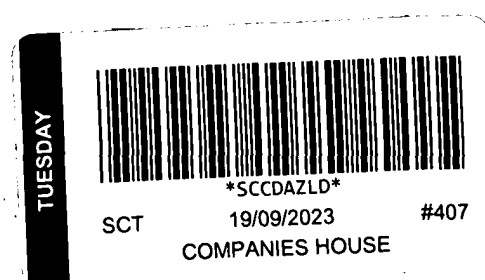


JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

COMPANY REGISTRATION NUMBER: SC108565
CHARITY NUMBER: SC023930



JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
COMPANY INFORMATION

Trustees	Peter Marsh Angus Campbell Millar (Chair) Nicola Harmon Gary Hay Sean Ferguson Elaine Gallagher Linda Pike Thomas Rannachan Alan Sherry David McClelland	
Secretary	David McMillan	
Senior management team	Gary Hay Tommy Docherty (resigned 14th October 2022) Zoe Welsh David McMillan	
Registered office	94 Duke Street Glasgow G4 0UW	
Charity number	SC023930	
Company number	SC108565	
Auditor	Azets Audit Services Chartered Accountants Titanium 1 King's Inch Place Renfrew PA4 8WF	
Banker	Bank of Scotland Argyle Street Glasgow G2 8BU	
Solicitors	Harper Macleod 45 Gordon Street Glasgow G1 3PE	Anderson Strathern George House 50 George Square Glasgow G2 1EH

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REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees are pleased to present their report together with the financial statements of Jobs and Business Glasgow (JBG) for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 2 within the Notes to the Financial Statements and comply with the charity's trust deed, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (FRS 102) and the Statement of Recommended Practice – "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (SORP).

Objectives and activities

The purposes of JBG as set out in its Articles of Association include:

- To relieve unemployment particularly amongst residents of the area served by Glasgow City Council, for the public benefit in such ways as may be thought fit, including assistance to find employment;
- To advance education particularly amongst residents of the area served by Glasgow City Council, including the sourcing or provision of training in skills of all kinds (particularly such skills as will assist the participants in obtaining paid employment);
- To relieve and/or prevent poverty particularly amongst residents of the area served by Glasgow City Council;
- To relieve those in need particularly amongst residents of the area served by Glasgow City Council, by reason of age, ill-health, disability, financial hardship, alcohol or drugs dependency, or other disadvantage; and
- To advance community development and regeneration particularly amongst residents of the area served by Glasgow City Council.

JBG's mission is:

"To work in partnership to create a more resilient business base and support residents to compete for employment opportunities in and beyond the city"

To deliver on this mission, two strategic goals were identified. These are:

- To improve the competitiveness of residents and help to increase Glasgow's employment rate – reducing the gap with Scotland and better performing UK cities
- To improve business resilience and increase the number of sustainable small businesses in Glasgow, moving towards levels achieved by better performing cities

Objectives

In striving to achieve this vision, the overall service activity delivered by JBG in 2022/23 was 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;

In order to ensure the longer term strategy is achieved the Board agrees an annual budget for the new financial year and the key performance measures which require to be met.

REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2023

Strategic Report

Review of Services

Over the last few years JBG has positioned its business and financial model to ensure that the Charity is not reliant on chasing short term funding to cover fixed costs and the inherent risks that result from this. In the past year this has proven to be more vital than ever in the face of the ongoing cost of living crisis and associated stubbornly high inflation rates. In addition public sector funding has further focussed JBG on ensuring its business model is resilient and fit for the future. Our services are directed towards satisfying the needs of our customers and stakeholders, and for demonstrating principled best value for money. To demonstrate this the Charity has now carried out due diligence exercises on all five strategic areas of the JBG business model, and substantial changes have been implemented in the last operating year. The purpose of this review has been designed to explore – wherever appropriate - potential alternative delivery models and critical success factors that any potential option would need to meet in order to be considered as an alternative successful delivery model. This review, led by the JBG Board, was an entirely separate exercise from the Council-led review of its Arms-length organisations. The objectives of this review were to determine:

- JBG's commitment to a comprehensive review of its structures and avoiding duplication.
- Recognition of the need to meet continuing financial challenges and deliver financial efficiencies across the JBG group.
- Ensuring JBG group expenditure meets the requirements and expectations of the Office of the Scottish Charity Regulator (OSCR).
- The need to demonstrate continuing viability, best value and effectiveness, and that JBG is making best and most appropriate use of the Public Pound, including:
 - an assessment of the extent to which JBG is delivering services for the people that need them;
 - the extent to which the Charity is providing value for money and meeting its intended objectives;
 - whether JBG has clear reasons and objectives for each of its services and that these are founded on a clear business case;
 - whether JBG has sound governance controls in place; and
 - the skills, knowledge and experience of staff, management and trustees.

As a result of these reviews a number of changes to the business have now been implemented:

- JBG's Business Start Up and Social Enterprise Support services transferred to GCC's Chief Executive's department on 1st April 2021.
- On 31st March 2023 JBG closed its childcare facilities and completely withdrew from the sector. More details of this development are set out later within this report.

As a result of a Business Case for the future of JBG's commercial property division, the Charity will seek to transfer all management responsibility for the portfolio and asset management programme to another party within the Glasgow City Council estate. Discussions are ongoing with GCC with a view to transferring JBG's commercial property portfolio management at an agreed, appropriate point. However, a number of structural and operational issues makes it extremely unlikely that this transfer could be implemented within the desired timeframe, therefore the Board have approved a proposal for discussions to take place with the Charity's estate professionals, with a view to testing the feasibility of their assuming this management responsibility role in the short term whilst a full tender exercise is carried out by JBG in Q3 of the operating year 2023/24.

REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2023

Strategic Report (continued)

Review of Services (continued)

- A review of JBG's Employability services is ongoing, in tandem with the wider city employability and skills mapping exercise led by GCC. The aim of the JBG-led review is to ensure the Charity is offering a unique - and the most appropriate - targeted service, and is also providing best value for money in terms of the GCC service contract.

Economic Outlook

In 2022 JBG reported that the Covid-19 pandemic had proven to be a social and economic crisis just as much as a health crisis, with socio-economic disadvantage and inequality of outcomes widening. A statement issued by the Resolution Foundation (June 2023) lays bare a stark picture:

"Britain is stagnating. Productivity growth is flatlining, workers today are earning the same wages as their predecessors in 2007, and living standards growth had slowed to a crawl even before today's cost of living crisis. So we need a clear strategy for returning to rising, and widely shared, prosperity. Against that backdrop, it is important to understand what a return to growth will, and will not deliver. Some doubt that a return to growth is possible, while others question if it is even desirable – arguing that productivity growth doesn't raise the wages of ordinary workers. Beyond growth, the roles of policies to redistribute (including through the benefits system) or predistribute (with a more equal sharing of rewards from the labour market) are hotly debated".

Alarmingly the people who have been most affected by this socio-economic inequality are continuing to face further unmanageable pressures caused by a cost of living crisis that is showing no immediate sign of recovery. The economic fallout of the war in Ukraine continues to cause huge increases in energy costs and although the energy price caps are finally showing some form of levelling off (June 2023), domestic energy bills remain significantly higher than they were just 18 months ago. The core CIPH annual inflation rate of 6.5% in May 2023 is the highest since November 1991, and a typical five-year fixed mortgage deal now has an interest rate of more than 6% (BBC, July 2023).

Real-terms incomes among low-income households fell in 2021-22 by 4 per cent, or around £600. Although the Universal Credit taper rate was reduced from 63 per cent to 55 per cent in December 2021, and work allowances were increased by £500 a year, these changes only benefitted in-work households receiving benefits. Previous Resolution Foundation analysis has shown that three-quarters of households receiving Universal Credit were worse off as a result of these combined changes.

In addition, while lower incomes fell, higher-earning households saw growing incomes. According to the ONS, the richest fifth saw a 7.8 per cent increase in wages, while the poorest fifth saw a 7.5 per cent fall in wages. The gaps in the Glasgow City area (source: NOMIS, February 2023) highlight the challenges that Jobs and Business Glasgow now need to prioritise. The situation therefore is bleak enough for those working households, but for those in workless households or in areas of socio-economic disadvantage the impact is potentially catastrophic, further emphasising the need for JBG to ensure it is prioritising and directing its time and resources to those who urgently need it most.

**REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2023**

Strategic Report (continued)

Economic Outlook (continued)

All People	Glasgow	Glasgow % (working age)	Scotland %	Great Britain %
Economically Active	328,400	74.5	77.2	78.4
In Employment	319,500	72.4	74.5	75.5
Economically Inactive	110,400	25.5	22.8	21.6
Workless Households	63,000	24.4	18.6	14.0
Out of Work Benefits	21,550	4.8	3.2	3.7
Benefits Claimants	78,570	18.2	13.0	11.0

These statistics highlight the need for Jobs and Business Glasgow to adopt a new approach to its services and its resultant performance management reporting. It remains a concern that evidence suggests that many Glasgow residents who would be identified as JBG's core customers are not proportionally benefitting from any kind of recovery in the labour market. It is essential that the Charity takes a more holistic approach to the services we offer to those who are most at need. Many customers are frankly unable to even contemplate employment as a viable option whilst they are in a position of poverty, and JBG will take cognisance of the distinction between unemployment and household poverty.

Employability Services

Our service provision centres on supporting customers through an employability progression model providing support from engagement to sustained employment in a way that is consistent with the employability pathway promoted by the Scottish Government (Creating a Fairer Scotland: A New Future for Employability Support in Scotland).

Jobs & Business Glasgow is the largest provider of Employability advice and guidance in the city, and this remains the cornerstone and key function of the Charity. In 2019 GCC carried out a review of Employability services delivered across the city by GCC departments and its ALEOs. One of the aims of the GCC review was to establish where and how other members of the GCC family deliver Employability services and to establish each department's own terminology of Employability.

GCC, through the Chief Executive's Economic Development department, does not deliver operational employability activity but sets the strategy, acts as budget holder, commissions delivery of employability interventions and monitors compliance. It is important from a governance perspective that the strategic and operational elements of delivery are separated, to ensure that there is appropriate and objective oversight of delivery in compliance with the terms and conditions of funding. The conclusions and recommendations of this review were presented to the Council in March 2020, who approved the approach to the commissioning of Jobs and Business Glasgow to continue to deliver employability activity on behalf of the Council.

Both directly and in partnership with specialist service providers JBG delivers a far-reaching combination of Early Engagement, Intensive Intervention and Support, Work Preparation, Support into work, and Employment Retention and Progression activities, all of which are aimed at assisting those Glasgow residents who are facing a number of barriers to compete for, and thrive in, the world of work.

In the 2022/23 operating year, it remained the case that any recovery in the labour market is still not being experienced by those most in need. This and several outside factors have had a bearing on the Charity's employability performance in the operating year and will possibly continue to have an effect

**REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2023**

Strategic Report (continued)

Employability Services (continued)

in the year ahead: According to the Scottish Government's monthly economic brief (RBS, March 2023), growth in permanent staff placements (47.6%) fell for the fifth time in the past six months and that uncertainty in the economic outlook for the coming year weigh on both the demand and availability of labour.

The ONS reported in their Labour Market Overview (June 2023) that across the UK the estimated number of vacancies March-May 2023 fell by 79,000 to 1,051,000. Vacancies fell on the quarter for the 11th consecutive period and reflect uncertainty across industries, as survey respondents continue to cite economic pressures as a factor in holding back on recruitment. These trends appear to go some way to explain the deficit in the Charity's employability indicators in the table below.

Key Performance Indicator		Target 2022/23	Actual	Variance from Target	% Actual vs Target
1	Number of Glasgow residents supported to become more competitive in the labour market.	3,924	3,021	-903	-23%
2	Number of Glasgow residents supported into employment or self-employment.	795	445	-350	-44%
3	Percentage of individuals entering and sustaining employment at:	13 Weeks	95%	15%	19%
		26 Weeks	84%	19%	29%
4	Percentage of Glasgow residents supported who reside in a bottom 15% employment deprived neighbourhood.	65%	60%	-5%	-7%

Despite these challenges JBG has delivered a wide range of high quality services in every ward across the city and achieved a number of notable outcomes.

Strategic Report (continued)

Employability Services (continued)

Making a real difference

1st Apr 22 - 31st Mar 23

445 Glasgow residents were supported to secure employment

325 Glasgow residents took part in training; 35% females and 65% males

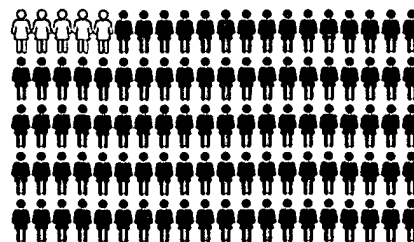
£9.90
was the Glasgow
Living wage
paid in 2022-23



£10.66
was the average
JBG hourly wage
paid in 2022-23

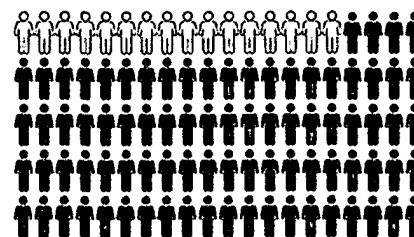
95/100

customers sustained
employment at 13 weeks



84/100

customers sustained
employment at 26 weeks



Interventions to support sustainment



Work clothing
& equipment



Travel plans
& costs



Money advice &
benefit transition



Childcare
strategies



Job progression
advice



Further job training
& development

Customer Engagement



● **7%** Re-engagements

○ **57%** Registrations

○ **36%** Continuing

Top 10 Employment Sectors

1



Cleaning

2



Care

3



Customer
Service

4



Security

5



Warehouse

6



Admin

7



Catering

8



Sales
& Retail

9



Construction

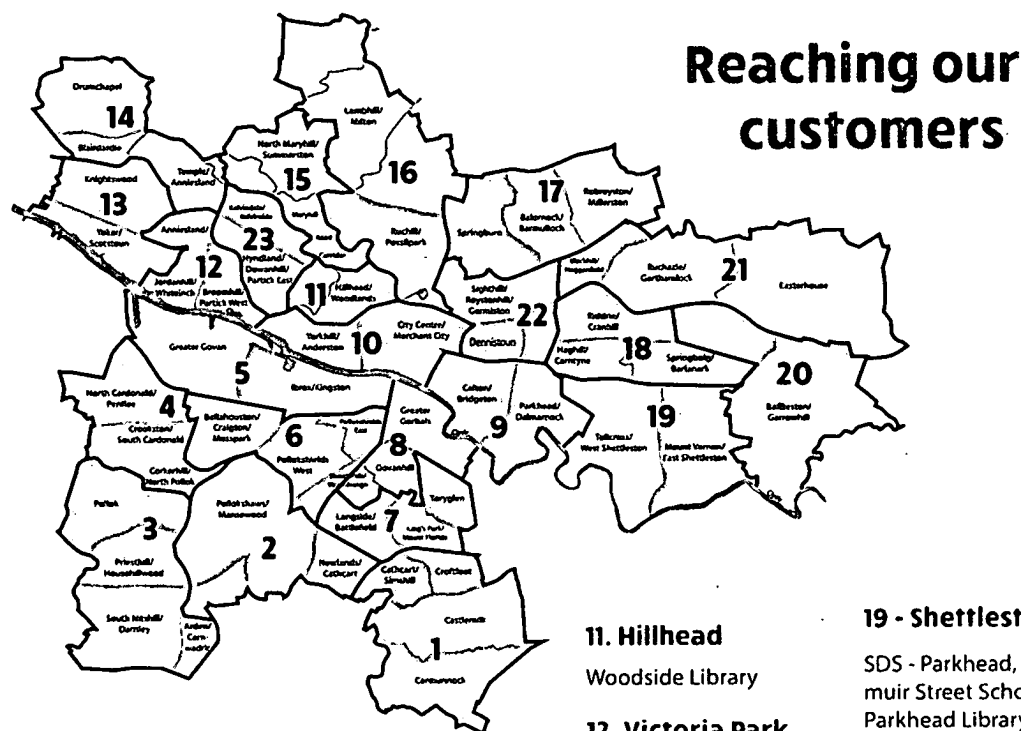
10



Driving

Strategic Report (continued)

Employability Services (continued)



1. Linn

Castlemilk Library
Castlemilk Job Centre

**2. Newlands/
Auldburn**

Newlands Job Centre

3. Greater Pollok

SDS - Pollok
Pollok Library

4. Cardonald

Cardonald Library

5. Govan

Ibrox Library
Govan Job Centre
Orkney Street - Money
Advice
MS Ambition (Ship for
Ukrainian refugees)

6. Pollokshields

Pollokshaws Library

7. Lagside

Langside Library

8. Southside Central

The Prince's Trust - The
Wolfston Centre
Gorbals Library
Lauriston Job Centre

9. Calton

Bridgeton Library
Tesco Shettleston
Community Room

**10. Anderston/
City/ Yorkhill**

SDS - George Square
City Central Job Centre

11. Hillhead

Woodside Library

12. Victoria Park

Anniesland Library

**13. Garscadden/
Scotstounhill**

Knightswood Library

**14. Drumchapel/
Anniesland**

Drumchapel Library
Drumchapel Job Centre

15. Maryhill

Maryhill Hub - NRS
Maryhill Library

16. Canal

Possilpark Library

**17. Springburn/
Robroyston**

Springburn Library
Springburn Jobcentre

18. East Centre

Riddrie Library

19 - Shettleston

SDS - Parkhead, West-
muir Street School
Parkhead Library
Tollcross Advice &
Learning Centre
(Tollcross HA)
Shettleston Library
Shettleston Job centre
Shettleston Housing
Association
Glasgow Life - Emirates
Arena

21 - North East

Easterhouse Library
Morrisons Community
room, Easterhouse

22 - Dennistoun

Tesco Springburn
Community Room
Royston Library

**23 - Partick East/
Kelvindale**

SDS - Byres Road
Partick Library
Partick Job Centre

REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2023

Strategic Report (continued)

Employability Services (continued)

JBG will continue to implement a number of changes. The hybrid employability services model has now enabled staff to return to face-to-face contact in a variety of settings. It is anticipated that in line with the rest of the third sector, JBG will continue to develop a hybrid model of face to face and digital contact that will enable us to tailor our support to our most vulnerable customers.

Customer engagement remains a priority, attracting and interacting with new customers always an area at the forefront of endeavours. Analysis of statistics illustrates that 61% of initial customer enquiries in 2022/23 were handled by JBG's customer service team, with the remaining 39% directly by employability adviser teams. With the majority of external referrals coming from Job Centre Plus, JBG's Business Support Officers will now focus on a wider, community-based campaign of partner & customer engagement.

To increase engagement JBG implemented CV Workshops to meet the demand from Jobcentre Plus customers for a quick responsive CV service. This allowed customers who were only seeking specific support to experience the support of JBG whilst providing the opportunity for the JBG engagement team to identify opportunities to target the upselling of the Company's broader services.

Responding quickly to need and demand is integral to JBG's approach, and this is no less evident than the Company's activities to support displaced Ukrainians who now reside in Glasgow. With many of the Ukrainians initially being housed in city centre hotels JBG have been proactive in registering and supporting individuals through events delivered in City Central Job Centre. This has allowed JBG to be close to individuals' temporary homes, minimising costs and any challenges to accessing services. Building on this approach, engagement and assessment events were co-ordinated within City Centre hotels during November, and moved directly to the cruise ship in Govan where there were 500 Ukrainians being housed.

Those living on the cruise ship have been subsequently moved to other accommodation throughout central Scotland and there are plans to move the Ukrainian refugees out of all hotels. The uncertainty of where they will be living has had a negative impact on customers looking for employment, with customers unsure if they will be in a position to sustain employment if they are moved out with Glasgow. As a result the number applying for jobs has reduced and, with no credit history in the UK, they are also finding it difficult to secure private tenancies to enable them to stay in their location of choice and retain their jobs.

No-One Left Behind

As the Council's lead Employability partner, JBG continues to support Economic Development Services (EDS) with the promotion of No One Left Behind (NOLB), an all-age approach to employability. JBG Employability & Skills Advisers will deliver services directly and where appropriate onward refer to more specialist/suitable employability services.

JBG also accepted an offer of grant from GCC to deliver the Scottish Government's NOLB targeted Intermediate Labour Market (ILM) Programme. This is investment for an employability focussed intervention for individuals aged 25+ who have been unemployed for 12 months or more and are experiencing inequalities in the labour market. The allocation of funding was based on actual costs incurred by JBG for the programme delivery, and supported direct ILM participant wage/training costs, all other costs were met by JBG directly. Through this funding JBG delivered 80 unique places.

In addition to ILMs funded through NOLB, the later stage employability service supported a range of activities and opportunities across various sectors. This included supporting customers joining JBG's training packages designed to meet industry requirements, and on completion of training customers progressed into short term (up to 4 weeks) transitional employment placements (TEP) with various host employers. The TEP model has been recognised as offering tremendous value to private sector

**REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2023**

Strategic Report (continued)

Employability Services (continued)

No-One Left Behind (continued)

employers, partners in Glasgow City Council services and through Third Sector employers. Eligible employers also benefit from GCC's conversion to work financial support. JBG's later stage service is promoted through various methods including social media and attendance at city-wide recruitment events. Recent events have included partnerships with, DWP and city-wide employers.

Glasgow Guarantee

JBG also delivered the Council's Glasgow Guarantee (GG) In Work Support service, providing a range of support to customers of all ages, funded through the GG Employers Recruitment Incentive. JBG provided a wide range of advice and support to employers, including support with the administration of the Progression Award; financial support for employees applying for in-work training.

Training For Work

Introduced in June 2022, JBG continues to deliver Training for Work for young people aged over 16yrs, on behalf of GCC. The service ensured there was no gap in youth provision while GCC carried out their procurement process to award three new contracts in the city. JBG developed this new service to meet the gap in provision for young people in the city following the restructuring of funding. NOLB and Young Person's Guarantee funding identified a gap in provision that had previously been delivered through the Employability Fund.

JBG agreed to deliver a pilot programme designed around the individual needs of the young person, following the guidance of the NOLB strategy. As well as ensuring young people were supported by a Key Worker and supported to progress action plans, JBG was also tasked with identifying good practice to be incorporated in mainstream programmes.

Delivery commenced in July 2022 with a target of engaging 159 young people. Progression results measured young people accessing a training allowance, achieving a qualification, entering fulltime education, or commencing employment. A work trial element was also incorporated into the programme and acknowledged as a measured result. This was introduced having reviewed the success of the TEP model used by JBG programmes. This provided the necessary evidence that this employer led approach would be beneficial for young people engaged on the programme. An important element of this pilot was to show effective partnership interactions.

Adopting a policy of "collaboration, not competition", one of the main drivers was to establish a seamless working relationship with referral partners throughout the city. Developing joint action plans has enabled participating young people to have access to the service required and at the right time.

JBG Partnership Action for Continued Employment (PACE)

Although GCC funding for the JBG PACE Plus redundancy service has ceased (PACE services are delivered via Skills Development Scotland), JBG recognises the importance of continuing with this vital service to support individuals facing redundancy to help them navigate their next steps. The Charity has therefore kept in place a specialist key worker to continue with this support and to continue to link in with key partners such as SDS and JCP, attending monthly meetings with both. Activity in the last year included supporting former Pladis employees in Tollcross and employees affected by the Allied Bakeries closure in the north of the city.

Strategic Report (continued)

Employability Services (continued)

JBG European Funded Programme – Work Life Glasgow (WLG)

On 31st March the ESF funding period for the WLG programme which has been in operation since October 2018 came to an end and transitioned to a new funding stream, specifically the UK Shared Prosperity Fund (SPF), a central pillar of the UK government's Levelling Up agenda providing funding for local investment by March 2025. The Fund aims to improve "pride in place" and increase life chances by investing in communities and place, supporting local business, and people and skills. Commencing April 2023, JBG's intensive and wide-ranging Work Life Glasgow employability initiative will make the transition from European Social Fund to SPF, as a key strand of our No-One Left Behind (NOLB) strategy.

This new funding strand will enable JBG to continue to focus on engaging with individuals across Glasgow that meet the eligibility of NOLB – SPF, and to engage, register & assess customers' needs to identify targeted action plans to assist our customers in overcoming hurdles that prevent them accessing or progressing within the labour market. For those customers in need of targeted and specific service delivery from a dedicated pipeline partner organisation, JBG will continue to work in a co-productive environment with other service providers and will seek to work with the lead partner to reduce duplication of effort. Our customer journey will not change significantly from our previous WLG operational delivery approach, however in recognising the move from pipeline stage intervention to that of Progressions and Outcomes, JBG has introduced an operational delivery plan to support the achievement of Work Experience and Volunteering.

Review of Employability Services

The range of employability services and initiatives that JBG plays a leading role is extensive and is due to grow further through the Scottish Government's NOLB agenda. However, to demonstrate its commitment to continuous improvement JBG is undertaking a comprehensive review to establish the appropriateness and effectiveness of its current range of Employability services. External consultants have been commissioned to review how our colleagues interact with customers; how the Charity's information management systems and IT is being utilised; and how it can be improved to provide more substantial data including actual number of appointments made and attended (face to face, phone, Teams), average length of meeting, activities undertaken and results.

The aim of this review will be to ensure that the Charity can be confident in the quality of the work it is delivering to its customers and will inform and impact performance reporting in key areas such as progress on delivery, customer satisfaction indicators, evidence of wider impact in the form of best value programme reviews and a range of corporate performance indicators. In the coming year we will use case studies to evidence the impact of our services and we will continue to build and strengthen our performance management approach and to better demonstrate impact.

Commercial Property

Jobs and Business Glasgow has a property portfolio that is a legacy of the five former local regeneration agencies (LRAs) that merged in 2011 to become what is now Jobs and Business Glasgow. All but one of the LRAs managed their property interests through wholly owned subsidiaries; the exception being Glasgow South West Regeneration Agency which was the "receiving Charity" at the time of merger. Therefore JBG is in the unique position of holding some of its properties within the main charity, whilst the remaining interests sit within the wholly owned subsidiary called Property by Jobs and Business Glasgow.

REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2023

Strategic Report (continued)

Commercial Property (continued)

The overall JBG property portfolio comprises commercial, operational and mixed use properties including business centres, industrial estates and childcare facilities. JBG operate and manage circa 290,000 sq/ft of property. The combined property portfolio contributes to the strategy of providing access to good quality office accommodation. As a result this not only meets our aims of supporting business development, with a particular emphasis in disadvantaged communities, it also aims to generate income that will contribute to the charity's core services. Over the past five years JBG has invested in a significant programme of property rationalisation and fabric investment. However the majority of the property portfolio is not ultimately owned by JBG and many are GCC properties that are leased long term to JBG by City Property Glasgow Investments Ltd.

In November 2020 the Board considered options for the future structure, purpose and management of the commercial property portfolio, and approved the recommendation that JBG seek to transfer all management responsibility for the portfolio and asset management programme to another party, and that preferred party should be elsewhere within the Glasgow City Council estate.

GCC Legal Services confirmed that the process for this agreement is that JBG would contract with GCC to provide these services and then GCC would most likely sub-contract with City Property. Essentially therefore any agreement would come via the Council who would apply an additional specification to the existing Service Level Agreement.

Discussions are ongoing with City Property LLP with a view to transferring JBG's commercial property portfolio to City Property at an agreed point. However, due to a number of structural and operational issues, it is now extremely unlikely that this transfer can be implemented within the desired timeframe. Therefore the Company proposes an interim arrangement of appointing its current Estates Professionals, Carter Jonas, to assume this role.

Carter Jonas's current services contract with JBG is for the supply of Estates Professionals Services, and the role of management responsibility for JBG's property interests for a proposed initial period of six months, falls within the framework of their existing supply contract with JBG. This six months period will allow for due diligence to be carried out including consideration of the business model, staff requirements and financial profile. In the meantime a full market tender exercise will be carried out by JBG in Q3 of the operating year.

Meanwhile the Charity can report positive outcomes and developments in its property portfolio in the previous operating year. The property at Moorpark House was sold, achieving market value, and the Charity exited its last remaining legacy joint venture at Govan Digital Media Centre, delivering a considerable capital receipt. Glenwood Business Centre in Castlemilk is currently being marketed for sale. The Charity's estates professionals have also made significant progress in securing tenants on longer term leases, thus reducing tacit levels.

The Charity is also considering a number of applications that have been submitted by local community organisations for the "asset transfer" of specific JBG properties. The Community Empowerment (Scotland) Act 2015 introduced a right for community bodies to make requests to a wide-ranging list of public bodies for land and buildings they could make better use of. However, when the Act became effective in January 2017, the property portfolio owned by Jobs and Business Glasgow was not considered to be part of the Community Asset Transfer processes which were being implemented by local authorities. All of JBG's properties are held for commercial use and are not generally considered to be community assets.

REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2023

Strategic Report (continued)

Commercial Property (continued)

However, it is recognised that the Charity's portfolio contains a number of facilities which could feasibly be suitable for transfer. In view of this, in November 2021 the JBG Board approved a policy for the Charity to take a similar approach to that of City Property Glasgow and adopt a voluntary approach to the Act and how it could be reasonably applied to JBG's portfolio. A voluntary process would apply to all buildings and land in the ownership of JBG.

A strict and robust quality criteria will apply. Once approval has been received for a Community Asset Transfer the terms and conditions of the transfer will require to be approved under the appropriate JBG decision making process. In addition, all Community Asset Transfer applications will be reported to the Charity's Board. Any organization that is successful in its application for an asset transfer will be required to submit an Annual Report to JBG to ensure that agreed outcomes are being met. A periodic assessment will also be conducted to ensure that all statutory obligations and conditions of sale/lease are being met.

Commercial Childcare Services

Jobs & Business Glasgow's childcare business was a legacy of the former local regeneration agencies who had provided subsidised childcare and afterschool care, all focussed on the south and east of the city. The objectives had been to provide accessible, affordable and flexible childcare, with the majority of venues located within some of Glasgow's most disadvantaged communities. However, the objectives for which the former local development companies introduced childcare provision in the 1990's and the funding that enabled it to be subsidised, had disappeared a number of years ago and the service has performed at a loss for a number of years, with those losses having latterly been met from JBG's reserves. Therefore the Board had agreed to the rationalisation of JBG Childcare services whilst seeking to transfer to another childcare provider or providers, with the Company's intention to have exited the childcare market prior to budget planning for the 2023/24 operating year.

An external third party with sufficient experience and understanding of the sector was commissioned to review all aspects of JBG's Childcare business and operations, and the findings confirmed the Board's previously held view that there is clearly a demand for high quality early years provision in Glasgow, however JBG didn't possess the appropriate or sufficient resources or personnel to deliver a sustainable model as part of its core business objectives.

In order to concentrate on JBG's core focus on tackling unemployment and social exclusion, and on the advice that the childcare business had become financially and operationally unsustainable, the JBG Board agreed to the complete withdrawal from the Commercial Childcare sector by 31st March 2023. Immediate contingency plans were put in place to support all of the Company's childcare staff and to support all parents to source alternative childcare provision.

GCC Education Services and JBG drafted a joint communication which was circulated to all parents and guardians of JBG's childcare customers; the communications strategy and all responses to media were managed by the GCC press office and Education Services. Work started immediately with GCC Education Services and JBG's own staff offering advice and support to parents in finding alternative childcare provision in their local area. By the closure date of 31st March, the parents of all but three children in Rising Stars' day nurseries had found alternative nursery provision.

On 21st February letters were sent to all staff confirming the Charity's commitment to no compulsory redundancies but - in consultation with our union colleagues - the option of voluntary redundancy was

**REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
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Strategic Report (continued)

Commercial Childcare Services (continued)

made available to those who would rather not remain with the Company, an offer that remained open until 31st March. Meanwhile the Charity appointed two designated employability advisers to provide support to all childcare staff who wished to engage with an adviser. This support centred on ensuring staff felt well-equipped to make the transition, and focussed on key employability skills such as CV creation, assistance with interview techniques, job search and how to access relevant vacancies. Although they were under no obligation to accept the option of Voluntary Redundancy, each of them did so and all 55 childcare employees left JBG's employment on 31st March, the majority of them into new jobs.

The closure of the childcare business was not a pleasant experience for anyone involved, however it is of comfort that the Charity achieved the objectives that it committed to at the outset of the review: that any potential change would not result in any compulsory redundancies, and would not adversely impact on GCC partnership provision in the city, therefore no employee would lose their job and no parent would be deprived of a childcare place as a result of this exercise. Crucially, in terms of good corporate governance, the decision to withdraw from the childcare sector has removed the certainty of the Charity delivering a substantial operating deficit in the new operating year.

Criteria used to assess success

In the 2022/23 financial year, the main criteria we used to assess success included:

- Management Development one-to-ones
- Funders/Partners feedback
- Formal independent project evaluations
- Customer case studies
- Satisfactory Internal and External Audit Reports
- Key Performance Indicators

Funders/partners feedback

Over the course of the year we have been subject to audits from Glasgow City Council and Care Inspectorate.

Project evaluations

We continue to collect positive customer case studies for every project to demonstrate customers' progress and to demonstrate JBG's role in their journey.

Satisfactory internal and external audit reports

We continue to work closely with both our Internal and External Auditors to ensure that we are on a journey of continuous improvement in all aspects of our service delivery. A clean audit opinion from our External Auditors and ongoing satisfactory reports from our Internal Auditors continues to build confidence in our systems of Internal Control. A review of Systems and Controls by Internal Audit has shown significant progress and we are committed to continue this progress.

Internal Audit work is undertaken in accordance with the Public Sector Internal Audit Standards which have been adopted by the Relevant Internal Audit Standard Setters (RIASS). The RIASS includes, among others, HM Treasury, the Scottish Government and the Chartered Institute of Public Finance and Accountancy (CIPFA).

REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
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Strategic Report (continued)

Changes in Charity structure, system developments, changes in working practices and legislative requirements create a constantly changing control environment. Taking these factors into account, the highest risk areas are brought forward in JBG's annual audit plan. Risk is assessed by considering various factors, including the potential financial impact if controls fail, any changes or new processes/systems that have been implemented and the assessment of senior officers and auditors regarding the effectiveness of controls in key areas. These risk scores are weighted and the highest composite scoring areas are prioritised in the audit plan. Public Sector Internal Audit Standards require that the audit plan should be kept under review to reflect any changing priorities and emerging risks, to ensure the plan remains relevant and reflects any changes to the inherent risks at Jobs & Business Glasgow. The Audit Committee are asked to approve any material adjustments to the audit plan.

Attendance

JBG employee absence rate for 2022/23 was 7.89%, an increase on the previous year (5.69%). Absence continues to be robustly managed in line with JBG absence and performance management policies.

Challenges

The Charity has also produced a balanced budget for 2023/24. However as a result of the continued pressures on public sector and local government funding, JBG will be expected to demonstrate increased fiscal responsibility in the face of reduced income by being innovative in developing and improving its services for the people most in need.

Operating and financial overview

The charitable group's net deficit for the year to March 2023 was £288,265. This compares to a net surplus of £933,611 for the year to March 2022. This is a reduction in surplus of £1,221,876.

The charitable group's total income for the year to March 2023 was £9,854,143. This compares to £9,422,233 for the year to March 2022. This is an increase of £431,910.

The charitable group's total expenditure for the year to March 2023 was £10,860,509. This compares to £9,693,622 for the year to March 2022. This is an increase of £1,166,887.

In cash flow terms, the bank account showed an in-funds position of £8,510,145 at the beginning of the year and an in-funds position of £8,770,005 at the end of the year. The group therefore generated a positive cashflow during the year of £259,860.

The charitable group shows an unrestricted reserve of £14,970,645 (2022: £15,258,910).

Impact of the pension deficit / surplus

As at 1st April 2023, JBG has just one employee in the Strathclyde Pension Fund, a multi-employer defined benefit scheme. The remainder of the JBG staff are in defined contribution schemes, either the Zurich scheme or NEST, a government backed scheme. Currently, the Board have made the decision that no further staff should be allowed to join the Strathclyde Pension Scheme.

In future, should the fund be in deficit, this would only crystallise (that is, be payable) if a cessation event is triggered. A cessation event is triggered if the JBG scheme ceases to have any active members in it, the other employers in the scheme continue to have active members and the pension scheme is in deficit at that time. The Trustees will be monitoring this situation very carefully to ensure there is no cessation event in the future.

**REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2023**

Strategic Report (continued)

Reserves policy

At 31 March 2023, the total funds the group held were £15.0m (2022: £15.3). Of these, £nil (2022: £nil) were restricted and were not available for the general purposes of the charity. £1.4m (2022: £1.4m) of the total funds were designated, including £1.0m (2022: £0.9m) representing the net book value of the group's tangible fixed assets.

A further £9.8m (2022: £9.9m) can only be realised by disposing of investment properties, which JBG considers to represent a commitment of the reserves it holds.

This leaves the group as at 31 March 2023 holding £3.8m (2022: £4.0m) of general funds.

The Trustees have examined the Charity's requirements for reserves in the light of the main risks to the Charity. They previously established a policy whereby unrestricted general funds not committed should be approximately three months of total expenditure. Based on the approved budget for 2023/24, three months' expenditure (salaries and project costs) equates to £2.1m. The figure above shows general reserves of £3.8m which is higher. This is consistent with our objective to slowly and steadily build our unrestricted general funds to a more acceptable level to ensure we could deal with any future cuts in funding.

Policy on creditor payments

JBG has adopted a formal accounts payable policy and within this policy it outlines our commitment to meeting our contractual terms and conditions by running two creditor payments monthly. A formal review process is in place to ensure that all invoices falling due for payment are included in these payment runs. Our procurement policy differentiates our suppliers into the following categories:

- Low tender contracts where we will contract with suppliers individually. Contractors will be advised individually that our standard payment terms are 30 days from the receipt of a valid invoice.
- Contracts procured through Public Contracts Scotland (PCS). Our terms and conditions are set out on the PCS portal.
- Contracts procured through an existing local authority framework agreement. The terms and conditions will have been agreed by the contracting authority. JBG will therefore comply with the terms and conditions previously agreed.
- Utility Companies. It is not our current practice to negotiate on our payment terms however, our policy allows flexibility to comply with terms and conditions set by utility companies. The payment terms for our utility suppliers range from 7-14 days.

**REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
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Strategic Report (continued)

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 Information and Database Manager is responsible for co-ordinating the Charity's risk strategy and risk register. Each senior manager is responsible for risk management in their respective areas. The JBG board closely monitors the top 5 risks, and in August 2018 the Board agreed that the full JBG Risk Register should be presented annually to the Board. The following systems and procedures to manage risk have been established:

- Regular Board meetings (currently 4 per annum) are held quarterly by the Trustees and Senior Officials of the charity.
- The Finance and Audit Committee also oversees the risk register.
- Monthly management accounts, incorporating year to date actuals and projected year-end outturns are prepared and reviewed against budget. These are discussed with the Managing Director and the appropriate Senior Manager and actions plans are agreed and monitored. These are also submitted at a summarised level to the Board.
- Internal controls are in place to safeguard the Charity's assets
- The top 5 risks are considered by the SMT on a monthly basis with mitigating actions agreed, following which the top 5 risks are flagged and reported to the Board.

Risk register

The JBG risk register reflects all current risks that the charity faces and how these are being mitigated. The principal risks and uncertainties that may seriously affect the performance, future prospects or reputation of JBG are described in the table below

Description of Risk	Impact	Probability	Mitigations
RISK: Blairtummock House. CAUSE: Building is vacant and has been the target of ongoing vandalism and therefore in a vulnerable state. EFFECT: GCC insurers reducing cover without adequate/increased security measures. Overspend against budget due to increased security costs and no rental income.	4	5	<ol style="list-style-type: none"> 1. Relocate JBG property staff to Blairtummock House. 2. Installation of electronic/roller shutters. 3. Upgrading of CCTV cameras with 24-hour monitoring by GCC CCTV centre. 4. Ongoing liaison with community stakeholders. 5. Ongoing marketing of the premises to prospective tenants..
RISK: Failure to achieve a balanced budget in next financial year. CAUSE: Property overhead as a result of closure of Childcare business; lower than anticipated income generated by Property; reduction in GCC service fee. EFFECT: Overspend against core budgets; Reduction to commercial revenue streams.	4	4	<ol style="list-style-type: none"> 1. Implement efficiency savings exercises across the business. 2. Procure business improvement/ performance management expertise to review services. 3. Explore further sharing of resources through partnership working. 4. Disposal/ repurposing of former Childcare premises. 5. Management accounts are issued to SMT and operational managers each month for review. 6. Ultimately use of general reserves in the short term.

**REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
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Strategic Report (continued)

Risk register (continued)

Description of Risk	Impact	Probability	Mitigations
<p>Risk: Quality of support from CGI does not meet expectations. Cause: Failure by CGI to deliver projects on time; delays in procuring new equipment; lack of progress updates from CGI counterparts. Effect: detrimental impact on staff satisfaction levels; detrimental impact on staff productivity levels; detrimental impact on organisational performance.</p>	4	4	<ol style="list-style-type: none"> 1. Engage with GCC colleagues to share experiences and record risks and issues on a regular basis. 2. Liaise closely with CGI counterparts - account manager, service delivery manager, and service director to ensure that all issues and aspirations are noted. 3. Manage expectations of JBG staff and management
<p>Risk: JBG will experience significant changes to its financial and business model. Cause: The GCC review of citywide employability services will determine JBG's role in the sector and how it fits with other providers; whether JBG is continuously improving its services for the people that use them, providing value for money and achieving its intended objectives. Effect: Failure of JBG to meet objectives set out in the Articles of Association.</p>	5	3	<ol style="list-style-type: none"> 1. New Services Contract with GCC will be developed and agreed before September 2023, defining the Company's objectives and outputs. This will then help to shape and inform amended Articles. 2. Procure business improvement/ performance management expertise to review services. 3. implement efficiency savings exercises across core services 4. explore further sharing of resources through partnership working 5. liaise with GCC Economic Services and Legal Services to keep informed of all internal changes and developments.
<p>RISK: 2023/24 Board approved budget does not accurately reflect actual financial performance. CAUSE: Challenges in public funding and commercial property sectors restricting JBG operational activities and revenue generating operations stated within JBG's business plan. EFFECT: Budgetary control and meaningful financial reporting will be impacted.</p>	5	3	<ol style="list-style-type: none"> 1. JBG board or GCC may request budget and business plan is prepared again. 2. Preference is for close financial monitoring and preparation of early probable outturn. 3. Liaison with key stakeholders

**REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
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Strategic Report (continued)

Summary of future plans

Performance Summary – 1st April, 2023 – 31st March 2024.

The following tables summarise our proposed targets and outputs across all departments for the period 1st April, 2023 – 31st March 2024.

Employability and Skills

Key Performance Indicators – Targets 1st April 2023 - 31st March 2024			
Theme: Contributing to a thriving economy by increasing the employment rate and number of sustainable small businesses in Glasgow			
Key Performance Indicator			Target 2023-24
1	Number of Glasgow residents supported to become more competitive in the labour market		3,500
2	Number of Glasgow residents supported into employment or self-employment		790
3	Percentage of individuals entering and sustaining employment at: % who respond to our in work support team	13 weeks	80%
		26 weeks	65%
4	Percentage of Glasgow residents supported who reside in a SIMD bottom 15% employment deprived neighbourhood		65%

In addition to these headline indicators a comprehensive sub-set of performance indicators and data including:

- Number supported into transitional employment
- Number supported into employment
- Number of Glasgow residents supported to become more competitive in the labour market
- Number receiving support to secure employment or enter training or education
- Number supported to participate in training and personal development activity, achieve a qualification, or undertake further education
- Number offering job opportunities, job tasters and volunteering placements to JBG customers
- Number of customers engaged, determined by age group (16-29 yrs; 30-49 yrs, 50+ yrs)
- Number of customers engaged, determined by geographical area
- Number of customers engaged, determined by gender

**REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
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Strategic Report (continued)

Summary of future plans (continued)

Commercial Property

Key Performance Indicators – Targets April 1st 2023 – March 31st 2024		
	KEY PERFORMANCE INDICATOR	Target 2023-24
1	Property Tenant Satisfaction Survey respondents	55%
2	Verified Service Users Satisfaction	90%
3	Tacit relocation levels	25%
4	Reduce our property estate through effective asset management	20%
5	Building Statutory Compliance	100%

We will also conclude the transfer of management responsibility JBG's commercial property portfolio before the end of the operating year.

Trustees' perspective of the future direction of the charity

The Trustees' view is that the work that JBG carries out is essential for the economic success of the city and its people. The impact of the cost of living crisis, following on so quickly from the Covid pandemic, has exacerbated the already existing challenges of poor health, poverty and inequalities that are intrinsically linked to social exclusion and unemployment.

The Charity continues to operate in a challenging financial environment with Public Sector funding continuing to be under significant pressure. The internal review of JBG's structure and services demonstrates the commitment and determination of the Charity Trustees and management to ensure that JBG is a lean, efficient business that is clearly positioned in the city and focussed on its key objectives, and it also demonstrates that Trustees are prepared to implement the changes that are required to make it so. The Trustees are committed to ensuring that the Charity is fiscally prudent, and are pleased with the continued drive in the last operating year to ensure the Charity is in a firm and stable financial position.

The Trustees will support the Charity to further embrace its culture of continuous improvement to ensure that JBG is laser focussed on its core objective of helping those most in need. At the heart of everything JBG delivers is its people: its staff and its customers. The work of this Charity has never been more relevant and crucial.

To do this, the Charity must continue to work collaboratively and creatively with colleagues at Glasgow City Council. This partnership has never been stronger and the Trustees are keen to support a commitment by both parties to bring others from across the public and third sectors to effectively and determinedly work together for the people of Glasgow.

The Trustees believe that as a significant contributor to the GCC Economic Strategy, JBG should also be in a strong position to play a major role in delivering elements of the City's Financial Exclusion and Child Poverty action plans, and it is more essential than ever that JBG, on a strategic, financial and operational level, is able to respond to challenges and opportunities presented by the Council's Inclusive Growth Agenda.

REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
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Strategic Report (continued)

Trustees' perspective of the future direction of the charity (continued)

Employee Involvement

The Trustees are very keen that employees are systematically provided with information on matters of concern to them. The Managing Director has participated in a number of virtual MS Teams meetings with staff, and has made a commitment to ensure that staff are kept fully informed of any developments. In addition:

- Leadership meetings involving operational and senior managers were held, to focus on key areas of the business such as attendance levels, budgets, funding etc
- Senior Management Team meetings are held a minimum fortnightly
- Development sessions are held at least once a year for staff to focus on key areas of the business such as performance, Charity values and future KPIs and priorities etc

The Trustees are keen that staff are consulted on a regular basis so that their views can be taken into account in making decisions which will affect them. To this end, during the financial year, the following arrangements were in place:

- JBG has a Joint Consultation and Negotiation Committee (JCNC) which meets at least quarterly, and a meeting is regularly scheduled immediately following the JBG Board meetings, to provide comfort to the Union and its members that they are being kept fully and immediately informed. The group consists of the Managing Director, members of the Senior Management Team whenever appropriate, and representatives from Unite, the Union. The forum enables the Managing Director to update the union reps and full-time official on issues such as staff increments, pay awards, terms and conditions, pension.
- An all staff survey is also distributed annually. The returns are completely anonymous and are used to get staff views on a range of issues;
- All staff receive annual performance reviews;
- Where appropriate, staff are given individual performance targets and KPIs which contribute to the overall Charity targets;
- These arrangements are continually reviewed and developed to ensure they remain fit for purpose

Disabled persons

The group recognises its obligations towards disabled persons and endeavours to provide as many employment, training and career opportunities as the demands of the group's operations and the abilities of the disabled persons allow.

Structure, governance and management

As well as being a charity, JBG is also a private company limited by guarantee, owned by its sole member which is Glasgow City Council. Although JBG is an independent charity it works closely with its member and JBG staff attend and take part in joint working groups and forums across all areas, including finance, HR, economic growth and business transformation.

**REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2023**

Strategic Report (continued)

Directors and Trustees

The directors of the charitable Charity (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, with the following table showing the attendance of Trustees at Board meetings during the year. There were six board meetings in the period April 2022 to June 2023.

Peter Marsh
Angus Campbell Millar
Gerry Milne (resigned 2nd March 2023)
Nicola Harmon
Gary Hay
Linda Pike (Chair, appointed 19th May 2022)
Sean Ferguson (appointed 19th May 2022)
Elaine Gallagher (appointed 19th May 2022)
Thomas Rannachan (appointed 19th May 2022)
Alan Sherry (appointed 23rd June 2022)
David McClelland (appointed 23rd June 2023)
Laura Doherty (resigned 19th May 2022)
Greg Hepburn (resigned 19th May 2022)
Jill Brown (resigned 19th May 2022)
Ruairi Kelly (resigned 19th May 2022)

Attendance at board meetings

Date	24th June 2022	26th August 2022	25 th November 2022	10 th February 2023	24 th March 2023	23 rd June 2023	Total
Cllr Angus Millar	Y	Y	Y	Y	Y	N	5/6
Nicola Harmon	Y	N	Y	Y	Y	Y	5/6
Peter Marsh	Y	Y	Y	N	N	Y	4/6
Gerry Milne	N	N	N	N	N/A	N/A	0/4
Bailie Linda Pike	Y	Y	Y	Y	Y	Y	6/6
Gary Hay	Y	Y	Y	Y	Y	Y	6/6
Cllr Sean Ferguson	Y	Y	Y	Y	Y	Y	6/6
Bailie Elaine Gallagher	Y	Y	N	N	Y	Y	4/6
Cllr Thomas Rannachan	Y	Y	N	N	Y	Y	4/6
Alan Sherry, OBE	N/A	Y	Y	N	Y	N	3/5
David McClelland	N/A	N/A	N/A	N/A	N/A	Y	1/1

REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
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Strategic Report (continued)

Board decision making

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

- giving strategic direction to the Charity;
- agreeing JBG's business plan and KPIs;
- 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 Managing Director; and
- deciding on the governance and delegated authority levels of the Charity.

Decision making

The Managing Director is responsible for the day to day administration of JBG and 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 Managing Director:

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

Senior Management Team

For the financial year we operated with the structure as described in the table below.

Post	Senior Manager	Responsibilities
Acting Head of Finance	David McMillan	Finance, Company Secretarial Work.
Head of Employability & Skills	Zoe Welsh	Adult employability, community benefits, Charity strategy and funding applications
Head of Property, Childcare & Enterprise (post subject to review)	Vacant WEF 15/10/2023	Commercial Property and Childcare

Subsidiary

Property by Jobs & Business Glasgow Ltd is JBG's property trading subsidiary.

In March 2018 the JBG Board approved a motion that membership of the Property by Jobs & Business Glasgow Ltd Board should consist entirely of all existing Trustees of the main Jobs and Business charity, other than the Managing Director.

REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
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Strategic Report (continued)

Committees

The JBG Board meets a minimum of four times each year. In addition JBG's Board has two sub committees to manage various aspects of governance and its responsibilities.

Finance & Audit Committee

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

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

The Committee meets in advance of every JBG Board meeting, and continues to include standing invitations to both Internal and External Auditors.

Finance & Audit Committee (continued)

The membership of this committee is as follows:

- Peter Marsh (*Chair*)
- Councillor Sean Gallagher (*appointed 26th June 2022*)
- Councillor Elaine Gallagher (*appointed 26th June 2022*)
- Councillor Thomas Rannachan (*appointed 26th June 2022*)
- David McClelland (*appointed 24th June 2023*)

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.

The membership of this committee is as follows:

- Councillor Linda Pike (*Chair*)
- Elaine Galletly, GCC
- Gary Hay
- Councillor Elaine Gallagher

Governing document

Jobs and Business Glasgow is a company limited by guarantee, incorporated on 7 January 1988 and registered as a charity on 30th June 1995. The Charity 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 Charity being wound up the members are required to contribute an amount not exceeding £1 each.

REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2023

Strategic Report (continued)

Recruitment and appointment of Trustees

Under the terms of clause 16 of the articles of association, Charity 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); and
- Managing Director

At the conclusion of each AGM of the Charity, 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.

The Charity's Articles allow for a Nominations Committee to be convened to oversee the recruitment of any independent directors.

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 Charity 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. Two new trustees have been appointed since the year end and induction sessions have been completed with all.

Arrangement for setting the pay and remuneration of management

The arrangements for setting the pay and remuneration of the charity's key management personnel is carried out by the Board. Key management personnel comprises the charity Trustees and the Senior Management Team.

Related parties

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

Reference and administrative details

Details of the Trustees, secretary, senior management team, registered office, auditor, bankers and solicitors are on the Charity Information page of these financial statements.

REPORT OF THE TRUSTEES (INCORPORATING THE STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2023

Strategic Report (continued)

Statement of Trustees' responsibilities

The charity trustees (who are also the directors of Jobs and Business Glasgow for the purposes of Charity law) are responsible for preparing the Report of the Trustees (incorporating the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Charity and Charity law requires the trustees to prepare financial statements for each financial year. Under Charity law the trustees have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice). Under Charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and Charity and of the income and expenditure of the group and Charity for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting 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 group and Charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and Charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and Charity and enable them to ensure that the financial statements comply 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). They are also responsible for safeguarding the assets of the group and Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Disclosure of information to the auditor

To the knowledge and belief of each of the persons who are trustees at the time the report is approved:

- a) so far as the trustees are aware, there is no relevant information of which the group's auditor is unaware; and
- b) the trustees have taken all steps that they ought to have taken as a trustee in order to make themselves aware of any relevant information and to establish that the group's auditor is aware of the information.

Auditor

The auditor, Azets Audit Services was appointed during the year and will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the Board on 1st September 2023 and signed on its behalf by:


Linda Pike
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF JOBS AND BUSINESS GLASGOW FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of Jobs and Business Glasgow (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2023, which comprise the Consolidated and Company Statement of Financial Activities (incorporating the Income and Expenditure Account), the Consolidated and Company Statement of Financial Position, the Consolidated and Company Statement of Cash Flows, the Consolidated and Company Analysis of Net Debt and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and the parent charitable company's affairs as at 31 March 2023 and of the group's and parent charitable company's 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 requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the groups's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF JOBS AND BUSINESS GLASGOW FOR THE YEAR ENDED 31 MARCH 2023

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees (incorporating the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees (incorporating the Strategic Report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees (incorporating the Strategic Report).

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

- adequate and proper accounting records have not been kept by the parent charitable company, 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 and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF JOBS AND BUSINESS GLASGOW FOR THE YEAR ENDED 31 MARCH 2023

Responsibilities of the Trustees

As explained more fully in the Trustees' Responsibilities Statement on page 25, the Trustees (who are the directors for the purposes of company law and trustees for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the group and parent charitable company through discussions with trustees and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and parent charitable company, including the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), taxation legislation and data protection, anti-bribery, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF JOBS AND BUSINESS GLASGOW FOR THE YEAR ENDED 31 MARCH 2023

Extent to which the audit was considered capable of detecting irregularities including fraud (continued)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the group and parent charitable company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the parent charitable company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Our audit work has been undertaken so that we might state to the parent charitable company's members, as a body, and the parent charitable company's trustees, as a body, those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company, the parent charitable company's members, as a body, and the parent charitable company's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Nick Bennett (Senior Statutory Auditor)
For and on behalf of
Azets Audit Services, Statutory Auditor
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

Date: 19 September 2023

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023
(including an Income and Expenditure Account)

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Pension reserve 2023 £	Total funds 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Pension reserve 2022 £	Total funds 2022 £
Income and endowments from									
Donations and legacies	6	3,846,825	559,119	-	4,405,944	3,754,376	513,709	-	4,268,085
Charitable activities	7	1,612,367	1,425,188	-	3,037,555	2,079,488	699,752	-	2,779,240
Investments	8	2,410,644	-	-	2,410,644	2,207,521	-	-	2,207,521
Other	9	-	-	-	-	167,387	-	-	167,387
Total income		7,869,836	1,984,307	-	9,854,143	8,208,772	1,213,461	-	9,422,233
Expenditure on									
Raising funds	10	(1,976,108)	-	-	(1,976,108)	(2,156,844)	-	-	(2,156,844)
Charitable activities	11	(6,862,094)	(1,984,307)	(38,000)	(8,884,401)	(6,268,317)	(1,213,461)	(55,000)	(7,536,778)
Total expenditure		(8,838,202)	(1,984,307)	(38,000)	(10,860,509)	(8,425,161)	(1,213,461)	(55,000)	(9,693,622)
Net gains on investments	17,18	680,101	-	-	680,101	960,000	-	-	960,000
Net (expenditure)/income for the year		(288,265)	-	(38,000)	(326,265)	743,611	-	(55,000)	688,611
Other recognised gains		(288,265)	-	(38,000)	(326,265)	743,611	-	(55,000)	688,611
Actuarial gain on defined benefit pension schemes	24	-	-	38,000	38,000	-	-	245,000	245,000
Net movement in funds		(288,265)	-	-	(288,265)	743,611	-	190,000	933,611
Total funds brought forward	25	15,258,910	-	-	15,258,910	14,515,299	-	(190,000)	14,325,299
Total funds carried forward	25	14,970,645	-	-	14,970,645	15,258,910	-	-	15,258,910

All income and expenditure derive from continuing activities.
The notes on pages 36 to 66 form part of these financial statements

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023
(including an Income and Expenditure Account)

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Pension reserve 2023 £	Total funds 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Pension reserve 2022 £	Total funds 2022 £
Income and endowments from									
Donations and legacies	6	3,846,825	559,119	-	4,405,944	3,754,376	513,709	-	4,268,085
Charitable activities	7	1,612,367	1,425,188	-	3,037,555	2,079,488	699,752	-	2,779,240
Investments	8	1,328,368	-	-	1,328,368	1,363,634	-	-	1,363,634
Other	9	-	-	-	-	132,878	-	-	132,878
Total income		6,787,560	1,984,307	-	8,771,867	7,330,376	1,213,461	-	8,543,837
Expenditure on									
Raising funds	10	(746,524)	-	-	(746,524)	(900,456)	-	-	(900,456)
Charitable activities	11	(6,944,728)	(1,984,307)	(38,000)	(8,967,035)	(6,495,093)	(1,213,461)	(55,000)	(7,763,554)
Total expenditure		(7,691,252)	(1,984,307)	(38,000)	(9,713,559)	(7,395,549)	(1,213,461)	(55,000)	(8,664,010)
Net (losses)/gains on investments	17,18	(139,899)	-	-	(139,899)	1,180,000	-	-	1,180,000
Net (expenditure)/income for the year		(1,043,591)	-	(38,000)	(1,081,591)	1,114,827	-	(55,000)	1,059,827
Transfers between funds	25	-	-	-	-	-	-	-	-
		(1,043,591)	-	(38,000)	(1,081,591)	1,114,827	-	(55,000)	1,059,827
Other recognised gains									
Actuarial gain on defined benefit pension schemes	24	-	-	38,000	38,000	-	-	245,000	245,000
Net movement in funds		(1,043,591)	-	-	(1,043,591)	1,114,827	-	190,000	1,304,827
Total funds brought forward	25	13,351,345	-	-	13,351,345	12,236,518	-	(190,000)	12,046,518
Total funds carried forward	25	12,307,754	-	-	12,307,754	13,351,345	-	-	13,351,345

All income and expenditure derive from continuing activities.
The notes on pages 36 to 66 form part of these financial statements

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

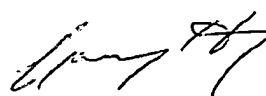
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	16	980,113	928,324
Investment properties	17	9,835,000	9,905,000
Investments	18	-	24,899
		<u>10,815,113</u>	<u>10,858,223</u>
Current assets			
Debtors	19	1,520,454	1,175,329
Cash at bank and in hand		<u>8,770,005</u>	<u>8,510,145</u>
		<u>10,290,459</u>	<u>9,685,474</u>
Creditors: amounts falling due within one year	20	<u>(2,563,564)</u>	<u>(2,349,616)</u>
Net current assets		7,726,895	7,335,858
Provisions	21	(3,571,363)	(2,935,171)
Net assets excluding pension liability		<u>14,970,645</u>	<u>15,258,910</u>
Defined benefit pension scheme liability	24	-	-
Net assets		<u><u>14,970,645</u></u>	<u><u>15,258,910</u></u>
Funds			
Restricted funds	25	-	-
Unrestricted funds	25	14,970,645	15,258,910
Pension reserve	24,25	-	-
		<u><u>14,970,645</u></u>	<u><u>15,258,910</u></u>

The financial statements have been authorised for issue by the Board of Trustees on 1st September 2023 and are signed on their behalf by:



Linda Pike
Trustee



Gary Hay
Trustee

Company number: SC108565

The notes on pages 36 to 66 form part of these financial statements

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

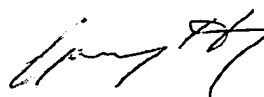
CHARITY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	16	521,195	537,370
Investment properties	17	5,145,000	6,035,000
Investments	18	100	24,999
		<u>5,666,295</u>	<u>6,597,369</u>
Current assets			
Debtors: amounts falling due after more than one year	19	181,146	249,079
Debtors: amounts falling due within one year	19	1,202,847	1,309,297
Cash at bank and in hand		8,693,710	8,336,637
		<u>10,077,703</u>	<u>9,895,013</u>
Creditors: amounts falling due within one year	20	<u>(1,882,438)</u>	<u>(2,045,024)</u>
Net current assets		8,195,265	7,849,989
Provisions	21	(1,553,806)	(1,096,013)
Net assets excluding pension liability		<u>12,307,754</u>	<u>13,351,345</u>
Defined benefit pension scheme liability	24	-	-
Net assets		<u><u>12,307,754</u></u>	<u><u>13,351,345</u></u>
Funds			
Restricted funds	25	-	-
Unrestricted funds	25	12,307,754	13,351,345
Pension reserve	24,25	-	-
		<u><u>12,307,754</u></u>	<u><u>13,351,345</u></u>

The financial statements have been authorised for issue by the Board of Trustees on 1st September 2023 and are signed on their behalf by:



Linda Pike
Trustee



Gary Hay
Trustee

Company number: SC108565

The notes on pages 36 to 66 form part of these financial statements

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	26	(2,810,594)	(2,618,851)
Cash flows from investing activities			
Interest and rents from investments		2,410,644	2,207,521
Interest payable		(10,394)	(12,705)
Purchase of property, plant and equipment		(104,796)	-
Proceeds from sale of investment property		775,000	-
Net cash provided by investing activities		3,070,454	2,194,816
Increase/(Decrease) in cash and cash equivalents in the year		259,860	(424,035)
Cash and cash equivalents at 1 April		8,510,145	8,934,180
Cash and cash equivalents at 31 March		8,770,005	8,510,145

CONSOLIDATED ANALYSIS OF NET DEBT
AS AT 31 MARCH 2023

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash and cash equivalents	8,510,145	259,860	8,770,005
	8,510,145	259,860	8,770,005

The notes on pages 36 to 66 form part of these financial statements

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

CHARITY STATEMENT OF CASH FLOWS
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (used in) operating activities	26	(1,746,295)	(1,576,132)
Cash flows from investing activities			
Interest and rents from investments		1,328,368	1,363,634
Purchase of property, plant and equipment		-	-
Proceeds from sale of investment property		775,000	-
Net cash provided by investing activities		2,103,368	1,363,634
Increase/(Decrease) in cash and cash equivalents in the year		357,073	(212,498)
Cash and cash equivalents at 1 April		8,336,637	8,549,135
Cash and cash equivalents at 31 March		8,693,710	8,336,637

CHARITY ANALYSIS OF NET DEBT
AS AT 31 MARCH 2023

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash and cash equivalents	8,336,637	357,073	8,693,710
	8,336,637	357,073	8,693,710

The notes on pages 36 to 66 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. General information

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the charitable group's transactions are denominated. They comprise the consolidated financial statements of the charitable group.

Jobs and Business Glasgow's mission is described as "To work in partnership to create a more resilient business base and support residents to compete for employment opportunities in and beyond the city."

The principal activity of Property by Jobs & Business Glasgow Ltd is that of property investment including property development and rental of the developed properties.

Jobs and Business Glasgow is a private company limited by guarantee, incorporated in the United Kingdom and registered in Scotland. The liability of each member in the event of winding up is limited to £1. It is recognised as a charitable company for tax purposes by HMRC and is registered with the Office of the Scottish Charity Regulator (OSCR) under charity number SC023930. The charitable company's registered number is SC108565.

Property by Jobs & Business Glasgow Ltd, a group member, is a private company limited by shares, incorporated in the United Kingdom and registered in Scotland. The company's registered number is SC142446.

Details of the registered office can be found on the Company Information page of these financial statements.

2. Accounting policies

a) Basis of preparation

The financial statements are prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)', the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charitable company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Trustees to exercise their judgement in the process of applying the accounting policies (see note 3).

b) Going concern

The Trustees consider that there are no material uncertainties about the group and charitable company's ability to continue as a going concern in the 12 months following the signing of these financial statements. This opinion is formed with reference to positive cashflows, bank balances, surety of funding, general reserves and a forecast balanced budget for financial year 2024/25.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

c) Consolidation

The financial statements consolidate the results of the charitable company and its wholly owned subsidiary, Property by Jobs & Business Glasgow Ltd on a line by line basis. Intercompany transactions and balances between group companies are eliminated in full.

d) Income recognition

Income is recognised once the group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the group has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the group is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the group and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the group, this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the group has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met (see note 22).

e) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the group to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenditure including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this allocation refer to policy (f) below.

- Raising funds expenditure includes the cost of operating investment properties and other associated costs; and
- Expenditure on charitable activities includes Employability, Childcare, Enterprise & Social Economy and other activities undertaken to further the purpose of the charity and their associated support costs.

Irrecoverable VAT is charged as a support cost.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

f) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the group and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on budgeted staff costs for each activity. The allocation of support and governance costs is analysed in note 12.

g) Pensions

Employees of the group are entitled to join a defined contribution 'money purchase' scheme. The group contribution is restricted to the contributions disclosed in note 13. The group owed £31,737 (2022: £32,722) to the scheme at the year end.

The money purchase plan is managed by various providers and the plans invest the contributions made by the employee and employer in an investment fund to build up over the term of the plan. The pension fund is then converted into a pension upon the employee's normal retirement age which is defined as and when they are eligible for a state pension. The group has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

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

The group is also an admitted body to the Strathclyde Pension Fund (SPF), which is administered by Glasgow City Council and which requires contributions to be made to its number 1 fund. This is a defined benefit scheme that is externally funded and contracted out of the State Earnings Related Pension Scheme. Contributions to the scheme are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives with the group in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of periodic valuations.

h) 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the difference between the fair values of assets acquired and the future tax deductions available for them and the difference between the fair value of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Statement of Financial Position date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

i) Tangible fixed assets and depreciation

All assets costing more than £25,000 are capitalised and valued at historical cost. Depreciation is charged as follows:

Freehold buildings	Over 50 years, following year of purchase
Leasehold properties	Over 50 years or over the term of the lease, whichever is shorter
Plant and machinery	10% - 20% straight line
Computer equipment	33% straight line

No depreciation is provided in respect of land.

Mixed use property is separated between investment property and tangible fixed assets if the resulting portions could be sold separately (or leased out separately under a finance lease). However, if the fair value of the investment property component cannot be measured reliably, the entire property is accounted for as property within tangible fixed assets.

j) Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

k) Investments

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

l) Financial instruments

The group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and balances with related parties. Financial instruments that are payable or receivable within one year, typically trade debtors or creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other debtors and creditors, are initially measured at the present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

m) Debtors

Short term debtors are measured at transaction price, less any impairment.

n) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

o) Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

p) Provision for liabilities

A provision is recognised in the Statement of Financial Position when the group has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date. Provisions are charged as an expense to the Statement of Financial Activities in the year that the group becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

q) Fund structure

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created funds for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through the terms of an appeal.

Further details of each fund are disclosed in note 24.

r) Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

3. Judgements in applying policies and key sources of estimation uncertainty

In preparing the consolidated financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The trustees are satisfied that the accounting policies are appropriate and applied consistently. Key sources of estimation have been applied to the depreciation rates, bad debt provision, dilapidations provision, pension assumptions and principles underlying the valuation of investment property. The depreciation rates have been deemed to be appropriate for the class of asset. The bad debt provision has been reviewed and has been deemed reasonable. The dilapidations provision has been calculated by a qualified property expert and has been deemed reasonable. The pension assumptions, determined by a qualified actuary, have been reviewed and have been deemed to be appropriate. The revaluation of investment properties has been calculated by a qualified valuer and has been deemed reasonable.

4. Financial activities of the subsidiary

Property by Jobs & Business Glasgow Ltd

The charity has a wholly owned trading subsidiary Property by Jobs & Business Glasgow Ltd (company number: SC142446), which is incorporated in Scotland and whose principal activity is property rental. The charity owns the entire share capital of 100 ordinary shares of £1 each. A summary of the trading results is shown below:

	2023 £	2022 £
Turnover	1,164,603	1,070,621
Administrative expenses	(1,040,790)	(1,198,712)
Other operating income	-	34,509
Dilapidation costs	(178,399)	(44,974)
Operating profit / (loss)	(54,586)	(138,556)
Interest receivable and similar income	306	42
Interest payable and similar expenses	(10,394)	(12,702)
Amounts written off investments	-	-
Movement in fair value	820,000	(220,000)
Taxation	-	-
Profit / (loss) for the financial year	755,326	(371,216)
The assets and liabilities of the subsidiary were:		
Fixed assets	458,918	390,954
Investment properties	4,690,000	3,870,000
Current assets	454,822	572,124
Current liabilities	(742,044)	(837,176)
Long term creditors	(181,148)	(249,079)
Provisions	(2,017,557)	(1,839,158)
Total net assets	2,662,991	1,907,665
Aggregate capital and reserves	2,662,991	1,907,665

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

5. Related party transactions and trustees' expenses and remuneration

During the year, no Trustees were reimbursed expenses (2022: *no Trustee was reimbursed*) and no Trustees waived expenses (2022: *no Trustees waived expenses*).

The charity is a private company limited by guarantee, which is owned by its sole member which is Glasgow City Council. Glasgow City Council's place of business is City Chambers, Glasgow, G2 1DU.

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

	Income £'000	Expenditure £'000	Debtors £'000	Creditors £'000
Glasgow City Council	8,213	1,078	48	107
City Property	-	219	-	61
Glasgow Life	-	17	-	-
City Building	-	287	-	61
Property by Jobs and Business Glasgow	10	82	343	37

The amounts outstanding are secured for cash settlement in accordance with usual terms.

Due to the nature of the group's operations and the composition of its Board of 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 in accordance with normal project and programme rules. Trustees are not permitted to participate in discussions or decisions on transactions involving their related business.

The group works in partnership with a number of public and other bodies with whom many joint projects have been undertaken during the year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

6. Income from donations and legacies

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Glasgow City Council	4,381,238	4,267,965	4,381,238	4,267,965
Other grants	24,706	120	24,706	120
	4,405,944	4,268,085	4,405,944	4,268,085

Group and Charity

Included within Glasgow City Council income is **£559,119** (2022: £513,709) of restricted income.

7. Income from charitable activities

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Employability	1,508,188	1,056,672	1,508,188	1,056,672
Childcare	1,529,367	1,722,568	1,529,367	1,722,568
	3,037,555	2,779,240	3,037,555	2,779,240

Group and Charity

Included within employability income is **£1,425,188** (2022: £699,752) of restricted income.

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. Investment income

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Bank interest received	92,396	12,151	92,090	12,109
Property by Jobs & Business Glasgow	1,081,970	843,845	-	-
Rental income	1,236,278	1,351,525	1,236,278	1,351,525
	2,410,644	2,207,521	1,328,368	1,363,634

At 31 March 2023, the group and charity had minimum lease receipts due under non-cancellable operating leases as follows:

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Not later than one year	644,399	599,860	644,399	449,945
Later than one year and not later than five years	1,589,019	1,023,978	193,661	533,865
Later than five years	-	20,506	-	-
	2,233,418	1,644,344	838,060	983,810

9. Other income

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Job retention scheme grant	-	132,878	-	132,878
Other income	-	34,509	-	-
	-	167,387	-	132,878

10. Raising funds – expenditure on investment activities

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Property rental costs	746,524	900,456	746,524	900,456
Property by Jobs & Business Glasgow	1,229,584	1,256,388	-	-
	1,976,108	2,156,844	746,524	900,456

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11. Expenditure on charitable activities

Group – 2023	Employability £	Childcare £	Total £
Staff costs	2,360,985	2,196,289	4,557,274
Property	12,176	524,050	536,223
Transport	-	20,717	20,717
Supplies & services	1,350,351	66,696	1,417,047
Governance costs (note 12)	12,380	8,349	20,729
Support costs (note 12)	1,392,911	939,497	2,332,408
	5,128,803	3,755,598	8,884,401

Group – 2022	Employability £	Childcare £	Total £
Staff costs	2,132,968	1,471,878	3,604,846
Property	46,671	277,200	323,871
Transport	-	20,766	20,766
Supplies & services	1,423,432	73,803	1,497,235
Governance costs (note 12)	10,940	7,582	18,522
Support costs (note 12)	1,223,581	847,957	2,071,538
	4,837,592	2,699,186	7,536,778

Charity – 2023	Employability £	Childcare £	Total £
Staff costs	2,360,985	2,196,289	4,557,274
Property	12,188	546,727	558,915
Transport	-	20,720	20,720
Supplies & services	1,350,405	66,696	1,417,101
Governance costs (note 12)	12,380	8,349	20,729
Support costs (note 12)	1,428,676	963,620	2,392,296
	5,164,634	3,802,401	8,967,035

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

11. Expenditure on charitable activities (continued)

<i>Charity – 2022</i>	<i>Employability</i> £	<i>Childcare</i> £	<i>Total</i> £
Staff costs	2,132,968	1,471,878	3,604,846
Property	46,705	339,437	386,142
Transport	-	20,766	20,766
Supplies & services	1,423,581	73,803	1,497,384
Governance costs (note 12)	10,940	7,582	18,522
Support costs (note 12)	1,320,660	915,234	2,235,894
	<u>4,934,854</u>	<u>2,828,700</u>	<u>7,763,554</u>

12. Allocation of support and governance costs

Group – 2023

Support costs	Employability £	Childcare £	Total £
Salaries	644,219	434,516	1,078,735
Stationery	984	664	1,648
Property related	747,708	504,317	1,252,025
	<u>1,392,911</u>	<u>939,497</u>	<u>2,332,408</u>

Governance costs	Total £
Audit fee	<u>20,729</u>

Governance costs are apportioned across the group's activities as follows:

	Total £
Employability	12,380
Childcare	<u>8,349</u>
	<u>20,729</u>

Support and governance costs are apportioned across the group's activities based on budgeted staff costs for each activity.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12. Allocation of governance and support costs (continued)

Group – 2022

Support costs	<i>Employability</i> £	<i>Childcare</i> £	<i>Total</i> £
Salaries	591,688	410,047	1,001,735
Stationery	624	432	1,056
Property related	631,269	437,478	1,068,747
	<u>1,223,581</u>	<u>847,957</u>	<u>2,071,538</u>

Governance costs	Total £
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Audit fee	<u>18,522</u>
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Governance costs are apportioned across the charity's activities as follows:

	Total £
Employability	10,940
Childcare	7,582
	<u>18,522</u>

Support and governance costs are apportioned across the group's activities based on budgeted staff costs for each activity.

Charity – 2023

Support costs	Employability £	Childcare £	Total £
Salaries	644,219	434,516	1,078,735
Stationery	984	664	1,648
Property related	783,473	528,440	1,311,913
	<u>1,428,676</u>	<u>963,620</u>	<u>2,392,296</u>

Governance costs	Total £
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Audit fee	<u>20,729</u>
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

12. Allocation of governance and support costs (continued)

Governance costs are apportioned across the charity's activities as follows:

	Total £
Employability	12,380
Childcare	8,349
	<u>20,729</u>

Support and governance costs are apportioned across the charity's activities based on budgeted staff costs for each activity.

Charity – 2022

Support costs	<i>Employability £</i>	<i>Childcare £</i>	<i>Total £</i>
Salaries	591,688	410,047	1,001,735
Stationery	624	432	1,056
Property related	728,348	504,755	1,233,103
	<u>1,320,660</u>	<u>915,234</u>	<u>2,235,894</u>

Governance costs	<i>Total £</i>
Audit fee	<u>18,522</u>

Governance costs are apportioned across the charity's activities as follows:

	<i>Total £</i>
Employability	10,940
Childcare	7,582
	<u>18,522</u>

Support and governance costs are apportioned across the charity's activities based on budgeted staff costs for each activity.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

13. Staff costs and remuneration of key management personnel

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Salaries and wages	4,872,252	4,240,450	4,724,994	4,105,964
Social security costs	383,914	341,303	372,374	330,840
Pension costs in relation to defined benefit pension schemes	48,000	51,000	48,000	51,000
Employer pension contributions	203,724	191,300	196,683	184,900
	5,507,890	4,824,053	5,342,051	4,672,704

The number of employees whose employee benefits fell within the following bands are as follows:

	Group 2023 No.	Group 2022 No.	Charity 2023 No.	Charity 2022 No.
£60,001 - £70,000	1	2	1	2
£80,001 - £90,000	1	1	1	1
£100,001 - £110,000	1	-	1	-

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
The pension contributions for the above employees were	33,517	28,929	33,517	28,929

	Group 2023 No.	Group 2022 No.	Charity 2023 No.	Charity 2022 No.
The average number of persons, by headcount, employed during the year was:	172	185	158	177

Key management personnel comprises the Board of Trustees, the Managing Director, the Head of Employability & Skills, the Head of Property, Childcare & Enterprise and the acting Head of Finance. Key management emoluments were as follows:

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Salaries	337,774	288,563	337,774	288,563
Social security costs	28,265	25,494	28,265	25,494
Employer pension contributions	29,280	28,929	29,280	28,929
	395,319	342,986	395,319	342,986

The Acting Head of Finance is not an employee of Jobs and Business Glasgow. The gross secondee/agency costs are included within salaries in the above table.

Included within the above table is the Managing Director, who is appointed ex officio in the Articles as a company director. His remuneration as employee included salary of £83,714 (2022: £80,731) pension contributions of £14,039 (2022: £13,539) and social security contributions of £10,821 (2022: £9,920).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

13. Staff costs and remuneration of key management personnel (continued)

The trustees are not in a position to disclose the benefit to key management personnel from the actuarial movement in the pension scheme as in the Trustees' opinion, the charge by the actuaries to obtain the information was disproportionate to the benefit to the reader. They did not consider this appropriate use of charitable funds.

During the year the charity made severance payments of £526,856 (2022: £nil) in relation to services closures, which is funded from unrestricted reserves.

14. Net income/(expenditure) for the year

This is stated after charging/(crediting):

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Depreciation	97,252	85,173	16,175	16,177
Impairment charge	-	82,376	-	-
Impairment reversal	(44,245)	(29,619)	-	-
Fees payable to the auditor				
- Parent audit fee	15,433	13,480	13,420	13,480
- Parent accounts preparation fee	4,586	4,542	4,542	4,542
- Parent corporation tax fee	-	500	650	500
- Subsidiary audit fee	13,252	11,905	-	-
- Subsidiary accounts preparation fee	1,345	1,306	-	-
- Subsidiary corporation tax fee	792	769	-	-
Operating lease rentals				
- Property expenditure	121,854	123,375	110,790	107,750
- Property income	(2,278,355)	(2,463,062)	(1,529,367)	(1,722,568)

15. Government grants

Group and charity

Income from government grants comprises:

		2023 £	2022 £
GCC	Services contract	a) 4,372,817	4,259,997
GCC	City Makers	b) -	308,536
GCC	Glasgow guarantee	c) 83,000	70,000
GCC	Nursery partnership funds	d) 594,496	767,203
GCC	Secondments	e) 8,421	8,352
GCC	Make safe squad	f) -	903
GCC	Additional supported needs	g) -	354,079
GCC	Additional funding – childcare	h) 89,524	32,700
GCC	Glasgow guarantee – childcare	i) 101,314	21,369
GCC	Graduate programme	j) 24,965	-
GCC	Long Term Unemployed (LTU) project	k) 727,531	-
GCC	Young Person's Guarantee (YPG)	l) 266,956	-
GCC	European Social Fund	m) 365,787	317,571
		6,634,811	6,140,710

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

15. Government grants (continued)

(a) GCC – Services contract

A 25 year contract for the delivery of services across a range of key performance indicators. Each year the KPIs will be agreed by both parties and monitored by GCC on a quarterly basis.

(b) GCC – City Makers

This funds an intermediate labour market project to assist clients furthest from the labour market to gain employability and work skills with a view to gaining future employment.

(c) GCC – Glasgow guarantee

This fund is aimed at assisting young people access apprenticeship positions throughout the city.

(d) GCC – Nursery partnerships funds

GCC offers partnership status to a number of nurseries where they provide a free place to children entitled to be provided with 15 hours of nursery provision per week.

(e) GCC – Secondments

JBG seconds a number of our guidance staff to support GCC's employability activities.

(f) GCC – Make safe squad

Bespoke ILM projects in conjunction with Glasgow City Council Bereavement Services to assist clients furthest from the labour market to gain employability and work skills with a view to gaining future employment.

(g) GCC – Additional supported needs

Provision of employability support for participants with additional support needs registered on Glasgow City Council's "Ability for Apprentice" programme.

(h) GCC – Additional funding – childcare

This is grant funding to support Childcare operators throughout the pandemic.

(i) GCC – Glasgow guarantee – childcare

Funding for Modern Apprenticeship's in childcare settings.

(j) GCC – Graduate programme

Funding from GCC's Early Years programme to support childcare graduate placements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15. Government grants (continued)

(k) GCC – Long Term Unemployed (LTU) project

Funding to support the creation of intermediate labour market opportunities (26 weeks) including wraparound employability support and access to appropriate, industry recognised, certificated training. The programme provided people with the necessary skills to effectively compete and move into jobs across various occupational sectors. The programme targeted those aged 25+ experiencing LTU (defined as 12 months out of work) who would, without significant investment, struggle to secure employment.

(l) GCC – Young Person's Guarantee

Funding stream was introduced as a response to the COVID pandemic and was specifically targeted towards supporting young people under 25 years old by bringing together young people, employers and appropriate partners to ensure that the right offer is available to all young people in the country. The fund no longer exists, and the needs of young people are now supported by the overall No One Behind funding stream. This change has not diminished the service available to young people.

(m) European Social Fund

Funding aimed at supporting a range of youth and mainstream employability projects.

16. Tangible fixed assets

Group	Freehold land & buildings £	Leasehold properties £	Plant & machinery £	Computer equipment £	Total £
Cost					
At 1 April 2022	257,280	2,050,166	428,841	1,208,409	3,944,696
Additions	-	-	104,796	-	104,796
At 31 March 2023	257,280	2,050,166	533,637	1,208,409	4,049,492
Depreciation and impairment					
At 1 April 2022	86,360	1,467,796	253,807	1,208,409	3,016,372
Charge for the year	5,150	40,800	51,302	-	97,252
Impairment reversal	(19,621)	(24,624)	-	-	(44,245)
At 31 March 2023	71,889	1,483,972	305,109	1,208,409	3,069,379
Net book value					
At 31 March 2023	185,391	566,194	228,528	-	980,113
At 31 March 2022	170,920	582,370	175,034	-	928,324

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

16. Tangible fixed assets (continued)

Charity

	Leasehold properties £	Computer equipment £	Total £
Cost			
At 1 April 2022 and at 31 March 2023	818,979	1,208,409	2,027,388
Depreciation and impairment			
At 1 April 2022	281,609	1,208,409	1,490,018
Charge for the year	16,175	-	16,175
At 31 March 2023	297,784	1,208,409	1,506,193
Net book value			
At 31 March 2023	521,195	-	521,195
At 31 March 2022	537,370	-	537,370

17. Investment property

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
At 1 April 2022	9,905,000	8,890,000	6,035,000	4,800,000
Transfer from tangible fixed assets	-	55,000	-	55,000
Value of disposals	(765,000)	-	(765,000)	-
Revaluation	695,000	960,000	(125,000)	1,180,000
At 31 March 2023	9,835,000	9,905,000	5,145,000	6,035,000

The fair value of the investment properties has been arrived at on the basis of a valuation carried out at 31 March 2023 by Graham + Sibbald LLP, Chartered Surveyors, who are not connected with the group. The valuation was made on a fair value basis, by undertaking an inspection of the properties. The inspection and valuations were undertaken by an External Valuer as defined in accordance with, the RICS Valuation – Global Standards ('the Global Red Book') and having regard to the UK national supplement.

In the financial year to 31 March 2023 the property at Ladywell Street was held as Freehold Property at Nil value. This has been transferred to Investment Property in the year due to a change in use and revalued in line with external valuation report.

18. Fixed asset investments

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Investments in subsidiaries	-	-	100	100
Investments in joint ventures	-	24,899	-	24,899
	-	24,899	100	24,999

Property by Jobs & Business Glasgow Ltd - £100 (2022: £100) (100 ordinary £1 shares). The trading subsidiary is wholly owned by the charity and operates various commercial properties. The company's registered office is 94 Duke Street, Glasgow, G4 0UW.

Govan Digital Media Centre Limited - £Nil (2022: £24,899)

Until August 2022 the charity held a 50% share in the joint venture Govan Digital Media Centre Limited. The charity owns share capital of £50 (50 ordinary £1 shares). The company's registered office is 100 Brand Street, Glasgow, G51 1DG. The shareholding was sold at 4th August 2022.

Movement in fixed asset investments

	Investments in subsidiaries £	Investments in joint ventures £
Cost or Valuation		
As at 1 April 2022	100	24,899
Disposals	-	(24,899)
As at 31 March 2023	100	-
Carrying amount		
As at 31 March 2023	100	-
As at 31 March 2022	100	24,899

**NOTES TO THE FINANCIAL STATEMENTS
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19. Debtors

Amounts falling due within one year	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade debtors	201,616	83,582	58,075	39,707
Other debtors & prepayments	176,473	145,266	197,012	297,989
Accrued income	669,437	725,202	669,437	600,101
Amounts due from group entities	472,928	221,279	278,323	371,500
	1,520,454	1,175,329	1,202,847	1,309,297

Group trade debtors is shown net of the bad debt provision of £242,682 (2022: £205,181). Charity trade debtors is shown net of the bad debt provision of £59,165 (2022: £63,414). Movements in the bad debt provisions are included within support costs.

Amounts falling due after more than one year

The charity has amounts due from group entities of £181,146 (2022: £249,079) due in more than one year. The unsecured balance is being repaid in equal instalments until November 2026 and interest is charged at 3.5%.

20. Creditors: amounts falling due within one year

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade creditors	248,547	150,320	187,972	76,252
Sundry creditors	17,608	16,429	17,608	16,429
Other creditors and accruals	1,168,429	1,052,145	923,874	818,331
Deferred income (note 22)	438,126	637,031	252,011	451,291
Taxation and social security costs	483,698	389,505	453,279	356,499
Amounts due to group entities	207,156	104,186	47,694	326,222
	2,563,564	2,349,616	1,882,438	2,045,024

Securities

Bank of Scotland hold a standard security over 150 Brand Street and Moorpark Industrial Estate.
Historic Scotland hold a standard security over Scottish Land Register title GLA193986.
Glasgow City Council hold a standard security over land at Saracen Street, Stonyhurst Street, Carbeth Street, Killearn Street, and Teucharhill Development site.
The Scottish Ministers hold a standard security over Blairtummock House and 18-20 Orkney Street.
Scottish Enterprise hold a standard security over 18-20 Orkney Street.

21. Provisions

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Dilapidations provision	3,571,363	2,935,171	1,553,806	1,096,013

The dilapidations provision was valued by Graham + Sibbald Technical Services LLP.

**NOTES TO THE FINANCIAL STATEMENTS
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22. Deferred income

	Group 2023	<i>Group 2022</i>	Charity 2023	<i>Charity 2022</i>
	£	<i>£</i>	£	<i>£</i>
At 1 April	637,031	<i>986,603</i>	451,291	<i>730,417</i>
Released in the year	(637,031)	<i>(986,603)</i>	(451,291)	<i>(730,417)</i>
Deferred in the year	438,126	<i>637,031</i>	252,011	<i>451,291</i>
At 31 March	438,126	<i>637,031</i>	252,011	<i>451,291</i>

Income is deferred when it relates to rent received in advance of the rental period. Refundable deposits are also included within deferred income. Deferred income also includes grant income which has been deferred.

	Group 2023	<i>Group 2022</i>	Charity 2023	<i>Charity 2022</i>
	£	<i>£</i>	£	<i>£</i>
Deposits	160,377	<i>178,873</i>	55,116	<i>78,455</i>
Rents in advance	184,174	<i>200,534</i>	103,321	<i>115,212</i>
Grant income	93,575	<i>257,624</i>	93,574	<i>257,624</i>
	438,126	<i>637,031</i>	252,011	<i>451,291</i>

24. Pension commitments

Group and Charity

Strathclyde Pension Fund (SPF)

The charity participates in the Strathclyde Pension Fund (SPF), which is a defined benefit Local Government Pension Scheme administered by Glasgow City Council. The scheme is closed to new members. The assets of the SPF are held in a separate, trustee administered fund.

Employee contribution rates are calculated on a tiered contribution basis dependant on pensionable salary.

The major assumptions made by the actuary in valuing the scheme are as follows:

	2023	2022
	% p.a.	% p.a.
Inflation/pension increase rate	2.95%	3.20%
Salary increase rate	3.65%	3.90%
Discount rate	4.75%	2.70%

**NOTES TO THE FINANCIAL STATEMENTS
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24. Pension commitments (continued)

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2021 model, with a 10% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a for both males and females. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current pensioners	19.3 years	22.2 years
Future pensioners	20.5 years	24.2 years

The net pension liability was:

	2023	2022
	£'000	£'000
Fair value of scheme assets	5,399	5,579
Present value of scheme liabilities	(3,767)	(5,189)
Unrecognised surplus	(1,632)	(390)
Net pension liability	-	-

There are no unfunded liabilities for which a provision needs to be made.

Reconciliation of fair value of scheme assets	2023	2022
	£'000	£'000
Opening fair value of scheme assets	5,579	5,233
Expected return on assets	150	104
Contributions by members	15	14
Contributions by employer	30	29
Actuarial gain/(loss)	(276)	296
Estimated benefits paid	(99)	(97)
	5,399	5,579

Reconciliation of present value of scheme liabilities	2023	2022
	£'000	£'000
Opening present value of scheme liabilities	5,189	5,423
Current service cost	78	80
Interest cost	140	108
Contributions by members	15	14
Actuarial loss/(gain)	(1,556)	(339)
Estimated benefits paid	(99)	(97)
	3,767	5,189

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

The assets in the scheme were:

	Value at 31 March 2023 £000	% of scheme assets	Value at 31 March 2022 £000	% of scheme assets
Equities	3,239	60%	3,571	64%
Bonds	1,512	28%	1,339	24%
Property	540	10%	558	10%
Cash	108	2%	111	2%
Fair value of scheme assets	5,399		5,579	
Present value of liabilities	(3,767)		(5,189)	
Unrecognised surplus	(1,632)		(390)	
Deficit in scheme	-		-	

History of experience gains and losses for the years ended 31 March:

	2023 £'000	2022 £'000	2021 £'000	2020 £'000	2019 £'000
Scheme assets	5,399	5,579	5,233	4,295	4,534
Scheme liabilities	(3,767)	(5,189)	(5,423)	(4,283)	(4,811)
Unrecognised surplus	(1,632)	(390)	-	(12)	-
Deficit	-	-	(190)	-	(277)

	2023 £'000	2022 £'000
Experience adjustments on scheme assets	(276)	296
Experience adjustments on scheme liabilities	1,556	339

Amount charged to staff costs (note 13):

	2023 £'000	2022 £'000
Current service costs	78	80
Past service cost	-	-
Total operating charge	78	80
Less: contributions paid	(30)	(29)
Current service cost provision	48	51

Amount charged to support costs (note 12):

	2023 £'000	2022 £'000
Expected return on scheme assets	150	104
Interest on scheme liabilities	(140)	(108)
Net cost	10	(4)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

24. Pension commitments (continued)

Amount recognised in the Statement of Financial Activities – actuarial (loss)/gain

	2023	2022
	£'000	£'000
Changes in value of scheme assets: actuarial (loss)/gain	(276)	296
Changes value of scheme liabilities: actuarial gain	1,556	339
Unrecognised surplus	(1,242)	(390)
Actuarial gain recognised in SOFA	38	245

Movement in deficit during the year

	2023	2022
	£'000	£'000
Deficit at the beginning of the year	-	(190)
Movement in year:		
Current service cost	(78)	(80)
Employer contributions	30	29
Net (cost) on pension scheme	10	(4)
Actuarial gain	38	245
Deficit at the end of year	-	-

The estimated employer's contributions for the year to 31 March 2024 are **£36,000**.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

25. Funds reconciliation

Group	As at 1 April 2021 £	Income and endowments £	Expenditure £	Transfers £	Gains/ (losses) £	As at 1 April 2022 £	Income and endowments £	Expenditure £	Transfers £	Gains/ (losses) £	As at 31 March 2023 £
Unrestricted funds											
Designated funds											
Assisted garden maintenance	163,457	-	-	-	-	163,457	-	-	-	-	163,457
Tangible fixed assets	1,121,254	-	(137,930)	(55,000)	-	928,324	-	(53,007)	104,796	-	980,113
Capital redemption reserve	300,000	-	-	-	-	300,000	-	-	-	-	300,000
Total designated funds	1,584,711	-	(137,930)	(55,000)	-	1,391,781	-	(53,007)	104,796	-	1,443,570
General funds	12,930,588	8,208,772	(8,287,231)	55,000	960,000	13,867,129	7,869,836	(8,785,195)	(104,796)	680,101	13,527,075
Pension reserve	(190,000)	-	(55,000)	-	245,000	-	-	(38,000)	-	38,000	-
Total unrestricted funds	14,325,299	8,208,772	(8,480,161)	-	1,205,000	15,258,910	7,869,836	(8,879,202)	-	718,101	14,970,645

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

25. Funds reconciliation (continued)

Group (continued)	As at 1 April 2021 £	Income and endowments £	Expenditure £	Transfers £	Gains/ (losses) £	As at 1 April 2022 £	Income and endowments £	Expenditure £	Transfers £	Gains/ (losses) £	As at 31 March 2023 £
Restricted funds											
Make safe squad	-	903	(903)	-	-	-	-	-	-	-	-
Employability	-	359,278	(359,278)	-	-	-	1,084,012	(1,084,012)	-	-	-
Working matters more	-	300	(300)	-	-	-	-	-	-	-	-
ESF – Work Life Glasgow	-	852,980	(852,980)	-	-	-	900,295	(900,295)	-	-	-
Total restricted funds	-	1,213,461	(1,213,461)	-	-	-	1,984,307	(1,984,307)	-	-	-
Total funds	14,325,299	9,422,233	(9,693,622)	-	1,205,000	15,258,910	9,854,143	(10,860,509)	-	718,101	14,970,645

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

25. Funds reconciliation (continued)

Charity	As at 1 April 2021 £	Income and endowments £	Expenditure £	Transfers £	Gains/ (losses) £	As at 1 April 2022 £	Income and endowments £	Expenditure £	Transfers £	Gains/ (losses) £	As at 31 March 2023 £
Unrestricted funds											
Designated funds											
Assisted garden maintenance	163,457	-	-	-	-	163,457	-	-	-	-	163,457
Tangible fixed assets	608,547	-	(16,177)	(55,000)	-	537,370	-	(16,175)	-	-	521,195
Total designated funds	772,004	-	(16,177)	(55,000)	-	700,827	-	(16,175)	-	-	684,652
General funds	11,464,514	7,330,376	(7,379,372)	55,000	1,180,000	12,650,518	6,787,560	(7,675,077)	-	(139,899)	11,623,102
Pension reserve	(190,000)	-	(55,000)	-	245,000	-	-	(38,000)	-	38,000	-
Total unrestricted funds	12,046,518	7,330,376	(7,450,549)	-	1,425,000	13,351,345	6,787,560	(7,729,252)	-	(101,899)	12,307,754

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NOTES TO THE FINANCIAL STATEMENTS
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25. Funds reconciliation (continued)

Charity (continued)	As at 1 April 2021 £	Income and endowments £	Expenditure £	Transfers £	Gains/ (losses) £	As at 1 April 2022 £	Income and endowments £	Expenditure £	Transfers £	Gains/ (losses) £	As at 31 March 2023 £
Restricted funds											
Make safe squad	-	903	(903)	-	-	-	-	-	-	-	-
Employability	-	359,278	(359,278)	-	-	-	1,084,012	(1,084,012)	-	-	-
Working matters more	-	300	(300)	-	-	-	-	-	-	-	-
ESF – Work Life Glasgow	-	852,980	(852,980)	-	-	-	900,295	(900,295)	-	-	-
Total restricted funds	-	1,213,461	(1,213,461)	-	-	-	1,984,307	(1,984,307)	-	-	-
Total funds	12,046,518	8,543,837	(8,664,010)	-	1,425,000	13,351,345	8,771,867	(9,362,080)	-	(101,899)	12,307,754

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

25. Funds reconciliation (continued)

- a) The Trustees have created the following designated funds:

Assisted garden maintenance

Provision of gardening services as part of a service level agreement with Glasgow City Council Land and Environmental Services.

Tangible fixed assets

The fund reflects the net book value of the assets.

Capital redemption reserve

This is the capital redemption reserve of the subsidiary company, Property by Jobs & Business Glasgow.

- b) Restricted funds comprise of the following funds:

Make safe squad

Bespoke ILM projects in conjunction with Glasgow City Council Bereavement Services to assist clients furthest from the labour market to gain employability and work skills with a view to gaining future employment.

Employability – additional support needs

Engagement and advice and guidance to clients at all stages of employability pipeline.

Working matters more

Successor programme to the Working Matters programme, funded for twelve months, providing intensive support to clients in receipt of health-related benefits.

ESF – Work Life Glasgow

The project delivers employability services to unemployed Glasgow residents who, in their journey towards employment, further training or education, require more support than is available through mainstream employability services.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

26. Reconciliation of net income/(expenditure) to net cash flow from operating activities

Group	2023 £	2022 £
Net (expenditure)/income for the year	(326,265)	688,611
Adjustments for:		
Depreciation charges	97,252	85,173
Impairment charges	(44,245)	52,757
Fair Value gains	(695,000)	(960,000)
Net losses on investments	14,899	-
Pension fund charge	38,000	55,000
Interest and rents from investments	(2,410,644)	(2,207,521)
Interest payable	10,394	12,705
Movement in debtors	(345,125)	389,049
Movement in creditors	213,948	(851,089)
Movement in provisions	636,192	116,464
Net cash used in operating activities	(2,810,594)	(2,618,851)

Charity	2023 £	2022 £
Net (expenditure)/income for the year	(1,081,591)	1,059,827
Adjustments for:		
Depreciation charges	16,175	16,177
Interest and rents from investments	(1,328,368)	(1,363,634)
Fair Value (gains)/losses	125,000	(1,180,000)
Net losses/(gains) on investments	14,899	-
Pension fund charge	38,000	55,000
Movement in debtors	174,383	370,361
Movement in creditors	(162,586)	(605,353)
Movement in provisions	457,793	71,490
Net cash used in operating activities	(1,746,295)	(1,576,132)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

27. Operating leases commitments

At 31 March 2023 the group and charity had for future minimum lease payments under non-cancellable operating leases as follows:

Land and buildings

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Not later than 1 year	65,201	61,877	49,576	46,252
Later than 1 year and not later than 5 years	153,700	173,940	91,200	111,440
Later than 5 years	2,743,480	3,250,696	2,323,788	2,815,800
	2,962,381	3,486,513	2,464,564	2,973,492

Equipment

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Not later than 1 year	824	824	824	824
	824	824	824	824

28. Events after the balance sheet date

The charity ceased operating childcare activities at the end of 2022/23. Total group income from childcare services in 2022/23 was £1,529,367 (2022: £1,722,568) as described at note 7, total group expenditure was £3,755,598 (2022: £2,699,186) as described at note 11. These amounts include cessation costs such as voluntary severance and property reinstatement costs of £878,355 (2022: £nil). All income and expenditure was unrestricted.