

Charity Number: SC002922

# **The Governors of Hutchesons' Educational Trust**

**Report and Financial Statements**

**For the Year Ended 30 June 2025**

**The Governors of Hutesons' Educational Trust**

**Report and Financial Statements for the Year Ended 30 June 2025**

**Page:**

1 - 3 Reference and Administrative Information

4 - 14 Annual Report of the Governors

15 - 18 Independent Auditors Report

19 Statement of Financial Activities

20 Balance Sheet

21 Statement of Cash Flows

22 - 45 Notes to the Financial Statements

**The Governors of Hutchesons' Educational Trust**

**Report and Financial Statements For the Year Ended 30 June 2025  
Reference and Administrative Information**

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**Charity Trustees**

The Trustees of The Governors of Hutchesons' Educational Trust are the Governing Body, and exercise a general supervision and control over Hutchesons' Grammar School. Each Governor is a member of the Governing Body and a charity Trustee for the purposes of the Charities (Regulation and Administration) (Scotland) Act 2023. Therefore any references hereafter to 'Trustee' is interchangeable with 'Governor'.

The Trustees are not employees of, and receive no remuneration from, the Trust, unless otherwise noted. They are:

<b>Name</b>	<b>Convener</b>	<b>Position</b>	<b>Appointed</b>	<b>Retired</b>
John MacLeod	Chair	Merchants House of Glasgow		
Alexandra Heverin	Development, Marketing & Admissions	Co-opted		Dec-25
David Morgan	Vice Chair and Governance and Risk Convener	Co-opted		
Michael Sloan	Finance and Estates Convener till Sept-25	Co-opted		
Roy Amner	Property and Vice-Chair	Co-opted		Jan-25
Viv MacLaren		Co-opted	Jun-25	
Lyndsay Browne		Co-opted		Oct-25
Adam McGhee		Co-opted		Jun-25
Asif Haseeb		Co-opted		
Abid Faqir		Co-opted		
Bruce Thompson	Education and Safeguarding Convener	Co-opted		
Graham Cartlidge		Church of Scotland Presbytery		Sep-25
Dorothy McFarlane		Former Pupils Club		
Eilidh Hodgson	Finance and Estates Convener from Sept 25	HGS Parents' Association	Sep-24	Jan-26
Nick Parry		Hutchesons' Hospital		Sep-25
Norman MacLeod		Hutchesons' Hospital	Sep-25	
Michelle McCargo		Co-opted	Mar-25	
Tom Pollock		Trades House of Glasgow		Oct-25
Jenny Fernandes		University of Glasgow	Jan-25	Sep-25
Andrew McFarlane			Sep-25	

**The Governors of Hutchesons' Educational Trust**

**Report and Financial Statements For the Year Ended 30 June 2025  
Reference and Administrative Information**

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**Key Management Personnel**

The day to day running of the school is delegated to Key Management Personnel

Rector Mark Ronan MA (Cantab) NPQH (from August 2024)

Director of Operations Jill Galloway BA (Hons) MCIPD

Director of Finance Lindsay Heeps MA (Hons) MSc CA

Senior Depute Rector David Campbell MA (Hons) MEd (Hons) MSc

The Director of Operations also served as Secretary and Treasurer of the Trust and as Clerk to the Governors

**Registered Office**

21 Beaton Road, Glasgow, G41 4NW

The Governors of Hutchesons' Educational Trust

Report and Financial Statements For the Year Ended 30 June 2025  
Reference and Administrative Information

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**ADVISERS**

**Auditors**

Wbg (Audit) Limited  
168 Bath Street  
Glasgow  
G2 4TP

**Bankers**

Bank of Scotland  
Corporate Banking, Level 6  
110 St Vincent Street  
Glasgow  
G2 5ER

**Insurance Brokers**

Marsh Brokers Limited  
1st Floor  
141 Bothwell Street  
Glasgow  
G2 7EQ

**Investment Advisers**

RBC Brewin Dolphin  
Sixth Floor, Atria One  
144 Morrison Street  
Edinburgh  
EH3 8BR

**Solicitors**

Mitchells Robertson LLP  
George House  
36 North Hanover Street  
Glasgow  
G1 2AD

**The Governors of Hutchesons' Educational Trust**

**Trustees Report For the Year Ended 30 June 2025**

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The Trustees of The Governors of Hutchesons' Educational Trust present their Annual Report and Financial Statements for the year ended 30 June 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Trust Deed, the Charities (Regulation and Administration) (Scotland) Act 2023, the Charities Accounts (Scotland) Regulations 2006, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The reference and administrative information on pages 1 - 3 form part of this report.

**GOVERNANCE AND MANAGEMENT**

**Governing Document**

The Charity is governed by the Constitution of The Governors of Hutchesons' Educational Trust.

**Governing Body**

The Governing Body means the Governors of Hutchesons' Educational Trust (Scottish charity SC002922). Each Governor is a member of the Governing Body and a charity Trustee for the purposes of the Charities (Regulation and Administration) (Scotland) Act 2023. Therefore any references hereafter to 'Trustee' is interchangeable with 'Governor' and vice versa. The Trustees are listed on page 1, together with information on their status of Trustee, either nominated or co-opted.

Governors hold office for periods of three years from the date of their appointment. Any Governor on the expiry of their term of office is eligible to be reappointed for up to two further terms of up to three years. Governors can remain on the Governing Body for a maximum of 9 years in total.

**Appointment, Induction and Training of Trustees**

Trustees are appointed by the current Board and are selected for the particular expertise which they bring to the Board. A skills matrix is used to determine the required skills.

New Trustees are inducted into the workings of the Charity and its school, including Board Policy and Procedures, at an induction visit organised for them by the Director of Operations. They are provided with a number of documents:

- The Constitution of the Charity;
- Details of Committees' remits, membership and meeting dates;
- The School Prospectus;
- Governors' information booklet;
- Code of Conduct.

Trustees also complete a Declaration of Interests form and Declaration for Fit and Proper Persons as required by HM Revenue & Customs. Trustees are encouraged to attend training sessions given by professional bodies, including the Scottish Council of Independent Schools (SCIS) and the Association of Governing Bodies of Independent Schools (AGBIS), on general issues and on matters of relevance to their specific role.

**The Governors of Hutchesons' Educational Trust**

**Trustees Report For the Year Ended 30 June 2025**

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**Organisational Structure**

The Governors exercise a general supervision and control of Hutchesons' Grammar School and meet as a Board at least 5 times a year. Following a governance review, the committee structure was revised in January 2025. For the effective conduct of the Charity's business, the Board operates through three principal committees:

- Education and Safeguarding Committee;
- Finance and Estates Committee;
- Governance and Risk Committee.

Each of these committees meets at least once a term, with the Finance and Estates Committee meeting at least four times a year. Each Committee makes recommendations to the Board for approval. Annually, the Governors hold a Strategy Day to review and discuss strategy and risk management.

The Rector and Director of Operations attend the Board meetings and all meetings of the Committees listed above. The Head of Primary and Senior Depute Rector attend Board meetings.

**Office of the Scottish Charity Regulator (OSCR)**

The Governors of Hutchesons' Educational Trust is regulated by OSCR, operating under the Charity Number – SC 002922. The Charity's Annual Report and Financial Statements are monitored annually by OSCR to ensure that it continues to meet the charity test, provides wider public benefit and continues to fulfil its purpose of the advancement of education.

**Scottish Council for Independent Schools (SCIS)**

The Governors of Hutchesons' Educational Trust is a member of SCIS, an umbrella group for independent schools representing and advising schools on regulatory, political and educational matters. SCIS also provide training for school staff, guidance on pensions, and administers a personal accident scheme, which covers all Trustees, staff and pupils.

**Related Parties**

Details of Trustees' expenses and any related party transactions are disclosed in note 4 to the accounts. Trustees are required to disclose at each meeting if they have any conflicts of interest, and these conflicts of interest and any contractual relationships are retained in written form.

**Key Management Personnel**

Mr Mark Ronan was appointed Rector and CEO in February 2024 and took up post on 1 August 2024. Mr David Campbell was appointed Head of Senior School on a permanent basis with effect from August 2025.

Following the resignation of John McColgan as Bursar in September 2024, Mrs Jill Galloway served as interim Bursar before being appointed Director of Operations in March 2025, having previously held the role of Director of People since August 2023. Mrs Lindsay Heeps was appointed Director of Finance in March 2025, having previously served as Head of Finance since January 2024.

For the purposes of Governance, Mrs Jill Galloway also retains the title of Bursar where this is referenced in documentation.

The Governors of Hutchesons' Educational Trust consider that the Governing Body, the Rector and CEO, the Director of Operations, the Director of Finance and the Head of Senior School/Senior Depute Rector comprise the Key Management Personnel in charge of planning, directing, and controlling the activities of the School.

The Rector is the School's Chief Executive Officer and is in charge of the day to day management with the support of the Senior Leadership Team. The Finance and Estates Committee consisting of the Chairman, Vice Chairman and Finance Convenor meet annually to consider the remuneration paid to the Rector and the Senior Depute Rector. They take into account a number of factors based on performance, market position and experience before deciding on the respective salaries for the forthcoming tax year.

**Risk Management**

Risk management is embedded within the operational management and governance of the School. The Trustees are responsible for ensuring the suitability and effectiveness of the School's risk management processes, with both the full Board and its committees overseeing the principal risks faced by the School, together with the key controls and mitigating actions in place.

Following a review, an updated risk structure was presented to the Board in March 2025. The structure comprises 5 key risk areas:

- Learning and Teaching
- Health, Wellbeing and Safety
- People and Culture
- Finance
- Operations and Sustainability

Each area is reviewed by the relevant Sub-Committee and fed back to the Governance and Risk Committee, then to Board.

The risk management controls put in place by the Trustees include:

- Formal agendas for all Board and Committee meetings;
- Detailed minutes of all such meetings;
- Clearly defined terms of reference for all Committees;
- Comprehensive strategic planning, budgeting and management accounting;
- Documented policies and procedures;
- Clear authorisation and approval levels.

In the opinion of the Trustees, the Trust has established controls and review processes, together with adequate resources which, under normal conditions, should allow risks to be mitigated to an acceptable level in its day-to-day operations. It is recognised that systems can only provide reasonable, but no absolute assurance, that major risks have been adequately mitigated. The risk management processes continue to evolve and improve.

**The Governors of Hutchesons' Educational Trust**

**Trustees Report For the Year Ended 30 June 2025**

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**Investment Management**

The Trustees have an investment policy which operates within low to medium risk and allows weighted investment in equities, fixed income, alternatives and cash. The investment objectives seek to provide sufficient growth to maintain the real capital value of the investment portfolio whilst achieving a consistent and stable income flow.

The Trustees delegate the management of the investment portfolio to RBC Brewin Dolphin on a discretionary basis. There is a written policy which summarises the relationship between the Trustees and the Investment Managers and an ethical investment policy is in place which prohibits investment in tobacco companies or companies that exploit child labour. These policies direct and control the Investment Managers in their share portfolio selection.

The Investment Managers' performance is measured against a balanced benchmark and the Trustees meet with them twice a year to discuss performance and strategy. The Trustees were satisfied with the management and performance of the investment portfolio throughout the year. The value of the investment portfolio at the 30 June 2025 was £3,931,037 (2024: £3,886,461).

**The Governors of Hutchesons' Educational Trust**

**Trustees Report For the Year Ended 30 June 2025**

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**OBJECTIVES AND ACTIVITIES**

**Charitable Purpose**

The Charity's primary purpose is the advancement of education. Its revised 2019 constitution obligates the Trustees 'to exercise a general supervision and control' of Hutchesons' Grammar School. The charity's main aim is to provide a Nursery, Pre-School, Primary and Secondary education for boys and girls between 3 to 18 years of age.

The main strategy for achieving this aim is to deliver high-quality teaching and learning, enabling pupils to attain strong academic outcomes, while also providing a broad and balanced education supported by the School's extensive extra-curricular programme.

The Trustees use academic results as one measure of the School's success, and the continued strong performance of pupils in national examinations remains a source of considerable satisfaction. Alongside academic attainment, the School also recognises achievement in other areas, including individual and team sporting success and accomplishments in drama, art and music.

The School's principal activity continues to be the provision of a high-quality education delivered by experienced and dedicated teaching staff. This enables pupils to access a high standard of all-round education. The School offers a wide range of subjects, providing pupils with broad choice and supporting progression to further education, including university.

In addition to its core educational provision, the School continues to develop and maintain relationships with local, national and international schools and communities. These partnerships support a variety of pupil experiences that help develop leadership, teamwork and other important life skills.

**Bursaries**

The Trustees provide support to pupils through a means-tested bursary scheme, alongside a number of non-means-tested fee remissions. Information about bursary support is made publicly available on the School's website, through local media, and within the application materials for entry. Applicants seeking assistance are required to complete a bursary application form and provide detailed financial information supported by appropriate documentary evidence.

Bursary awards are determined with reference to both the pupil's performance in the S1 entrance examination and the financial circumstances of the parents, as assessed through the School's means-testing process. Awards are made on entry to S1 and are intended to continue for the full duration of the pupil's secondary education, subject to no material changes in parental financial circumstances.

For the 2024/25 session, the total value of means-tested bursaries awarded was £722,401 representing 4% of the School's fee income. Currently, 77 pupils receive bursary support, accounting for 7% of total enrolment.

	No. of pupils
0 - 20%	13
21 - 40%	15
41 - 60%	18
61 - 80%	16
81 - 99%	3
100%	12

Additionally, fee remission is available to families with three or more children at the School and to staff members with children enrolled. These remissions were awarded to 84 pupils, totalling £522,300.

Combined, bursary awards and fee remissions amount to £1,244,701, representing 6.9% of the School's fee income. In total, 161 pupils receive financial support, which accounts for 14% of the School roll. Of these, 1.0% of pupils benefit from full (100%) financial assistance.

**The Governors of Hutchesons' Educational Trust**

**Trustees Report For the Year Ended 30 June 2025**

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**ACHIEVEMENTS AND PERFORMANCE**

**Monitoring and Measuring Achievements**

The Trustees consider pupil examination results to be a principal indicator of the School's educational performance. Academic outcomes are reviewed through reports presented by the Rector and the Director of Curriculum.

In addition to examination results, the Trustees review pupil destinations to higher and further education as an indicator of educational impact. An annual summary of university destinations and courses undertaken is presented to the Trustees to support their assessment of the effectiveness of the School's teaching and learning provision.

**Examination Results**

Although all pupil attainment is monitored, the Trustees regard S5 Higher performance as a key indicator of academic quality.

In the year, 153 pupils in S5 sat a total of 770 Higher examinations, representing an average of 5 Highers per pupil. This remains one of the highest presentation rates in Scotland and represents an increase on the previous year. Overall, 66.1% of entries were awarded grade A, an increase of just over 2% on the prior year and continuing the strong performance achieved over the past decade. Nationally, the proportion of A grades at Higher increased marginally from 28.1% to 28.7%.

Of the S5 cohort, 62 pupils (41%) achieved five or more Higher A grades, including 25 pupils (16%) who achieved six A grades, and one pupil who achieved seven A grades.

Several departments achieved particularly strong outcomes. French, German and Music recorded 100% A grades at Higher, while RMPS, Latin and Geography each achieved over 80% A grades.

In addition to overall A grade performance, 28.1% of all Higher entries were awarded A band 1 (the highest band), compared with 22.7% in the previous year. A number of pupils were also commended by the SQA for exceptional individual performance.

At Advanced Higher level, performance remained strong. Although results did not match the record levels of the previous year, pupils studying Advanced Highers in Music, Business Management, French, Geography and Italian achieved 100% A grades.

**University Destinations and Subject Choices**

The vast majority of pupils leaving the School at the end of their secondary education progressed to tertiary education. In 2024/25, leavers secured places at 20 universities across the UK, including 14 institutions in Scotland and six elsewhere in the UK.

Universities in Scotland, including the University of Edinburgh, University of Aberdeen, University of Strathclyde, University of Glasgow, University of Stirling and University of St Andrews, remained popular destinations. Pupils also accepted places further afield, including at the University of Cambridge, King's College London, University of Warwick, University of Exeter, Queen's University Belfast and University of Leeds.

The range of degree subjects pursued was broad. While a significant proportion of pupils entered traditional professional and academic disciplines such as Medicine, Dentistry, Veterinary Medicine, Law, Finance, Business Management, Economics, Engineering and the Sciences, others progressed to courses including Geology, Psychology, Software Engineering, Modern Languages and Linguistics, Film, Journalism, Cyber Security, Architecture, Physical Education and Music Technology.

The breadth of destinations and subject choices provides evidence of the School's capacity to prepare pupils for a wide range of further study pathways and future careers.

**Public Benefit**

The Trustees continue to encourage staff and pupils to contribute to public benefit through community service, participation in national activities in the arts and sciences, advancement of sport, and charitable initiatives supporting those experiencing hardship.

The School aims to attract pupils from all backgrounds, ethnic groups and financial circumstances. Fees are set in proportion to reflect the cost of providing educational services. The Trustees review the annual budget each March to ensure that costs are controlled and that value for money is delivered.

Hutchesons' aims to provide public benefit in its contribution to the on-going development of Scottish education through

- Staff participation with the SQA examination setting, marking and examining:
  - 30 members of staff;
  - 10 different roles - Central Marker, Examiner, Marker, Item Checker, Item Writer, Depute Principal Assessor, Visiting Assessor, Senior Marker Team Leader-Marking QA, NQ Support Team
  - Subjects including - Art, Biology, Economics, Classics, Computing, English, Geography, History, Modern Studies, Modern Languages, Physics, RMPS, Graphic Communication
- Through membership of the Scottish Council of Independent Schools (SCIS), sharing knowledge and expertise with the Scottish Government and wider education bodies in the interests of all pupils, and supporting evidence and research that informs government and local authority education planning;
- The employment of probationer teachers;
- Sports, both nationally and internationally, and involvement in music, drama and the arts;
- Involvement in clubs and societies, community work and charity fund raising;
- Participation in the Duke of Edinburgh's Award Scheme;
- Hosting international conferences for State and independent schools throughout Scotland;
- Local community projects for both Primary and Secondary pupils;
- Access to the School's sports facilities which provide recreational activities for the local community.

**The Governors of Hutchesons' Educational Trust**

**Trustees Report For the Year Ended 30 June 2025**

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**Involvement in the Community**

The School continued to provide a broad programme of co-curricular and enrichment opportunities during the year in support of its educational objectives.

The boys' hockey team travelled to Amsterdam for a training and fixture programme against local clubs, where pupils experienced elite coaching and met the Dutch Olympic captain. Advanced Higher Biology and Geography pupils undertook field studies on the Isle of Arran and at Blencathra, enabling them to apply classroom learning in field environments and to develop practical research skills. The Physics department led a STEM-focused visit to Florida to enhance pupils' understanding of developments in science and technology internationally.

Two ski trips took place in February 2025, visiting Alpe d'Huez and Serre Chevalier in France, with over 60 pupils participating. In addition, the Modern Languages department organised a cultural and language visit to Paris to support pupils' linguistic development and understanding of French history and culture.

In November 2025, five pupils visited the School's partner school in Nitte, India. The visit is intended to deepen pupils' understanding of global citizenship through engagement with the partner school community and exposure to the social and cultural context of the region.

Pupil-led groups continue to contribute positively to the School community. The J8 group supports charitable initiatives within Glasgow, while the Anti-Racism Group, LGBT+ Café and Fem Soc provide forums for discussion and awareness-raising. The Model United Nations team has continued to participate in conferences across Scotland, the UK and internationally, developing pupils' understanding of global issues, diplomacy and public speaking.

The School's sports and wider facilities remain in regular use by local community groups during evenings and weekends. The sports centres, drama building and music facilities are made available for external hire. In setting charges, the Trustees seek to balance financial sustainability with accessibility, enabling community groups to benefit from the School's resources.

**Charitable Fund Raising**

The School's chosen charity for the 2024/25 session was Merry-Go-Round, a local organisation which provides low-cost clothing and essential equipment to families through a sustainable reuse model. The charity was selected following a pupil-led process, encouraging democratic participation and social awareness.

Through a programme of fundraising initiatives, including lunchtime and after-school events and primary multi-sports activities, pupils worked collaboratively to support the charity's work. In doing so, they developed skills in leadership, organisation and teamwork, while gaining a deeper understanding of social need within the local community.

These activities contributed both to the School's objective of fostering responsible citizenship and to providing tangible support to families in the wider community.

**Citizenship and International**

The Trustees recognise the importance of fostering citizenship, service and global awareness.

The School maintains international links with partner schools in Nitte, India; Denver, Colorado (USA); Zwolle (the Netherlands); and Melbourne (Australia). An exchange visit to Nitte took place in November 2025. Exchange programmes with the USA and Australia, which were paused during the COVID-19 pandemic, remain under review as the School works towards reinstating them.

The partnership with Colorado Academy is supported by a penfriend programme involving S1 pupils, enabling regular communication with peers overseas and strengthening cultural understanding. A similar initiative is under discussion with a school in Germany. International education themes are also embedded within the S3 and S4 curriculum on a rotational basis, encouraging pupils to research, discuss and present on global issues.

Service to the local community forms part of the S6 curriculum. During the year, pupils volunteered with organisations including Citizens Advice and the Volunteer Tutors Organisation, as well as supporting hospital patients, disability groups and other community initiatives. A group of S6 pupils operates the Charity Café at weekends and during school events, combining fundraising with the development of teamwork and leadership skills. Pupils also contribute to the upkeep of Maxwell Park through regular litter collection and maintenance activities.

For pupils undertaking the Silver and Gold levels of the The Duke of Edinburgh's Award, volunteering forms a core requirement. Pupils contribute across a range of settings, including supporting younger pupils within the School and assisting community organisations at weekends.

**The Governors of Hutchesons' Educational Trust**

**Trustees Report For the Year Ended 30 June 2025**

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**Pupil Numbers**

The school roll for 2024-25 was as follows:

Nursery/Pre-school	69 pupils
Primary	284 pupils
Secondary	805 pupils

The admissions cycles begins before the end of the academic year. Analysis of recruitment events, such as open and taster days, informs marketing plans and budget decisions. Considerable attention is given to improving the admissions experience and ensuring clear, consistent communication with prospective families.

**Fundraising Performance**

Funds raised from alumni and friends of the School continue to support bursaries, sports programmes and other school facilities. Donations are received throughout the year, enabling the Trustees to enhance educational provision and broaden opportunities for pupils across a range of areas.

**The Governors of Hutchesons' Educational Trust****Trustees Report For the Year Ended 30 June 2025**

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**FINANCIAL REVIEW****Results**

The year ended 30 June 2025 was a challenging period for the Trust. Economic uncertainty and the ongoing cost-of-living pressures, compounded by the introduction of VAT on school fees in January 2025, affected affordability and had an impact on pupil retention and recruitment, resulting in a decrease of 42 pupils compared to the previous year. The effect of the reduced roll was partially mitigated by a 4.8% increase in fees for the academic year.

In November 2025, the Trustees announced plans to collocate the School onto the Beaton Road Campus and to sell the Primary School site at Kingarth Street. Although the agreed sales price exceeds the most recent valuation, the School will recognise a book loss of approximately £867,577 in the Financial Statements to 30 June 2025 reflecting the anticipated proceeds. The Trustees are confident that this decision is an opportunity to enhance the educational experience for all pupils in the school community and is the right commercial decision to support the financial sustainability of the school.

During the year, the School received £365,689 in donations and legacy gifts from generous benefactors, some of which were designated for specific purposes, including sports, science, music and bursary funding. The School also maintains an investment portfolio, which generated income of £133,297 (2024: £112,041). The majority of this income is allocated to support bursaries. The Trustees set a benchmark target of £100,000 for the Investment Managers (2024: £100,000), and despite challenging market conditions, this target was exceeded.

Overall costs increased marginally compared to the prior year and broadly in line with inflation. Payroll costs for teaching and support staff remain the School's principal expenditure. The Scottish teachers' pay award for 2024/2025 was negotiated through the Scottish Negotiating Committee for Teachers (SNCT) between local authority employers (represented by COSLA), the Scottish Government, and teaching unions. The pay agreement of 4.27% was effective from 1 August 2024 and covers the period to 31 July 2025. This was paid to teaching staff in October 2024.

Other operating expenditure continued to be affected by high inflation, rising interest rates, and increased energy costs. All supplier contracts are actively managed to mitigate cost pressures. The Trustees remain committed to controlling costs effectively while maintaining the delivery of high-quality education and ensuring the continued upkeep of the School's facilities.

In 2024–25, the School continued to invest in infrastructure, facilities, and the overall learning environment. The most significant capital investment was the upgrade of secondary school classrooms, including flooring, blinds, and lighting, alongside replacement of classroom furniture across both sites. These improvements are aligned with the broader collocation project and support a high-quality educational environment.

The School's cash position at 30 June 2025 showed a surplus of £2,695,229 (2024: £2,579,071). In June 2025, the £2 million bank overdraft facility with the Bank of Scotland was successfully renewed for a further 12 months to ensure the availability of sufficient working capital. This facility will be reviewed upon expiry. A negative pledge remains in place over the School buildings while the overdraft facility is in use.

As a result of the factors outlined above, the audited accounts for the year ended 30 June 2025 report a deficit before gains of £2,231,304 (2024: deficit of £568,377). After accounting for realised and unrealised gains, the total deficit stands at £2,189,259 (2024: £230,811). Excluding the book loss on the Primary School building, the deficit for the year is £1,321,682.

The Trustees continue to take a proactive approach to financial management, monitoring performance closely and implementing measures aimed at safeguarding the School's long-term sustainability and support the delivery of its charitable objectives.

**The Governors of Hutchesons' Educational Trust****Trustees Report For the Year Ended 30 June 2025**

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**Principal Risks and Uncertainties**

The Trustees have considered the principal risks and uncertainties facing the School and what can be done to mitigate these risks.

**Political**

The election of a Labour Government in July 2024 presented a number of risks to the sector, not least the proposal to implement VAT on School Fees. It was anticipated that this would be applied from September 2025, so the earlier implementation from January has had significant impact across independent schools. The budget on 31st October further added an increase to employers NI contributions. Political risk remains a significant uncertainty to the Trustees.

**Radicalisation / Religious Bigotry**

The Trustees recognise that the risk of pupils being exposed to some form of radicalisation is a possibility and they have taken measures to ensure that all pupils are presented with a balanced view of matters through individual religious assemblies and through multi-faith assemblies. Current conflict in the Middle East has made this an increasingly significant risk which the school continues to manage closely. All staff and Trustees undertake Prevent training as one method of recognising the potential for radicalisation.

**School Roll**

The Trustees recognise that the current economic climate has affected some families' ability to choose and afford an independent education and monitor the school roll accordingly. They are also aware that sector-wide challenges, most notably the application of VAT on fees, may continue to impact pupil numbers. The Trustees are actively responding to these trends, while continuing to invest in marketing and recruitment initiatives to attract prospective pupils.

**Key Management Personnel**

The Trustees recognise that the loss of Key Management Personnel could affect the School. The Rector, Director of Operations, Director of Finance and Senior Depute Rector are on long-term notice contracts. In the event of a vacancy, the Trustees are confident that suitable replacements could be recruited in a timely manner to ensure continuity of management. The recent recruitment of the Rector and CEO demonstrated that continuity of leadership can be maintained. Where recruitment timelines are more challenging, the Trustees are able to implement interim arrangements to sustain operational oversight.

**Factors Affecting the Financial Position and Performance**

The economic environment remains challenging, with continued volatility due to implementation of VAT, high inflation, rising interest rates, and external economic pressures. These factors have had a material impact on the School's financial position during the academic year.

The introduction of VAT on school fees has added a significant layer of uncertainty for the independent education sector. This, combined with a higher-than-usual fee increase for the 2023/24 session, has contributed to a continued decline in pupil numbers. The Finance and Estates Committee continues to closely monitor this trend and assess its potential impact on the School's financial performance and sustainability.

The School has maintained its bank overdraft facility in 2024/2025, providing adequate short-term working capital to support operations. This facility, along with other measures, is reviewed regularly to ensure financial resilience. Actions to reduce or stabilise costs have been implemented where possible, carefully balancing the need for efficiency with the imperative to maintain the high standards of teaching and learning. This includes reduction in staffing in line with school roll.

The Trustees recognise that the independent school sector continues to face a challenging operating environment, characterised by rising costs and an ongoing reduction in pupil demand. The School has experienced a reduction in pupil numbers during the year, reflecting these wider sector trends. In response, the Trustees have taken, and continue to take, prudent and proactive steps to manage costs, strengthen recruitment and retention, and review the School's strategic positioning. On the basis of the actions already implemented and those planned, the Trustees remain confident that the School is taking all necessary measures to secure its long-term stability and sustainability.

**The Governors of Hutchesons' Educational Trust**

**Trustees Report For the Year Ended 30 June 2025**

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**Reserves**

The total funds of the Trust are £16,491,178 (2024:£18,680,438) made up as follows:

Endowment & Restricted Funds	£816,317 (2024:£744,965)
Designated Funds	£16,160,519 (2024:£17,349,875)
Unrestricted General Funds	(£485,658) (2024:£495,598)

The Trustees are, however, responsible for ensuring that endowed and restricted funds maintain a positive balance. The majority of the School's reserves are held in tangible fixed assets or financial investments, which can only be realised if necessary through disposal.

**Future Plans**

The Trustees' objectives for the future are to ensure that the School's charitable purpose continues to be fully realised and to maintain the widest possible access to a Hutchesons' education within the community, while safeguarding the School's financial stability.

**The Governors of Hutchesons' Educational Trust**

**Trustees Report For the Year Ended 30 June 2025**

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**Trustees' responsibilities in relation to the financial statements**

The charity Trustees are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

The Trustees are responsible for the maintenance and integrity of the charity and 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 the Auditor**

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity 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.

Approved by the Board of Governors of Hutchesons' Educational Trust and signed on their behalf by:

DocuSigned by:  
  
41949A598E20420  
John MacLeod, Chair of the Board

Date : 24 April 2026

**Independent Auditors Report to the Governors of Hutchesons' Educational Trust  
For the Year Ended 30 June 2025**

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**Opinion**

We have audited the financial statements of The Governors of Hutchesons' Educational Trust (the 'charity') for the year ended 30 June 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 charity's affairs as at 30 June 2025, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

**Basis 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**Independent Auditors Report to the Governors of Hutchesons' Educational Trust  
For the Year Ended 30 June 2025**

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**Matters on which we are required to report by exception**

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

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

**Responsibilities of Trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 14, the Trustees are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Independent Auditors Report to the Governors of Hutchesons' Educational Trust  
For the Year Ended 30 June 2025**

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**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.

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:

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing the risks or material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the following;

- The nature of the charity, the environment in which it operates and the control procedures implemented by management and the Trustees; and
- Our enquiries of management and Trustees about their identification and assessment of the risks of irregularities.

Based on our understanding of the charity and the sector we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to;

- Regulations and legislation pertinent to the charity's operations, including, but not limited to, HM Inspectorate of Education.

We considered the extent to which non-compliance might have a material impact on the financial statements. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements such as the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. We evaluated management and Trustees' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls), and determined that the principal risks were related to;

- Management bias in accounting estimates.
- Posting inappropriate journal entries.

**Independent Auditors Report to the Governors of Hutchesons' Educational Trust  
For the Year Ended 30 June 2025**

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Audit response to the risks identified;

Our procedures to respond to the risks identified included the following;

- Gaining an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management, Trustees and legal advisors concerning actual and potential litigation and claims;
- Reading minutes of meetings of those charged with governance;
- In addressing the risk of fraud as a result of management override of controls, testing the appropriateness of journal entries and other adjustments; evaluating rationale of any significant transactions that are unusual or outside the normal course of business;
- In addressing the risk of material misstatement in management's estimation technique with regards to the bad debt provision, we have reviewed the outcome of historical provisions and assessed the extrapolated effect on the current year provision.
- We scrutinised the nominal ledger for the following:
  - Duplicate journal entries
  - Journals with detail which included key words or phrases
  - Journals posted at unusual times
  - Journals posted by unauthorised users.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

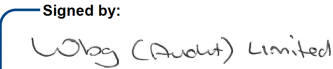
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**Use of our report**

This report is made solely to the charity's Trustees, 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. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:



0575527041FA406...  
Wbg (Audit) Limited  
Statutory Auditor  
168 Bath Street  
Glasgow  
G2 4TP

Date: 24 April 2026

Wbg (Audit) Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

The Governors of Hutchesons' Educational Trust  
Statement of Financial Activities For the Year Ended 30 June 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £
<b>Income and Endowments from;</b>									
Donations and legacies	5	89,798	275,190	700	365,688	26,042	187,778	600	214,420
Charitable Activities	6	18,183,809	-	-	18,183,809	17,953,106	-	-	17,953,106
Investments	7	34,978	74,248	24,071	133,297	4,899	82,000	25,142	112,041
<b>Total Income</b>		<b>18,308,585</b>	<b>349,438</b>	<b>24,771</b>	<b>18,682,794</b>	<b>17,984,047</b>	<b>269,778</b>	<b>25,742</b>	<b>18,279,567</b>
<b>Expenditure on;</b>									
Raising funds									
Raising donations and legacies	9	356,622	31,232	-	387,854	306,076	2,312	-	308,388
Investment management costs	10	290,254	17,510	5,136	312,900	376,958	16,167	4,810	397,935
Charitable activities	12	19,066,157	279,610	-	19,345,767	17,842,914	298,707	-	18,141,621
Loss on revaluation of Kingarth Street		867,577			867,577				
<b>Total Expenditure</b>		<b>20,580,610</b>	<b>328,352</b>	<b>5,136</b>	<b>20,914,098</b>	<b>18,525,948</b>	<b>317,186</b>	<b>4,810</b>	<b>18,847,944</b>
<b>Net (expenditure) / income and net movement in funds before gains and losses on investments</b>									
		(2,272,025)	21,086	19,635	(2,231,304)	(541,901)	(47,408)	20,932	(568,377)
Net gains on investments		11,414	19,452	11,178	42,044	245,715	31,666	60,185	337,566
<b>Net (expenditure) / income</b>		<b>(2,260,612)</b>	<b>40,538</b>	<b>30,814</b>	<b>(2,189,259)</b>	<b>(296,186)</b>	<b>(15,742)</b>	<b>81,117</b>	<b>(230,811)</b>
<b>Transfers between funds</b>									
		-	-	-	-	-	-	-	-
<b>Net movement in funds</b>		<b>(2,260,612)</b>	<b>40,538</b>	<b>30,814</b>	<b>(2,189,259)</b>	<b>(296,186)</b>	<b>(15,742)</b>	<b>81,117</b>	<b>(230,811)</b>
<b>Funds reconciliation</b>									
Total funds brought forward	24	17,935,473	526,525	218,440	18,680,438	18,231,658	542,267	137,323	18,911,248
<b>Total funds carried forward</b>	<b>24</b>	<b>15,674,861</b>	<b>567,063</b>	<b>249,254</b>	<b>16,491,178</b>	<b>17,935,473</b>	<b>526,525</b>	<b>218,440</b>	<b>18,680,438</b>

The Statement of Financial Activities includes all gains and losses recognised in the year

All income and expenditure derive from continuing activities

**The Governors of Hutchesons' Educational Trust**  
**Balance Sheet**  
**As at 30 June 2025**

	Note	2025 £	2024 £
<b>Fixed assets</b>			
Intangible assets	16	12,015	15,018
Tangible fixed assets	17	19,251,341	20,579,541
Investments	18	3,931,037	3,886,461
<b>Total fixed assets</b>		<u>23,194,392</u>	<u>24,481,020</u>
<b>Current assets</b>			
Stocks	19	7,138	7,124
Debtors	20	1,892,501	1,943,470
Cash at bank and in hand	27	2,695,229	2,579,071
<b>Total current assets</b>		<u>4,594,868</u>	<u>4,529,665</u>
<b>Liabilities</b>			
Creditors falling due within one year	21	(6,168,350)	(4,269,221)
<b>Net current (liabilities)/assets</b>		<u>(1,573,482)</u>	<u>260,444</u>
Creditors falling due after more than one year	22	(5,129,732)	(6,061,026)
<b>Net assets</b>		<u>16,491,178</u>	<u>18,680,438</u>
<b>The funds of the charity</b>			
Endowment funds		249,254	218,440
Restricted income funds		567,063	526,525
Designated funds		16,160,519	17,439,875
Unrestricted funds		(485,658)	495,598
<b>Total charity funds</b>	24	<u>16,491,178</u>	<u>18,680,438</u>

The financial statements incorporating the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and related notes were approved by the Trustees and signed on their behalf by:

DocuSigned by:

*John MacLeod*

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John MacLeod  
Chairman of the Board

Date: 24 April 2026

Signed by:

*David Morgan*

FE1B63C837764D4...

David Morgan  
Vice Chairman

24 April 2026

**The Governors of Hutesons' Educational Trust**

**Statement of Cash Flows  
For the Year Ended 30 June 2025**

	Note	Total Funds 2025 £	Prior Year 2024 £
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by / (used in) operating activities</b>	<b>26</b>	738,896	3,183,730
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		133,297	112,041
Interest payable		(288,377)	(375,226)
Purchase of property, plant and equipment		(325,176)	(1,154,473)
Proceeds from sale of investments		3,369,029	1,563,213
Purchase of investments		(3,371,561)	(1,535,633)
<b>Net cash (used in) investing activities</b>		<u>(482,788)</u>	<u>(1,390,078)</u>
<b>Cash flows from financing activities:</b>			
Additional loan			2,000,000
Loan repayments		(51,846)	(45,549)
New HP		0	340,735
Payment/revaluation of finance lease obligations		(88,104)	(112,777)
<b>Net cash (used in)/ provided by financing activities</b>		<u>(139,950)</u>	<u>2,182,409</u>
<b>Change in cash and cash equivalents in the year</b>		<u>116,158</u>	<u>3,976,061</u>
Cash and cash equivalents brought forward	<b>27</b>	2,579,071	(1,396,991)
Change in cash and cash equivalents		116,158	3,976,062
<b>Cash and cash equivalents carried forward</b>	<b>27</b>	<u>2,695,229</u>	<u>2,579,071</u>

## The Governors of Hutchesons' Educational Trust

### Notes to the Accounts for the Year Ended 30 June 2025

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#### 1. Accounting Policies

##### (a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

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

The Trust constitutes as a public benefit entity as defined by FRS 102.

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

The Trust has revised and reviewed its financial projections over the next five years as part of its longer-term financial planning.

In assessing the appropriateness of the going concern basis of preparation, the Trustees have considered the Trust's forecast cash flows and financial position for a period of at least twelve months from the date of approval of these financial statements and are satisfied that there are no material uncertainties related to the Trust's ability to continue as a going concern

##### (b) Funds structure

Unrestricted funds are available for use at the discretion of the Governors in furtherance of the general objectives of the Trust. The Governors may establish designated funds which are unrestricted funds earmarked for a particular purpose. Endowment and Restricted funds are specifically held to provide bursaries and prizes to the school's pupils. Prize awards are included as part of the Endowment and Restricted Funds and are not disclosed separately due to their immateriality.

Further details of each fund are disclosed in note 24.

##### (c) Income recognition

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Fees comprise tuition and other charges receivable in the year. Fees received in advance are deferred to the session in which they relate (see Note 23).

Donations are recognised when the Trust has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

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

## The Governors of Hutesons' Educational Trust

### Notes to the Accounts for the Year Ended 30 June 2025

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#### 1. Accounting Policies (continued)

##### (d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (e) below.

- Costs of raising donations and legacies comprise the costs of development and marketing and charity fundraising costs and their associated support costs;
- Investment management costs comprise of investment management fees, finance and other charges and term loan interest.
- Expenditure on charitable activities includes those costs incurred by the Trust in the provision of its charitable activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them;

Irrecoverable VAT is charged as a cost against the activity for which the expenditure is incurred.

##### (e) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on the staff time or usage. The allocation of support and governance costs is analysed in note 11.

##### (f) Intangible fixed assets, amortisation and impairment

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

##### (f) Intangible fixed assets, amortisation and impairment

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method. The intangible assets are amortised over the following useful economic lives:

- Website development costs 10 years

## The Governors of Hutesons' Educational Trust

### Notes to the Accounts for the Year Ended 30 June 2025

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#### 1. Accounting Policies (continued)

##### (g) Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and valued at historical cost. Depreciation is charged as follows:

##### Land & Buildings

Heritable Property Land and buildings at 1% of cost or valuation at the end of the year. Short life property is depreciated over the course of the useful life.

Leasehold Property Leasehold property is depreciated over the remaining life of the lease less estimated residual value.

All expenditure on Land & Buildings below £5,000 per individual item is written off to revenue in the year of expenditure. For amounts in excess of £5,000 consideration is given to the nature of the work done. Additions and improvements to buildings are capitalised where the amount is in excess of £5,000.

Furniture, Fittings and Equipment 20% per annum of net book value at the beginning of the year plus 6 months depreciation on the cost of current year additions.

Computer Equipment 25% on cost at the end of the year.

Motor Vehicles 25% on cost at the end of the year.

Equipment purchased at a cost of less than £1,000 per individual item, excluding computer equipment, is written off to the revenue account in the year of acquisition. All other equipment is capitalised at cost.

##### (h) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

##### (i) Stock

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

## **The Governors of Hutchesons' Educational Trust**

### **Notes to the Accounts for the Year Ended 30 June 2025**

#### **1. Accounting Policies (continued)**

##### **(j) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### **(k) Cash at bank and in hand**

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

##### **(l) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

##### **(m) Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

##### **(n) Pensions**

The Trust's employees belong to two principal pension schemes , provided by Royal London. Teaching staff were enrolled in the defined contribution scheme, having been transferred from the Scottish Teachers Pension Scheme (STPS) with effect from 1 September 2023.

##### **(o) Contingent liabilities**

A contingent liability is identified and disclosed for those grants resulting from:

- a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control; or
- a present obligation following a grant offer where settlement is either not considered probable; or
- the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

**The Governors of Hutchesons' Educational Trust**

**Notes to the Accounts for the Year Ended 30 June 2025**

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**1. Accounting Policies (continued)**

**(p) Leasing and Hire Purchase Contracts**

Assets obtained under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over the shorter of their useful lives and lease term. The interest element of the rental obligation is charged to the revenue account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Rentals paid under operating leases are charged to the revenue account on a straight line basis over the lease term.

**(q) Financial Instruments**

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**(r) Employee Benefits**

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

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

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

**2. Judgements and Key Sources of Estimation Uncertainty**

In the application of the company's accounting policies, the Governors 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, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Governors are satisfied that the accounting policies are appropriate and applied consistently. Key sources of estimation have been applied as follows:

**Bad debt provision** - the Trust makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of debtors, management considers factors including credit rating and ageing.

**Depreciation** - management assess the depreciation rate by giving consideration to the useful life of each asset class and of its' use within the Trust.

## The Governors of Hutchesons' Educational Trust

### Notes to the Accounts for the Year Ended 30 June 2025

#### 2. Judgements and Key Sources of Estimation Uncertainty (continued)

**Valuation of assets** - management gives periodic consideration to the value in use or recoverable value of each asset group, for example tangible fixed assets or inventory. Should the value in use or recoverable value be lower, the requirement for impairment is considered. There is no regular external valuation of tangible fixed assets undertaken by the Trust.

#### 3. Legal status of the Trust

The Trust is a registered Scottish charity.

#### 4. Related party transactions and governors' expenses and remuneration

Historically, the Trustees have given their time and expertise freely, without any form of remuneration or other benefit in cash or in kind (2024: £nil). However, in March 2024 a remuneration package was agreed for a newly appointed Governor in order to secure appropriate expertise.

Expenses reimbursed to Governors during the year totalled £273 (2024: £1,065). No expenses were waived by any Governors (2024: £nil).

A number of Trustees have children at the school. During the 2024-25 academic session, a total of 6 (2024: 7) Trustees met the fees of a total of 11 (2024: 13) pupils at the school. Fees paid by the parent Trustees are the same as the rate applicable to other pupils.

#### 5. Income from donations and legacies

	2025	2024
	£	£
Donations and Fund Raising Committee	349,686	200,765
Charity Committee Fundraising	16,003	13,655
	<u>365,689</u>	<u>214,420</u>

#### 6. Income from charitable activities

	2025	2024
	£	£
Fee Income	17,870,752	17,660,982
Other Educational Income	313,057	292,124
	<u>18,183,809</u>	<u>17,953,106</u>

#### 7. Investment income

	2025	2024
	£	£
Dividends - equities	133,297	112,041
	<u>133,297</u>	<u>112,041</u>

**The Governors of Hutchesons' Educational Trust**

**Notes to the Accounts for the Year Ended 30 June 2025**

**8. Other incoming resources**

In the year to 30th June 2025, the Trust received no income from other resources.

**9. Raising funds - expenditure on raising donations and legacies**

	<b>Direct Costs</b>	<b>Support Costs</b>	<b>Total 2025</b>
	£	£	£
Development and Marketing Costs	300,075	56,547	356,622
Charity Committee Fundraising Donations Paid	31,232	-	31,232
	<u>331,307</u>	<u>56,547</u>	<u>387,854</u>

	<b>Direct Costs</b>	<b>Support Costs</b>	<b>Total 2024</b>
	£	£	£
Development and Marketing Costs	256,953	49,123	306,076
Charity Committee Fundraising Costs	2,312	-	2,312
	<u>259,265</u>	<u>49,123</u>	<u>308,388</u>

**10. Raising funds - investment management costs**

	<b>Direct Costs</b>	<b>Support Costs</b>	<b>Total 2025</b>
	£	£	£
Investment management fees	24,522	-	24,522
Finance and Other Charges	288,377	-	288,377
	<u>312,899</u>	<u>-</u>	<u>312,899</u>

	<b>Direct Costs</b>	<b>Support Costs</b>	<b>Total 2024</b>
	£	£	£
Investment management fees	22,709	-	22,709
Finance and Other Charges	375,226	-	375,226
	<u>397,935</u>	<u>-</u>	<u>397,935</u>

**The Governors of Hutchesons' Educational Trust**

**Notes to the Accounts for the Year Ended 30 June 2025**

**11. Allocation of governance and support costs**

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

<b>Cost type</b>	<b>Total allocated 2025</b>	<b>Raising Funds</b>	<b>Fee Income</b>	<b>Other Educational</b>	<b>Governance</b>	<b>Basis of apportionment</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	
Staff costs	1,540,782	21,449	1,230,279	118,736	170,318	Headcount
Catering costs	399,875	7,205	351,242	37,826	3,602	Headcount
Depreciation	780,801	2,324	716,817	61,311	349	Area
Equipment maintenance	399	7	350	38	4	Headcount
General Expenses	28,472	513	25,009	2,693	257	Headcount
General Expenses - Property	46,702	139	42,875	3,667	21	Area
Grounds Maintenance	92,429	1,665	81,188	8,743	833	Headcount
Heat, Light & Cleaning	928,472	2,764	852,386	72,907	415	Area
Matrons Supplies	8,889	160	7,808	841	80	Headcount
Network Services	480,259	8,653	421,849	45,430	4,327	Headcount
Printing, Stationery & Postage	1,367	25	1,201	129	12	Headcount
Professional fees	327,873	5,908	287,996	31,015	2,954	Headcount
Rent, rates and insurance	815,020	2,426	748,232	63,998	364	Area
Repairs to property	224,941	670	206,508	17,663	100	Area
Telephones	15,971	288	14,028	1,511	144	Headcount
Vehicle costs	95,525	284	87,697	7,501	43	Area
<b>Total</b>	<b>5,787,777</b>	<b>54,480</b>	<b>5,075,465</b>	<b>474,009</b>	<b>183,823</b>	

**Governance costs:**

	<b>2025</b>
	<b>£</b>
Meeting costs and travel	12,501
Auditor's remuneration	16,157
Support costs (see above)	183,823
	<b>212,480</b>

**Allocation of governance and other support costs:**

	<b>Support Costs</b>	<b>Governance</b>	<b>2025</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Raising funds	54,481	2,066	56,547
Expenditure relating to fee income	5,075,466	192,441	5,267,907
Other educational expenditure	474,010	17,972	491,982
	<b>5,603,957</b>	<b>212,479</b>	<b>5,816,436</b>

## The Governors of Hutchesons' Educational Trust

### Notes to the Accounts for the Year Ended 30 June 2025

#### 11. Allocation of governance and support costs (continued)

Cost type	Total allocated 2024	Raising Funds	Fee Income	Other Educational	Governance	Basis of apportionment
	£	£	£	£	£	
Staff costs	1,506,299	21,809	1,222,956	120,228	141,305	Headcount
Catering costs	298,775	5,383	262,438	28,263	2,692	Headcount
Depreciation	779,966	2,322	716,050	61,246	348	Area
Equipment maintenance	247	4	217	23	2	Headcount
General Expenses	62,020	1,117	54,477	5,867	559	Headcount
General Expenses - Property	59,160	176	54,312	4,645	26	Area
Grounds Maintenance	57,056	1,028	50,117	5,397	514	Headcount
Heat, Light & Cleaning	977,024	2,909	896,960	76,719	436	Area
Matrons Supplies	13,120	236	11,524	1,241	118	Headcount
Network Services	299,214	5,391	262,823	28,304	2,696	Headcount
Printing, Stationery & Postage	1,347	24	1,183	127	12	Headcount
Professional fees	200,854	3,619	176,426	19,000	1,809	Headcount
Rent, rates and insurance	725,469	2,159	666,019	56,966	324	Area
Repairs to property	277,440	826	254,705	21,786	124	Area
Telephones	13,527	244	11,882	1,280	122	Headcount
Vehicle costs	86,456	257	79,371	6,789	39	Area
<b>Total</b>	<b>5,357,974</b>	<b>47,506</b>	<b>4,721,460</b>	<b>437,881</b>	<b>151,127</b>	

**The Governors of Hutchesons' Educational Trust**

**Notes to the Accounts for the Year Ended 30 June 2025**

**11. Allocation of governance and support costs (continued)**

**Governance costs:**

	<b>2024</b>
	<b>£</b>
Meeting costs and travel	7,786
Auditor's remuneration	18,454
Support costs (see above)	<u>151,127</u>
	<u><b>177,367</b></u>

**Allocation of governance and other support costs:**

	<b>Support Costs</b>	<b>Governance</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Raising funds	47,506	1,618	49,124
Expenditure relating to fee income	4,721,460	160,833	4,882,293
Other educational expenditure	<u>437,881</u>	<u>14,916</u>	<u>452,797</u>
	<u><b>5,206,847</b></u>	<u><b>177,367</b></u>	<u><b>5,384,214</b></u>

**12. Analysis of expenditure on charitable activities**

	<b>Expenditure relating to fee income</b>	<b>Other educational expenditure</b>	<b>2025</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Teaching staff salaries	10,374,225	-	10,374,225
Lab technicians salaries	122,076	-	122,076
School admin salaries	1,571,658	-	1,571,658
Librarians salaries	91,405	-	91,405
In service training	46,617	-	46,617
Advertising	5,836	-	5,836
Departmental supplies	232,185	-	232,185
School equipment maintenance	20,305	-	20,305
Examination fees	80,004	-	80,004
General expenses	(36,036)	-	(36,036)
Reprographics	116,159	-	116,159
Subscriptions	46,903	-	46,903
Transport, travel and trips	192,143	-	192,143
Bursary awards	722,401	-	722,401
Governance costs (note 11)	192,441	17,972	210,413
Support costs (note 11)	<u>5,075,466</u>	<u>474,010</u>	<u>5,549,476</u>
	<u><b>18,853,788</b></u>	<u><b>491,982</b></u>	<u><b>19,345,770</b></u>

## The Governors of Hutesons' Educational Trust

### Notes to the Accounts for the Year Ended 30 June 2025

#### 12. Analysis of expenditure on charitable activities (continued)

	Expenditure relating to fee income	Other educational expenditure	2024
	£	£	£
Teaching staff salaries	9,925,440	-	9,925,440
Lab technicians salaries	137,944	-	137,944
School admin salaries	1,103,453	-	1,103,453
Librarians salaries	96,541	-	96,541
In service training	47,928	-	47,928
Advertising	13,660	-	13,660
Departmental supplies	283,262	-	283,262
School equipment maintenance	9,806	-	9,806
Examination fees	81,120	-	81,120
General expenses	195,602	-	195,602
Reprographics	69,603	-	69,603
Subscriptions	55,660	-	55,660
Transport, travel and trips	163,542	-	163,542
Bursary awards	622,970	-	622,970
Governance costs (note 11)	160,833	14,916	175,749
Support costs (note 11)	4,721,460	437,881	5,159,341
	<u>17,688,824</u>	<u>452,797</u>	<u>18,141,621</u>

**The Governors of Hutchesons' Educational Trust**

**Notes to the Accounts for the Year Ended 30 June 2025**

**13. Employee Numbers and Costs**

The average monthly number of persons employed by the Trust during the period was as follows:

	<b>2025</b>	<b>2024</b>
	<b>No</b>	<b>No</b>
Teaching staff	140	139
School administration	122	102
Property staff	11	12
Trust office staff	11	10
	<u>284</u>	<u>263</u>

The numbers shown above are actual headcount and not full time equivalent. A number of staff are employed on a part time basis, with a variety of hours worked. The average monthly number of full time equivalent staff employed by the Trust during the period was as follows:

	<b>2025</b>	<b>2024</b>
	<b>No</b>	<b>No</b>
Teaching staff	123	128
Academic support	21	20
Non-academic support	65	65
	<u>209</u>	<u>213</u>
Temporary Supply	-	-
	<u>209</u>	<u>213</u>

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Salaries and wages	10,587,029	10,009,672
Social security costs	1,080,894	991,958
Employer contributions to pension schemes	2,016,410	1,913,784
Total staff costs and employee benefits	<u>13,684,333</u>	<u>12,915,414</u>

Note that Included within total staff costs is an accrual of approximately £210,000 in respect of redundancy costs recognised during the year.

**The Governors of Hutesons' Educational Trust**

**Notes to the Accounts for the Year Ended 30 June 2025**

**13. Employee Numbers and Costs (continued)**

The number of employees whose employee benefits fell within the following bands are as follows:

	<b>2025</b>	<b>2024</b>
	<b>No</b>	<b>No</b>
£60,000 - £70,000	25	29
£70,001 - £80,000	4	5
£80,001 - £90,000	6	1
£90,001 - £100,000	1	0
£100,001 - £150,000	1	2

The total amount of employee benefits paid to Key Management Personnel including pension benefits was £611,846 (2024: £551,505).

**14. Pension and Benefits**

The Trust's employees belong to 2 principal pension schemes, provided by Royal London. Teaching staff were enrolled in the defined contribution scheme, having been transferred from the Scottish Teachers Pension Scheme (STPS) with effect from 1 September 2023. Support Staff transferred from Standard Life from 1 September 2024.

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
HET Pension Plan & Group Life	2,016,410	1,612,225
STPS Contributions Paid	-	301,559
<b>Total Pension Cost for the Year</b>	<u>2,016,410</u>	<u>1,913,784</u>

The pension costs are assessed in accordance with the advice of the independent qualified actuaries.

**Hutesons' Educational Trust Personal Plan & Group Life Assurance Scheme**

The Hutesons' Educational Trust Personal Plan & Group Life Assurance Scheme is a defined contribution scheme, the charge is the value of the contributions paid during the year.

**The Governors of Hutchesons' Educational Trust**

**Notes to the Accounts for the Year Ended 30 June 2025**

**15. Net income / (expenditure) for the year**

**This is stated after charging:**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Auditor remuneration - audit services current year	16,157	18,454
Depreciation	755,588	785,483
Amortisation of intangible assets	3,003	3,003
Finance lease interest and administration costs in year	21,320	14,755
Term loan interest	240,337	234,414
Operating lease charges in the year	8,505	44,198

**16. Intangible Fixed Assets**

	<b>Website development costs</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Cost or valuation</b>		
At 1 July 2024	30,034	30,034
At 30 June 2025	<u>30,034</u>	<u>30,034</u>
<b>Depreciation and impairment</b>		
At 1 July 2024	15,016	15,016
Charge for the year	3,003	3,003
At 30 June 2025	<u>18,019</u>	<u>18,019</u>
<b>Net book value</b>		
At 30 June 2025	<u>12,015</u>	<u>12,015</u>
At 30 June 2024	<u>15,018</u>	<u>15,018</u>

Website development costs represent costs incurred for the school website.

## The Governors of Hutesons' Educational Trust

## Notes to the Accounts for the Year Ended 30 June 2025

## 17. Tangible Fixed Assets

	Heritable Land & Buildings	Leasehold Land & Buildings	Furniture, Fittings & Equipment	Computer Equipment	Motor Vehicles	Total
	£	£	£	£	£	£
<b>Cost or valuation</b>						
At 1 July 2024	24,149,207	1,316,424	4,625,341	2,660,682	28,868	32,780,521
Revaluation	(2,004,194)					(2,004,194)
Additions	-	-	282,369	42,807	-	325,176
Disposals	(147,068)	-	-	(1,643,867)	(10,524)	(1,801,459)
At 30 June 2025	21,997,945	1,316,424	4,907,710	1,059,621	18,344	29,300,044
<b>Depreciation</b>						
At 1 July 2024	6,591,840	61,500	3,062,817	2,455,960	28,868	12,200,985
Revaluation	(1,136,617)					(1,136,617)
Charge for the year	386,071	21,363	314,350	33,804	-	755,588
Disposals	(116,861)	-	-	(1,643,868)	(10,524)	(1,771,253)
At 30 June 2025	5,724,433	82,863	3,377,167	845,897	18,344	10,048,703
<b>Net book value</b>						
At 30 June 2025	16,273,512	1,233,561	1,530,543	213,725	-	19,251,341
At 30 June 2024	17,557,367	1,254,923	1,562,524	204,722	-	20,579,536

Included within Leasehold Land and Buildings are assets acquired under leasehold. The cost in 2025 was £158,924 (2024: £158,924). Depreciation on these assets is £7,416 (2024: £4,874).

**The Governors of Hutchesons' Educational Trust****Notes to the Accounts for the Year Ended 30 June 2025****18. Investments**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Market value brought forward at 1 July 2024	3,886,462	3,576,475
Add: additions to investments at cost	3,371,561	1,535,633
Disposals at carrying value	(3,356,638)	(1,525,471)
Add net loss / (gain) on revaluation	29,652	299,825
Market value as at 30 June 2025	<u>3,931,037</u>	<u>3,886,462</u>

**Investments at fair value comprised:**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Listed investments	3,704,814	3,184,396
Gilts & Fixed Interest Securities	157,897	652,184
Cash Deposits & Cash Equivalent Investments	68,326	49,882
	<u>3,931,037</u>	<u>3,886,462</u>

**Book cost of investments**

	<u>3,829,590</u>	<u>3,197,956</u>
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All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value). The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. In terms of specific risks including foreign exchange and credit risks, the charity uses specialist investment managers to balance and limit the overall financial risk by operating a portfolio which provides a high degree of diversification of holdings within a fairly wide band of investment asset classes all of which are quoted on recognised stock exchanges. In addition, the charity does not make use of riskier derivatives or more complex financial instruments in this area. Liquidity risk is expected to be low as all assets are traded in markets with high trading volumes and not in any markets subject to exchange controls or trading restrictions.

The Trust has three investment portfolios: the Endowment Fund, The Prize Fund and the Legacy Fund.

In May 2025, the Endowment Fund was liquidated and the proceeds invested into a money market cash fund. Over the 12-month period, the value rose by 4.3%.

The Prize and Legacy portfolios are invested for the long-term to generate income and capital gain. Over the year, the value of the assets rose by 6.1% and 5.9% respectively. The ARC Steady Growth Charity Benchmark rose by 4.2% over the 12-month period. Income generation is important to both funds and has held up well. The income yield on the funds is 2.6% which is attractive in the current environment.

The overall returns achieved masks a dramatic year where until the mid-February, the portfolios had enjoyed a strong run on the back of political stability thanks to the peaceful passing of multiple elections, steady global economic growth and excitement surrounding Artificial Intelligence. March however brought with it concerns regarding the impositions of US tariffs and markets fell back on worries over the impact this would have on global economic growth and the geopolitical relationships. As tariff negotiations settled, markets began to focus on the earnings growth coming from US companies in particular, which helped to support share prices.

The responsible investment criteria are being upheld in the management of the assets, and the funds remain well positioned to meet the long-term objectives of the Trust.

**The Governors of Hutchesons' Educational Trust****Notes to the Accounts for the Year Ended 30 June 2025****19. Stock**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Stock - merchandise	7,138	7,124
	<u>7,138</u>	<u>7,124</u>

There is no material difference between book value of stocks and replacement costs.

**20. Debtors**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Tuition fees	1,727,706	1,623,215
Other debtors	164,795	320,255
	<u>1,892,501</u>	<u>1,943,470</u>

Included within tuition fee debtors is approximately £1.4 million relating to direct debit amounts scheduled for collection in July and August in respect of the reporting period.

**21. Creditors: amounts falling due within one year**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Net obligations under finance leases	53,039	58,636
Term loan	55,395	49,926
Trade creditors	413,287	404,132
Taxation and social security	1,351,002	269,333
Accrued charges	296,729	75,620
Advanced school fees (Note 23)	3,415,300	2,999,125
Other creditors	583,598	412,449
	<u>6,168,350</u>	<u>4,269,221</u>

**The Governors of Hutchesons' Educational Trust**

**Notes to the Accounts for the Year Ended 30 June 2025**

**22. Creditors: amounts falling due after more than one year**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Finance leases/hire purchase	304,097	386,592
Pupil deposits	19,375	-
Term loan	3,047,444	3,104,758
Advanced school fees (note 23)	1,758,816	2,569,676
	<u>5,129,732</u>	<u>6,061,026</u>

The Trust has acquired a number of assets under hire purchase and finance leases. The capital repayments are included in creditors. The hire purchase and finance lease liabilities are secured on the assets concerned. The amounts payable, net of future interest, is as below:

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Within one year	53,039	58,636
In the second to fifth year inclusive	156,591	201,675
Greater than five years	147,506	184,917
	<u>357,136</u>	<u>445,228</u>

In March 2021, the Trust entered into a 25 term year term loan arrangement with Bank of Scotland for £1.25m. The loan was to fund the acquisition of the H@PP sports complex. In July 2023, the Trust entered into a further 25 year term loan arrangement with the Bank of Scotland for an additional £2m. The loans are secured over the Beaton Road property. The amounts payable, net of future interest, is as below:

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Within one year	55,395	49,926
In the second to fifth year inclusive	247,767	499,798
Greater than five years	2,799,676	2,604,960
	<u>3,102,838</u>	<u>3,154,684</u>

**23. Deferred Income**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Balance as at 1 July 2024	5,568,801	2,448,285
Amounts released to income	(2,999,125)	(1,175,585)
Amounts deferred in year	2,604,440	4,296,101
Balance as at 30 June 2025	<u>5,174,116</u>	<u>5,568,801</u>

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Due in less than one year	3,415,300	2,999,125
Due in greater than one year	1,758,816	2,569,676
Balance as at 30 June 2025	<u>5,174,116</u>	<u>5,568,801</u>

Deferred income relates to school fees paid in advance.

## The Governors of Hutesons' Educational Trust

## Notes to the Accounts for the Year Ended 30 June 2025

## 24. Analysis of charitable funds

Analysis of fund movements	Balance b/fwd 2024 £	Income £	Expenditure (gains) / losses £	Investment gains / (losses) £	Transfers £	Fund c/fwd 2025 £
<b>Unrestricted funds</b>						
Tangible Fixed Assets	17,439,875	-	1,626,169	-	346,813	16,160,519
<b>Total designated funds</b>	17,439,875	-	1,626,169	-	346,813	16,160,519
General funds	495,598	18,308,585	18,954,442	11,414	(346,813)	(485,658)
<b>Total unrestricted funds</b>	17,935,473	18,308,585	20,580,611	11,414	-	15,674,861
<b>Endowment funds</b>						
Freda Brown Fund	15,698	-	-	-	-	15,698
The Martina Thomson Hislop Bursaries Fund	202,742	24,771	5,136	11,178	-	233,555
<b>Total Endowment funds</b>	218,440	24,771	5,136	11,178	-	249,253
<b>Restricted funds</b>						
Bursary Fund	-	277,047	296,499	19,452	-	0
Helping Hands	5,683	-	-	-	-	5,683
Prize Fund	117,682	2,931	620	-	-	119,993
ICT Fund	1,456	-	-	-	-	1,456
Music & Arts Fund	45,982	2,550	-	-	-	48,532
Sports Fund	247,215	567	-	-	-	247,782
Library Fund	978	-	-	-	-	978
Special Projects	83,379	50,340	-	-	-	133,719
<b>Funds received as agent:</b>						
Charity fund	24,150	16,002	31,232	-	-	8,920
<b>Total restricted funds</b>	526,525	349,437	328,352	19,452	-	567,063
<b>TOTAL FUNDS</b>	18,680,438	18,682,793	20,914,098	42,044	-	16,491,178

## The Governors of Hutchesons' Educational Trust

## Notes to the Accounts for the Year Ended 30 June 2025

## 24. Analysis of charitable funds (continued)

Analysis of fund movements	Balance b/fwd 2023 £	Income £	Expenditure (gains) / losses £	Investment gains / (losses) £	Transfers £	Fund c/fwd 2024 £
<b>Unrestricted funds</b>						
Tangible Fixed Assets	19,028,339	-	788,487	-	(799,977)	17,439,875
<b>Total designated funds</b>	19,028,339	-	788,487	-	(799,977)	17,439,875
General funds	(796,680)	17,984,047	17,737,461	245,715	799,977	495,598
<b>Total unrestricted funds</b>	18,231,659	17,984,047	18,525,948	245,715	-	17,935,473
<b>Endowment funds</b>						
Freda Brown Fund	15,698	-	-	-	-	15,698
The Martina Thomson Hislop Bursaries Fund	121,625	25,742	4,810	60,185	-	202,742
<b>Total Endowment funds</b>	137,323	25,742	4,810	60,185	-	218,440
<b>Restricted funds</b>						
Bursary Fund	98,583	184,044	314,293	31,666	-	-
Helping Hands	5,683	-	-	-	-	5,683
Prize Fund	115,195	3,068	581	-	-	117,682
ICT Fund	1,456	-	-	-	-	1,456
Music & Arts Fund	37,652	8,330	-	-	-	45,982
Sports Fund	236,331	10,884	-	-	-	247,215
Library Fund	978	-	-	-	-	978
Special Projects	33,582	49,797	-	-	-	83,379
<b>Funds received as agent:</b>						
Charity fund	12,807	13,655	2,312	-	-	24,150
<b>Total restricted funds</b>	542,267	269,778	317,186	31,666	-	526,525
<b>TOTAL FUNDS</b>	18,911,249	18,279,567	18,847,944	337,566	-	18,680,438

## **The Governors of Hutchesons' Educational Trust**

### **Notes to the Accounts for the Year Ended 30 June 2025**

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#### **24. Analysis of charitable funds (continued)**

Tangible fixed assets comprise school properties for nursery, primary and secondary education, along with playing fields for sports activities. These also include all fixtures and fittings, computer equipment and school vehicles. The balance is shown net of the term loan entered into to acquire the Craigholme Sports Complex.

General funds largely comprise liquid assets, which can be utilised freely by the Trust.

The Freda Brown Fund is an endowment fund and related to income received from the Park School Educational Trust on the condition that the Trust provide a prize, in perpetuity, to the highest performing girls at Hutchesons' Grammar School in S5 continuing to S6.

The Martina Thomson Hislop Bursaries Fund is an expendable endowment fund for the governors to provide bursaries. Bursaries are to be awarded to candidates who are of sufficient scholastic attainment to merit the award. In the event that bursaries are no longer awarded at the school, the governors shall at their discretion apply the capital of the bequest to the general educational benefit of pupils attending the school.

Bursary Fund – this fund relates to money received by the Trust which the charity uses to support bursaries to pupils.

Helping hands – This fund offers financial help to cover costs of essential trips, additional sportswear or music lessons, enabling those on Bursaries to take part in life enhancing extra curriculum activities.

Prize Fund – this was established by the donation of funds which were restricted to providing prizes on a yearly basis to meritorious pupils.

ICT fund – this money received to this fund is used to fund computing projects. This fund was closed to further donations in October 2012.

Music & Arts Fund – the Music & Arts fund is used to improve performing arts facilities at the school.

Sports Fund – this fund helps meet the cost of new equipment, uniforms, transport and tours to matches and fixtures both in the UK and overseas.

Library Fund – the Library Fund provides resources to the Kingarth Street Library. This fund was closed to further donations in October 2012.

Special Projects – following a review of restricted funds we elected to introduce 1 fund which each year would be allocated to specific tangible projects. During the current year this related to gym equipment and musical instruments.

Charity Fund – each year the charity committee nominates a charity which benefits from a number of school fundraising events. The Trust accounts for these as funds received as an agent.

## The Governors of Hutesons' Educational Trust

### Notes to the Accounts for the Year Ended 30 June 2025

#### 25. Net assets over funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2025 £
Intangible assets	12,015	-	-	12,015
Tangible assets	19,251,341	-	-	19,251,341
Investments	300,122	2,801,439	829,475	3,931,036
Stocks	7,138	-	-	7,138
Debtors	1,892,501	-	-	1,892,501
Cash at bank and in hand	5,509,826	(2,234,376)	(580,221)	2,695,229
Creditors < 1 year	(6,168,350)	-	-	(6,168,350)
Creditors > 1 year	(5,129,732)	-	-	(5,129,732)
	15,674,861	567,063	249,254	16,491,178

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2024 £
Intangible assets	15,018	-	-	15,018
Tangible assets	20,579,541	-	-	20,579,541
Investments	297,539	2,776,184	812,737	3,886,461
Stocks	7,124	-	-	7,124
Debtors	1,943,470	-	-	1,943,470
Cash at bank and in hand	5,423,027	(2,249,659)	(594,297)	2,579,071
Creditors < 1 year	(4,269,221)	-	-	(4,269,221)
Creditors > 1 year	(6,061,026)	-	-	(6,061,026)
	17,935,473	526,526	218,440	18,680,438

## The Governors of Hutchesons' Educational Trust

### Notes to the Accounts for the Year Ended 30 June 2025

#### 26. Reconciliation of net income to net cashflow from operating activities

	2025 £	2024 £
Net (expense) as per the Statement of Financial Activities	(2,189,259)	(230,811)
Adjustments for:		
Depreciation and amortisation charges	758,592	788,486
Revaluation/disposal of fixed assets	897,783	
Dividends, interest and rents from investments	(133,297)	(112,041)
Interest payable	288,377	375,226
Gain on investments	(42,044)	(337,566)
Increase in stocks	(15)	(946)
Decrease in debtors	50,969	74,837
Decrease in creditors	1,107,790	2,626,545
<b>Net cash provided by operating activities</b>	<b>738,896</b>	<b>3,183,730</b>

#### 27. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand	2,695,229	2,579,071
<b>Total cash and cash equivalents</b>	<b>2,695,229</b>	<b>2,579,071</b>

On 10 June 2020 a bank overdraft facility of £1.5m was arranged with Bank of Scotland to ensure availability of sufficient working capital given the adverse and still fully unknown impacts of the Coronavirus pandemic. This was extended to £2m in January 2022. The facility was renewed for a period of 12 months on 30 June 2025. A negative pledge is in place over the school buildings whilst the overdraft facility is in use.

#### 28. Analysis of Net Debt

	1 July 2024 £	Cash Flow £	Non-cash changes £	30 June 2025 £
Cash at bank and in hand	2,579,071	116,157	-	2,695,228
Term loan	(3,154,684)	51,846	0	(3,102,838)
Finance leases	(445,228)	88,104	(12)	(357,136)
	<b>(1,020,841)</b>	<b>256,107</b>	<b>(12)</b>	<b>(764,745)</b>

## The Governors of Hutchesons' Educational Trust

### Notes to the Accounts for the Year Ended 30 June 2025

#### 29. Capital Commitments

We did not have any capital commitments as at 30 June 2025 (2024: £60,000).

#### 30. Leasing Commitments

At 30 June 2025 Hutchesons' Educational Trust had the following commitments under non-cancellable operating leases:

	<b>Motor Vehicles 2025 £</b>	<b>Motor Vehicles 2024 £</b>
Operating leases which expire:		
Within 1 year	-	10,023
In second to fifth year inclusive	18,816	-
	<u>18,816</u>	<u>10,023</u>

#### 31. Contingent Assets & Liabilities

The Trust has been notified of a significant residual legacy, which has not been recognised in its financial statements. The legacy is subject to the life interest of a third party and as at 8 October 2022 was estimated at approximately \$10 million.

An outsourced catering arrangement with Aramark was entered into in September 2021. As part of the new contract, funding of £400,000 + VAT has been committed to, for upgrades to the school catering facilities. The assets acquired as part of the funding will be treated as contingent assets, as title will not pass to GoHET until the earlier of the end of the contract, or upon termination and settlement by GoHET of the amortised balance. As such, there is a potential liability to Aramark for the capital sums invested should there be early termination of the contract. There is no intention at this stage of early termination.

#### 32. Post Balance Sheet Events

In November 2025, the School announced that, with effect from August 2027, Primary pupils will relocate to the Beaton Road site, thereby creating a single, purpose-designed Campus for Excellence, bringing together teaching, pastoral care and the wider school community on one site.

Following this announcement, the Kingarth Street property was marketed through a competitive sales process managed by Savills, and an offer was accepted in February 2026.

The accepted offer price has been considered to provide additional evidence of the value of the property at the balance sheet date. Accordingly, the carrying value of the Kingarth Street property has been revalued in these financial statements to reflect the agreed sale price as an adjusting post balance sheet event.

Under the terms of the proposed sale agreement, the School will continue to occupy the property until the end of the 2026/27 academic year.