REGISTERED COMPANY NUMBER: SC119638 (Scotland)
REGISTERED CHARITY NUMBER: SC007157

Report of the Trustees and

Audited Financial Statements

for the Year Ended 31 July 2025

for

Drumduan School Limited

The A9 Partnership Ltd
Abercorn School
Newton
Lothian
EH52 6PZ

Drumduan School Limited

Contents of the Financial Statements for the year ended 31 July 2025

Drumduan School Limited

Report of the Trustees
for the year ended 31 July 2025

The Trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 July 2025.

Foreword from the Chair of Trustees

2024-25 was a year of meaningful milestones and measured renewal for Drumduan School. Against a backdrop of national change - not least the introduction of VAT on independent school fees - the school reclaimed its physical home, strengthened its governance, and grew its community.

As Chair of the Board of Trustees, I witnessed first-hand the care and commitment that our staff, families and community brought to the life of the school. From the introduction of weekly parent and carer drop-ins and regular bulletins, to the steady increase in pupil numbers and the soft launch of our Alumni Programme, 2024-25 was a year of growth rooted in purpose.

The completion of the buy-back of Drumduan House and immediate grounds - made possible by the extraordinary generosity of a benefactor - was perhaps the single most significant moment of the year. After years of working towards this goal, the school's physical home was once again its own. That achievement, alongside the dedication of everyone who supported the school through a demanding year, is something of which the whole community can be proud.

This Annual Report is a record of the main achievements during the financial year ended 31 July 2025. Trustees are aware that the period since the year end has brought very significant challenges, which are described in the Post Year-End Events section of this report.

Rosie Tait | Chair of Trustees | May 2026

OBJECTIVES AND ACTIVITIES

Charitable Objectives

The school is a not-for-profit charity and company limited by guarantee. The charitable objectives are set out in the school's Memorandum and Articles of Association registered in 1989 and amended in 2022. Predominantly, the objectives relate to carrying on a school to advance Steiner Waldorf education and to undertake all reasonable activities towards that end, including the ability to purchase or lease property, borrow, raise or invest funds for the purposes of the school, and to pay out of school funds all expenses incidental to school operations.

Aims and Strategies

This year marked a significant milestone in the history of Steiner Waldorf education: Rudolf Steiner died 100 years ago on 30 March 1925, and Steiner Waldorf education had been present in the United Kingdom for 100 years. The school's own 40th anniversary of its beginnings in the Findhorn Foundation in 1985 was during 2025, planned for celebration on 19 September 2025.

During 2024-25, the school ran a Steiner Waldorf education from Parent and Child age to 18 years old, including Parent and Child groups, Kindergartens (ages 3 to 6), a Lower and Middle School (6 to 14 years) and an Upper School (14 to 18 years). A notable development during the year was the expansion of Early Years provision, with the school ending the year with two Parent and Child groups and two Kindergartens, up from one of each at the start of the year.

Public benefit

The Trustees confirmed that they had due regard to the public benefit requirement under the Charities and Trustee Investment (Scotland) Act 2005 in exercising their powers and duties during the year. The school advanced education for the public benefit by providing a Steiner Waldorf education to pupils from Parent and Child age through to Upper School. The school ensured that its charitable purposes were for the public benefit by:

- providing a holistic, child-centred educational programme that supported the development of the whole child - academically, artistically, practically and socially;
- operating a Fee Assistance programme, means-tested on household income and capital, to enable access to the school's education for families who would otherwise be unable to afford the fees;
- making facilities available to the wider local community for meetings and activities; and
- hosting community events, including the annual May Fair and Christmas Market, which were open to the public and contributed to local community life.

Report of the Trustees for the year ended 31 July 2025

OBJECTIVES AND ACTIVITIES

Activities

The school's overarching aim during 2024-25 was to provide Steiner Waldorf education to all pupils from Parent and Child through to Upper School, within a financially sustainable and well-governed organisation. The school focused its efforts on four strategic themes:

- **Rebuilding the school roll**: following significant pupil departures at the end of 2023-24, rebuilding pupil numbers was the main priority, addressed through improved marketing, a more active admissions process, community engagement, and the development of the new school website with search engine optimisation and targeted advertising.
- **Financial sustainability**: diversifying income beyond school fees through donations, grant applications and fundraising; and managing costs through efficiencies, VAT management and active debt management.
- **Governance and organisational development**: refreshing the governance and management structure, appointing a volunteer Clerk to Trustees, establishing the Coordination Group and the College of Teaching Staff, and embedding Development Groups across the school community.
- **Community and alumni engagement**: developing an alumni programme, strengthening the PTFA and Development Groups, and improving communications with the school community through regular bulletins, newsletters and weekly drop-in sessions.

Fee Assistance and Family Support

The Trustees hold that access to a Steiner Waldorf education should not depend solely on the ability of a family to pay the school fees. During 2024-25, Fee Assistance continued to be made available from the school's income. Applications were means-tested based on total household income and capital position and were managed by Accounts and reviewed and decided upon by a Fee Assistance Committee.

The introduction of VAT on school fees from January 2025, alongside wider cost of living pressures, heightened awareness of financial challenges for many families. The school remained alert to hardship needs arising as a result. During 2024-25, the school approved a new Fees Policy and Debt Management Policy, reflecting the Trustees' commitment to transparency, fairness and consistency in how financial matters were handled with families.

Volunteers

Volunteers played a significant role in the life of Drumduan during the year, undertaking activities such as gardening, cleaning and maintenance. Close community ties are central to the school's ethos, and the school was fortunate to have a committed parent and carer community who went above and beyond to supplement its operations and educational aims. During the year, a new volunteer process and agreement were developed to comply with a change in the law in April 2025, ensuring the school's approach to working with volunteers was robust, consistent and legally compliant.

STRATEGIC REPORT

Achievements and performance

Pupils

The year saw a welcome and significant recovery in pupil numbers. The school began the financial year with 58 pupils and grew to 72 pupils by the end of the year, an increase of over 24%, including the expansion of Early Years provision to two Parent and Child groups and two Kindergartens, with the Kindergartens approaching capacity by the year end.

Admissions activity was strong throughout the year. It was particularly encouraging that some families who had left the school in June 2024 expressed a wish to return. International interest in the school also increased, with visiting students for the Upper School taking place once again.

The school was shortlisted as a finalist in the 'School of the Year' category of the Moray and Banffshire Hero Awards, having been nominated by a parent.

Educational Quality and Outcomes

The school used a range of measures to assess the quality of its educational provision and the wellbeing of its pupils.

In Upper School, students successfully completed their Crossfields Institute Integrated Education qualifications at both Level 2 (National 5s/GCSEs equivalent) and Level 3 (Highers and Advanced Highers/A Levels equivalent). Two Level 3 students achieved Distinction Star awards - the highest grade available - reflecting the quality and commitment of both students and staff. This nationally recognised, exam-free qualification pathway facilitated access to Higher Education and employment and remains a distinctive and valued part of the school's Upper School offering.

In relation to Early Years, the school continued to receive positive feedback from Moray Council and the Care Inspectorate, providing external validation of the quality of its Kindergarten and Early Years provision. In June 2025, the school received a pre-inspection visit from Education Scotland. Parent feedback was generally positive, and pupil wellbeing remained a central consideration in all of the school's work. Staff professional development was a focus throughout the year, with regular training days and a three-day Waldorf UK training session organised for August 2025.

Staffing

All staff vacancies that arose at the end of the 2023-24 academic year were successfully filled, and the school entered 2024-25 with a committed team. Staff changes did occur during the year, and management sought to ensure each transition was handled with care and a commitment to continuity for pupils. Staff retention and wellbeing remained a key priority for the Trustees and the Coordination Group.

Business Development and Alumni

A Business Development Manager (BDM) was appointed in August 2024 to coordinate income diversification, grant applications, marketing and alumni engagement. Key initiatives during the year included:

- **Alumni Programme**: the BDM coordinated an Alumni Group comprising a past teacher, a past parent, the BDM and a Trustee. The group held regular meetings, developed an alumni page on the school website, built a growing database of past pupils, parents and staff, and planned the 40th anniversary celebration event for September 2025. Relationships with the Forres Gazette and Press and Journal were re-established to support coverage of school and alumni news.
- **Grant applications**: the BDM actively sought grant funding from a range of organisations to diversify income and reduce reliance on fee income. This proved challenging, as many grant funders excluded independent schools from their criteria.
- **Corporate partners and sponsorship**: work began on developing a corporate partner and sponsorship programme.
- **Additional income streams**: further initiatives explored included wrap-around care provision and additional clubs and activities.

Marketing and Admissions

The school continued to develop its new website (soft-launched in June 2024), carrying out search engine optimisation and conducting two Google Ad campaigns during the year. These efforts contributed to a significant increase in enquiries, tour requests and applications for places, and an improved conversion rate of enquiries into enrolments. Communications with the school community were strengthened through a regular weekly bulletin, end-of-term newsletters, Trustee messages and weekly parent drop-in sessions.

Events

The school hosted a number of successful community events during the year, including the annual May Fair and Christmas Market, a Family Friendly Ceilidh and a Bingo Night organised by the PTFA. These events played an important role in building community spirit, raising funds and raising the school's profile locally.

Buy-back of Drumduan House

The single most significant strategic achievement of the year was the completion of the buy-back of Drumduan House and its immediate grounds from Ekopia Social Investments Limited on 7 March 2025. Made possible by the receipt of a substantial one-off donation in November 2024, this fulfilled a long-held objective of the Trustees dating back to the original sale and leaseback agreement entered into in 2019. The buy-back represented a major strengthening of the school's physical and financial security and increased the school's asset base by an estimated £500,000.

Drumduan School Limited

Report of the Trustees
for the year ended 31 July 2025

STRATEGIC REPORT

Financial review

Basis of Preparation, Going Concern and Material Uncertainty

These financial statements have been prepared on the going concern basis. However, the Trustees draw attention to post year-end events (described in the Post Year-End Events section below) which cast significant doubt on the charity's ability to continue as a going concern. The Lower and Middle School was closed in February 2026, the Upper School was closed in March 2026, and the Early Years provision will close on 30 June 2026. The primary reasons for these closures were the removal of the VAT exemption for independent schools and the cumulative economic pressures of recent years, including the removal of business rates relief, the impact of Brexit and COVID-19 on international staff and students, and increases in employment costs, and the costs of living crisis. It was no longer possible for the charity to continue to absorb such cost increases alongside reduced income.

The charity intends to realise its assets in an orderly manner, repay all liabilities, and transfer any residue to a similar charitable body. The Trustees have considered the valuation of assets and liabilities in the Balance Sheet and do not believe their current carrying values differ materially from a breakup basis of accounting. Full disclosure is provided in Note 1 to the financial statements.

Results for the Year

The school entered the financial year with low pupil numbers and rising costs, including the introduction of VAT on school fees from January 2025, increased National Insurance contributions and rises in the National Minimum/Living Wage. These created significant pressures on income and expenditure. The school was on track to record a deficit for the year; however, the receipt of two one-off donations meant the school reported a surplus of £469,295 for the year, with an improvement in its reserves position. The deficit was less than originally forecast, reflecting the positive impact of improved pupil numbers, effective cost management and the fundraising efforts of the school community.

Principal Funding Sources

The school's principal source of funding is parental and carer fee income, which provided the foundation for all of the school's educational activities. Secondary sources included Early Years funding from Moray Council (for eligible Kindergarten children), donations and fundraising activities. The school actively worked to diversify its income through grant applications, corporate partnerships, alumni giving, additional service provision and community fundraising, in order to reduce its reliance on fee income.

Significant Events Affecting Financial Performance

- **Receipt of a significant one-off donation** in November 2024 from a benefactor enabled the school to trigger the buy-back clause in the sale and leaseback agreement with Ekopia Social Investments Limited, bringing Drumduan House and immediate grounds back into the school's ownership and improving the reserves position.
- **Removal of the VAT exemption** on independent school fees from 1 January 2025 introduced new compliance obligations and cost pressures, partially offset in 2024-25 by the school's ability to reclaim input VAT and by savings on rental payments to Ekopia following the Drumduan House buy-back.
- **Announcement in June 2025 of a 20% increase in school fees** to apply from August 2025, taken in response to rising costs including VAT, and reflecting the need to ensure the school's long-term financial sustainability. Unfortunately, this had a significant impact on pupil numbers - by August 2025 they had reduced by 24%.

Financial Management

During the year, the school fully embedded the use of Xero accounting software and established a monthly reconciliation process of budget versus actuals, significantly improving the transparency and oversight of the school's finances. Active fee debt management continued throughout the year, and professional VAT advice and accounting support was obtained.

Reserves Policy

The Trustees' policy was to maintain free reserves at a level equivalent to three months' running costs. Reserves at the year end were around £151,000 which meant that the reserves target was achieved for the year.

The school continued to hold the Covid-19 Bounce-Back Loan (£50,000). The significant asset increase arising from the Drumduan House buy-back represented a major strengthening of the school's overall balance sheet position at the year end.

Report of the Trustees
for the year ended 31 July 2025

STRATEGIC REPORT

Post Year-End Events

The following material events occurred after the balance sheet date of 31 July 2025.

Following the 20% fee increase for 2025-26, pupil numbers in August 2025 fell significantly from 72 (June 2025) to 52. In the autumn of 2025, the school's pupil numbers did not recover as the Trustees had anticipated. Despite sustained efforts to increase income and reduce costs, the school's financial position continued to deteriorate. The cumulative impact of the removal of business rates relief, the removal of the VAT exemption for independent schools, increases in employment costs, and the costs of living crisis made it no longer possible to sustain the school's operations in their existing form.

Following a thorough review of options, the Trustees took the decision to close the Lower and Middle School (February 2026) and the Upper School (March 2026). The Early Years provision continued to operate following those closures, but it was not possible to secure the funding required to sustain it on a sound long-term footing. The closure of the Early Years provision was announced on 25 May 2026, with the last day of operation being the end of the summer term on 30 June 2026.

In September 2025, Education Scotland carried out a full inspection of the school, including a pilot inspection of the Kindergarten. The Kindergarten was noted for its strong practice. A further inspection took place in March 2026, at which point the Kindergarten was the only remaining provision. Education Scotland's report, published on 18 May 2026, noted significant improvement in the Kindergarten. The report stated:

"The kindergarten has made significant progress since the original inspection last September. We are confident that it has the capacity to continue to improve, so we will make no more visits in connection with this inspection."

The charity has made and will make, the redundancies arising from these closures and is taking steps to minimise costs and manage its affairs in an orderly manner. The charity's principal asset is Drumduan House and grounds. The Trustees intend to realise the charity's assets in an orderly manner, repay all liabilities, and donate any residue to a similar charitable body. Financial statements for the year ending 31 July 2026 will be prepared and subject to independent review in due course.

Plans for Future Periods

As described in the Post Year-End Events section above, all educational operations of the charity will cease on 30 June 2026. The Trustees' focus for the period ahead is the orderly wind-down of the charity's affairs, including the realisation of assets, the repayment of all liabilities, and the transfer of any residue to a similar charitable body. In the meantime, the Trustees will continue to fulfil all statutory and regulatory obligations to Companies House and the Scottish Charity Regulator (OSCR).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Drumduan School Limited is a company limited by guarantee, registered in 1989 under company number SC119638, governed by its Memorandum and Articles of Association. It is also a registered charity with the Scottish Charity Regulator, charity number SC007157.

Appointment of Trustees

Trustees are elected by majority of the membership of the school Association (company) Members at the school's Annual General Meeting. The Board of Trustees can at any time co-opt any person duly qualified to be appointed as a Trustee to fill a vacancy or as an additional Trustee. The Board is required to consist of at least five and not more than twelve individuals. At each AGM, a third of the charity Trustees are required to step down but can stand for re-election; in the interests of continuity, this is often approved.

The Trustees had a mix of skills including educational, management, financial, governance, public relations, community engagement and business. Where the appointment of an additional Trustee was deemed desirable, the members of the school Association were made aware of this, and the Trustees also searched outside of the school community for appropriate candidates.

Report of the Trustees
for the year ended 31 July 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational Structure and Decision Making

The Trustees determine broad policy direction for the school, Kindergarten and Early Years provision, particularly regarding legal and financial requirements. Management of the delivery of education and day-to-day operations is delegated to the Coordination Group. The Trustees met regularly during term time and were accountable to the school's Association. The Association met in March 2025 at the AGM, and Community Meetings took place during the year.

During 2024-25, the organisational structure of the school was refreshed. The College of Teaching Staff (all staff, focused on educational matters) was re-introduced, and the former Core Group was replaced by a Coordination Group. The Coordination Group comprised the Education Coordinators (for Early Years, Lower Middle School and Upper School) and the Managers (HR and Operations, Business Development, and Facilities). The College of Teaching Staff and operational functions interacted with the Coordination Group, which managed day-to-day activities and reported to and was accountable to the Trustees.

A number of Development Groups operated during the year, bringing together parents, staff, Trustees, friends and, where appropriate, students. These included the Parents, Teachers and Friends Association (PTFA), the Student Council, the Alumni Group, the Events Group, the Facilities Group, the Gardening Group and a Marketing Group, reflecting the school's strong ethos of community involvement and participation.

Following the dispersal of the School Development Group in July 2024, a Business Development Manager was appointed in August 2024 to coordinate income diversification, grant applications, marketing and alumni engagement.

A volunteer Clerk to Trustees was appointed in September 2024. This role focused on reviewing, updating and strengthening the school's governance documentation and processes, and on developing a Trustees induction guide and other written guidance.

Data Protection

The school maintained a Data Protection Policy, associated procedures and Privacy Notices in accordance with its obligations under UK GDPR and the Data Protection Act 2018. During the year, one Subject Access Request was received and was handled in compliance with statutory requirements and within the required timeframe.

Trustees Induction and Training

New Trustees were inducted into the workings of the Board in a series of meetings with either the Chairperson or a nominated person. Trustees were encouraged to attend training events organised by Waldorf UK and to join the Waldorf UK Trustees Network. There were mandatory annual training sessions for Trustees on topics including child protection and safeguarding.

Key management remuneration

Key management personnel are those persons who had authority and responsibility for planning, managing and implementing the activities of the charity. Remuneration for key management personnel was set by the Trustees having regard to the responsibilities of the roles, the school's financial position, and the need to attract and retain appropriately qualified individuals. No employee received employee benefits of more than £60,000 during the year.

Relationship with Waldorf UK

The school is a member of Waldorf UK (formerly the Steiner Waldorf Schools Fellowship), the national body for Steiner Waldorf education in the United Kingdom. This membership influences the school's operating policies in relation to curriculum, teacher training and governance standards. The school worked closely with Waldorf UK throughout 2024-25, with two visits: one to provide staff training and another to engage directly with the Board of Trustees in an advisory capacity.

Related parties

None of the volunteer Trustees received remuneration or other benefit from their role as a Trustee. Trustees were able to reclaim reasonable expenses by agreement of the Board. Any contractual relationships of the Trustees relating to the school were disclosed, and notes of interest were retained in written form.

Some Trustees are past or current parents of children attending the school. Generally, this did not affect their capability to make independent and fair decisions in the best interests of the school; however, where a specific conflict of interests arose, the affected Trustee either did not take part in the relevant discussion or decision-making. Details of any related party transactions are shown in the notes to the financial statements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Child Protection and Safeguarding

The school's Designated Child Protection Lead ensured that training was kept up to date, policies were reviewed and updated, and consistent child protection and safeguarding practice was maintained across the school throughout the year. Child protection and safeguarding remained a standing priority for both the Coordination Group and the Board of Trustees, and mandatory annual training in these areas was completed by Trustees and staff.

Drumduan School Limited

Report of the Trustees
for the year ended 31 July 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk and Mitigation

At the start of the financial year, members of the Coordination Group and Trustees carried out a review of the major risks to which the school might be exposed and, where appropriate, put in place or developed systems and controls to mitigate those risks.

The 2024-25 risk register identified the following risks and key mitigations:

1. General School Roll

The primary funding of the school is through parental and carer fees, making the school vulnerable to any unexpected fall in the overall school roll. The school began the financial year with 58 pupils, having experienced significant departures at the end of 2023-24. A sustained and focused effort on marketing, admissions and community engagement throughout 2024-25 resulted in a 24% recovery in pupil numbers by the year end. Key mitigations included maintenance of educational standards, a consistent and improved marketing and admissions process, retention of pupils and families through good community relationships, and active outreach to prospective families.

2. Teacher Recruitment and Training

The school faced an ongoing risk in recruiting experienced, trained Steiner Waldorf teachers, reflecting a national shortage within the Waldorf movement. Key mitigations included working closely with Waldorf UK and advertising through its national networks; endeavouring to support staff in undertaking Steiner Waldorf training and professional development; prioritising retention through a supportive working environment and flexible arrangements where possible; and seeking to make salaries and benefits as competitive as the school's financial position allowed.

3. Transition Points

Most families in Kindergarten benefit from Early Years funding provided by Moray Council. When children reach school age and this funding ends, families face potential affordability challenges at the point of transition to Class 1. Additionally, some families choose to leave the school at Middle School age or when their child reaches 16, in order to access state examinations. Key mitigations included improving proactive communication with families at key transition points; ensuring families understood the fee assistance available; and ensuring that families with older children were well informed about the benefits of the Steiner Waldorf approach and the Crossfields Institute qualification pathway, which provided a recognised, exam-free route to Higher Education and employment.

4. Class One Size

A small Class 1 cohort risks low numbers throughout the following years. The key mitigation was maximising numbers in Kindergarten which, as noted below, moved to two groups during the year.

5. VAT on Independent School Fees

With effect from 1 January 2025, VAT at 20% was applied to independent school fees, introducing new compliance obligations and increasing the cost of education for families. The risk was of financial pressure on families, reduced pupil numbers, and administrative burden on the school. Key mitigations included seeking professional VAT advice; registering for VAT and managing the new compliance obligations; communicating clearly with the school community on the implications; reclaiming input VAT to offset costs; and reducing overhead costs where possible, including savings on rental payments following the buy-back of Drumduan House in March 2025.

6. Buildings

The school's buildings are showing their age and require ongoing investment in maintenance, with a risk of deterioration leaving the school unable to utilise all areas. Key mitigations included the development of a maintenance plan and the prioritisation and completion of essential works as finances allowed.

7. Financial Health and Reserves

The school entered the financial year with reserves below the Trustees' target level of three months' running costs, and with low pupil numbers and rising costs creating further pressure. Key mitigations included active fee debt management, income diversification, grant applications, donations and fundraising, alongside cost efficiencies and controls. The receipt of two significant one-off donations during the year, one of which enabled the Drumduan House buy-back, was a major positive development.

8. Regulatory Requirements and Inspections

Past inspections of Steiner Waldorf schools in England and Wales had raised concerns about structure, governance and accountability. The school continued to work with Waldorf UK to understand and apply lessons learned and made continued efforts to review and update policies and improve governance. The school received a pre-inspection visit from Education Scotland in June 2025 and expects its first full Education Scotland inspection in over a decade during 2025-26.

9. Staff Retention and Wellbeing

Drumduan School Limited

Report of the Trustees
for the year ended 31 July 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

The school faced an ongoing risk of staff turnover and difficulties in retention, exacerbated by rising costs including increases in the National Minimum/Living Wage and National Insurance contributions, which created pressure on the school's ability to offer competitive salaries. Key mitigations included supporting staff development and wellbeing; seeking to handle any staffing transitions with care and a commitment to continuity for pupils; and endeavouring to make salaries and benefits as competitive as the school's financial position allowed.
The risk register was reviewed regularly by the Trustees and updated accordingly.

Equalities

Drumduan School is committed to equality of opportunity and to treating all members of its community - pupils, families, staff and volunteers - with fairness, dignity and respect. The school sought to ensure that its policies, practices and culture were free from unlawful discrimination and that the needs of individuals were recognised and accommodated wherever possible. The school's approach to equality and inclusion was reflected in its Fee Assistance provision, its inclusive educational ethos and its ongoing policy review programme.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
SC119638 (Scotland)

Registered Charity number
SC007157

Registered office
Drumduan House Company Secretary
Drumduan School Limited, Drumduan House.
Clovenside Road
Forres
Moray
IV36 2RD

Trustees

Auditors
The A9 Partnership Ltd
Abercorn School
Newton
Lothian
EH52 6PZ

Bankers
Bank Of Scotland
73 High Street
Nairn
IV12 4BS

Drumduan School Limited

Report of the Trustees
for the year ended 31 July 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES
The Trustees, who are also directors for the purposes of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).
Company law requires the charity Trustees to prepare financial statements for each year which gave a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.
In preparing these financial statements, the Trustees were required to:
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and accounting estimates that were reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it was inappropriate to presume that the charity would continue in business.

The Trustees were responsible for keeping adequate accounting records sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity, and to enable them to ensure that the financial statements complied with the Companies Act 2006. They were also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor
Each of the persons who was a Trustee at the date of approval of this report confirms that:
- so far as they were aware, there was no relevant audit information of which the charity's auditor was unaware; and
- they had taken all steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor was aware of that information.

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

AUDITORS
The auditors, The A9 Partnership Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ......19.....JUNE...2026 and signed on the board's behalf by:

....
Ms R S Tait - Trustee

Report of the Independent Auditors to the Members of
Drumduan School Limited

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

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

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor'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
We draw attention to Note 1 in the financial statements, which states that.

These financial statements are prepared on the going concern basis. However, the directors are aware of certain material uncertainties which cast significant doubt on the company's ability to continue as a going concern. Specifically, the Lower and Middle School was closed in February 2026, the Upper School was closed in March 2026 and the trustees currently intend to close the Early Years Provision on 30th June 2026. The main reason for closure is the removal of the VAT exemption for independent schools and the economic hardship caused by various other external factors over recent years e.g. removal of business rates relief, BREXIT and COVID-19 impacting international staff and students, the increase in Employers National Insurance and minimum / living wage increases. It is no longer possible for the company to continue to absorb such increases.

The company currently intends to realise the assets in an orderly manner, repay liabilities and donate any residue to a similar charitable body.

The directors have considered the valuation of assets and liabilities in the Balance Sheet and do not believe their current carrying values differ materially from the breakup basis of accounting.

Our opinion is not modified in respect of this matter.

Other information
The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- the information given in the 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 statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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. Based on our understanding of the charity and its industry, we identified that the principal risks of non-compliance with laws and regulations related to: Education Scotland and Care Inspectorate requirements, UK tax, pensions, employment, anti-bribery and data protection legislation and health and safety regulations. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Charities and Trustee Investment (Scotland) Act 2005, Companies Act 2006, Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities SORP (FRS 102).

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates. Also there is the risk of fraudulent misappropriation of: cash or other assets.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:
- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.
- Reviewing for legal fees incurred in the year for indications of non-compliance or litigation.
- Reviewing Board meeting minutes.

Our audit procedures in relation to fraud included but were not limited to:
- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;

- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.
- Performing income completeness testing and agreeing receipts to subsequent bank lodgement.
- Performing analytical procedures to identify any unusual or unexpected relationships.

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 regulations. 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. The primary responsibility for the prevention and detection of irregularities including fraud rests with management.

A further description of our responsibilities is available 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 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.

The A9 Partnership Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

G. Thomson

Mr Grant Thomson (Senior Statutory Auditor)
for and on behalf of The A9 Partnership Ltd
Abercorn School
Newton
Lothian
EH52 6PZ

Date: 19th June 2026

Drumduan School Limited

Statement of Financial Activities for the year ended 31 July 2025

	Notes	Unrestricted funds £	Restricted fund £	31.7.25 Total funds £	31.7.24 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	**207,868**	**444,234**	**652,102**	137,199
Charitable activities	5				
Parental Contributions		**347,612**	-	**347,612**	532,138
Other trading activities	3	**10,398**	-	**10,398**	28,165
Investment income	4	**2,379**	-	**2,379**	722
Other income		**160**	-	**160**	-
Total		**568,417**	**444,234**	**1,012,651**	698,224
EXPENDITURE ON					
Charitable activities	6				
Educational Costs		**313,454**	-	**313,454**	422,475
Administration Costs		**128,255**	**1,877**	**130,132**	144,498
Premises Costs		**89,592**	-	**89,592**	94,603
Support Costs		**10,178**	-	**10,178**	7,529
Total		**541,479**	**1,877**	**543,356**	669,105
NET INCOME		**26,938**	**442,357**	**469,295**	29,119
RECONCILIATION OF FUNDS					
Total funds brought forward		**229,437**	**15,019**	**244,456**	215,337
TOTAL FUNDS CARRIED FORWARD		**256,375**	**457,376**	**713,751**	244,456

The notes form part of these financial statements

Drumduan School Limited

Balance Sheet
31 July 2025

	Notes	31.7.25 £	31.7.24 £
FIXED ASSETS			
Tangible assets	14	**628,394**	200,559
CURRENT ASSETS			
Stocks	15	**4,500**	4,500
Debtors	16	**18,743**	49,751
Cash at bank and in hand		**151,437**	109,537
		174,680	163,788
CREDITORS			
Amounts falling due within one year	17	**(55,802)**	(79,739)
NET CURRENT ASSETS		**118,878**	84,049
TOTAL ASSETS LESS CURRENT LIABILITIES		**747,272**	284,608
CREDITORS			
Amounts falling due after more than one year	18	**(33,521)**	(40,152)
NET ASSETS		**713,751**	244,456
FUNDS	21		
Unrestricted funds:			
General fund		**194,654**	167,716
Music Fund		**1,721**	1,721
Revaluation Reserve		**60,000**	60,000
		256,375	229,437
Restricted funds:			
Restricted Funds		**457,376**	15,019
TOTAL FUNDS		**713,751**	244,456

The financial statements were approved by the Board of Trustees and authorised for issue on ....19 June 2026.. and were signed on its behalf by:

....
Trustee

The notes form part of these financial statements

Drumduan School Limited

Cash Flow Statement
for the year ended 31 July 2025

	Notes	31.7.25 £	31.7.24 £
Cash flows from operating activities			
Cash generated from operations	1	**487,212**	31,944
Interest paid		**(1,497)**	(3,209)
Net cash provided by operating activities		**485,715**	28,735
Cash flows from investing activities			
Purchase of tangible fixed assets		**(444,928)**	(981)
Sale of tangible fixed assets		**5,364**	-
Interest received		**2,379**	722
Net cash used in investing activities		**(437,185)**	(259)
Cash flows from financing activities			
Loan repayments in year		**(6,630)**	(6,243)
Net cash used in financing activities		**(6,630)**	(6,243)
Change in cash and cash equivalents in the reporting period		**41,900**	22,233
Cash and cash equivalents at the beginning of the reporting period		**109,537**	87,304
Cash and cash equivalents at the end of the reporting period		**151,437**	109,537

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the year ended 31 July 2025

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.7.25	31.7.24
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	**469,295**	29,119
Adjustments for:		
Depreciation charges	**11,729**	12,989
Interest received	**(2,379)**	(722)
Interest paid	**1,497**	3,209
Accrued (Income)/expenses	**3,613**	(12,885)
Decrease/(increase) in debtors	**31,008**	(3,349)
(Decrease)/increase in creditors	**(27,551)**	3,583
Net cash provided by operations	**487,212**	31,944

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.8.24	Cash flow	At 31.7.25
	£	£	£
Net cash			
Cash at bank and in hand	**109,537**	**41,900**	**151,437**
	109,537	**41,900**	**151,437**
Debt			
Debts falling due within 1 year	**(7,932)**	**-**	**(7,932)**
Debts falling due after 1 year	**(40,152)**	**6,631**	**(33,521)**
	(48,084)	**6,631**	**(41,453)**
Total	**61,453**	**48,531**	**109,984**

Notes to the Financial Statements
for the year ended 31 July 2025

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, except for land and buildings which are held at fair value.

Income
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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

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

Freehold property	- 4% on cost
Improvements to property	- 10% on cost
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation
The charity is exempt from corporation tax on its charitable activities.

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

continued...

1. ACCOUNTING POLICIES - continued

Government Grants

Government Grants for Preschool children are recognised in the profit and loss account on an accruals basis in the period in which the company recognises the related costs for which the grants are intended to compensate.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

continued...

1. ACCOUNTING POLICIES - continued

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

2. DONATIONS AND LEGACIES

	31.7.25	31.7.24
	£	£
Gifts	-	2
Donations	563,840	38,065
Grants	88,262	99,132
	652,102	137,199

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

	31.7.25	31.7.24
	£	£
Moray Council Pre-Schoo Kindergarten Grantsl	78,507	89,291
EIF Partner Funding	7,255	9,841
Hermes Trust	2,500	-
	88,262	99,132

3. OTHER TRADING ACTIVITIES

During the year fundraising event income £10,398 was raised compared to £28,165 in the previous accounting period.

4. INVESTMENT INCOME

	31.7.25	31.7.24
	£	£
Bank Interest	2,379	722

 continued...

5. INCOME FROM CHARITABLE ACTIVITIES

		31.7.25	31.7.24
	Activity	£	£
Parental Contributions	Parental Contributions	**347,612**	532,138

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 7)	Totals
	£	£	£
Educational Costs	**313,454**	**-**	**313,454**
Administration Costs	**130,132**	**-**	**130,132**
Premises Costs	**89,592**	**-**	**89,592**
Support Costs	**-**	**10,178**	**10,178**
	533,178	**10,178**	**543,356**

7. SUPPORT COSTS

	Finance	Governance costs	Totals
	£	£	£
Support Costs	**1,497**	**8,681**	**10,178**

8. OTHER

	31.7.25	31.7.24
	£	£
Support costs	**10,178**	7,529

Bursaries

Student bursaries amounting to £59,592 (2024 £54,000) were awarded during the year. In addition to these bursaries, discounts of £47,874 (2024 £103,000) were given in respect of fees for the children of members of the teaching staff attending the school.

9. NET INCOME/(EXPENDITURE)

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

	31.7.25	31.7.24
	£	£
The auditing of accounts	**3,600**	4,320
Depreciation - owned assets	**11,729**	12,989

continued...

10. TRUSTEES' REMUNERATION AND BENEFITS

One of The Trustee's who was employed by the Charity was paid £2,428.13 in gross wages during the year.

One of the Trustees was paid £3,718 for the own consultancy services provided to the charity during the year.

Trustees' expenses

During the year total expenses of £1,255.67 was reimbursed to the trustees.

Other transactions

During the year trustees donated £816.69 to the charity.

Fees paid by family members of the trustees totalled £33,918.48 during the year.

A limited company of one of the trustees donated £2,428.13 to the charity during the year.

11. STAFF COSTS

	31.7.25	31.7.24
	£	£
Wages and salaries	341,393	478,612
Social security costs	8,830	23,395
Other pension costs	5,612	6,380
	355,835	508,387

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

	31.7.25	31.7.24
Average number of employees	30	24

No employees received emoluments in excess of £60,000.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted fund	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	137,199	-	137,199
Charitable activities			
Parental Contributions	532,138	-	532,138
Other trading activities	28,165	-	28,165
Investment income	722	-	722
Total	698,224	-	698,224
EXPENDITURE ON			
Charitable activities			
Educational Costs	422,475	-	422,475
Administration Costs	142,621	1,877	144,498
Premises Costs	94,603	-	94,603

continued...

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
Support Costs	7,529	-	7,529
Total	667,228	1,877	669,105
NET INCOME/(EXPENDITURE)	30,996	(1,877)	29,119
RECONCILIATION OF FUNDS			
Total funds brought forward	198,441	16,896	215,337
TOTAL FUNDS CARRIED FORWARD	229,437	15,019	244,456

13. LIMITED BY GUARANTEE

Drumduan School Limited is a company limited by guarantee not having a share capital.

According to the Memorandum of Association of the company every member undertakes to contribute to the assets of the company in the event of its being wound up while they are a member, or within one year afterwards, for payment of the debts and liabilities of the company contracted before the time at which they cease to be a member and of the costs, charges and expenses of winding up of the same, and for the adjustment of the rights of the contributories amongst themselves, such as may be required not exceeding £1.

14. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Plant and machinery £
COST			
At 1 August 2024	**172,388**	**31,095**	**30,286**
Additions	**444,234**	**-**	**694**
Disposals	**(1,913)**	**-**	**(294)**
At 31 July 2025	**614,709**	**31,095**	**30,686**
DEPRECIATION			
At 1 August 2024	**27,022**	**6,219**	**26,642**
Charge for year	**4,495**	**3,110**	**574**
At 31 July 2025	**31,517**	**9,329**	**27,216**
NET BOOK VALUE			
At 31 July 2025	**583,192**	**21,766**	**3,470**
At 31 July 2024	145,366	24,876	3,644

continued...

14. **TANGIBLE FIXED ASSETS - continued**

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 August 2024	**76,476**	**1,602**	**311,847**
Additions	**-**	**-**	**444,928**
Disposals	**(3,157)**	**-**	**(5,364)**
At 31 July 2025	**73,319**	**1,602**	**751,411**
DEPRECIATION			
At 1 August 2024	**50,030**	**1,375**	**111,288**
Charge for year	**3,493**	**57**	**11,729**
At 31 July 2025	**53,523**	**1,432**	**123,017**
NET BOOK VALUE			
At 31 July 2025	**19,796**	**170**	**628,394**
At 31 July 2024	26,446	227	200,559

Land and buildings includes land with a value of £60,000. The land was valued at 31 July 2020 at open market value. The valuation was carried out by the trustees, none of whom have any formal relevant qualifications, but have previous experience of valuing property.

In addition Property with a value of £430,000 was purchased during the year.

The land and buildings were valued post year end by DM Hall, Independent Chartered Surveyors at an open Market value of £500,000. This value does not differ materially to the current carrying value.

15. **STOCKS**

	31.7.25 £	31.7.24 £
Stocks	**4,500**	4,500

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

	31.7.25 £	31.7.24 £
Trade debtors	**9,579**	31,835
VAT	**521**	-
Prepayments and accrued income	**8,643**	17,916
	18,743	49,751

continued...

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.7.25	31.7.24
	£	£
Bank loans and overdrafts (see note 19)	6,250	6,250
Other loans (see note 19)	1,682	1,682
Trade creditors	351	23,170
Social security and other taxes	2,097	5,931
Other creditors	1,551	2,449
Accruals and deferred income	28,686	23,721
Accrued expenses	15,185	16,536
	55,802	79,739

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.7.25	31.7.24
	£	£
Bank loans (see note 19)	23,958	30,215
Other loans (see note 19)	9,563	9,937
	33,521	40,152

19. LOANS

An analysis of the maturity of loans is given below:

	31.7.25	31.7.24
	£	£
Amounts falling due within one year on demand:		
Bank loans	6,250	6,250
Other loans	1,682	1,682
	7,932	7,932
Amounts falling due between two and five years:		
Bank loans - 2-5 years	23,958	30,215
Other loans - 2-5 years	9,563	9,937
	33,521	40,152

continued...

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted fund £	31.7.25 Total funds £	31.7.24 Total funds £
Fixed assets	171,018	457,376	628,394	200,559
Current assets	174,680	-	174,680	163,788
Current liabilities	(55,802)	-	(55,802)	(79,739)
Long term liabilities	(33,521)	-	(33,521)	(40,152)
	256,375	457,376	713,751	244,456

21. MOVEMENT IN FUNDS

	At 1.8.24 £	Net movement in funds £	Transfers between funds £	At 31.7.25 £
Unrestricted funds				
General fund	229,437	26,938	(61,721)	194,654
Music Fund	-	-	1,721	1,721
Revaluation Reserve	-	-	60,000	60,000
	229,437	26,938	-	256,375
Restricted funds				
Restricted Funds	15,019	442,357	-	457,376
TOTAL FUNDS	244,456	469,295	-	713,751

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	568,417	(541,479)	26,938
Restricted funds			
Restricted Funds	444,234	(1,877)	442,357
TOTAL FUNDS	1,012,651	(543,356)	469,295

continued...

21. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.8.23 £	Net movement in funds £	Transfers between funds £	At 31.7.24 £
Unrestricted funds				
General fund	198,441	30,996	(61,721)	167,716
Music Fund	-	-	1,721	1,721
Revaluation Reserve	-	-	60,000	60,000
	198,441	30,996	-	229,437
Restricted funds				
Restricted Funds	16,896	(1,877)	-	15,019
TOTAL FUNDS	215,337	29,119	-	244,456

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	698,224	(667,228)	30,996
Restricted funds			
Restricted Funds	-	(1,877)	(1,877)
TOTAL FUNDS	698,224	(669,105)	29,119

The total of Restricted funds is £457,376 and is split £13,141 CARERS grant (this was restricted funding received for solar panels) and £444,234 Purchase of school building (this was restricted to buy back the school building).

22. RELATED PARTY DISCLOSURES

Note 9 Trustee Remuneration and Benefits gives details of the transactions with the trustees.

There were no other disclosable related party transaction during the 2025 accounting period.

The school was under the control of the board of directors (trustees) throughout the current and previous years.

continued...

23. PENSIONS AND OTHER POST RETIREMENT BENEFITS

Defined contribution plans
The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £5,611 (2024: £6,380).

24. CONTINGENCIES

The school received a grant of £18,773 in the year ended 31 July 2023 from the Scottish Government's Community and Renewable Energy Scheme (CARES) for the purchase of solar panels. In the event of the school ceasing to operate within 5 years from the date the grant was awarded, the grant will be repayable in full.

25. POST YEAR END EVENTS

Post year end the lower, middle and upper school was closed in February 2026 & March 2026, with the early years provision continuing to operate. More details relating to this are contained in the trustees' annual report.

Drumduan School Limited

Detailed Statement of Financial Activities
for the year ended 31 July 2025

	31.7.25 £	31.7.24 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Gifts	-	2
Donations	**563,840**	38,065
Grants	**88,262**	99,132
	652,102	137,199
Other trading activities		
Fundraising events	**10,398**	28,165
Investment income		
Bank Interest	**2,379**	722
Charitable activities		
Parental Contributions	**347,612**	532,138
Other income		
Sundry Income	**160**	-
Total incoming resources	**1,012,651**	698,224
EXPENDITURE		
Charitable activities		
Wages	**341,393**	478,612
Social security	**8,830**	23,395
Pensions	**5,612**	6,380
Rent, Rates and water	**40,851**	52,618
Insurance	**18,849**	17,771
Light and heat	**18,242**	18,525
Telephone	**7,157**	7,195
Advertising	**1,613**	1,203
Sundries	**191**	1,415
Repairs & Maintenance	**11,459**	4,274
Minibus Costs	**2,528**	4,516
Professional Fees	**21,292**	7,832
Provision for Doubtful debts	**1,304**	(6,266)
Other Costs	**6,495**	4,281
Staff Development	**1,026**	3,516
Class related expenses	**8,321**	9,725
Steiner Fellowship	**4,117**	2,410
Class Trips	**17,293**	11,185
Subcontractors	**4,876**	-
Depreciation of tangible fixed assets	**11,729**	12,989
	533,178	661,576

This page does not form part of the statutory financial statements

Drumduan School Limited

Detailed Statement of Financial Activities
for the year ended 31 July 2025

	31.7.25	31.7.24
	£	£
Support costs		
Finance		
Bank interest	**1,497**	3,209
Governance costs		
Auditors' remuneration for non audit work	**3,600**	4,320
Accountancy and legal fees	**5,081**	-
	8,681	4,320
Total resources expended	**543,356**	669,105
Net income	**469,295**	29,119

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