

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
 THE GLASGOW ACADEMY IS ADMINISTERED BY THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
 A COMPANY LIMITED BY GUARANTEE AND AN EDUCATIONAL CHARITY REGISTERED IN SCOTLAND
 COMPANY NUMBER: SC 11313 CHARITY NUMBER: SC0 15638
REPORT AND ACCOUNTS
 For Year ended 30th June 2011

Chairman
 J.G. JACK, M.A., C.A., C.T.A. ^{(2) (4) (5)}

SC0 11313

Honorary Governors

Sir MATTHEW D. GOODWIN, C.B.E., C.A., D.Univ.
 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., F.R.Ag.S.
 Sir JEREMY ISAACS, M.A., D.Litt., LL.D., F.R.S.A., F.R.S.A.M.D., F.G.S.M.,
 Com. de l'Ordre des Arts et des Lettres (France), Mem. Ordre pour le Mérite (France)
 The Lord KERR OF KINLOCHARD, G.C.M.G., M.A., LL.D (St Andrews), LL.D (Glasgow)
 Professor Sir MALCOLM MACNAUGHTON, M.D., LL.D., F.R.C.O.G., F.R.C.P., F.R.S.E.
 W.M. MANN, C.A.
 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)
 MURRAY STUART, 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

L.M.CRAWFORD (nominated by Glasgow Academical Club), B.G. DUNCAN, M.B.A., M.R.I.C.S. ⁽⁶⁾
 Dr H. J. GRIERSON, B.Sc., B.Arch., MSc. C.A.B.D., Dip.A.A.S., Ph.D., Dip.A.A.S., A.R.B., F.H.E.A. ^{(3) (5)} G.W. HENRY, C.A. ⁽¹⁾ M.J. LEE, M.A. ⁽³⁾
 Dr M.J. McDONALD, M.B., Ch.B., M.R.C.P., F.R.C.Path. Dr G. I. McLAREN, M.B., Ch.B. ⁽¹⁾
 R.I. McNAUGHT, B.Acc., C.A. N.MAHAL, M.A., D.C.G. H. A. MILLAR ⁽¹⁾
 Professor M. SIDDIQUI, O.B.E., B.A., M.A., Ph.D., D.Litt., D.Civil Laws., F.R.S.E., F.R.S.A. ⁽³⁾ (Nominated by the Senates of Glasgow & Strathclyde Universities). I.G. SHANKLAND, C.A., M.C.T. ⁽²⁾ W.SINCLAIR, M.A., M.F.B., M.I.D.E., M.I.O.D., M.S. ExpE., M.I.C.M., M.A.P.S. ⁽¹⁾
 I.R. SPINNEY, B.A. (Hons), Pg Dip P.R., Pg Dip Marketing, Sheriff A. E. SWANSON ⁽¹⁾
 I. M. VEITCH, B.Acc., C.A., F.C.I.B.S. ^{(2) (5)}

Secretary:

T.W. GEMMILL, LL.B., N.P. ^{(2) (5)}

Rector:

P. J. BRODIE, M.A., M.A. (Ed)

General Manager

Dr W.R. KERR, F.C.I.S., F.C.I.M., F.I.H., Ph.D., M.B.A., MSc.

Auditors: Baker Tilly UK Audit LLP, Breckenridge House, 274 Sauchiehall Street, Glasgow G2 3EH
 Bankers: The Royal Bank of Scotland Plc, Kirkstane House, 139 St Vincent Street, Glasgow, G2 5JF
 Legal Advisers: Carruthers Gemmill, 81 Bath Street, Glasgow G2 2EH
 Investment Advisers: Newton Investment Management Ltd, 2 Festival Square, Edinburgh, EH3 9SU

NOTICE IS HEREBY GIVEN that the Ninety-second 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 11th November 2011 at 12 noon for the following purposes:

To receive and consider the Annual Statement of Accounts and the Reports of the Governors and the Auditors
 To re-appoint Baker Tilly UK Audit LLP as Auditors and
 To elect Governors and other Officers and to transact such other business as may come before the meeting.

Registered Office of the Trust
 The Glasgow Academy
 Colebrooke Street
 Glasgow G12 8HE

THURSDAY



SCT 08/03/2012 #254
 COMPANIES HOUSE

By order of the Governors
 T.W. Gemmill
 Secretary
 29th September 2011

- | | |
|---|--|
| (1) Member of Property, Health & Safety Committee | (2) Member of Finance & Risk Committee |
| (3) Member of Education Committee | (4) Member of Investment Committee |
| (5) Member of Nominations Committee | (6) Co-opted to Board |

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
REPORT BY THE GOVERNORS
Year ended 30th June 2011

The Governors, who are also charitable Trustees and Directors of the company for the purposes of the Companies Acts, present their annual report and audited financial statements for the year ended 30th June 2011.

The Governors at 30th June 2011 are set out on Page 1. All have served on the Board for the full financial year except Mrs N. Mahal and Mr W. Sinclair who were appointed on 12th November 2010. In addition, Mr D. G. Lindsay served as a Governor from 1st July 2010 until his retirement on 12th November 2010. The Honorary Governors listed on Page 1 are patrons of the Trust and are not appointed as directors or Trustees.

Structure, Governance and Management

Governing Document

The Trust is a company limited by guarantee governed by its Memorandum and Articles of Association dated 11th June 1920 as subsequently amended. It is registered as a Scottish charity.

Board of Governors

The Board consists of thirteen elected Governors plus two Governors nominated by the Senates of Glasgow and Strathclyde Universities and The Glasgow Academical Club. The Board has the power to co-opt two further Governors, giving a maximum total of seventeen Governors. Nominations for elected Governors are invited from members of the Board and other interested parties, including staff and parents, on the basis of the Board's specifications concerning eligibility, personal competence, specialist skills and local availability. Nominations are submitted to the Annual General Meeting for election.

Mr G. W. Henry, Mr J. G. Jack, Mr H. A. Millar and Mr I. M. Veitch retire at the AGM on 11th November 2011. Messrs J. G. Jack, H. A. Millar and I. M. Veitch do not seek re-election. It is the Board's intention to co-opt Mr B. G. Duncan to the Board for a further year, and to co-opt Mr J. G. Jack to the Board until the 2012 AGM. Mr J. C. J. Taylor, current President of the Glasgow Academical Club, has been nominated as a Governor to replace Mr L. M. Crawford who retires at the AGM. The contribution of all those Governors retiring at this time is gratefully acknowledged.

Resolutions to re-elect Mr G. W. Henry and to elect Mr S. J. McCaffer and Mr G. W. Scott as Governors will be put to the AGM. Resolutions to re-appoint the existing Honorary Governors and to appoint Mr R. de C. Chapman, Mr D. C. Comins and Miss E. K. Henderson as Honorary Governors will also be put to the AGM.

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 2006. 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.

In so far as the Governors are aware, there is no relevant audit information of which the group's auditors are unaware and the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Induction and Training

New Governors are inducted into the workings of The Trust, including Board policy and procedures, at an induction event conducted by the Chairman and General Manager which includes a familiarisation tour of the school's facilities. Governors also receive training on the various aspects of their role through regular briefings at Governors' Meetings and periodic refresher training on their roles and responsibilities delivered during an annual weekend meeting. Governors are also encouraged to attend relevant external courses.

Organisational Management

The Board of Governors administers the Trust, and meets 7 times during the year, including a weekend away meeting to review strategy and performance. Certain of the Trust's business is delegated to Committees of Governors including Finance & Risk, Property, Health & Safety, Investment, Education and Nomination Committees which meet regularly. A review of the Committees' performance is undertaken each year to better serve current and future priorities.

The Rector is appointed by the Governors to manage the day to day operations of the Trust. To facilitate effective operations, the Rector and the General Manager have delegated authority, within terms approved by the Governors, for operational matters including finance, employment and educational matters.

Group Structure

The Trust owns all of the share capital of Glasgow Academy (Services) Limited, a company which undertook no significant activities during the year. The Trust also owns all the share capital of Dairsie House School Limited which was acquired in the year to 30th June 2005.

Risk Management

A regular review of the risks facing the Trust and the controls in place to mitigate these risks is undertaken by both the Finance and Risk Committee and the full Board. Particular attention has focussed on financial risk including the need to generate sufficient cash flow to meet borrowing repayment targets, the sensitivity of future cash flows and the potential impact on our 2020 Vision plans for the campus, together with health and safety risks, child protection risks, reputational risk and the retention of our charitable status. The Governors are satisfied that the major risks identified have been mitigated as appropriate, but recognise that systems can only provide reasonable and not absolute assurance in such areas.

Charitable Objectives and Activities

The Trust's principal objective is the advancement of education through the development and administration of The Glasgow Academy as a school for boys and girls. The Trust was set up in 1920 as a Memorial to those former pupils of the school who gave their lives during the 1914-1918 war and the memory of that sacrifice is honoured by our community in various ways and at special events during the year.

The Glasgow Academy's aim is to provide a first class independent education. The School aims not only to encourage pupils towards achievement at the highest levels of academic and artistic distinction, but also to introduce pupils to the contrasting demands and benefits of teamwork and leadership in expeditions, community activities and sport.

The School admits pupils from a wide range of backgrounds, including a significant number from ethnic minorities. The Governors are committed to widening access to the school and its facilities. During the year ended 30th June 2011, 134 pupils received financial assistance from our Scholarship and Bursary funds and the School's facilities were made available to a wide range of community groups. The Academy's inherited ethos of public service and self-sacrifice dictates that its pupils and staff dedicate themselves not only to high academic standards, but also to realising the wider communal obligations bequeathed to succeeding generations by its founders.

The Academy has also cultivated a reputation as a "family school", whenever possible giving preference at entry to brothers and sisters of pupils already at the school provided this appears to be in the best interest of the individual pupil.

During the 2010/2011 session, the school has continued to focus on enhancing academic performance and encouraging pupils to fulfil their potential.

Achievements and Performance

The 2011/2012 session has begun with a record 1315 pupils (728 boys and 587 girls) on the school roll, including 103 pupils in Nursery and Kindergarten facilities. We are delighted that we continue to grow the school roll every year, attracting and retaining pupils in every year group despite the recession.

Results in the 2011 SQA examinations again reflected the high standards for which The Academy strives. At Higher Grade and Advanced Higher we gained our best-ever results. Our Higher pre-appeal pass rate rose to 94.53%. 60.4% of entries scored A grades - a very significant increase on the previous best of 55%. In Highers taken in S6 we gained our best-ever AB rate (65.8%). At Advanced Higher we scored our best-ever A grade rate (52.4%), our best-ever AB rate (79%) and our best-ever pass rate (92.9%). Two pupils gained a remarkable 11 Advanced Highers between them, plus a starred A grade in A level Further Maths, an (S) (Outstanding) in Cambridge STEP, and top 20 places in the UK Maths Olympiad for good measure. We achieved our best-ever results at Standard Grade English, taken early in S3. At Standard Grade in S4, 90% of pupils gained Credit passes.

Our CCF (which now has over 230 cadets, who are all volunteers) won the Scottish Schools' Military Skills competition - the top prize in Scotland for Army sections - after a weekend of map reading, first aid, obstacle course and shooting, preceded by two selection weekends. At annual camp, our CCF won the Best Contingent Award, for the second year running, gaining first place in every category considered in the Award.

Our Chemistry team were UK finalists in the Royal Society of Chemistry Inter-Schools Quiz for the third consecutive year (and the sixth in eight years). We reached the finals of the UK Mathematics Trust Senior Maths Challenge for the third consecutive year. Every part of The Academy was awarded the Green Flag by Eco-Schools Scotland. In the UK Ethical Enterprise Awards, we won four of the eight awards - Best Overall Enterprise, Best Presentation, Greenest Overall and Best Use of Young Co-operatives Website. Our Young Enterprise team won three of the five awards in the Glasgow Area Finals.

The School has had many notable sporting achievements over the past year at both team and individual levels, with eleven sportsmen and women being selected for international duty. The cricket 1st XI enjoyed an unbeaten season and there were notable tournament wins in rugby sevens. We won more medals than any other school in the Scottish Indoor Rowing Championship. Ronan Murphy and Ross Urquhart ended the year as Scottish Champions, British Champions and Home International Champions. Their time at the Home International was the fastest achieved by any British Junior pair this year and would have won the men's event. They also made history at the Scottish Championships when they won senior eights: the first time a junior eight has won this senior event. Two S4 girls gained Bronze medals at the British Championships and 70 children now row with the school.

Notable achievements during the year include the continuing enhancement of pastoral care, of music and drama, of pupil mentoring, of the School Council, of pupil initiatives and of pupil voice. Productions of 'Fiddler on the Roof', 'The Memory of Water' and the student-led 'Antigone', as well as the Prep School Show, were great successes.

The Glasgow Academy contributes to the public benefit in many ways. We have taught a number of pupils subjects they were unable to study at their own schools. During the year, we have undertaken fundraising for a wide range of charities, including Maggie's Cancer Care, Asthma Scotland, the British Heart Foundation, Children 1st, Barnardos, ClicSargent, the Roald Dahl Foundation, Amnesty International, Breast Cancer 2000 and the Japanese and Haiti earthquake funds. Overall, more than £30,000 was raised for charities. In addition to maintaining our War Memorial at Kelvinbridge, we also continue to make The Academy's sporting facilities, performance rooms and other facilities available to our community.

The school gained Investors in People status, became a UNESCO Associated School, and further extended its curriculum by beginning teaching Arabic and Hospitality. Her Majesty's Inspectorate of Education shot a series of films at the school reflecting our good practice.

The Board of Governors wish to record their appreciation of the efforts and commitment of all our leadership team and staff during the past year. These efforts are well reflected in the success of our pupils.

Financial Review

The group's net incoming resources from the year's operations, excluding the performance of investment assets, was a surplus of £487,002 (2010 a deficit of £239,875). The actual surplus achieved exceeded our original budget and has enabled us to reduce year end borrowing by over £1 million compared to June 2010 through the generation of strong cash flows.

Total income for the year increased by 8.5% reflecting both encouraging growth in pupil numbers and increased fee levels. Cost control measures implemented last year resulted in an increase in total expenditure of only 1.8%, a situation which was assisted by the absence of one-off premises expenditure, other than routine repairs. However, we continue to experience growing demands for bursary assistance as economic conditions remain difficult.

The group's surplus for the year to 30th June 2011 was £1,019,636 (2010 £419,904) after crediting realised investment gains of £80,333 (2010 £194,757) and unrealised gains on investment assets of £452,301 (2010 £465,022).

During the year, the Trust's investment portfolio increased by over 13% reflecting an improvement in stock market conditions. Subsequent volatility in share markets after our year end is of concern, but our investment advisors consider we have an appropriate strategy to derive income and longer term value from our investments. Our Investment Committee aims to maximise the long term return on our investments, while maintaining income to fund our bursary activities. It also seeks to preserve the real value of endowed investments to ensure sufficient funds are available to maintain and increase grants from endowment funds in future years.

At 30th June 2011, group's net current liabilities were £1,713,018 (2010 £2,374,842). The balance sheet total of group net assets increased from £14,117,316 at June 2010 to £15,136,952 at June 2011. Fixed Assets are shown in note 3 to the accounts. The Governors consider that the market value of land and buildings is not less than cost, and that any difference between the potential market and book values is not significant given the future intended use of these assets.

The previous acquisition of the flats in the adjacent property in Colebrooke Street are carried in the accounts at their original cost of £4.04 million. This expenditure represents a sound investment in our future as the additional facilities envisaged in our Development Framework will enable us to significantly enhance our income generating potential. For this reason, the Governors are satisfied that the carrying value of these properties remains appropriate. The Trust has recently engaged consultants to help determine a commencement date for development of this site, but the Governors are mindful of the need to achieve a further significant reduction in current borrowings before proceeding.

Annual Giving and Other Donations

The Board of Governors express their thanks to all those Members of the Trust and friends who supported our regular giving appeal or gave single donations and legacies. The total of donations received during the financial year amounted to £116,775.

Montrose Educational Trust and Kelly Trust

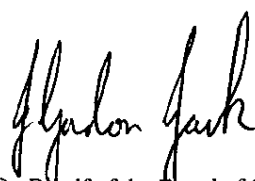
The Montrose Educational Trust awards bursaries and scholarships to existing and prospective pupils at The Glasgow Academy. The J D Kelly Trust awards bursaries only. These Trusts are separate Scottish charities managed by separate Trustees. At 30th June 2011, the funds were as follows:

	Montrose Trust	Kelly Trust
	£	£
Investments at market value	794,826	19,011
Due by GAWMT	184,617	2,343
Due by Investment Advisors	15	840
	<u>979,458</u>	<u>22,194</u>

Future Plans

The Glasgow Academicals' War Memorial Trust will continue to implement existing strategies in relation to improvement in educational delivery and facilities as set out in our 2020 Vision. A satisfactory financial result for the year to 30th June 2011 has enabled us to achieve a significant reduction in borrowings and a similar result is anticipated for the year to 30th June 2012. We would hope to be in a position to determine the likely start for the next phase of our campus development during the 2011/12 session.

The Glasgow Academy
Colebrooke St
Glasgow G12 8HE


On Behalf of the Board of Governors
J G Jack, Chairman
29th September 2011

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING INCOME & EXPENDITURE
For the year ended 30th June 2011

	Non- designated	Designated	Restricted	2011 Total	2010 Total
	£	£	£	£	£
INCOMING RESOURCES					
Incoming resources from charitable activities:					
Fees receivable	10,620,710	447,751	-	11,068,461	10,272,920
Catering income	463,155	-	-	463,155	399,235
Incoming resources from generated funds:					
Voluntary income					
Donations	-	110,223	6,552	116,775	82,553
Activities for generating funds					
Hire of facilities	95,609	-	-	95,609	56,460
Investment income	-	-	182,878	182,878	187,992
Other income	36,282	-	-	36,282	30,342
Total Incoming Resources	<u>11,215,756</u>	<u>557,974</u>	<u>189,430</u>	<u>11,963,160</u>	<u>11,029,502</u>
RESOURCES EXPENDED					
Charitable activities:					
Teaching costs	7,187,064	-	-	7,187,064	6,956,668
Catering and medical costs	533,335	-	-	533,335	507,741
Premises	1,592,312	58,286	-	1,650,598	1,834,187
Grants, awards and prizes	1,700	-	547,443	549,143	480,190
Administration of the school	1,166,194	-	-	1,166,194	1,109,933
Investment costs:					
Finance costs	376,237	-	-	376,237	367,825
Governance costs:					
Management and administration of the charity	13,587	-	-	13,587	12,833
Total Resources Expended (Note 2)	<u>10,870,429</u>	<u>58,286</u>	<u>547,443</u>	<u>11,476,158</u>	<u>11,269,377</u>
Net Incoming/(Outgoing) Resources	345,327	499,688	(358,013)	487,002	(239,875)
Other Recognised Gains and Losses					
Realised gain on investment assets (Note 6)	-	-	80,333	80,333	194,757
Net gain/(loss) for the year	345,327	499,688	(277,680)	567,335	(45,118)
Unrealised gain on investment assets (Note 6)	-	-	452,301	452,301	465,022
Net movement in funds	345,327	499,688	174,621	1,019,636	419,904
Funds balances brought forward at 1st July 2010	<u>7,716,913</u>	<u>2,469,068</u>	<u>3,931,335</u>	<u>14,117,316</u>	<u>13,697,412</u>
Fund balances carried forward at 30th June 2011	<u>8,062,240</u>	<u>2,968,756</u>	<u>4,105,956</u>	<u>15,136,952</u>	<u>14,117,316</u>

The format of this statement highlights the movements on restricted funds (our bursary and scholarship funds) and designated funds (held to finance capital projects and refurbishments).

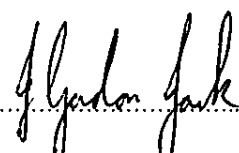
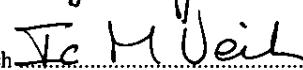
THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
STATEMENT OF FINANCIAL ACTIVITIES - ENTITY ONLY
INCORPORATING INCOME & EXPENDITURE
For the year ended 30th June 2011

	Non-designated	Designated	Restricted	2011 Total	2010 Total
	£	£	£	£	£
INCOMING RESOURCES					
Incoming resources from charitable activities:					
Fees receivable	10,620,710	447,751	-	11,068,461	10,272,920
Catering income	463,155	-	-	463,155	399,235
Incoming resources from generated funds:					
Voluntary income					
Donations	-	110,223	6,552	116,775	82,553
Activities for generating funds					
Hire of facilities	95,609	-	-	95,609	56,460
Investment income	-	-	182,878	182,878	187,992
Other income	36,282	-	-	36,282	30,342
Total Incoming Resources	<u>11,215,756</u>	<u>557,974</u>	<u>189,430</u>	<u>11,963,160</u>	<u>11,029,502</u>
RESOURCES EXPENDED					
Charitable activities:					
Teaching costs	7,187,064	-	-	7,187,064	6,956,668
Catering and medical costs	533,335	-	-	533,335	507,741
Premises	1,570,312	58,286	-	1,628,598	1,834,187
Grants, awards and prizes	1,700	-	547,443	549,143	480,190
Administration of the school	1,281,602	-	-	1,281,602	1,109,933
Investment costs:					
Finance costs	376,237	-	-	376,237	367,825
Governance costs:					
Management and administration of the charity	12,162	-	-	12,162	12,833
Total Resources Expended (Note 2)	<u>10,962,412</u>	<u>58,286</u>	<u>547,443</u>	<u>11,568,141</u>	<u>11,269,377</u>
Net Incoming/(Outgoing) Resources	253,344	499,688	(358,013)	395,019	(239,875)
Other Recognised Gains and Losses					
Realised gain on investment assets (Note 6)	-	-	80,333	80,333	194,757
Net gain/(loss) for the year	253,344	499,688	(277,680)	475,352	(45,118)
Unrealised gain on investment assets (Note 6)	-	-	452,301	452,301	465,022
Net movement in funds	253,344	499,688	174,621	927,653	419,904
Funds balances brought forward at 1st July 2010	7,589,077	2,469,068	3,931,335	13,989,480	13,697,412
Fund balances carried forward at 30th June 2011	<u>7,842,421</u>	<u>2,968,756</u>	<u>4,105,956</u>	<u>14,917,133</u>	<u>14,117,316</u>

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
BALANCE SHEET as at 30th June 2011

GROUP 2010 £	TRUST 2010 £		Note	GROUP 2011 £	TRUST 2011 £
		FIXED ASSETS			
17,487,531	17,041,910	Tangible assets	3	17,097,808	16,674,187
4,205,709	4,535,048	Investments	6	4,780,325	5,109,663
<u>21,693,240</u>	<u>21,576,958</u>			<u>21,878,133</u>	<u>21,783,850</u>
		CURRENT ASSETS			
		Amounts recoverable within one year:			
284,855	284,855	Debtors		124,016	124,016
22,204	22,204	Prepayments		11,742	11,742
3,258,025	3,258,025	Cash at bank and in hand		2,605,254	2,605,254
		Amounts recoverable after one year:			
-	112,726	Amounts owed by subsidiary company		-	-
84,050	84,050	Glasgow Academical Club		84,050	84,050
<u>3,649,134</u>	<u>3,761,860</u>			<u>2,825,062</u>	<u>2,825,062</u>
		CREDITORS - amounts falling due within one year			
4,671,403	4,671,403	Bank overdrafts and loans		3,683,921	3,683,921
572,851	572,851	Trade creditors		116,884	116,884
73,369	73,369	Accruals		45,533	45,533
230,704	230,815	Taxes and social security costs		168,742	168,742
475,649	475,531	Other creditors		523,000	523,000
-	124,287	Due to subsidiary company		-	125,536
<u>6,023,976</u>	<u>6,148,256</u>			<u>4,538,080</u>	<u>4,663,616</u>
(2,374,842)	(2,386,396)	NET CURRENT LIABILITIES		(1,713,018)	(1,838,554)
		CREDITORS - amounts falling due after one year			
(4,733,333)	(4,733,333)	Bank loans		(4,000,000)	(4,000,000)
(448,954)	(448,954)	Other creditors		(1,013,118)	(1,013,118)
<u>14,136,111</u>	<u>14,008,275</u>	TOTAL ASSETS LESS LIABILITIES		<u>15,151,997</u>	<u>14,932,178</u>
		ACCRUALS & DEFERRED INCOME			
(18,795)	(18,795)	Deferred grant		(15,045)	(15,045)
<u>14,117,316</u>	<u>13,989,480</u>	NET ASSETS		<u>15,136,952</u>	<u>14,917,133</u>
		FUNDS			
14,117,316	13,989,480		8	15,136,952	14,917,133
<u>14,117,316</u>	<u>13,989,480</u>			<u>15,136,952</u>	<u>14,917,133</u>

The financial statements on pages 5 to 12 were approved and authorised for issue by the Board on 29th September 2011.

J.G. Jack )
) Governors
 I.M. Veitch )

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
CONSOLIDATED CASH FLOW STATEMENT
For the year ended 30th June 2011

2010		Note	2011
£	£		£
1,010,447	Net cash inflows from operating activities	9	1,374,111
	Returns on investments and servicing of finance		
161,627	Investment income		182,878
(329,213)	Bank and other interest		(376,237)
			(193,359)
(167,586)			1,180,752
842,861			
	Capital expenditure and financial investment		
(873,769)	Purchase of tangible fixed assets		(70,726)
(2,602,087)	Payment for investments		(958,287)
2,686,357	Proceeds from sale of investments		916,305
			(112,708)
(789,499)			1,068,044
53,362	Increase in cash	9	

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF
THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST**

We have audited the group and parent charitable company's financial statements of The Glasgow Academicals' War Memorial Trust ("the financial statements") for the year ended 30 June 2011 which comprise the Consolidated and Parent Charitable Company Statements of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated and Parent Charitable Company Cash Flow Statements, and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the members and 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, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' responsibilities set out on page 2 the trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 June 2011; and of the group's and the parent charitable company's incoming resources and application of resources, including their income and expenditure, 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other requirement of the Companies Act 2006

In our opinion the information given in the report by the Governors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the parent charity has not kept proper and adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

J Hamblin

J Hamblin (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor, Chartered Accountants, 274 Sauchiehall Street, Glasgow, G2 3EH

30 September 2011

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
NOTES TO THE ACCOUNTS for the year ended 30th June 2011

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 buildings and investments at market value, and in accordance with the Companies Act 2006 and follow the recommendations in *Accounting and Reporting by Charities: Statement of Recommended Practice (SORP 2005)*.

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	20-25%	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.

c. Fees

Fees consist of charges for the school year ended 30th June 2011.

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 undertakings.

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 comprise capital levy payments and those funds transferred from general funds for a particular purpose at the discretion of the Board of Governors.

Restricted funds comprise donations which are made either for a particular area or purpose, the use of which is restricted to that area or purpose such as the funding of bursaries and scholarships.

h. Pensions

The Trust participates in, and the academic staff are members of, the Scottish Teachers' Superannuation Scheme. Staff, including higher paid employees, contribute 6.4% of salary and the participating employers' contribution is 14.9%. Certain non teaching staff are members of a defined contribution scheme whereby the Trust contributes 5% of salary. The charge included in the accounts amounts to £638,952 (2010 £623,717) 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.

i. Governance Costs

Governance costs consist of fees billed for the annual audit of the company's consolidated financial statements and the statutory financial statements of the company's subsidiaries.

j. Going Concern

The trustees are satisfied that it is appropriate to prepare the accounts on a going concern basis. Group Net Current Liabilities at the Balance Sheet date amount to £1,713,018 and the Governors are satisfied that adequate funding will be available through a combination of agreed bank facilities and future cash flows to meet those liabilities as they fall due.

k. Reserves

Designated and non-designated reserves are held by the trust to meet current and future obligations regarding the running of the school, the provision of bursaries and the future improvement of the school estate as set out in our 2020 Vision document.

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30th JUNE 2011

2 ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs	Other	Depreciation	2011 Total	2010 Total
	£	£	£	£	£
Direct Charitable Expenditure:					
Teaching costs	6,113,171	1,073,893	-	7,187,064	6,956,668
Catering and medical costs	274,243	259,092	-	533,335	507,741
Premises	283,059	907,089	460,450	1,650,598	1,834,187
Grants, awards and prizes	-	549,143	-	549,143	480,190
Administration of the school	648,805	517,389	-	1,166,194	1,109,933
	<u>7,319,278</u>	<u>3,306,606</u>	<u>460,450</u>	<u>11,086,334</u>	<u>10,888,719</u>
Other Expenditure:					
Finance costs	-	376,237	-	376,237	367,825
Management and administration of the charity	-	13,587	-	13,587	12,833
	<u>7,319,278</u>	<u>3,696,430</u>	<u>460,450</u>	<u>11,476,158</u>	<u>11,269,377</u>

The Total resources expended for the Trust totalled £11,568,141 (2010: £11,269,337). The differences to the reported Group analysis above are solely a reduction of depreciation of £22,000, a reduction of management and administration of the charity of £1,425, and an increase in the Other Administration of the school of £115,408. There were no differences between the group and Trust for Total Resources expended in 2010.

3 TANGIBLE ASSETS

GROUP	Ground inc Athletic grounds	Buildings	Equipment	Hockey Pitches	Total
	£	£	£	£	£
Cost/valuation at 1 st July 2010	156,172	19,518,400	295,336	1,125,839	21,095,747
Added during year	-	70,726	-	-	70,726
Cost/valuation at 30 th June 2011	<u>156,172</u>	<u>19,589,126</u>	<u>295,336</u>	<u>1,125,839</u>	<u>21,166,473</u>
Depreciation at 1 st July 2010	-	2,686,944	295,336	625,935	3,608,215
Depreciation charge for year	-	400,422	-	60,028	460,450
Depreciation at 30 th June 2011	-	<u>3,087,366</u>	<u>295,336</u>	<u>685,963</u>	<u>4,068,665</u>
Net book value					
30 th June 2011	<u>156,172</u>	<u>16,501,760</u>	<u>-</u>	<u>439,876</u>	<u>17,097,808</u>
1 st July 2010	<u>156,172</u>	<u>16,831,455</u>	<u>-</u>	<u>499,904</u>	<u>17,487,531</u>

Included within Buildings held by the Group is a school property, valued at £450,000 by a qualified surveyor who is also a Governor of the school on 1 September 2011. The Governors consider that the carrying value of £423,621 is appropriate in the current circumstances. The historic cost of the property was £24,973 (2010, £27,733).

TRUST	£	£	£	£	£
Cost at 1 st July 2010	155,672	18,854,374	295,336	1,125,839	20,431,221
Added during year	-	70,726	-	-	70,726
Cost at 30 th June 2011	<u>155,672</u>	<u>18,925,100</u>	<u>295,336</u>	<u>1,125,839</u>	<u>20,501,947</u>
Depreciation at 1 st July 2010	-	2,468,039	295,336	625,935	3,389,310
Depreciation charge for year	-	378,422	-	60,028	438,450
Depreciation at 30 th June 2011	-	<u>2,846,461</u>	<u>295,336</u>	<u>685,963</u>	<u>3,827,760</u>
Net book value					
30 th June 2011	<u>155,672</u>	<u>16,078,639</u>	<u>-</u>	<u>439,876</u>	<u>16,674,187</u>
1 st July 2010	<u>155,672</u>	<u>16,386,334</u>	<u>-</u>	<u>499,904</u>	<u>17,041,910</u>

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30th JUNE 2011

4	EXPENDITURE	2011	2010
	Direct charitable expenditure includes:	£	£
	Depreciation	<u>460,450</u>	<u>459,115</u>
	Management and Administration of the charity includes:		
	Auditors' remuneration	<u>11,727</u>	<u>10,650</u>
5	STAFF COSTS	£	£
	Wages and salaries	6,169,828	5,928,507
	Social Security costs	510,498	471,919
	Other pension costs	<u>638,952</u>	<u>623,717</u>
		<u>7,319,278</u>	<u>7,024,143</u>

The average number of employees in the year was 110 Teaching Staff (2010 – 110) and 81 Support Staff (2010 – 72).

Three employees of the Trust earned in excess of £60,000 during the year, one between £60,000 and £70,000, one between £80,000 and £90,000 and one in excess of £100,000. (2010 was equivalent). Employers' pension contributions in respect of these employees amount to £21,821 (2010 - £21,394).

None of the Governors received remuneration during the year.

6	INVESTMENTS	GROUP Listed Investments 2011 £	TRUST Listed Investments 2011 £
	Funds under management		
	Market value 1st July 2010	4,205,709	4,205,709
	Additions	958,287	958,287
	Net unrealised investment gain	<u>452,301</u>	<u>452,301</u>
		5,616,297	5,616,297
	Investments realised	835,972	835,972
	Market value 30th June 2011	<u>4,780,325</u>	<u>4,780,325</u>
	Subsidiary Undertaking		
	30 th June 2010 and 30 th June 2011 at cost	-	329,338
	Total Investments 30th June 2011	<u>4,780,325</u>	<u>5,109,663</u>
	Total Investments 30th June 2010	<u>4,205,709</u>	<u>4,535,048</u>

The listed investments are all listed in the London Stock Exchange and had a cost value of £4,098,483 at 30th June 2011 (2010 - £4,055,363).

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.

The Trust has a 100% interest, comprising 314 shares at £5 each in Dairsie House School Limited, a company registered in Scotland and engaged in promoting the provision of primary education.

7 ALLOCATION OF NET ASSETS

Fund balances at 30 June 2011 are represented by:

	Non Designated £	Designated £	Restricted £	Total £
Investments	-	-	4,780,325	4,780,325
Tangible fixed assets	15,048,229	2,968,756	(919,177)	17,097,808
Current assets	-	-	219,808	219,808
Current liabilities	(1,932,826)	-	-	(1,932,826)
Long term liabilities	(5,028,163)	-	-	(5,028,163)
At 30 June 2011	<u>8,087,240</u>	<u>2,968,756</u>	<u>4,080,956</u>	<u>15,136,952</u>

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30th JUNE 2011

8 RECONCILIATION OF MOVEMENT IN RESERVES

Group	Non Designated £	Designated £	Restricted £	Total £
At 1 st July 2010	7,716,913	2,469,068	3,931,335	14,117,316
Surplus for the year	345,327	499,688	174,621	1,019,636
At 30 th June 2011	<u>8,062,240</u>	<u>2,968,756</u>	<u>4,105,959</u>	<u>15,136,952</u>

Trust	Non Designated £	Designated £	Restricted £	Total £
At 1 st July 2010	7,589,077	2,469,068	3,931,335	13,989,480
Surplus for the year	253,344	499,688	174,621	927,653
At 30 th June 2011	<u>7,842,421</u>	<u>2,968,756</u>	<u>4,105,956</u>	<u>14,917,133</u>

All restricted funds are invested to provide Bursaries and Scholarships. 70% of the Bursary and 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 designated reserve is to undertake projects such as new buildings.

Included within the group non-designated reserves is a revaluation reserve of £394,788 (2010, £414,527) relating to property re-valued within Dairsie House School Limited.

9 RECONCILIATION OF OPERATING SURPLUS TO OPERATION CASH FLOWS GROUP

	GROUP		TRUST	
	2011 £	2010 £	2011 £	2010 £
Net income for the year	567,335	(45,118)	475,352	(45,118)
Depreciation charges	460,450	459,115	438,450	437,115
Decrease/(Increase) in debtors	171,302	(133,027)	171,302	(133,027)
Increase in creditors	65,748	760,353	66,999	759,721
Interest paid	376,237	329,213	376,237	329,231
(Gain) on investment realised	(80,333)	(194,757)	(80,333)	(194,757)
Income from listed investments	(182,878)	(161,582)	(182,378)	(161,582)
Grant released	(3,750)	(3,750)	(3,750)	(3,750)
	<u>1,374,111</u>	<u>1,010,447</u>	<u>1,261,879</u>	<u>987,815</u>

Operation Activities	At 1st July 2010 £	Cash Flow £	At 30th June 2011 £
Analysis of changes in net funds			
Bank overdraft and loans	<u>(6,146,711)</u>	<u>1,068,044</u>	<u>(5,078,667)</u>

10 Related Party Transactions

The company has taken advantage of the exemption granted by paragraph 3c of the Financial Reporting Standard 8 not to disclose transactions with other group companies.

Apart from normal school fees paid by parent governors, there are no other related party transactions to disclose.

11 Long Term Creditors

All amounts held within long term creditors are due within 2-5 years except for £381,806 of fees paid in advance which are due between 5 and 10 years from the balance sheet date.

The loan is at an agreed fixed LIBOR rate of 5.87% representing the bank's cost of funding the loan plus 1.25% representing the Bank's margin, and is repayable on 29th July 2013.