

Culture and Sport Glasgow
(A charity limited by guarantee)

**Report and
Group Financial Statements**
Year Ended 31 March 2022



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Welcome from our Chair

Glasgow never stands still. Change is happening everywhere as the city looks to re-emerge from the pandemic more sustainable, more prosperous, and more inclusive. With unprecedented pressures on public finances, it's also a time of significant organisational change for Glasgow Life as- we continue to work towards securing a long-term, financially sustainable future.

I have a deep-rooted belief in public service and I've seen first-hand the transformational impact culture and sport has had on Glasgow's citizens and the city's wider regeneration. The ongoing demand for Glasgow Life's programmes and venues has further shown how fundamental culture and sport is to Glasgow's recovery, and to building happier, healthier, more resilient and more productive communities, while also supporting the city's visitor economy.

This is my first Financial Statements introduction as Glasgow Life's Chair and I would like to thank my predecessor, David McDonald, who stepped down earlier this year having helped to steer the charity through the toughest period in its history.

Our mission is to inspire every citizen and visitor to become engaged and active in a city globally renowned for culture and sport. See Page 3 for highlights of the year.

Glasgow Life couldn't achieve the breadth of what it does without strong partnerships and collaborations. Everything we do, both now and in the future, will see us build on these networks and create new ones, as we work on our shared ambitions for Glasgow's social and economic renewal.

I would also like to offer a huge thanks to our incredible staff and volunteers, as well as to Glasgow Life's Board for its continued leadership and unstinting advocacy. And I would like to recognise one of Glasgow Life's greatest champions and former Board member, Sir Angus Grossart, who sadly passed away recently having devoted much time and energy to the refurbishment of The Burrell Collection.

Our charity is made up of exceptional people with real expertise who consistently go above and beyond for their colleagues and the people of Glasgow. While there will no doubt continue to be challenging times ahead, I'm confident Glasgow Life will emerge stronger thanks to the dedication and willingness of our teams.

Bailie Annette Christie

Chair of Glasgow Life

A Message from our Chief Executive

The last 12 months have shown that the work we do at Glasgow Life continues to make a real difference to the lives of Glaswegians and visitors to our city.

This is the first introduction I have written as Chief Executive, and I would like to pay tribute to Glasgow Life's former CEO, Dr Bridget McConnell, who retired last year. Over almost a quarter of a century, Bridget worked tirelessly to champion culture and sport in Glasgow, and she has been a key figure in making Glasgow Life the world-leading organisation it is today.

Our Financial Statements reflect another operational year of responding to the challenges imposed by the pandemic. They also demonstrate our commitment as a charity to engaging with communities across the city; tackling inequality, supporting public confidence, and providing inspiration and opportunities for people to access the services which matter most to them. A major highlight of the last year has been the re-opening of The Burrell Collection following a £68.25m refurbishment as a modern, greener museum. It is a reminder of culture's contribution to the appeal and vibrancy of international Glasgow; and the exceptional quality of the Collection, together with its location in Pollok Country Park, will bring more people to the south of the city in the coming years.

As the world adapts to living with Covid, access to culture and sport remains as vital as ever for the positive mental, physical and economic wellbeing benefits it brings. We believe everyone deserves a great Glasgow life, and the following pages show how we are working to make this happen; as well as how we will build a positive, ambitious and sustainable future as one of Scotland's largest charities. Regrowing our income will continue to be crucial to Glasgow Life's recovery planning and, with support from local and national partners, we will work to embed our highly valued cultural and sporting programmes, experiences and events at the heart of Glasgow's social and economic renewal.

We will also promote the city's unrivalled tourism offer to our key markets; inspiring more local, national and overseas visitors to come to Glasgow; boosting the city's visitor economy and supporting thousands of jobs across our tourism and hospitality sectors.

None of this would be able to happen however, without the passion and dedication of our talented staff and volunteers, as well as the support of Glasgow City Council, our Board, and the generosity of our funders and donors.

Each and every one makes a real difference and I want to thank all of you for your invaluable contributions and continued commitment to Glasgow Life.

Susan Deighan
Chief Executive of Glasgow Life



Who We Are

Charitable Status & Governance

Glasgow Life is the operating name of Culture and Sport Glasgow and Culture and Sport (Trading) C.I.C.

The Directors, who are the Trustees for the purposes of charity law, are pleased to present their annual report (including their strategic report) and group financial statements for the year ended 31 March 2022. Culture and Sport Glasgow has been entered into the Scottish Charity Register and is entitled, in accordance with section 13(1) of the Charities and Trustee Investment (Scotland) Act 2005, to refer to itself as a charity registered in Scotland.

These are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Vision, Mission, Purpose

Established in 2007 as a Charity set up for the benefit of the people of Glasgow, the reason we exist is because we believe that everyone deserves a great Glasgow Life.

Ours mission is to inspire every citizen and visitor to become engaged and active in a city globally renowned for culture and sport. As a charity, we find innovative ways to make this happen across Glasgow's diverse communities.

Our purpose is:

- To improve the mental and physical wellbeing of Glaswegians and visitors through culture and sport.
- To support the city's visitor economy and enhance the city's reputation as a great place to live, work, learn and visit through the delivery of local and international events and the management of world-class collections.
- To generate funds (through culture and sport programmes) in order to re-invest in the charitable activities which support our vision.

The Company Business and Service Plan which includes our Strategic Context and Strategic Priorities are approved by the Board on an annual basis. This was last approved by the Board on the 29 March 2022.

Strategic Context

The Scottish Government's Covid Recovery Strategy provides an overarching vision and framework for Scotland's emergence from the pandemic. Mass vaccination, improvements in treatment and the need to address the wider social, economic and health harms have resulted in a policy shift away from containment towards living with Covid.

The experience of the last two years has worsened existing inequalities, particularly in relation to health. Morbidity and mortality rates for older people, men, disabled people minority ethnic groups and those living in the most deprived areas have significantly worsened, as have the mental health consequences for women, young people and young carers, minority ethnic groups and those with an existing ill-health diagnosis.

The economic impact has been considerable and devastating, particularly for tourism and hospitality, culture and leisure sectors. There are ongoing concerns around inflation, labour supply and the wider, longer-term economic impact.

Consumer behaviour during the pandemic shifted, with the acceleration of longer-term trends towards increased digital content, programming and service provision.

Across the UK, visitor and leisure attractions, and events attendance are generally returning to pre-pandemic levels, Glasgow however is not recovering at the same pace. It remains to be seen if new Covid variants emerge as cause

Strategic Context (continued)

for concern, but it seems unlikely that there will be any return to the types of full societal lockdown typifying the early stages of the pandemic.

The Scottish Government recovery strategy focuses on three key priorities, all of which are relevant to Glasgow Life. These are:

- Addressing systemic inequalities exacerbated by Covid
- Making progress towards a wellbeing economy
- Accelerating inclusive person-centred public services

We are currently engaged in a strategic review of our contract and service level agreement with Glasgow City Council, which will inform the future policy lead role and responsibilities for the organisation, as well as the operations and activities delivered through the contract. Phase 1 of this process is set to be concluded during 2022.

Strategic Priorities

Glasgow Life has set out four strategic priorities through which our ambitions will be delivered and our mission achieved. To maximise the opportunities for the charity and address the challenges described earlier, and better influence our funding and policy context, we will embed these four strategic priorities in the short and long-term goals of all service areas and bring a new focus to the following areas:

- Advance culture and sport in the city
- Improve physical and mental wellbeing of local communities
- Support the vibrant city economy
- Re-invest income to achieve our vision

We start from a position of strength with a successful track record in delivering our mission. Glasgow Life is the largest charity of its kind in the UK and pre-pandemic we recorded more than 18 million annual visits to our venues, festivals and events. Before the pandemic, our services were used by over 80% of the city's population and by millions of tourists each year



Highlights of the Year

April 2021 – Period Poverty

A successful pilot, in partnership with Simon Community Scotland, established Period Friendly Points in 6 Glasgow Life community centres and 11 community libraries across the north west of the city. Each point carries a range of period products, new underwear and wipes, where women can help themselves without the need to ask. The pilot has been an overwhelming success with positive feedback from users, staff and volunteers. As a result, Period Friendly Points are now in place in all 32 community libraries and there are plans to roll out this initiative across the city.

May 2021 – Walking Football

Glasgow Life hosted the Glasgow Walking Football Trophy 2022 at Toryglen Regional Football centre. Participants over 50 and 60 competed in mixed age/gender and women-only competitions as well as a non-competitive walking football festival for those interested in trying it. The event was held over 4 days with 80 teams comprising more than 700 players.

June 2021 – Euros

Host City volunteers welcomed over 40,000 visitors to the Fan Zone at Glasgow Green. Across 87 events, 312 artists and performers provided 184 hours of free cultural programming, which showcased Glasgow and Scotland's cultural diversity. Euro fun was also enjoyed by 1,000 primary school pupils from 8 nearby schools and 1,500 young players from 22 clubs across the city.

November 2021 – COP26

Key Glasgow Life venues supported delivery of the COP26 Climate Change Conference. Riverside was used as a base for Police Scotland for around 1,500 police staff per day. High-profile events took place at Kelvingrove, including the World Leaders event, hosted by Prime Minister Boris Johnson and attended by members of the Royal Family.

February 2022 – Destination Campaign UNESCO

A new campaign, which ran from February until March, showcased the vibrancy of Glasgow's music scene. Delivered by the Destination Marketing Team, 'Glasgow: Music Nonstop' aimed to support the recovery and restart of the city's music and night-time industries. The campaign was brought to life by a short film, which was viewed 5 million times.

March 2022 – Woodside Library and the Burrell Collection

The popular West End Library reopened on 28 March 2022 following a £2.3m capital investment from Glasgow City Council which restored many original architectural features and modernised the internal space to include a flexible, vibrant community space, study areas and woodland-themed children's area.

Museums - Burrell Collection

At the end of March 2022, we re-opened a modern, greener Burrell Museum after a £68.25m revamp. Nearly half of the funding was committed by Glasgow City Council, more than a quarter came from the National Lottery Heritage Fund and significant donations from The Scottish Government, the UK Government, and from many generous trusts and private donors.

3,500 visitors were invited to an exclusive preview across various media, partner and community events and we welcomed over 6,000 visitors within 3 days of opening to the public. 100% of visitors surveyed on opening weekend rated their visit as Excellent (86%) or Good (14%).



Strategic Report

The headings ‘achievements and performance, financial review and plans for future periods’ form the Strategic Report.

Achievements and performance

Our performance management framework monitors our progress with a focus on the city’s priorities and our key objectives. To support this approach our focus is underpinned by:

- Glasgow Life’s Business and Service Plan (annual)
- Glasgow City Council’s Strategic Plan (2017/2022)

We use the council family system to demonstrate progress against targets:

	> -5% below		-2.5% to -4.9% below		< -2.49% (or better)
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*The focus in 2021/22 has been on the phased reopening of venues and facilities in line with the Scottish Government’s guidance and route map, therefore no attendance/usage targets were set for this financial year.

Measure	Target	Actual	Status	2022/23 Target
The number of Attendances at Glasgow Life directly managed venues including festivals and events*	*	6.0 million	*	8.5 million

Performance is reported to Glasgow Life’s Board throughout the year across a range of measures including a breakdown of usage of every Glasgow Life service area.

Measure	2021/22		2022/23
	Actual	Target	Target
Breakdown of the number of attendances at Glasgow Life directly managed venues, including festivals and events	5,951,812		8,474,595
Glasgow Life Museums**	1,163,789		2,214,419
Glasgow Life Arts, Music & Cultural Venues***	254,056	*	416,855
Glasgow Life Libraries	1,187,390		1,793,811
Glasgow Life Community Facilities	306,443		348,778
Glasgow Life Sport	2,828,672		3,474,170
Glasgow Life Events ****	211,462		226,562

** Includes physical visits (1,108,478) and virtual visits (55,311). Does not include venue hire (46,540) which in 2021/22 included hosting VVIP events during COP26.

*** Includes 10,968 virtual attendances at Celtic Connections (estimated as 2,742 tickets x 4). Does not include GI (65,000), Mela (883) and Merchant City Festival (3,000) which are included in the Events actual attendances for 2021/22 and Mela and the Merchant City Festival are included in the targets for 2022/23.

**** Finalised figures for some events unavailable at time of publication and so some estimates are included.

Strategic Report (continued)

Destination Glasgow	2021/22		2022/23
	Actual	Target	Target
Economic value of conferences	£38,221,809	*	£60,000,000
Economic value of conference sales won for future years	£53,790,020		£75,000,000

Streamlined Energy and Carbon Reporting

The Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013 amended the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to require companies to report information on greenhouse emissions and environmental issues in their Directors' Report.

Energy Source	Consumption	Units	Scope	kg CO2e	tCO2e	Emissions Calculation
Gas – total kWh (kilowatt-hours) used for the year taken from gas bills	62,858,961.80	kWh	Scope 1	11,513,247.44	11,513.25	62,858,962 kWh * 0.18316 (2021 fuels, natural gas conversion factor kWh (gross CV) to kg CO2e) = 11,513,247.44 kg CO2e = 11,513.25 tCO2e
Electricity – total kWh (kilowatt-hours) used for the year taken from electricity bills	26,235,977.70	kWh	Scope 2	5,570,685.15	5,570.69	26,235,978 kWh * 0.21233 (2021 fuels, electricity conversion factor kWh to kg CO2e) = 5,570,685.15 kg CO2e = 5,570.69 tCO2e
Indirect energy emissions (district heating system). Total kWh (kilowatt-hours) used for the year taken from end of year statement	3,627,805.00	kWh	Scope 2	619,375.15	619.38	3,627,805 kWh * 0.17073 (2021 heat and steam, district heat and steam conversion factor kWh to kg CO2e) = 619,375.15 kg CO2e = 619.38 tCO2e
Indirect energy emissions (leased property). Electricity - total kWh (kilowatt-hours) used for the year taken from electricity recharge bills	20,627.95	kWh	Scope 2	4,379.93	4.38	20,628 kWh * 0.21233 (2021 fuels, electricity conversion factor kWh to kg CO2e) = 4,379.93 kg CO2e = 4.38 tCO2e
Indirect energy emissions - transmission and distribution (electricity). Total kWh (kilowatt-hours) used for the year taken from electricity bills	26,235,977.70	kWh	Scope 3	492,974.02	492.97	26,235,978 kWh * 0.01879 (2021 transmission and distribution, electricity conversion factor kWh to kg CO2e) = 492,974.02 kg CO2e = 492.97 tCO2e
Indirect energy emissions - transmission and distribution (district heating system). Total kWh (kilowatt-hours) used for the year taken from end of year statement	3,627,805.00	kWh	Scope 3	32,613.97	32.61	3,627,805 kWh * 0.00899 (2021 transmission and distribution, district heat conversion factor kWh to kg CO2e) = 32,613.97 kg CO2e = 32.61 tCO2e
Indirect energy emissions - water supply. Total m3 (cubic meters) used for the year taken water bills	249,702.00	m3	Scope 3	37,205.60	37.21	249,702 m3 * 0.149 (2021 water supply, conversion factor m3 to kg CO2e) = 37,205.60 kg CO2e = 37.21 tCO2e
Indirect energy emissions - water treatment. Total m3 (cubic meters) used for the year taken water bills	222,000.03	m3	Scope 3	60,384.01	60.38	222,000 m3 * 0.272 (2021 water treatment, conversion factor m3 to kg CO2e) = 60,384.01 kg CO2e = 60.38 tCO2e

Energy Source	Consumption	Units	Scope	kg CO2e	tCO2e	Emissions Calculation
Indirect energy emissions - waste. Total tonnes used for the year taken from waste bills	67,237.44	Tonnes	Scope 3	23,191,205.68	23,191.21	Total waste 67,237 tonnes = 23,191,205.68 kg CO2e = 23,191.21 tCO2e (see breakdown below)
<i>DMR</i>	<i>17,432.64</i>	<i>Tonnes</i>	<i>Scope 3</i>	<i>371,203.07</i>	<i>371.20</i>	<i>17,433 tonnes * 21.29357 (2021 waste, commercial and industrial waste conversion factor tonnes to kg CO2e) = 371,203.07 kg CO2e = 371.20 tCO2e</i>
<i>Food</i>	<i>514.56</i>	<i>Tonnes</i>	<i>Scope 3</i>	<i>4,605.67</i>	<i>4.61</i>	<i>515 tonnes * 8.9507 (2021 waste, organic food and drink waste conversion factor tonnes to kg CO2e) = 4,605.67 kg CO2e = 4.61 tCO2e</i>
<i>Glass</i>	<i>460.80</i>	<i>Tonnes</i>	<i>Scope 3</i>	<i>9,812.08</i>	<i>9.81</i>	<i>461 tonnes * 21.29357 (2021 waste, glass waste conversion factor tonnes to kg CO2e) = 9,812.08 kg CO2e = 9.81 tCO2e</i>
<i>Residual</i>	<i>48,829.44</i>	<i>Tonnes</i>	<i>Scope 3</i>	<i>22,805,584.87</i>	<i>22,805.58</i>	<i>48,829 tonnes * 467.0458 (2021 waste, commercial and industrial waste conversion factor tonnes to kg CO2e) = 22,805,584.87 kg CO2e = 22,805.58 tCO2e</i>
Transport – total mileage for fuel costs reimbursed from staff claims = 35,164.00	35,164.00	Miles	Scope 3	9,703.86	9.70	35,164 miles * 0.27596 (2021 managed assets vehicles, average car conversion factor miles to kgCO2e, unknown fuel)= 9,703.86 kgCO2e = 9.70 tCO2e
Total	123,181,258.62 kWh			41,531,775 kg CO2e	41,532 tCO2e	
Intensity ratio	Emissions data (tCO2e) compared with an appropriate business activity (staff numbers as per end of 2021-22, full time equivalent)					41,532 tCO2e / 1883.01 Staff = 34.37 tCO2e per capita
Energy efficiency measures	In 2021-22, Glasgow Life invested £208,624 in energy projects including LED lighting, variable speed drives, water AMR installations, and energy surveys to determine future projects. Energy savings are estimated to be 116,290 kWh with a carbon reduction of approximately 33 tCO2e per year.					

Financial Review

Review of the year

The results for the year are shown on page 23 in the group statement of financial activities.

The surplus on unrestricted general funds for the year to 31 March 2022 was £nil (2021: £nil). In 2021/22 we set an income target of £7m and delivered £20.6m. We continued to receive covid support from Glasgow City Council while we recovered. We budgeted to drawdown £35m in year but as a result of income performing better than expected and management of expenditure our actual drawdown was significantly less at £8.3m.

After accounting for the group and the charity's participation in the Strathclyde Pension Fund and movement on unrestricted designated funds, the overall unrestricted balance for the group at 31 March 2022 was a deficit of £37,626,000 (2021: £94,412,000). The group generated £17,744,000 (2021: £8,832,000) of restricted funds during the year, which after expenditure of £11,203,000 (2021: £6,571,000) and transfer of funds had a closing balance of £26,616,000 (2021: £19,076,000).

The overall group reserve position is a deficit of £11,010,000 (2020: deficit of £75,336,000) as a result of the pension liability as at 31 March 2022 of £54,293,000 (2021: £109,115,000).

The financial statements have been prepared on the going concern basis as management believe that the group has sufficient net assets, post balance sheet date, to meet the annual cash commitments required to service the long term pension liability for a period in excess of 12 months from the signing of the financial statements given that the long term pension liability will not fall due in any one year.

COVID-19 has had a significant impact on the organisation both operationally and financially. As an organisation we are doing all we can to mitigate the losses and re-grow externally generated income to pay for service provision. We are owned by Glasgow City Council from whom we receive an annual Service Fee and a letter of support has been provided by GCC to ensure the ongoing financial sustainability of Culture and Sport Glasgow, whilst we adapt our delivery models to balance short term needs with a longer term financially sustainable business model.

The subsidiary company, Culture and Sport Glasgow (Trading) CIC, has a turnover of £3,909,000 (2021: £3,123,000) generating a profit before tax of £23,000 (2021: loss before tax of £35,000).

The key performance indicators used by management during the year have been included within the performance review section of this report.

Investment policy

The charity had substantial cash balances as at 31 March 2022, primarily as a result of timing differences in respect of payments to the parent organisation, and other creditors. Free reserves of the charity and the trading subsidiary will be invested in external cash term deposits where cash flow projections permit, to maximise the rate of return while minimising the risk.

Risk Assessment

The company applies a significant level of corporate governance to the identification and management of business risk. A detailed risk register is maintained and reviewed regularly by the Senior Management Team and includes amongst others, areas ranging from employee engagement and management, health and safety, financial risk, corporate compliance, service delivery and property management.

The risk register has been presented to the Audit Committee for scrutiny during the year to ensure that risk is drawn to the attention of the Directors and that appropriate arrangements are established to mitigate identified risks. The Director of Finance & Corporate Services has responsibility for ensuring all risks identified are managed to the agreed outcomes.

The top 5 risks identified are disruption to services while implementing organisational change; impact of change programme across Glasgow Life; ability to deliver a sustainable budget; ability to deliver the savings required over the next 3 years and the impact of economic constraint on capital investment in property infrastructure.

Reserves policy

The charity holds restricted and unrestricted reserves. Within unrestricted reserves, the charity has designated within the pension reserve the long term pension liabilities arising from its participation in the Strathclyde Pension Fund. The Board of Directors' intention is to accumulate an undesignated reserve fund which is sufficient to allow the charity protection against future adverse economic conditions or investment challenges. The Audit Committee reviews the reserves Policy on an annual basis and at its meeting on 6th December 2021, agreed to continue the reserves policy of a target of between 1.5% and 2.5% of turnover to provide protection against future adverse economic conditions. The Board continues to review this position on an ongoing basis. General reserves, which are shown in the balance sheet as unrestricted funds, amount to £618,000 (2021: £618,000), before inclusion of the pension reserve. This amount represents 0.5% of total unrestricted income which is below the target of reserves. The Board is aware that this remains below the target for reserves and will aim to rebuild reserves steadily when finances permit. The drop in reserves was a result of the change to Accounting Policies in 2016/17 which required the inclusion of an Employee Benefit Accrual. The Board of Directors has approved a budget for 2022/23 which aims to generate a breakeven position.

In line with the charity's contract with Glasgow City Council the Service Fee received for the provision of services is agreed annually. In the year ended 31 March 2022 this amounted to £76,716,000 (2021: £77,988,000), which is the equivalent of eight months funding of expenditure (2021: eight months). The Directors will continue to monitor the funding position as the year progresses. The significant deficit on the designated pension reserve will be serviced through contributions to the scheme as determined by the actuaries on the basis of the triennial funding valuation.

Structure, Governance and Management

Charitable status

The charity is limited by guarantee, governed by its memorandum and articles of association and consequently it does not have a share capital. Each member has undertaken to contribute an amount not exceeding one pound towards any deficit arising in the event of the charity being wound up. Glasgow City Council guarantees to accept liability for any unfunded costs which may arise with regard to Culture and Sport Glasgow relating to its membership of the Strathclyde Pension Fund, a Local Government Pension Scheme (LGPS) administered by Glasgow City Council should it cease to exist, withdraw from LGPS or otherwise be unable to continue to cover any unfunded liabilities. The charity has charitable status under Section 505 of the income and Corporation Taxes Act 1988 and the Scottish Charity Number is SC037844.

Directors

TRUSTEES	Movement
Councillor David McDonald (Chair until March 2022)	Resigned 25 May 2022
Dr Bridget McConnell CBE	Resigned 25 April 2022
Sir Angus Grossart	Resigned 16 May 2022
Professor John Brown CBE	Resigned 01 June 2022
Councillor Michael Cullen	Resigned 14 April 2021
Councillor Franny Scally	Resigned 28 June 2021
Councillor Frank McAveety	Resigned 25 May 2022
Councillor Annette Christie	Chair from 29 March 2022
Councillor Eva Bolander	
Councillor Holly Bruce	Appointed 31 May 2022
Councillor Kieran Turner	Appointed 29 June 2022
Councillor Laura Doherty	Appointed 14 April 2021
Susan Deighan (Chief Executive)	Appointed 21 June 2022
Mr Dilawer Singh MBE	
Mr Iain MacRitchie	
Mr John McCormick	
Mrs Lee Bonthron	
Mrs Siobhan Nairn	
Professor Sir Anton Muscatelli	

The composition of the Board of Directors is as follows:

- The maximum number of directors shall be fourteen (2021: fourteen) of which: -
 - A maximum of five (2021: five) directors shall be “Partner Directors” i.e. any elected member of Glasgow City Council who is willing to act as a director, appointed by Glasgow City Council.
 - A maximum of eight (2021: eight) directors shall be “Independent Directors”.
 - A maximum of one (2021: one) shall be the Executive Director.

Glasgow City Council, so long as it remains a member of the Company, shall appoint both Partner and Independent Directors to the Board. In the case of Independent Directors, the Council shall be guided by a Nominations Committee, established by the Board of Culture and Sport Glasgow, in relation to the selection of appropriate individuals for appointment. With regard to the Executive Director, it is for the Directors, at the first meeting of Directors to be held after the appointment of any individual to the post of Chief Executive of the Company, to appoint that individual as an Executive Director.

Policies and procedure for induction and training of directors

An induction training process is in place for all new directors, and this covers both the strategic and operational issues affecting the charity. The ongoing training needs of the directors are considered by the board and where appropriate internal and external training is provided-

Organisation Structure

The Board of Directors meets ordinarily every two months with Senior Management present. Decisions are taken and set the overall strategy for the business as well as to monitor its activities. Senior Management is charged with the task of implementing these decisions. Responsibility for day-to-day operations of the charity has been delegated to the Chief Executive, who is also a director. The Audit Committee meets to consider the strategic management of the charity's financial resources, both capital and revenue. This includes liaison with internal and external auditors and consideration of risks.

The charity has a trading subsidiary, Culture and Sport Glasgow (Trading) C.I.C., the results of which are consolidated into the charity's financial statements. The subsidiary company provides services such as catering facilities and the provision of retail shopping in the venues operated by the charity. Following the integration of Glasgow City Marketing Bureau during 16/17, CIC activity also now includes the work of the Glasgow Convention Bureau and Destination Marketing who contribute to the delivery of Glasgow's Tourism and Visitor Plan. Surpluses generated from these activities are paid over by gift aid to the charity during the year.

The ultimate parent undertaking, who consolidate the results of the charity and its group, is Glasgow City Council.

Employees

The charity maintains a policy of regularly providing all employees and, where represented, trade unions with information on the charity's performance. It is the charity's policy to give full consideration to applicants with a disability and we have a variety of policies, procedures and guidance to support them in the workplace.

Directors' Indemnities

The directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by section 243 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The charity also purchased and maintained throughout the financial year, Directors' and Officers' liability insurance in respect of itself and its directors.

Reference and administrative information

Company number	SC313851 (registered in Scotland)
Charity number	SC037844
Registered Office	Culture & Sport Glasgow Commonwealth House 38 Albion Street Glasgow G1 1LH
Independent Auditor	Azets Audit Services Chartered Accountants Titanium 1 King's Inch Place Renfrew PA4 8WF
Solicitors	GCC Legal Services 235 George Street Glasgow G1 IQZ
Bankers	Royal Bank of Scotland Kirkstane House 139 St Vincent Street Glasgow G2 5JF
Company Secretary	Jan Buchanan

The directors of the charity (who are also the trustees of the charity for the purposes of charity law) who were in office during the year and up to the date of signing of the financial statements were:

Key management personnel during the year to 31 March 2022

Chief Executive	Dr B McConnell	
Director of City Marketing & External Relations	S Deighan	
Director of Finance & Corporate Services	J Buchanan	
Director of Cultural Services	S Miller	Resigned 21 July 21
Director of Sport and Events	W Garrett	

Post balance sheet events

In the first calendar quarter of 2021-22 as restrictions eased, service provision and use began to grow, most noticeably from the restriction of face covering being lifted. Trading activities and delivery models have continued to be adapted in line with the "new normal" of changed consumer habits and demographic usage. In the first quarter of 2022-23 external income generation has continued to exceed expectations, however, there still remains a significant shortfall from pre-pandemic levels.

At this time, the directors believe there to be no quantifiable impact on the carrying value of assets in the balance sheet that results in either an adjusting or non-adjusting post balance sheet event.

Disclosure of information to the auditor

The directors who held office at the date of the approval of this Annual Report confirm that, so far as each director is aware, there is no relevant audit information of which the auditor is unaware; and each director has taken the appropriate steps that they ought to have taken as a director to make themselves aware of any such information and to establish that the auditor is aware of it.

Independent auditor

Azets Audit Services have expressed their willingness to continue in office as auditor and will be proposed for reappointment.

Approval of the Annual report, on behalf of the Board of Directors

In approving the Annual Report, the directors are also approving the Strategic Report in their capacity as company directors.

Approved by the Board on 07 September 2022 and signed on its behalf by:

Annette Christie
Chair



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PEDESTRIAN ZONE
No vehicles
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10 am - 7 pm

Subway

CHANNAN

Statement of directors' responsibilities

The directors (who are also trustees of Culture and Sport Glasgow for the purposes of charity law) are responsible for preparing the Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these 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.
- make judgments and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of internal control

Scope of Responsibility

As Director of Finance and Corporate Services, I have responsibility for maintaining a sound system of internal control that supports the Charity in delivering its Objectives and Activities, while safeguarding the assets and their use for charitable purposes.

Purpose of the System of Internal Control

The system of internal control is designed to minimise rather than eliminate the risk of failure to achieve the charity's objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

The system is based on an ongoing process designed to identify the principal risks to the achievement of the charity's objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically.

The process is consistent with guidance in the Scottish Public Finance Manual (SPFM) and has been in place for the year ended 31 March 2022 and up to the date of approval of the annual report and financial statements.

Risk and Control Framework

Our Risk Management process is also consistent with the key principles for a successful risk management strategy as set out in the SPFM. The Risk Register undergoes a major review on a six monthly basis with the outcomes of the review being reported directly to the Senior Management Team and the Audit Committee. The top five risks are also reported to the Board of Directors at every meeting.

Glasgow Life is committed to a process of continuous development and improvement in this area and is open to all developments in best practice in this area. We continue to engage with our Internal Auditors and our Insurance Brokers to share best practice in the review and development of our Risk Register.

Review of Effectiveness

As Director of Finance and Corporate Services, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by: -

- the management within the organisation who have responsibility for the development and maintenance of the internal control framework;
- the work of our internal auditors, who submit to the Audit Committee regular reports which include the Chief Internal Auditor's independent and objective opinion on the adequacy and effectiveness of the organisations systems of internal control along with recommendations for improvement;
- comments made by the external auditor in their management letters and other reports.

Appropriate action is in place to address any weaknesses identified and we work closely with management and our auditors to ensure the continuous improvement of the system.

Jan Buchanan

Director of Finance and Corporate Services



Independent auditor's report to the directors and members of culture and sport glasgow

Opinion

We have audited the financial statements of Culture and Sport Glasgow (the parent charitable company) and its subsidiary (the group) for the year ended 31 March 2022 which comprise the Consolidated and Parent Charitable Company Statement of Financial Activities (incorporating the Income and Expenditure Account), the Consolidated and Parent Charitable Company Balance Sheet, the Consolidated Statement of Cash Flows, the Parent Statement of Cash Flows 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 FRS 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 2022 and of the group 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 regulations 6 and 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 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 director's 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 group and 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 director's with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the annual report; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the director's

As explained more fully in the Statement of Director's Responsibilities set out on page 8, the directors 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 directors determine 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 directors are responsible for assessing the group's and 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 directors either intends to liquidate the group and parent charitable company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

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

- the engagement partner ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations
- we identified the laws and regulations applicable to the charity through discussions with management, and from our 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 charity, including the Charities and Trustees Investment (Scotland) Act 2005, the

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

- Charities Accounts (Scotland) Regulations 2006 (as amended) and taxation, data protection, anti-bribery, environmental, employment 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.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the charity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

We assessed the susceptibility of the charity'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.

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 set out in these financial statements were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the group's directors, 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 group's directors, as a body, those matters we are required to state to it 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 group and the group's directors, 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

Azets Audit Services is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Chartered Accountants

Titanium 1

King's Inch Place

Renfrew

PA4 8WF

Date 07 September 2022



Group Statement of Financial Activities
(incorporating a group income and expenditure account)
For the year ended 31 March 2022

	Notes	Unrestricted General Funds £000	Unrestricted Designated Funds £000	Unrestricted Pension/Employee Funds £000	Total Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Restated Total 2021 £000
Income from:								
Donations and legacies	3	2,953	70	-	3,023	14,627	17,650	9,176
Other trading activities								
<i>Commercial trading Company</i>	8	2,171	-	-	2,171	859	3,030	2,067
Investments	4	36	-	-	36	8	44	129
Charitable activities	5							
<i>Provision of leisure and cultural facilities</i>		23,696	44	-	23,740	2,250	25,990	29,079
<i>Service contract with Glasgow City Council</i>		76,716	-	-	76,716	-	76,716	77,988
Total		105,572	114	-	105,686	17,744	123,430	118,439
Expenditure on:								
Other trading activities								
<i>Commercial trading company</i>	8	(3,751)	-	-	(3,751)	(141)	(3,892)	(3,165)
Charitable activities								
<i>Provision of leisure and cultural facilities</i>	6	(97,877)	(1,095)	(18,929)	(117,901)	(11,062)	(128,963)	(113,365)
Total		(101,628)	(1,095)	(18,929)	(121,652)	(11,203)	(132,855)	(116,530)
Net income/(expenditure)		3,944	(981)	(18,929)	(15,966)	6,541	(9,425)	1,909
Transfers between funds		(3,944)	2,945	-	(999)	999	-	-
Other recognised gains/(losses)								
Actuarial gains/(losses) on defined benefit pension schemes	20	-	-	73,751	73,751	-	73,751	(42,776)
Net movement in funds		-	1,964	54,822	56,786	7,540	64,326	(40,867)
Reconciliation of funds:								
Total funds brought forward		618	14,085	(109,115)	(94,412)	19,076	(75,336)	(34,469)
Total funds carried forward		618	16,049	(54,293)	(37,626)	26,616	(11,010)	(75,336)

All of the activities are continuing. All gains and losses in the current and prior years are included in the Statement of Financial Activities.

Parent Charity Statement of Financial Activities
(incorporating an income and expenditure account)
For the year ended 31 March 2022

	Notes	Unrestricted General Funds £000	Unrestricted Designated Funds £000	Unrestricted Pension/Employee Funds £000	Total Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Restated Total 2021 £000
Income from:								
Donations and legacies	3	2,953	70	-	3,023	14,627	17,650	9,176
Investments	4	30	-	-	30	8	38	122
Charitable activities	5							
<i>Provision of leisure and cultural facilities</i>		23,696	44	-	23,740	2,250	25,990	29,079
<i>Service contract with Glasgow City Council</i>		75,119	-	-	75,119	-	75,119	76,527
Total		101,798	114	-	101,912	16,885	118,797	114,904
Expenditure on:								
Charitable activities								
<i>Provision of leisure and cultural facilities</i>	6	(97,877)	(1,095)	(18,929)	(117,901)	(11,062)	(128,963)	(113,365)
Total		(97,877)	(1,095)	(18,929)	(117,901)	(11,062)	(128,963)	(113,365)
Net income/(expenditure)		3,921	(981)	(18,929)	(15,989)	5,823	(10,166)	1,539
Transfers between funds		(3,944)	2,945	-	(999)	999	-	-
Other recognised gains/(losses)								
Actuarial gains/(losses) on defined benefit pension schemes	20			73,751	73,751	-	73,751	(42,776)
Net movement in funds		(23)	1,964	54,822	56,763	6,822	63,585	(41,237)
Reconciliation of funds:								
Total funds brought forward		571	14,085	(109,115)	(94,459)	18,174	(76,285)	(35,048)
Total funds brought forward GCMB		77	-	-	77	-	77	77
Total funds carried forward		625	16,049	(54,293)	(37,619)	24,996	(12,623)	(76,208)

All of the activities are continuing. All gains and losses in the current and prior years are included in the Statement of Financial Activities.

Balance Sheets

At 31 March 2022

		Group		Restated Charity	
		2022	2021	2022	2021
		£000	£000	£000	£000
	Note				
Fixed Assets					
Tangible assets	9	2,078	2,870	2,015	2,790
Investments	10	-	-	-	-
Total fixed assets			2,870		2,790
Current Assets					
Stock and work in progress	11	255	280	-	-
Debtors	12	20,339	21,910	26,839	26,405
Cash at bank and in hand	13	44,165	31,181	41,150	23,105
Total current assets		64,759	53,371	67,989	49,510
Creditors: amounts falling due in one year	14	(23,554)	(22,462)	(28,334)	(19,393)
Net current assets		41,205	30,909	39,655	30,117
Total assets less current liabilities		43,283	33,779	41,670	32,907
Defined benefit pension liability	20	(54,293)	(109,115)	(54,293)	(109,115)
Net liabilities including pension deficit		(11,010)	(75,336)	(12,623)	(76,208)
The funds of the group:					
Unrestricted income funds	16	16,667	14,703	16,674	14,733
Pension reserve deficit	20	(54,293)	(109,115)	(54,293)	(109,115)
Total unrestricted income funds		(37,626)	(94,412)	(37,619)	(94,382)
Restricted income funds	17	26,616	19,076	24,996	18,174
Total charity funds	18	(11,010)	(75,336)	(12,623)	(76,208)

The financial statements were approved and authorised for issue by the Board and signed on its behalf by:

Annette Christie
Chair

07 September 2022
 Registered number SC037844

Group Statement of Cash Flows

	<i>Note</i>	2022	2021
		£000	£000
Cash flows from operating activities:			
<i>Net cash provided by operating activities</i>	<i>19</i>	13,132	(997)
Cash flows from investing activities:			
Interest		44	129
Purchase of property, plant and equipment		(192)	(15)
		<hr/>	<hr/>
Net cash (used)/generated in investing activities		(148)	114
		<hr/>	<hr/>
<i>Change in cash and cash equivalents in the reporting period</i>		12,984	(883)
Cash and cash equivalents at the beginning of the reporting period		31,181	32,064
Cash and cash equivalents at the beginning of the reporting period - GCMB		-	-
		<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period		44,165	31,181
		<hr/>	<hr/>

Analysis of net debt

	As at 1	Cashflows	Other	As at 31
	April 2021		changes	March
	£000	£000	£000	2022
				£000
Cash and cash equivalents	31,181	12,984	-	44,165
	<hr/>	<hr/>	<hr/>	<hr/>
	31,181	12,984	-	44,165
	<hr/>	<hr/>	<hr/>	<hr/>

Parent Statement of Cash Flows

	<i>Note</i>	2022 £000	2021 £000	
Cash flows from operating activities:				
<i>Net cash provided by operating activities</i>	<i>20</i>	18,207	(2,226)	
Cash flows from investing activities:				
Interest		30	121	
Purchase of property, plant and equipment		(192)	(15)	
Net cash (used)/generated in investing activities		(162)	106	
<i>Change in cash and cash equivalents in the reporting period</i>		18,045	(2,120)	
Cash and cash equivalents at the beginning of the reporting period		23,105	25,225	
Cash and cash equivalents at the beginning of the reporting period - GCMB		-	-	
Cash and cash equivalents at the end of the reporting period		41,150	23,105	
Analysis of net debt	As at 1 April 2021	Cashflows	Other changes	As at 31 March 2022 £000
	£000	£000	£000	£000
Cash and cash equivalents	23,105	18,045	-	41.150
	23,105	18,045	-	41,150

1. Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard 102 as issued by the Financial Reporting Council, 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, the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity meets the definition of a public benefit entity under FRS 102 and has taken advantage of paragraph 3(3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities.

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the charity's transactions are denominated.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires directors to exercise their judgements in the process of applying accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

Basis of consolidation

The consolidated financial statements include the financial statements of the charitable company and its subsidiary undertaking Culture and Sport Glasgow (Trading) C.I.C. made up to 31 March 2022.

Income and expenditure

Owing to the special nature of the business of the charity and in the interests of presenting the results clearly to the members, it is considered inappropriate to adhere to the income and expenditure format described under section 400 of the Companies Act 2006. A statement of financial activities has been prepared in a form which is considered to give the members a true and fair view of the results for the period and which also complies with the requirements of Section 400 of the Act and Statement of Recommended Practice applicable to charities (Charities SORP (FRS 102)).

Going concern

The financial statements have been prepared on a going concern basis. COVID-19 has had a significant impact on the organisation both operationally and financially. As an organisation we are doing all we can to mitigate the losses and re-grow externally generated income to pay for service provision. We are owned by Glasgow City Council from whom we receive an annual Service Fee and a letter of support has been provided by GCC to ensure the ongoing financial sustainability of Culture and Sport Glasgow whilst we adapt our delivery models to balance short term needs with a longer term financially sustainable business model.

Fund Accounting

General Funds are restricted funds which have not been designated for other purposes and which are available for use at the discretion of the directors, in furtherance of the general objectives of the charity and as such, transfers between these unrestricted funds, may be freely made at the discretion of the directors.

Restricted funds are funds which are restricted in how they may be used by the directors.

Incoming resources

Activities for generating income are accounted for on an accruals basis.

Income (including income from grants) is recognised in the accounting period when there is entitlement, probability of receipt and the amount can be measured with sufficient reliability.

Incoming resources (continued)

Income from Glasgow City Council is accounted for on an accruals basis and is agreed in advance based on the level of service provided.

Investment Income is accounted for on an accruals basis.

Resources Expended

All expenditure is accounted for on an accruals basis. Where costs cannot be directly attributed to a cost heading, they have been allocated on a basis consistent with use of the resources.

Costs of generating funds

Costs of generating funds represents the direct operational costs involved within the subsidiary undertaking to provide services such as catering facilities, hire of conference facilities and the provision of retail shopping in the venues and events operated by the parent company.

Costs of charitable activities

Costs of charitable activities represent the direct operational costs expended on the provision of cultural, recreational and leisure facilities in accordance with the company's charitable objectives.

Support costs relate to corporate services costs and are not allocated to specific service areas but are shown across functions, as outlined in Note 6.

Governance costs

Governance costs are those cost incurred in compliance with constitutional and statutory requirements including related professional fees.

Leases

Operating lease rentals are charged to the income and expenditure account on a straight line basis over the period of the lease. All buildings operated by the charity are leased from Glasgow City Council for a peppercorn rental.

Stocks

Stocks of materials and consumables are stated at the lower of cost and net realisable value in the ordinary course of operating.

Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed. Trade debtors are recognised at the undiscounted amount of cash receivable, which is normally invoice price, less any allowances for doubtful debts.

Cash and Liquid resources

Cash, for the purpose of the cash flow statement, comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand.

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired. They are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

Financial assets and financial liabilities

Financial instruments are recognised in the statement of financial activities when the charity becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a financing transaction which includes transaction costs for financial instruments not subsequently measured at fair value. Subsequent to initial recognition, they are accounted for as set out below. A financing transaction is measured at the present value of the future payment discounted at the market rate of interest for similar debt instrument.

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS 102. At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective rate method. All financial instruments not classified as basic are measured at fair value at the end of the reporting period with the resulting changes recognised in income or expenditure. Where the fair value cannot be reliably measured, they are recognised at cost less impairment.

Financial assets are derecognised when the contractual rights to the cash flows from assets expire, or when the charity has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

Depreciation

Assets are held at cost. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life as follows with no depreciation charged in the month of acquisition:

- Plant and equipment 3 to 7 years
- Leasehold improvement 10 years

The de-minimis applied, when considering capitalisation of expenditure, is £1,000 (2021: £1,000).

Taxation

Group

The charge for corporation taxation is based on the taxable profit for the year. Deferred taxation is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 102.

Charitable company

Culture and Sport Glasgow is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3

Taxation (continued)

part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions

Culture and Sport Glasgow is a member of the Strathclyde Pension Fund, a Local Government Pension Scheme, which is a defined benefit pension scheme. The Fund is administered by Glasgow City Council in accordance with the Local Government Scheme (Scotland) Regulations 1998 as amended. All existing and new employees have the option of joining the Fund. The assets and liabilities of the scheme are held separately from those of the Trust in an independently administered fund.

The pension costs charged in the period are based on actuarial methods and assumptions designed to spread the anticipated pension costs over the service life of employees in the scheme, so as to ensure that the regular pension costs represent a substantially level percentage of the current and expected future pensionable payroll. Variations from regular costs are spread over the remaining service lives of current employees in the scheme.

Pensions (continued):

The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each reporting date. Actuarial gains and losses arising from experience adjustments and changes in assumptions are recognised immediately in the Statement of Financial Activities. All costs related to the defined benefit scheme are recognised in the Statement of Financial Activities.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets. Any asset resulting from the calculation is limited to the present value of available refunds and reductions in future contributions to the plan.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. Termination benefits are recognised in the statement of financial activities when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or (ii) providing termination benefits as a result of an offer made to encourage voluntary redundancy.

2. Critical judgements and estimates

In preparing the financial statements, directors make estimates and assumptions which affect reported results, financial position and disclosure of contingencies. Use of available information and application of judgement are inherent in the formation of the 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.

Critical judgements are made in the application of income recognition accounting policies, and the timing of the recognition of income in accordance with the Charities SORP (FRS 102).

Defined benefit pension and other post-employment benefits

The present value of the defined benefit pension and other post-employment benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pension and other post-employment benefits include the discount rate. Any changes in these assumptions will have an effect on the carrying amount of pension and other post-employment benefits.

After taking appropriate professional advice, management determines the appropriate discount rate at the end of each reporting period. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, consideration is given to the interest rates of high-quality corporate bonds that are denominated in the currency which the benefits are to be paid and that have terms to maturity approximating the terms of the related pension liability.

3. Donations and legacies

Group	Unrestricted 2022 £000	Restricted 2022 £000	Total 2022 £000	Total 2021 £000
Contributions	193	1,008	1,201	392
Donations and Bequests	160	554	714	286
Grants	2,670	13,065	15,735	8,498
	3,023	14,627	17,650	9,176
Charity	Unrestricted 2022 £000	Restricted 2022 £000	Total 2022 £000	Total 2021 £000
Gift Aid from Trading CIC	-	-	-	-
Contributions	193	1,008	1,201	392
Donations and Bequest	160	554	714	286
Grants	2,670	13,065	15,735	8,498
	3,023	14,627	17,650	9,176

Voluntary Income from charitable activities in 2021 was £9,176,000 of which £1,130,000 was unrestricted and £8,046,000 was restricted.

4. Investment Income

	Group		Charity	
	2022 £000	2021 £000	2022 £000	2021 £000
Interest receivable	44	129	38	124
	44	129	38	124

5. Incoming Resources from Charitable Activities

	Unrestricted	Restricted	Total	Restated Total
	2022 £000	2022 £000	2022 £000	2021 £000
Sports and Events	10,422	494	10,916	9,757
Libraries and Community Facilities	2,682	97	2,779	2,192
Arts and Music	607	442	1,049	515
Comm Facs/Learning	512	139	651	268
Corporate Services	9,465	0	9,465	14,905
Museums	52	1,078	1,130	1,442
	23,740	2,250	25,990	29,079
Service contract with Glasgow City Council	76,716	-	76,716	77,988
	100,456	2,250	102,706	107,067

Income from charitable activities in 2021 was £107,067,000 of which £105,377,000 was unrestricted and £1,690,000 was restricted.

6. Analysis of resources expended

	Charitable Activities	Support Costs	Total	Restated Total
	2022 £000	2022 £000	2022 £000	2021 £000
<i>Unrestricted General funds – charitable activity/cost</i>				
Provision of leisure and cultural facilities (see below)	74,031	23,846	97,877	93,601
<i>Designated funds – charitable activity/cost</i>				
Provision of leisure and cultural facilities (see below)	1,090	5	1,095	143
<i>Restricted funds – charitable activity / cost</i>				
Provision of leisure and cultural facilities (see below)	11,062	-	11,062	6,724
	86,183	23,851	110,034	100,468

Analysis of charitable activities by objective

	Unrestricted General Funds 2022 £000	Designated General Funds 2022 £000	Restricted Funds 2022 £000	Total 2022 £000	Restated Total 2021 £000
Sports and Events	35,871		4,880	40,751	38,587
Libraries/Cultural Venues	10,870		568	11,438	9,804
Arts and Music	1,567		2,349	3,916	2,060
Comm Facs/Learning	13,080		1,834	14,914	14,609
Corporate Services	23,846	1,095	(84)	24,857	22,810
Museums	12,643		1,515	14,158	12,598
	97,877	1,095	11,062	110,034	100,468

Expenditure on charitable activities in 2021 was £100,468,000 of which £92,355,000 was unrestricted, £143,000 was designated and £7,970,000 was restricted.

	2022 £000	2021 £000
Net incoming resources are stated after charging:		
Depreciation	890	1,018
Auditor's remuneration – see note 7	31	26

Depreciation charge is shown net of write back of charge attributable to fixed asset disposals

Allocation of Support Costs

	Charitable Activities 2022 £000	Governance 2022 £000	Total 2022 £000	Total 2021 £000
Finance, Procurement and Business Support	2,648	139	2,787	3,549
ICT	3,990	-	3,990	4,154
Human Resources	1,116	-	1,116	960
Marketing and Media	1,767	-	1,767	1,638
Administration and Management	13,871	328	14,199	12,301
	23,392	467	23,859	22,602

6. Governance costs

	Group			
	Unrestricted	Restricted	Total	Total
	General	Funds	Funds	2021
	Funds	2022	2022	2021
	£000	£000	£000	£000
Strategic Planning Costs	328	-	328	328
External auditors' remuneration:				
Audit of these financial statements	27	-	27	23
Audit of financial statements of subsidiaries pursuant of legislation	4	-	4	3
Other services relating to taxation	4	-	4	3
Additional Service from Audit	5	-	5	
Audit Fees – Internal	44	-	44	30
Directors and Officers Indemnity Insurance	55	-	55	16
	467	-	467	403

7. Staff numbers and costs

The remuneration and associated costs of the group and the charity were:

	Group		Charity	
	2022	Restated 2021	2022	Restated 2021
	£000	£000	£000	£000
Wages and Salaries	55,384	57,916	53,459	55,938
Redundancy Costs	1,472	77	1,461	77
Social Security Costs	4,921	4,941	4,738	4,766
Other Pension Costs	27,064	20,901	26,691	20,572
Agency Costs	18	23	18	23
	88,859	83,858	86,367	81,376

30 members (2021: 6) of staff retired due to ill health, were made redundant or temporary contracts came to an end during the year and received lump sum payments totalling £1,472,393 (2021: £70,381).

Employees receiving salaries, plus benefits in kind, more that £60,000 were in the following bands:

	Group and Charity	
	2022	2021
	Number	Number
£140,000 - £149,999	1	1
£130,000 - £139,999	1	-
£100,000 – £129,999	-	1
£90,000 - £99,999	3	3
£80,000 - £89,999	-	-
£70,000 - £79,999	12	13
£60,000 - £69,999	14	18
	31	36

Retirement benefits are accruing to these members of staff under the defined benefit pension scheme.

No remuneration or expenses were paid to directors in their capacity as directors. However, one of the directors, Dr Bridget McConnell, was employed by the company as Chief Executive and received total remuneration in her capacity as an employee of £147,969 (2021: £146,974) plus an employer's contribution to the defined benefit pension scheme of £28,454 (2021: £24,410)

	Group and Charity	
	2022	2021
	Number	Number
£140,000 - £149,000	1	1
	<u>1</u>	<u>1</u>

Staff numbers and costs (continued):

The key management personnel of the Group comprise the Chief Executive, Director of City Marketing & External Relations, Director of Finance & Corporate Services, Director of Cultural Services and Director of Sport & Events. The total employee benefits of the key management personnel were £687,681 (2021: £699,370).

The average monthly full-time equivalent number of employees of the group during the year was:

	Group		Charity	
	2022	2021	2022	2021
	FTE	FTE	FTE	FTE
External Relations & Infrastructure	81	92	81	92
Arts & Music	194	151	194	151
Museums & Collections	273	273	273	273
Communities & Libraries	369	457	369	457
Sport & Events	811	880	811	880
Management and Administration	136	143	136	143
Retail	31	35		-
	<u>1,895</u>	<u>2,031</u>	<u>1,864</u>	<u>1,996</u>

During the year Glasgow Life also employed staff relating to Burrell Project - 15 (2021: 21) which are not included in figures above.

8. Activities for Generating Funds

The wholly owned trading subsidiary Culture and Sport Glasgow Trading (Community Interest Company) Limited, which is incorporated in the United Kingdom, pays all of its profits to the charity by Gift Aid. Culture and Sport Glasgow Trading (Community Interest Company) Limited operates all the commercial trading operations carried out at premises managed by the charity. The charity owns the entire share capital of 100 ordinary shares of £1 each. A summary of the trading results is shown below.

	Total 2022 £000	Total 2021 £000
Turnover	3,909	3,123
Cost of Sales and Administration Costs	(3,892)	(3,165)
Interest receivable	6	7
Net profit/(loss) on ordinary activities before taxation	<u>23</u>	<u>(34)</u>
Taxation on profit on ordinary activities		
Profit/(loss) for the year	23	(34)
Gift Aid to charity	-	-
Retained in the subsidiary	23	-

The assets and liabilities of the subsidiary were:

	2022 £'000	2021 £'000
Fixed Assets	60	79
Current Assets	11,067	9,826
Current Liabilities	(11,138)	(9,939)
Total Net Assets	<u>(11)</u>	<u>(34)</u>
Aggregate share capital and reserves	<u>(11)</u>	<u>(34)</u>

9. Tangible assets

Group	Leasehold Improvements	Plant & Equipment	Total
	2022 £000	2022 £000	
<i>Cost</i>			
At the beginning of the year	6,012	4,830	10,842
Additions	-	192	192
Disposals	(304)	(85)	(389)
At end of year	<u>5,708</u>	<u>4,937</u>	<u>10,645</u>
<i>Accumulated Depreciation</i>			
At beginning of year	(3,691)	(4,281)	(7,972)
Charge of year	(648)	(242)	(890)
Disposals	212	83	295
At end of year	<u>(4,127)</u>	<u>(4,440)</u>	<u>(8,567)</u>
Net book value at 31 March 2022	<u>1,581</u>	<u>497</u>	<u>2,078</u>
Net book value at 31 March 2021	<u>2,321</u>	<u>549</u>	<u>2,870</u>

Charity	Leasehold	Plant &	Total
	Improvements	Equipment	
	2022	2022	2022
	£000	£000	£000
<i>Cost</i>			
At the beginning of year	5,759	4,805	10,564
Additions		192	192
Disposals	(304)	(85)	(389)
At end of year	<u>5,455</u>	<u>4,912</u>	<u>10,367</u>
<i>Accumulated Depreciation</i>			
At beginning of year	(3,516)	(4,258)	(7,774)
Charge of year	(630)	(242)	(872)
Disposals	211	83	294
At end of year	<u>(3,935)</u>	<u>(4,417)</u>	<u>(8,352)</u>
Net book value at 31 March 2022	<u>1,520</u>	<u>495</u>	<u>2,015</u>
Net book value at 31 March 2021	<u>2,243</u>	<u>547</u>	<u>2,790</u>

All assets owned are held for charitable use.

10. Investments

	Charity	
	2022	2021
	£000	£000
Investment in subsidiary undertaking	-	-

Glasgow Life holds full share capital of £100 of Culture and Sport Glasgow (Trading) C.I.C., company number SC313850.

11. Stocks and work in progress

	Group		Charity	
	2022	2021	2022	2021
	£000	£000	£000	£000
Merchandise for resale	<u>255</u>	<u>280</u>	<u>-</u>	<u>-</u>

12. Debtors

	Group		Charity	
	2022	2021	2022	2021
	£000	£000	£000	£000
Trade debtors	4,206	2,072	3,796	1,837
Amounts owed by group undertakings (parent)	57	60	57	60
Amounts owed by group undertakings	-	-	-	652
VAT	-	-	7,009	5,305
Prepayments and accrued income	7,780	4,228	7,680	4,221
Deficit funding debtor	8,296	15,550	8,296	14,330
	<u>20,339</u>	<u>21,910</u>	<u>26,839</u>	<u>26,405</u>

13. Cash at bank and in hand

	Group		Charity	
	2022 £000	2021 £000	2022 £000	2021 £000
Cash at bank and in hand	13,965	20,936	10,950	12,860
Short term deposits	30,200	10,245	30,200	10,245
	<u>44,165</u>	<u>31,181</u>	<u>41,150</u>	<u>23,105</u>

14. Creditors: amounts falling due within one year

	Group		Charity	
	2022 £000	2021 £000	2022 £000	2021 £000
Trade creditors	2,749	1,643	2,397	1,492
Amounts owed by group undertakings	-	-	7,277	-
Other Creditors	10,110	11,521	9,973	11,491
Taxation and Social Security	1,891	2,055	1,900	2,064
VAT	1,738	2,657	-	-
Deferred Income	7,066	4,586	6,787	4,346
	<u>23,554</u>	<u>22,462</u>	<u>28,334</u>	<u>19,393</u>

15. Deferred income

Deferred income comprises advanced ticket sales, occupancy income and venue hire deposit income.

	Group £000	Charity £000
Balance as at 1 April 2021	4,586	4,346
Movement during the year	2,480	2,441
Balance at 31 March 2022	<u>7,066</u>	<u>6,787</u>

16. Unrestricted Income Funds**Group 2022**

	Unrestricted General Funds	Unrestricted Designated Funds	Total
	2022 £000	2022 £000	2022 £000
Balance as at 1 April	618	14,085	14,703
Income	105,572	114	105,686
Expenditure	(101,628)	(1,095)	(102,723)
Transfers	(3,944)	2,945	(999)
Balance at 31 March	<u>618</u>	<u>16,049</u>	<u>16,667</u>

Unrestricted Income Funds (continued)

Charity 2022

	Unrestricted General Funds 2022 £000	Unrestricted Designated Funds 2022 £000	Total 2022 £000
Balance as at 1 April	648	14,085	14,733
Income	101,798	114	101,912
Expenditure	(97,877)	(1,095)	(98,972)
Transfers	(3,944)	2,945	(999)
Balance at 31 March	625	16,049	16,674

Group 2021

	Restated Unrestricted General Funds 2021 £000	Unrestricted Designated Funds 2021 £000	Restated Total 2021 £000
Balance as at 1 April	618	2,480	3,098
Income	108,246	115	108,361
Expenditure	(95,673)	(143)	(95,816)
Transfers	(12,573)	11,633	(940)
Balance at 31 March	618	14,085	14,703

Charity 2021

	Restated Unrestricted General Funds 2021 £000	Unrestricted Designated Funds 2021 £000	Restated Total 2021 £000
Balance as at 1 April	613	2,480	3,093
Income	104,963	115	105,078
Expenditure	(92,355)	(143)	(92,498)
Transfers	(12,573)	11,633	(940)
Balance at 31 March	648	14,085	14,733

Designated income funds

	Total £000
Group and Charity	
Balance as at 1 April 2021	14,085
Income	114
Expenditure	(1,095)
Transfers	2,945
Balance at 31 March 2022	16,049

Fund Name	Balance at Beginning of Year £000	Incoming Resources £000	Outgoing Resources £000	Transfers £000	Balance at 31 March 2022 £000
Cycle to work	44	29	(19)	-	54
Transition	6,492	85	(1,019)	988	6,546
IT Investment	1,771	-	(39)	300	2,032
City Hall Maintenance	197	-	-	-	197
Energy Efficiency	881	-	(18)	1,657	2,520
Remediation works	4,650	-	-	-	4,650
Tourism Strategy	50	-	-	-	50
	14,085	114	(1,095)	2,945	16,049

Fund Description**Cycle to Work**

Glasgow Life employee Cycle to Work which fits with Government Green Travel Plan

Transition

GL transformation programme

IT Investment

Improve/enhance IT infrastructure

Energy Efficiency

Implement new energy efficiency measures and reduce carbon emissions

City Hall Maintenance Fund

Funding for works at City Hall

Remediation Works

Fund to support maintenance programme of buildings

Tourism Strategy

Promoting the city as a visitor destination

17. Restricted income funds

2022	Group £000	Charity £000
Balance as at 1 April	19,076	18,174
Income	17,744	16,885
Expenditure	(11,203)	(11,062)
Transfers	999	999
Balance at 31 March	26,616	24,996

2021	Restated Group £000	Restated Charity £000
Balance as at 1 April	15,875	15,378
Income	10,078	9,826
Expenditure	(7,817)	(7,970)
Transfers	940	940
Balance at 31 March	19,076	18,174

2022 Group

	Restated Fund Balance Brought Forward £000	Incoming Resources £000	Outgoing Resources £000	Transfers £000	Fund Balances Carried Forward £000
Area Teams	2,492	2,080	(1,861)	324	3,035
Arts	970	1,638	(2,348)	540	800
Corporate	1,013	805	85	16	1,919
Events	410	8,127	(4,474)	(29)	4,034
Libraries	385	661	(542)	1	505
Museums	10,826	2,994	(1,515)	89	12,394
Music	56	0	(2)	24	78
Sport and Leisure Activities	2,022	580	(405)	34	2,231
CIC	902	859	(141)	-	1,620
	19,076	17,744	(11,203)	999	26,616

Restricted income funds (continued)

2021 Group

	Fund Balance Brought Forward £000	Restated Incoming Resources £000	Restated Outgoing Resources £000	Transfers £000	Fund Balances Carried Forward £000
Area Teams	1,590	1,765	(1,163)	311	2,503
Arts	413	1,353	(988)	192	970
Corporate	579	145	(14)	300	1,010
Events	574	3,107	(3,271)	-	410
Libraries	198	583	(404)	-	377
Museums	9,870	2,620	(1,658)	(6)	10,826
Music	34	-	(2)	24	56
Sport and Leisure Activities	2,120	253	(470)	119	2,022
CIC	497	252	153	-	902
	15,875	10,078	(7,817)	940	19,076

Analysis by fund of amounts received during the year in excess of £50,000 or where the fund balance at 31 March 2022 is greater than £25,000.

Service Area	Fund Name	Balance at Beginning of Year £000	Incoming Resources £000	Outgoing Resources £000	Transfers £000	Balance at 31 March 2022 £000
Area Teams	Glasgow Digital Skill Prog	262	439	(451)	-	250
	ESOL	79	60	(59)	-	80
	South Youth Prog	36	8	(16)	-	28
	West Hubs	360	15	(59)	263	579
	North East CEV	37	-	-	-	37
	Family Learning	120	422	(382)	-	160
	North East Youth Programme	121	-	(33)	-	88
	Universal Credit Digital Support	451	282	(174)	-	559
	ALN Family Literacies Grant	52	13	(5)	15	75
	Primary Care MW	175	-	-	-	175
	Gaelic Development	38	13	(8)	-	43
	North East AL	55	-	(1)	-	54
	South West AL	79	52	(99)	-	32
	Digital Volunteering	227	64	(84)	-	207
	F.F Key Workers Proj	36	399	(304)	-	131
	IGF Funding Various	33	-	-	33	66
	EIIF Project	17	36	(26)	-	27
	FAB Life Changes Trust	33	50	(37)	-	46
	Youth Dev Officer	22	15	(11)	-	26
	Young PPL Guarantee	(6)	125	(21)	-	98
	Scots Refugee	-	29	(9)	-	20
	NW Youth Work	20	40	(53)	-	7
	Other	245	19	(28)	13	249
	Total Area Teams	2,492	2,080	(1,861)	324	3,035

Service Area	Fund Name	Balance at Beginning of Year	Incoming Resources	Outgoing Resources	Transfers	Balance at 31 March 2022
		£000	£000	£000	£000	£000
Arts	Arts Grants Payments	18	20	(84)	66	20
	Festival 2022	89	408	(485)	-	12
	Glasgow Int 2020	205	357	(613)	57	6
	GI	-	55	(1)	-	54
	MCF 2021	46	55	(84)	(5)	12
	Performance PAVRF	0	108	(101)	-	7
	PAV Relief Fund	156	51	(158)	-	49
	Artist in Residence	213	150	(517)	400	246
	East End Residency	28	26	(24)	-	30
	Scot Venice 2022	158	76	(182)	-	52
	Tramway Mgt PAVRF	-	107	(63)	-	44
	Tramway PAV2	-	201	(8)	-	193
	Other	57	24	(28)	22	75
	Total Arts		970	1,638	(2,348)	540
Corporate	City Centre Strategy	115	-	-	-	115
	Development Income	165	(8)	-	-	157
	Facility ENV2 Funding	207	681	-	-	888
	Facilities Mgt Rest	68	-	-	-	68
	SALIX Fund	383	-	148	-	531
	Maryhill Tennis	-	124	(6)	-	118
	Other	75	8	(57)	16	42
	Total Corporate		1,013	805	85	16
Events	Winter Festival	10	320	(273)	-	57
	MCF 2021	26	180	(136)	-	70
	Subvention – Major Events	218	439	(368)	8	297
	World Pipe Band	60	85	-	-	145
	UEFA 2020	(55)	2,986	(2,902)	(29)	-
	WAIC 2024	-	250	(189)	-	61
	ECOS 2023	-	55	(26)	2	31
	DNA 2022	-	262	(238)	-	24
	UCI Cycling WC 2023	144	3,300	(335)	(10)	3,099
	Cycling Delivery 2023	-	250	-	-	250
	Other	7	-	(7)	-	0
Total Events		410	8,127	(4,474)	(29)	4,034
		Balance at Beginning of Year	Incoming Resources	Outgoing Resources	Transfers	Balance at 31 March 2021
		£000	£000	£000	£000	£000
Service Area	Fund Name					
Libraries	MacMillan at CCLB	12	247	(223)	-	36
	Future Families –Clyde Gtw	48	-	(15)	-	33
	Barlinnie Prison Lib.	45	17	(12)	-	50

	Baillies Book Fund	32	-	-	-	32
	Aye Write Festival	86	133	(136)	1	84
	Supporting Families	-	70	(45)	-	25
	McInnespie Legacy	-	101	-	-	101
	Engaging Libraries	14	17	(5)	-	26
	Other	147	76	(106)	-	117
	Total Libraries	385	661	(542)	1	505
Museums	Exhibitions	162	105	(49)	(10)	208
	Burrell Renaissance	10,232	1,451	(72)	-	11,611
	Burrell Re-opening	-	90	(11)	35	114
	Going Green	46	25	(3)	-	68
	C R Mackintosh Tour	14	44	(8)	-	50
	MHG- Burrell Schools	30	10	-	-	40
	Touring Exhn. Devpt	34	-	-	-	34
	Contemporary Art	20	81	(145)	50	6
	Patrons Circle	22	13	(4)	-	31
	Burrell Capital	-	989	(989)	-	-
	Other	266	186	(234)	14	232
	Total Museums	10,826	2,994	(1,515)	89	12,394
Music	UNESCO	53	-	(2)	24	75
	Other	3	-	-	-	3
	Total Music	56	-	(2)	24	78
CIC	Conventions Subvention	852	700	(38)	-	1,514
	Digital Fund	-	69	(1)	-	68
	Visit Scotland	-	90	(82)	-	8
	Overseas Digital Cam	50	-	(20)	-	30
	Total CIC	902	859	(141)	-	1,620
Sport	Walk Glasgow	127	8	(4)	-	131
	Active Living Development	44	-	-	-	44
	Keep Well Project	58	-	-	-	58
	Netball Super League	234	65	-	-	299
	COPD	42	14	-	-	56
	Obesity	34	-	-	-	34
	Activity Work	29	-	-	-	29
	Active ABC	50	-	-	-	50
	Sports Grants	72	102	(150)	69	93
	Active Ageing Week	161	-	-	-	161
	Health Referrals	68	-	-	-	68
	Indoor Athletics	66	-	(41)	-	25

Park Lives	39	-	-	-	39
CRF	135	-	-	-	135
Community Sport Hubs	453	172	(164)	-	461
Garrowhill Tennis	49	131	(2)	-	178
Coach Core	100	39	(8)	-	131
HWC Volunteer Legacy	63	-	-	-	63
Cardia Rehab	23	20	-	-	43
Other	175	29	(36)	(35)	133
Total Sport	2,022	580	(405)	34	2,231
Total Restricted Funds	19,076	17,744	(11,203)	999	26,616

* Brought forward balance restated as a result of roundings in prior year

Fund Description

Glasgow Digital Skills Programme

Promote and support Digital Skills

ESOL (English as a second language)

National grant from Scottish Funding Council to support ESOL learning

South Youth Programme

Engaging young people in diverse activities

Primary Care Mental Wellbeing Programme

Pilot – Learning on Prescription

South West Learning

Youth project

West Hubs

Youth Programmes in West

NE Volunteering Programme

Programme to support volunteering in the community

Family Learning

Support literacy and numeracy for parents and children

Adult Learning NE

Support literacy and numeracy in North East

North East Youth Programme

Activities programme for 11-16 year olds in North East

Universal Credit Digital Support

GCC funding to support roll out of Universal Credit

ALN Family Literacies Grant

Delivery of family literacy programmes across the city

Gaelic Development

Raising awareness and development of Gaelic

Fab Life Changes Trust

Youth, cultural and sporting activities for care experienced young people

Digital Volunteering

Scottish Government funding for Digital Volunteer Co-ordinator

F.F Key Workers Proj

Family Employment Support Programme

IGF Funding Various

GCC funding for variety of Community based projects

EIIF Project

Promote Reading & Literacy in East End of Glasgow

Fab Life Changes Trust

Youth, cultural and sporting activities for care experienced young people

Youth Development Officer

Officer to work on Youth Development Project

Fund Description (continued):**Young PPL Guarantee**

Vocational Training for young people

Scots Refugee

Projects providing learning and aiding integration

North West Youth Work

Youth Education

Arts Grants Payments

Grants from Glasgow City Council distributed to Arts Bodies in the city by Arts Development Team

Artist in Residence

Community engagement through Artists in Residence programme

MCF

Outdoor Arts Event within Glasgow's Merchant City Festival

GI 2020

Bi-annual arts festival

East End Residency

Clyde Gateway funded artist in residence programme based in the Calton/Barrowfield community

Festival 2022

Nationwide festival of creativity and innovation in 2022

PAV Relief Fund

Performing Arts Venue Relief Funding

Scot Venice 2022

Hosting of the Scottish Pavilion at Venice Biennial 2022

City Centre Strategy

Marketing and promotion of City Centre Strategy & Action Plan

Development Income

Fundraising activities/Individual Giving

Facility ENV2 Funding

Funding for grounds maintenance and management facility services

Facilities Management

Bequests to be used for refurbishment of various Glasgow Life properties

Fund Description (continued):**Salix Fund**

Government funding to improve energy efficiency, carbon emissions etc.

Maryhill Tennis

Funding for the refurbishment of Maryhill Tennis Courts

Winter Festival

Winter celebrations in Glasgow

MCF2021

Outdoor Arts Event within Glasgow's Merchant City Festival

Major Events – Subvention

Culture & Rec Funding for events across Glasgow

World Pipe Band

Pipe Band competition with bands from across the world competing.

UEFA EURO 2020

2020 European Football Championships

WAIC 2024

World Athletic Championships 2024

ECOS 2023

European Capital of Sport 2023

DNA 2022

Dynamic New Athletics Event

UCI Cycling WC 2023

UCI Cycling World Championships 2023

Cycling Delivery 2023

UCI Cycling World Championships 2023

Fund description**MacMillan at CCLB**

Delivery of Cancer support groups/services

Future Family – Clyde Gateway

Supporting 865 parenting and communication sessions for Clyde Gateway residents (3 year project)

Barlinnie Prison Lib

Provision of library service at Barlinnie Prison

Fund Description (continued):**Baillie's Book Fund**

Baillie's Institution Funding for purchase of books

Aye Write Festival

Annual Book Festival

PLIF INVSTDIGTLOFFER

Investing in Digital

Supporting Families

Family support and engagement in Bridgeton

McInnespie Legacy

Legacy for Mitchell Library

Engaging Libraries

Encourage families to connect with research about children's literacy development

Exhibitions

Museums general exhibitions

Burrell Renaissance

Tour and fundraising elements of Burrell Project

Going Green

Programme on climate change and sustainability at Riverside Museum

Burrell Reopening

Burrell Collection Reopening Events Programme

CR Mackintosh Tour

Touring Exhibition

MHG- Burrell Schools

Engagement programme providing school children from deprived areas access to the newly renovated Burrell Collection

Contemporary Art

Purchase of Contemporary Art

Touring Exhibition Dev

Seed funding for the development of future touring exhibitions

Patron's Circle

Fundraising to ensure longevity of our Museums Collections

Fund Description (continued):**Burrell Capital**

Development of Burrell Site

UNESCO

Music programme related to Glasgow being a Unesco City of Music

Active Living Development

Activities designed for older adults.

Walk Glasgow

Walking Programme.

Keep Well Project

NHS funding for sporting activities

Netball Super League

Development of Glasgow Wildcats netball team

COPD

Pulmonary rehabilitation service providing a 6 week group based exercise programme operating 50 weeks a year

Obesity

NHS funded project addressing obesity in children and young people

Active ABC

Funded by MacMillan Cancer support to develop range of classes for people living with and beyond cancer

Sports grants

Talented Sports Performer scheme to subsidise cost of certain sports

Active Ageing Week

A week of activities tailored towards older people in Glasgow

Health Referrals

Scottish Government funding, as part of the 2010 project, to help 45 – 64 year olds who are at high risk of contracting coronary heart disease

Activity Work

Promoting healthy activities for employees

Park Lives

Funding from Coca Cola to hold free activities in parks

CRF

Sportscotland funding for delivery of Active Schools programme and Coaching Network

Fund Description (continued):**Community Sports Hubs**

Community sports development programme.

Garrowhill Tennis

ENV2 Funding for the building of tennis courts

HWC Volunteer Legacy

Big Lottery funding to support Homeless World Cup (HWC) legacy project

Coach Core

Programme where young people are given a fixed term training contract with GL funded by Royal Foundation

Cardiac Rehab

Delivery of rehab service

Conventions Subvention

Funding for conferences across Glasgow

Digital Fund

Redevelopment of CRM and photolibrary website

Visit Scotland

Funding for redevelopment of Glasgow Life's official tourism and visitor website

Overseas Digital Campaign

Funding for China Digital Campaign

18. Analysis of net assets between funds

Group	Unrestricted	Restricted	Total	Total
	Funds	Funds	2022	2021
	£000	£000	£000	£000
Fund balances at 31 March 2021 are represented by:				
Tangible fixed assets	2,078	-	2,078	2,870
Current assets	38,143	26,616	64,759	53,371
Current liabilities	(23,554)	-	(23,554)	(22,462)
Pension Deficit	(54,293)	-	(54,293)	(109,115)
Total net assets	(37,626)	26,616	(11,010)	(75,336)

The 2021 figures include restricted fund balances of £19,076,000 all of which are deemed to be current assets.

Charity	Unrestricted	Restricted	Total	Total
	Funds	Funds	2022	2021
	£000	£000	£000	£000
Fund balances at 31 March 2022 are represented by:				
Tangible fixed assets	2,015	-	2,015	2,790
Current assets	42,993	24,996	67,989	49,510
Current liabilities	(28,334)	-	(28,334)	(19,393)
Pension Deficit	(54,293)	-	(54,293)	(109,115)
	(37,619)	24,996	(12,623)	(76,208)

The 2021 figures include restricted fund balances of £18,174,000 all of which are deemed to be current assets.

19. Notes to the cash flow statement**Group Cash Flow Statement****Reconciliation of expenditure to net cash flow from operating activities**

	2022	2021
	£000	£000
Net income/(expenditure) for the reporting period	(9,425)	1,909
Depreciation	890	1,019
Loss on Disposal	94	-
Retirement benefit scheme	18,929	12,897
Interest received	(44)	(129)
Decrease in stocks	25	113
Decrease/(increase) in debtors	1,571	(13,046)
Increase/(decrease) in creditors and provisions	1,092	(3,760)
Net cash generated/(used) in operating activities	13,132	(997)

Analysis of cash and cash equivalents

	2022	2021
	£000	£000
Cash in hand	13,965	20,936
Notice deposits (less than 3 months)	30,200	10,245
Net cash used in operating activities	44,165	31,181

Parent Cash Flow Statement**Reconciliation of expenditure to net cash flow from operating activities**

	2022	2021
	£000	£000
Net income/(expenditure) for the reporting period	(10,165)	1,538
Depreciation	872	992
Loss on Disposal	94	-
Retirement benefit scheme	18,929	12,897
Interest received	(30)	(121)
Decrease in stocks	-	11
Decrease/(increase) in debtors	(434)	(13,060)
Increase/(decrease) in creditors and provisions	8,941	(4,483)
Net cash generated/(used) in operating activities	18,207	(2,226)

Analysis of cash and cash equivalents

	2022	2021
	£000	£000
Cash in hand	18,950	12,860
Notice deposits (less than 3 months)	22,200	10,245
Net cash used in operating activities	41,150	23,105

20. Pension Scheme

Group and Charity

Culture and Sport Glasgow participates in the Local Government Pension Scheme, which is administered by Strathclyde Pension Fund and is a defined benefit pension scheme. The assets are held separately from those of the charity in investments and are under the supervision of the Fund Directors. The fund includes both a funded and an unfunded portion.

The Strathclyde Pension Fund is a defined benefit scheme into which employee' and employer's contributions, and interest and dividends from investments are paid and from which pensions, lump sums and superannuation benefits are paid out. Employees' contributions are tiered and employer's basic contributions are assessed every three years by an actuary and are fixed to ensure the fund remains solvent and in a position to meet its future liabilities. The actuarial method used is known as Projected Unit Credit Method. The last actuarial valuation was at 31 March 2020 and following this valuation employer's contributions remained at 19.3% for the years ended 31 March 2021 and 2022 -2023 respectively. Employer's contributions for the period 31 March 2021 amounted to £10,156,000 and were based on a 19.3% contribution.

The movement in the defined benefit obligation over the year is as follows:

	31 March 2022	31 March 2021
	£'000	£'000
Opening defined benefit obligation	547,153	413,898
Current service cost	27,008	21,693
Interest cost	11,166	9,711
Contributions by members	3,185	3,610
Actuarial (gains)/losses	(48,651)	106,209
Past service costs	526	-
Benefits paid	(7,204)	(7,618)
Unfunded benefits paid	(347)	(350)
Effect of business combinations and disposals		
Closing defined benefit obligation	532,836	547,153

The movement in the fair value of plan assets in the year is as follows:

	31 March 2022	31 March 2021
	£'000	£'000
Opening fair value of plan assets	438,038	360,456
Interest income on plan assets	8,820	8,351
Contributions by members	3,185	3,610
Contributions by the employer	10,604	9,806
Contributions in respect of unfunded benefits	347	350
Actuarial loss/gain	25,100	63,433
Benefits paid	(7,204)	(7,618)
Unfunded benefits paid	(347)	(350)
Effect of business combinations and disposals		-
Closing fair value of plan assets	478,543	438,038

Amounts recognised in net income/expenditure (per SOFA):

31 March 2022	31 March 2021
£'000	£'000

	31 March 2022	31 March 2021
	£'000	£'000
Current service cost	(27,008)	(21,693)
Past Service Cost (including curtailment)	(526)	-
Total service cost	(27,534)	(21,693)
Net interest		
Interest income on plan assets	8,820	8,351
Interest cost on defined benefit obligation	(11,166)	(9,711)
Total net interest	(2,346)	(1,360)
Total defined benefit cost recognised in net income/expenditure per the SOFA	(29,880)	(23,053)

The major categories of plan assets as a % of the total plan assets are as follows:

	31 March 2022	31 March 2021
	%	%
Equities	64	68
Bonds	24	21
Property	10	10
Cash	2	1

The estimated employer contributions for the year to 31 March 2023 are £10,024,000

The bid value of the Fund's assets as at 31 March 2022 is estimated based on information provided by the Administering Authority, index returns where necessary and estimated adjustments for the difference between the mid-market (as supplied) and bid (as required) value of assets.

Pension Scheme (continued):

The principal actuarial assumptions used in the calculations are:

	31 March 2022	31 March 2021
	% per annum	% per annum
Pension Increase Rate	3.20	2.85
Salary Increase Rate	3.90	3.55
Discount Rate – Culture and Sport Glasgow	2.70	2.0
Discount Rate – GCMB	-	-

Mortality

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2021 model with a 0% weighting of 2021 data, standard smoothing, initial adjustment of 0.25% and a long term rate of improvement of 1.5%. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current Pensioners	19.6 years	22.4 years
Future Pensioners	21.0 years	24.5 years

21. Operating leases

The Charity utilises 656 items of plant and equipment under the terms of operating leases. Lease rental payments charged to the Statement of Financial Activities in the year for such assets were £379,523 (2021: £437,045). The future minimum lease payments due under non-cancellable leases in future years and in cash terms are as follows:

Operating lease commitments	2022	2021
	£'000	£'000
No later than one year	188	342
Later than one year and not later than five	70	146
Total	258	488

22. Related Party

Culture and Sport Glasgow is contracted to provide cultural, community, recreation and leisure services by Glasgow City Council (GCC). In the year to 31 March 2022 GCC provided funds of £76.7m (2021: £77.9m) to the charity in respect of the services undertaken by the charity on its behalf. At 31 March 2022 GCC owed the charity £11.7m (2021: £16.9m) in relation to normal trading activities.

The charity provided goods and services of £38,753 (2021: nil) to Sportscotland of which Dilawar Singh is a Director.

The charity provided goods and services of £9,911 (2021:£nil) to and purchased goods and services of £938 from Scottish Chamber Orchestra of which Councillor Eva Bolander is a Director.

The charity provided goods and services amounting to £933,049 (2021: £206,790) to NHS of which Professor John Brown is Chair.

The charity provided goods and services of £481,554 (2021: £309,994) to and purchased goods and services of £10,400 (2021: £9,000) from Glasgow University of which Professor Anton Muscatelli is Principal and Benny Higgins is Honorary Professor. The charity also provided goods and services amounting to £4,045 (2021: £885) to High School of Glasgow of which Professor Anton Muscatelli is Director. The Charity also provided £552 (2021: £4,650) of goods and services to Beatson Institute of which he is Director.

The charity provided goods and services of £5,463 (2021: £nil) to Scottish Event Campus Ltd of which Councillor Frank McAveety is a Board Member.

23. Contingent Liabilities and Assets

In May 2017, Glasgow City Council recognised equal pay obligations following the Court of Session's judgement in relation to its pay protection arrangements. In January 2018, Glasgow City Council decided not to appeal a Court of Session ruling on its job evaluation scheme and instead address equal pay claims through negotiation with claimants' representatives. Glasgow City Council continues to engage with claimants' representatives in relation to the wider aspect of equal pay. While these claims pre-date Glasgow Life, a number of the current workforce are affected. It is too early to assess the specific financial implications. Glasgow City Council has agreed to meet any financial liability.

24. Ultimate Holding Organisation

The ultimate holding organisation of the Group is Glasgow City Council. The financial statements of Glasgow City Council, which consolidate the results of Culture and Sport Glasgow, are available from Glasgow City Council, City Chambers, George Square, Glasgow G2 1DU.

25. Prior Year Restatement

The 2021 SOFA and notes have been restated to reflect a prior year adjustment to gross up income and expenditure by £1,420,000. This is in respect of payroll recharges being netted off against payroll costs in the 2021 accounts. The overall effect is £NIL.

