

Glasgow Science Centre Charitable Trust

Report and Accounts

31 March 1999

Company registration number 172371
Registered charity number SC025818



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

DIRECTORS

A V Richardson	(resigned 26 February 1999)
S Gulliver	
D J Riley	(appointed 1 March 1999)
Professor R Lander, OBE	(appointed 1 March 1999)
J Q Thorburn, OBE	(appointed 1 March 1999)
Professor Sir J P Arbuthnott	(appointed 1 March 1999)
R J E Tibbott	(appointed 1 March 1999)
Sir G J Davies	(appointed 1 March 1999)
J McCormick	(appointed 1 March 1999)
J Andrews	(appointed 15 June 1999)
Dr G A Bennett, CBE	(appointed 22 July 1999)

SECRETARY

D W Company Services Limited

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
Sutherland House
149 St Vincent Street
Glasgow G2 3NW

REGISTERED OFFICE

191 West George Street
Glasgow G2 2LB

COMPANY REGISTRATION NUMBER

172371

REGISTERED CHARITY NUMBER

SC025818

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

TRUSTEES' REPORT

The Trustees present their report and accounts for the year ended 31 March 1999.

PRINCIPAL ACTIVITY

The Glasgow Science Centre Charitable Trust is a registered 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 1999, 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, Glasgow Development Agency, 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 is covenanted 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 Revenue Account on page 6.

The Trustees 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 the Endowment Fund, 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.

YEAR 2000 COMPLIANCE

As is well known, many computer and digital storage systems express dates using only the last two digits of the year and will thus require modification or replacement to accommodate the year 2000 and beyond in order to avoid malfunctions and resulting widespread commercial disruption. This is a complex and pervasive issue. The operation of our business depends not only on our own computer systems, but also to some degree on those of our suppliers and customers. This could expose us to further risk in the event that there is a failure by other parties to remedy their own Year 2000 issues.

A review has been undertaken by the company, designed to address the impact of the Year 2000 on our business. Resources have been allocated and the Board receives regular reports on progress.

TRUSTEES' REPORT (continued)

YEAR 2000 COMPLIANCE (continued)

Given the complexity of the problem, it is not possible for any organisation to guarantee that no Year 2000 problems will remain, because at least some level of failure may still occur. However, the Board believes that it will achieve an acceptable state of readiness and has also provided resources to deal promptly with significant subsequent failures or issues that might arise.

Much of the cost of implementing the action plans will be subsumed into the recurring activities of the company. It is estimated that the capital and revenue costs being incurred in this project will be immaterial with regard to the financial performance and position of the company.

DIVIDENDS AND TRANSFERS TO RESERVES

The Memorandum and Articles of Association of the company do not permit the payment of a dividend. The surplus for the year of £250,010 has been transferred to reserves.

TRUSTEES

The Trustees of the company are shown on page 1.

The Trustees are directors of the company as defined by the Companies Act 1985.

In accordance with Article 43 of the company's Articles of Association, one-third of the directors (other than any 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 members at the Annual General Meeting.

SMALL COMPANY EXEMPTIONS

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



S Gulliver

Director

16 December 1999

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the Trustees 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 Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

We have audited the accounts on pages 6 to 10, which have been prepared in accordance with the Financial Reporting Standards for Smaller Entities, under the historical cost convention as modified by the revaluation of freehold land and on the basis of the accounting policies set out on page 8.

Respective responsibilities of Trustees and auditors

As described on page 4 the company's Trustees are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

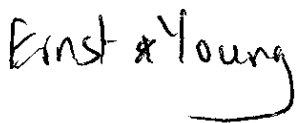
Basis of opinion

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 significant estimates and judgements made by the Trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the 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 company as at 31 March 1999 and of its surplus for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

A handwritten signature in dark ink that reads 'Ernst & Young' in a cursive, stylized script.

Ernst & Young

Registered Auditor
Glasgow

16 December 1999

Glasgow Science Centre Charitable Trust
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REVENUE ACCOUNT AND STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 1999

	1999 £	1998 £
INCOMING RESOURCES		
Gift aid donation from Glasgow Development Agency (gross)	250,000	-
Other donations	10	-
	<hr/>	<hr/>
	250,010	-
	<hr/>	<hr/>
TOTAL RESOURCES EXPENDED	-	-
	<hr/>	<hr/>
NET INCOMING RESOURCES	250,010	-
Unrestricted funds at 1 April	-	-
	<hr/>	<hr/>
Unrestricted funds at 31 March	250,010	-
	<hr/>	<hr/>

STATEMENT OF RECOGNISED GAINS AND LOSSES
for the year ended 31 March 1999

	1999 £	1998 £
Net income	250,010	-
Unrealised surplus on revaluation of freehold land	1,999,999	-
Net appropriation of endowment income	70,306	-
	<hr/>	<hr/>
	2,320,315	-
	<hr/>	<hr/>

Glasgow Science Centre Charitable Trust
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BALANCE SHEET
at 31 March 1999

	Notes	1999 £	1998 £
FIXED ASSETS			
Tangible fixed assets	5	2,000,000	-
Investment in subsidiary undertaking	6	1	1
		<u>2,000,001</u>	<u>1</u>
ENDOWMENT FUND INVESTMENTS	7	3,709,446	-
CURRENT ASSETS			
Debtors	8	3,850,000	-
Cash at bank and in hand		10	-
		<u>3,850,010</u>	<u>-</u>
CREDITORS: amounts falling due within one year	9	(2,000,002)	(1)
NET CURRENT ASSETS/(LIABILITIES)		<u>1,850,008</u>	<u>(1)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		7,559,455	-
ACCRUALS AND DEFERRED INCOME			
Deferred grant credits		1,600,000	-
		<u>5,959,455</u>	<u>-</u>
RESERVES			
Specific endowments	10	3,709,446	-
Unrestricted funds	11	250,010	-
Revaluation reserve	12	1,999,999	-
		<u>5,959,455</u>	<u>-</u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

Stuart Gulliver

S Gulliver

Director

16 December 1999

Glasgow Science Centre Charitable Trust
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NOTES TO THE ACCOUNTS
at 31 March 1999

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.

Group accounts

The company is exempt from the requirement to prepare group accounts in accordance with Section 248 of the Companies Act 1985 which applies to small groups.

Endowment fund investments

Endowment fund receipts are held as endowment fund investments.

Income from investments held in endowment funds is credited directly to those funds. Matching amounts of income and expenditure, equivalent to the expenditure actually borne by the funds during the year, are then taken to the revenue account.

Grant income

Grants in respect of capital expenditure are credited to a deferred income account and are released to profit 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 TRUSTEES AND EMPLOYEES

The trustees did not receive any remuneration during the year in respect of their services to the company.

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

	<i>Freehold land £</i>
At 1 April 1998	-
Additions	1
Surplus on revaluation	1,999,999
	<hr/>
	2,000,000
	<hr/>

The freehold land was valued at its open market value on 24 February 1999 by the District Valuer, Scotland South West.

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NOTES TO THE ACCOUNTS
at 31 March 1999

6 INVESTMENT IN SUBSIDIARY UNDERTAKING

<i>Cost</i>	<i>1999</i> £	<i>1998</i> £
Investment in subsidiary	1	1

The investment in subsidiary undertaking represents a holding of 100%, comprising 1 ordinary share 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 FUND INVESTMENTS

	<i>1999</i> £	<i>1998</i> £
Cash at bank	3,709,446	-

8 DEBTORS

	<i>1999</i> £	<i>1998</i> £
Amount owed by Millennium Commission	3,600,000	-
Amount owed by Glasgow Development Agency	192,500	-
Income tax recoverable	57,500	-
	3,850,000	-

9 CREDITORS: amounts falling due within one year

	<i>1999</i> £	<i>1998</i> £
Amount owed to subsidiary undertaking	1	1
Amount owed to Glasgow Development Agency	2,000,000	-
Amount owed to Scottish Enterprise	1	-
	2,000,002	1

10 ENDOWMENTS

	<i>1999</i> £	<i>1998</i> £
Balance as at 1 April 1998	-	-
New bequests	3,639,140	-
Income for year	70,306	-
	3,709,446	-

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NOTES TO THE ACCOUNTS
at 31 March 1999

11 RECONCILIATION OF MOVEMENT IN UNRESTRICTED FUNDS

	1999 £	1998 £
Net incoming resources	250,010	-
Increase to unrestricted funds	250,010	-
Opening unrestricted funds	-	-
Closing unrestricted funds	250,000	-

12 REVALUATION RESERVE

	1999 £	1998 £
At 1 April	-	-
Revaluation surplus	1,999,999	-
At 31 March	1,999,999	-