

05 OCT 2000

Glasgow Science Centre Charitable Trust

Report and Accounts

31 March 2000

Company registration number 172371

Registered charity number SC025818



ERNST & YOUNG

Glasgow Science Centre Charitable Trust
(A Company Limited by Guarantee and not having a Share Capital)

DIRECTORS

Dr G A Bennett, CBE , Chairman	(appointed 22 July 1999)
J Andrews	(appointed 15 June 1999)
Professor Sir J P Arbuthnott	
Sir G J Davies	
S Gulliver	
Professor R Lander, OBE	
J McCormick	
D J Riley	(resigned 15 December 1999)
J Q Thorburn, OBE	
R J E Tibbott	
Professor J G Beetlestone, MBE	(appointed 7 June 2000)
A L A McPherson	(appointed 6 June 2000)
L McTavish	(appointed 7 July 2000)

SECRETARY

A McCubbin

AUDITORS

Ernst & Young
George House
50 George Square
Glasgow G2 1RR

BANKERS

The Royal Bank of Scotland plc
Sauchiehall Street Branch
23 Sauchiehall Street
Glasgow G2 3AD

SOLICITORS

Dundas & Wilson CS
191 West George Street
Glasgow G2 2LD

REGISTERED OFFICE

50 Pacific Quay
Glasgow G51 1EA

COMPANY REGISTRATION NUMBER

172371

REGISTERED CHARITY NUMBER

SC025818

DIRECTORS' REPORT

The Directors present their report and accounts for the year ended 31 March 2000.

PRINCIPAL ACTIVITY

The Glasgow Science Centre Charitable Trust is a recognised Scottish Charity and is a company limited by guarantee which does not have a share capital. The liability of each member is limited by guarantee to the sum of £1. At 31 March 2000, the company had one member.

The charitable objectives of the Trust are set out in the memorandum and articles of association and are as follows:

- (i) to advance the education of the general public, and in particular the inhabitants of Scotland, by providing awareness and understanding of science and technology through the establishment and operation of a permanent exhibition and education centre; and
- (ii) to advance the education of the general public through the promotion of the principles of science and technology, their application and their potential for the creation of improved conditions of life worldwide.

These objects will be met through the construction of a Science Centre which will comprise an exhibits building with ancillary purposes, a tower and a wide-screen cinema facility. Funding has been secured from the Millennium Commission, European Regional Development Fund, Scottish Enterprise Glasgow, Glasgow City Council and the private sector to proceed with the construction of the Science Centre. The construction works commenced in early 1999 and the Science Centre is expected to open in April 2001.

The principal activity of the Trust's subsidiary company, Glasgow Science Centre Limited, is the construction and operation of the Science Centre. Any surplus from the activity of the subsidiary company will be contributed to the Glasgow Science Centre Charitable Trust where it will make an important contribution to the charitable activities of the Trust.

RESULTS AND FUTURE PROSPECTS

The results for the year are set out in the Consolidated Statement of Financial Activities on page 6.

The Directors are satisfied that as a result of securing the funding for the construction cost of the Science Centre, together with pledges of support in relation to contributions for exhibits, the long term viability of the Science Centre is assured.

In the build up to the opening of the Science Centre, efforts will not only focus on ensuring that costs are contained within budget but also that the exhibits and activities of the Science Centre are of a sufficiently high standard to ensure its continued appeal to visitors.

DIVIDENDS AND TRANSFERS TO RESERVES

The Memorandum and Articles of Association of the company do not permit the payment of a dividend.

DIRECTORS' REPORT

DIRECTORS

The Directors of the company are shown on page 1.

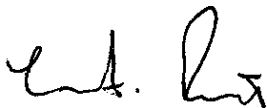
The Directors are also the Trustees of the company for charitable purposes.

In accordance with Article 43 of the Articles of Association, one-third of the directors (other than the Chief Executive of the company) or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office at the first Annual General Meeting of the company on or after 1 January 2000 and at the Annual General Meeting in every subsequent year.

AUDITORS

A resolution to reappoint Ernst & Young as auditors will be put to the member at the Annual General Meeting.

On behalf of the board



Dr G A Bennett, CBE
Chairman

21 September 2000

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE
ACCOUNTS

Company law requires the Directors to prepare accounts for each financial period which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing those accounts, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the auditors to the members of the Glasgow Science Centre Charitable Trust

We have audited the accounts on pages 6 to 15 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 11.

Respective responsibilities of office bearers and auditors

As described on page 4 the directors are responsible for the preparation of accounts in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on the accounts and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

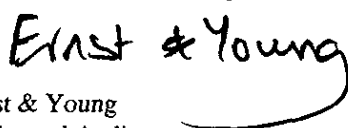
Basis of opinion

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

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

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the charitable company and the group as at 31 March 2000 and of the incoming resources and application of resources, including the income and expenditure, of the group in the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Ernst & Young
Registered Auditor
Glasgow

21 September 2000

Glasgow Science Centre Charitable Trust
(A Company Limited by Guarantee and not having a Share Capital)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2000

<i>Notes</i>	<i>Unrestricted funds £</i>	<i>Restricted funds £</i>	<i>Endowment funds £</i>	<i>Total 2000 £</i>	<i>Total 1999 £</i>
INCOMING RESOURCES					
Donations	-	-	-	-	250,000
Grants	-	951,257	23,325,805	24,277,062	5,585,581
Endowment bequests	-	-	1,100,000	1,100,000	3,639,140
Investment income	93,795	190,162	-	283,957	70,306
Other income	-	-	-	-	10
TOTAL INCOMING RESOURCES	93,795	1,141,419	24,425,805	25,661,019	9,545,037
RESOURCES EXPENDED					
Direct charitable expenditure:					
Project team costs	-	407,959	-	407,959	273,269
Other expenditure:					
Marketing and fundraising	-	151,193	-	151,193	3,055
Management and administration	-	273,112	-	273,112	211,968
Property costs	-	62,022	-	62,022	30,000
Other costs	-	56,971	-	56,971	10,297
TOTAL RESOURCES EXPENDED 3	-	951,257	-	951,257	528,589
Net incoming resources	93,795	190,162	24,425,805	24,709,762	9,016,448
Transfers	-	(190,162)	190,162	-	-
	93,795	-	24,615,967	24,709,762	9,016,448
Revaluation surplus	-	-	-	-	1,999,999
FUNDS AS AT 1 APRIL 1999	250,010	-	10,766,437	11,016,447	-
FUNDS AS AT 31 MARCH 2000	343,805	-	35,382,404	35,726,209	11,016,447

Glasgow Science Centre Charitable Trust
(A Company Limited by Guarantee and not having a Share Capital)

CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 March 2000

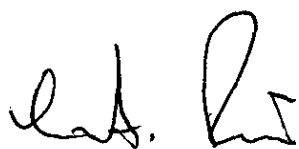
	<i>Notes</i>	<i>2000</i> £	<i>1999</i> £
Gift aid donation		-	250,000
Grants		951,257	528,589
Investment income		283,957	70,306
Other income		-	10
		<hr/>	<hr/>
		1,235,214	848,905
Resources expended	3	951,257	528,589
		<hr/>	<hr/>
Net income for the year before transfers		283,957	320,316
Transfer to endowment funds		190,162	70,306
		<hr/>	<hr/>
NET INCOME FOR YEAR		93,795	250,010
		<hr/>	<hr/>

The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 6 which, together with the notes to the accounts on pages 11 to 15, provides full information on the movements during the year on all the funds of the group.

Glasgow Science Centre Charitable Trust
(A Company Limited by Guarantee and not having a Share Capital)

CONSOLIDATED BALANCE SHEET
at 31 March 2000

	Notes	2000 £	1999 £
FIXED ASSETS			
Tangible fixed assets	5	23,412,061	5,456,992
Endowment investments	7	4,899,608	3,709,446
		<u>28,311,669</u>	<u>9,166,438</u>
CURRENT ASSETS			
Debtors	8	4,989,951	4,135,379
Cash at bank and in hand		6,723,930	557,423
		<u>11,713,881</u>	<u>4,692,802</u>
CREDITORS: amounts falling due within one year	9	(3,502,971)	(2,842,793)
NET CURRENT ASSETS		<u>8,210,910</u>	<u>1,850,009</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>36,522,579</u>	<u>11,016,447</u>
CREDITORS: amounts falling due after more than one year			
Building retentions		796,370	-
		<u>35,726,209</u>	<u>11,016,447</u>
CAPITAL FUNDS			
Endowment funds	10		
Construction of Centre		30,382,796	7,056,991
Exhibits		4,999,608	3,709,446
		<u>35,382,404</u>	<u>10,766,437</u>
INCOME FUNDS			
Restricted funds		-	-
Unrestricted funds		343,805	250,010
		<u>35,726,209</u>	<u>11,016,447</u>



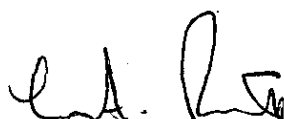
Dr G A Bennett, CBE
Chairman

21 September 2000

Glasgow Science Centre Charitable Trust
(A Company Limited by Guarantee and not having a Share Capital)

BALANCE SHEET
at 31 March 2000

	Notes	2000 £	1999 £
FIXED ASSETS			
Tangible fixed assets	5	2,000,000	2,000,000
Investment in subsidiary undertaking	6	1	1
Endowment investments	7	4,899,608	3,709,446
		<u>6,899,609</u>	<u>5,709,447</u>
CURRENT ASSETS			
Debtors	8	7,259,131	3,850,000
Cash at bank and in hand		10	10
		<u>7,259,141</u>	<u>3,850,010</u>
CREDITORS: amounts falling due within one year	9	(11,877)	(2,000,002)
		<u>7,247,264</u>	<u>1,850,008</u>
NET CURRENT ASSETS			
		<u>14,146,873</u>	<u>7,559,455</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>14,146,873</u>	<u>7,559,455</u>
CAPITAL FUNDS			
Endowment funds	10	13,803,068	7,309,445
INCOME FUNDS			
Restricted funds		-	-
Unrestricted funds		343,805	250,010
		<u>14,146,873</u>	<u>7,559,455</u>



Dr G A Bennett, CBE
Chairman

21 September 2000

Glasgow Science Centre Charitable Trust
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CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 March 2000

	<i>Notes</i>	2000 £	1999 £
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	11	(1,392,045)	1,967,721
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Investment income		283,957	70,306
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Purchase fixed assets		(15,186,296)	(2,867,290)
Purchase investments		(1,190,162)	(3,709,446)
		(16,376,458)	(6,576,736)
		(17,484,546)	(4,538,709)
FINANCING			
Endowment bequests		1,100,000	3,639,140
Endowment grants		22,551,053	1,456,992
		23,651,053	5,096,132
INCREASE IN CASH		6,166,507	557,423
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN FUNDS			
Increase in cash		6,166,507	557,423
NET FUNDS AT 1 APRIL		557,423	-
NET FUNDS AT 31 MARCH		6,723,930	557,423

Glasgow Science Centre Charitable Trust
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE ACCOUNTS
at 31 March 2000

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention modified to include the revaluation of freehold land and in accordance with applicable accounting standards and the Statement of Recommended Practice, Accounting by Charities.

Basis of consolidation

The group accounts consolidate the accounts of the company and its subsidiary undertaking Glasgow Science Centre Limited made up to 31 March each year. No income and expenditure account is presented for the company as provided by section 230 of the Companies Act 1985.

Depreciation of tangible fixed assets

The cost of tangible fixed assets, other than construction in progress is written off by means of the straight line basis over their expected useful lives as follows:

Plant and equipment	-	5-10 years
Furniture and fittings	-	5 years
Computer equipment	-	3 years

Endowment fund bequests

Bequests received to provide exhibits are credited to endowment funds and invested pending use. Income from the investments held in endowment funds is credited to those funds.

Amounts are released to the income and expenditure account over the expected useful lives of the exhibits acquired by equal annual instalments.

Grants

Grants in respect of capital expenditure are credited to endowment funds and are released to the income and expenditure account over the expected useful lives of the relevant assets by equal annual instalments.

Revenue grants are credited to revenue in the year to which they apply.

2. DONATIONS

Donations are from companies, private individuals, associations and other charitable organisations.

3. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs	Depreciation	Other costs	Total 2000	Total 1999
	£	£	£	£	£
Project team costs	38,021	-	369,938	407,959	273,269
Marketing and fundraising	45,253	-	105,940	151,193	3,055
Management and administration	71,175	-	201,937	273,112	211,968
Property costs	-	-	62,022	62,022	30,000
Other costs	10,567	30,250	16,154	56,971	10,297
	165,016	30,250	755,991	951,257	528,589

Glasgow Science Centre Charitable Trust
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NOTES TO THE ACCOUNTS
at 31 March 2000

3. ANALYSIS OF TOTAL RESOURCES EXPENDED (continued)

	2000 £	1999 £
Staff costs:		
Wages and salaries	150,775	-
Social security costs	14,241	-
	<u>165,016</u>	<u>-</u>

The directors did not receive any remuneration during the year in respect of their services to the company. The company has no employees.

Included in management and administration costs are audit fees of £10,200 (1999 - £5,850) and non-audit fees payable to the auditors of £50,472 (1999 - £51,011).

4. TAXATION ON NET INCOMING RESOURCES

No tax charge arises on the incoming resources for the year due to the charitable status of Glasgow Science Centre Charitable Trust.

5. TANGIBLE FIXED ASSETS

Group

	<i>Land and buildings</i> £	<i>Exhibits</i> £	<i>Plant and fittings</i> £	<i>Computer equipment</i> £	<i>Total</i> £
Cost or valuation:					
At 1 April 1999	5,338,531	29,207	57,984	41,567	5,467,289
Additions	16,282,143	1,590,365	112,811	-	17,985,319
At 31 March 2000	<u>21,620,674</u>	<u>1,619,572</u>	<u>170,795</u>	<u>41,567</u>	<u>23,452,608</u>
Depreciation:					
At 1 April 1999	-	-	2,423	7,874	10,297
Charge for the year	-	-	16,394	13,856	30,250
At 31 March 2000	<u>-</u>	<u>-</u>	<u>18,817</u>	<u>21,730</u>	<u>40,547</u>
Net book value:					
At 31 March 2000	<u>21,620,674</u>	<u>1,619,572</u>	<u>151,978</u>	<u>19,837</u>	<u>23,412,061</u>
At 31 March 1999	<u>5,338,531</u>	<u>29,207</u>	<u>55,561</u>	<u>33,693</u>	<u>5,456,992</u>

Glasgow Science Centre Charitable Trust
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NOTES TO THE ACCOUNTS
at 31 March 2000

5. TANGIBLE FIXED ASSETS (continued)
Company

	<i>Freehold land £</i>
Valuation At 1 April 1999 and 31 March 2000	2,000,000

The freehold land was valued at its open market value on 24 February 1999 by the District Valuer, Scotland South West. The company received it for £1.

6. INVESTMENT IN SUBSIDIARY UNDERTAKING

	<i>2000 £</i>	<i>1999 £</i>
Cost		
Investment in subsidiary	1	1

The investment in subsidiary undertaking represents a holding of 100% of the issued ordinary shares of £1, in Glasgow Science Centre Limited, a company registered in Scotland and engaged in the construction and operation of the Glasgow Science Centre.

7. ENDOWMENT INVESTMENTS

	<i>Group and Company 2000 £</i>	<i>1999 £</i>
Cash on deposit	4,899,608	3,709,446

8. DEBTORS

	<i>2000 £</i>	<i>Group 1999 £</i>	<i>2000 £</i>	<i>Company 1999 £</i>
Amount owed by subsidiary undertaking:				
Funding of construction and operation of Glasgow Science Centre	-	-	2,790,584	-
Gift Aid donation	-	-	93,795	-
Amount owed by Millennium Commission	2,603,458	3,600,000	2,603,458	3,600,000
Amount owed by ERDF	1,771,294	-	1,771,294	-
Amount owed by Scottish Enterprise Glasgow	-	192,500	-	192,500
Income tax recoverable	-	57,500	-	57,500
Prepayments	167,275	-	-	-
Other debtors	447,924	285,379	-	-
	<u>4,989,951</u>	<u>4,135,379</u>	<u>7,259,131</u>	<u>3,850,000</u>

Glasgow Science Centre Charitable Trust
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE ACCOUNTS
at 31 March 2000

9. CREDITORS: amounts falling due within one year

	2000	Group 1999	2000	Company 1999
	£	£	£	£
Trade creditors	3,274,845	812,044	-	-
Amount owed to subsidiary undertaking	-	-	-	1
Tax and social security costs	14,958	-	-	-
Accruals	53,397	-	-	-
Amount owed to Scottish Enterprise Glasgow	147,894	2,000,000	-	2,000,000
Amount owed to Scottish Enterprise	11,877	30,749	11,877	1
	<u>3,502,971</u>	<u>2,842,793</u>	<u>11,877</u>	<u>2,000,002</u>

10. ENDOWMENT FUNDS

Group

	Balance at 1 April	Incoming resources	Gains/(losses) and transfers	Balance at 31 March
	£	£	£	£
Construction of Centre	7,056,991	23,325,805	-	30,382,796
Exhibits	3,709,446	1,100,000	190,162	4,999,608
	<u>10,766,437</u>	<u>24,425,805</u>	<u>190,162</u>	<u>35,382,404</u>

Company

	Balance at 1 April	Incoming resources	Gains/(losses) and transfers	Balance at 31 March
	£	£	£	£
Construction of Centre	3,599,999	5,203,461	-	8,803,460
Exhibits	3,709,446	1,100,000	190,162	4,999,608
	<u>7,309,445</u>	<u>6,303,461</u>	<u>190,162</u>	<u>13,803,068</u>

11. NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

Reconciliation of net incoming resources to net cash flow from operating activities

	2000	1999
	£	£
Net incoming resources	24,709,762	9,016,448
Depreciation	30,250	10,297
Investment income	(283,957)	(70,306)
Endowment grants	(23,325,805)	(5,056,992)
Endowment bequest	(1,100,000)	(3,639,140)
Increase in debtors	(79,820)	(535,379)
(Decrease)/increase in creditors	(1,342,475)	2,242,793
	<u>(1,392,045)</u>	<u>1,967,721</u>

NOTES TO THE ACCOUNTS
at 31 March 2000

12. FINANCIAL COMMITMENTS

Capital commitments outstanding at 31 March 2000 amounted to £34,076,960 (1999 - £31,949,707).

There is a bond and floating charge over the assets of the group.