

CRANLEY SCHOOL
(a company limited by guarantee)

Company No. 47152

Charity No. SC 010357

Directors' Report and Financial Statements

for the year ended 31 August 2012



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for the year ended 31 August 2012

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Directors

The Honourable Lady Dorrian
Mrs A M. Gilmour
Mrs E A Templeton
Miss C E V Wilson (Resigned 7 December 2011)
Mrs S Gillespie
Mrs J M Munro (Appointed 16 February 2012)
Mrs P Newton (Appointed 5 April 2012)

Secretary Mrs A M Gilmour

Treasurer

A D Mackay C.A.

Bankers

Royal Bank of Scotland plc
26 Home Street
Edinburgh
EH3 9LZ

Independent Examiner

Gillian Donald C.A.
Scott-Moncrieff
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

Registered Office

14 Rutland Square
Edinburgh
EH1 2BD

Company Registered in Scotland No 47152
Scottish Charity No. SC010357

CRANLEY SCHOOL
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Directors' Report and Financial Statements

for the year ended 31 August 2012

Director's Report

The Directors have pleasure in submitting their report and financial statements for the year end 31 August 2012

Reference and Administration details for the Charity, Directors and Advisors

The company is represented by all individuals and organisations shown on Page 1.

Structure, Governance and Management

The Company which is limited by guarantee and has no share capital was established on 31st December 1969. The management of the company is the responsibility of the Directors who are appointed in accordance with the Memorandum and Articles of Association. The committee intend to meet twice a year to consider applications for grants whilst also conducting any other business matters. All routine management decisions and administration is undertaken by the Treasurer.

Potential new Directors are proposed by existing committee members to ensure a broad spectrum of commercial and social expertise is available to the Committee. Each Director is provided with information regarding the company's aims and objectives, previous accounts and Minutes of meetings. The Directors are provided with updated information regarding new legislation in order that they are aware of their responsibilities. The Directors have considered the major risks to which the Charity is exposed and taken the necessary steps to mitigate those risks.

Objectives and Activities

The Directors administer the Cranley Trust which was established in 1985 with the objectives of offering the support to the "combined school" of St Denis and Cranley and to pupils or former pupils of the combined school or its constituent parts for educational purposes. The Directors consider applications for financial assistance from qualifying persons who wish to pursue studies or research or academic courses for which inadequate funds are available from other sources. Each application is considered on its own merit and at the sole discretion of the Directors as Trustees.

The company administers a Pension Fund for certain former employees of Cranley School. All surplus funds after providing for the current and continuing obligations of the Pension Fund are held and administered on behalf of the Trustees of the Cranley Trust which was set up primarily for the benefit of St Denis and Cranley School and other educational purposes. There have been no changes to the Charity's objects since the last report.

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Achievements and Performance

The results for the year are shown in the attached statement of financial activities and the Directors recommend that the surplus/deficit be carried to the appropriate reserves. Grants were awarded to two individuals and to the Cranley Club.

The accounts have been prepared in accordance with current statutory requirements and the Charity's Memorandum and Articles of Association. The Directors confirm on a fund to fund basis that the company's assets are available and adequate to fulfil the obligations of the company.

Investment Policy

The Directors have instructed the company's stockbrokers to manage its portfolio on a "balanced income basis" that is to say the funds are invested in predominantly lower risk securities selected for income, balanced with some potential for growth of income and capital. The Directors are of the opinion that this policy has been adhered to and that the year's results demonstrate that its objectives have been met. During the year under review the management of the company investments were managed by Brewin Dolphin.

Grant Making Policy

The charity invites applications from qualifying persons who require financial support to pursue educational courses. Applications, which are submitted on a standard form, are considered on their own merit. A report on completion of their studies is a condition of any grant awarded.

Reserves Policy

The Directors consider it good practice to maintain a reserve of funds equivalent to one year's operating expenses. This policy is designed to enable the company to operate for a period of a year should no further income be received. The Directors are actively seeking ways to disburse the surplus reserves as grant.

Future Plans

The Directors are of the opinion they have the powers to provide grants for educational purposes not only to former pupils of St Denis and Cranley school but also daughters of former pupils. This policy is now being pursued.

Taxation

The company is a charity and is recognised as such by the Inland Revenue for taxation purposes. As a result there is no liability to taxation on any of the income.

Directors and their interests

The directors in office during the year are as shown on page 1 with Mrs S. Gillespie retiring by rotation and being eligible offers herself for re-election.

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Directors' Report and Financial Statements

for the year ended 31 August 2012

Statement of trustees' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been following, 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 appropriate to presume that the charitable company will continue in business.

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

Statement of disclosure of information to independent examiner

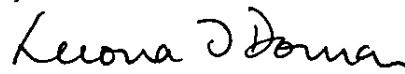
To the knowledge and belief of each of the persons who are trustees at the time of the report is approved:

- So far as the trustee is aware, there is no relevant information of which the charitable company's independent examiner is unaware, and
- She has taken all steps that she ought to have taken as a trustee in order to make herself aware of any relevant information, and to establish that the charitable company's independent examiner is aware of the information.

Independent Examiner

A resolution to re-appoint Gillian Donald, Chartered Accountant as the Independent Examiner will be put to the members at the Annual General Meeting.

By order of the board



The Honourable Lady Dorrian, Director

04-Dec-12

CRANLEY SCHOOL
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Company No. 47152

Independent Examiner's Report to the Directors of Cranley School
for the year ended 31 August 2012

I report on the accounts of Cranley School for the year ended 31 August 2012, which comprises the Statement of Financial Activities, the Balance Sheet and the related notes.

This report is made solely to the charity's Directors, as a body, in accordance with section 44 of the Charities and Trustee Investment (Scotland) Act 2005. My examination has been undertaken so that I might state to the Charity's Directors those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Directors as a body, for my examination, for this report, or for the opinions I have formed.

Respective responsibilities of Directors and examiner

The charity's Directors are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity Directors consider that the audit requirement of Regulation 10(1)(a)(2)(c) of the Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

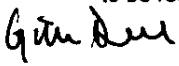
My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the Directors concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulationshave not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


Gillian Donald
Chartered Accountant
Scott-Moncrieff
Chartered Accountants
Exchange Place 3
Semple Street
EDINBURGH
EH3 8BL

4 December 2012

CRANLEY SCHOOL
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Company No. 47152
Statement of Financial Activities
for the year ended 31 August 2012

	Notes	Pension Funds £	Unrestricted Funds £	2012 Total £	2011 Total £
Incoming Resources					
Incoming resources from generated funds					
Investment Income		<u>7,220</u>	<u>13</u>	<u>7,233</u>	<u>6,343</u>
Resources Expended					
	4				
Costs of generating funds					
Investment management costs		2,038	-	2,038	2,102
Charitable Activities					
Grants payable		1,973		1,973	1,913
Support Costs		2,137	238	2,375	2,360
Governance Costs		<u>936</u>	<u>104</u>	<u>1,040</u>	<u>1,027</u>
Total resources expended		<u>7,084</u>	<u>342</u>	<u>7,426</u>	<u>7,402</u>
Net (outgoing)/incoming resources before other recognised gains and losses		136	-329	-193	-1,059
Gain/(Losses) on Investment Assets		<u>12,659</u>	<u>-</u>	<u>12,659</u>	<u>12,241</u>
Net movement in funds		12,795	-329	12,466	11,182
Reconciliation of funds					
Total funds at 31 August 2011		<u>140,487</u>	<u>91,323</u>	<u>231,810</u>	<u>220,628</u>
Total Funds at 31 August 2012		<u>153,282</u>	<u>90,994</u>	<u>244,276</u>	<u>231,810</u>

All activities of the company relate to continuing operations. There is no difference between the net outgoing resources for the year stated above and its historical cost equivalent.

The company has no recognised gains or losses other than those included in the income and expenditure account above.

The notes on pages 8 to 10 form part of these financial statements.

CRANLEY SCHOOL
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Company No. 47152
Balance Sheet
as at 31st August 2012

	Notes	2012		2011	
		£	£	£	£
Investments	5		231,913		215,892
Current Assets					
Funds on Deposit		-		2,146	
Cash at bank and in hand		13,622		14,701	
		13,622		16,847	
Creditors: Amounts falling due within one year	6	-1,259		-929	
Net current assets			12,363		15,918
Total assets less liabilities			244,276		231,810
Represented by	7				
Unrestricted Funds			90,994		91,323
Pension Fund			153,282		140,487
			244,276		231,810

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 (the Act) for the year ended 31 August 2012.

The Directors have not required the charitable company to obtain an audit of its financial statements for the year ended 31 August 2012 in accordance with Section 476 of the Companies Act 2006

The Directors acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Section 386 of the Act and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Section 394 and 395 of the Act and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Directors on 4 December 2012 and were signed on its behalf by:



.....
The Honourable Lady Doran, Director

The notes on page 8 to 10 form part of these financial statements

CRANLEY SCHOOL
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Notes to the Financial Statements - continued

for the year ended 31 August 2012

1 Accounting Policies

Basis of accounting

These financial statements are prepared in accordance with applicable accounting standards in the United Kingdom and with Statement of Recommended Practice - Accounting and Reporting by Charities 2005.
The following is a summary of the more important accounting policies used by the company.

Going Concern

The Trustees are of the opinion that the charity will continue its activities for the foreseeable future.

Investments

Investments are included in the Balance Sheet at market value. Gains and losses are recognised in the Statement of Financial Activities in the year in which they arise.

Investment Income

Income from investments is included in the income and expenditure account in the period in which it is receivable.

Analysis of expenditure

Where possible expenditure is allocated directly to the function to which it relates, charitable expenditure, cost of raising funds or governance costs. Where this is not possible, it is apportioned among the functions to which it relates.

Cost of generating funds consists of investment management fees which are now allocated wholly to the pension fund.

Charities expenditure comprises these costs incurred by the Charity in delivery of its activities and services to beneficiaries.

Governance costs include those costs associated with meeting the constitutional and stability requirements of the Charity and include accountancy fees and costs linked to the strategic management of the charity.

Value Added Tax

The company is not registered for value added tax and accordingly expenditure includes value added tax where applicable.

Cashflow statement

The company is exempt from preparing a cashflow statement in compliance with the Financial Reporting Standard No. 1.

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Notes to the Financial Statements - continued
for the year ended 31 August 2012

2 Pension Fund Income

The Directors have decided that with effect from 1 September 1995 bank interest received should be added to the general fund and pension fund investment income should be added to the Pension Fund.

3 Directors' emoluments

No Director received reimbursement of expenses incurred (2011 nil).

4 Resources expended	Pension Fund	Unrestricted Funds	2012 Total Funds	2011 Total Funds
Costs of generating funds	2,038	-	2,038	2,102
Charitable activities	1,973	-	1,973	1,913
Support Costs				
Management Fee	2,070	230	2,300	2,300
Bank charges	54	6	60	60
Miscellaneous	13	2	15	-
Governance Costs				
Independent examination	923	103	1,026	1,012
Companies House fee	13	1	14	15
	<u>7,084</u>	<u>342</u>	<u>7,426</u>	<u>7,402</u>

During the year two grants (2011:3) totalling £1,415 (2011:£1,500) were awarded to individuals and £558 (2011:£413) to Cranley Club.

5 Investments

Quoted UK investments

	2012	2011
Market value at 31 August 2011	215,892	214,665
Additions in year	12,666	47,313
Disposals at opening market value	-9,491	-53,277
Unrealised gains	<u>12,846</u>	<u>7,191</u>
Market value as at 31 August 2012	<u>231,913</u>	<u>215,892</u>
Historical costs as at 31 August 2012	<u>189,749</u>	<u>185,861</u>

Investments held representing in excess of 5% of total portfolio

	£
Artemis FD Mgd Income	14,129
BNY Mellon Fund Newton Asian Inc	14,672
AXA Framlington UK Select Opportunites	14,575
Legg Mason GBL FD Western GBL Multi STR A	12,272
J P Morgan US Equity	13,180
Schroeder Inc Max	12,690
Finsbury G&I TST Ord	16,628
Neptune Mgd Inc	11,690
Capital Fin Trojan Inc	13,264
Edinburgh Investment Trust	14,210

CRANLEY SCHOOL
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Notes to the Financial Statements - continued

for the year ended 31 August 2012

			2012 £	2011 £
6	Creditors			
	Accruals		<u>1,259</u>	<u>929</u>
7	Funds	Pension Fund	Unrestricted Funds	
		£	£	
	Opening balance 1 September 2011	140,487	91,323	231,810
	Incoming resources	7,220	13	7,233
	Outgoing resources	-7,084	-342	-7,426
	Gain/(Losses) on Investments Assets	12,659		12,659
		<u>153,282</u>	<u>90,994</u>	<u>244,276</u>
	Balance at 31 August 2012			<u>231,810</u>
8	Analysis of net assets between funds			
		Investments	Net Current Assets	Total 31 August 2012
		£	£	£
	Pension Funds	231,913	-	78,631
	Unrestricted funds	-	90,994	90,994
		<u>231,913</u>	<u>12,363</u>	<u>244,276</u>