy and Carbon Reporting*Consumption*

Annual emissions resulting from the combustion of gas, the consumption of fuel for the purposes of transport, and electricity consumed are set out below.

	Tonnes CO ₂	MwH
Combustion of gas	1,151	6,303
Consumption of fuel for the purposes of transport	21	87
Electricity purchased for own use	596	3,082
Heating Oil	126	489
* Data period 1 Jun 2022 to 31 May 2023		

This information was prepared by Briar Consulting Engineers who were appointed to act as the School's Lead Assessor in conducting an ESOS Assessment and Audit to identify energy saving opportunities and ensure legislative compliance.

Energy Intensity Ratios

	Total KPI	KPI units	Total Energy (KwH)	Ratio	Ratio units
Buildings	744	Students	9,385,544	12,615.0	kWh/students
Transport – minibus	47,872	Miles	57,699	1.2	kWh/miles
Transport – grounds fleet	374,000	m2	518,341	1.4	kWh/ m2

Energy efficiency measures

Fettes has taken several measures to improve our energy efficiency. These include replacing older vehicles with more environmentally friendly ones, replacing fuel operated grounds equipment with battery powered equivalents, investment in improved building controls, and an on-going emphasis on community led empowerment to reduce energy usage at source.

SAFEGUARDING**Care and Welfare of Students**

Fettes College continues to prioritise and to take great pride in the high standard of pastoral care that it offers to all of its students. The care and welfare of students is of fundamental importance and GIRFEC (Getting It Right For Every Child) principles are embedded into all areas of safeguarding in the School. The Pastoral Leadership Teams, now incorporating the Safeguarding Lead within their memberships in both the Senior School and the Prep School, work closely with the designated Safeguarding Governors to ensure that current legislation is adhered to and best practice followed in all areas of boarding school life. To ensure that the Governors can effectively monitor, support and challenge the school and its pastoral management, the Safeguarding Governors visit the school regularly and feed any findings back to the Safeguarding Committee and to the board each term. The School has also committed and is looking forward to the development of a purpose-built Wellbeing Centre to act as a hub for all student ailments, whether physical or mental, where appropriate and professional support will be offered.

Following recommendations made by Education Scotland, the School has undertaken a full review of its key safeguarding policies to ensure they are compliant with national guidance on Child Protection and reflect UNCRC principles. These were updated for the new academic year 2024-2025 and updated staff training is being provided.

SAFEGUARDING (continued)

Care and Welfare of Students (continued)

Although there were no reportable trends in the last academic year, there has been a marked increase in the number of students affected by anxiety issues, particularly in the younger age groups. This increase mirrors the trend reported in all schools and a number of students continue to access the School's additional support services: life coaching, behavioural therapist, in-house counsellors and clinical psychologists. This support has been particularly beneficial in ensuring positive outcomes for a number of our students, where significant pastoral issues such as self harm or disordered eating are a concern. The school also has an independent safeguarding reporting tool, which was selected in consultation with a group of peer mentor students.

As part of our annual HGIOS4 self-evaluation, the Pastoral Leadership Team ("PLT") worked in collaboration with the Academic Leadership Team ("ALT") to introduce improved Personalised Support for students, integrating pastoral and academic plans for individual students which are shared with parents and guardians.

Day students and their parents were consulted last year on their integration within boarding houses. The results of this were very positive and some key recommendations are being implemented based on feedback from this survey. Students in the Senior School also completed a survey on their Tutors with equally positive results, showing how much students value their relationship with their tutor and the guidance and support offered to them.

Staff Wellbeing

Following a consultation process, the Wellbeing Committee reviewed and updated the Staff Wellbeing policy which has now been circulated.

A more formal training programme has been established for Assistant Houseparents and supportive supervision sessions offered to Houseparents and nursing staff. These initiatives have been well received by staff dealing with complex pastoral and safeguarding concerns.

House staff are integrally involved in supporting the students and some of the School's resident boarding staff have started to undertake supervision or reflective practice sessions. These can be very effective in reviewing professional practice and enhancing staff wellbeing; Governors are keen that the School takes a lead in establishing this provision initially for its own staff and then to share good practice with other schools and possible partner organisations in the future.

Aside from the day-to-day oversight of staff wellbeing monitored by the Pastoral Leadership Team, the School's employee assistance package, WeCare, offers a wide range of medical, counselling and general support and advice, both in person and virtually and is available to all staff, whether directly involved in the care of students or not.

Diversity, Equity & Inclusion

The Governors are committed to the School's principal aim of nurturing the individual while fostering a happy, well-ordered and caring community, as part of their ongoing aspiration for Fettes to be a school where everyone feels they belong and where they can be themselves. To that end, the Governors believe all members of the Fettes community, staff and students alike, have an individual responsibility to contribute positively to a tolerant, inclusive school society. This is supported by the excellent relationships between students and staff. Students are asked to pursue their own goals with enthusiasm but with respect for others; they are asked to treat others with empathy, understanding and tolerance.

The Diversity, Equity & Inclusion ("DEI") team's strategy is to turn intent into action regarding the recommendations which were identified last year. The DEI lead has already started to review policies and processes and to introduce initiatives across all areas of school life and a number of students and staff are keen to engage with this important DEI work.

Fettes has built up a valuable relationship with Edinburgh Interfaith Association which presented a panel of faith and non-faith leaders during interfaith week. They have provided support to houseparents providing answers to religion-based questions. As a result of this relationship a group of students were invited to attend a special event at Scottish Parliament and Edinburgh City Chambers in recognition of the Polenaktion exhibition as part of the Holocaust Memorial Day events. This relationship also gives us a reliable point of contact when sourcing information to better support students of a range of faiths within Fettes.

SAFEGUARDING (continued)

Diversity, Equity & Inclusion (continued)

Additionally, Fettes has also been recognised for by the national organisation Race Equality Matters for our initiative around pronunciation of names and were invited to present to an audience of a number of national organisations. We are embarking on the journey to become accredited as a UNICEF Rights Respecting School. Work is ongoing to meet the bronze level criteria which is ready to be submitted for assessment. This ties in well with our DEI vision as the articles of the UNCRC support the DEI strategy.

The DEI strategy has contributed to more open and confident conversations around identity, race and discrimination. Students are becoming confident at recognising discriminatory language and are beginning to peer-regulate this. To reinforce the ethos of inclusivity a calendar of awareness days has been developed. To ensure a sustained culture of this across the whole school the DEI leads from both Prep and Senior school are working closely together, this will also serve to reinforce expectations. School policies have been updated to reflect articles of the UNCRC, and to include specifically prejudice based incidents.

Fettes continues to work towards a diverse, equal and inclusive community and this ambition has been further boosted by the work of the DEI Leads and Coordinator.

The School's inclusive and ecumenical Christian tradition is nowhere better exemplified than in the strength of attendance by students, including many of different faiths, at Chapel services throughout the academic year. The numerous contributions from students, staff and outside speakers that enliven the proceedings and bring sections of the whole School community together have happily returned to pre-pandemic levels of frequency this year.

Scottish Child Abuse Inquiry

The Scottish Child Abuse Inquiry (SCAI) was set up in 2016 to investigate historic abuse of children in any residential care setting in Scotland. Its remit covers the period from 1932 to 2014. For the purposes of the Inquiry, boarding schools fall within the definition of institutions which care for children and so Fettes, in common with other selected boarding schools in Scotland, willingly assisted the Inquiry. Fettes fully supports the aims of the Inquiry to give victims an opportunity to disclose their experience and for the school to listen and learn from the mistakes of the past. Throughout the process, Fettes has been collaborative, engaged, open and honest, supplying all information requested. Fettes has, following its first submission earlier in 2021 and its second submission later in the same year, issued a full and unreserved apology to everyone who suffered abuse at Fettes.

It is anticipated that the Chair of the inquiry, Lady Smith, will publish reports on each school on an individual basis and then a summary report on recommendations but no publication dates have been announced. The Inquiry has, to date, not published any recommendations.

RECORD OF ACHIEVEMENTS AND PERFORMANCE

Student numbers and inclusion

During the year, the School offered primary and secondary education to boys (388) and girls (363) between the ages of 7 and 18. The School educated 751 students (2023 : 780) of whom 464 were boarders (2023 : 465) and 287 were day students (2023 : 315). The ratio of academic staff to students was at a healthy 1:6 during the year (2023 : 1:6). The student population was drawn as to 75% from Scotland and the rest of the UK with 25% living overseas and over 40 countries represented in the student body.

Bursaries, scholarships and other remissions totalling £3,001,855 (2023 : £2,857,328) were granted in the year representing 11.4% (2023 : 11.4%) of gross fees. Means tested bursaries amounted to 74% (2023 : 73%), non-means tested scholarships to 10% (2023 : 9%) and other remissions, including sibling remissions, to 21% (2023 : 18%) of the total.

63 students (2023 : 76) or 8.4% (2023 : 10%) of the School roll received means tested bursary assistance during the year, amounting to £2,117,437 (2023 : £2,081,871). 47 students or 75% of means tested award holders received awards in excess of 60% of the relevant fee and 42 of these received awards of at least 80% of the relevant fee, including 30 on a 100% remission.

The proportion of bursary and scholarship remissions financed by restricted funds was 6.4% with the remaining 93.6% funded from unrestricted, general funds. 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 and the not inconsiderable burden laid on the general funds by such awards.

RECORD OF ACHIEVEMENTS AND PERFORMANCE (continued)

Academic achievements

Results

The School's exam results in 2024 showed a significant improvement on last year, especially in terms of the highest grades.

The International Baccalaureate results were particularly strong, placing Fettes College within the Top 10 in the UK for the IB. The average point score was 38 points compared to 37 points over the last 3 years; 28% achieved the highest grade of a 7 compared to 25% last year and 72% achieved 7-6 (equivalent of A*/A) compared to 64% in 2023.

A Level results in 2024 were some of our best ever A Level outcomes, with only results from 2014 or earlier showing comparable success. 18% of students achieved the highest grade of A* and 43% achieved A*-A compared to 9% and 28% respectively in 2023.

The set of results this year from the GCSE cohort were an improvement on 2023 on almost all measures. Students achieved 50% 9-8 (the highest grades) and 72% achieved 9-7 (A*-A equivalent).

University and Higher Education destinations remain competitive at the upper end. The proportion of students heading to Oxbridge and Russell Group universities have remained consistent over the last few years with overseas routes, such as the US and Europe, becoming increasingly popular and accessible. With the results mentioned above alongside improved application pitch and focus, we had unprecedented success in progressing our leavers towards their Higher Education routes with 82% securing their first choice university.

Academic rigour

Academic performance remains strong at Fettes and there are successes in every department at an individual and collective level.

There is a plethora of super-curricular activities taking place regularly to complement the curriculum, ranging from the History Society to a new Kaffeelatsch (German Conversation Club). Departments are also providing support to students applying to Oxbridge and international universities, organising lectures and arranging events such as the Languages Immersion Day and Prep Schools Classics Day, offering students a truly Greco-Roman cultural and food experience.

At a whole-school level, we also promote academic scholarship through Paramedecium – a discussion group for our Academic Scholars. This year we have added another group of informal scholars known as the 'Arete Scholars' (Arete meaning excellence in Greek), the students in the top 5% of each year group who are not Academic Scholars.

The Senior Leadership Team and Governors continue to believe that the dual curriculum of A Levels and IB offers the best possible set of options for our Sixth Form, and that the College's results demonstrate that it is clearly fulfilling its academic goals.

Developments

The School constantly reviews its curriculum to ensure that it facilitates the best possible outcomes for its students. In particular, the School engages regularly with universities and has used that dialogue to inform decisions around the most appropriate subject options for certain specialist undergraduate courses.

Engineering, Enterprise and Technology ("EET") is a course designed to fill a gap in the School's provision for design, innovation, technology and creativity. The creation of the new course took inspiration from other schools and students have enjoyed and benefited from the introduction of a course which provides flexibility and adds innovation to the School's curriculum.

All students now take EET in 3rd Form and 20 students are taking the subject in 4th Form, having chosen the HPQ in EET as one of their GCSE Options. The subject has not only been popular with students but has helped to modernise the curriculum offer at Fettes. One of our priorities moving forward is to ensure that this subject becomes embedded in the school curriculum and there are clear pathways at Middle School and Sixth Form level for pursuit of this interest.

RECORD OF ACHIEVEMENTS AND PERFORMANCE (continued)

Academic achievements (continued)

The Middle School Diploma was introduced in 2023-2024 as a new initiative to encourage students to participate further in super-curricular and co-curricular activities, and to encourage reflection on their achievements. Specific Fettes software was designed by our Director of IT for students as part of this process. We are in the process of embedding this across both 3rd and 4th Form, seeing the first cycle through to completion and the first diplomas awarded later this academic year.

A new Art Scholarship has been added to the current range of Scholarships available at 13+ to place Art on an equal footing with Music and Sport. This has been incorporated into the school's admissions processes and there have been a number of applicants this year.

The School is committed to retaining and building on the what was learnt about digital teaching and learning during the pandemic. The use of technology in the classroom is important but there needs to be a balance between using technology to enhance the provision whilst ensuring that students are still prepared to complete handwritten exams. An example of successful application is to encourage students to use 'digital inking' on their devices, thus harnessing the technology without losing the manual dexterity needed for handwritten exams. Ultimately, the desire is to strike a healthy balance between the amount of screen time students are exposed to and giving them experience of handling tangible resources such as books and newspapers and developing the written for drawing diagrams, which are still required for public examinations.

Other achievements

Numerous student societies continued to thrive at Fettes during the year, providing a lively and informed environment for students to develop their debating skills, their interest in politics, science, the arts and humanities.

As already mentioned, volunteering continues to provide a platform for students and staff to support the local community, including assisting in local care homes, missions, hospitals, conservation trusts and schools, providing support for the elderly, the infirm and the less fortunate. The emphasis this year has been sustainability and supporting the environment with significant effort made to maintain or improve local green spaces and walkways.

Sport

This year the Lower 6th Sports Prefects were tasked with creating a set of sporting values; core behaviours and standards which makes sport at Fettes unique. The two most important of these values were **Aim High** and **Give Back** and these two in particular were prominent throughout the course of the year.

Competitive sport plays a big role at Fettes but so does participation. In addition to the core termly sport offering, a significant proportion of the student body accesses the School's 'Options' programme during Games afternoons and this has continued to thrive with the introduction of climbing and pickleball to the existing range of sporting activities (18 in total). These options are thriving partly because of the outstanding sporting facilities which are used and maintained superbly but also because of the energy and drive of the staff who look after these groups and subscribe fully to the games programme.

This year has been a year of sporting success at Fettes. In Rugby, the Autumn Term saw hard fought wins for the 1st XV in the National Conference against Dollar and Edinburgh Academy and the season finished with the captain and vice-captain of the 1st XV both representing the Barbarians against Rugby School in a match to commemorate the 'birth' of the game.

In hockey, the Girls' 1st XI won through the Boarding Schools Tournament without conceding a goal and a golden era continues with the 1st XI Girls also winning the National Plate and both the Boys Under 15 XI and 1st XI repeating their Scottish Cup triumphs on a memorable evening in Glasgow.

The Spring Term brought the first of seven national team titles with the 1st XII Lacrosse team winning the Scottish Cup for the first time in several years. They followed this by winning the Division 2 title at the Nationals in Aldershot, the first time a Scottish school has ever won any kind of title at this competition. Fettes also had four netball teams in the Scottish Cup quarter finals and two in the semi-finals; whilst none managed a win, this demonstrates the continued growth of and interest in the sport at Fettes and further afield.

RECORD OF ACHIEVEMENTS AND PERFORMANCE (continued)

Sport (continued)

The summer term was the wettest for many years, so much so that the cricket season was delayed by over a week. Once it finally got going, it was tremendous to see so many students (boys and girls) playing cricket, bucking the national trend. The 1st XI was a strong team this year and one of the highlights of their season was a match to remember against a Lord's Taverners team comprising players predominantly from their 'Wicketz' programme who have been using the School's facilities for one of their training hubs. The standard of these players demonstrated what an important role Fettes has to play in developing cricketers in the community and this partnership continues to grow. Although the Girls 1st XI suffered their first ever loss in a hard ball match, they retained the Scottish Schools Cup for the third year in a row. The Under 15 girls won their Scottish Cup and the future of cricket looks bright with the appointment of current Scotland player Oli Hairs as Head of Cricket to replace Riyaad Henry who left for warmer climes.

In other sports, the School hosted a tremendous Scottish Schools Indoor Rowing Championships for the first time and over 40 students across all age groups represented Fettes. National success continued on an individual level with the senior Fives players winning the Scottish Schools singles and doubles (Plate) competitions as well as the National Under-18 doubles (Plate). Finally, Fettes enjoyed international representation in hockey (boys and girls), cricket (boys and girls), lacrosse, basketball, athletics, table tennis and equestrianism.

Art

Building on the success of the Interim Exhibition and the Third Form Exhibition in January, two new exhibitions were introduced for the Lower Sixth. The first was a film screening, showcasing student-created moving image works and the second was an 'Artists' Book' Exhibition. These additions provided students with fresh challenges involving digital technology and curatorial practice. The introduction of the 'Teachers' Choice Awards' in the Third Form Exhibition added a competitive aspect which, in turn, raised the standard of work presented.

A staffing change brought Mr. Ben Owen, an experienced art educator and IB examiner, whose expertise was invaluable as the IB cohort approached their exhibition deadlines. Finally, the annual End-of-Year Exhibition celebrated the dedication and achievements of exam candidates while also highlighting notable Third Form projects and Lower Sixth research practices.

Drama

The Drama Department aims to maintain a high profile both within the School and beyond. It holds several major co-curricular productions per year as well as up to fifteen curricular performances as part of the assessment for the various qualifications offered. Cross-curricular ventures included a Theatre in Education performance with the PSE department and delivering Greek Theatre workshops on the Prep School Classics Day. Students are always encouraged to work with professional companies, with some appearing in film, theatre and television work.

The Dalmeny/Kimmerghame House play, involving over 50 students, was in the form of a pantomime; a 'Fettesian' Cinderella, written by a member of the department. The Middle School Play Festival took place again in the Spring Term this year, with some imaginative adaptations of Aesop's Fables. The main school production this year was the musical 'Sweeney Todd'. There were over 60 students involved both onstage and backstage. In the Summer Term a Lower 6th Drama student translated and successfully adapted and directed a Russian play. The dramatic school year was rounded off with the Third Form Drama Gangshow.

The School's theatre technician has expanded the School's in-house on and off stage support, enhancing the productions and benefitting the academic coursework pieces for GCSE, A-level and IB. Theatre continues to be a significant route for tertiary education with Fettesians going on to study both Drama and Technical Theatre.

Music

With over 10,500 instrumental lessons given by a first-class team of instrumental instructors and over 175 rehearsals throughout the year, the students felt confident and prepared for a significant number of performing opportunities. There were, amongst others, 11 lunchtime Coffee Concerts, the Autumn Concert in St Cuthbert's, a Spring Concert in Inverleith, St. Serf's Church (for the first time) and in the summer term, the annual Leavers' recital in the Canongate Kirk. Four fantastic instrumental and singing competitions and two *Open Mic* nights raising funds, once again for FetLor, were, as ever, well-supported and musically sublime. Two other 'firsts' this year have involved musicians playing and singing in the Greyfriars' Lunchtime Concert series in November and the Chapel Choir in St. John's Kirk, Perth in February, allowing students to spread and celebrate their talent and raise the department's and School's profile within the community.

RECORD OF ACHIEVEMENTS AND PERFORMANCE (continued)

Music (continued)

In addition to all of that, the Prep Schools' Orchestra Day, the Founder's Eve Concert and a Senior School Musical in the form of "Sweeney Todd" in March give an indication of the industry and enthusiasm within the Music Department. Also worthy of mention is Fettes' presence/representation in the Chineke Junior Orchestra (this is a Youth Orchestra of black and ethnically diverse performers aged 11-22, auditioned and playing to a high standard, held in Dulwich College, with performances in Southbank Centre), the National Youth Orchestra of Scotland, National Youth Choir of Scotland and Edinburgh Youth Orchestra.

Combined Cadet Force and Outdoor Pursuits

The CCF at Fettes offers students the opportunity to experience, in a controlled and safe environment, some of the rigours, discipline and enjoyment of British Army training. The contingent is led by experienced and enthusiastic staff members but with increased emphasis on student involvement and responsibility. Specifically, senior cadets arrange internal promotional courses for junior cadets throughout the year and interview their successors for the Senior NCO positions. Meanwhile, they demonstrate their command ability by planning and implementing both the in-school CCF overnight exercise and field day, a complex full day of exercises, and weekly platoon training, all of which provide deep-rooted leadership experience.

In July, there are typically centralised summer camps for the Army section offering a concentrated week of key developmental areas of the CCF syllabus: shooting, overnight exercises, adventurous training and a challenging setting for junior leadership. The summer camps are voluntary and the expectation is to have over 40 students attending. Number allocation for central camps are reducing and it likely that only 20 spaces will be available in 2025.

"The Challenge", a non-uniformed activity that introduces Fourth Form students to the soft skills of leadership through the medium of Outdoor Pursuits, has proved a success. This has been quantified by seeing 85% of last year's Fourth Form progressing voluntarily into the CCF in the Fifth Form. The Challenge is still led by CCF cadets who act as role models with a view to encouraging students to volunteer into the CCF at the start of Fifth Form. The Challenge continues to evolve, the training syllabus has been adapted and there has been an influx of Fettes staff who are very willing to support the Challenge.

Duke of Edinburgh Award Scheme

The School celebrates the Duke of Edinburgh Award Scheme and the Governors fully support the sense of personal responsibility and development it instils in our students. Almost the entire Third Form submits to the Bronze level with a significant proportion progressing to the Silver and Gold Award levels. This year, 37 students completed their Gold Award. It was particularly pleasing that such a significant proportion of the group persevered to the end of this challenging programme.

In tandem with the Duke of Edinburgh Award scheme, the Third Form once again submersed themselves in a week long field and activity camp during which the students attempt activities and excursions not previously experienced and, at the same time, test their team, orienteering, problem solving and leadership skills with academic fieldwork in geographical and biological field study in a safe but challenging environment. Over 100 students benefited from the experience at Drumshoreland House, Broxburn and activities within a 60 minute drive. The second year was once again a huge success but, as ever, the design and location of the week's events are under constant review.

The School entered a team to compete in the Scottish Islands Peak Race, a gruelling event run over two nights and three days, sailing 160 nautical miles and running 51 miles up and down the islands of Mull, Jura and Arran. Training commenced in September for a May race. Unfortunately, calm weather meant that all four teams in the Youth Class retired from the sailing race but the Fettes teams nevertheless completed the hill running. The Governors are extraordinarily grateful to one of the parents who both offered the use of and skippered his magnificent yacht *Luskentyre*.

Piping and Drumming

Pipes and Drums remain a central part of life at Fettes, and the department continues to thrive with over 100 students taking piping and drumming lessons each week from four dedicated instructors.

The school's high-calibre instruction inspires and motivates students, leading by example. Cameron Drummond received an invitation to the Glenfiddich Piping Championships at Blair Castle after his prestigious win of the Gold Medal at the Argyllshire Gathering in Oban. Alasdair Henderson followed suit, securing his invitation after winning the Senior Piobaireachd at the same event.

RECORD OF ACHIEVEMENTS AND PERFORMANCE (continued)

Piping and Drumming (continued)

Supporting students in their piping and drumming pursuits, both financially and otherwise, is an essential aspect of the program. Thanks to a generous donation, a promising piper was able to purchase their own set of bagpipes—a major investment in any piper's career.

A major focus for the last few years has been fostering the growth of piping and drumming within the Prep School, specifically helping it establish its unique identity and role in the school's performance context. The introduction of group chanter lessons in the Prep School last year provided an affordable and engaging entry point for parents and students. This approach, with its emphasis on enjoyment, inclusion and mastery of basics, has proven highly successful. It has strengthened the teaching program and funnelled new talent into the Prep Pipe Band.

Governors are pleased to see these students flourish both within the Prep School setting and as they transition to the Senior School and the Senior Pipe Band.

Fettes International Limited

Fettes International Limited ("FIL") is the trading subsidiary of Fettes College responsible for the development and oversight of the Fettes' international schools.

The first such school, Fettes College Guangzhou ("FCG"), is a purpose-built school in southern China that bears the Fettes name and is owned by Country Garden Education Group. The Governors have maintained their position that they are making no financial commitment to FCG or its development. Now in its fifth year of operation, FCG is led by two experienced co-Heads of College who have worked together for many years in some of China's top international and bilingual schools and are making good progress in developing all aspects of the school.

The 1st graduating class achieved 100% acceptance at QS25 universities including Cambridge, Oxford, Berkely School of Music and the University of the Arts London. This led to increased interest and Yr 23-24 enrolment targets were exceeded.

The school is accredited by the Council of British International Schools, International Baccalaureate (Primary and Middle Years Programme), Boarding Schools Association, Apple Distinguished School, Accreditation by Language for Results International, Cambridge and BTEC Assessment Centres. The school has a partnership with the Cambridge School of Visual and Performing Arts.

Engagement with FCG this year included a return exchange (15 students) and the first visit of the Fettes College Advisory Board since 2019.

The Governors' ambitions to explore options and derive additional income from overseas schools continue and a team comprising governors and senior management is in dialogue with investors and operators in new parts of the world where they believe the Fettes proposition will be well received.

FINANCIAL REVIEW

Business plans and related developments

The School is a charity and is non-profit making. Any surpluses are applied to ongoing investment in the fabric of the school, further facilities development or the repayment of loans for the benefit of the School's primary purpose. Its trading subsidiaries are run commercially with the objective that their profits should be donated to the School for the benefit of its students.

Following the significant investment in teaching facilities in recent years, the Governors are determined that Fettes should be the employer of choice for aspiring teachers as well as school of choice for students and parents alike.

The Governors have recently finalised their strategic vision for the School which is underpinned by a substantial facilities development programme and envisages several new facilities and ventures, two priorities of which are a new Science and Innovation building and a very significant rolling programme of boarding house and pupil welfare improvements. The first of these projects is the design and creation of a new purpose-built Wellbeing Centre to substantially enhance the medical, pastoral and wellbeing needs of the students.

FINANCIAL REVIEW (continued)

Business plans and related developments (continued)

The Governors are mindful of their obligations as custodians of the school to place sustainability at the forefront of any initiative or facilities developments and they continue to place great emphasis on minimising the environmental impact of the school and its operations. To that end, all new construction and refurbishment projects are being designed with sustainability in mind as is the approach to replacing vehicles and machinery with greener credentials. The School has already had significant success with the installation of ground source heat pump systems into new developments and is in the process of considering air source heat pumps and related technology in some locations to support existing services.

The trading subsidiaries, Fettes Enterprises and Fettes Centre for Language & Culture Limited ("FCLC"), continue to see a significant upturn in business. Demand for places at FCLC was extremely high during 2024 and remains so for 2025. Fettes the Venue, the division charged with generating income from School assets during the holidays for accommodation, weddings and sports camps, was able to capitalise on a strong demand from schools, clubs and businesses requiring accommodation and facilities within Edinburgh. All of these activities widen public access to the facilities at Fettes and raise the profile of the School in its local community and further afield. By using School assets which would otherwise be unused during the holidays, these subsidiaries make a valuable contribution to the School. Westwoods Health Club has enjoyed a year of growth in membership and, as part of its ambitious plans for the future, places a very significant emphasis on improving its environmental footprint in the knowledge that it is both a responsible approach and responding to members' views.

The Governors have continued to support and strengthen relations between the School and its former students, parents and other supporters. The Old Fettesian Association is thriving and the School continues to develop its links with the Association. The Governors are particularly grateful to The Fettes Foundation, a separately registered charity, which raises substantial sums to help with new facilities at the School and donate funds for bursaries, renewal of facilities and numerous other activities.

Results for the year

The total income of the School for the year to 31 August 2024 amounted to £24,193,134 compared with £23,484,026 in 2023. This included £389,967 of donation and similar income (2023: £1,081,089), the timing and quantum of which the School has no direct control. Incoming resources from core charitable activities income, primarily fee income, amounted to £23,558,204 (2023: £22,219,678), whilst investment income was £244,961 (2023: £183,257).

Investments in a portfolio of listed equities and bonds and a secured loan to the trading subsidiary, Fettes Enterprises, together form the Combined Investment Fund. Income arising from the Combined Investment Fund is generally restricted to providing bursaries and scholarships to students attending the School.

Total School expenditure amounted to £26,255,353 (2023: £24,098,863), and the largest component of costs remained staffing which at £15,404,904 (2023: £13,912,346) constituted 59% (2023: 58%) of the total.

Net deficit for the year including investment gains was £1,021,541 (2023: deficit of £518,521). The deficit included £744,019 of exceptional items (2023: £912,500) which results in an underlying deficit of £276,521 (2023: underlying surplus of £393,979).

The Combined Investment Fund's investment policy is considered and monitored annually by the Governors and a sub-committee comprising a Governor, the Bursar and a co-opted external member with relevant experience meets quarterly with the Investment Manager to discuss factors, both internal and external, which should be brought to the attention of or may be of interest to the wider Board of Governors. The Governors have selected Churches, Charities and Local Authorities (CCLA) Investment Management Limited, the UK's largest charity fund manager, to manage the Trust's investments. The Governors are aware of their duties, in line with Section 4.2 of OSCAR Charity Investments: Guidance and Good Practice, to act with care and diligence to ensure that the assets invested are aligned with the charitable objectives of the Charity. CCLA integrates ESG considerations into its investment processes. Its minimum standards for all investments include measures relating to climate change, tobacco, cannabis, indiscriminate weaponry and oppressive regimes. Further, the COIF Charities Investment Fund in which the CIF is invested applies criteria relating to tobacco, adult entertainment, gambling and controversies as identified under the UN Global Compact. At present, the investment policy is to reinvest all income earned in pursuit of capital growth. The School invests any monies not immediately required for current purposes in a combination of immediate cash and interest-bearing cash funds. The investment of restricted funds in equities and bonds was managed during the year on behalf of the College in an OEIC fund.

During the year the Combined Investment Fund increased by £1,038,467 (2023: increased by £642,616) due to gains on investments of £1,038,467 (2023: increased by £96,316) and donations of £nil (2023: £546,300).

FINANCIAL REVIEW (continued)

Results for the year (continued)

At a consolidated level net surplus of £77,226 (2023: surplus of £548,209) is reported. Total consolidated fund balances were £26,343,114 (2023: £26,265,888).

The consolidated statement of financial activities and the consolidated balance sheet bring together the activities of the School and Fettes Enterprises along with its subsidiaries Fettes Centre for Language & Culture Limited and Fettes International Limited, all of the subsidiaries being audited by the School's auditor.

Fettes Enterprises owns and continued to manage the Westwoods sports centre, retail, events management and letting and divisions reported a trading loss of £225,047 (2023: loss of £246,503). No Gift Aid payments were claimed by the School during the year (2023: £nil).

Reserves policy

The reserves of the School are held for the furtherance of its charitable objects as described above. Through their budgeting and financial planning processes, the Governors seek to ensure that the School's operating commitments are met in full and that sufficient cash is generated to permit continuing investment in facilities to support the educational objectives of the School.

Incoming resources have been used during the year for their intended purpose as detailed in these Financial Statements.

The Group holds three broad categories of funds: endowment funds, where the capital element of the funds is generally held in perpetuity and the income is used for the purposes laid out by the donor; restricted funds, where the capital and interest are used for the purposes laid out by the donor; and unrestricted funds, which are used to fulfil the aims and objectives of the School.

The Group's policy on all restricted funds (endowed or otherwise) is to keep a separate record of donations, grants and other sources of fund-raising where restrictions are imposed that are narrower than the School's overall objectives.

All endowed funds are held within the Combined Investment Fund. The Fettes Foundation runs general and specific fund-raising programmes for the benefit of the School and separate endowed and restricted funds are set up as appropriate following these appeals. The focus is on raising funds, not only for specific capital projects (each project will have its own target), but also to increase the level of funds held within the Combined Investment Fund available to support bursaries for those who would benefit from a Fettes education but whose parents or guardians cannot afford the full School fees.

The funds of the Combined Investment Fund ("CIF") are restricted by the provisions of the donors' gifts and the purpose of each of these funds is described in the notes to the accounts. The CIF is invested to achieve capital growth, with any income generated being reinvested in the portfolio. It has a long term aim of achieving sufficient capital to support the payment of bursaries.

At 31 August 2024 the funds represented £10,256,965 (2023: £10,319,574) of Permanent Endowment Fund reserves and £1,574,654 of Restricted Fund reserves (2023: £1,415,837) and is represented by listed investments and investment in the Westwoods sports centre.

At 31 August 2024 the School's Unrestricted Fund reserve amounted to £14,311,667 (2023: £15,428,366) and is represented in the main by the fixed assets of the School and its investment in the Westwoods sports centre. After deduction of the amounts represented by tangible fixed assets the School's unrestricted fund reserve would be negative. This simply reflects the financing structure of the School.

The Governors consider that access to liquidity is a priority and that the School can, with reasonable accuracy, predict its income level for at least a period of a year. Fees are received in advance of each term and used to fund the expenses of that term, the repayment of loans and capital expenditure. The Governors have set a minimum desirable level for liquid assets (defined as cash at bank and in hand and bonds with a maturity of less than one year but excluding fees received in advance) of £0.25m. Liquid assets at 31 August 2024 were £455,024 (2023: £3,952,204).

The School makes use of a revolving credit facility. This facility provides the School with the flexibility to draw cash as required while ensuring that only necessary levels of cash are borrowed from the facility at any one time.

FINANCIAL REVIEW (continued)

Reserves policy (continued)

The Governors believe that the level of reserves, restricted and unrestricted, is adequate to cover the purposes for which they are intended. The Group's reserves policy is reviewed annually, and the Governors consider it appropriate for the financial statements to be prepared on a going concern basis.

Risk Management

The Board is responsible for the management of risks faced by the School and its subsidiaries. Detailed consideration of risk is delegated to the Risk Management Committee, the Senior Management Team and the boards of the trading subsidiaries, with the Bursar acting as the co-ordinator between the groups. Risks are identified and assessed and controls established. Whilst these controls are reviewed throughout the year, a formal review of the School's risk management processes is conducted on an annual basis. The key controls used by the charity include:

- formal agendas for, and minuting of, all Board and Committee activity;
- papers distributed prior to all meetings;
- detailed terms of reference for the Committees;
- comprehensive strategic planning, budgeting and management accounting;
- established organisational structure and lines of reporting;
- a Governors' annual strategy day;
- formal written policies; and
- clear authorisation and approval levels for all expenditure.

Through the risk management processes established by the School, the Governors are satisfied that the major risks are identified and have been adequately assessed and mitigated, where necessary. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks are being adequately managed. The key risks facing a school like Fettes are predominantly financial, regulatory, climate-related or performance based which can in turn be broken down into student numbers, cost control, compliance, safeguarding, physical risks, disaster recovery and quality of staffing amongst others. The Governors place huge emphasis on ensuring steps are taken by management to market the School to potential parents appropriately, to recruit and train exceptional staff and to ensure safeguarding and compliance is uppermost in all the School's operations.

The current economic and political climate in the UK raises the possibility of targeted student numbers not being achieved, that position being perhaps exacerbated by the imposition of VAT on school fees, rising costs and hence fees, and, whilst Governors have seen no sign of any meaningful downturn in student numbers, the School continues to monitor levels of enquiries and registrations from existing and new sources of students.

The School participated and continues to participate in the Scottish Child Abuse Investigation and has been involved in a number of Civil Claims. To date, the School has settled thirteen claims, with a further six in litigation. If any claim were to be successful, it is difficult to determine the financial extent to which the School could be liable.

The safety of the School's students and staff is of the utmost importance and the Governors have taken and continue to take significant steps to ensure the campus and buildings are secure and safe. A Head of Security assumes responsibility for the day to day monitoring of the Fettes campus.

The health and safety of everyone at Fettes, including visitors, is of central importance to the Governors. A full-time Health and Safety Officer is employed to ensure that activities are carried out in a safe manner. The Health and Safety Officer consults with a Governor with specific responsibility for health and safety.

The care and welfare of students at Fettes is equally central to the Governors and their approach to this responsibility is covered in more detail later in this report. Underpinning the importance Governors attach to this matter is the appointment of two Governors with specific responsibility for Safeguarding, one of whom works closely with the pastoral team and Deputy Head in the Senior School and the other with the Prep School in discharging the School's responsibilities. Those governors also attend the School's safeguarding committee whose membership comprises the pastoral leadership teams of both Senior and Prep Schools, the child protection co-ordinators and an independent child protection consultant.

The principal climate-related risk Fettes observes are severe weather events causing disruption to campus operations, damage to buildings and physical assets or injury to individuals. These are mitigated through regular surveying of our campus and oversight by the Buildings, Health and Safety and Risk Management Committees.

Risk Management (continued)

Fettes also has in place robust and well-established disaster recovery plans in place to tackle any climate-related disruption. These range from utilising different areas of the campus to accommodate any other part becoming temporarily unusable, bringing in temporary serviced accommodation or returning temporarily to a remote education model – as operated during COVID.

A further major risk identified is the financial implications of climate change including, but not limited to, higher costs of borrowing if unable to access 'green' debt products, higher insurance costs, higher energy costs as non-green energy becomes comparatively more expensive and the cost of disruption to the campus – whether through repair costs or lost income.

The financial risk however does also present an opportunity. By investing in the right technology and assets across campus to minimise energy usage, material savings to energy costs could be realised.

These risks and opportunities are assessed on an on-going basis throughout the year by the rhythm of the various committees which reflect on them, including the Finance Committee, the Health & Safety Committee, the Buildings Committee and the Risk Management Committee.

FUTURE PLANS

The School's constitution and legal entity have been recently modernised and are, in the Governors' opinion, appropriate for a school with ambitious and progressive plans for the future.

The School continues to strengthen its position within the sector and has maintained pupil roll notwithstanding the challenging economic climate. The main priorities for the coming year include ensuring the School provides appropriate facilities for the all-round education of its students. Specifically, the Governors have taken the decision to introduce a Pre-Prep offer to cater for students at the start of their school journey. With effect from September 2025, Fettes will offer an all-round education from the age of 5 as opposed to the current starting age of 7. Plans are well underway to ensure the facilities, curriculum and staffing will be in place for the start of the next academic year.

The Governors' strategic vision for the School remains as it was, *Fettes Moving Forward: A place to live. A place to learn. A place to grow.* Underpinning that vision is a strong statement that the size of the school is not to increase, that boarding remains central to the school's ethos and a substantial facilities and infrastructure development programme which adds to or improves resources within the teaching of Science and Innovation and wellbeing to name but a few.

This is therefore an exciting time for Fettes College as it embarks on the delivery of the Governors' new vision for the school, which includes a very significant and ambitious facilities development programme over the next five to seven years through a combination of new debt facilities, internal resources and philanthropy. A £21.5 million funding facility arranged through HSBC is available to support those key projects.

Furthermore, it remains one of the Governors' core aims to support financially students otherwise unable to attend the School and consideration is being given to the many ways in which the School's endowment fund, so important to the long-term provision of such assistance, can be enhanced to assist in this regard.

The Governors continue to place significant emphasis on delivering the financial targets of the Trust. Meeting financial targets will require careful management of fees and costs, the continued promotion of excellence in education and of the School and its activities generally to the parent body and to the local, national and international community.

The Governors are keenly aware of the challenges presented by the continued uncertain political and economic outlook and will monitor the situation carefully, taking appropriate contingency action in the event that economic conditions so dictate. Specifically, in relation to some of the most recent headwinds, the Governors made representation to the Government regarding the imposition of VAT on school fees and are considering the combined impact on the School and the parent body of VAT on fees and the planned changes to employer National Insurance contributions. The Governors will consider what measures may need to be taken to mitigate these changes and other uncertainties: such measures may include, but not be limited to, maximising total income, examples of which include the development of additional overseas schools and the hugely successful trading arm of the School, reducing all costs whilst maintaining the core essence that is Fettes and controlling bursary expenditure.

The Governors continue to believe strongly in the public benefit provided by the School and regard it as of importance that the Trust maintains its status as a not for profit charity.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are the trustees for the purposes of charity law and the directors for the purposes of company law) are responsible for preparing the Governors' 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 Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the School and of the incoming resources and application of resources, including the income and expenditure, of the School for that period. In preparing the financial statements the Governors are required to:

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

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

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

Statement of disclosure to auditor

In so far as the Governors are aware:

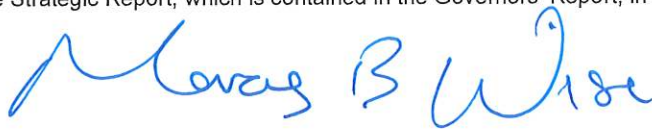
- there is no relevant audit information of which the School's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

The auditor, Henderson Loggie LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approval

The Governors' Report is approved by the Chair on behalf of the Board of Governors. The Governors also approve the Strategic Report, which is contained in the Governors' Report, in their capacity as company directors.



The Rt Hon Lady Wise
Chair of the Board of Governors

Date 12 December 2024

Independent Auditor's Report to the Trustees and Members of Fettes College

Opinion

We have audited the financial statements of Fettes College ("the School") and its subsidiary companies (the group) for the year ended 31 August 2024 which comprise the Consolidated and School Statements of Financial Activities, the Group and School Balance Sheets, the Group and School Statements of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 group's and School's affairs as at 31 August 2024 and of the group's and School's incoming resources and application of resources, including their 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 regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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's responsibilities for the audit of the financial statements section of our report. We are independent of the group and School in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our 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 audit opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' 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 group's and the School's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Governors with respect to going concern are described in the relevant sections

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 Governors 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 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 and strategic report, which includes the directors' report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and trustees report which includes the directors' report has been prepared in accordance with applicable legal requirements.

Independent Auditor's Report to the Trustees and Members of Fettes College (cont.)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

Responsibilities of the Governors

As explained more fully in the Statement of Responsibilities of the Governors, the Governors (who are the trustees for the purposes of charity law and the directors 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 Governors 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 Governors are responsible for assessing the group's and the School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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 our procedures are 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 specific procedures for this engagement and the extent to which these 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 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 company. We determined that the following were most relevant: Health and Safety, employment law (including payroll and pension regulations), data protection and charity legislation.
- We considered the incentives and opportunities that exist in the 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
- Using our knowledge of the 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.

Independent Auditor's Report to Trustees and Members of Fettes College (cont'd)

Extent to which our procedures are capable of detecting irregularities including fraud (continued)

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

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board meeting minutes;
- Reading correspondence with regulators including OSCR;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to depreciation rates and bad debt provisions; 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 an 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.

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the School's Governors, as a body, in accordance with Section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the Schools Governors as a body, those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the School and the School's Governors, as a body, for our audit work, for this report, or for the opinions we have formed.



Keith Macpherson (Senior Statutory Auditor)
For and on behalf of Henderson Loggie LLP
Chartered Accountants & Statutory Auditors

Date: 12 December 2024

Henderson Loggie LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006
11-15 Thistle Street
Edinburgh
EH2 1DF

Fettes College
Consolidated statement of financial activities for the year ended 31 August 2024

	Note	Unrestricted £	Permanent Endowment £	Restricted £	Total 2024 £	Total 2023 £
Income and endowments from:						
Donations and legacies	3	2,477	-	387,490	389,967	1,081,089
Charitable activities	4	23,558,204	-	-	23,558,204	22,219,678
Other trading activities	5	2,757,022	-	-	2,757,022	2,970,939
Investments	6	80,120	-	2,816	82,936	64,391
Total income and endowments		26,397,823	-	390,306	26,788,129	26,336,097
Expenditure on:						
Charitable activities	7	24,812,872	-	390,306	25,203,178	23,998,408
Trading activities		2,549,403	-	-	2,549,403	2,982,214
Total expenditure		27,362,275	-	390,306	27,752,581	26,980,622
Net gains on investments		-	882,912	158,766	1,041,678	96,316
Net income before transfers		(964,452)	882,912	158,766	77,226	(548,209)
Transfer between funds		-	-	-	-	-
Net movement in funds		(964,452)	882,912	158,766	77,226	(548,209)
Reconciliation of funds						
Fund balances at 1 September 2023		14,530,427	10,319,574	1,415,887	26,265,888	26,814,097
Fund balances at 1 September 2024		13,565,975	11,202,486	1,574,653	26,343,114	26,265,888

School statement of financial activities for the year ended 31 August 2024

	Note	Unrestricted £	Permanent Endowment £	Restricted £	Total 2024 £	Total 2023 £
Income and endowments from:						
Donations and legacies	3	2,477	-	387,490	389,967	1,081,089
Charitable activities	4	23,558,204	-	-	23,558,204	22,219,678
Other trading activities	5	2	-	-	2	2
Investments	6	87,629	-	157,332	244,961	183,257
Total income and endowments		23,648,312	-	544,822	24,193,134	23,484,026
Expenditure on:						
Charitable activities	7	24,765,011	945,520	544,822	26,255,353	24,098,863
Total expenditure		24,765,011	945,520	544,822	26,255,353	24,098,863
Net gains on investments		-	882,912	158,766	1,041,678	96,316
Net income before transfers		(1,116,699)	(62,608)	158,766	(1,020,541)	(518,521)
Transfers		-	-	-	-	-
Net movement in funds		(1,116,699)	(62,608)	158,766	(1,020,541)	(518,521)
Reconciliation of funds						
Fund balances at 1 September 2023		15,428,366	10,319,574	1,415,887	27,163,827	27,682,348
Fund balances at 31 August 2024		14,311,667	10,256,966	1,574,653	26,143,286	27,163,827

Fettes College

Balance sheet at 31 August 2024

	Note	Group 2024 £	Group 2023 £	School 2024 £	School 2023 £
Fixed assets					
Tangible fixed assets	11	26,265,538	26,084,282	22,997,722	22,831,266
Investments	12	10,290,331	9,248,650	14,244,907	14,168,744
		<u>36,555,869</u>	<u>35,332,932</u>	<u>37,242,629</u>	<u>37,000,010</u>
Current assets					
Stock		264,187	226,648	-	-
Debtors	13	2,311,344	2,761,604	2,949,105	3,009,815
Cash at bank and on hand		627,514	4,327,698	455,024	3,952,204
		<u>3,203,045</u>	<u>7,315,950</u>	<u>3,404,129</u>	<u>6,962,019</u>
Creditors					
Amounts falling due within one year	14	(11,390,165)	(14,577,885)	(12,477,836)	(14,993,093)
Net current (liabilities)		<u>(8,187,120)</u>	<u>(7,261,935)</u>	<u>(9,073,707)</u>	<u>(8,031,074)</u>
Total assets less current liabilities		<u>28,368,749</u>	<u>28,070,997</u>	<u>28,168,922</u>	<u>28,968,936</u>
Creditors					
Amounts falling due outwith one year	14	(2,025,635)	(1,805,109)	(2,025,635)	(1,805,109)
Total net assets		<u>26,343,114</u>	<u>26,265,888</u>	<u>26,143,287</u>	<u>27,163,827</u>
Funds	18				
Restricted funds		1,574,653	1,415,887	1,574,653	1,415,887
Permanent endowment funds		11,202,486	10,319,574	10,256,966	10,319,574
Unrestricted funds		13,565,975	14,530,427	14,311,668	15,428,366
		<u>26,343,114</u>	<u>26,265,888</u>	<u>26,143,287</u>	<u>27,163,827</u>

These financial statements were approved by the Governors on were signed on their behalf by:



The Rt Hon Lady Wise
Chair of the Board of Governors

Date

Company number SC719759

Fettes College

Statement of cash flows for the year ended 31 August 2024

	Note	Group 2024 £	Group 2023 £	School 2024 £	School 2023 £
Net cash (outflow)/inflow from operating activities	20	(272,710)	3,132,517	(438,212)	2,804,632
Investing activities					
Investment income		82,936	64,391	244,962	64,372
Payments to acquire fixed assets		(1,605,921)	(1,851,455)	(1,419,438)	(1,810,193)
Proceeds on sale of fixed assets		1,000	14,500	1,000	11,000
Net cash transferred to investment managers		(3,212)	(546,300)	(3,212)	(546,300)
New investment in FEL - Technogym loan		-	-	19,996	19,880
Net cash outflow from investing activities		(1,525,197)	(2,318,864)	(1,156,692)	(2,261,241)
Financing activities					
Loan repayments		(1,600,000)	2,000,000	(1,600,000)	2,000,000
Bank loan/hire purchase interest		(302,276)	(294,533)	(302,276)	(294,533)
Net cash outflow from financing activities		(1,902,276)	1,705,467	(1,902,276)	1,705,467
(Decrease)/increase in cash and cash equivalents		(3,700,184)	2,519,120	(3,497,180)	2,248,858
Cash and cash equivalents at start of period		4,327,698	1,808,578	3,952,204	1,703,346
Cash and cash equivalents at end of period		627,514	4,327,698	455,024	3,952,204

Cash and cash equivalents is represented by cash at bank.

1 Accounting policies

Charity information

Fettes College ("the School") is a registered Scottish Charity (No. SC017489) and was incorporated as a company (SC719759) on 13 January 2022. On 1 September 2022, Fettes College took on the activities of the former Governors of the Fettes Trusts, which was a body corporate originally established under the Educational Endowments (Scotland) Act, 1882 and continued as a body corporate by various Schemes under the Education (Scotland) Acts (as amended) culminating in The Fettes College Scheme 2008 ("the Fettes Scheme") under and in terms of the Charities and Trustee Investment (Scotland) Act 2005.

The registered office is Fettes College, Carrington Road, Edinburgh, EH4 1QX.

Basis of preparation

The financial statements have been prepared under the historical cost convention, modified for fair value as appropriate, and are 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 Standards applicable in the UK and Republic of Ireland (FRS 102) ("SORP (FRS 102)"). The financial statements have also been prepared in accordance with the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 and the Charities and Trustee Investment (Scotland) Act 2005.

The School is a Public Benefit Entity, as defined by FRS 102.

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

Consolidation

The consolidated financial statements consolidate the financial statements for the year ended 31 August 2024 of the School, its wholly owned subsidiary, Fettes Enterprises Limited, and that company's wholly owned subsidiaries Fettes Centre for Language & Culture Limited and Fettes International Limited. The financial statements of the subsidiaries have been prepared to 31 August 2024.

The financial statements of Fettes Active Limited, a subsidiary of the School, are not consolidated as that company has been dormant throughout its financial years ended 31 August 2024 and 2023.

The financial statements of The Fettes Foundation are not consolidated as it is a separate charity not directly under the control of the School.

Going concern

While the Group and School report net current liabilities on the balance sheet, there is a significant revolving credit facility available. The Governors are therefore confident the Group has the financial resources to allow it to remain able to meet its liabilities as they fall due and continue in operational existence for a period of at least twelve months from the approval of these financial statements. Thus the Governors continue to adopt the going concern basis of accounting in preparing the financial statements.

Pension arrangements

The School participates in the Scottish Teachers' Superannuation Scheme which provides benefits based on final pensionable pay. The scheme is a multi-employer defined benefit scheme which, in common with other Government pension schemes, is unfunded in that there is no earmarked fund of assets underlying the scheme. The School is unable to identify its share of the underlying liabilities of the scheme and therefore accounts for the contributions to the scheme as if it were a defined contribution scheme. Staff are entitled to join a separate defined contribution scheme, the assets of which are held separately from those of the School. Pension costs are charged to the statement of financial activities in the year to which they relate.

Employee benefits

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.

1 Accounting policies (continued)

Fixed assets and depreciation

Fixed assets are initially recorded at cost. Major improvements works are capitalised. Expenditure on individual assets costing less than £5,000 may be expensed. Depreciation is not provided on land but is provided on all other fixed assets and expenditure incurred on the school buildings at rates calculated to write off the cost less estimated residual value evenly over the life of each asset as follows:

Expenditure incurred on buildings	- 2% to 5%
Vehicles, plant and machinery	- 10 and 20%
Boarding house furniture and fittings, sports facilities, pianos	- 10%
Kitchen equipment	- 15%
Computer equipment	- 20%

Assets in the course of construction are not depreciated until they have been completed and are available for use.

Impairment of fixed assets

At each reporting date, the School reviews the carrying amounts of its tangible 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 and 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 and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

Financial instruments

The School has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' 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 instrument.

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 trade and other receivables 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.

Other financial assets

Other financial assets, including derivative financial instruments, investments in equity instruments which are not subsidiaries, associates, or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in income and expenditure.

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 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 is the difference between the carrying amount and the present value of the estimated cash flows discounted at the assets original effective interest rate. The impairment loss is recognised in income and expenditure.

If there is a decrease in 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 income and expenditure.

1 Accounting policies (continued)

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

Operating leases

Rentals payable under plant and machinery operating leases are charged to expenditure on a straight-line basis over the lease term.

Income from charitable activities

Income from charitable activities comprise school fees and ancillary income receivable in the period. School fees are stated after deducting bursaries, scholarships, and sibling and forces remissions.

Deferred income

Fees received for which entitlement falls in future periods are deferred and are recognised as income in the period to which they relate. Deposits held in respect of pupils are presented as either current or non-current liabilities on the basis of an estimate of the timing of the settlement of the obligation.

Investments and investment income

Unlisted investments are stated at cost. Listed investments are stated at fair value which is based on market value at the reporting date. Gains or losses on sale of investments and unrealised gains or losses on the revaluation of investments are credited or charged to the Statement of Financial Activities. Deposit interest and other investment income is shown gross of recoverable tax and is accrued where applicable.

Donations and legacies

Income from donations and legacies is recognised by the School when the entitlement to the receipt is probable. Donations subject to specific wishes of the donors are allocated to the relevant restricted funds, or to endowment funds where the amount is required to be held as permanent capital. Donations receivable for the general purposes of the School are credited to unrestricted funds.

For legacies, income is recognised when the School has entitlement, and the amount can be reliably measured. This is generally the earlier of the School being notified of an impending distribution or the legacy being received. On occasion legacies will be notified to the School however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is recognised when the amount becomes reliably measurable.

Grant income

Income from Government grants which have performance conditions attached, are recognised as unrestricted income from charitable activities by the School when entitlement to the receipt is probable.

Income from trading activities

Income from trading activities represents subsidiary income from joining and membership fees and charges for the provision of services to members and their guests including hall letting, catering and sales of goods. Membership fees are apportioned across the period to which they relate and the unexpired portion of fees at the balance sheet date is included in deferred income. Turnover also represents sales from the Fettes Shop and fees receivable arising from the activities of Fettes the Venue.

It also includes amounts earned during the period in respect of the provision of language and cultural courses and reimbursement of expenditure relating to the set-up of a school in China.

1 Accounting policies (continued)

Expenditure

The School is not registered for VAT purposes and School expenditure is therefore inclusive of VAT where appropriate. Fettes Enterprises Limited is registered for VAT. The activities of FCLC are exempt from VAT and therefore that company is not registered for VAT. Fettes International Limited is not registered for VAT.

Expenditure is included in the Statement of Financial Activities on an accruals basis and is allocated as:
Raising funds - those associated with generating income; Charitable activities includes expenditure associated with meeting the School's primary objectives and includes the direct costs, the support costs relating to these activities and governance costs which comprise the costs of complying with constitutional and statutory requirements such as the cost of external audit, legal advice and tax advice, and the provision of the governance infrastructure.

All costs have been directly attributed to one of the functional categories of expenditure in the Statement of Financial Activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

Tax

The School is recognised as a charity by HMRC and no charge for taxation arises on income which is applied in respect of its charitable activities.

2 Critical accounting estimates and judgements

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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The following judgements or estimation uncertainties have a significant effect on amounts recognised in the financial statements:

Depreciation rates

Depreciation is calculated to fully write off the cost of assets over their estimated useful life. Management estimate the useful life of each asset.

Bad debt provision

Management judges the recoverability of debtors and makes a provision where the debt is not expected to be recovered. Full provision has been made for such debts and the bad debt provision at the year-end was £663,663 (2023: £582,690).

3 Income from donations and legacies (Group & School)

	2024 £	2023 £
Fettes Foundation	330,000	1,054,743
Donations from individuals	59,967	26,346
	<u>389,967</u>	<u>1,081,089</u>

All amounts included above were attributable to unrestricted funds except for £nil (2023: £546,000) of donations which related to a permanent endowment and £387,490 (2023: £515,956) of donations which were restricted.

4 Income from charitable activities (Group & School)

	2024 £	2023 £
School fees	26,437,284	25,030,167
Less: Bursaries, scholarships and other remissions	(3,001,855)	(2,857,332)
	<u>23,435,429</u>	<u>22,172,835</u>
Net fee income	23,435,429	22,172,835
Other ancillary activities	122,775	46,843
	<u>23,558,204</u>	<u>22,219,678</u>

All income related to unrestricted funds (2023: all income)

5 Income from other trading activities

	2024 Group £	2023 Group £	2024 School £	2023 School £
International school project	-	600,000	-	-
Rent	1	1	2	2
Sports facilities income	1,445,406	1,245,548	-	-
Shop sales	262,397	305,983	-	-
Venue hire	145,687	168,796	-	-
Summer school	903,531	650,611	-	-
	<u>2,757,022</u>	<u>2,970,939</u>	<u>2</u>	<u>2</u>

6 Income from investments

	2024 Group £	2023 Group £	2024 School £	2023 School £
Bank interest	82,936	64,391	82,926	57,715
Listed investments	-	-	-	-
Loans to subsidiary – secured	-	-	162,035	125,542
Loans to subsidiary - unsecured	-	-	-	-
	<u>82,936</u>	<u>64,391</u>	<u>244,961</u>	<u>183,257</u>

Within School investment income £157,332 (2023: £125,542) was restricted. Within Group investment income £3,212 (2023: £nil) was restricted.

7 Expenditure on charitable activities

	2024 Group £	2023 Group £	2024 School £	2023 School £
Teaching	11,767,218	10,798,042	11,767,218	10,798,042
Welfare	4,170,035	3,938,935	4,170,035	3,938,935
Premises	4,629,394	4,470,726	4,629,394	4,470,726
Support cost of schooling (note 8)	2,973,722	3,029,039	4,025,897	3,129,494
Depreciation net of loss/(gain) on sale of assets	1,251,982	1,478,664	1,251,982	1,478,664
Bank interest	410,827	283,002	410,827	283,002
	<u>25,203,178</u>	<u>23,998,408</u>	<u>26,255,353</u>	<u>24,098,863</u>

8 Support costs

	2024 Group £	2023 Group £	2024 School £	2023 School £
Wages and salaries	1,490,578	1,318,163	1,490,578	1,318,163
Advertising & Marketing	325,452	228,067	325,452	228,067
Professional Fees	127,119	36,822	127,119	36,822
Finance charges	9,758	5,868	9,758	5,868
Office admin costs	109,811	56,158	216,474	156,613
Bad debt provision	(44,937)	375,966	(44,937)	375,966
Loan impairment	-	-	945,520	-
Legal fees	68,141	525,000	68,141	525,000
Governance costs	887,791	482,995	887,791	482,995
	<u>2,973,713</u>	<u>3,029,039</u>	<u>4,025,896</u>	<u>3,129,494</u>

Notes to the financial statements for the year ended 31 August 2024

9	Fees paid to auditors	2024 Group £	2023 Group £	2024 School £	2023 School £
	Audit- School	21,950	20,320	21,950	20,320
	Audit- Subsidiaries	16,150	14,000	-	-
	Tax	4,045	3,850	-	-
		<u>42,145</u>	<u>38,170</u>	<u>21,950</u>	<u>20,320</u>

Fees in respect of subsidiaries are charged to expenditure on trading activities.

10	Staff costs	2024 Group £	2023 Group £	2024 School £	2023 School £
	Wages and salaries	13,105,585	11,909,518	12,092,621	10,999,434
	Social security costs	1,382,467	1,234,604	1,301,230	1,165,141
	Pension costs	2,078,523	1,807,824	2,011,053	1,747,771
		<u>16,566,575</u>	<u>14,951,946</u>	<u>15,404,904</u>	<u>13,912,346</u>
		2024 Group	2023 Group	2024 School	2023 School
	Average number of employees	370	386	330	337

The number of employees whose total employee benefits exceeded £60,000 for the year were:-

	2024	2023
Between £60,000 and £70,000	32	29
Between £70,000 and £80,000	18	8
Between £80,000 and £90,000	3	2
Between £90,000 and £100,000	3	2
Between £110,000 and £120,000	1	1
Between £130,000 and £140,000	1	0
Between £140,000 and £150,000	-	1
Between £160,000 and £170,000	1	-

No remuneration or other benefits were paid to trustees in the year (2023: £nil)

11 Tangible fixed assets

	College Premises & Equipment £	Preparatory School Premises & Equipment £	Residential Premises & Equipment £	Vehicle and machinery £	School Total £	Subsidiary Premises & Equipment £	Group Total £
Cost							
At 1 September 2023	15,764,684	5,310,342	25,030,610	461,177	46,566,813	6,156,777	52,723,590
Additions	165,143	494,028	743,869	16,398	1,419,438	186,483	1,605,921
Disposals	-	-	-	(15,000)	(15,000)	-	(15,000)
At 31 August 2024	15,929,827	5,804,370	25,774,479	462,575	47,971,251	6,343,260	54,314,511
Depreciation							
At 1 September 2023	9,503,190	2,932,222	10,863,706	436,429	23,735,547	2,903,761	26,639,308
Charge for period	522,898	103,619	618,727	7,738	1,252,982	171,683	1,424,665
Disposals	-	-	-	(15,000)	(15,000)	-	(15,000)
At 31 August 2024	10,026,088	3,035,841	11,482,433	429,167	24,973,529	3,075,444	28,048,973
Net book value							
At 31 August 2024	5,903,739	2,768,529	14,292,046	33,408	22,997,722	3,267,816	26,265,538
At 31 August 2023	6,261,494	2,378,120	14,166,904	24,748	22,831,266	3,253,016	26,084,282

12 Investments

	2024 Group £	2023 Group £	2024 School £	2023 School £
Fair value at 1 September 2023	9,248,650	8,606,034	14,168,744	13,546,008
Additions	3,212	546,300	3,212	546,300
Proceeds on sale	-	-	(19,996)	(19,880)
Unrealised (losses)/gains	1,038,466	96,316	1,038,466	96,316
Loan impairment	-	-	(945,520)	-
	<u>10,290,328</u>	<u>9,248,650</u>	<u>14,244,906</u>	<u>14,168,744</u>
Fair value at 31 August 2024	<u>10,290,328</u>	<u>9,248,650</u>	<u>14,244,906</u>	<u>14,168,744</u>
	<u>2024 Group £</u>	<u>2023 Group £</u>	<u>2024 School £</u>	<u>2023 School £</u>
Loan to subsidiary – secured	-	-	1,644,576	2,610,091
Unlisted investments	100	100	2,310,103	2,310,103
CCLA Investment	10,290,228	9,248,550	10,290,228	9,248,550
	<u>10,290,328</u>	<u>9,248,650</u>	<u>14,244,907</u>	<u>14,168,744</u>

Fettes Active Limited

The School holds the whole issued share capital of £100 of Fettes Active Limited (formerly Fettes College Limited), a company incorporated in Scotland. The company had £100 net assets at 31 August 2024. The financial statements of Fettes Active Limited are made up to 31 August and the company has been dormant during the year. Fettes Active Limited is being retained as a dormant company for the foreseeable future.

Fettes Enterprises Limited

The School owns the whole issued share capital of £2 of Fettes Enterprises Limited (the "company"), a company incorporated in Scotland. The financial statements of the company are made up to 31 August and the company's principal activities are the management of Westwoods Health Club, Fettes the Venue and the Fettes Shop. The company has a wholly owned subsidiary, Fettes Centre for Language & Culture Limited ("FCLC"), a company incorporated in Scotland, which provides English language and Scottish culture courses. The company also has a wholly owned subsidiary, Fettes International Limited ("FIL"), which works in partnership with Bright Scholar to build and run Fettes China.

The company had turnover of £1,952,866 (2023: £1,820,969), a loss before tax of £225,047 (2023: £246,503), and net assets of £311,395 (2023: £536,442) and the ongoing support of the company is, in the view of the Governors, justified by its long-term trading outlook for it as a business and the company provides excellent indoor sporting facilities for the School. FCLC had turnover of £903,531 (2023: £650,609), a profit before tax of £373,161 (2023: £237,829), and net assets (liabilities) of £569,915 (2023: (£196,754)). FIL had turnover of £nil (2023: £600,00), a profit (loss) before tax of £4,133 (2023: £21,014), and net current assets of £758,321 (2023: £754,188).

The company has issued debenture loan notes of £2,590,093 (2023: £2,610,091) to the Combined Investment Fund and unsecured loans of £nil (2023: £nil) are due to the School General Fund. The Combined Investment Fund loan is repayable in full in June 2026 unless otherwise agreed and has interest at 1% over base rate.

13 Debtors

	2024 Group £	2023 Group £	2024 School £	2023 School £
Trade debtors	383,040	134,773	344,458	99,205
Due from subsidiaries	-	-	762,084	384,425
Sundry debtors and prepayments	1,928,304	2,626,831	1,842,563	2,526,185
	<u>2,311,344</u>	<u>2,761,604</u>	<u>2,949,105</u>	<u>3,009,815</u>

As a hedge against rising interest rates, the School has entered into an interest rate cap with a cap rate of 1% (BoE base rate) on a notional amount of £4m from 31/01/2018 to 31/01/2023 and a notional amount of £2m from 31/01/2023 to 30/01/2026. At the year end the Swap was valued at £95,107 (2023; £203,658) and is included in sundry debtors.

14 Creditors due within one year

	2024 Group £	2023 Group £	2024 School £	2023 School £
Trade creditors	891,218	1,345,003	787,680	1,223,072
Taxes and social security costs	355,441	377,899	325,097	297,558
Other creditors	1,262,677	1,293,946	1,051,142	1,078,574
Accruals	1,290,430	1,308,148	1,290,430	1,308,148
Deferred income	5,690,399	6,730,454	5,690,399	6,730,454
Due to subsidiaries	-	22,435	1,433,088	855,287
Bank loans	1,900,000	3,500,000	1,900,000	3,500,000
	<u>11,390,165</u>	<u>14,577,885</u>	<u>12,477,836</u>	<u>14,993,093</u>

Creditors due in more than one year

	2024 Group £	2023 Group £	2024 School £	2023 School £
Bank loans	-	-	-	-
Other creditors	1,864,736	1,519,775	1,864,736	1,519,775
Deferred income	160,899	285,334	160,899	285,334
	<u>2,025,635</u>	<u>1,805,109</u>	<u>2,025,635</u>	<u>1,805,109</u>

15 Bank loans

	2024 Group £	2023 Group £	2024 School £	2023 School £
Due within one year	1,900,000	3,500,00	1,900,000	3,500,00
	1,900,000	3,500,000	1,900,000	3,500,000

During the year the School repaid £1.6m of the revolving credit facility from HSBC which is unsecured and attracts interest at 1.6% above the bank of England base rate.

16 Deferred income

	2024 Group £	2023 Group £	2024 School £	2023 School £
Balance at 1 September 2023	7,015,788	6,236,468	7,015,788	6,236,468
Income deferred in year	5,147,706	7,015,788	5,147,706	7,015,788
Amounts released	(6,312,196)	(6,236,468)	(6,312,196)	(6,236,468)
Balance at 31 August 2024	5,851,298	7,015,788	5,851,298	7,015,788

Deferred income consists of fees that have been paid in advance of the school term to which they relate.

17 Financial assets held at fair value through net income

	Group and School	
	2024	2023
	£	£
Quoted investment portfolio	10,290,228	9,248,550
Interest rate swap	95,107	203,658
	=====	=====

Fair Value

Listed investments and the interest rate cap derivative financial instrument referred to in note 14 are held at fair value through income and expenditure. Fair value is determined by reference to quoted market prices in active markets and is not subject to any valuation techniques.

Financial risk management

The School has exposure to the following risks arising from financial instruments measured at fair value through income and expenditure:

Credit risk

Credit risk is the risk of financial loss to the School if a counterparty to a financial instrument fails to meet its contractual obligations. The School's exposure to this risk is mainly due to the element of its investment portfolio that is invested in fixed interest instruments.

The School's policy for fixed interest investments, outwith the Group, is to ensure that they are actively managed by external professional investment managers, who report quarterly to the Executive Committee.

Market risk

Market risk is the risk that changes in market prices, such as equity prices, will affect the School's income or the value of its investment holdings. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The School's policy is to ensure that its investment portfolio is diversified and actively managed by external professional investment managers, who report quarterly to the Executive Committee.

18 Pensions

The Scottish Teachers Superannuation Scheme is a multi-employer defined benefit scheme which, in common with other Government pension schemes, is unfunded in that there is no earmarked fund of assets underlying the scheme. The School is unable to identify its share of the underlying liabilities of the scheme and therefore accounts for the contributions to the scheme as if it were a defined contribution scheme. The latest actuarial valuation was carried out at 31 March 2016. The results of this valuation were rolled forward to give a liability of £43.5 billion at 31 March 2020 (latest available). As the scheme is unfunded there can be no surplus or shortfall. Pension contribution rates will be set by the scheme's actuary at a level to meet the cost of pensions as they accrue.

The cost recognised in the statement of financial activities is equal to the contributions payable to the scheme for the year. The employer made contributions of 23.0% from September 2019, increasing to 26% from April 2024. Employee contributions ranged between 7.2% and 11.9%, and between 7.35% and 12.14% from April 2024.

Employee and employer contributions for August 2024 due to be paid to the scheme after the year end amounted to £214,416 (2023: £183,113) and this was paid over in September 2024. In addition, employee AVC contributions for August 2024 amounting to £3,676 (2023: £3,460), were paid over in September 2024.

The pension cost for the period for non-teaching staff has been charged to the statement of financial activities being contributions to a group stakeholder pension scheme and other personal pension plans. Employee or employer contributions for August 2024 of £44,655 (2023: £38,585) were due to be paid to the group stakeholder pension scheme at the year end and this was paid over in September 2024.

19 Funds

Group	Unrestricted Funds £	Permanent Endowment Combined Investment Fund £	Bursaries/Scholarships £	Other £	Capital £	Total Restricted £	Total £
Opening balances at 1 September 2023	14,530,427	10,319,574	1,409,616	6,272	-	1,415,887	26,265,888
Income	26,397,823	-	390,306	-	-	390,306	26,788,129
Expenditure	(27,362,275)	-	(390,306)	-	-	(390,306)	(27,752,581)
Gains and losses	-	882,912	158,766	-	-	158,766	1,041,678
Transfers	-	-	-	-	-	-	-
Closing balances at 31 August 2024	13,565,975	11,202,486	1,568,382	6,272	-	1,574,653	26,343,114

Group	Unrestricted Funds £	Permanent Endowment Combined Investment Fund £	Bursaries/Scholarships £	Other £	Capital £	Total Restricted £	Total £
Opening balances at 1 September 2022	15,381,183	9,728,079	1,397,461	307,374	-	1,704,835	26,814,097
Income	25,273,841	546,300	515,956	-	-	515,956	26,336,097
Expenditure	(26,345,781)	-	(634,841)	-	-	(634,841)	(26,980,622)
Gains and losses	-	82,290	14,026	-	-	14,026	96,316
Transfers	221,184	(37,095)	117,014	(301,153)	-	(184,089)	-
Closing balances at 31 August 2023	14,530,427	10,319,574	1,409,616	6,272	-	1,415,887	26,265,888

School	Unrestricted Funds £	Permanent Endowment Combined Investment Fund £	Bursaries/Scholarships £	Other £	Capital £	Total Restricted £	Total £
Opening balances at 1 September 2023	15,428,367	10,319,574	1,409,615	6,272	-	1,415,887	27,163,828
Income	23,648,312	-	544,823	-	-	544,823	24,193,135
Expenditure	(24,765,011)	(945,520)	(544,823)	-	-	(544,823)	(26,255,354)
Gains and losses	-	882,912	158,766	-	-	158,766	1,041,678
Transfers	-	-	-	-	-	-	-
Closing balances at 31 August 2024	14,311,668	10,256,966	1,568,381	6,272	-	1,574,653	26,143,287

School	Unrestricted Funds £	Permanent Endowment Combined Investment Fund £	Bursaries/Scholarships £	Other £	Capital £	Total Restricted £	Total £
Opening balances at 1 September 2022	16,249,434	9,728,079	1,397,461	307,374	-	1,704,835	27,682,348
Income	22,302,885	546,300	634,841	-	-	634,841	23,484,026
Expenditure	(23,464,022)	-	(634,841)	-	-	(634,841)	(24,098,863)
Gains and losses	-	82,290	14,026	-	-	14,026	96,316
Transfers	340,069	(37,095)	(1,872)	(301,153)	-	(302,974)	-
Closing balances at 31 August 2023	15,428,366	10,319,574	1,409,615	6,272	-	1,415,887	27,163,827

19 Funds (continued)

The following Endowment funds are subject to specific conditions by donors that the capital must be maintained by the School. Restricted funds are subject to specific conditions by donors as to how they may be used.

Fund	Purpose
Combined Investment Fund	
Dr A B Flett's Bequest Fund Fullarton Conn Memorial Scholarship Fund Captain HSH Wallace's Fund Knox-Cunningham Bequest Scholarship Fund	To fund bursaries and scholarships tenable at Fettes College
Mitchell Watson Scholarship Fund Agnes M Pagan Scholarship Fund Crawford Music Scholarship Fund Todd Scholarship Fund Joannides Scholarship Fund Peter Crombie Foundation Bequest Fund Lloyds Fettesian Scholarship Robin Adam Bursary V A McLean Legacy The Late Dr AC Hay's Open Scholarship Fund The Palgrave-Brown All Rounder Award Foundation Endowment The Camerons Acknowledgement The Spens Bursary	
Leaving Awards Fund	To fund scholarships tenable at Universities and Further Education Establishments and, at the discretion of the Governors, to fund Foundation Awards, Open Scholarships and Continuation Scholarships.
Prize Fund	To fund the award of prizes at the discretion of the Governors
Dr Ashcroft's Fund	To be used at the discretion of the Governors
Children of Officers Scholarship Fund	To be used to fund scholarships or otherwise at the Discretion of the Governors
Falconer Fund	To contribute towards the upkeep of the library
Selwyn Lloyd Memorial Library Fund	To contribute towards the upkeep of the library
Whiteside Cottage Endowment Fund	To contribute towards the cost of outward bound projects
Foundation Supplementation Fund	To supplement the General Fund in the award of Foundation Scholarships

20 Analysis of net assets by funds

2024 Group	Unrestricted £	Endowment £	Restricted £	Total £
Tangible Fixed assets	26,265,538	-	-	26,265,538
Investments	(2,486,808)	11,202,486	1,574,653	10,290,331
Current (liabilities)/assets	(8,187,120)	-	-	(8,187,120)
Creditors falling due in more than one year	(2,025,635)	-	-	(2,025,635)
	<u>13,565,975</u>	<u>11,202,486</u>	<u>1,574,653</u>	<u>26,343,114</u>
2023 Group	Unrestricted £	Endowment £	Restricted £	Total £
Fixed assets	26,084,282	-	-	26,084,282
Investments	(2,486,810)	10,319,574	1,415,887	9,248,651
Current (liabilities)/assets	(7,261,936)	-	-	(7,261,936)
Creditors falling due in more than one year	(1,805,109)	-	-	(1,805,109)
	<u>14,530,427</u>	<u>10,319,574</u>	<u>1,415,887</u>	<u>26,265,888</u>
2024 School	Unrestricted £	Endowment £	Restricted £	Total £
Fixed assets	22,997,722	-	-	22,997,722
Investments	2,419,560	10,256,966	1,568,381	14,244,907
Current (liabilities)/assets	(9,079,979)	-	6,272	(9,073,707)
Creditors falling due in more than one year	(2,025,635)	-	-	(2,025,635)
	<u>14,311,668</u>	<u>10,256,966</u>	<u>1,574,653</u>	<u>26,143,287</u>
2023 School	Unrestricted £	Endowment £	Restricted £	Total £
Fixed assets	22,831,266	-	-	22,831,266
Investments	2,439,555	10,319,574	1,409,615	14,168,744
Current (liabilities)/assets	(8,037,346)	-	6,272	(8,031,074)
Creditors falling due in more than one year	(1,805,109)	-	-	(1,805,109)
	<u>15,428,366</u>	<u>10,319,574</u>	<u>1,415,887</u>	<u>27,163,827</u>

Notes

- (a) The bursaries and scholarships fund represents amounts received towards student awards; the other fund represents amounts awarded to fund pupil trips and similar activities; and the capital fund represents amounts received to fund specific capital projects.
- (b) Transfers from unrestricted retained equity in subsidiaries to restricted bursaries/scholarships funds are made to reflect the intercompany interest on the CIF loan stock that is otherwise eliminated on consolidation. Transfers from unrestricted funds to retained equity in subsidiaries relates to a consolidation adjustment for inter-company transactions.

21 Reconciliation of net income to net cash flow from operating activities

	2024	2023	2024	2023
	Group	Group	School	School
	£	£	£	£
Net income/(expenditure) for year	77,226	(548,209)	(952,399)	(518,521)
Unrealised gains/losses	(1,038,467)	(96,316)	(1,038,467)	(96,316)
Depreciation charges	1,424,664	1,369,353	1,252,982	1,199,831
Loan impairment	-	-	945,520	-
(Gain)/loss on disposal of fixed assets	(1,000)	277,353	(1,000)	278,834
Decrease/(increase) in stock	(37,541)	(24,955)	-	-
Decrease/(increase) in debtors	450,260	565,679	105,648	(516,026)
Increase/(decrease) in creditors	(1,367,194)	1,359,470	(762,874)	1,850,703
Investment income received	(82,936)	(64,391)	(244,962)	(64,372)
Transfer to bad debt provision	-	-	(44,937)	375,966
Bank loan interest paid	302,276	294,533	302,276	294,533
Investment managers fee deducted from portfolio	-	-	-	-
	<u>(272,710)</u>	<u>3,132,517</u>	<u>(438,212)</u>	<u>2,804,632</u>

Analysis of changes in net debt

Group	At 1 Sept	Cashflows	At 31 Aug
	2023		2024
	£	£	£
Bank and cash	4,327,698	(3,700,185)	627,513
Loans falling due within 1 year	(3,500,000)	1,600,000	(1,900,000)
Total	<u>827,698</u>	<u>(2,100,185)</u>	<u>(1,272,487)</u>

School	At 1 Sept	Cashflows	At 31 Aug
	2023		2024
	£	£	£
Bank and cash	3,952,204	(3,497,180)	455,024
Loans falling due within 1 year	(3,500,000)	1,600,000	(1,900,000)
Total	<u>452,204</u>	<u>(1,897,180)</u>	<u>(1,444,976)</u>

22 Operating leases

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

	2024	2023	2024	2023
	Group	Group	School	School
	£	£	£	£
Within one year	11,316	13,080	11,316	13,080
Between two and five years	1,689,375	799,691	1,689,375	799,691
Over five years	1,359,968	2,260,968	1,359,968	2,260,968
	3,060,659	3,073,739	3,060,659	3,073,739

23 Contingent liability

As explained fully in the trustees report the School has received notification of claims for unspecified damages in respect of alleged historic abuse. If any claim was successful, it is difficult to determine the financial extent to which the School could be liable or the timings of any possible outflows.

The School granted a guarantee to Bank of Scotland for a loan advanced by the bank to The Fettes Foundation. At the year end the maximum liability under this guarantee was £nil (2023: £nil).

24 Related party disclosures

Where any of the Governors are parents of pupils at the School they have arms-length transactions in relation to payment of school fees.

During the year Fettes Enterprises Limited charged the School for the use of the company's sports facilities and this amounted to £61,153 (2023: £66,628) and sold goods to the School amounting to £37,990 (2023: £33,826), all figures including VAT. Fettes Enterprises Limited is leasing land from the School for 25 years at £1 per annum. The lease agreement obliged Fettes Enterprises Limited to develop a sports facility. At the year end Fettes Enterprises Limited was due £240,300 to the School (2023: £245,047 due by the School).

Fettes Centre for Language & Culture Limited was due £150,817 (2023: £-33,458) by the School at the year end.

Fettes International Limited was due £760,488 (2023: £749,369) by the School at the year end.