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: SC0 11313 CHARITY NUMBER: SC015638

REPORT AND ACCOUNTS

FOR YEAR ENDED 30TH JUNE 2015

Chairman
GRAHAM SCOTT, F.C.I.B.S. (2)(4)(5)

Honorary Governors
ROY de C. CHAPMAN, M.A.
DAVID COMINS, M.A.
Sir ANGUS M. M. GROSSART, Q.C., C.B.E., LL.D., D.Litt., F.R.S.E., D.L., D.B.A., M.A., LL.B., C.A., F.S.A. (Scot), 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)
J. GORDON JACK, M.A., C.A., C.T.A.
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.
ALASTAIR D.S. ROLLAND, C.A., F.R.C.P.S. (Glasgow)
Professor NORMAN STONE, M.A.
C. MURRAY STUART, C.B.E., M.A., LL.B., C.A., D.Univ., F.C.T., F.R.S.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
CHRISTINE ABERCROMBIE, B.Acc., C.A. (2)
ALEX BARR.
SUSAN BINNS. Dip.ED., B.Ed., PG Dip School Leadership and Management (S.Q.H.). (3)
KAREN R. DINARDO, C.Eng., M.I.C.E., M.IStruct., M.C.I.H.T., F.I.E.S. (1)
BRYAN DUNCAN, M.B.A., M.R.I.C.S. (6)
JEREMY GLEN, LL.B., Dip L.P., N.P. (1)
STUART McCAFFER, B.Com., C.A. (2)
Dr MOIRA McDONALD, M.B., Ch.B., M.R.C.P., F.R.C.Path. (3)
NEENA MAHAL, M.A., D.C.G. (3)
Professor ANDREW MARSHALL, B.A., M.Phil.
DOUGLAS ROBINSON. A.C.M.A.
GRAHAM SHANKLAND, C.A., M.C.T. (2)(4)(5)
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)
ANDREW WADDELL, M.A., C.A., A.S.I.P. (3)

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, LL.B., M.Sc., M.B.A., Ph.D., F.C.I.S., F.C.I.M., F.I.I.I.

FRIDAY
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SCT 16/10/2015 #923
COMPANIES HOUSE

Auditors:	Baker Tilly UK Audit LLP, Centenary House, 69 Wellington Street, Glasgow G2 6HG
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:	Standard Life Wealth, Standard House, 30 Lothian Road, Edinburgh, EH1 2DH

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(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

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A COMPANY LIMITED BY GUARANTEE AND AN EDUCATIONAL CHARITY REGISTERED IN SCOTLAND
COMPANY NUMBER: SC0 11313 CHARITY NUMBER: SC015638

REPORT AND ACCOUNTS

FOR YEAR ENDED 30TH JUNE 2015

NOTICE IS HEREBY GIVEN that the Ninety-sixth Ordinary General Meeting of the Members of The Glasgow Academicals' War Memorial Trust will be held in the Watson Auditorium of The Glasgow Academy, Colebrooke Street, Glasgow, on Friday 6th November 2015 at 12 noon for the following purposes:

1) To receive and consider the Annual Statement of Accounts and the Reports of the Governors and the Auditors

2) To re-appoint Baker Tilly UK Audit LLP as Auditors and

3) 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
24th September 2015

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 2015.

The Governors at 30th June 2015 are set out on page 1. All have served on the Board for the full financial year except Mrs Susan Binns, Ms Karen Dinardo, Professor Andrew Marshall and Mr Douglas Robinson who were appointed on 7th November 2014. Mr Gordon Henry, Mr Matthew Lee and Mr Robin McNaught served as Governors during the year until their retirement on Friday 7th November 2014. 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 up to twelve elected Governors plus two Governors nominated by (i) The Senates of Glasgow and Strathclyde Universities; and (ii) The Glasgow Academical Club. The Board has the power to co-opt three further Governors giving a maximum total of seventeen Governors. The Board operates a Nominations Committee and suggestions for nominations are encouraged from all members of the Board according to the Board's specifications concerning eligibility, personal competence, specialist skills and local availability. Nominations are submitted to the Annual General Meeting for election.

Mr Jeremy Glen, Dr Moira McDonald, Mr Graham Shankland and Mr Andrew Waddell will retire from the Board at the AGM on Friday, 7th November 2015. In addition Mr Bryan Duncan, a co-opted Governor also retires at this time.

Mr John Beattie, current President of the Glasgow Academical Club, has been nominated to replace Mr Douglas Robinson who retires at the AGM.

The contribution of all those Governors retiring at the AGM is gratefully acknowledged.

Resolutions to re-elect Mr Jeremy Glen and Mr Andrew Waddell and to elect Mr Duncan Mackison and Dr Kristeen Percival as Governors will 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 a 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 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.

Organisational Management

The Board of Governors administers the Trust, and meets six times during the year, including a weekend away meeting to review strategy and performance. Certain of the Trust's business, including Finance & Risk, Property, Health & Safety, Investment, Education and Nominations is delegated to Committees of Governors 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.

Risk Management

A review of the risks facing the Trust and the controls in place to mitigate these risks is undertaken on an on-going basis by the Finance and Risk Committee and reviewed by the full Board on an annual basis. This process includes the production of a risk register which identifies and categorises the main risks, the likelihood of recurrence, the potential impact and what measures are in place to control and mitigate these risks.

During the past year, particular attention has focussed on our Sci-Tech project and the resultant risks in respect of construction and finance, emphasising the need to generate sufficient future cash flows to meet borrowing repayment targets. In addition, the sensitivity of future cash flows, particularly in terms of pupil numbers, and the 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 have been of particular focus during the year. 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 Schools aims are not only to encourage pupils towards achievement at the highest levels of academic, sporting and artistic distinction, but also to introduce pupils to the 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 2015, 126 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 2014/2015 session, the school has continued to focus on enhancing academic performance and encouraging pupils to fulfil their potential.

Amongst many contributions to public benefit, the Academy continues to support children's education in rugby by part-funding a Rugby Community Development Coach. It supports about 20 visits a year to other schools by its Director of Sport to share sporting excellence. It also supports its many staff who work for the SQA in a wide range of examiner and question-setter roles and it enables staff to contribute to Education Scotland inspection work. In the coming session its rowing coach will be working regularly each week in its rowing studio with children from eight other schools.

Achievements and Performance

The 2015/2016 session has begun with 1362 pupils on the roll.

The Glasgow Academy was Scotland's top-performing coeducational school in 2015 at National 5 in terms of pass rate (98.2%). It was second in Scotland at Higher in terms of percentage of entries awarded A grades (67.5%). The 2015 Higher results were the school's best ever: we presented more candidates than ever before and they gained not just a record 67.5% A grades, but also a record 90% A or B grades and a record pass rate of 96.13%. (This was the top pass rate and the top A grade rate in Glasgow.) A record 40 pupils gained 5 or more A grades: a third more than our previous best. Combined with a Higher taken earlier, Jasmine Li has 8 Highers (and she, Sharan Maiya and Calum Wray have 20 A grades between them). Many departments achieved a 100% pass rate. At National 5 our A grade rate rose significantly to 75.5% and once more many departments achieved a 100% pass rate. Our Advanced Higher pass rate of 91.3% was a significant improvement on last year's.

We again represented Scotland in the Chemistry Top of the Bench UK finals and in the UK Mathematics Trust Team Maths Challenge, at both Junior and Senior levels. As a result of his performance in the Intermediate Mathematical Olympiad Ritobrata Mukhopadhyay was one of just two pupils in Scotland invited to attend the UK Mathematical Summer school for the UK's most talented young mathematicians.

We competed as the only Scottish school in the World final of the Jaguar Cars Maths in Motion competition and won the 2014 National Christmas Race.

Rowing was the outstanding sport of the year, with five Academy pupils winning international medals rowing for Great Britain, including two golds at the Junior World Rowing Championships in Rio de Janeiro. In addition to two World Champions, we had six British Internationalists, six Scottish Internationalists, two British and Home International Champions, six National Schools Champions and won 26 Scottish titles. We also raced, for the first time, at Henley Royal Regatta, setting a new course record in the Fawley Challenge Cup, beating the Australians from Sydney Rowing Club, Australia.

Gavin Horsburgh and Josh Armstrong became World Champions by taking Gold in the junior men's quads final at the World Junior Rowing Championships in Rio, beating long-time leaders Germany in 6:05.36. Their win was a first-ever men's quad title for Great Britain. Alex Rankin also represented Great Britain in Rio, finishing sixth in the women's four final won by the United States. At the Coupe de La Jeunesse in Hungary Holly Wicklow won three silver medals for Great Britain, in pairs and the eight. Our inspirational rowing coach Iain Somerside was selected as GB coach in Hungary.

Becky Neilson and India Somerside won gold for Great Britain at the GB, France match for the second year running.

Prior to setting a new record at Henley, our boys (Gavin, Josh, Seb Glen and Callum Urquhart) won Marlow regatta, posting the fastest time of all junior quads.

Callum and Seb won the British junior double sculls title and the following week the same event at the Home International Championships, repeating the feat achieved by Callum's brother Ross and Ronan Murphy in 2011. All five Academy Athletes rowing at the British Championships won medals: India Somerside and Becky Neilson took silver in Women's J16 pairs and Sam Abernethy took bronze in J16 pairs.

At the National Schools Regatta in Nottingham Glasgow Academy were the fourth most successful club in the UK, winning 3 golds in Championship Pairs and Doubles and coming fourth in Championship quads.

Our new Head of Rugby, Phil Smith, SRU Coach of the Year 2015 and former Scotland Under 20A Head coach, has brought impetus and joined-up training across the year groups. Our Captain, Andrew Simmers, was selected for the Scotland Under 18 squad, where he quickly became the number 1 choice for the Home Nations competition at Easter. Our 1st XV squad had a high number of S5s, so with a full season of bedding in game skills and organisation we are expecting a big change in the way we play. A ten-day 2015 preseason tour to Portugal saw our boys develop dramatically in the way they see, understand and most importantly play the game. This preparation is vital as we enter a new phase of Schools rugby. For the first time the SRU, in conjunction with a Schools group, have put together a system of conferences in which schools play other schools of similar standing in a whole-school league: we will play High School of Glasgow, St. Aloysius', Hutchesons', Kelvinside and Heriot's. In these conferences results from S2 and up are counted towards a whole-school result. Our S2s won Edinburgh Academy rugby sevens. Our new rugby/PE teacher Graham Wilson was part of the league-winning Heriot's side and went on to represent the Scotland Club XV in two matches against Ireland and England: Phil Smith coaches both these sides, and aims to bring some of these experiences and successes to the Academy rugby programme.

In hockey, our S1s won the West District tournament, our S2s the Hutchesons' tournament and our 1st XI the BP Cup Plate. 8 girls played in District hockey teams and 5 were Inter-District Champions.

Melissa Sleigh retained her British Dry Tooling Championship title, whilst brother Douglas won the men's title. Fraser Middleton retained his title as Scottish Schools ski cross champion.

Our Senior Boys gained an emphatic victory in the overall team competitions at the Glasgow Schools Athletics Championships. Our S2 boys and girls won the Independent Schools Athletics League and our Senior boys and S2 girls won Glasgow Schools Cross-country. Glasgow Academy pupils won seven of the team competitions at the Glasgow Schools Primary and Secondary Cross-country Championships: our runners did particularly well in the primary age categories with Academy teams taking 5 of the 6 available team trophies.

In shooting, we had our most successful Bisley ever: our Ashburton Four team lost by only 1 point and we finished 2nd in the Schools' Pair and 3rd in the London Scottish Vase.

Angus Frood was crowned U15 ISGA Scottish Champion and our U15 side had a clean sweep at the St Leonards National Championships.

Whilst studying crystallisation, our Chemistry research club discovered a new compound: x-ray crystallography at Glasgow University revealed it to be a new polymorph of anhydrous calcium formate. Engineering Club is now our most popular club, building robots, modified skateboards, a tidal wave generator, a car and a taser.

At the Young Enterprise Glasgow Area Finals, our company won the award for Best Presentation.

The Senior School production of 'Chicago' was widely acclaimed and S1-3 gave an energetic performance of 'A Midsummer Night's Dream'. We enjoyed a series of joyous Prep School performances and our Music tour to New York was highly successful, including a workshop with a professional singer in the Broadway cast of 'Chicago' and a performance in the Cathedral church of St John the Divine.

Our stunning Saunders Centre opened on time for the start of session 2015-16 and is already highly popular and much admired. The squeals of delight and applause from Prep children watching our 3D projection of Maths teaching films show that the vast 3D projection screen is going down a storm. Oscar Wilde's ever-popular farce 'The Importance of Being Earnest' was the much-praised opening production in the Watson Auditorium.

An exceptional range of facilities were improved over summer 2015 in the most extensive construction and refurbishment programme we have ever undertaken. We have another two new Astros at Windyedge. At Kelvinbridge we have a new dance studio, new medical centre, new rowing suite, new individual showers and four refurbished changing rooms rather than two. The new Drama studios, new Outdoor Education Centre and new locker and bag storage area will be open shortly. We have also refurbished our War memorial.

Over £28,000 was raised for a range of charities chosen by pupils and the school continues to contribute to public benefit in many ways.

Financial Review

The Trust's net incoming resources from the year's operations, excluding the performance of investment assets, was a surplus of £1,656,812 (2014 £2,583,105). The surplus achieved exceeded the original budget estimates due to increased fee income and continuing careful management of school resources.

Expenditure on bursaries remained at around 5.5% of fee income.

The Trust's surplus for the year to 30th June 2015 was £1,687,832 (2014 £2,864,069) after including realised investment gains of £2,092 (2014 £207,773) and unrealised gains on investment assets of £28,928 (2014 £73,191).

During the year, the Trust's investment portfolio decreased slightly by less than 1% reflecting difficult market conditions. The investment performance continues to outperform the benchmark. Our Investment Committee aims to maximise the long term return on our investments whilst 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 2015, net current liabilities were £366,384 (2014 £380,164). In long term liabilities, the bank loan of £9.1m relates to the construction of our state-of-the-art Science and Technology Building and was negotiated on favourable terms.

The balance sheet total of group net assets increased from £20,353,419 at June 2014 to £22,041,252 at June 2015. Fixed Assets are shown in note 3 to the accounts. Additions relate entirely to our new Science building.

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.

Annual Giving and Other Donations

The Board of Governors expresses its sincere thanks to all those members of the Trust and friends who so generously supported our regular giving appeal or gave single donations and legacies. The total of donations received during the financial year amounted to £466,610.

Montrose Educational Trust and Kelly Trust

The Montrose Educational Trust awards bursaries to existing and prospective pupils at The Glasgow Academy. The J D Kelly Trust awards bursaries. These Trusts are separate Scottish charities managed by separate Trustees. At 30th June 2015, the funds were as follows:

	Montrose Trust	Kelly Trust
	£	£
Investment at market value	1,003,857	23,774
Due by GAWMT	197,154	4,341
Due by Investment Advisor	35	5
Accruals	(844)	(313)
	1,200,202	27,807

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.

The Glasgow Academy
Colebrooke Street
Glasgow G12 8HE

On Behalf of the Board of Governors
G.W. Scott, Chairman
24th September 2015

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING INCOME & EXPENDITURE
FOR YEAR ENDED 30TH JUNE 2015

Fees receivable	12,907,635	580,973	-	13,488,608	13,131,275
Catering income	564,239	-	-	564,239	525,867
Incoming resources from generated funds:					
Voluntary income	48,790	416,548	1,272	466,610	1,142,754
Activities for generating funds					
Hire of facilities	98,502	-	-	98,502	105,083
Investment income	-	-	201,381	201,381	261,608
Other income	25,226	-	-	25,226	22,662
Total Incoming Resources	13,644,392	997,521	202,653	14,844,566	15,189,249
RESOURCES EXPENDED					
Charitable activities:					
Teaching costs	8,242,935	125,630	-	8,368,565	7,924,194
Catering costs	531,263	-	-	531,263	501,386
Premises	1,918,204	3,607	-	1,921,811	2,017,005
Grants, awards and prizes	3,431	-	750,740	754,171	755,843
Administration of the school	1,461,755	-	-	1,461,755	1,289,658
Investment costs:					
Finance costs	130,755	-	-	130,755	102,417
Governance costs:					
Management and administration of the charity (Note 4)	19,434	-	-	19,434	15,641
Total Resources Expended (Note2)	12,307,777	129,237	750,740	13,187,754	12,606,144
Net Incoming Resources	1,336,615	868,284	(548,087)	1,656,812	2,583,105
Other Recognised Gains and Losses					
Realised gain on investment assets	-	-	2,092	2,092	207,773
Net movement in funds before unrealised gains/(losses)	1,336,615	868,284	(545,995)	1,658,904	2,790,878
Unrealised gain on investment assets (Note 6)	-	-	28,928	28,928	73,191
Net movement in funds (Note 8)	1,336,615	868,284	(517,067)	1,687,832	2,864,069
Funds balances brought forward at 1st July 2014	11,265,860	5,084,055	4,003,505	20,353,420	17,489,350
Amount transferred (Note 8)	5,952,339	(5,952,339)	-	-	-
Fund balances carried forward at 30th June 2015	18,554,814	-	3,486,438	22,041,252	20,353,419

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

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
BALANCE SHEET AS AT 30TH JUNE 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible assets	3	26,774,863	19,324,300
Investments	6	5,346,572	5,393,348
		32,121,435	24,717,648
CURRENT ASSETS			
Amounts recoverable within one year:			
Trade debtors		78,260	59,293
Other debtors		49,006	70,018
Cash at bank and in hand		1,978,871	1,160,733
		2,106,137	1,290,044
CREDITORS - amounts falling due within one year			
Bank loans		395,832	-
Trade creditors		698,671	151,816
Accruals		318,441	299,368
Taxes and social security costs		317,368	315,446
Other creditors		742,209	899,828
Deferred grant		-	3,750
		2,472,521	1,670,208
NET CURRENT (LIABILITIES)		(366,384)	(380,164)
CREDITORS - amounts falling due after one year			
Bank loans	11	(9,104,168)	(3,300,000)
Other creditors	12	(609,631)	(684,065)
TOTAL ASSETS LESS LIABILITIES		22,041,252	20,353,419
ACCRUALS & DEFERRED INCOME			
Deferred grant		-	-
NET ASSETS		22,041,252	20,353,419
FUNDS			
Non-designated	8	18,554,814	11,265,859
Designated	8	-	5,084,055
Restricted	8	3,486,438	4,003,505
		22,041,252	20,353,419

The financial statements on pages 7 to15 were approved and authorised for issue by the Board on 24th September 2015.

G.W. Scott .....)

I.G. Shankland .....)

THE GLASGOW ACADEMICALS' WAR MEMORIAL TRUST
CASH FLOW STATEMENT
FOR YEAR ENDED 30TH JUNE 2015

	Note	2015		2014	
		£	£	£	£
Net cash inflows from operating activities	9		2,395,352		2,655,897
Returns on investments and servicing of finance					
Investment income		201,381		261,608	
Bank and other interest		(130,755)		(102,417)	
			70,626		159,191
			2,465,978		2,815,088
Capital expenditure and financial investment					
Purchase of tangible fixed assets		(7,925,638)		(2,767,172)	
Purchase of investments		(571,077)		(1,207,432)	
Proceeds from sale of investments		648,876		1,008,439	
Cash inflow from increase in debt		6,200,000		720,000	
			(1,647,839)		(2,246,165)
(Decrease) / Increase in cash	9		**818,139**		**568,923**

Reconciliation of Net Cashflow to Movement in Net Debt	**2015**	**2014**
	£	£
Increase in cash	818,139	568,923
Cash (inflow) from increase in debt	(6,200,000)	(720,000)
Movement in net debt	(5,381,861)	(151,077)
Net debt at 1st July 2014	(2,139,267)	(1,988,190)
Net debt at 30th June 2015	**(7,521,128)**	**(2,139,267)**

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

We have audited the financial statements of The Glasgow Academicals' War Memorial Trust ("the financial statements") for the year ended 30th June 2015 which comprise the Trust's Statement of Financial Activities, the Balance Sheet, Cash Flow Statement, 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 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 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 Governors' responsibilities set out on page 3 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 Financial Reporting Council's website at *www.frc.org.uk/auditscopeukprivate*

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30th June 2015 and of its 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 regulation 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 and the incorporated Strategic 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 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 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

14 October 2015

Janet Hamblin (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Centenary House, 69 Wellington Street, Glasgow G2 6HG

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

1 ACCOUNTING POLICIES

a. **Basis of Accounting**
The financial statements have been prepared under the historical cost convention, as modified by the inclusion of 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	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.

All costs directly attributable to the construction of the new Science and Technology Building have been capitalised. No depreciation is charged until the project is completed and the asset is placed into service.

c. **Incoming Resources**
Fees consist of charges for the school year ended 30th June 2015 and are recognised on an accrued basis when earned as are catering, hire of facilities, dividends and interest.

Donations are recognised on receipt. A donation or grant that can be used for any purpose of the Trust is unrestricted income. Where the Trust has made a specific appeal, donations relating to this are classed as designated income. Donations received from donors wishing to support bursaries are classed as restricted income.

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. **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.

f. **Pensions**
The Trust participates in, and the academic staff are members of, the Scottish Teachers' Superannuation Scheme. Staff, including higher paid employees, contribute 7.2% to 11.9% of their 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 £785,174 (2014 £742,610) 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.

g. **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.

h. **Going Concern**
The Governors are satisfied that it is appropriate to prepare the accounts on a going concern basis. The trust has net Current liabilities at the Balance Sheet date amount to £366,384 (2014 - £380,164) but 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.

i. **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.

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

2 ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs	Other	Depreciation	2015 Total	2014 Total
Direct Charitable Expenditure:	£	£	£	£	£
Teaching costs	7,329,540	1,039,025	-	8,368,565	7,924,194
Catering and medical costs	252,269	278,994	-	531,263	501,386
Premises	303,173	1,182,869	485,169	1,921,811	3,893,022
Grants, awards and prizes	-	754,171	-	754,171	755,843
Administration of the school	799,575	662,180	-	1,461,755	1,289,658
	8,684,557	3,917,239	485,169	13,037,565	14,364,103
Other Expenditure:					
Finance costs	-	130,755	-	130,755	102,417
Management and administration of the charity	-	19,434	-	19,434	15,641
	8,684,557	4,067,428	485,169	13,187,754	12,556,544

3 TANGIBLE ASSETS

TRUST	Equipment	Ground inc Athletic Grounds	Buildings	Hockey Pitches	Total
		£	£	£	£
Cost at 1st July 2014	82,883	239,722	22,427,121	1,498,692	24,248,417
Added during year	-	-	7,925,638	-	7,925,638
Disposal	-	-	-	(465,243)	(465,243)
Cost at 30th June 2015	82,883	239,722	30,352,759	1,033,449	31,708,812
Depreciation at 1st July 2014	20,721	-	4,000,065	903,332	4,924,118
Depreciation charge for year	20,721	-	391,592	62,761	475,074
Disposal	-	-	-	(465,243)	(465,243)
Depreciation at 30th June 2015	41,442	-	4,391,657	500,850	4,933,949
Net book value					
30th June 2015	41,441	239,722	25,961,102	532,599	26,774,863
1st July 2014	62,162	239,722	18,427,058	595,358	19,324,300

4 TRUST EXPENDITURE

		2015	2014
Direct charitable expenditure included:		£	£
Depreciation		475,074	505,170
Management and Administration of charity includes:			
Auditors' remuneration:	non-audit fees	-	-
	auditors' remuneration	19,434	15,000
		19,434	15,000

5 STAFF COSTS

	2015 £	2014 £
Wages and salaries	7,343,608	6,819,672
Social Security costs	555,775	574,854
Other pension costs	785,174	742,610
	8,684,557	8,137,136

Outstanding pension contributions at 30th June 2015 totalled £129,939 (2014 - £139,222).

The average number of employees in the year was 176 Teaching Staff (2014 - 172) and 73 Support Staff (2014 - 71). The number of employees of the Trust who earned in excess of £60,000 during 2015 and 2014 are as follows:

	2015	2014
Between £60K and £70K	2	2
Between £90K and £100K	1	1
Between £130K and £140K	1	1

Employers pension contributions for employees earning in excess of £60K amounted to £45,727 (2014 - £43,990).

None of the governors received any remuneration during the year.

6 INVESTMENTS

Funds under management	TRUST Total Investments 2015 £
Market value 1st July 2014	5,393,348
Additions	571,077
Net unrealised investment gain	28,928
	5,993,353
Investments realised	(646,781)
Market value at 30th June 2015	5,346,572

The listed investments are all listed in the London Stock Exchange and had a cost value of £4,362,784 at 30th June 2015 (2014 - £4,418,050).

7 TRUST ALLOCATION OF NET ASSETS

Fund balances at 30th June 2015 are represented by:

	Non-designated £	Designated £	Restricted £	Total £
Investments	-	-	5,346,572	5,346,572
Tangible fixed assets	16,039,419	10,735,444	-	26,774,863
Current assests	2,106,137	-	-	2,106,137
Current liabilities	(612,387)		(1,860,134)	(2,472,521)
Long term liabilities	1,021,645	(10,735,444)	-	(9,713,799)
At 30th June 2014	18,554,814	-	3,486,438	22,041,252

8 RECONCILIATION OF MOVEMENT IN RESERVES

Trust	Non-designated £	Designated £	Restricted £	Total £
At 1st July 2014	11,265,860	5,084,055	4,003,505	20,353,420
Surplus/(Deficit) for the year	1,336,615	868,284	(517,067)	1,687,832
Amount transferred	5,952,339	(5,952,339)	-	-
At 30th June 2015	18,554,814	-	3,486,438	22,041,252

All restricted funds are invested to provide Bursaries. 70% of the Bursary 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 designated reserve has now been utilised to fund the construction of the new Science and Technology building.

9 RECONCILIATION OF OPERATING SURPLUS TO OPERATING CASH FLOW

	2015 £	2014 £
Net Incoming Resources for the year	1,658,904	2,790,878
Depreciation charges	475,074	505,170
Decrease in debtors	2,045	83,683
Increase / (decrease) in creditors	335,797	(353,120)
Interest paid	130,755	102,417
(Gain) on investment realised	(2,092)	(207,773)
Income from listed investments	(201,381)	(261,608)
Grant released	(3,750)	(3,750)
	2,395,352	2,655,897

Analysis of Changes in Net Funds	1st July 2014	Cash Flow	30th June 2015
	£	£	£
Cash in bank	1,160,733	818,139	1,978,872
Bank overdraft and loans	(3,300,000)	(6,200,000)	(9,500,000)
Total	(2,139,267)	(5,381,861)	(7,521,128)

10 RELATED PARTY TRANSACTIONS

Apart from normal school fees and donations paid by parent governors, there are no other related party transactions to disclose. No Governors received any expenses.

11 BANK LOANS

The Development Loan is at an agreed interest rate which is equivalent to 1.5% per annum above the Bank's Base Rate. On conversion to a term loan, a 2% margin applies.

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

On 29th May 2014, an interest rate swap and an interest rate cap were entered into with the bank covering the period starting from the conversion date of a development loan to a term loan, namely 30th September 2015.

The interest rate swap is at a fixed rate of 2.995% plus margin (2%) on an amount of £2m running until 30th September 2023.

The interest rate cap is at a rate of 3% plus margin (2%) on an amount of £4m decreasing annually until 30th September 2020.

12 LONG TERM CREDITORS

Long term creditors relate to fees paid in advance. Amounts due within 2 - 5 years from the balance sheet date total £495,692. The balance of £113,939 is due between 5 and 10 years from the balance sheet date.

13 CAPITAL COMMITMENTS

At 30th June 2015, there were capital commitments amounting to £1,236,124 (2014 £8,196,531), relating to remaining costs for the new Science and Technology building, a new pitch and the refurbishment of vacated science buildings.