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**SCOTT-MONCRIEFF**

EDINBURGH AND GLASGOW

**RIVERSIDE INVERCLYDE LTD**

**FINANCIAL STATEMENTS**

**For the year ended 31 March 2008**

**Company registration number 304355**  
**Charity Number: SC037806**

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**RIVERSIDE INVERCLYDE LTD**

**FINANCIAL STATEMENTS**

**For the year ended 31 March 2008**

**OFFICERS AND ADVISORS.**

**Directors**

Alf Young (Chair)

Gordon Brown

Gerald Edwards

Fay Rogers

Alex Robertson

Jack Paton

Sue Pinder

David Wilson

Stephen McCabe

James Clocherty

Ralph Leishman

Steven McGarva

Donald McRae

Allan McQuade

Ian Crawford

Appointed 27<sup>th</sup> February 2008

Appointed 29<sup>th</sup> May 2007

Appointed 29<sup>th</sup> May 2007

Appointed 29<sup>th</sup> May 2007

Appointed 1<sup>st</sup> May 2007

Appointed 1<sup>st</sup> May 2007

Appointed 1<sup>st</sup> May 2007

Appointed 27<sup>th</sup> February 2008

Appointed 27<sup>th</sup> June 2007

**Secretary:**

Burness LLP

**Registered office.**

2-6 Custom House Way

Greenock

PA15 1EN

**Bankers.**

Clydesdale Bank plc

West End Branch

100 West Blackhall Street

Greenock

PA15 1XR

**Lawyers**

Burness

120 Bothwell Street

Glasgow

G2 7JL

**Auditors**

Scott Moncrieff

25 Bothwell Street

Glasgow

G2 6NL

**RIVERSIDE INVERCLYDE LTD**

**FINANCIAL STATEMENTS**

**For the year ended 31 March 2008**

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## **RIVERSIDE INVERCLYDE LTD**

### **DIRECTORS' ANNUAL REPORT**

**For the year ended 31 March 2008**

#### **Directors**

The Directors who served the company during the period were as follows

Alan Blair	Resigned 28 <sup>th</sup> May 2007
Gordon Brown	
Gerald Edwards	
Thomas Fyfe	Resigned 28 <sup>th</sup> May 2007
Lorraine McMillan	Resigned 27 <sup>th</sup> February 2008
David Roach	Resigned 28 <sup>th</sup> May 2007
Alf Young (Chair)	
Euan Jamieson	Resigned 7 <sup>th</sup> August 2007
Fay Rogers	
Alex Robertson	
Jack Paton	
Sue Pinder	Appointed 27 <sup>th</sup> February 2008
David Wilson	Appointed 29 <sup>th</sup> May 2007
Stephen McCabe	Appointed 29 <sup>th</sup> May 2007
James Clocherty	Appointed 29 <sup>th</sup> May 2007
Ralph Leishman	Appointed 1 <sup>st</sup> May 2007
Steven McGarva	Appointed 1 <sup>st</sup> May 2007
Donald McRae	Appointed 1 <sup>st</sup> May 2007
Graham Clark	Appointed 2 <sup>nd</sup> April 2007, Resigned 31 <sup>st</sup> December 2007
Allan McQuade	Appointed 27 <sup>th</sup> February 2008
Ian Crawford	Appointed 27 <sup>th</sup> June 2007

#### **Responsibilities of the Directors**

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the incoming and outgoing resources for the year then ended

In preparing those financial statements, the Directors are required to select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent. The Directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue its activities.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985. The Directors 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.

## **RIVERSIDE INVERCLYDE LTD**

### **DIRECTORS' ANNUAL REPORT**

**For the year ended 31 March 2008**

#### **Principal activities**

Riverside Inverclyde (ri) is focussed on addressing a single strategic objective

**“to advance economic growth through the exploitation of opportunity for the benefit of the business and residential communities of Inverclyde”.**

The initial focus of work for ri is the physical/place making redevelopment of the Port Glasgow and Greenock waterfronts to create an environment where economic growth can be stimulated and where the resident and business communities beyond the waterfront can reap the benefits. The ri Business Plan identifies 7 regeneration areas for intervention and ri will also work with partner agencies locally to spread the benefits of new investment through skills and business support interventions.

#### **Business review**

In 2007/08, ri made significant progress in terms of the establishment and development of robust project packages across the 7 regeneration areas, as approved in the ri Business Plan. A total investment of £18m has been approved by the ri Board and £7m of this was invested in both ri and its subsidiary, Riverside Inverclyde (Property Holdings) Ltd, in 2007/08.

Following lengthy negotiations with the Scottish Government a grant allocation of £19m over the period 2008/11 was secured. At the same time the ri team put in place the necessary governance policies and procedures to ensure the effective operation of the Urban Regeneration Company and its compliance with the requirements of OSCR, Companies House and its funders. In 2007/08, ri implemented its own governance framework, established a property holding subsidiary and operated independently of its member organisations for the first time. Where projects have been of a commercial nature these have been assigned to the Property Holding subsidiary upon its incorporation.

Project activity in 2007/08 focused on brokering deals with funders and the private sector to progress projects which have been subject to unsuccessful negotiations for many years and have stymied any previous attempts to regenerate Inverclyde. Specifically activity has focused on:

#### **Area 1: The Harbours/Cathcart Street**

In 2007/08, ri concluded a step in agreement with Inverclyde Council and a joint venture funding agreement with Clydeport which will allow the 13 hectare site to be developed within the next 3 to 4 years at an estimated value of £45m.

#### **Area 2: Cartsburn/Cartsdyke**

In March 2008, ri purchased a 1.44 hectare site at Cartsburn/Cartsdyke to allow a mixed use development to be advanced.

#### **Area 3: Riverside Business Park**

In October 2007, the ri Board approved a plan to progress the redevelopment of this 1.94 hectare site at Pottery Street, Greenock. Between then and March 2008 the intrusive site investigation was completed, detailed design was completed for phase 1 of high quality office accommodation (2,400m<sup>2</sup>), advanced landscaping work is on site, a planning application and building warrant were submitted and phase 1 is expected to commence later in 2008.

## **RIVERSIDE INVERCLYDE LTD**

### **DIRECTORS' ANNUAL REPORT**

**For the year ended 31 March 2008**

#### **Area 4. James Watt Dock**

In 2007/08, work has commenced on the Grade A listed Sugar Warehouse building, contract value £3.7m. This building is the key to unlocking the redevelopment of James Watt Dock, sitting as it does on the main A8 frontage and being the "shop window" for the entire site.

#### **Area 5: Greenock and Port Glasgow Town Centres**

Other project activity in 2007/08 included supporting the private sector to refurbish a former department store in Greenock to create much needed high quality office accommodation over three floors and extending to 1,400m<sup>2</sup>. Similarly in Port Glasgow, the company has supported Inverclyde Council to refurbish a vacant floor of the library building to create quality office accommodation for a central government relocation.

#### **Area 6. Castlebank/Woodhall**

Working in partnership with River Clyde Homes, the company has supported site investigation works and master planning at Woodhall in Port Glasgow with a view to creating a mixed community at this gateway to Inverclyde.

#### **Area 7 Kelburn**

The company has worked with local partners to consider potential uses of an 3.03 hectare vacant site at Kelburn and to undertake some initial site investigation works.

In parallel with project activity, marketing and communications activities in 2007/08 focused on the promotion of awareness amongst local and wider target audiences and to challenge and transform perceptions of Inverclyde. Actions included advertising locally and nationally, sponsoring events locally, the creation of a range of promotional materials, signage at key sites, the development of the company website and the distribution of issue 1 of the company newsletter.

#### **Reserves policy**

The level of available unrestricted reserves as shown in the Statement of Financial Activities on page 8 is £225,140 (2007 £168,622). The Directors are of the opinion that the description of funds as shown in note 1 to the financial statements represents a prudent approach to risk and commitments made.

#### **Directors' Appointment, Induction and Training**

The appointment, removal and retirement of Directors is carried out as per Articles 36 to 53 of the Memorandum and Articles of Association. Newly appointed Directors meet individually with the Chief Executive to be fully appraised of the current and future projects being undertaken by the company.

#### **Future plans**

In line with the company Business Plan, the priority in 2008/09 and beyond will be to continue to implement projects across the 7 key priority areas. Within these, the main highlights are expected to be:

## **RIVERSIDE INVERCLYDE LTD**

### **DIRECTORS' ANNUAL REPORT**

**For the year ended 31 March 2008**

#### **Area 1 The Harbours/Cathcart Street**

Work on two residential blocks will commence in late 2008, work on the new theatre will also begin in late 2009, a Business Plan and master plan will be advanced for a community engagement/social inclusion project at the Scott Dry Dock for the Ocean Youth Trust Scotland and master planning/conceptual planning of the connection between the Greenock Town Centre and the new waterfront development will be progressed

#### **Area 2 Cartsburn/Cartsdyke**

A mixed use development will be advanced in 2008/09. The site will be developed for office and residential use. Site work will start in late 2008.

#### **Area 3 Riverside Business Park**

In 2008/09, activities in this area will include junction improvement works on the A8, construction of phase 1 office accommodation, the refurbishment of the Ladyburn Business Centre for use by the social economy, the refurbishment of 18 Pottery Street to create a cafe, and master planning of the remainder of the site.

#### **Area 4 James Watt Dock**

This entire site will be developed in such a way as to create a critical mass of development in which people can live in loft or modern waterfront apartments and work and play in the surrounding mixed commercial, retail and leisure development. In 2008/09, it is expected that wind and water tight works at the Sugar Warehouse will be complete, advanced works will be underway, the creation of road access and environmental improvements will begin in anticipation of the arrival of the Tall Ships Race in 2011.

#### **Area 5 Greenock and Port Glasgow Town Centres**

ri will commission master planning for the area between Victoria and East India Harbours, Greenock Central Railway Station and the Oak Mall Shopping Centre to ensure effective linkages between these key areas are created. Consideration will also be given to the effective use of public sector assets in the town centre of Greenock.

#### **Area 6. Castlebank/Riverview**

ri will continue to work with Inverclyde Council, River Clyde Homes to advance a "gateway project". A master plan will be prepared for Kelburn, Woodhall and Parklea which will consider commercial, residential and leisure synergies and linkages as well as setting a quality arrival point to Port Glasgow and Inverclyde.

#### **Area 7 Kelburn**

A revised master plan is being developed for the 3.03 hectare site at Kelburn to accommodate commercial and light industrial usage.

ri will also appoint a Community Benefits Manager in 2008 with a view to enabling the organisation to design interventions that support the local communities to benefit from the opportunities that arise from regeneration. In 2008/09, ri will work closely with partner organisations to target resource at the provision of training places and business development activities. Local supply chain analysis and benefits will be a key feature of these activities.

**RIVERSIDE INVERCLYDE LTD**

**DIRECTORS' ANNUAL REPORT**

**For the year ended 31 March 2008**

**Disclosure of information to auditors**

As far as each of the Directors at the time the report is approved are aware

- a) there is no relevant information of which the company's auditors are unaware, and
- b) the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of the information

**Auditors**

The auditors will be proposed for re appointment in accordance with Section 385 of the Companies Act 1985

Signed by order of the Board on 25 September 2008



Alf Young (Chair)





## **RIVERSIDE INVERCLYDE LTD**

### **INDEPENDENT AUDITORS' REPORT**

**For the year ended 31 March 2008**

This report is issued in respect of an audit carried out under section 235 of the Companies Act 1985 and section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005

We have audited the financial statements of Riverside Inverclyde Ltd for the year ended 31 March 2008 as set out on pages 8 to 17. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made exclusively to the members and directors, as a body, in accordance with Section 235 of the Companies Act 1985 and to the charity's directors, as a body, in accordance with section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the members and charity's directors those matters we are required to state to them in an auditors' 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 and its members and directors as a body, for our audit work, for this report, or for the opinions we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS**

The responsibilities of the directors for preparing the Directors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you if, in our opinion, the information given in the Directors' Annual Report is consistent with the financial statements, if the charity has not kept proper accounting records, if information specified by law regarding directors' remuneration and transactions with the charity is not disclosed, or if we have not received all the information and explanations we require for our audit.

We read the Directors' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **BASIS OF AUDIT OPINION**

We conducted our audit in accordance with International Standards on Auditing (United Kingdom and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, 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 the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements 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 financial statements.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including the APB Ethical Standard – Provisions Available for Small Entities, in the circumstances set out in note 6 to the financial statements.

**RIVERSIDE INVERCLYDE LTD**

**INDEPENDENT AUDITORS' REPORT**

**For the year ended 31 March 2008**

**Opinion**

In our opinion the financial statements

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 March 2008 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with the Companies Act 1985, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006, and
- the information given in the directors' annual report is consistent with the financial statements



Scott Moncrieff  
Chartered Accountants  
Registered Auditors  
25 Bothwell Street  
Glasgow  
G2 6NL

Dated 25 September 2008

**RIVERSIDE INVERCLYDE LTD**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**

**For the year ended 31 March 2008**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2008 £	Total Funds 2007 £
<b>Incoming Resources</b>					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	550,523	1,748,146	2,298,669	300,000
Investment income	3	27,744		27,744	4,794
<b>Total Incoming Resources</b>		<u>578,267</u>	<u>1,748,146</u>	<u>2,326,413</u>	<u>304,794</u>
<b>Resources Expended</b>					
<i>Costs of generating funds</i>					
Costs of generating voluntary income	4		1,748,146	1,748,146	
Support costs	5	521,154		521,154	129,222
Governance costs	6	11,595		11,595	6,950
<b>Total Resources Expended</b>		<u>532,749</u>	<u>1,748,146</u>	<u>2,280,895</u>	<u>136,172</u>
<b>Net movement in funds (before pension scheme)</b>		<u>45,518</u>		<u>45,518</u>	<u>168,622</u>
Actuarial gains on defined benefit pension scheme		11,000		11,000	
<b>Net movement in funds (after pension scheme)</b>		<u>56,518</u>		<u>56,518</u>	<u>168,622</u>
Funds brought forward		<u>168,622</u>		<u>168,622</u>	
<b>Funds carried forward</b>		<u>225,140</u>		<u>225,140</u>	<u>168,622</u>

The company has no recognised gains or losses other than the results for the period as set out above

All of the activities of the company are classed as continuing

The notes on pages 10 to 17 form part of these financial statements


# RIVERSIDE INVERCLYDE LTD

## BALANCE SHEET

As at 31 March 2008

	Note	2008 £	2007 £
<b>Fixed assets</b>			
Tangible assets	8	28,284	
<b>Investment</b>	9	100	
<b>Current assets</b>			
Debtors	10	1,609,048	54,238
Cash at bank and in hand		2,300,715	858,189
		<u>3,909,763</u>	<u>912,427</u>
<b>Creditors</b> amounts falling due within one year	11	3,724,007	743,805
<b>Net current assets</b>		<u>185,756</u>	<u>168,622</u>
<b>Total assets less current liabilities</b>		<u>214,140</u>	<u>168,622</u>
<b>Net assets (excluding pension asset)</b>		<u>214,140</u>	<u>168,622</u>
Pension asset		<u>11,000</u>	
<b>Net assets</b>		<u><u>225,140</u></u>	<u><u>168,622</u></u>
<b>Funds</b>			
Restricted			
Unrestricted		<u>214,140</u>	<u>168,622</u>
		<u>214,140</u>	<u>168,622</u>
Pension reserve		<u>11,000</u>	
		<u><u>225,140</u></u>	<u><u>168,622</u></u>

The financial statements were authorised for issue by the Board on 25 September 2008 and are signed on their behalf by

  
Alf Young (Chair)



The notes on pages 10 to 17 form part of these financial statements

# **RIVERSIDE INVERCLYDE LTD**

## **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 March 2008**

### **1 ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and the Companies Act 1985

#### **Incoming resources**

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy

#### **Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources

#### **Fund Accounting**

Unrestricted funds are funds which are available for use at the discretion of the directors in furtherance of the general objectives of the charity and which have not been designated for other purposes

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors

#### **Fixed assets**

Fixed assets are initially recorded at cost. A de minimis level of £1,000 has been set, at which below this figure, assets are written off to the income and expenditure account in the year of purchase

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Office Equipment 4 years straight line basis  
Furniture and Fittings 4 years straight line basis

#### **Grants**

Revenue grants are credited to the income and expenditure account and the statement of financial activities in the period that conditions for receipt have been complied with

**RIVERSIDE INVERCLYDE LTD****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2008

**1 ACCOUNTING POLICIES (cont'd)****Taxation**

The charity is a company limited by guarantee and has charitable status under the provisions of section 505 of the Income and Corporation Taxes Act, 1988

**Pension costs**

The company operates a defined benefit pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the Statement of Financial Activities.

**2 GRANTS RECEIVABLE**

	Unrestricted Funds	Restricted Funds	Total Funds 2008	Total Funds 2007
	£	£	£	£
The Harbours / Cathcart Street		697,653	697,653	
Cartsdyke and Cartsburn		17,930	17,930	
Riverside Business Park		102,020	102,020	
James Watt Dock		565	565	
Greenock & Port Glasgow Town Centres		326,686	326,686	
Riverview / Castlebank		33,856	33,856	
Kelburn		100,000	100,000	
Infrastructure and Placemaking		189,335	189,335	
Communications and Marketing		280,101	280,101	
Development Funding	550,523		550,523	300,000
	<u>550,523</u>	<u>1,748,146</u>	<u>2,298,669</u>	<u>300,000</u>

**3. INTEREST RECEIVABLE**

Bank interest receivable	<u>27,744</u>		<u>27,744</u>	<u>4,794</u>
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**4 COSTS OF GENERATING VOLUNTARY INCOME**

The Harbours / Cathcart Street		697,653	697,653	
Cartsdyke and Cartsburn		17,930	17,930	
Riverside Business Park		102,020	102,020	
James Watt Dock		565	565	
Greenock & Port Glasgow Town Centres		326,686	326,686	
Riverview / Castlebank		33,856	33,856	
Kelburn		100,000	100,000	
Infrastructure and Placemaking		189,335	189,335	
Communications and Marketing		280,101	280,101	
		<u>1,748,146</u>	<u>1,748,146</u>	

**RIVERSIDE INVERCLYDE LTD****NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 March 2008****5. SUPPORT COSTS**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds 2008</b>	<b>Total Funds 2007</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Salaries	318,663		318,663	31,291
Consultancy costs	88,260		88,260	87,376
Legal and Professional fees	37,023		37,023	
Administrative Expenses	77,208		77,208	10,555
	<u>521,154</u>		<u>521,154</u>	<u>129,222</u>

**6. GOVERNANCE COSTS**

Audit and Accountancy Fees	<u>11,595</u>		<u>11,595</u>	<u>6,950</u>
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**OPERATING RESULTS**

Operating results are stated after  
charging

Auditors' remuneration				
as auditors			3,435	5,000
other services			<u>8,160</u>	<u>1,950</u>

**Non audit services**

In common with many other companies of our size we use our auditor to assist with the preparation of financial statements and the provision of VAT advice

# RIVERSIDE INVERCLYDE LTD

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2008

### 7. The aggregate payroll costs were:

	2008 £	2007 £
Wages and salaries	264,483	
Social security costs	25,437	
Other pension costs	28,743	
	<u>318,663</u>	<u></u>

### Particulars of employees

	No.	No.
The average number of staff employed by the company during the financial year amounted to	<u>5</u>	<u></u>

No Directors were in receipt of remuneration

1 employee earned in excess of £60,000 during the year (2007– none)

### 8 FIXED ASSETS

	Office Equipment £	Furniture and Fittings £	Total £
<b>Cost</b>			
As at 1 <sup>st</sup> April 2007			
Additions	22,509	15,203	37,712
Disposals			
As at 31 <sup>st</sup> March 2008	<u>22,509</u>	<u>15,203</u>	<u>37,712</u>
<b>Depreciation</b>			
As at 1 <sup>st</sup> April 2007			
Charge in period	5,627	3,801	9,428
As at 31 <sup>st</sup> March 2008	<u>5,627</u>	<u>3,801</u>	<u>9,428</u>
Net Book Value as at 31 <sup>st</sup> March 2007	<u></u>	<u></u>	<u></u>
Net book value as at 31 <sup>st</sup> March 2008	<u>16,882</u>	<u>11,402</u>	<u>28,284</u>



## RIVERSIDE INVERCLYDE LTD

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2008

#### 9. INVESTMENTS

The company formed Riverside Inverclyde (Property Holdings) Limited on 24 September 2007 and subscribed the £100 share capital. This company is used for property development. At the balance sheet date the company had net assets of £3,302,600.

10 DEBTORS	2008 £	2007 £
Trade debtors	676,089	30,080
Other debtors	638,642	
Riverside Inverclyde (Property Holdings) Ltd	203,720	
VAT	67,952	24,158
Prepayments	22,645	
	<u>1,609,048</u>	<u>54,238</u>

#### 11 CREDITORS Amounts falling due within one year

Trade creditors	1,308,613	5,948
Accruals and deferred income	2,415,394	737,857
	<u>3,724,007</u>	<u>743,805</u>

#### 12. CAPITAL COMMITMENTS

Capital expenditure authorised by the directors and contracted for amounted to £0.15m

Capital expenditure authorised by the directors but not contracted for amounted to £0.80m

All capital expenditure contracted for will be met by grant funding

#### 13 CONTROLLING PARTY

The company is not under the control of any outside parties

#### 14 MEMBERS' INTERESTS AND LEGAL STATUS

The company is limited by guarantee and therefore does not have a share capital. The members of the company, whose liability is limited to £1, are Inverclyde Council and Scottish Enterprise.

## RIVERSIDE INVERCLYDE LTD

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2008

#### 15. PENSION SCHEME

The charity participates in the Strathclyde Pension Fund which is a statutory multi employer defined benefit scheme. It is administered by Glasgow City Council in accordance with the Local Government Pension Scheme (Scotland) Regulations 1998, as amended.

A formal valuation of the Strathclyde Pension Fund was done at 31 March 2005, with the next formal valuation due as at 31 March 2008.

The main financial assumptions used by the Council's Actuary, Hymans Robertson, in their FRS 17 calculations are as follows,

	March 2008
<b>Assumptions as at</b>	
Price increases	3.6%
Salary increases	5.1%
Pension increases	3.6%
Discount rate	6.9%

The following details relate to the charity and show the fair value of the assets, analysed over the main asset classes, together with the expected returns for each asset class.

Assets (Employer)	Long Term Return % per annum	Fund Value at 2008 £'000	Expected Return £'000 per annum
Equities	7.7%	123	9.5
Bonds	5.7%	24	1.5
Property	5.7%	17	1
Cash	4.8%	5	
<b>Total</b>		<b>169</b>	<b>12</b>

The table below compares the present value of the scheme liabilities, based on the Actuary's assumptions, with the estimated employer assets.

	2008 £'000
Estimated Employer Assets (A)	169
Present Value of Scheme Liabilities	158
Present Value of Unfunded Liabilities	
<b>Total Value of Liabilities (B)</b>	<b>158</b>
<b>Net Pension Asset (A) – (B)</b>	<b>11</b>

**RIVERSIDE INVERCLYDE LTD**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 March 2008**

**15 PENSION SCHEME (Cont'd)**

	<b>2008 £'000</b>
Analysis of the amount charged to operating profit	
Service cost	16
Past service cost	
Curtailment and Settlements	
Decrease in irrecoverable surplus	
Total operating charge (A)	<u>16</u>
Amount Credited to Other Finance Income	
Expected Return on Employer Assets	7
Interest on Pension Scheme Liabilities	<u>(6)</u>
Net Return (B)	<u>1</u>
Net Revenue Account Cost (A) (B)	<u>15</u>
Actual return less expected return on pension scheme assets	(16)
Experience gains and losses arising on the scheme liabilities	1
Changes in financial assumptions underlying the present value of scheme liabilities	<u>41</u>
<b>Actuarial gain in pension plan</b>	<u>26</u>
Increase in irrecoverable surplus from membership fall and other factors	
<b>Actuarial gain</b>	<u>26</u>
Movement in gain during the year	
Deficit in scheme at beginning of year	(13)
Current service cost	(16)
Employer contributions	13
Other income	
Other outgo (e.g. expenses, etc)	
Past service costs	
Impact of settlements and curtailments	
Net return on assets	1
Actuarial gains	<u>26</u>
Surplus at end of year	<u>11</u>

**RIVERSIDE INVERCLYDE LTD**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 March 2008**

**15 PENSION SCHEME (Cont'd)**

History of experience gains and losses

Difference between expected and actual return on assets	(16)
Value of assets	169
Percentage of assets	(9.5%)
Experience gains on liabilities	1
Total Present Value of liabilities	158
Percentage of Present Value of liabilities	0.6%
Actuarial gains/losses recognised in STRGL	26
Total Present Value of Liabilities	158
Percentage of the present value of liabilities	<u>16.5%</u>