

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 2012

Chairman

J.GORDON JACK, M.A., C.A., C.T.A. ^{(2) (4) (5) (6)}

Honorary Governors

ROY de C CHAPMAN, M.A.

DAVID COMINS, M.A.

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.

ELIZABETH K. HENDERSON, M.A., M.Ed.

ANDREW 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.

WILLIAM 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.

ALASTAIR 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.

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

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

Governors

BRYAN DUNCAN, M.B.A., M.R.I.C.S. ⁽⁶⁾

Dr HILARY GRIERSON, B.Sc., B.Arch., MSc. C.A.B.D., PhD., Dip.A.A.S., A.R.B., F.H.E.A. ^{(3) (5)} GORDON HENRY, C.A. ^{(1) (5)}

MATTHEW LEE, M.A. ⁽³⁾ STUART McCAFFER, B.Com., C.A. ⁽¹⁾

Dr MOIRA McDONALD, M.B., Ch.B., M.R.C.P., F.R.C.Path. ⁽³⁾ Dr GEORGE McLAREN, M.B., Ch.B. ⁽¹⁾

ROBIN McNAUGHT, B.Acc., C.A. NEENA MAHAL, M.A., D.C.G. ⁽³⁾ GRAHAM SHANKLAND, C.A., M.C.T. ^{(2) (5)}

GRAHAM SCOTT, F.C.I.B.S. ^{(2) (5)}

Professor MONA SIDDIQUI, B.A., M.A., Ph.D., D.Litts., D.Civil Laws., F.R.S.E., F.R.S.A. ⁽³⁾

(Nominated by the Senates of Glasgow & Strathclyde Universities)

WILLIAM 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⁾

IAN SPINNEY, B.A. (Hons.), Pg Dip P.R., Pg Dip Marketing. Sheriff ALAYNE SWANSON ⁽¹⁾

JOHN TAYLOR (nominated by Glasgow Academical Club)

Secretary

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

Rector

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

General Manager

Dr WILLIAM R. KERR, F.C.I.S., F.C.I.M., F.I.H., PhD., M.B.A., MSc.

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COMPANIES HOUSE

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 Third 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 9th November 2012 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 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
27th September 2012

(1) Member of Property, Health & Safety Committee
(3) Member of Education Committee
(5) Member of Nominations Committee

(2) Member of Finance & Risk Committee
(4) Member of Investment Committee
(6) Co-opted to Board

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
REPORT BY THE GOVERNORS
Year ended 30th June 2012

The Governors, who are also charitable Trustees and Directors of the company for the purposes of the Companies Act, present their annual report and audited financial statements for the year ended 30th June 2012.

The Governors at 30th June 2012 are set out on Page 1. All have served on the Board for the full financial year except Mr S. McCaffer and Mr G. Scott who were appointed on 11th November 2011. In addition, Mr H. A. Millar and Mr I. M. Veitch served as Governors from 1st July 2011 until their retirement on 11th November 2011. 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.

Dr M. J. McDonald, Mr I. G. Shankland, Mr I. R. Spinney and Sheriff A. E. Swanson retire from the Board at the AGM on 9th November 2012. Mr I. R. Spinney and Sheriff A. E. Swanson do not seek re-election. Two Governors, Mr B. G. Duncan and Mr J. G. Jack, are co-opted to the Board and it is the intention to co-opt Mr B. G. Duncan for a further year. Mr J. G. Jack retires from the Board at the AGM.

Mr I. S. Jarvie, current President of the Glasgow Academical Club, has been nominated to replace Mr J. C. J. Taylor who retires at the AGM. Professor Mona Siddiqui retires as a nominated Governor at the AGM. The Senates of Glasgow and Strathclyde Universities have been approached to nominate a replacement. The contribution of all those Governors retiring at the AGM is gratefully acknowledged.

Resolutions to re-elect Dr M. J. McDonald and Mr I. G. Shankland, and to elect Mr A. Waddell and Mr J. S. Glen as Governors will be put to the AGM. A resolution to re-appoint the existing Honorary Governors will also be put to the AGM.

Responsibilities of Governors

The Governors (who are also directors of The Glasgow Academicals' War Memorial Trust for the purposes of company law) are responsible for preparing the Trustees' Annual 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 Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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.

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
REPORT BY THE GOVERNORS
Year ended 30th June 2012

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 Group 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 2012, 136 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 2011/2012 session, the school has continued to focus on enhancing academic performance and encouraging pupils to fulfil their potential.

Achievements and Performance

The 2012/2013 session has begun with a record 1,344 pupils (727 boys and 617 girls) on the school roll, including 93 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 2012 SQA examinations generally reflected the high standards for which The Academy strives. At Advanced Higher we had 29% more presentations than ever before and gained our highest-ever A grade rate (56%). We also had our highest-ever A grade rate in Higher taken in S6. This S6 year group had record Higher results last year and so gained our best-ever results two years in a row. The 2012 Higher results were weaker than our last two record years, but our Higher results should rise very significantly in 2013. The new S5 year group is academically strong: at Standard Grade they gained our highest percentage of grade 1s for a decade (74%). 47 children (nearly half the year group) gained top grades across the board. Everyone studying the subjects achieved A grades in Latin and in our newly-introduced Hospitality Intermediate 2. S3 gained our highest-ever percentage of grade 1s in Standard Grade English taken in S3. We had our largest number of Oxford and Cambridge offers for several decades (8). We are very pleased that virtually all pupils stay on for S6 and that so many do so well both academically and in the numerous responsibilities they exercise around the school.

Sharan Maiya (S2) became the first World Champion in his age category in the World Education Games 2012 (the world's largest on-line educational event, comprising three events - World Spelling Day, World Maths Day and World Science Day - in which 1.57 million young people participated). Sharan was top in the UK in his age category for all three events and first in the world in the World Science Day event. Jasmine Li (also S2) came 3rd in the UK in Science. Sharan also won the Four Nations Maths Challenge for the second year running. He is UK World Education Games ambassador.

Chris Simpson (S6) won an all-expenses-paid two weeks in Hong Kong for winning the British Council competition 'Hong Kong: a Dream Destination for University Study', for which he created a website. Anna Rickards (S4) won first prize in the UK Reading Zone Competition Secondary Category for creating, writing, animating and designing a children's picture book. Ilias Muckli (S2) won the top award in the country for his age group in the Royal Society of Geography essay competition. Our Young Enterprise company, APptitude, won 'The most innovative company' award in the Young Enterprise Glasgow finals.

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
REPORT BY THE GOVERNORS
Year ended 30th June 2012

We had a record 16 sporting internationalists. Lyle Hill represented Scotland at both cricket and hockey, and scored 179 runs off just 80 balls against another school: that included 17 sixes and 9 fours - a record in our Cricket history. 'Hill blasts astonishing century in first match' was *The Scotsman* headline. Lyle went on to Captain Scotland Under 17s in the ICC European Under 17s Challenge series.

We had our most successful rowing season to date: 33 Academy rowers won races. They won 27 events - 12 more than last year. We have 11 Scottish Champions, 9 Scottish School Champions and 7 Scottish School Cup winners.

We won the West of Scotland Independent Schools Football League and were semi-finalists in the Independent Schools' Cup. We won the High School of Glasgow Girls' Tennis Tournament for the sixth year in seven. Other wins included the West District Hockey Sevens, the West District Indoor Hockey Competition and the Robert Gordon's College Hockey tournament. The 1st XV won the Glasgow Warriors U18 tournament, the U15 cricket XI won the West District Cup and the 1st XI won the TGA Sixes tournament. To encourage such achievements, we now employ 18 current or former internationalists on our coaching staff. There have been many individual sporting successes too: Max Aitchison (S5) won Gold representing Scotland in the UK Youth Games 1500m. He went on to win the International Amateur Athletics Federation Lotto Cross-country cup in Brussels and was nominated for *Daily Record* Young Athlete of the Year. Jillian Hamilton (S6) was selected to carry the Olympic flame, in recognition of her good work at weekends in a Care home.

Service to others is important to our pupils: we raised £32,824 for charity this year. Charities supported included Cancer Research, Save the Children, Children 1st, Barnardo's, the SSPCA, Hope and Homes for Children, LEPR, ClicSargent, the Roald Dahl Foundation, Concern World Wide, Erskine, the British Heart Foundation, Amnesty International, Parkinson's UK, Movember and Macmillan.

The appointment of a full-time Outdoor Education expert has doubled the number of children who enjoy Outdoor Education, which now approaches a quarter of the Senior School. 153 pupils and staff participated in a range of Outdoor Education activities in 41 evening and 59 full day sessions, totalling 10,832 hours.

Creativity and artistic talent was evident in 'The Hot Mikado', 'Oedipus' and Prep School performances, as well as in the Art Exhibition and many musical events. The Music Tour to Barcelona was a great success. Yet we are also a strong science school: 40% of our leavers study science at university in some form - about a quarter of those study Medicine and almost the same proportion Engineering. Recent scientific achievements include Suhaib Siddiqui gaining a Gold Crest award for his Nuffield bursary-funded research, and our team winning first place for the University Challenge in the Salter Festival of Chemistry.

Academy staff continue to contribute extensively to public benefit through their considerable involvement in national exams and in a range of educational bodies and initiatives, as listed on our website at www.theglasgowacademy.org.uk. Our website also highlights the school's other contributions to public benefit.

Financial Review

The group's net incoming resources from the year's operations, excluding the performance of investment assets, was a surplus of £762,209 (2011 £487,002). The actual surplus achieved exceeded our original budget and has enabled us to reduce year end borrowing by £3.6 million compared to June 2011 through the generation of strong cash flows.

Total income for the year increased by 6.5% reflecting both encouraging growth in pupil numbers and a modest increase in fee levels. Continuing emphasis on cost controls and an absence of one-off premises expenditures has enabled us to limit total cost increases to 4.4%. We continue to experience growing demand for bursary assistance while economic conditions remain difficult.

The group's surplus for the year to 30th June 2012 was £609,884 (2011 £1,019,636) after including realised investment losses of £781 (2011 gains of £80,333) and unrealised losses on investment assets of £151,544 (2011 gains of £452,301).

During the year, the Trust's investment portfolio reduced by over 6% reflecting a deterioration in stock market conditions at the year end. Continuing volatility in stock markets and the prospect for a sustained recovery in share prices remain matters for concern. However, our investment advisers consider we have an appropriate strategy to derive income and longer term capital value from our investment portfolio. 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 2012, group's net current liabilities were £158,576 (2011 £1,713,018). The balance sheet total of group net assets increased from £15,136,952 at June 2011 to £15,746,836 at June 2012. 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 financial statements 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 submitted a planning application in relation to this site, and we are hopeful of commencing construction within the next 12 months.

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 £58,280.

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
REPORT BY THE GOVERNORS
Year ended 30th June 2012

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 2012, the funds were as follows:

	Montrose Trust	Kelly Trust
	£	£
Investments at market value	772,564	18,360
Due by GAWMT	181,804	3,443
Due by Investment Advisors	<u>7,417</u>	<u>198</u>
	<u>961,785</u>	<u>22,001</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 2012 has enabled us to achieve a significant reduction in borrowings and a similar result is anticipated for the year to 30th June 2013. We would hope to be in a position to determine the likely start for the next phase of our campus development during the 2012/13 session.

The Chairmanship of the Trust will pass from Mr J Gordon Jack to Mr Graham W Scott at the AGM on 9th November 2012. Mr Jack would like to thank all Academicals, staff and friends of The Academy for their support over the past 8 years, and to wish Mr Scott and the school every success in the years ahead.

The Glasgow Academy
Colebrooke Street
Glasgow G12 8HE


On Behalf of the Board of Governors
J G Jack, Chairman
27th September 2012

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING INCOME & EXPENDITURE
For the year ended 30th June 2012

	Non- designated	Designated	Restricted	2012 Total	2011 Total
	£	£	£	£	£
INCOMING RESOURCES					
Incoming resources from charitable activities:					
Fees receivable	11,375,107	514,082	-	11,889,189	11,068,461
Catering income	485,653	-	-	485,653	463,155
Incoming resources from generated funds:					
Voluntary income					
Donations	-	50,643	7,637	58,280	116,775
Activities for generating funds					
Hire of facilities	65,518	-	-	65,518	95,609
Investment income	-	-	219,067	219,067	182,878
Other income	18,815	-	-	18,815	36,282
Total Incoming Resources	<u>11,945,093</u>	<u>564,725</u>	<u>226,704</u>	<u>12,736,522</u>	<u>11,963,160</u>
RESOURCES EXPENDED					
Charitable activities:					
Teaching costs	7,440,387	-	-	7,440,387	7,187,064
Catering and medical costs	519,612	-	-	519,612	533,335
Premises	1,851,607	45,150	-	1,896,757	1,650,598
Grants, awards and prizes	9,450	-	598,895	608,345	549,143
Administration of the school	1,169,228	-	-	1,169,228	1,166,194
Investment costs:					
Finance costs	324,308	-	-	324,308	376,237
Governance costs:					
Management and administration of the charity	15,676	-	-	15,676	13,587
Total Resources Expended (Note 2)	<u>11,330,268</u>	<u>45,150</u>	<u>598,895</u>	<u>11,974,313</u>	<u>11,476,158</u>
Net Incoming/(Outgoing) Resources	614,825	519,575	(372,191)	762,209	487,002
Other Recognised Gains and Losses					
Realised (loss)/gain on investment assets	-	-	(781)	(781)	80,333
Net movement in funds before unrealised gains/losses	614,825	519,575	(372,972)	761,428	567,335
Unrealised (loss)/gain on investment assets (Note 6)	-	-	(151,544)	(151,544)	452,301
Net movement in funds (Note 8)	614,825	519,575	(524,516)	609,884	1,019,636
Funds balances brought forward at 1 st July 2011	8,062,240	2,968,756	4,105,956	15,136,952	14,117,316
Amount transferred (Note 8)	<u>2,212,772</u>	<u>(2,212,772)</u>	-	-	-
Fund balances carried forward at 30th June 2012 (Note 7)	<u>10,889,837</u>	<u>1,275,559</u>	<u>3,581,440</u>	<u>15,746,836</u>	<u>15,136,952</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).

All operations are continuing. There are no recognised gains or losses for the current or preceeding year other than those noted above.

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
STATEMENT OF FINANCIAL ACTIVITIES - ENTITY ONLY
INCORPORATING INCOME & EXPENDITURE
For the year ended 30th June 2012

	Non- designated	Designated	Restricted	2012 Total	2011 Total
	£	£	£	£	£
INCOMING RESOURCES					
Incoming resources from charitable activities:					
Fees receivable	11,375,107	514,082	-	11,889,189	11,068,461
Catering income	485,653	-	-	485,653	463,155
Incoming resources from generated funds:					
Voluntary income					
Donations	-	50,643	7,637	58,280	116,775
Activities for generating funds					
Hire of facilities	65,518	-	-	65,518	95,609
Investment income	-	-	219,067	219,067	182,878
Other income	18,815	-	-	18,815	36,282
Total Incoming Resources	<u>11,945,093</u>	<u>564,725</u>	<u>226,704</u>	<u>12,736,522</u>	<u>11,963,160</u>
RESOURCES EXPENDED					
Charitable activities:					
Teaching costs	7,440,387	-	-	7,440,387	7,187,064
Catering and medical costs	519,612	-	-	519,612	533,335
Premises	1,829,608	45,150	-	1,874,758	1,628,598
Grants, awards and prizes	9,450	-	598,895	608,345	549,143
Administration of the school	1,169,228	-	-	1,169,228	1,281,602
Investment costs:					
Finance costs	324,308	-	-	324,308	376,237
Governance costs:					
Management and administration of the charity	15,677	-	-	15,677	12,162
Total Resources Expended (Note 2)	<u>11,308,270</u>	<u>45,150</u>	<u>598,895</u>	<u>11,952,315</u>	<u>11,568,141</u>
Net Incoming/(Outgoing) Resources	636,823	519,575	(372,191)	784,207	395,019
Other Recognised Gains and Losses					
Realised (loss)/gain on investment assets	-	-	(781)	(781)	80,333
Net movement in funds before unrealised gains/losses	636,823	519,575	(372,972)	783,426	475,352
Unrealised (loss)/gain on investment assets (Note 6)	-	-	(151,544)	(151,544)	452,301
Net movement in funds (Note 8)	636,823	519,575	(524,516)	631,882	927,653
Funds balances brought forward at 1 st July 2011	7,842,421	2,968,756	4,105,956	14,917,133	13,989,480
Amount transferred (Note 8)	2,212,772	(2,212,772)	-	-	-
Fund balances carried forward at 30th June 2012 (Note 7)	<u>10,692,016</u>	<u>1,275,559</u>	<u>3,581,440</u>	<u>15,549,015</u>	<u>14,917,133</u>

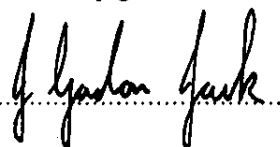
All operations are continuing. There are no recognised gains or losses for the current or preceeding year other than those noted above.

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
BALANCE SHEET as at 30th June 2012

GROUP 2011 £	TRUST 2011 £		Note	GROUP 2012 £	TRUST 2012 £
		FIXED ASSETS			
17,097,808	16,674,187	Tangible assets	3	16,833,464	16,431,843
4,780,325	5,109,663	Investments	6	4,482,122	4,811,461
<u>21,878,133</u>	<u>21,783,850</u>			<u>21,315,586</u>	<u>21,243,304</u>
		CURRENT ASSETS			
		Amounts recoverable within one year:			
124,016	124,016	Debtors		129,246	129,246
11,742	11,742	Prepayments		49,178	49,178
2,605,524	2,605,254	Cash at bank and in hand		590,437	590,437
<u>2,741,012</u>	<u>2,741,012</u>			<u>768,861</u>	<u>768,861</u>
		Amounts recoverable after one year:			
-	-	Amounts owed by subsidiary company		-	-
84,050	84,050	Glasgow Academical Club		84,050	84,050
<u>2,825,062</u>	<u>2,825,062</u>			<u>852,911</u>	<u>852,911</u>
		CREDITORS - amounts falling due within one year			
3,683,921	3,683,921	Bank overdrafts and loans		-	-
116,884	116,884	Trade creditors		153,415	153,415
45,533	45,533	Accruals		52,084	52,084
168,742	168,742	Taxes and social security costs		254,702	254,702
523,000	523,000	Other creditors		551,286	551,286
-	125,536	Due to subsidiary company		-	125,539
<u>4,538,080</u>	<u>4,663,616</u>			<u>1,011,487</u>	<u>1,137,026</u>
(1,713,018)	(1,838,554)	NET CURRENT LIABILITIES		(158,576)	(284,115)
		CREDITORS - amounts falling due after one year			
(4,000,000)	(4,000,000)	Bank loans	10	(4,000,000)	(4,000,000)
(1,013,118)	(1,013,118)	Other creditors	10	(1,398,924)	(1,398,924)
<u>15,151,997</u>	<u>14,932,178</u>	TOTAL ASSETS LESS LIABILITIES		<u>15,758,086</u>	<u>15,560,265</u>
		ACCRUALS & DEFERRED INCOME			
(15,045)	(15,045)	Deferred grant		(11,250)	(11,250)
<u>15,136,952</u>	<u>14,917,133</u>	NET ASSETS		<u>15,746,836</u>	<u>15,549,015</u>
		FUNDS			
4,105,956	4,105,956	Restricted funds	8	3,581,440	3,581,440
2,968,756	2,968,756	Designated funds	8	1,275,559	1,275,559
8,062,240	7,842,421	General funds	8	10,889,837	10,692,016
<u>15,136,952</u>	<u>14,917,133</u>			<u>15,746,836</u>	<u>15,549,015</u>

The financial statements on pages 6 to 15 were approved and authorised for issue by the Board on 27th September 2012.

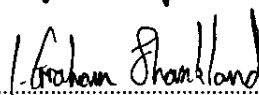
J.G. Jack



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) Governors

I.G. Shankland



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2011		Note	2012
£	£		£
1,374,111	Net cash inflows from operating activities	9	1,824,654
	Returns on investments and servicing of finance		
182,878	Investment income		219,067
(76,237)	Bank and other interest		(324,308)
			(105,241)
(193,359)			
1,180,752			1,719,413
	Capital expenditure and financial investment		
(70,726)	Purchase of tangible fixed assets		(196,186)
(58,287)	Payment for investments		(1,205,981)
916,305	Proceeds from sale of investments		1,351,858
(112,708)			(50,309)
1,068,044	Increase in cash	9	1,669,104

**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 2012 which comprise the Consolidated and Parent Charitable Company Statements of Financial Activities, the Consolidated and Parent Charitable Company Summary Income and Expenditure Accounts, 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 charitable company'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 (as amended). Our audit work has been undertaken so that we might state to the members and the charitable company'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 charitable company, 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 auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 2 the trustees (who are also the directors of the charitable 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

In our opinion the 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 2012; 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 matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report 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 charitable company has not kept sufficient, proper and adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable 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.

Baker Tilly UK Audit LLP

1 October 2012

Janet Hamblin (Senior Statutory Auditor)

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

BAKER TILLY UK AUDIT LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
NOTES TO THE ACCOUNTS for the year ended 30th June 2012

1 ACCOUNTING POLICIES

a. Basis of Accounting

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of certain 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

Tangible fixed assets are initially recorded at cost with the exception of a school property held at an initial valuation on acquisition. 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. Incoming Resources

Fees consist of charges for the school year ended 30th June 2012. Catering and the Hire of Facilities Income is recognised on an accruals basis. Donations are recognised on receipt. Dividends and interest are recognised as income on an accrued basis.

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. Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Charity to the expense.

e. Group Accounts

The group accounts consolidate the accounts of the Trust and its subsidiary undertakings. The result of subsidiary undertakings are dealt with using principles of acquisition accounting.

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 £651,039 (2011 £638,952) 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 and tax compliance fees plus the printing of the group's consolidated financial statements and the statutory financial statements of the Trust and its 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 £158,576 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.

l. Investments

Investments are stated at market value. Gains and losses on disposal and revaluation of investments are recorded in the Statement of Financial Activities.

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30th JUNE 2012

ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs	Other	Depreciation	2012 Total	2011 Total
	£	£	£	£	£
Direct Charitable Expenditure:					
Teaching costs	6,329,346	1,111,041	-	7,440,387	7,187,064
Catering and medical costs	265,441	254,171	-	519,612	533,335
Premises	293,003	1,143,224	460,530	1,896,757	1,650,598
Grants, awards and prizes	-	608,345	-	608,345	549,143
Administration of the school	651,992	517,236	-	1,169,228	1,166,194
	<u>7,539,782</u>	<u>3,634,017</u>	<u>460,530</u>	<u>11,634,329</u>	<u>11,086,334</u>
Other Expenditure:					
Finance costs	-	324,308	-	324,308	376,237
Management and administration of the charity	-	15,676	-	15,676	13,587
	<u>7,539,782</u>	<u>3,974,001</u>	<u>460,530</u>	<u>11,974,313</u>	<u>11,476,158</u>

The Total Resources Expended for the Trust totalled £11,952,315 (2011: £11,568,141). The differences to the reported Group analysis above is solely a reduction of depreciation of £21,998.

TANGIBLE ASSETS

GROUP	Ground inc Athletic grounds	Buildings	Equipment	Hockey Pitches	Total
	£	£	£	£	£
Cost/valuation at 1 st July 2011	156,172	19,589,126	295,336	1,125,839	21,166,473
Added during year	-	196,186	-	-	196,186
Disposed during year	-	-	(295,336)	-	(295,336)
Cost/valuation at 30 th June 2012	<u>156,172</u>	<u>19,785,312</u>	<u>-</u>	<u>1,125,839</u>	<u>21,067,323</u>
Depreciation at 1 st July 2011	-	3,087,366	295,336	685,963	4,068,665
Depreciation charge for year	-	400,502	-	60,028	460,530
Disposed during year	-	-	(295,336)	-	(295,336)
Depreciation at 30 th June 2012	<u>-</u>	<u>3,487,868</u>	<u>-</u>	<u>745,991</u>	<u>4,233,859</u>
Net book value					
30 th June 2012	<u>156,172</u>	<u>16,297,444</u>	<u>-</u>	<u>379,848</u>	<u>16,833,464</u>
1 st July 2011	<u>156,172</u>	<u>16,501,760</u>	<u>-</u>	<u>439,876</u>	<u>17,097,808</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 £401,621 is appropriate using current open market value. The historic cost of the property was £23,211 (2011, £24,973).

TRUST	£	£	£	£	£
Cost at 1 st July 2011	155,672	18,925,100	295,336	1,125,839	20,501,947
Added during year	-	196,186	-	-	196,186
Disposed during year	-	-	(295,336)	-	(295,336)
Cost at 30 th June 2012	<u>155,672</u>	<u>19,121,286</u>	<u>-</u>	<u>1,125,839</u>	<u>20,402,797</u>
Depreciation at 1 st July 2011	-	2,846,461	295,336	685,963	3,827,760
Depreciation charge for year	-	378,502	-	60,028	438,530
Disposed during year	-	-	(295,336)	-	(295,336)
Depreciation at 30 th June 2012	<u>-</u>	<u>3,224,963</u>	<u>-</u>	<u>745,991</u>	<u>3,970,954</u>
Net book value					
30 th June 2012	<u>155,672</u>	<u>15,896,323</u>	<u>-</u>	<u>379,848</u>	<u>16,431,843</u>
1 st July 2011	<u>155,672</u>	<u>16,078,639</u>	<u>-</u>	<u>439,876</u>	<u>16,674,187</u>

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30th JUNE 2012

4	GROUP EXPENDITURE	2012	2011
	Direct charitable expenditure includes:	£	£
	Depreciation	<u>460,530</u>	<u>460,450</u>
	Management and Administration of the charity includes:		
	Auditors' remuneration	<u>15,036</u>	<u>11,727</u>
5	STAFF COSTS	£	£
	Wages and salaries	6,349,027	6,169,828
	Social Security costs	539,716	510,498
	Other pension costs	<u>651,039</u>	<u>638,952</u>
		<u>7,539,782</u>	<u>7,319,278</u>

The average number of employees in the year was 115 Teaching Staff (2011 – 110) and 82 Support Staff (2011 – 81). Three employees of the Trust earned in excess of £60,000 during the year, one between £60,000 and £70,000, one between £90,000 and £100,000 and one between £120,000 and £130,000 (2011 was equivalent). Employers' pension contributions in respect of these employees amount to £22,306 (2011 - £21,821). Outstanding pension contributions at 30th June 2012 totalled £87,348 (2011 £nil).

None of the Governors received remuneration during the year.

6	INVESTMENTS	GROUP	TRUST
		Listed	Listed
		Investments	Investments
	Funds under management	2012	2012
		£	£
	Market value 1st July 2011	4,780,325	4,780,325
	Additions	1,205,981	1,205,981
	Net unrealised investment loss	<u>(151,544)</u>	<u>(151,544)</u>
		5,834,762	5,834,762
	Investments realised	<u>1,352,640</u>	<u>1,352,640</u>
	Market value 30th June 2012	4,482,122	4,482,122
	Subsidiary Undertaking		
	30 th June 2011 and 30 th June 2012 at cost	<u>-</u>	<u>329,339</u>
	Total Investments 30th June 2012	<u>4,482,122</u>	<u>4,811,461</u>
	Total Investments 30th June 2011	<u>4,780,325</u>	<u>5,109,663</u>

The listed investments are all listed in the London Stock Exchange and had a cost value of £3,951,824 at 30th June 2012 (2011 - £4,098,483).

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 net asset value of Glasgow Academy (Services) Limited at 30th June 2012 was nil and the result for the year was £115,407 surplus.

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. The net asset value of Dairsie House School Limited at 30th June 2012 was £523, 799 and the result for the year was (£22,000) loss.

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30th JUNE 2012

7

GROUP ALLOCATION OF NET ASSETS

Fund balances at 30 June 2012 are represented by:

	Non Designated £	Designated £	Restricted £	Total £
Investments	-	-	4,482,122	4,482,122
Tangible fixed assets	17,311,498	1,275,559	(1,753,593)	16,833,464
Current assets	-	-	852,911	852,911
Current liabilities	(1,011,487)	-	-	(1,011,487)
Long term liabilities	(5,410,174)	-	-	(5,410,174)
At 30 June 2012	<u>10,889,837</u>	<u>1,275,559</u>	<u>3,581,440</u>	<u>15,746,836</u>

TRUST ALLOCATION OF NET ASSETS

Fund balances at 30 June 2012 are represented by:

	Non Designated £	Designated £	Restricted £	Total £
Investments	-	-	4,482,122	4,482,122
Tangible fixed assets	17,311,498	1,275,559	(1,753,593)	16,833,464
Current assets	-	-	852,911	852,911
Current liabilities	(1,209,308)	-	-	(1,209,308)
Long term liabilities	(5,410,174)	-	-	(5,410,174)
At 30 June 2012	<u>10,692,016</u>	<u>1,275,559</u>	<u>3,581,440</u>	<u>15,549,015</u>

8

RECONCILIATION OF MOVEMENTS IN RESERVES

Group	Non Designated £	Designated £	Restricted £	Total £
At 1st July 2011	8,062,240	2,968,756	4,105,956	15,136,952
Surplus/(deficit) for the year	<u>614,825</u>	<u>519,575</u>	<u>(524,516)</u>	<u>609,884</u>
At 30th June 2012	8,677,065	3,488,331	3,581,440	15,746,836
Amount transferred	<u>2,212,772</u>	<u>(2,212,772)</u>	-	-
At 30 th June 2012	<u>10,889,837</u>	<u>1,275,559</u>	<u>3,581,440</u>	<u>15,746,836</u>

Trust	Non Designated £	Designated £	Restricted £	Total £
At 1st July 2011	7,842,421	2,968,756	4,105,956	14,917,133
Surplus/(deficit) for the year	<u>636,823</u>	<u>519,575</u>	<u>(524,516)</u>	<u>631,882</u>
Amount transferred	<u>2,212,772</u>	<u>(2,212,772)</u>	-	-
At 30 th June 2012	<u>10,692,016</u>	<u>1,275,559</u>	<u>3,581,440</u>	<u>15,549,015</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 Glasgow Academy unless, in exceptional circumstances, the members of the Projecting 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. The amount transferred from designated to non designated reserves relates to amounts expended on the new Preparatory school building. The balance of the designated reserve will be utilised to fund the construction of the new Science and Technology building, which is anticipated to cost between £9 million and £10 million over the course of the next five years.

Included within group non-designated reserves is a revaluation reserve of £375,049 (2011, £394,788) relating to property re-valued within Dairsie House School Limited.

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30th JUNE 2012

9 RECONCILIATION OF OPERATING SURPLUS TO OPERATING CASH FLOW

	GROUP		TRUST	
	2012	2011	2012	2012
	£	£	£	£
Net income for the year	761,428	567,335	783,426	475,352
Depreciation charges	460,530	460,450	438,532	438,450
Decrease/(Increase) in debtors	(42,666)	171,302	(42,666)	171,302
Increase in creditors	543,090	65,748	543,090	66,999
Interest paid	324,308	376,237	324,308	376,237
Loss / (Gain) on investment realised	781	(80,333)	781	(80,333)
Income from listed investments	(219,067)	(182,878)	(219,067)	(182,378)
Grant released	(3,750)	(3,750)	(3,750)	(3,750)
	<u>1,824,654</u>	<u>1,374,111</u>	<u>1,824,654</u>	<u>1,261,879</u>

Operating Activities Group and Trust Analysis of changes in net funds	At 1st July 2011	Cash Flow	At 30th June 2012
	£	£	£
Cash in bank	2,605,259	(2,014,822)	590,437
Bank overdraft and loans	<u>(7,683,921)</u>	<u>3,683,921</u>	<u>(4,000,000)</u>
Total	<u>(5,078,662)</u>	<u>1,669,099</u>	<u>(3,409,563)</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 £80,255 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.

The bank overdraft and loan is secured by a fixed charge over the land and buildings and a floating charge on the assets of the group.