

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST

BEING A COMPANY LIMITED BY GUARANTEE AND HAVING NO SHARE CAPITAL

COMPANY NUMBER SCO 11313; CHARITY NUMBER CR 31709

REPORT AND ACCOUNTS

For Year ending 30th June 2004

Chairman

W.M. MANN, C.A.

Honorary Governors

Sir MATTHEW D. GOODWIN, C.B.E., C.A.

Sir ANGUS M.M. GROSSART, C.B.E., LL.D., D.Litt., F.R.S.E., D.L., D.B.A., M.A., LL.B., C.A., F.R.S.A., F.C.I.B.S.

A.L. HOWIE, C.B.E.

Sir JEREMY ISAACS

Lord KERR OF KINLOCHARD, G.C.M.G., M.A., LL.D (St Andrews), LL.D (Glasgow)

Dr MAURICE LINDSAY C.B.E., T.D., D.Litt., F.R.I.A.S.

Professor Sir MALCOLM MACNAUGHTON, M.D., LL.D., F.R.C.O.G., F.R.C.P., F.R.S.E.

Professor Sir DAVID MASON, C.B.E., LL.D., B.D.S., M.D., F.R.C.S., F.D.S., F.R.C.Path., F.R.S.E.

CHARLES MILLER SMITH, M.A., A.C.C.A., LL.D.

The Very Revd. Dr. WILLIAM J. MORRIS, K.C.V.O., D.D., LL.D.

A.D.S. ROLLAND, C.A., F.R.C.P.S. (Glasgow)

W. LEGGAT SMITH, C.B.E., M.C., J.P., D.L., B.A. (OXON) LL.D.

Dr. MURRAY STEWART, C.B.E., M.A., LL.B., C.A., D.Univ, F.C.T., F.R.S.A.

Professor NORMAN STONE, M.A.

C.W. TURNER, B.Sc., A.K.C.

The Lord VALLANCE OF TUMMEL, M.Sc., D.Sc., D.Tech., D.B.A., D.Eng.

Governors

Mrs. M. BRODIE B.A. (Hons) ⁽⁴⁾

Mrs. K.E. BROWN, M.B.C. S., C.I.T.B. ⁽¹⁾

R. de C. CHAPMAN, M.A. ⁽³⁾

L.M. CRAWFORD ⁽⁴⁾⁽⁵⁾

B.G. DUNCAN M.R.I.C.S. ⁽¹⁾

J.W. GILCHRIST, B.Arch, A.R.I.A.S. ⁽¹⁾⁽⁸⁾

J.G. JACK, M.A., C.A., C.T.A. ⁽²⁾

Mrs. K.B. KELSO, LL.B. (Hons), DipL.P., N.P. ⁽³⁾⁽⁷⁾

Mrs. E.M. KER, B.Sc. (Hons), M.R. Pharm.S. ⁽¹⁾⁽⁵⁾

Professor C.C. KIDD, F.R.Hist.S., F.R.S.E. ⁽³⁾

W.M. MANN, C.A. ⁽²⁾⁽⁵⁾

K.E. SANDFORD, C.A. ⁽²⁾

G.W. SCOTT, F.C.I.B.S. ⁽²⁾⁽⁷⁾

Dr A. G. WADE, M.B., Ch.B. ⁽³⁾

R.M. HOPKINS B.Arch., R.I.B.A., A.R.I.A.S.

(Nominated by The Glasgow Academical Club)

Professor A.S. SKINNER, M.A., F.B.A., F.R.S.E. ⁽³⁾

(Nominated by the University of Glasgow)

Secretary:

T.W. GEMMILL, LL.B., N.P. ⁽⁶⁾

Rector:

D. COMINS, M.A.

General Manager:

Dr. W.R. KERR, F.C.I.S., F.C.I.M., F.H.C.I.M.A., PhD., M.B.A., M.Sc.



NOTICE IS HEREBY GIVEN that the Eighty Fifth Ordinary General Meeting of the Members of The Glasgow Academicals' War Memorial Trust will be held within the Music Department Performance Room of The Glasgow Academy, Colebrooke Street, Glasgow, on Friday 12th November 2004 at 12 noon for the following purpose:

To receive and consider the Annual Statement of Accounts and the Reports of the Governors and Auditor.

To consider, and if thought fit, to pass the following Special Resolutions to amend the Articles as follows –

To delete the last fourteen words in Article 11 and replace them with the words "by more than fifty members".

To delete the word "seven" on the third line of Article 25 and replace this with the words "twenty-eight"

To delete on lines two and three of Article 35, "but no such committee shall consist of less than three members",

To re-appoint Baker Tilly, C.A., as Auditors, and

To elect Governors and other Officers and to transact the ordinary business of the Trust.

Registered Office of the Trust

The Glasgow Academy

Colebrooke Street

Glasgow G12 8HE

By order of the Governors
T.W. Gemmill
Secretary
30th September 2004

- | | |
|--|--|
| (1) Member of the Property and General Purposes Committee. | (5) Member of the Games Committee |
| (2) Member of the Finance Committee. | (6) Member of Pay and Conditions Committee |
| (3) Member of the Education Committee. | (7) Member of Staff Liaison Committee |
| (4) Member of the Communications Committee | (8) Member of Health & Safety Committee |

**Report by the Governors, who are also the Trustees and Directors, to the Eighty Fifth
Annual General Meeting of the Trust to be held within the Music Department
Performance Room of The Glasgow Academy, Colebrooke Street, Glasgow
on Friday 12th November 2004 at 12 noon**

1. The Governors submit this Report and the Accounts for the year ended 30th June 2004, which were approved by the Governors on 30th September 2004.
2. The Trust's whole activity is the carrying on of The Glasgow Academy as a school for boys and girls.
3. Responsibilities of Governors:
Company Law requires the Governors to prepare accounts for each financial period which give a true and fair view of the financial state of affairs of the Trust and of the Group and of the surplus or deficit of the Group for that period. In preparing those accounts, the Governors are required to select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent and prepare the accounts on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
4. The surplus for the year to 30th June 2004 was £470,362 (2003 £265,730) after charging depreciation of £149,296 (2003 £168,875) and the cost of property purchased for demolition of £356,558 (2003 nil) and crediting unrealised gains on investment assets of £385,595 (2003 loss of £353,680). Included in the surplus are Millennium Appeal income of £8,376 (2003 £44,777), Bursary and Scholarship Fund income less grants and awards of £30,434 (2003 £47,583) and the Capital Levy and interest credited to the Development Fund of £234,691 (2003 £219,115).

Apart from the purchase of a car, the only capital expenditure incurred during the year was £33,865 on an extension at Atholl, the total cost of which will be approximately £300,000.

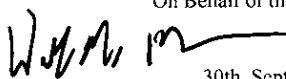
A material sum continues to be spent each year on repairing and upgrading premises including, during the year to 30th June 2004, £300,587 refurbishing the dining hall at Colebrooke Street.

Net current assets at 30th June 2004 are £2,573,758 (2003 £2,659,262) and the assets of the Trust are sufficient to meet its liabilities.
5. Ground and buildings are as shown in Note 4 to the Accounts. The Governors consider that the value of the ground and buildings is not less than the book value and that any difference between potential market and book values is not of significance given the future intended use of these assets.
6. The 2004/05 Session has begun with 1049 pupils (558 boys and 491 girls) on the roll plus 55 pupils in the Nursery/ Kindergarten. These numbers include 22 children of staff members in receipt of staff fee discounts and 52 pupils in receipt of scholarships or other financial assistance from The Academy's Bursary and Scholarship Funds and the Montrose Educational Trust.
7. The Montrose Education Trust grants Bursaries and awards Scholarships to pupils of The Academy. It is a separate Scottish charity managed by separate Trustees. At 30th June 2004 the funds were as follows:

	£
Investments at market value	889,939
Due by GAWMT	<u>107,069</u>
	<u>997,008</u>
8. Mrs K. B. Kelso and Messrs. W. M. Mann, K. E. Sandford and L. M. Crawford retire at this time. Mrs. Kelso and Messrs. Mann and Sandford do not seek re-election although it is the intention to co-opt Mrs. Kelso for one further year. The Governors recommend the re-election of Mr. Crawford and the election of Professor D. Goldberg and Mr. D. G. Lindsay.
9. Mr. J. B. Park, current President of the Glasgow Academical Club, has been nominated as a Governor by the Club to replace Mr. R. M. Hopkins who retires at this time.

Professor A. H. Anderson has been nominated by the Senate of the University of Glasgow to replace Professor A. S. Skinner who also retires at this time.
10. A Resolution to re-appoint the existing Honorary Governors and to appoint as an Honorary Governor Mr W M Mann will be put to the Members at the Annual General Meeting.

The Glasgow Academy
Colebrooke Street
Glasgow G12 8HE

On Behalf of the Governors
 W.M. Mann
Governor
30th September 2004

Note:

The proposed Amendment to Article 11 is to specify how many Members of the Trust are required to convene and Extraordinary General Meeting

The proposed Amendment to Article 25 is to ensure that all nominations for elected Governors can be circulated to Members with the Notice calling the Annual General Meeting

The proposed Amendment to Article 35 is to remove the minimum number of Governors required on any Sub-Committee of Governors. In recent years staff and non-Governors with special expertise have been members of some of these Sub-Committees

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
For the year ended 30th June 2004

2003 £		2004 £
	Income	
6,109,030	Fees receivable	6,573,441
206,982	School meals	281,749
100,571	Rental and other income	104,973
180,808	Investment income	188,171
23,406	Other income	29,492
46,723	Donations	11,357
<u>6,667,520</u>	Total Income of Continuing Operations	<u>7,189,183</u>
	Ordinary Expenditure	
3,982,533	Teaching Costs	4,473,615
283,348	Catering and Medical Costs	344,198
990,319	Premises	1,217,521
75,878	Grants, Awards and Prizes	90,612
574,461	Administration of the school	559,247
51,178	Other expenditure	55,961
90,393	Loss on sale of shares - realised	6,704
<u>6,048,110</u>	Ordinary Expenditure of Continuing Operations	<u>6,747,858</u>
619,410	Surplus Before Exceptional Expenditure	441,325
-	Exceptional Expenditure - Purchase of property to be demolished	(356,558)
<u>619,410</u>	Net Income for the year	<u>84,767</u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
For the year ended 30th June 2004

2003 £		2004 £
619,410	Net income for the year	84,767
(353,680)	(Loss) / Gain on investment assets - unrealised	385,595
<u>265,730</u>	Total gain and losses recognised since last annual report	<u>470,362</u>

BALANCE SHEET as at 30th June 2004

GROUP 2003 £	TRUST 2003 £	Note	GROUP 2004 £	TRUST 2004 £
4,532,426	4,207,459		4,427,308	4,110,073
2,541,404	2,541,405		3,198,638	3,198,639
<u>7,073,830</u>	<u>6,748,864</u>		<u>7,625,946</u>	<u>7,308,712</u>
		FIXED ASSETS		
		Tangible assets 4		
		Investments 7		
		CURRENT ASSETS		
		Amounts recoverable within one year:		
45,696	45,696	Debtors	28,390	28,390
16,262	16,262	Prepayments	10,954	10,954
3,099,771	3,099,771	Cash at bank and in hand	3,144,374	3,144,374
		Amounts recoverable after one year:		
-	391,300	Amounts owed by subsidiary company	-	391,300
84,050	84,050	Glasgow Academical Club	84,050	84,050
<u>3,245,779</u>	<u>3,637,079</u>		<u>3,267,768</u>	<u>3,659,068</u>
		CREDITORS - amounts falling due within one year		
148,591	148,591	Trade creditors	270,909	270,909
123,824	123,824	Accruals	56,429	56,429
130,512	129,506	Taxes and social security costs	163,076	162,069
183,590	178,890	Other creditors	203,596	198,913
-	4,751	Due to subsidiary company	-	4,734
<u>586,517</u>	<u>585,562</u>		<u>694,010</u>	<u>693,054</u>
2,659,262	3,051,517	NET CURRENT ASSETS	2,573,758	2,966,014
9,733,092	9,800,381	TOTAL ASSETS LESS CURRENT LIABILITIES	10,199,704	10,274,726
		ACCRUALS & DEFERRED INCOME		
45,000	45,000	Deferred grant	41,250	41,250
<u>9,688,092</u>	<u>9,755,381</u>	NET ASSETS	<u>10,158,454</u>	<u>10,233,476</u>
		FUNDS		
9,688,092	9,755,381	Unrestricted 9	10,158,454	10,233,476
<u>9,688,092</u>	<u>9,755,381</u>		<u>10,158,454</u>	<u>10,233,476</u>

The financial statements on pages 3 to 8 were approved by the Board on 30th September 2004.
W.M. Mann
J.G. Jack

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THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
CONSOLIDATED CASH FLOW STATEMENT
For the year ended 30th June 2004

2003			2004
£	£	Note	£
	712,227	10	178,290
	Net cash inflows from operating activities		
	Returns on investments and servicing of finance		
107,302		Investment income	104,714
73,506		Bank and other interest	83,457
	180,808		188,171
	893,035		366,461
	Capital expenditure and financial investment		
-		Purchase of tangible fixed assets	(44,178)
-		Sale of tangible fixed assets	663
(111,578)		Payment for investments	(473,030)
197,142		Proceeds from sale of investments	194,687
	85,564		(321,858)
	978,599	Increase in cash	44,603

INDEPENDENT REPORT OF THE AUDITORS
to the members of The Glasgow Academicals' War Memorial Trust

We have audited the financial statements on pages 3 to 8 which have been prepared under the historical cost convention, with the exception of investments which are shown at market value, and the accounting policies set out on page 5 and 6.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Governors and Auditors

The Governors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if the Governors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Report of the Governors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Governors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Trust and of the Group as at 30th June 2004 and of its net income for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

[Signature]
Baker Tilly
Chartered Accountants and Registered Auditors
Glasgow, 1st October 2004

NOTES TO THE ACCOUNTS for the year ended 30th June 2004

1. ACCOUNTING POLICIES

a. Basis of Accounting

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value, and in accordance with the Companies Act 1985 and follow the recommendations in *Accounting and Reporting by Charities: Statement of Recommended Practice* issued in October 2000.

b. Tangible Fixed Assets

Depreciation is provided on all tangible fixed assets in use, other than freehold land, at rates and bases calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Freehold buildings	2%	straight line	Hockey pitches: Works	3%	straight line
Motor Vehicles & Equipment	25%	straight line	Turf	10%	straight line

Items of equipment costing less than £50,000 are written off as an expense as acquired as are Teaching Costs such as supplies of games equipment, books, stationery and sundry materials.

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
NOTES TO THE ACCOUNTS for the year ended 30th June 2004

- c. **Fees**
Fees consist of charges for the school year ending 30th June, less bursaries and allowances.
- d. **Expenditure**
Expenditure is allocated to expense headings on a direct cost basis with the irrecoverable element of VAT included with the item of expense to which it relates.
- e. **Grants**
Grants related to expenditure on tangible assets are credited to revenue at the same rate as the depreciation on the assets to which the grants relate. The amounts shown in the balance sheet in respect of the grants consist of the total grants receivable to date, less the amounts so far credited to revenue.
- f. **Group Accounts**
The group accounts consolidate the accounts of the Trust and its subsidiary undertaking. No revenue account is presented for the Trust as provided by Section 230 of the Companies Act 1985.
- g. **Fund Accounting**
Non designated unrestricted funds comprise accumulated incoming resources of the school available for use at the discretion of the Governors in furtherance of the objectives of the school.
Designated funds are those funds transferred from general funds for a particular purpose at the discretion of the Board of Governors.
- h. **Pensions**
The Trust participates in, and the academic staff are members of, the Scottish Executive Education Department Superannuation Scheme. The scheme is notionally funded and provides members with defined benefits based on final pensionable salary. The employers contributions are assessed every five years by the Independent government actuary. Staff, including higher paid employees, contribute 6% of salary and the participating employers' contribution is 12.5%. The charge included in the accounts amounts to £320,138 (2003: £184,595) being the contributions payable by the school for the year.

The Scottish Public Pensions Agency (Teachers' Section) is available to staff of more than one employer and it is not possible to identify each institution's share of the underlying assets and liabilities of the scheme. In these circumstances, FRS17 provides for contributions to schemes to be accounted for as if it were a defined contribution scheme. As such, the cost recognised within the school's Income and Expenditure Account will be equal to the contribution payable to the scheme for the year.

2. **CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**

	Non-designated £	School Designated £	Other £	2004 Total £	2003 Total £
Incoming Resources					
Fees receivable	6,364,463	208,978	-	6,573,441	6,109,030
School meals	281,749	-	-	281,749	206,982
Trading income	81,973	-	23,000	104,973	100,571
Investment income	46,551	141,620	-	188,171	180,808
Other income	29,492	-	-	29,492	23,406
Donations	11,357	-	-	11,357	46,723
	<u>6,815,585</u>	<u>350,598</u>	<u>23,000</u>	<u>7,189,183</u>	<u>6,667,520</u>
Resources Used					
Direct charitable expenditure:					
Teaching costs	4,473,615	-	-	4,473,615	3,982,533
Catering and Medical costs	344,198	-	-	344,198	283,348
Premises	1,209,789	-	7,732	1,217,521	965,416
Grants, Awards and Prizes	5,138	85,474	-	90,612	75,878
Administration of the school	559,247	-	-	559,247	599,364
	<u>6,591,987</u>	<u>85,474</u>	<u>7,732</u>	<u>6,685,193</u>	<u>5,906,539</u>
Other Expenditure					
Management and Administration of the charity	4,382	-	-	4,382	3,869
Finance costs	3,188	-	-	3,188	3,102
Trading expenditure	47,185	-	1,206	48,391	44,207
Total Resources Expended	<u>6,646,742</u>	<u>85,474</u>	<u>8,938</u>	<u>6,741,154</u>	<u>5,957,717</u>
Net Incoming Resources for this year	168,843	265,124	14,062	448,029	709,803
Exceptional Expenditure	(356,558)	-	-	(356,558)	-
Other Recognised Gains and Losses					
Realised loss on investment assets	-	(6,704)	-	(6,704)	(90,393)
Unrealised gain on investment assets	-	385,595	-	385,595	(353,680)
Net movement in funds	<u>(187,715)</u>	<u>644,015</u>	<u>14,062</u>	<u>470,362</u>	<u>265,730</u>
Funds balance brought forward at 1st July 2003	9,688,092	-	-	9,688,092	9,422,362
Transfer between funds	-	-	-	-	-
Fund balances carried forward at 30th June 2004	<u>9,500,377</u>	<u>644,015</u>	<u>14,062</u>	<u>10,158,454</u>	<u>9,688,092</u>

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
NOTES TO THE ACCOUNTS for the year ended 30th June 2004

3. **Analysis of Total Resources Expended**

	Staff Costs £	Other £	Depreciation £	Total £
Direct Charitable Expenditure:				
Teaching costs	3,901,692	563,275	8,648	4,473,615
Catering and Medical costs	171,421	172,777	-	344,198
Premises	146,590	930,283	140,648	1,217,521
Grants, Awards and Prizes	-	90,612	-	90,612
Administration of the school	247,112	312,135	-	559,247
	<u>4,466,815</u>	<u>2,069,082</u>	<u>149,296</u>	<u>6,685,193</u>
Other Expenditure:				
Administration of the charity	-	4,382	-	4,382
Finance costs	-	3,188	-	3,188
Trading expenditure	-	48,391	-	48,391
	<u>4,466,815</u>	<u>2,125,043</u>	<u>149,296</u>	<u>6,741,154</u>

4. **Tangible Assets**

Group	Ground including Athletic grounds £	Buildings £	Equipment £	Motor Vehicles £	Hockey Pitches £	Total £
Cost at 1st July 2003	155,672	5,187,759	295,336	53,547	682,084	6,374,398
Added during year	-	33,865	-	10,313	-	44,178
Sold during year	-	-	-	(6,795)	-	(6,795)
Cost at 30th June 2004	<u>155,672</u>	<u>5,221,624</u>	<u>295,336</u>	<u>57,065</u>	<u>682,084</u>	<u>6,411,781</u>
Depreciation at 1st July 2003	-	1,275,678	295,336	41,407	229,551	1,841,972
Depreciation charge for year	-	104,433	-	8,648	36,215	149,296
Depreciation on vehicle sold	-	-	-	(6,795)	-	(6,795)
Depreciation at 30th June 2004	<u>-</u>	<u>1,380,111</u>	<u>295,336</u>	<u>43,260</u>	<u>265,766</u>	<u>1,984,473</u>
Net book value						
30th June 2004	<u>155,672</u>	<u>3,841,513</u>	<u>-</u>	<u>13,805</u>	<u>416,318</u>	<u>4,427,308</u>
1st July 2003	<u>155,672</u>	<u>3,912,081</u>	<u>-</u>	<u>12,140</u>	<u>452,533</u>	<u>4,532,426</u>
TRUST						
Cost at 1st July 2003	155,672	4,801,175	295,336	53,547	682,084	5,987,814
Added during year	-	33,865	-	10,313	-	44,178
Sold during year	-	-	-	(6,795)	-	(6,795)
Cost at 30th June 2004	<u>155,672</u>	<u>4,835,040</u>	<u>295,336</u>	<u>57,065</u>	<u>682,084</u>	<u>6,025,197</u>
Depreciation at 1st July 2003	-	1,214,061	295,336	41,407	229,551	1,780,355
Depreciation charge for year	-	96,701	-	8,648	36,215	141,564
Depreciation on vehicle sold	-	-	-	(6,795)	-	(6,795)
Depreciation at 30th June 2004	<u>-</u>	<u>1,310,762</u>	<u>295,336</u>	<u>43,260</u>	<u>265,766</u>	<u>1,915,124</u>
Net book value						
30th June 2004	<u>155,672</u>	<u>3,524,278</u>	<u>-</u>	<u>13,805</u>	<u>416,318</u>	<u>4,110,073</u>
1st July 2003	<u>155,672</u>	<u>3,587,114</u>	<u>-</u>	<u>12,140</u>	<u>452,533</u>	<u>4,207,459</u>

Capital expenditure contracted for but unprovided as at 30th June 2004 amounts to £836,000

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
NOTES TO THE ACCOUNTS for the year ended 30th June 2004

5. EXPENDITURE

Direct charitable expenditure includes:	2004	2003
	£	£
Depreciation	149,296	168,875
Management and Administration of the charity includes:		
Auditors remuneration	4,382	3,950

6. STAFF COSTS

Wages and salaries	3,844,264	3,583,734
Social Security costs	293,865	261,266
Other pension costs	328,686	195,189
	<u>4,466,815</u>	<u>3,995,189</u>

The average number of employees in the year was Teaching Staff 101 (2003 - 97) and Support Staff 62 (2003 - 63).
Three employees of the Trust earned in excess of £50,000 during the year. One remuneration was between £50,000 and £60,000, one between £60,000 and £70,000 and the other between £80,000 and £90,000.
None of the Governors received remuneration during the year.
Apart from school fees there is no other related party transactions to disclose.

7. INVESTMENTS

	GROUP Listed Investments 2004 £	TRUST Listed Investments 2003 £
Market value 1st July 2003	2,541,404	2,541,404
Additions	473,030	473,030
Net unrealised investment deficit	385,595	385,595
	<u>3,400,029</u>	<u>3,400,029</u>
Investments realised	201,391	201,391
Market value 30th June 2004	3,198,638	3,198,638
Subsidiary Undertaking		
At 1st July 2003 and 30th June 2004	-	1
Total Investments 30th June 2004	<u>3,198,638</u>	<u>3,198,638</u>
Total Investments 30th June 2003	<u>2,541,404</u>	<u>2,541,404</u>

The listed investments are all listed in the London Stock Exchange and had a cost value of £3,310,296 at 30th June 2004 (2003 - £3,038,657).

The Trust has a 100% interest, comprising one ordinary share of £1, fully paid, in Glasgow Academy (Services) Limited, a company registered in Scotland and engaged in property investment. It covenants its taxable profits to the school.

8. ALLOCATION OF NET ASSETS

The net assets are held for the funds as follows:-

	Fixed Assets Tangible £	Investments £	Net Current Assets £	Long Term Liabilities £	Total £
Unrestricted	4,427,308	3,198,638	2,573,758	(41,250)	10,158,454

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
NOTES TO THE ACCOUNTS for the year ended 30th June 2004

9. **RECONCILIATION OF MOVEMENTS IN RESERVES**

Group

	Bursary & Scholarship £	Designated Development £	Non Designated £	Total £
At 1st July 2003	3,071,793	709,970	5,906,329	9,688,092
Surplus for the year	<u>409,324</u>	<u>234,691</u>	<u>(173,653)</u>	<u>470,362</u>
At 30th June 2004	<u><u>3,481,117</u></u>	<u><u>944,661</u></u>	<u><u>5,732,676</u></u>	<u><u>10,158,454</u></u>

70% of the Bursary & Scholarship Funds are attributable to The Robert A McMillan Bequest which may only be used for Bursaries and Scholarships for pupils of The Academy unless, in exceptional circumstances, the members of the Protecting Body (referred to in an Agreement registered 12th February 1998) unanimously agree that some of its income or, if necessary, its capital be used for the general purposes of The Academy.

The purpose of the development fund is to undertake major projects such as new buildings.

The surplus attributable to The Glasgow Academicals' War Memorial Trust was £478,094 (2003 £273,462)

10. **RECONCILIATION OF OPERATING SURPLUS TO OPERATING CASH FLOWS**

	2004 £	2003 £
Surplus before exceptional expenditure	441,325	619,410
Depreciation charges	149,296	168,875
Decrease / (Increase) in debtors	22,614	(18,164)
Increase in creditors	107,493	36,271
Interest received	(83,457)	(73,506)
Gain on sale of fixed assets	(663)	-
Loss / (Gain) on investment realised	6,704	90,393
Income from listed investments	(104,714)	(107,302)
Grant released	(3,750)	(3,750)
Purchase of property to be demolished	<u>(356,558)</u>	<u>-</u>
Operating Activities	<u><u>178,290</u></u>	<u><u>712,227</u></u>

Analysis of changes in net funds

	At 1st July 2003 £	Cash Flow £	At 30th June 2004 £
Cash in hand and at bank	<u><u>3,099,771</u></u>	<u><u>44,603</u></u>	<u><u>3,144,374</u></u>