

Registered Company No: SC108565

Registered Charity No: SC023930

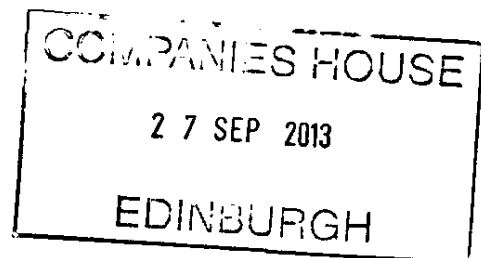
**JOBS & BUSINESS GLASGOW**  
(formerly Glasgow's Regeneration Agency)

(A company limited by guarantee)

**REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 2013**



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**JOBS & BUSINESS GLASGOW**  
**(formerly Glasgow's Regeneration Agency)**  
**(A company limited by guarantee)**

**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2013**

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**JOBS & BUSINESS GLASGOW**

(formerly Glasgow's Regeneration Agency)

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**LEGAL AND ADMINISTRATIVE INFORMATION**

<b>Charity Name:</b>	Jobs & Business Glasgow (Formerly Glasgow's Regeneration Agency)
<b>Registered Office:</b>	231 George St Glasgow G1 1RX
<b>Charity Registration Number:</b>	SC023930
<b>Company Registration Number:</b>	SC108565
<b>Trustees:</b>	Bailie Jonathan Findlay Bailie Hanif Raja Councillor Shabbar Jaffri Councillor Emma Gillan Councillor John Kelly David Alan Rooney Alistair McManus John Brian Gault Dan Donald Malcolm Maclean Graham
<b>Secretary:</b>	Caroline Whyteside
<b>Senior Management Team:</b>	Malcolm Maclean Graham Caroline Whyteside Stephen Brooks Tommy Docherty Caroline Glen Gary Hay Nancy Burns Mary-Theresa Smith Rob Pryce
<b>Auditors:</b>	Wylie & Bisset LLP 168 Bath St Glasgow G2 4TP
<b>Bankers:</b>	Bank of Scotland PLC Argyle St Glasgow G2 8BU
<b>Solicitors:</b>	Burness LLP 120 Bothwell St Glasgow G2 7JL

## **JOBS & BUSINESS GLASGOW**

(formerly Glasgow's Regeneration Agency)

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### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2013**

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2013. The legal and administrative information on page one forms part of this report.

On 11 March 2013 Glasgow's Regeneration Agency changed its name to Jobs & Business Glasgow, trading as Jobs & Business Glasgow (JBG). There was no change to the legal entity of the organisation. Approval for the change in name has been given by the Office of the Scottish Charity Regulator (OSCR).

### **Directors and Trustees**

The directors of the charitable company (the charity) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees who served during the year and since the year end (except otherwise noted) were as follows:

Alistair McManus  
Councillor Kenneth Carmichael Elder (resigned 3 May 2012)  
Councillor John Flanagan (resigned 3 May 2012)  
John Brian Gault  
Councillor John Mathieson McKenzie (resigned 3 May 2012)  
David Alan Rooney  
Daniel Donald  
Malcolm Maclean Graham  
Bailie John Scanlon, Chairperson (resigned 3 May 2012)  
Councillor Mohammed Razaq (resigned 3 May 2012)  
Bailie Jonathan Findlay (appointed 17 May 2012)  
Bailie Hanif Raja (appointed 17 May 2012)  
Councillor David McDonald (appointed 17 May 2012, resigned 9 January 2013)  
Councillor Shabbar Jaffri (appointed 9 January 2013)  
Councillor Emma Gillan (appointed 17 May 2012)  
Councillor John Kelly (appointed 17 May 2012)

### **Attendance at Board Meetings**

The following table shows the attendance of current Board Members at Board meetings during the year. There were 5 board meetings in the period April 2012 to March 2013.

<b>Board Member</b>	<b>30/5/12</b>	<b>27/6/12</b>	<b>15/8/12</b>	<b>13/11/12</b>	<b>28/3/13</b>	<b>Number of Attendances</b>
A. McManus	√		√	√	√	4
B. Gault	√	√	√	√	√	5
D. Rooney			√	√	√	3
D. Donald	√	√	√	√	√	5
M Graham	√	√	√	√	√	5
J. Findlay		√	√	√	√	4
H. Raja	√	√	√			3
D. McDonald	√					1
S. Jaffri <sup>1</sup>					√	1
E. Gillan	√	√	√	√	√	5
J Kelly		√	√		√	3

<sup>1</sup> Councillor Jaffri was only appointed to the JBG Board in January 2013 and has had full attendance since then.

## **JOBS & BUSINESS GLASGOW**

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### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2013**

## **Structure, Governance and Management**

### **Board**

The Board of JBG has a duty to manage the Company and ensure that it carries out the objectives set out in its Memorandum and Articles of Association and in compliance with the Companies Act 2006 and relevant Charities legislation. Its general responsibilities include:

- giving strategic direction to the company
- agreeing JBG's operational plan
- resolving major policy issues
- monitoring, reviewing and reporting the general performance of JBG and ensuring its objectives are being achieved
- agreeing the budget and allocation of finance to these planned activities
- delegation to subsidiary companies, committees and the Chief Executive
- deciding on the governance and delegated authority levels of the company

During the year, there was a local government election on 3 May 2012 and the 5 councillor members of the Board stood down from the Board on the day of the election. After the election 5 new councillor members were appointed to the Board. One of those resigned during the year and was replaced by another councillor.

There was no change, during the year, to the Independent members on the Board.

JBG's Company Secretary is Caroline Whyteside, JBG's Director of Finance & Commercial Services, and she was appointed to this role on 28 February 2012.

The Board have agreed to an external party carrying out an assessment of the Board's performance and this will be completed before 31 March 2014.

### **Chief Executive**

The Chief Executive is responsible for the day to day administration of JBG. The Chief Executive is ultimately responsible to the Board for the control of resources, seeking economy, efficiency and effectiveness in the use of JBG resources and for ensuring that financial considerations are taken into account at all stages of decision-making. In particular the Chief Executive:

- enters into normal business commitments and contracts on behalf of the company
- develops, negotiates, seeks funding for and delivers projects and programmes within the scope of the general company strategy and operational plan
- has responsibility for the Senior Management team and the Company Secretary

Malcolm Maclean Graham has been JBG's Chief Executive since 6<sup>th</sup> September 2011.

### **Senior Management Team**

The Senior Management team consists of 8 Senior Managers who report directly to the Chief Executive.

There has been no change to the senior management team in the last year.

The Senior Management team and the areas they are responsible for, are shown in the table below.

## **JOBS & BUSINESS GLASGOW**

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### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2013**

<b>Post</b>	<b>Senior Manager</b>	<b>Responsibilities</b>
Director of Finance & Commercial Services	Caroline Whyteside	All strategic and operational financial aspects of the organisation, company secretarial work and strategic aspects of commercial services
Head of Employability	Mary-Theresa Smith	Adult Employability and community benefits
Head of Youth & Learning	Nancy Burns	Youth employability and adult and youth learning
Head of Enterprise, Business & the Economy	Rob Pryce	Business start-up and social enterprise start-up advice
Head of HR, Communications and Organisational Development	Caroline Glen	HR, internal and external communications, PR, marketing, training and development of staff and Board
Head of Strategy, Project Development & Compliance	Stephen Brooks	Company Strategy development, risk management, IT, procurement, funding applications and project compliance
Head of Commercial Contracts	Tommy Docherty	Property, Childcare and Commercial contracts
Head of Strategic Projects	Gary Hay	Strategic employability programmes and supported employment programmes

### **Subsidiaries**

GRA currently has 7 subsidiaries. Five of these are property companies:

- Castlemilk Property Company
- Greater Easterhouse Property Company
- Glasgow North Properties
- Dalsetter Business Village
- Drumchapel Training Trust

One is a childcare provider:

- Bridge End Nursery Group

One is a former joint venture between the 5 former LRAS and is currently being wound up:

- Regenerate Glasgow

All of these companies are non-charitable other than Drumchapel Training Trust which is a charity.

The subsidiaries are currently being reviewed in order to determine the best way to consolidate them. Once the approach has been agreed by the Board it will be implemented during the financial year 2013/14 with a view to the process being hopefully completed by 31 March 2014.

## **JOBS & BUSINESS GLASGOW**

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### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2013**

#### **Sub Committees**

JBG currently has 3 sub committees. These are:

##### Finance, Audit & Property Committee

This committee assists the Board of Directors in fulfilling its responsibilities with regard to:

- the oversight of the company's financial statements and auditing, accounting and related processes
- the company's system of internal control regarding finance, accounting and financial reporting
- the property aspects of the company and subsidiaries

This committee aims to meet quarterly.

##### HR Committee

This committee makes recommendations to the Board of Directors in relation to:

- the recruitment, development and retention of staff, in particular, terms and conditions, probation and training and development

This committee aims to meet quarterly.

##### Nominations Committee

This committee makes recommendations to the Board of Directors in relation to:

- the selection of appropriate individuals for appointment as Independent Directors

This committee meets as and when required.

##### Saracen Project Board

This committee has delegated authority to progress all aspects of the Saracen House new build project, including all financial, governance and contractual matters. Saracen House is a £3m, 10,000 square foot new office development in the North of the city, funded by JBG, ERDF grants and nghomes.

#### **Governing Document**

The organisation is a charitable company limited by guarantee, incorporated on 7 January 1988 and registered as a charity on 30<sup>th</sup> June 1995. The company was established under a Memorandum of Association which sets out its objects and powers and it is governed under its Articles of Association. In the event of the company being wound up the directors are required to contribute an amount not exceeding £1 each.

A Governance Protocol is currently being written which describes in more detail the authority which has been retained by the board and that which it has delegated to the Chief Executive and Senior Management team.

#### **Recruitment and Appointment of Trustees**

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles of Association, they are known as members of the Board.

Under the terms of clause 16 of the articles of association, company membership is open only to Glasgow City Council. Glasgow City Council as sole member may appoint the Board with a maximum number of 11 directors (trustees) and this will comprise:

- A maximum of 5 directors shall be Partner Directors (Elected members of Glasgow City Council)
- A maximum of 5 Directors shall be Independent Directors ( Independent business leaders appointed on the basis of their skills and experience)
- No more than one Executive Director

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### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2013**

At the conclusion of each AGM of the company, one third of the independent directors shall retire from office. However, there is no limit on the number of occasions on which a given Independent Director can be re-appointed.

#### **Trustee Induction and Training**

A Directors Manual has been prepared and this is made available to all Trustees. This manual describes the various strategic aims of the company and its activities and sets out the responsibilities and statutory duties of the Trustees.

Training for the Trustees is provided in the form of a number of induction workshops as and when required.

In addition, a Board Development session is run annually to discuss strategic matters with the Chief Executive and Senior Management team.

#### **Risk Management**

Procedures have been established, and are reviewed in the course of the year, to identify, manage and mitigate operational and strategic risks. The Head of Strategy and Compliance is the senior manager responsible for co-ordinating the company's risk strategy and risk register. Each senior manager is responsible for risk management in their respective areas. The JBG board closely monitors all red risks. The following systems and procedures to manage risk have been established:

- Regular Board meetings (currently quarterly) are held by the Trustees and Senior Officials of the charity
- Quarterly sub-committee meetings are held to examine in detail the Finance, Audit, HR, Property and capital project aspects of the company
- Monthly management accounts, incorporating year to date actuals and projected year-end outturns are prepared and reviewed against budget. These are discussed with the Chief Executive and the appropriate Senior Manager and actions plans are agreed and monitored. These are submitted quarterly at a summarised level to the Board.
- Internal controls are in place to safeguard the company's assets
- A rolling three month cash flow forecast is updated and reviewed weekly
- All red risks<sup>1</sup> are considered by the SMT on a monthly basis with mitigating actions agreed, following which the red risks are flagged and reported to the Board.

#### **Related Parties**

Due to the nature of the charity's operations and the composition of its Trustees, it is inevitable that transactions will take place with companies or other organisations in which a Trustee may have an interest. All transactions involving companies or organisations in which a Trustee may have an interest are conducted at arm's length and in accordance with project and programme rules. Trustees are not permitted to participate in discussions or decisions on transactions involving their related business.

In addition, all Trustees are asked to complete a register of interests form which is updated annually and the first agenda item at each Board meeting invites Trustees to declare any interest relating to the Board matters under discussion.

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<sup>1</sup> Red risks are those that have an impact score of 4 or 5 or an overall score of 12 or higher.



## **JOBS & BUSINESS GLASGOW**

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### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2013**

#### **Objectives and Activities**

During the year under review, JBG has been committed to work in partnership with local agencies towards the long term economic development of Glasgow. The objectives and activities of the charity are ambitious. These focus on:

- Ongoing efforts to address the issue of worklessness in the city and support people back into work through the delivery of an integrated programme of employment and training opportunities to support workless residents move back into the labour market and to support young people move into education, training and employment
- The development of the local economy through the delivery of a range of business support activity including actions to develop the micro business and social enterprise sectors.

JBG recognises this cannot be done in isolation and is therefore committed to partnership working with a wide range of agencies in order to maximise the impact that can be achieved for local communities.

#### **Objectives**

In striving to achieve this vision, the overall service activity delivered by JBG is designed to meet the following objectives:

Objective 1: To assist people to meet the skills and qualities required by employers in and beyond Glasgow

Objective 2: To engage with and support Glasgow unemployed residents to sustain employment

Objective 3: To work with others to increase the number of sustainable business start ups through a more effective business support service for all business types

Objective 4: To work with others to improve resilience and enable more of Glasgow's existing small businesses and social enterprises to sustain and grow

Objective 5: To maximise the benefits for Glasgow residents, businesses and social enterprises from developments and investments in the city

#### **Other Activities**

In addition to the direct service delivery activities during last year, the company continued to focus on organisational development activities, improving processes, procedures and systems and consolidating relationships with stakeholders.

#### **Achievements and Performance**

The year to March 2013 remained challenging for JBG. Amongst the challenges it faced were: continuing to work with six different sets of staff terms and conditions, very tight budget conditions and limited funding opportunities.

Even in these challenging circumstances, JBG achieved a great deal. The key achievements of JBG in this year include:

- Consolidation of its position as the main economic development service delivery organisation in the city
- Reinforcement of partnership working with key stakeholder organisations including Glasgow City Council (GCC), Jobcentre Plus (JCP), Skills Development Scotland (SDS), Community Planning Partnerships and the Big Lottery
- Achievement of all KPIs within agreed tolerances
- Re-branding of organisation

## **JOBS & BUSINESS GLASGOW**

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### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2013**

- Review and improvement of key policies, systems and procedures including procurement, finance, HR and risk management
- JBG established as a key delivery agent of Skills Development Scotland's new employability programme
- Achieved a year-end financial surplus position against a budgeted deficit
- Continuing to exceed expectations in the delivery of DWP's new Enterprise Allowance programme
- Establishment of Jobzones, a new approach to employability service provision which is being held up by JCP as a model of good practice.

JBG is continually measured on a wide range of Key Performance Indicators (KPIs). Key achievements over the last year include a total of 3,027 people moving into employment and 4,639 people moving into education and training. A range of support has also been provided to local businesses and social enterprise organisations.

The table below sets out the headline figures achieved by the company.

	<b>Performance Indicator</b>	<b>Actual 2012/13</b>	<b>Target 2012/13</b>
1	Number of people provided with employment related advice	18,481	20,312
2	Number of people supported into employment	3,027	3,363
3	The number of young Glasgow residents supported into work	1,272	1,177
4	Number of people supported to participate in work related/vocational training	4,639	3,403
5	Number of people supported to participate in non vocational training	4,167	2,290
6	Number of people to achieve a recognised qualification	2,234	2,290
7	Number of business start ups created by Glasgow residents	465	260
8	Number of social economy initiatives supported	316	245
9	Number of jobs created through business start up or expansion of social economy support	655	372

*(Note: A tolerance of 10% has been established so any KPI which is within 10% of the target is deemed to have been met)*

## **Financial Review**

### **Operating and Financial Overview**

The charitable group's net deficit for the year to March 2013 was £103,573. This compares to £1.7m (as restated) for 2011/12. This a reduced deficit position of £1.6m.

The charitable group's total income for the year to March 2013 was £30m. This compares to £28m for 2011/12. This is an increase of £2m (6.7%).

The charitable group's total expenditure for the year to March 2013 was £29.50m. This compares to £29.46 for 2011/12. This is an increase of £40k (1.3%).

The charity managed approximately 48 projects spread across its strategic themes.

In cash flow terms, the bank accounts and investments showed an in-funds position of £9m at the beginning of the year and an in-funds position of £9.8m at the end of the year. The charitable group's therefore generated a positive cashflow during the year of £753k.

The charitable group has unrestricted reserves of £25.6m. (£25.2m in 2012). It should be noted that the majority of the unrestricted funds are non-cash reserves for the purpose of the future depreciation of tangible fixed asset projects.

## **JOBS & BUSINESS GLASGOW**

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### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2013**

#### **Investment Policy**

The Trustees have, over the life of the company adopted a policy of providing support to projects and developments within the Glasgow city area. In particular the company has prudently invested in a number of commercial property developments as a way of furthering their charitable objectives. Whilst this has provided an opportunity for an earned income stream to complement the company's other sources of funding, the overall aim of these investments has been to assist in the economic regeneration of the city by creating affordable office space and hence attracting SMEs into the area to ultimately create and sustain employment.

#### **Reserves Policy**

The Trustees have examined the company's requirements for reserves in the light of the main risks to the organisation. It has established a policy whereby unrestricted general funds not committed should be approximately three months of total expenditure. Based on the approved budget for 2013/14, three months expenditure (salaries and project costs) equates to c £6.591m. The 2012/13 Balance Sheet shows general reserves of £6.3m which is in line with this policy.

The reserves are needed to meet the working capital requirements of the company and the financial obligations in the short-term in the event of a significant drop in revenue grant funding. This would allow time for a restructuring of the company's activities and its project and core cost budgets.

#### **Plans for Future Periods**

JBG launched its 5 year strategy during the year which is available on JBG's website. An executive summary has been directly distributed to all JBG's main stakeholders.

There are some significant challenges to address and overcome in the forthcoming year:

- The impact of welfare reform on JBG's client group
- The impact on demand for JBG services by those leaving the Work Programme
- The continuing economic recession which will lead to demands on JBG services which JBG may not have the resources and funding to meet
- The JBG budgeted financial deficit
- The increasingly competitive funding environment

JBG's objectives for the forthcoming year are:

- To meet and, if possible, exceed our KPIs
- To seek new partnerships and new ways of delivering services
- To continue to consolidate our working relationships with key stakeholders
- To continue to review and rationalise our delivery and commercial property portfolios
- To introduce new systems and processes into our commercial contracts area

We believe JBG can continue to make a very important contribution to Glasgow, its employers, businesses, social enterprises and residents. We also recognise that we cannot do this alone. To make a real and lasting difference, we need to continue to work better and smarter together with our partners across the city and beyond to achieve more for less.

We are committed to Glasgow and improving the competitiveness of its residents and businesses.

## **JOBS & BUSINESS GLASGOW**

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### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2013**

#### **Trustees Responsibilities**

The trustees (who are also directors of Jobs & Business Glasgow 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

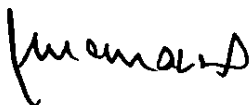
In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- 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 the financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the Companies Act 2006.

Approved by the Trustees and signed on their behalf by.



Name: **ALISTAIR McMANUS**

Date: 28 August 2013

## **JOBS & BUSINESS GLASGOW**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF JOBS & BUSINESS GLASGOW**

We have audited the financial statements of Jobs & Business Glasgow for the year ended 31<sup>st</sup> March 2013 which comprise the Group and Parent Charitable Company Statements of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Charitable Company Cash Flow Statement and the 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 solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members 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 Trustees' Responsibilities Statement set out on page 9, 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 as auditor 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 Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31<sup>st</sup> March 2013 and of the group's and parental charitable company's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF JOBS & BUSINESS  
GLASGOW**


**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records or 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.

*Wylie + Bisset* 

*Jenny Simpson (Senior statutory auditor)*

*For and on behalf of Wylie & Bisset LLP, Statutory Auditor*

*Wylie & Bisset LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006*

Date: 28<sup>th</sup> August 2013

168 Bath Street  
Glasgow  
G2 4TP

**JOBS & BUSINESS GLASGOW**

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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**

(Including Income and Expenditure Account)

FOR THE YEAR ENDING 31 MARCH 2013

	Notes	Unrestricted £	Restricted £	Pension Reserves £	2013 Total £	As restated 2012 Total £
<b>Incoming Resources</b>						
Incoming resources from voluntary funds						
Voluntary income	3	3,750,852	-	-	3,750,852	3,347,668
Activities for generating funds	4	4,955,756	-	-	4,955,756	4,683,008
Investment income	5	98,406	-	(11,000)	87,406	71,528
Incoming resources from charitable activities	6	17,279,723	3,632,454	-	20,912,177	19,871,530
<b>Total Incoming Resources</b>		<u>26,084,737</u>	<u>3,632,454</u>	<u>(11,000)</u>	<u>29,706,191</u>	<u>27,973,734</u>
<b>Resources expended</b>						
Costs of generating funds	7	5,136,639	-	-	5,136,639	4,507,647
Charitable activities	8	21,061,254	3,225,609	11,000	24,297,863	24,897,763
Governance costs	9	73,267	-	-	73,267	63,819
<b>Total Resources Expended</b>		<u>26,271,160</u>	<u>3,225,609</u>	<u>11,000</u>	<u>29,507,769</u>	<u>29,469,229</u>
<b>Net (outgoing)/incoming resources before transfers</b>		(186,423)	406,845	(22,000)	198,422	(1,495,495)
<b>Transfers</b>	28	601,572	(601,572)	-	-	-
<b>Net income/(expenditure) before other recognised gains and losses</b>		<u>415,149</u>	<u>(194,727)</u>	<u>(22,000)</u>	<u>198,422</u>	<u>(1,495,495)</u>
<b>Other recognised gains and losses</b>						
Actual (losses) on defined benefit pension schemes		-	-	(302,000)	(302,000)	(244,000)
<b>Net movement in funds</b>		<u>415,149</u>	<u>(194,727)</u>	<u>(324,000)</u>	<u>(103,578)</u>	<u>(1,739,495)</u>
<b>Reconciliation of Funds</b>						
Balance at 1 April 2012 – as previously stated	26, 27	25,471,145	488,718	-	25,443,863	27,244,151
Prior year adjustment	33	(277,285)	338,078	(516,000)	60,793	-
Balance at 1 April 2012 – as restated		<u>25,193,860</u>	<u>826,796</u>	<u>(516,000)</u>	<u>25,504,656</u>	<u>27,244,151</u>
<b>Total funds carried forward</b>	26, 27	<u>25,609,009</u>	<u>632,069</u>	<u>(840,000)</u>	<u>25,401,078</u>	<u>25,504,656</u>

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

**JOBS & BUSINESS GLASGOW**

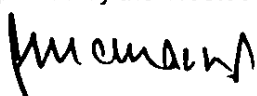
(formerly Glasgow's Regeneration Agency)

(A company limited by guarantee)

**CONSOLIDATED BALANCE SHEET AT 31 MARCH 2013**

	Notes	£	2013 £	As restated 2012 £
<b>FIXED ASSETS</b>				
Tangible Assets	15		26,228,378	26,819,041
Investments	17		24,995	24,995
			<u>26,253,373</u>	<u>26,844,036</u>
<b>CURRENT ASSETS</b>				
Investments	18	2,000,000		250,000
Stock	19	1,156		5,920
Debtors	20	5,618,262		6,361,885
Cash at bank and in hand		<u>7,785,065</u>		<u>8,782,023</u>
		15,404,483		15,399,828
Creditors: amounts falling due within one year	21	<u>(4,379,485)</u>		<u>(4,638,408)</u>
<b>NET CURRENT ASSETS</b>			11,024,998	10,761,420
Creditors: amounts falling due after more than one year	23		(10,337,293)	(11,584,800)
Provisions for liabilities and charges	24		(700,000)	-
Net Pension Liability	31		(840,000)	(516,000)
<b>NET ASSETS</b>			<u>25,401,078</u>	<u>25,504,656</u>
<b>Unrestricted Funds</b>				
Designated Funds	27	19,249,243		18,645,192
General Funds	27	<u>6,359,766</u>		<u>6,548,668</u>
			25,609,009	25,193,860
<b>Restricted Funds</b>	26		632,069	826,796
<b>Pension Reserve</b>	31		(840,000)	(516,000)
<b>TOTAL FUNDS</b>			<u>25,401,078</u>	<u>25,504,656</u>

Approved by the Trustees and signed on their behalf.

  
 Name: A McManus

  
 Name: M M Graham
Date: 28<sup>th</sup> August 2013

Company No: SC108565



**JOBS & BUSINESS GLASGOW**

(formerly Glasgow's Regeneration Agency)

(A company limited by guarantee)

**CHARITY STATEMENT OF FINANCIAL ACTIVITIES**

(including Income and Expenditure Account)

FOR THE YEAR ENDING 31 MARCH 2013

	Unrestricted £	Restricted £	Pension Reserve £	2013 £	As restated 2012 £
<b>Incoming Resources</b>					
Incoming resources from voluntary funds					
Voluntary income	3,750,852	-	-	3,750,852	3,347,668
Activities for generating funds	1,221,344	-	-	1,221,344	1,139,607
Investment income	82,406	-	(11,000)	71,406	433,543
Incoming resources from charitable activities	17,061,110	3,632,454	-	20,693,564	19,764,877
<b>Total Incoming Resources</b>	<b>22,115,712</b>	<b>3,632,454</b>	<b>(11,000)</b>	<b>25,737,166</b>	<b>24,685,695</b>
<b>Resources Expended</b>					
Costs of generating funds	1,024,406	-	-	1,024,406	1,283,488
Charitable activities	20,881,326	3,225,609	11,000	24,117,935	24,877,507
Governance costs	71,244	-	-	71,244	62,248
<b>Total Resources Expended</b>	<b>21,976,976</b>	<b>3,225,609</b>	<b>11,000</b>	<b>25,213,585</b>	<b>26,223,243</b>
<b>Net incoming/(outgoing) resources before transfers</b>	<b>138,736</b>	<b>406,845</b>	<b>(22,000)</b>	<b>523,581</b>	<b>(1,537,548)</b>
<b>Transfers</b>	<b>601,572</b>	<b>(601,572)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income/(expenditure) before other recognised gains and losses</b>	<b>740,308</b>	<b>(194,727)</b>	<b>(22,000)</b>	<b>523,581</b>	<b>(1,537,548)</b>
<b>Other recognised gains and losses</b>					
Actual (losses) on defined benefit pension scheme	-	-	(302,000)	(302,000)	(244,000)
<b>Net movement in funds</b>	<b>740,308</b>	<b>(194,727)</b>	<b>(324,000)</b>	<b>221,581</b>	<b>(1,781,548)</b>
<b>Reconciliation of funds</b>					
Balance at 1 April 2012 – as previously stated	24,867,887	448,718	-	25,356,605	26,682,946
Prior year adjustment	(277,285)	338,078	(516,000)	(455,207)	-
Balance at 1 April 2012 – as restated	24,590,602	826,796	(516,000)	24,901,398	26,682,946
<b>Total funds carried forward</b>	<b>25,330,910</b>	<b>632,069</b>	<b>(840,000)</b>	<b>25,122,979</b>	<b>24,901,398</b>

**JOBS & BUSINESS GLASGOW**

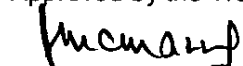
(formerly Glasgow's Regeneration Agency)

(A company limited by guarantee)

**CHARITY BALANCE SHEET AT 31 MARCH 2013**

	Notes	£	2013 £	As restated 2012 £
<b>FIXED ASSETS</b>				
Tangible Assets	16		15,844,110	15,415,323
Investments	17		25,396	25,396
			<u>15,869,506</u>	<u>15,440,719</u>
<b>CURRENT ASSETS</b>				
Investment	18	2,000,000		250,000
Stock	19	-		1,786
Debtors	20	7,221,399		7,704,736
Cash at bank and in hand		<u>6,855,629</u>		<u>7,668,032</u>
		16,077,028		15,624,554
Creditors: amounts falling due within one year	21	<u>(3,793,933)</u>		<u>(3,149,135)</u>
<b>NET CURRENT ASSETS</b>			12,283,095	12,475,419
Creditors: amount falling due after one or more years	23		(2,189,622)	(2,498,740)
Provisions for liabilities and charges	24		-	-
Net Pension Liability	31		(840,000)	(516,000)
<b>NET ASSETS</b>			<u>25,122,979</u>	<u>24,901,398</u>
<b>Unrestricted Funds</b>				
Designated Funds		19,223,331		18,589,645
General Funds		<u>6,107,579</u>		<u>6,000,957</u>
			25,330,910	24,590,602
<b>Restricted Funds</b>	26		632,069	826,796
<b>Pension Reserves</b>	31		(840,000)	(516,000)
<b>TOTAL FUNDS</b>			<u>25,122,979</u>	<u>24,901,398</u>

Approved by the Trustees and signed on their behalf.

  
 Name: A McManus

  
 Name: M M Graham
Date: 28<sup>th</sup> August 2013

Company No: SC108565

**JOBS & BUSINESS GLASGOW****(formerly Glasgow's Regeneration Agency)****(A company limited by guarantee)****CONSOLIDATED CASH FLOW STATEMENT****FOR THE YEAR ENDED 31 MARCH 2013**

	<b>Note</b>	<b>2013</b> £	<b>2012</b> £
<b>Net Cash inflow from Operating Activities</b>	14	<u>2,205,358</u>	<u>321,575</u>
<b>Investing Activities</b>			
Returns on investment and servicing of finance			
Interest received		87,406	67,528
Interest paid		(94,841)	(117,780)
Payments to acquire tangible fixed assets		(1,444,881)	(142,773)
Government grants received in year		-	20,500
<b>Net cash (outflow) from Investing Activities</b>		<u>(1,452,316)</u>	<u>(172,525)</u>
<b>Increase in Cash and Cash Equivalents</b>		<u>753,042</u>	<u>149,050</u>

**Analysis Of Changes In Net Debt**

	<b>At 1 April</b> <b>2012</b> £	<b>Cash flows</b> £	<b>At March</b> <b>2013</b> £
Cash in hand, at bank	8,782,023	(996,958)	7,785,065
Investments	250,000	1,750,000	2,000,000
<b>TOTAL</b>	<u>9,032,023</u>	<u>753,042</u>	<u>9,785,065</u>

## **JOBS & BUSINESS GLASGOW**

(formerly Glasgow's Regeneration Agency)

(A company limited by guarantee)

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013**

#### **1. Accounting Policies**

##### **a) Basis of preparation**

The financial statements have been prepared under the historic cost convention and in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. The charity's joint ventures are excluded from the consolidation on the grounds of materiality.

##### **b) Fund accounting**

- Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- Restricted funds are funds subject to specific trusts, which may be declared by the donor(s) or with their authority (eg in a public appeal) or created through legal process, but still within the wider objects of the charity. Restricted funds are restricted income funds, which are spent at the discretion of the trustees in furtherance of some particular aspect(s) of the objects of the charity.

##### **c) Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Incoming resources from charitable trading activities are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

##### **d) Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income.

## **JOBS & BUSINESS GLASGOW**

(formerly Glasgow's Regeneration Agency)

(A company limited by guarantee)

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013**

#### **1. Accounting Policies (continued)**

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis as set out in Note 10.

#### **e) Tangible fixed assets and depreciation**

Assets costing more than £25,000 are capitalised.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold buildings	Over 50 years, following year of purchase
Leasehold properties	20% on cost or over the term of the lease
Fixtures and equipment	20% - 33% on cost
Office equipment	20% to 33% on cost
Computer equipment	33% on cost
Motor vehicles	10% - 25% on cost

No depreciation is provided in respect of land.

#### **f) Investments**

Investments in subsidiary undertakings and joint ventures are included at cost, less provision for permanent diminution in value.

#### **g) Stock**

Stocks are included at the lower of cost and net realisable value.

#### **h) Operating leases**

Rentals paid under operating leases are charged to the statement of financial activities. The obligation to pay future rentals on operating leases is shown by way of a note to the Accounts.

#### **i) Pension scheme**

The pension costs charged against profits represent the amount of employer's contributions payable to the defined contribution pension schemes in respect of the accounting period.

The charity is also an admitted body to the Strathclyde Pension Fund which operates a defined benefit pension scheme. The contributions payable by the charity, as employer, and of the relevant staff, are prescribed by the managers of the fund under the statutory provisions under which the scheme operates. The company has no discretion to vary the rates of its contributions and therefore the pension scheme is treated as a defined benefit scheme as permitted by FRS 17.

The pension costs charged in the financial statements in respect of this scheme represent the contributions payable by the company during the year.

## **JOBS & BUSINESS GLASGOW**

**(formerly Glasgow's Regeneration Agency)**

**(A company limited by guarantee)**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013**

#### **1. Accounting Policies (continued)**

The contributions are determined by qualified actuaries on the basis of periodic valuations.

##### **j) Taxation**

The company is a charitable company within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

##### **k) Legal Status**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**JOBS & BUSINESS GLASGOW****(formerly Glasgow's Regeneration Agency)****(A company limited by guarantee)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013****2. Financial activities of the subsidiaries****BRIDGE END NURSERY GROUP LIMITED**

The charity has a wholly owned trading subsidiary Bridge End Nursery Group Limited, which is incorporated in Scotland and whose principal activity is the provision of childcare. The amount retained by the subsidiary is £86,325 (2012: (£33,844)). No tax is payable by the entity due to the use of losses from other subsidiary companies. The charity owns the entire share capital of 100 ordinary shares of £1 each. A summary of the trading results is shown below:

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>	461,769	312,130
Cost of sales & administration costs	(375,490)	(346,100)
Interest receivable	46	126
<b>Net profit/(loss)</b>	<u>86,325</u>	<u>(33,844)</u>
 Taxation	 -	 -
Retained in subsidiary	<u>86,325</u>	<u>(33,844)</u>
	 <b>2013</b>	 <b>2012</b>
	<b>£</b>	<b>£</b>
<b>The assets and liabilities of the subsidiary were:</b>		
Fixed assets	-	240,321
Current assets	91,715	72,430
Current liabilities	(298,384)	(344,360)
Long term creditors	-	(261,385)
Total net (liabilities)	<u>(206,669)</u>	<u>(292,994)</u>
 <b>Aggregate share capital and reserves</b>	 <u>(206,669)</u>	 <u>(292,994)</u>

**JOBS & BUSINESS GLASGOW****(formerly Glasgow's Regeneration Agency)****(A company limited by guarantee)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013****2. Financial activities of the subsidiaries (continued)****CASTLEMILK PROPERTY COMPANY LIMITED**

The charity has a second wholly owned trading subsidiary Castlemilk Property Company Limited, which is incorporated in Scotland and whose principal activity is property rental. The deficit retained in the subsidiary is £610,853 (2012: 31,667). No tax is payable by the entity due to the deficit made. The charity owns the entire share capital of 100 ordinary shares of £1 each. A summary of the trading results is shown below:

	2013 £	2012 £
<b>Turnover</b>	1,433,442	1,366,038
Cost of sales & administration costs	(1,357,992)	(1,056,943)
Interest receivable	13,697	239
Exceptional waste management costs	(700,000)	-
<b>Net (loss)profit</b>	<u>(610,853)</u>	<u>309,334</u>
Amount gift aided to the charity	-	(341,001)
Taxation	-	-
Retained in subsidiary	<u>(610,853)</u>	<u>(31,667)</u>

	2013 £	2012 £
<b>The assets and liabilities of the subsidiary were:</b>		
Fixed assets	3,880,305	4,474,443
Current assets	221,529	304,371
Current liabilities	(1,225,512)	(1,551,161)
Long term creditors	(2,282,328)	(2,722,806)
Total net assets	<u>106,006</u>	<u>504,847</u>
<b>Aggregate share capital and reserves</b>	<u>106,006</u>	<u>504,847</u>



**JOBS & BUSINESS GLASGOW****(formerly Glasgow's Regeneration Agency)****(A company limited by guarantee)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013****2. Financial activities of the subsidiaries (continued)****DRUMCHAPEL TRAINING TRUST**

The charity has a third wholly owned subsidiary Drumchapel Training Trust, which is a charity incorporated in Scotland and acts as a landlord of the leased Open Gate Building. The amount retained by the subsidiary of £38,562 (2012: £30,908), is exempt from tax. The charity sub-leases accommodation to Jobs & Business Glasgow and other organisations providing training and support to local residents. A summary of the activities is shown below:

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Gross incoming resources</b>	220,513	222,130
Total expenditure on charitable activities	(179,928)	(189,650)
Governance costs	(2,023)	(1,572)
<b>Net incoming resources</b>	<b>38,562</b>	<b>30,908</b>
Total funds brought forward	288,785	257,877
<b>Total funds carried forward</b>	<b>327,347</b>	<b>288,785</b>
<b>Represented by:</b>		
Restricted income funds	-	-
Unrestricted income funds	327,347	288,785
	<b>327,347</b>	<b>288,785</b>
<b>The assets and liabilities of the subsidiary were:</b>		
Fixed assets	2,953	9,679
Current assets	353,305	310,894
Current liabilities	(28,911)	(31,788)
Total net assets	327,347	288,785
<b>Aggregate reserves</b>	<b>327,347</b>	<b>288,785</b>

**JOBS & BUSINESS GLASGOW****(formerly Glasgow's Regeneration Agency)****(A company limited by guarantee)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013****2. Financial activities of the subsidiaries (continued)****DALSETTER BUSINESS VILLAGE LIMITED**

The charity has a fourth wholly owned trading subsidiary Dalsetter Business Village Limited, which is incorporated in Scotland. In the current financial year, the subsidiary company paid £Nil (2012: £12,920) to the charity by gift aid, due to the use of losses realised in other subsidiaries. The amount retained by the subsidiary, £101,685 this year (2012: £54,226) is after tax. Dalsetter Business Village Limited manages the property at Dalsetter Business Village and all associated commercial operations. The charity owns the entire share capital of 1 ordinary share of £1. A summary of the trading results is shown below.

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>	351,924	362,654
Cost of sales & administration costs	(345,632)	(403,833)
Other operating income	95,047	95,047
Interest receivable	346	358
<b>Net profit</b>	<u>101,685</u>	<u>54,226</u>
 Taxation	 -	 -
Retained in subsidiary	<u>101,685</u>	<u>54,226</u>
 <b>The assets and liabilities of the subsidiary were:</b>		
Fixed assets	3,535,868	3,648,701
Current assets	153,474	109,499
Current liabilities	(269,413)	(292,079)
Long-term liabilities	(139,726)	(192,556)
Accruals and deferred income	<u>(3,125,987)</u>	<u>(3,221,034)</u>
Total net liabilities	154,516	52,531
 <b>Aggregate share capital and reserves</b>	 <u>154,216</u>	 <u>52,531</u>

**JOBS & BUSINESS GLASGOW**

(formerly Glasgow's Regeneration Agency)

(A company limited by guarantee)

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013****2. Financial activities of the subsidiaries (continued)****GREATER EASTERHOUSE PROPERTY COMPANY LIMITED**

The fifth wholly owned trading subsidiary, Greater Easterhouse Property Company Limited, which is incorporated in Scotland. An amount of £94,168 was retained in the year (2012: deficit of £28,708). Greater Easterhouse Property Company Limited manages the Westwood Business Centre and all associated commercial operations. The charity owns the entire share capital of 100 ordinary shares of £1 each. A summary of the trading results is shown below.

	2013	2012
	£	£
Turnover	1,227,363	1,314,895
Cost of sales & administration costs	(1,274,685)	(1,410,888)
Interest receivable	11	19
Other income	141,479	67,266
Net (loss)/profit	94,168	(28,708)
Amount gift aided to the charity	-	-
Retained in subsidiary	94,168	(28,708)
<b>The assets and liabilities of the subsidiary were:</b>		
Fixed assets	2,771,078	2,832,010
Current assets	372,915	310,129
Current liabilities	(329,938)	(280,773)
Accruals and deferred income	(2,739,356)	(2,880,835)
Total net assets	74,699	(19,469)
Aggregate share capital and reserves	74,699	(19,469)

**JOBS & BUSINESS GLASGOW**

(formerly Glasgow's Regeneration Agency)

(A company limited by guarantee)

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013****2. Financial activities of the subsidiaries (continued)****GLASGOW NORTH PROPERTIES LIMITED**

The sixth wholly owned trading subsidiary Glasgow North Properties Limited, which is incorporated in Scotland. An amount of £205 was retained by the company in the year (2012: deficit of £4,500 retained). Glasgow North Properties Limited manages the Business Centre at High Craighall and all associated commercial operations. The charity owns the entire share capital of 100 ordinary shares of £1 each. A summary of the trading results is shown below.

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>	23,387	25,369
Cost of sales & administration costs	(23,182)	(19,315)
Interest receivable	-	-
<b>Net profit</b>	<u>205</u>	<u>6,054</u>
 Amount gift aided to the charity	 -	 (10,554)
Retained in subsidiary	<u>205</u>	<u>(4,500)</u>
 <b>The assets and liabilities of the subsidiary were:</b>		
Fixed assets	194,064	198,564
Current assets	60,427	39,228
Current liabilities	(9,105)	(6,917)
Group balances	<u>(186,259)</u>	<u>(171,953)</u>
Total net assets	<u>59,127</u>	<u>58,922</u>
 <b>Aggregate share capital and reserves</b>	 <u>59,127</u>	 <u>58,922</u>

**JOBS & BUSINESS GLASGOW****(formerly Glasgow's Regeneration Agency)****(A company limited by guarantee)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013****2. Financial activities of the subsidiaries (continued)****REGENERATE GLASGOW LIMITED**

The seventh wholly owned trading subsidiary Regenerate: Glasgow Limited was an intermediary between Glasgow's five Local Regeneration Agencies and funding providers. On 31 May 2011 Regenerate: Glasgow Limited ceased to trade and is currently in the process of completing final funding claims, following which it is the directors intention to submit an application for strike off to the Registrar of Companies.

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>		
Cost of sales & administration costs	(35,251)	169,395
Other operating income	-	(113,757)
Interest receivable	-	-
<b>Net profit / (loss)</b>	<u>(35,251)</u>	<u>55,638</u>
 Amount gift aided to the charity	 -	 -
Retained in subsidiary	<u>(35,251)</u>	<u>55,638</u>
 <b>The assets and liabilities of the subsidiary were:</b>		
Fixed assets	-	-
Current assets	205,715	624,581
Current liabilities	<u>(229,452)</u>	<u>(613,065)</u>
Total net assets	<u>(23,737)</u>	<u>11,516</u>
 <b>Aggregate share capital and reserves</b>	 <u>(23,737)</u>	 <u>11,516</u>

**JOBS & BUSINESS GLASGOW**

(formerly Glasgow's Regeneration Agency)

(A company limited by guarantee)

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013****3. Voluntary Income - Group**

	Unrestricted £	Restricted £	2013 Total £	2012 Total £
Glasgow City Council core grant	3,398,310	-	3,398,310	3,031,869
Grants and donations	352,542	-	352,542	315,799
	<u>3,750,852</u>	<u>-</u>	<u>3,750,852</u>	<u>3,347,668</u>

**4. Activities for Generating Funds - Group**

	Unrestricted £	Restricted £	2013 Total £	2012 Total £
Media Solutions	4,943	-	4,943	30,008
Digital Media Centre	6,908	-	6,908	11,497
Festival Business Centre	370,179	-	370,179	371,890
Moorpark Estate	163,336	-	163,336	163,430
Orkney Street	181,435	-	181,435	136,140
Rowan Business Park	391,679	-	391,679	375,795
Greater Easterhouse Property Company Limited	1,368,842	-	1,368,842	1,382,161
Dalsetter Business Village Limited	446,971	-	446,971	457,701
Glasgow North Properties Limited	23,387	-	23,387	25,369
Castlemilk Property Company Limited	1,433,442	-	1,433,442	1,366,038
Bridge End Nursery Group Limited	461,769	-	461,769	312,130
Moorpark House	102,865	-	102,865	50,849
	<u>4,955,756</u>	<u>-</u>	<u>4,955,756</u>	<u>4,683,008</u>

**5. Investment Income - Group**

	Unrestricted £	Restricted £	Pension Reserves £	2013 Total £	2012 Total £
Bank interest received	98,406	-	-	98,406	67,528
FRS 17 interest effect	-	-	(11,000)	(11,000)	4,000
	<u>98,406</u>	<u>-</u>	<u>(11,000)</u>	<u>87,406</u>	<u>71,528</u>

**JOBS & BUSINESS GLASGOW****(formerly Glasgow's Regeneration Agency)****(A company limited by guarantee)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013****6. Incoming Resources from Charitable Activities - Group**

	<b>Unrestricted £</b>	<b>Restricted £</b>	<b>2013 Total £</b>	<b>2012 Total £</b>
Employability	13,178,770	2,206,416	15,385,186	11,869,721
Youth and learning	792,408	278,532	1,070,940	3,112,578
Childcare	1,728,007	119,254	1,847,261	1,989,385
Enterprise and social economy	1,100,808	574,278	1,675,086	1,566,037
Property	-	337,730	337,730	33,776
Community Engagement	261,117	116,244	377,361	1,079,621
Drumchapel Training Trust	218,613	-	218,613	220,412
	<u>17,279,723</u>	<u>3,632,454</u>	<u>20,912,177</u>	<u>19,871,530</u>

**7. Resources Expended – Costs of Generating Funds - Group**

	<b>Direct Costs £</b>	<b>Support Costs £</b>	<b>2013 Total £</b>	<b>2012 Total £</b>
Media Solutions	5,823	361	6,184	49,753
Digital Media Centre	99,492	504	99,996	81,676
Festival Business Centre	276,264	27,024	303,288	280,074
Moorpark Estate	62,384	11,924	74,308	82,755
Moorpark House	33,679	7,510	41,189	47,329
Orkney Street	180,936	13,245	194,181	120,366
Rowan Business Park	276,667	28,594	305,261	345,535
Castlemilk Property Company Limited	2,057,992	-	2,057,992	1,056,943
Bridge End Nursery Group Limited	375,490	-	375,490	346,100
Dalsetter Business Village Limited	345,632	-	345,632	390,913
Greater Easterhouse Property Company Limited	1,274,685	-	1,274,685	1,140,888
Glasgow North Properties Limited	23,182	-	23,182	19,315
Regenerate Glasgow Limited	35,251	-	35,251	-
FRS 17 opening liability expenses	-	-	-	276,000
	<u>5,047,477</u>	<u>89,162</u>	<u>5,136,639</u>	<u>4,507,647</u>

Included within resources expended by Castlemilk Property Company Limited is an exceptional charge of £700,000 relating to the costs of illegal waste disposal following the insolvency of a tenant.

# JOBS & BUSINESS GLASGOW

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## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013

### 8. Resources Expended- Charitable Activities - Group

	Direct Costs £	Support Costs £	2013 Total £	2012 Total £
Employability	13,952,078	2,184,460	16,136,538	14,643,573
Youth and learning	1,049,774	847,036	1,896,810	3,851,562
Childcare	2,036,261	802,455	2,838,716	3,149,961
Enterprise and social economy	1,950,508	401,227	2,351,735	1,786,779
Property	20,000	-	20,000	57,445
Community Engagement	740,395	133,742	874,1336	1,218,793
Drumchapel Training Trust	179,928	-	179,928	189,650
	<u>19,928,943</u>	<u>4,368,920</u>	<u>24,297,863</u>	<u>24,897,763</u>

### 9. Resources Expended – Governance Costs - Group

	Direct Costs £	Support Costs £	2013 Total £	2012 Total £
Staff costs and management time	-	26,277	26,277	19,763
Professional fees and other expenditure	19,107	-	19,107	10,327
Merger costs	5,205	-	5,205	13,734
Audit fee	22,678	-	22,678	19,995
	<u>46,990</u>	<u>26,277</u>	<u>73,267</u>	<u>63,819</u>

### 10. Support Costs – Breakdown by Activities - Group

	Employability	Youth & Learning	Childcare	Enterprise & Social Economy	Community Engagement	Activities for Generating Funds	Governance	Basis of Allocation
	£	£	£	£	£	£	£	
Salaries	776,798	301,208	285,355	142,676	47,558	31,706	26,277	Head count
Professional fees	81,842	31,735	30,065	15,032	5,011	3,341	-	Head count
Property costs	665,201	257,935	244,360	122,180	40,727	27,151	-	Head count
Administration costs	297,439	115,333	109,263	54,632	18,211	12,140	-	Head count
Irrecoverable VAT	136,433	52,902	50,118	25,059	8,353	5,569	-	Head count
Bank charges	7,441	2,885	2,733	1,367	456	304	-	Head count
Depreciation	189,346	73,420	69,556	34,778	11,593	7,728	-	Head count
Severance costs	29,960	11,617	11,006	5,503	1,834	1,223	-	Head count
	<u>2,184,460</u>	<u>847,036</u>	<u>802,455</u>	<u>401,227</u>	<u>133,742</u>	<u>89,162</u>	<u>26,277</u>	



**JOBS & BUSINESS GLASGOW****(formerly Glasgow's Regeneration Agency)****(A company limited by guarantee)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013****11. Net Incoming Resources for the Year - Group**

This is stated after charging:

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Depreciation	1,124,032	1,012,726
Amortisation of capital grants	905,301	290,750
Auditors' Remuneration - Audit Fees	42,461	38,470
Auditors' Remuneration - Non Audit services	13,707	12,975

During the year the group made payments of £1,095,112 in respect of operating lease rentals for properties and £115,783 in respect of operating lease rentals for plant and machinery.

**12. Staff Costs and Numbers - Group**

Staff costs were as follows:

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Salaries and wages	16,519,221	16,628,525
Social security costs	1,237,056	1,317,575
Other pension costs	294,991	309,723
Total	<u>18,051,268</u>	<u>18,255,823</u>

Included in the above figures are exceptional costs in respect of severance payments totalling £78,982 (2012: £971,667).

The number of employees whose emoluments (salaries, wages and benefits in kind) fell within the following bands are as follows:

	<b>2013</b>	<b>2012</b>
£70,000 - £80,000	-	-
£80,000 - £90,000	-	-
£90,000 - £100,000	-	1
£110,000 - £120,000	1	-

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	<b>2013</b>	<b>2012</b>
	<b>Number</b>	<b>Number</b>
Charitable activities	421	478
Fundraising	112	118
Total	<u>533</u>	<u>596</u>

## **JOBS & BUSINESS GLASGOW**

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### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013**

#### **13. Directors' Remuneration and Related Party Transactions**

Malcolm MacLean Graham received remuneration of £117,530 during the year in his role as Chief Executive. This comprised £86,500 gross salary, £3,960 car allowance, £10,375 employers national insurance, and £16,695 employers pension contributions. Mr Graham was also reimbursed £1,072 (2012: Nil) for expenses during the year. No other director was reimbursed for any expenses during the year (2012: Nil).

Included in the table below is a summary of the transactions and year end balances with other group companies in the Glasgow City Council Group:

	<b>Income £'000</b>	<b>Expenditure £'000</b>	<b>Debtors £'000</b>	<b>Creditors £'000</b>
Glasgow City Council	17,218	839	2,881	397
City Building (Glasgow) LLP	-	58	-	27
Glasgow Life	77	57	-	2
Cordia Services LLP	-	34	-	4

Due to the nature of the company's operations and the composition of its Board of Directors it is inevitable that transactions will take place with companies or other organisations in which a Director may have an interest. All transactions involving companies or organisations in which a Director may have an interest are conducted at arm's length and in accordance with normal project and programme rules. Directors are not permitted to participate in discussions or decisions on transactions involving their related business.

The company works in partnership with a number of public and other bodies with whom many joint projects have been undertaken during the year. The following persons held official positions with such bodies:

<b>Name</b>	<b>Organisation</b>	<b>Position Held</b>
Jonathan Findlay	Glasgow City Council	Councillor
	East Dumbartonshire Council	Solicitor
	North West Sector Community Planning Partnership	Chair
	Glasgow Works Partnership Board	Board Member
	Drumchapel & Anniesland Area Partnership	Member
	Joint Partnership Board with NHS Greater Glasgow & Clyde	Member
Hanif Raja	Glasgow City Council	Councillor
	Strathclyde Partnership for Transport	Substitute
	Glasgow Community Justice Authority	Member
	Pollokshields Area Partnership	Chair
Emma Gillan	Glasgow City Council	Councillor
	Glasgow Life	Board Member
	Newlands/Auldburn Area Partnership	Chair
	South Sector Community Planning Partnership	Member
John Kelly	Communications Workers Union	Assistant Secretary – Glasgow & Motherwell Branch
	Glasgow City Council	Councillor
	Access	Board Member
	Garscadden/Scotstounhill Area Partnership	Chair
	North West Sector Community Planning Partnership	Member
David Alan Rooney	Whitelaw Bailie Figes	Consultant

**JOBS & BUSINESS GLASGOW****(formerly Glasgow's Regeneration Agency)****(A company limited by guarantee)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013**

John Brian Gault	Young and Gault Architects	Senior Partner
Shabbar Jaffri	Glasgow City Council	Councillor
Dan Donald	Cruden Estates	Director
Alastair McManus	TSB Bank	Regional Director
Calum Graham	Anniesland College	Board Member

**14. Reconciliation of Operation Deficit to Net Cash Inflow from Operating Activities - Group**

	2013	2012
	£	£
Operating deficit	198,422	(1,223,495)
Depreciation	1,124,032	1,012,726
FRS 17 recognition in the SOFA	22,000	-
Amortisation of capital grants	(905,301)	(290,750)
Disposal of fixed assets	911,509	-
Decrease/(Increase) in stock	4,764	(1,215)
Decrease in Debtors	743,623	1,031,206
Increase/(Decrease) in Creditors and Provisions	98,871	(257,149)
Interest payable	94,841	117,780
Interest receivable	(98,403)	(67,528)
Net Cash inflow from Operating Activities	<u>2,205,358</u>	<u>321,575</u>

**JOBS & BUSINESS GLASGOW**

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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013**
**15. Tangible Fixed Assets - Group**

	Asset under Construction	Land & Freehold Buildings	Leasehold Property	Fixtures & Equipment	Office Equipment	Computer Equipment	Motor Vehicles	Total
	£	£	£	£	£	£	£	£
<b>Cost</b>								
At 01.04.12 –	-	34,310,923	4,427,132	3,074,045	477,780	1,825,854	88,429	44,204,163
As restated								
Additions	622,423	9,805	-	8,855	-	803,798	-	1,444,881
Disposals	-	(1,456,489)	(432,439)	-	(15,645)	-	-	(1,904,573)
At 31.03.13	<u>622,423</u>	<u>32,864,239</u>	<u>3,994,693</u>	<u>3,082,900</u>	<u>462,135</u>	<u>2,629,652</u>	<u>88,429</u>	<u>43,744,471</u>
<b>Depreciation</b>								
At 01.04.12	-	9,546,642	2,658,212	2,947,054	432,770	1,751,075	49,369	17,385,122
Charge for year	-	631,655	243,799	72,211	36,172	131,352	8,843	1,124,032
Eliminated on Disposal	-	(757,643)	(226,639)	-	(8,785)	-	-	(993,067)
At 31.03.13	<u>-</u>	<u>9,420,654</u>	<u>2,675,372</u>	<u>3,019,265</u>	<u>460,157</u>	<u>1,882,427</u>	<u>58,212</u>	<u>17,516,087</u>
<b>Net book values</b>								
At 31.03.13	<u>622,423</u>	<u>23,443,585</u>	<u>1,319,321</u>	<u>63,635</u>	<u>1,972</u>	<u>747,225</u>	<u>30,217</u>	<u>26,228,378</u>
At 31.03.12 – As restated	<u>-</u>	<u>24,764,281</u>	<u>1,768,920</u>	<u>126,991</u>	<u>45,010</u>	<u>74,779</u>	<u>39,060</u>	<u>26,819,041</u>
The net book values at 31 March 2013 represent fixed assets used for:								
Direct charitable purpose	622,423	13,287,829	1,144,813	9,631	1,972	747,225	30,217	15,844,110
Fundraising	-	10,115,693	174,508	94,067	-	-	-	10,384,268
	<u>622,423</u>	<u>23,403,522</u>	<u>1,319,321</u>	<u>103,698</u>	<u>1,972</u>	<u>747,225</u>	<u>30,217</u>	<u>26,228,378</u>

# JOBS & BUSINESS GLASGOW

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## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013

### 16. Tangible Fixed Assets - Company

	Asset under Construction £	Freehold Land & buildings £	Leasehold properties £	Fixtures & equipment £	Office Equipment £	Computer Equipment £	Motor Vehicles £	Total £
<b>Cost</b>								
At 01.04.12 –	-	15,889,219	2,976,506	2,240,303	476,687	1,825,854	88,429	23,496,998
As restated								
Additions	622,423	-	-	-	-	803,798	-	1,426,221
Disposals	-	-	(432,439)	-	(15,645)	-	-	(448,084)
At 31.03.13	<u>622,423</u>	<u>15,889,219</u>	<u>2,544,067</u>	<u>2,240,303</u>	<u>461,042</u>	<u>2,639,652</u>	<u>88,429</u>	<u>24,475,135</u>
<b>Depreciation</b>								
At 01.04.12	-	2,285,644	1,386,094	2,177,816	431,677	1,751,075	49,369	8,081,675
Charge for the year	-	315,749	239,799	52,859	36,172	131,352	8,843	784,774
Eliminated on disposals	-	-	(226,639)	-	(8,785)	-	-	(235,424)
At 31.03.13	<u>-</u>	<u>2,601,393</u>	<u>1,399,254</u>	<u>2,230,669</u>	<u>459,070</u>	<u>1,882,427</u>	<u>58,212</u>	<u>8,631,025</u>
<b>Net book values</b>								
At 31.03.13	<u>622,423</u>	<u>13,287,826</u>	<u>1,144,813</u>	<u>9,634</u>	<u>1,972</u>	<u>747,225</u>	<u>30,217</u>	<u>15,844,110</u>
At 31.03.12 – As restated	<u>-</u>	<u>13,603,575</u>	<u>1,590,412</u>	<u>62,487</u>	<u>45,010</u>	<u>74,779</u>	<u>39,060</u>	<u>15,415,323</u>

The net book value at 31 March 2013 represents fixed assets used for :

	£	£	£	£	£	£	£	£
Direct charitable purposes	622,423	13,287,829	1,144,813	9,634	1,972	747,225	30,217	15,844,113
Other purposes	-	-	-	-	-	-	-	-
Fundraising	<u>622,423</u>	<u>13,287,829</u>	<u>1,144,813</u>	<u>9,634</u>	<u>1,972</u>	<u>747,225</u>	<u>30,217</u>	<u>15,844,113</u>

## JOBS & BUSINESS GLASGOW

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### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013

#### 17. Fixed Asset Investments

	COMPANY		GROUP	
	2013 £	2012 £	2013 £	2012 £
Investments in Subsidiaries	401	401	-	-
Investments in Joint Ventures	24,995	24,995	24,995	24,995
	<u>25,396</u>	<u>25,396</u>	<u>24,995</u>	<u>24,995</u>

Dalsetter Business Village - £1 (2012: £1) (1 ordinary £1 share)

The wholly owned trading subsidiary Dalsetter Business Village Limited, which is incorporated in Scotland manages the property at Dalsetter Business Village and all associated commercial operations. The charity owns the entire share capital of 1 ordinary share of £1. The subsidiary has retained profits of £154,216.

Drumchapel Training Trust Limited

The charity also has a subsidiary charity, Drumchapel Training Trust Limited, a company limited by guarantee. Jobs & Business Glasgow is the sole member of Drumchapel Training Trust.

Bridge End Nursery Group Limited - £100 (2012: £100) (100 ordinary £1 shares)

The trading subsidiary is wholly owned by the charity and operates Adelphi Nursery. The subsidiary has retained losses of £206,669.

Castlemilk Property Company Limited - £100 (2012: £100) (100 ordinary £1 shares)

The trading subsidiary is wholly owned by the charity and operates various commercial properties. The subsidiary has retained profits of £106,006.

Greater Easterhouse Property Company Limited - £100 (2012: £100) (100 ordinary £1 shares)

The trading subsidiary is wholly owned by the charity. The subsidiary has retained profits of £74,699.

Glasgow North Properties Limited - £100 (2012: £100) (100 ordinary £1 shares)

The trading subsidiary is wholly owned by the charity (100 ordinary £1 shares). The subsidiary has retained profits of £59,127.

Regenerate: Glasgow Limited – company limited by guarantee

Regenerate: Glasgow Limited was an intermediary between Glasgow's five Local Regeneration Agencies and funding providers. On 31 May 2011 Regenerate: Glasgow Limited ceased to trade and is currently in the process of completing final funding claims, following which it is the directors intention to submit an application for strike off to the Registrar of Companies.

Govan Digital Media Centre Limited

The charity holds a 50% share in the joint venture Govan Digital Media Centre. The charity own share capital of £50 (50 ordinary £1 shares).

Modular Developments Limited

The charity hold a 50% share in the joint venture Modular Developments Limited. The charity own share capital of £90,000 (90,000 ordinary £1 shares). At 30.04.2011 the company had net liabilities of £113,983 of which Jobs & Business Glasgow's share was £56,992.

Moorpark Joint Venture LLP

The charity holds a 50% share in the joint venture Moorpark LLP. At 31.03.2013 an application to strike off the LLP had been lodged with the Registrar of Companies.

**JOBS & BUSINESS GLASGOW**

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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013****18. Current asset investment**

	<b>COMPANY</b>		<b>GROUP</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash deposit	2,000,000	250,000	2,000,000	250,000
	<u>2,000,000</u>	<u>250,000</u>	<u>2,000,000</u>	<u>250,000</u>

**19. Stock**

	<b>COMPANY</b>		<b>GROUP</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Goods for resale	-	1,786	1,156	5,920
	<u>-</u>	<u>1,786</u>	<u>1,156</u>	<u>5,920</u>

**20. Debtors**

	<b>COMPANY</b>		<b>GROUP</b>	
	<b>2013</b>	<b>As restated 2012</b>	<b>2013</b>	<b>As restated 2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	609,077	2,413,035	906,806	2,116,603
Other debtors and prepayments	483,663	289,433	620,155	450,030
Accrued income	1,487,961	1,089,234	1,258,509	1,089,234
Due from group undertakings	4,640,698	3,913,034	2,832,792	2,706,018
	<u>7,221,399</u>	<u>7,704,736</u>	<u>5,618,262</u>	<u>6,361,885</u>

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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013****21. Creditors: Amounts falling due within one year**

	<b>COMPANY</b>		<b>GROUP</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	603,795	672,385	902,577	886,358
Other taxes and social security costs	1,254,997	1,025,479	1,318,634	1,089,672
Other creditors and accruals	1,015,888	993,191	1,311,789	1,597,771
Bank loans and overdrafts	311,464	292,066	311,464	966,100
Deferred income (see below)	97,120	98,507	97,120	98,507
Due to group undertakings	510,669	67,507	437,901	-
	<u>3,793,933</u>	<u>3,149,135</u>	<u>4,379,485</u>	<u>4,638,408</u>

**22. Deferred Income – Group & Company**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Balance at 1 April 2012	98,507	169,788
Amount released to incoming resources	(98,507)	(169,788)
Amount deferred in the year	<u>97,120</u>	<u>98,507</u>
Balance at 31 March 2013	<u>97,120</u>	<u>98,507</u>

Deferred Income at 31 March 2013 comprises income received in advance of service provision for the following projects:

GCC IGF	£2,500
Rent in advance	£43,769
Nursery fees in advance	£31,276
Deposits	£19,385
Others	£190
	<u>£97,120</u>

**23. Creditors: Amounts falling due after more than one year**

	<b>COMPANY</b>		<b>GROUP</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans	<u>2,189,622</u>	<u>2,498,740</u>	<u>2,189,622</u>	<u>2,531,828</u>
	2,189,622	2,498,740	2,189,622	2,531,828
Deferred capital grants (see below)	-	-	8,147,671	9,052,972
	<u>2,189,622</u>	<u>2,498,740</u>	<u>10,337,293</u>	<u>11,584,800</u>

The loans are repayable as follows:

	<b>COMPANY</b>		<b>GROUP</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
In one year or less	311,464	292,066	311,464	302,838
Between one and two years	320,144	311,190	320,144	321,962
Between two and five years	736,688	844,957	736,688	855,729
In five years or more	<u>1,132,790</u>	<u>1,342,593</u>	<u>1,132,790</u>	<u>1,354,137</u>
	<u>2,501,086</u>	<u>2,790,806</u>	<u>2,501,086</u>	<u>2,834,666</u>



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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013****23. Creditors: Amounts falling due after more than one year (continued)**

The subsidiary undertakings, Bridge End Nursery Group Limited, Castlemilk Property Company Limited, Dalsetter Business Village Limited and Greater Easterhouse Property Company Limited have received capital grants which are credited to the Balance Sheet and are then released to the Profit & Loss account over the expected useful lives of the assets concerned, in accordance with applicable accounting standards.

	<b>COMPANY</b>		<b>GROUP</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Deferred capital grants:				
Balance at 1 April 2012	-	-	9,052,972	9,323,222
Grants received in the year	-	-	-	20,500
Amortisation in the year	-	-	(905,301)	(290,750)
Balance at 31 March 2013	-	-	<u>8,147,671</u>	<u>9,052,972</u>

**24. Provisions for liabilities and charges**

	<b>COMPANY</b>		<b>GROUP</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Provision for waste disposal costs	-	-	700,000	-

**25. Operating Leases Commitments**

The company had annual commitments under non-cancellable leases as set out below:

	<b>2013</b>		<b>2012</b>	
	<b>Property</b>	<b>Other</b>	<b>Property</b>	<b>Other</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Operating leases which expire:				
Within one year	158,135	10,137	146,905	32,140
In the second to fifth years inclusive	98,100	16,655	-	26,959
After five years	50,684	-	-	-
	<u>306,919</u>	<u>26,792</u>	<u>146,905</u>	<u>59,099</u>

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## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013

### 26. Restricted Funds - Group

	Movement in funds				
	As restated Balance at 01-Apr-12	Incoming resources	Expenditure	Transfers	Balance at 31-Mar-13
	£	£	£	£	£
Enterprise Creation	-	215,372	215,372	-	-
Job Brokers-North/East/West	-	141,564	141,564	-	-
Social Economy Development Fund	338,078	-	350,165	12,087	-
Bridging Services	-	816,897	497,430	-	319,467
Yes	-	342,753	342,753	-	-
Enterprise Development	-	228,792	228,792	-	-
Roma	-	79,480	79,480	-	-
Addictions	-	200,000	200,000	-	-
Into Employment Programme	-	85,000	85,000	-	-
MCMC Central	-	186,478	186,478	-	-
Adult Literacy & Numeracy	-	161,679	161,679	-	-
North Glasgow Learns	-	94,072	94,113	41	-
EEHLC Premises	-	102,244	102,244	-	-
Balgrayhill Learning Programme	-	22,781	22,781	-	-
Workforce Development	28,620	-	-	-	28,620
Townhead	1,923	-	1,923	-	-
Environmental Project	3,000	-	-	-	3,000
Support to People North	118,894	-	44,971	-	73,923
Saracen Street	277,000	337,730	-	(614,730)	-
Health Spot	29,759	-	29,759	-	-
Place and Regeneration	9,232	-	9,232	-	-
People and Regeneration (SW)	20,020	-	20,020	-	-
Oatlands Development	270	-	-	-	270
The Big Lottery – School gates	-	103,122	59,907	-	43,215
Communities Facilities Social	-	130,114	131,144	1,030	-
Responsive Training Fund	-	198,000	34,426	-	163,574
Community Action Days	-	14,000	14,000	-	-
MKC Youth Employability Programme	-	53,122	53,122	-	-
Childcare Programme	-	119,254	119,254	-	-
	<u>826,796</u>	<u>3,632,454</u>	<u>3,225,609</u>	<u>(601,572)</u>	<u>632,069</u>

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### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013**

#### **Restricted Funds:**

##### **Bridging Services**

Funding received in advance for 2013/14 activities.

##### **Workforce Development**

This fund will support a development officer working with mental health clients seeking to progress into employment.

##### **Environmental Project**

Young roots-these funds will be utilised to enable the youth of the area to become involved in the rediscovery of the Nature Reserve of the Northern Greenbelt of Greater Easterhouse.

##### **Support to People North**

These are funds received to undertake employability and skills development programmes, working with clients in a flexible way to support them, tackling barriers to employment and assisting with aftercare support. Balances held are available for using for continuing the programmes for people development and to assist with career skills and employment opportunities.

##### **Oatlands Development**

Contribution to recruitment and equipment office costs for a development worker for the Oatlands Development Programme.

##### **The Big Lottery – School gates**

Funds received during 2012/13 in relation to The Big Lottery Funded School Gates Project included advance payments which are yet to be expended are held in a restricted reserve.

##### **Responsive Training Fund**

Balance of late confirmation of new project funding (2012-13) from GCC , once spent draw down of funding 2013-14 to commence.

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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013****27. Unrestricted Funds – Group**

	As restated Balance at 01-Apr-12 £	Movement in funds		Transfers £	Balance at 31-Mar-13 £
		Incoming Resources £	Expenditure (gains)/losses £		
Provision for Marketing	250,000	-	31,320	-	218,680
Provision for Redundancy	519,164	-	61,143	-	458,021
Provision for Loan Repayments	2,352,773	-	-	(260,213)	2,092,560
Refurbishment and Consolidation of Properties	500,000	-	-	-	500,000
Saracen Street	2,109,304	-	-	(27,693)	2,081,611
Tangible Fixed Assets	12,624,517	-	1,009,154	1,727,661	13,343,024
Vulnerable Young Women	13,596	-	-	(13,596)	-
Fire Reach	6,235	-	-	(6,235)	-
Drumchapel Training Trust-Upgrades	90,972	-	-	-	90,972
Govanhill	123,084	145,902	268,986	-	-
Bridging Services	-	320,045	-	-	320,045
Roma	-	95,509	-	-	95,509
DTT – Fixed Assets	9,679	-	-	(6,726)	2,953
DTT – Landlords Obligations	14,638	-	-	-	14,638
DTT – Internal Refit and Upgrade	31,230	-	-	-	31,230
	18,645,192	561,456	1,370,603	1,413,198	19,249,243
General Funds – as restated	6,548,668	25,523,281	24,900,557	(811,626)	6,359,766
	<u>25,193,860</u>	<u>26,084,737</u>	<u>26,271,160</u>	<u>601,572</u>	<u>25,609,009</u>

**Designated Funds**

Funds set aside as designated funds relate to funding received not yet expended as follows:

**Provision for Marketing**

This is a provision for the remaining re-branding activities including snagging for building signages and other marketing activities.

**Provision for Redundancy**

A provision is made against future redundancy. This provision is reviewed annually. Whilst every effort will be made to secure successor funding it is prudent to set aside reserves at this time.

**Provision for Loan repayments**

A number of loans are in place secured against properties. Following the merger the board are considering the economic benefit of repaying loans given the current climate within the banking centre and the disparity between income on investments and the level of interest currently being paid.

**Refurbishment and Consolidation of Premises**

Staffing levels have reduced significantly during the year, a review of all properties is underway. It is anticipated that we will reduce the number of properties further and also that those remaining will require some investment to bring these up to date, and for the adaptations necessary to effectively deliver our services to our clients.

**Saracen Street**

A proposed capital development at Saracen Street is scheduled to take place during the year. Funds are therefore continued to be set aside to fund this development which is further supported by European Regional Development fund support.

**Tangible Fixed Assets**

The provision reflects the net book value of our assets less the provision for repayment of loans.

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### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013**

#### **27. Unrestricted Funds – Group (continued)**

##### **Vulnerable Young Women**

Funds were received to fund a programme of activities for a period of one year. This funding was late in being agreed and funds represent the balance of funding required to support the balance of activities carried out early in the next financial year.

##### **Fire Reach**

Funds were received during 2011/12 intended to support a year of activities. This funding was later in being agreed. The balance of funding represents a planned range of activities to be carried out in 2012/2013.

##### **Bridging Service**

Matched funding received held in reserves, revised finances project extended to December'13 (original completion date June'13).

##### **Roma**

Income received during the year is designated to fund training costs during 2013/2014.

##### **Drumchapel Training Trust Upgrades**

This represents funds set aside in order to specifically upgrade the Open Gate. The funds are set aside to upgrade existing facilities and to make adjustments to existing provision to ensure that the facility continues to attract a range of projects delivering facilities to the local community.

##### **Govanhill**

The above funding was invoiced during the year to 31 March 2012. However the project did not start until December of 2011. The project delivers employability services to the Roma community. The balance of funds are held to be expended during the financial year to 31 March.

#### **28. Transfer of Funds**

The transfer of £601,572 represents the release of capital funding received for the Saracen Exchange project and now expended, together with the subsidy from unrestricted funds for certain overspent projects.

#### **29. Analysis of Net Assets between Funds - Group**

	<b>Tangible Fixed Assets £</b>	<b>Fixed Asset Investments</b>	<b>Net current assets £</b>	<b>Long term liabilities £</b>	<b>Total £</b>
<b>Restricted funds</b>	-	-	632,069	-	632,069
<b>Unrestricted funds</b>	26,228,378	24,995	10,392,929	(11,037,293)	25,609,009
<b>Pension reserves</b>	-	-	-	(840,000)	(840,000)
<b>Total funds</b>	<u>26,228,378</u>	<u>24,995</u>	<u>11,024,998</u>	<u>(11,877,293)</u>	<u>25,401,078</u>

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### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013**

#### **30. Control**

In the opinion of the Trustees, the ultimate controlling party is Glasgow City Council. A copy of Glasgow City Council's accounts can be obtained from Glasgow City Council, 266 George Square, Glasgow.

#### **31. Pension Costs**

Jobs & Business Glasgow currently contribute to 29 legacy defined contribution pension schemes. These are currently being rationalised. They also operate one defined benefit pension scheme, the Strathclyde Pension Fund (SPF). The total employer's pension cost for the period was as follows:

	<b>31 March 2013 £'000</b>	<b>31 March 2012 £'000</b>
Contribution to SPF	95	13
<b>Total pension cost</b>	<b>95</b>	<b>13</b>

#### **Strathclyde Pension Fund (SPF)**

The Charity's employees belong to one principal pension scheme, the Strathclyde Pension Fund (SPF), which is of the Defined Benefit Type. The assets of the SPF scheme are held in a separate, trustee administered fund.

The Charity paid contributions of 19.3% for the period from 1 April 2011.

Employees contribution rate is calculated on a tiered contribution basis dependant on pensionable salary.

The following information is based upon a full actuarial valuation of the Fund at 31 March 2013 by a qualified independent actuary.

<b>Principal Actuarial Assumptions</b>	<b>At 31 March 2013</b>	<b>At 31 March 2012</b>
Pension Increase Rate	2.8%	2.5%
Salary Increase Rate	5.1%	4.8%
Expected Return on Assets	5.2%	5.8%
Discount rate	4.5%	4.8%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	<b>At 31 March 2013</b>	<b>At 31 March 2012</b>
<i>Retiring today</i>		
Males	21.0	20.6
Females	23.4	23.9
<i>Retiring in 20 years</i>		
Males	23.3	22.6
Females	25.3	26.0

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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013****31. Pension Costs (cont...)**

The assets and liabilities in the scheme and the expected rates of return were:

	Long-term rate of return expected at 31 March 2013	Value at 31 March 2013 £'000	Long-term rate of return expected at 31 March 2012	Value at 31 March 2012 £'000
Equities	5.7%	1,256	6.3%	1,055
Bonds	3.4%	231	3.9%	151
Property	3.9%	116	4.4%	96
Other	3.0%	50	3.5%	68
<b>Total Market Value of Assets</b>		<b>1,653</b>		<b>1,370</b>
Present value of scheme liabilities		(2,493)		(1,886)
<b>Deficit in the scheme</b>		<b>(840)</b>		<b>(516)</b>

**Analysis of amount charged to statement of financial activities**

	2013 £'000	2012 £'000
Service cost	106	13
Past service cost	-	-
<b>Total operating charge</b>	<b>106</b>	<b>13</b>

**Analysis of pension finance income / costs**

	2013 £'000	2012 £'000
Expected return on pension scheme assets	(82)	(95)
Interest on pension liabilities	93	91
<b>Pension finance costs</b>	<b>11</b>	<b>(4)</b>

**Analysis of amount recognised in statement of total recognised gains and losses**

	2013 £'000	2012 £'000
Actual return less expected return on pension scheme assets	302	244
Experience gains and losses on liabilities	-	-
Changes in financial assumptions underlying the scheme liabilities	-	-
Actuarial loss recognised in SOFA	302	244
<b>Cumulative Actuarial gains and losses</b>	<b>(546)</b>	<b>(244)</b>

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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013****31. Pension Costs (cont...)****Movement in deficit during the year**

	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
(Deficit)/surplus in scheme at beginning of year	(516)	(276)
Current service cost	(106)	(13)
Employer contributions	95	13
Interest cost	(93)	(91)
Past Service Costs	-	-
Expected return on employer assets	82	95
Actuarial gain/(loss)	(302)	(244)
<b>Deficit in the scheme at end of year</b>	<b>(840)</b>	<b>(516)</b>

**Reconciliation of defined benefit obligation**

	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
<b>Opening Defined Benefit Obligation</b>	<b>1,886</b>	<b>1,669</b>
Current Service cost	106	13
Interest Cost	93	91
Contributions by members	40	5
Actuarial losses/(gains)	423	163
Past Service cost	-	-
Estimated benefits paid	(55)	(55)
<b>Estimated benefits paid</b>	<b>2,493</b>	<b>1,886</b>

**Reconciliation of fair value of employer assets**

	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
<b>Opening Fair value of employer assets</b>	<b>1,370</b>	<b>1,393</b>
Expected Return on assets	82	95
Contributions by members	40	5
Contributions by employers	95	13
Actuarial Gains/(losses)	121	(81)
Benefits paid	(55)	(55)
<b>Closing Fair Value of Employer Assets</b>	<b>1,653</b>	<b>1,370</b>

**32. Capital Commitments**

At 31 March 2013 capital expenditure commitments were as follows:

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Authorised by the Trustees but not contracted for	<u>2,154,506</u>	<u>3,327,683</u>



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### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013**

#### **33. Prior year adjustment**

A prior year adjustment has been made to reallocate £338,078 of unrestricted funds to restricted funds in respect of an incorrect allocation of the Social Economy Development Fund.

During the preparation of these financial statements it became apparent that during the year ended 31 March 2012 the charity had acquired a property costing £600,208 in settlement of a debt due from its joint venture company Moorpark Joint Venture LLP. The debt due from the joint venture was £539,415. The comparative figures have been restated to correct this omission resulting in an increase in freehold property of £600,208. A reduction in debtors of £539,415 and a credit to the restatement of financial activities of £60,793.

The group have adopted FRS17; Accounting for Retirement Benefits. Prior year figures have been restated accordingly.