

**Notice of decision on individual review of charitable status
SC029664 Kilgraston School Trust**

1. Decision

Following an inquiry under section 28 of the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act), we confirm that Kilgraston School Trust meets the charity test and therefore continues to be eligible to be registered as a charity in Scotland.

2. Summary of assessment against the charity test

Kilgraston School's purposes are set out in Clause Fifth of the Declaration of Trust (dated 10 December 1999) and we are satisfied that:

- these purposes are charitable;
- the charity's activities provide public benefit in furtherance of those purposes;
- there is no evidence of any significant private benefit or disbenefit arising in consequence of the charity exercising its functions; and
- the conditions on accessing the benefit are not, on balance, unduly restrictive.

In assessing Kilgraston School against the charity test, we have had particular regard to the benefit it provides in furtherance of its purposes (both that which is charged for and that which is not) and the conditions on accessing that benefit, primarily the fees it charges its beneficiaries.

a) Benefit which is charged for

Kilgraston is an all-through school for girls aged five to 18 years, offering education to both day and boarding pupils. It also has a nursery for boys and girls aged two and a half to five years. During the financial year 2012-13 (which formed the basis of our assessment, as it was the most recent financial year for which complete financial information was available), it had a school roll of 305 pupils with a further 16 nursery pupils. Approximately 45% of the school's roll were regular boarders. The school's gross income during the year is projected to be £4,817,515; we have used this figure for the purposes of our assessment.

In 2012-13, the school's nursery session fees were £220 per term for one half-day session per week (up to a maximum of ten sessions per week) and its annual school fees ranged from £10,395 (average junior day fee) to £24,705 (senior boarding fee). The school's junior and senior day fees and the senior boarding fees were considerably

lower than the average fees for Scottish Council of Independent Schools (SCIS) boarding schools in 2012-13¹ (£1,269, £3,153 and £2,205 lower respectively) but the junior boarding fee was marginally higher (£204 higher). Nevertheless, these fees are substantial and represent a restrictive condition on accessing the benefit provided by the school. In order for public benefit to be provided, there must therefore be significant mitigation of these fees in place.

Kilgraston School provides benefit to its pupils which is charged for. In terms of educational benefit, the nursery provides tuition in basic reading, writing and numeracy, as well as offering lessons in French, music and physical education. The school pupils follow the Scottish education system and may participate in extra-curricular activities including debating, netball, hockey practice, ballet, highland dancing, tennis coaching, aerobics, choir, riding, fencing and yoga.

In furtherance of its religious purpose, the school also provides instruction to pupils in the Catholic faith, reception of Catholic sacraments and provision of confirmation in the Church of Scotland.

b) Benefit which is not charged for

In addition, the school has provided evidence of a high level of benefit for which it makes little or no charge. These activities provide benefit to the wider public in furtherance of the school's purposes by providing access to its services and facilities. For example, the school:

- Contributes to national educational improvement and development by offering training and support to teachers from outwith the school, and writing and marking national examination papers.
- Provides staff resources to enhance education in other schools in areas such as leadership, sport and languages.
- Advances religion by providing public access to religious instruction and ceremonies as well as providing a venue for religious conferences.
- Undertakes activities to support the voluntary and charitable sector, including voluntary and humanitarian work by pupils and staff, fundraising for charities, organising community events and undertaking environmental work.
- Hires out or makes available a number of its sports facilities (including swimming pool, tennis courts, hockey pitch and sports hall) to a number of local clubs, state schools and the community generally.
- Invites the local community to attend arts and science events, provides venue space for examinations and offers use of its ICT facilities to the elderly.

It is clear that these activities are regular, scheduled and provide benefit for little or no charge to a wide range and high number of beneficiaries. These types of activities

¹ *Indicative average fees for SCIS schools analysis at September 2012, www.scis.org.uk*
(Note: comparison has been made with average day and boarding fees charged by boarding schools, as Kilgraston School has a high level of regular boarding pupils)

mitigate to an extent the restrictive nature of the fees charged by the charity for part of the benefit it provides.

c) Facilitated access to benefit

In addition to the benefit provided for which there is little or no charge, the school mitigates the impact of the fees it charges by offering both means-tested and non means-tested fee remissions to its pupils. Means-tested access arrangements have the most significant impact on opening up access that is restricted due to the fees charged, as these awards are primarily focussed on addressing financial need. However, our assessment has also had regard to the impact of non means-tested awards and discounts offered by the school.

The school spent a notably high sum in 2012-13 on means-tested bursary provision; this amounted to 11.7% of its gross income. In total, 87 pupils, or 28.5% of the school's roll (excluding the nursery pupils), were in receipt of a means-tested bursary award from the school which again is a very high figure. The bursaries awarded by the school were of varying values, with the main focus being on bursaries lower-value of 60% and less and the highest number of awards being in the 21-40% bracket.

Although means-tested bursaries offered by the school are available up to 100% of fee remission, in the year reviewed no pupils were actually in receipt of a 100% award from Kilgraston. However, the school has confirmed that three pupils did receive full fee remission through a combination of the school's award and an award from an external trust. In total, seven pupils were in receipt of means-tested assistance from external trusts in 2012-13 to the cumulative value of £63,860.

Additionally, the school facilitates the access to the benefit it provides by offering non means-tested fee remissions to its pupils. In 2012-13, the school spent 8% of its gross income on non means-tested discounts which were awarded to 44% of the school's roll (again, excluding the nursery pupils). This type of fee remission included sibling discounts, scholarship awards, services discounts and staff discounts.

d) Conclusion

On balance, we conclude that Kilgraston School has provided sufficient evidence that the impact of the fees charged by the school is mitigated by the provision of means-tested facilitated access and benefit for which there is little or no charge.

In reaching our conclusion, we have had particular regard to the level and impact of the benefit for which there is little or no charge; this serves to open up access to benefit for a wide range of beneficiaries outwith the school. Additionally, the proportion of its income spent by the school on means-tested assistance is notably high and a large number of children are in receipt of such benefit. Although in the majority of cases, the

bursaries are of lower-value (therefore having less impact on facilitating access to benefit for those on low incomes), a number of pupils do in practice receive full fee remission through a combination of awards from the school and external sources.

Cumulatively, we consider that these measures serve to mitigate the impact of the fees charged by the school. We therefore do not consider that there are any unduly restrictive conditions on accessing the benefit provided by the school and public benefit is provided. Kilgraston School continues to meet the charity test.

10 January 2013