

**Registered Company No: SC108565**

**Registered Charity No: SC023930**

**JOBS & BUSINESS GLASGOW**  
**(A company limited by guarantee)**  
**REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2015**

**JOBS & BUSINESS GLASGOW**

**(A company limited by guarantee)**

**CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2015**

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**JOBS & BUSINESS GLASGOW**  
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**LEGAL AND ADMINISTRATIVE INFORMATION**

**Charity Name:** Jobs & Business Glasgow

**Registered Office:** 231 George St  
Glasgow  
G1 1RX

**Charity Registration Number:** SC023930

**Company Registration Number:** SC108565

**Trustees:** Bailie Jonathan Findlay  
Bailie Hanif Raja  
Councillor Emma Gillan  
Councillor John Kelly  
Alistair McManus  
Daniel Donald  
Malcolm Maclean Graham  
Councillor Susan Aitken  
Donna Vallance  
Caroline Stuart  
Jim McKenna

**Secretary:** Caroline Whyteside

**Senior Management Team:** Malcolm Maclean Graham  
Caroline Whyteside  
Stephen Brooks  
Tommy Docherty  
Caroline Glen  
Gary Hay  
Nancy Burns  
Mary-Theresa Smith  
Rob Pryce

**Auditors:** Wylie & Bisset LLP  
168 Bath St  
Glasgow  
G2 4TP

**Bankers:** Bank of Scotland PLC  
Argyle St  
Glasgow  
G2 8BU

**Solicitors:** Burness Paul LLP  
120 Bothwell St  
Glasgow  
G2 7JL

**JOBS & BUSINESS GLASGOW**  
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**TRUSTEES REPORT AND STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2015**

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2015. The legal and administrative information on page one forms part of this report.

**Directors and Trustees**

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

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

Alistair McManus  
David Alan Rooney (resigned 31 March 2015)  
Daniel Donald  
Malcolm Maclean Graham  
Baillie Jonathan Findlay  
Baillie Hanif Raja  
Councillor Shabbar Jaffri (resigned 11 December 2014)  
Councillor Emma Gillan  
Councillor John Kelly  
Councillor Susan Aitken (appointed 11 December 2014)  
Donna Vallance (appointed 11 December 2014)  
Caroline Stuart (appointed 11 December 2014)  
Jim McKenna (appointed 24 June 2015)

**Attendance at Board Meetings**

The following table shows the attendance of current Board Members at Board meetings during the year. There were 5 board meetings in the period April 2014 to March 2015.

<b>Board Member</b>	<b>24 June 2014</b>	<b>27 Aug 2014</b>	<b>26 Nov 2014</b>	<b>25 Feb 2015</b>	<b>31 March 2015</b>	<b>Number of Attendances</b>
A. McManus	√				√	2
D. Rooney	√	√	√	√	√	5
D. Donald	√	√	√	√	√	5
M. Graham	√	√	√	√	√	5
J. Findlay	√	√	√	√	√	5
H. Raja	√	√	√	√		4
S. Jaffri	√	√	√	N/A	N/A	3 <sup>1</sup>
E. Gillan	√	√	√	√	√	5
J. Kelly	√	√	√	√	√	5
D. Vallance	N/A	N/A	N/A	√	√	2 <sup>2</sup>
C. Stuart	N/A	N/A	N/A		√	1 <sup>3</sup>
S. Aitken	N/A	N/A	N/A	√	√	2 <sup>4</sup>

<sup>1</sup> Councillor Jaffri resigned on 11 December 2014

<sup>2</sup> Donna Vallance was appointed on 11 December 2014

<sup>3</sup> Caroline Stuart was appointed on 11 December 2014

<sup>4</sup> Susan Aitken was appointed on 11 December 2014

## **JOBS & BUSINESS GLASGOW**

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### **Structure, Governance and Management**

#### **TRUSTEES REPORT AND STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2015**

##### **Board**

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

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

There was one change during the year to the Partner Directors (Councillors). Councillor Shabbar Jaffri resigned on 11/12/14 and Councillor Susan Aitken replaced him on 11/12/14. Post year end James McKenna was appointed to the Board on 25/06/2015.

There were three changes, during the year, to the Independent members on the Board – Donna Vallance and Caroline Stuart joined the Board on 11/12/14 and David Rooney resigned on 31/3/15.

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

##### **Chief Executive**

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

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

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

##### **Senior Management Team**

The Senior Management team consists of 8 Senior Managers, 7 of which report directly to the Chief Executive, whilst the Head of Property & Childcare reports to the Director of Finance & Commercial Services. The Director of Finance & Commercial Services is also the Depute Chief Executive and deputises for the Chief Executive in his absence.

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

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**TRUSTEES REPORT AND STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2015**

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

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

**Subsidiaries**

At the start of this year, JBG had 5 subsidiaries. At 31 March 2015, the assets and liabilities of three of the subsidiaries, Greater Easterhouse Property Company (GEPC), Glasgow North Properties (GNP) and Dalsetter Business Village (DBV), were transferred to Castlemilk Property Company (CPC). CPC has subsequently had its name changed to Property by Jobs & Business Glasgow. Although these three companies stopped trading at midnight on 31 March 2015, there are some residual legal assignments to complete and once these are carried out, the companies will be wound up.

JBG has 2 subsidiaries remaining, both of which are non-charitable.

- **Property by Jobs & Business Glasgow (formerly Castlemilk Property Company).** This is JBG's property trading subsidiary and by 31 March 2016 will hold all of JBG's commercial property portfolio. The current Board membership is as follows:
  - Donna Vallance (Chair)
  - Bailie Jonathan Findlay
  - Malcolm Maclean Graham
  - Councillor Emma Gillan
  - Dan Donald

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- **Regenerate Glasgow.** This is a former joint venture between the 5 former LRAs and is not currently actively trading. Once the final European grant claim is made by JBG and paid by the Scottish Government, this company will be wound up.

#### **Committees**

At the start of 2014/15 there were 4 committees of the JBG Board. These were:

##### Finance & Audit Committee

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

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

This committee aims to meet quarterly.

The current membership of this committee is as follows:

- Alistair McManus (Chair)
- Bailie Jonathan Findlay
- Malcolm Maclean Graham
- Brian Davidson

##### Performance & HR Committee

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

- the performance of the company and its achievement against the approved KPIs
- the recruitment, development and retention of staff, in particular, terms and conditions, probation and training and development

This committee aims to meet quarterly.

The current membership of this committee is as follows:

- Dan Donald (Chair)
- Councillor Emma Gillan
- Councillor John Kelly
- Caroline Stuart

##### Property Committee

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

- the performance of JBG's commercial property portfolio

This committee aims to meet quarterly.

The current membership of this committee is as follows:

- Donna Vallance (Chair)
- Bailie Jonathan Findlay
- Malcolm Maclean Graham

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### **TRUSTEES REPORT AND STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2015**

#### Nominations Committee

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

- the selection of appropriate individuals for appointment as Independent Directors

This committee meets as and when required.

The current membership of this committee is as follows:

- Bailie Jonathan Findlay (Chair)
- Councillor Susan Aitken
- Elaine Galletly
- Jim Gray

#### **Governing Document**

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

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

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

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

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

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

The Company's Articles allow for a Nominations Committee to be convened to oversee the recruitment of any Independent Directors. There were two vacancies for Independent Directors during the year and the Board took the decision to procure an executive search firm to assist with that process. This was advertised on the Public Contracts Scotland (PCS) portal and Aspen were duly appointed to carry out the assignment. From this exercise two Board members and two advisers to the Board, one covering Finance and one covering HR, were appointed.

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

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

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



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

#### **Related Parties**

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

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

#### **Objectives and Activities**

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

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

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

#### **Objectives**

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

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

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

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

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

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

#### **Other Activities**

In addition to the direct service delivery activities during last year, the company continued to focus on developing its childcare and property services.

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**TRUSTEES REPORT AND STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2015**

**Strategic Report**

**Achievements and Performance**

The year to March 2015 remained challenging for JBG. Amongst the challenges it faced were: continuing to work with different sets of staff terms and conditions (although this has improved significantly), very tight budget conditions and limited successor funding opportunities.

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

- Achievement of the key KPIs within agreed tolerances
- Achievement of a significantly reduced year-end financial deficit against the budgeted deficit
- The transfer of Greater Easterhouse Property Company, Glasgow North Properties, and Dalsetter Business Village into the remaining subsidiary, Property by Jobs & Business Glasgow
- Successful re-branding of the JBG childcare Service as “Rising Stars by Jobs & Business Glasgow”
- Successful re-branding of the JBG commercial property trading company as “Property by Jobs & Business Glasgow”
- Being awarded extra places by SDS for their employability fund programme
- Being one of the largest SDS employability fund providers in Scotland
- The firm establishment of the SHUR project which offers HR support to micro-businesses, supporting 120 businesses in 2014/15 to achieve 75 new jobs
- Successfully holding the prestigious Client Achievement Awards and the Enterprise Achievement Awards for the third year running
- Carrying out a comprehensive strategic review of our People, Enterprise, Childcare & Property Services
- Being awarded the UK Pension Charter mark for our new Zurich pension scheme
- Overall job satisfaction of staff has increased as evidenced by the annual staff survey
- A 13% reduction in staff headcount compared to last year
- The achievement of the staff absence target of 3.5%

JBG is continually measured on a wide range of Key Performance Indicators (KPIs). Key achievements over the last year include a total of 3,550 people moving into employment and 5,199 people moving into education and training and 528 people starting a new business. A range of support has also been provided to local businesses and social enterprise organisations.

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

	<b>Performance Indicator</b>	<b>Actual 2014/15</b>	<b>Target 2014/15</b>	<b>Variance 2014/15</b>
1	Number of people provided with employment related advice	16,146	18,481	-13%
2	Number of people supported into employment	3,550	2,643	34%
3	The number of young Glasgow residents supported into work (16-19)	660	608	9%
4	Number of people supported to participate in work related/vocational training	5,199	4,444	17%
5	Number of people supported to participate in non vocational training	2,855	3,056	-7%
6	Number of people to achieve a recognised qualification	2,966	2,397	24%
7	Number of business start ups created by Glasgow residents	528	475	11%
8	Number of social economy initiatives supported	297	292	2%
9	Number of jobs created through business start up or expansion of social economy support	965	699	385
10.	Total Jobs	4,078	3,118	31%

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

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**TRUSTEES REPORT AND STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2015**

**Financial Review**

**Operating and Financial Overview**

The charitable group's net deficit for the year to March 2015 was £1,261,910. This compares to a net surplus of £3,405,230 for the year to March 2014. This is a reduction of £4,667,140.

The charitable group's total income for the year to March 2015 was £24,150,400. This compares to £29,748,037 for the year to March 2014. This is a reduction of £5,597,637 (18.8%).

The charitable group's total expenditure for the year to March 2015 was £25,240,310. This compares to £26,253,807 for the year to March 2014. This is a reduction of £1,013,497 (3.9%).

The company managed approximately 80 projects spread across its strategic themes.

In cash flow terms, the bank account showed an in-funds position of £10,513,378 at the beginning of the year and an in-funds position of £11,383,845 at the end of the year. The company therefore generated a positive cashflow during the year of £870,467.

The charity shows an unrestricted reserve of £27,599,547 (£27,962,291 in 2014). It should be noted that the majority of the unrestricted funds are non-cash reserves for the purpose of the future depreciation of tangible fixed asset projects.

**Investment Policy**

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

**Reserves Policy**

The Trustees have examined the company's requirements for reserves in the light of the main risks to the organisation. It has established a policy whereby unrestricted general funds not committed should be approximately three months of total expenditure. Based on the approved budget for 2015/16, three months expenditure (salaries and project costs) equates to c£5.5m. The 2014/15 Balance Sheet shows general reserves of £5.1m which although slightly lower, is still in line with this policy. It is likely that in future years the general reserves figure will reduce as these reserves will be required to ensure the company breaks even in a very challenging financial climate. Specifically, the services contract with GCC may be significantly reduced which will have a significant impact on JBG's net financial position.

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

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### **TRUSTEES REPORT AND STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2015**

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

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

- The impact of welfare reform on JBG's client group
- The impact on demand for JBG services by those leaving the Work Programme
- The challenging economic outlook particularly in some key economic sectors will lead to additional demands on JBG services
- The JBG budgeted financial deficit
- The increasingly competitive funding environment
- Uncertainty resulting from delays around the new European Funding programme
- The number of other providers in the Glasgow area offering SDS employability fund programmes
- The continued reticence of some employers to employing young people straight from school
- The unknown impact of Glasgow City Council's business transformation project on JBG
- The significant reduction in enterprise funding which is being awarded to JBG

JBG's objectives for the forthcoming year are:

- To meet and, if possible, exceed our KPIs
- To seek new partnerships and new ways of delivering services more efficiently and effectively
- To continue to consolidate our excellent working relationships with key stakeholders
- To continue to review and rationalise our delivery and commercial property portfolios
- To improve the financial performance of our childcare service

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

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

#### **Principal Risks and Uncertainties**

##### **Risk Management**

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

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

## JOBS & BUSINESS GLASGOW

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### TRUSTEES REPORT AND STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2015

#### Principal Risks and Uncertainties

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

Principal Risk	Probability Score (Out of 5)	Impact Score (Out of 5)	Total Residual Score	Mitigation
<ul style="list-style-type: none"><li>There is a risk that more of the <b>company's reserves</b> will have to be released to fund the 2015/16 operating deficit, leading to JBG's reserves being depleted and therefore lower than good practice recommends.</li></ul>	4	4	16	JBG is closely monitoring its financial position to ensure all income is maximised and all costs are minimised to ensure the use of reserves is only when absolutely necessary.
<ul style="list-style-type: none"><li>There is a risk that JBG will lose key anchor tenants from their <b>commercial properties</b> due to tenants, such as GCC ALEOs or Council departments, moving out because they are reducing the number of staff locations they have.</li></ul>	4	3	12	JBG is closely monitoring the situation and have negotiated with Glasgow Life that they remain in Blairtummock House until JBG find a replacement tenant. A new property agent has been procured and they have been asked to prioritise key buildings that require anchor tenants to maximise income.

#### Policy on Creditor Payments

The company's policy for the payment of suppliers for the following financial year is described below.

The Company's standard contractual terms and conditions state a policy of payment of supplier invoices, 30 days after the receipt of a valid invoice.

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

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### **TRUSTEES REPORT AND STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2015**

Our procurement policy differentiates our suppliers into the following categories:

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

#### **Creditor Days**

The total amount invoiced by suppliers during the year was £7.11m, with trade creditors being owed £508K at the end of the year. Creditor days are therefore 26 days. This is consistent with our standard policy of 30 days.

#### **Employee Involvement**

The Directors are very keen that employees are systematically provided with information on matters of concern to them. To this end, during the financial year, the following arrangements were in place:

- The Chief Executive sends out a Blog on a weekly basis to all members of staff. The blog highlights key items of company news for that week, including: new funding received, awards received by staff, announcements regarding changes in the Board or Senior Management Team, any charity fundraising that the company has taken part in etc
- The Chief Executive visits a number of key offices on a quarterly basis to meet staff and update them on company matters such as the annual budget, funding awards, pay awards, terms and conditions and the company pension etc
- Development sessions are held at least twice a year for operational and senior managers to focus on key areas of the business such as attendance levels, budgets, funding etc
- Development sessions are held at least once a year for all staff to focus on key areas of the business such as performance, company values and future KPIs and priorities etc

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

- JBG has a Joint Consultation and Negotiation Committee (JCNC) which meets quarterly. The group consists of the CEO, the Head of HR and union representatives from Unite The Union. The forum enables the CEO and Head of HR to update the union reps and full-time officials on issues such as staff increments, pay awards, terms and conditions, company pension. The union representatives then discuss and debate these issues within the forum and then ensure union members are updated and consulted on these issues
- An all staff survey is also distributed annually. The returns are completely anonymous and are used to get staff views on a range of issues

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### **TRUSTEES REPORT AND STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2015**

The Directors are keen to encourage the involvement of employees in the company's performance. To this end, during the financial year, the following arrangements were in place:

- All staff receive annual performance reviews
- Where appropriate, staff are given individual performance targets and KPIs which contribute to the overall company targets
- If certain key targets are met then the Board has the discretion to award a retrospective, one-off payment to all staff based on an agreed percentage of their annual salary

The Directors are also keen that all employees achieve an awareness of the financial and economic factors affecting the performance of the company. In addition to the information provided through the Chief Executive's blog, locality visits and development sessions, detailed management accounts are provided to senior and operational managers which in turn are cascaded, where relevant, to members of staff.

These arrangements are continually reviewed and developed to ensure they remain fit for purpose.

### **Trustees Responsibilities**

The trustees (who are also directors of Jobs & Business Glasgow for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice-UK GAAP).

The trustees are also responsible for preparing the Strategic Report, which is contained in the Trustees Annual Report, in their capacity as company directors.

Company law also requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of funds, including the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charitable company will continue in business

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

**JOBS & BUSINESS GLASGOW**  
(A company limited by guarantee)

**TRUSTEES REPORT AND STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2015**

**Statement to Auditors**

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

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

Approved by the Trustees and signed on their behalf by.

Name:

Date: 26 August 2015



## **JOBS & BUSINESS GLASGOW**

**(A company limited by guarantee)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF JOBS & BUSINESS GLASGOW FOR THE YEAR ENDED 31 MARCH 2015**

We have audited the financial statements of Jobs & Business Glasgow for the year ended 31 March 2015 which comprise the Group and Parent Charitable Company Statements of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on pages 13 and 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

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

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2015 and of the group's and parent charitable company's incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

## **JOBS & BUSINESS GLASGOW**

**(A company limited by guarantee)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF JOBS & BUSINESS GLASGOW FOR THE YEAR ENDED 31 MARCH 2015**

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

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

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

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

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records or returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

*Jenny Simpson (Senior statutory auditor)*

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

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

Date: 26 August 2015

168 Bath Street  
Glasgow  
G2 4TP

**JOBS & BUSINESS GLASGOW**  
**(A company limited by guarantee)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**

**(including Income and Expenditure Account)**

**FOR THE YEAR ENDING 31 MARCH 2015**

	Notes	Unrestricted General £	Unrestricted Designated £	Restricted £	Pension Reserve £	2015 Total £	2014 Total £
<b>Incoming Resources</b>							
Incoming resources from generated funds							
Voluntary income	3	5,502,038	-	-	-	5,502,038	3,193,865
Activities for generating funds	4	3,235,104	-	-	-	3,235,104	4,030,181
Investment income	5	131,978	-	-	(1,000)	130,978	173,695
Incoming resources from charitable activities	6	10,575,809	160,179	4,546,292	-	15,282,280	22,350,296
<b>Total Incoming Resources</b>		<u>19,444,929</u>	<u>160,179</u>	<u>4,546,292</u>	<u>(1,000)</u>	<u>24,150,400</u>	<u>29,748,037</u>
<b>Resources expended</b>							
Costs of generating funds	7	2,746,347	-	-	-	2,746,347	2,941,018
Charitable activities	8	14,442,343	2,005,542	5,287,818	47,000	21,782,703	23,043,417
Governance costs	9	51,554	-	-	-	51,554	48,643
Other resources expended	10	659,706	-	-	-	659,706	220,729
<b>Total Resources Expended</b>		<u>17,899,950</u>	<u>2,005,542</u>	<u>5,287,818</u>	<u>47,000</u>	<u>25,240,310</u>	<u>26,253,807</u>
<b>Net incoming/(outgoing) resources before transfers</b>		1,544,979	(1,845,363)	(741,526)	(48,000)	(1,089,910)	3,494,230
<b>Transfers</b>		(764,561)	309,557	455,004	-	-	-
<b>Net income/(expenditure) for the year before other recognised gains and losses</b>		<u>780,418</u>	<u>(1,535,806)</u>	<u>(286,522)</u>	<u>(48,000)</u>	<u>(1,089,910)</u>	<u>3,494,230</u>
<b>Other recognised gains and losses</b>							
Actuarial (losses) on defined benefit pension schemes	29	-	-	-	(172,000)	(172,000)	(89,000)
<b>Net movement in funds</b>		<u>780,418</u>	<u>(1,535,806)</u>	<u>(286,522)</u>	<u>(220,000)</u>	<u>(1,261,910)</u>	<u>3,405,230</u>
<b>Reconciliation of Funds</b>							
Balance at 1 April 2014	25,26	4,257,979	24,197,658	1,180,671	(830,000)	28,806,308	25,401,078
<b>Balance at 31 March 2015</b>	25,26	<u>5,038,397</u>	<u>22,661,852</u>	<u>894,149</u>	<u>(1,050,000)</u>	<u>27,544,398</u>	<u>28,806,308</u>

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

All incoming resources and resources expended derive from continuing activities.

**JOBS & BUSINESS GLASGOW**  
**(A company limited by guarantee)**

**CONSOLIDATED BALANCE SHEET AT 31 MARCH 2015**

	Notes	£	2015 £	2014 £
<b>FIXED ASSETS</b>				
Tangible Assets	16		27,227,297	27,403,604
Investments	18		<u>24,995</u>	<u>24,995</u>
			27,252,292	27,428,599
<b>CURRENT ASSETS</b>				
Stock	19	-		851
Debtors	20	4,274,281		5,569,857
Cash at bank and in hand		<u>11,383,845</u>		<u>10,513,378</u>
		15,658,126		16,084,086
Creditors: amounts falling due within one year	21	<u>(5,109,581)</u>		<u>(4,117,106)</u>
<b>NET CURRENT ASSETS</b>			10,548,545	11,966,980
Creditors: amounts falling due after more than one year	23		(9,206,439)	(9,759,271)
Net Pension Liability	29		(1,050,000)	(830,000)
<b>NET ASSETS</b>			<u>27,544,398</u>	<u>28,806,308</u>
<b>Unrestricted Funds</b>				
Designated Funds	26	22,661,852		24,197,658
General Funds	26	<u>5,038,397</u>		<u>4,257,979</u>
			27,700,249	28,455,637
<b>Restricted Funds</b>	25		894,149	1,180,671
<b>Pension Reserve</b>	29		(1,050,000)	(830,000)
<b>TOTAL FUNDS</b>			<u>27,544,398</u>	<u>28,806,308</u>

Approved by the Trustees and signed on their behalf.

Name: Bailie Jonathan Findlay

Name: Malcolm Maclean Graham

Date: 26 August 2015

**Company No: SC108565**

**JOBS & BUSINESS GLASGOW**  
(A company limited by guarantee)

**CHARITY STATEMENT OF FINANCIAL ACTIVITIES**  
(including Income and Expenditure Account)

**FOR THE YEAR ENDING 31 MARCH 2015**

	Unrestricted General £	Unrestricted Designated £	Restricted £	Pension Reserve £	2015 Total £	2014 Total £
<b>Incoming Resources</b>						
Incoming resources from generated funds						
Voluntary income	5,820,090	-	-	-	5,820,090	3,613,698
Activities for generating funds	1,217,298	-	-	-	1,217,298	1,202,556
Investment income	131,629	-	-	(1,000)	130,629	689,716
Incoming resources from charitable activities	10,575,809	160,179	4,546,292	-	15,282,280	22,286,479
<b>Total Incoming Resources</b>	<u>17,744,826</u>	<u>160,179</u>	<u>4,546,292</u>	<u>(1,000)</u>	<u>22,450,297</u>	<u>27,792,449</u>
<b>Resources expended</b>						
Costs of generating funds	812,847	-	-	-	812,847	756,882
Charitable activities	14,942,802	2,005,542	5,287,818	47,000	22,283,162	23,490,102
Governance costs	51,554	-	-	-	51,554	45,753
Other resources expended	-	-	-	-	-	220,729
<b>Total Resources Expended</b>	<u>15,807,203</u>	<u>2,005,542</u>	<u>5,287,818</u>	<u>47,000</u>	<u>23,147,563</u>	<u>24,513,466</u>
<b>Net incoming/(outgoing) resources before transfers</b>	1,937,623	(1,845,363)	(741,526)	(48,000)	(697,266)	3,278,983
<b>Transfers</b>	(1,503,760)	1,048,756	455,004	-	-	-
<b>Net income/(expenditure) for the year before other recognised gains and losses</b>	<u>433,863</u>	<u>(796,607)</u>	<u>(286,522)</u>	<u>(48,000)</u>	<u>(697,266)</u>	<u>3,278,983</u>
<b>Other recognised gains and losses</b>						
Actuarial (losses) on defined benefit pension schemes	-	-	-	(172,000)	(172,000)	(89,000)
<b>Net movement in funds</b>	<u>433,863</u>	<u>(796,607)</u>	<u>(286,522)</u>	<u>(220,000)</u>	<u>(869,266)</u>	<u>3,189,983</u>
<b>Reconciliation of Funds</b>						
Balance at 1 April 2014	4,656,872	23,305,419	1,180,671	(830,000)	28,312,962	25,122,979
<b>Total funds carried forward</b>	<u>5,090,735</u>	<u>22,508,812</u>	<u>894,149</u>	<u>(1,050,000)</u>	<u>27,443,696</u>	<u>28,312,962</u>

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

All incoming resources and resources expended derive from continuing activities.

**JOBS & BUSINESS GLASGOW**  
**(A company limited by guarantee)**

**CHARITY BALANCE SHEET AT 31 MARCH 2015**

	Notes	£	2015 £	2014 £
<b>FIXED ASSETS</b>				
Tangible Assets	17		18,137,181	17,349,419
Investments	18		25,298	25,396
			<u>18,162,479</u>	<u>17,374,815</u>
<b>CURRENT ASSETS</b>				
Debtors	20	5,453,359		6,863,679
Cash at bank and in hand		10,762,262		10,302,160
		<u>16,215,621</u>		<u>17,165,839</u>
Creditors: amounts falling due within one year	21	(4,315,025)		(3,530,367)
<b>NET CURRENT ASSETS</b>			11,900,596	13,635,472
Creditors: amount falling due after one or more years	23		(1,569,379)	(1,867,325)
Net Pension Liability	29		(1,050,000)	(830,000)
<b>NET ASSETS</b>			<u>27,443,696</u>	<u>28,312,962</u>
<b>Unrestricted Funds</b>				
Designated Funds		22,508,812		23,305,419
General Funds		5,090,735		4,656,872
		<u>27,599,547</u>		<u>27,962,291</u>
<b>Restricted Funds</b>	25		894,149	1,180,671
<b>Pension Reserves</b>	29		(1,050,000)	(830,000)
<b>TOTAL FUNDS</b>			<u>27,443,696</u>	<u>28,312,962</u>

Approved by the Trustees and signed on their behalf.

Name: Bailie Jonathan Findlay

Name: Malcolm Maclean Graham

Date: 26 August 2015

**Company No: SC108565**

**JOBS & BUSINESS GLASGOW**  
(A company limited by guarantee)

**CONSOLIDATED CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 MARCH 2015**

	Note	2015 £	2014 £
<b>Net Cash inflow from Operating Activities</b>	15	2,546,349	3,243,060
<b>Returns on investment and servicing of finance</b>			
Interest received		131,978	193,695
Interest paid		(65,922)	(63,964)
		<u>66,056</u>	<u>129,731</u>
<b>Capital Expenditure</b>			
Payments to acquire tangible fixed assets		(1,419,944)	(2,361,638)
Sale of tangible fixed assets		-	30,223
<b>Management of liquid resources</b>			
Reclassification of deposit account		-	2,000,000
<b>Financing</b>			
Decrease in debt		(321,994)	(313,063)
Increase in Cash and Cash Equivalents		<u>870,467</u>	<u>2,728,813</u>

**Analysis Of Changes In Net Debt**

	At 1 April 2014 £	Cash flows £	Other changes £	At 31 March 2015 £
Cash in hand, at bank	10,513,378	870,467	-	11,383,845
Debt due within 1 year	(320,698)	320,698	(296,650)	(296,650)
Debt due after 1 year	(1,867,325)	1,296	296,650	(1,569,379)
<b>TOTAL</b>	<u>8,325,355</u>	<u>1,192,461</u>	<u>-</u>	<u>9,517,816</u>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**1. Accounting Policies**

**a) Basis of preparation**

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

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

**b) Fund accounting**

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

**c) Incoming resources**

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

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

Income is only deferred when:

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

**d) Resources expended**

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

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



## **JOBS & BUSINESS GLASGOW**

**(A company limited by guarantee)**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

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

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis as set out in Note 11.

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

Assets costing more than £25,000 are capitalised.

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

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

No depreciation is provided in respect of land.

#### **f) Investments**

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

#### **g) Stock**

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

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

Rentals paid under operating leases are charged to the Statement of Financial Activities as they become due. The obligation to pay future rentals on operating leases is shown by way of a note to the Accounts.

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

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

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

**JOBS & BUSINESS GLASGOW**  
**(A company limited by guarantee)**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**1. Accounting Policies (continued)**

**j) Taxation**

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

**k) Legal Status**

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

**JOBS & BUSINESS GLASGOW**  
**(A company limited by guarantee)**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**2. Financial activities of the subsidiaries**

**PROPERTY BY JOBS & BUSINESS GLASGOW LIMITED**  
**(FORMERLY CASTLEMILK PROPERTY COMPANY LIMITED)**

The charity has a wholly owned trading subsidiary Property by Jobs & Business Glasgow Limited (formerly Castlemilk Property Company Limited), which is incorporated in Scotland and whose principal activity is property rental. On 31 March 2015 the trade, assets and liabilities of three of the subsidiaries, Greater Easterhouse Property Company Limited, Dalsetter Business Village Limited and Glasgow North Properties Limited were transferred to Property by Jobs & Business Glasgow Limited. The amount retained in the subsidiary is (£201,964): (2014 surplus: £422,668). The charity owns the entire share capital of 100 ordinary shares of £1 each. A summary of the trading results is shown below:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>	1,392,023	1,080,920
Cost of sales & administration costs	(1,495,045)	(863,881)
Interest receivable	97	134
Exceptional waste management costs	-	700,000
<b>Net (loss)/profit</b>	<u>(102,925)</u>	<u>917,173</u>
Amount gift aided to the charity	(1,045)	(477,761)
Interest payable and similar charges	(14,069)	(16,744)
Taxation	(83,925)	-
Retained in subsidiary	<u>(201,964)</u>	<u>422,668</u>

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
At 31 March 2015, the assets and liabilities of the subsidiary were:		
Fixed assets	9,090,116	3,737,261
Current assets	982,830	136,300
Current assets/(liabilities)	(964,168)	(1,370,235)
Long term creditors	<u>(8,994,080)</u>	<u>(2,186,664)</u>
<b>Total net assets</b>	<u>114,698</u>	<u>316,662</u>
<b>Aggregate share capital and reserves</b>	<u>114,698</u>	<u>316,662</u>

**JOBS & BUSINESS GLASGOW**  
**(A company limited by guarantee)**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**2. Financial activities of the subsidiaries (continued)**

**DALSETTER BUSINESS VILLAGE LIMITED**

The charity has a second wholly owned trading subsidiary Dalsetter Business Village Limited, which is incorporated in Scotland. In the current financial year, the subsidiary company paid £nil (2014: £41,152) to the charity by gift aid. The amount retained by the subsidiary (£138,739) this year (2014: (£15,477)) is after tax. Dalsetter Business Village Limited managed the property at Dalsetter Business Village and all associated commercial operations. On 31 March 2015 the trade, assets and liabilities Dalsetter Business Village Limited were transferred to Property by Jobs & Business Glasgow Limited. The company ceased to trade on 31 March 2015 and is expected to be struck off in the near future. The charity owns the entire share capital of 1 ordinary share of £1. A summary of the trading results is shown below.

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>	240,862	303,936
Cost of sales & administration costs	(383,507)	(372,020)
Other operating income	95,047	95,045
Interest receivable	252	370
Interest payable	(1,654)	(1,656)
<b>Net loss</b>	<u>(49,000)</u>	<u>(25,675)</u>
Amounts gift aided to the charity	-	(41,152)
Loss on transfer of activities	(89,739)	-
Taxation	-	-
Retained in subsidiary	<u>(138,739)</u>	<u>(15,477)</u>
At 31 March 2015 the assets and liabilities of the subsidiary were:		
Fixed assets	-	3,424,889
Current assets	-	116,645
Current liabilities	-	(288,377)
Long-term liabilities	-	(83,476)
Accruals and deferred income	-	<u>(3,030,942)</u>
<b>Total net assets</b>	<u>-</u>	<u>138,739</u>
<b>Aggregate share capital and reserves</b>	<u>-</u>	<u>138,739</u>

**JOBS & BUSINESS GLASGOW**  
**(A company limited by guarantee)**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**2. Financial activities of the subsidiaries (continued)**

**GREATER EASTERHOUSE PROPERTY COMPANY LIMITED**

The third wholly owned trading subsidiary, Greater Easterhouse Property Company Limited, is incorporated in Scotland. A profit of £2,733 was retained in the year (2014: loss (£77,432)). Greater Easterhouse Property Company Limited managed the Westwood Business Centre, Ladywell Business Centre, Tondra Church and all associated commercial operations. On 31 March 2015 the trade, assets and liabilities of Greater Easterhouse Property Company Limited were transferred to Property by Jobs & Business Glasgow Limited. The company ceased to trade on 31 March 2015 and is expected to be struck off in the near future. The charity owns the entire share capital of 100 ordinary shares of £1 each. A summary of the trading results is shown below.

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>	895,929	1,351,682
Cost of sales & administration costs	(989,199)	(1,494,130)
Interest receivable	-	-
Other income	65,016	65,016
<b>Net loss</b>	<u>(28,254)</u>	<u>(77,432)</u>
Surplus on transfer of activities	30,987	-
Taxation	-	-
Retained in subsidiary	<u><u>2,733</u></u>	<u><u>(77,432)</u></u>
At 31 March 2015 the assets and liabilities of the subsidiary were:		
Fixed assets	-	2,702,925
Current assets	-	341,990
Current liabilities	-	(373,308)
Accruals and deferred income	-	(2,674,340)
<b>Total net (liabilities)</b>	<u>-</u>	<u>(2,733)</u>
<b>Aggregate share capital and reserves</b>	<u><u>-</u></u>	<u><u>(2,733)</u></u>

**JOBS & BUSINESS GLASGOW**  
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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**2. Financial activities of the subsidiaries (continued)**

**GLASGOW NORTH PROPERTIES LIMITED**

The fourth wholly owned trading subsidiary, Glasgow North Properties Limited, is incorporated in Scotland. A loss of £53,675 was retained by the company in the year (2014: (£5,452) retained). Glasgow North Properties Limited managed the Business Centre at High Craighall and all associated commercial operations. On 31 March 2015 the trade, assets and liabilities of Glasgow North Properties Limited were transferred to Property by Jobs & Business Glasgow Limited. The company ceased to trade on 31 March 2015 and is expected to be struck off in the near future. The charity owns the entire share capital of 100 ordinary shares of £1 each. A summary of the trading results is shown below.

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>	23,210	26,127
Cost of sales & administration costs	(35,936)	(31,579)
<b>Net loss</b>	<u>(12,726)</u>	<u>(5,452)</u>
Loss on transfer of activities	(40,949)	-
Taxation	-	-
Retained in subsidiary	<u>(53,675)</u>	<u>(5,452)</u>
At 31 March 2015 the assets and liabilities of the subsidiary were:		
Fixed assets	-	189,110
Current assets	-	7,911
Current liabilities	-	(9,821)
Long term liabilities	-	(133,525)
<b>Total net assets</b>	<u>-</u>	<u>53,675</u>
<b>Aggregate share capital and reserves</b>	<u>-</u>	<u>53,675</u>

**JOBS & BUSINESS GLASGOW**  
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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**2. Financial activities of the subsidiaries (continued)**

**REGENERATE: GLASGOW LIMITED**

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

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>	1,883	23,737
Cost of sales & administration costs	(2,881)	(12,598)
<b>Net (loss)/profit</b>	<u>(998)</u>	<u>11,139</u>
Amount gift aided to the charity	-	-
Taxation	-	-
Retained in subsidiary	<u>(998)</u>	<u>11,139</u>
At 31 March 2015 the assets and liabilities of the subsidiary were:		
Current assets	107,316	108,314
Current liabilities	<u>(120,912)</u>	<u>(120,912)</u>
<b>Total net liabilities</b>	<u>(13,596)</u>	<u>(12,598)</u>
<b>Aggregate share capital and reserves</b>	<u>(13,596)</u>	<u>(12,598)</u>

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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**2. Financial activities of the subsidiaries (continued)**

**DRUMCHAPEL TRAINING TRUST**

The charity had a sixth wholly owned subsidiary Drumchapel Training Trust, which was a charitable company limited by guarantee and incorporated in Scotland. It acted as a landlord of the leased Open Gate Building. The charity sub-leased accommodation to Jobs & Business Glasgow and other organisations providing training and support to local residents. On 31 March 2014, Drumchapel Training Trust transferred its assets, liabilities and activities to Jobs & Business Glasgow. Drumchapel Training Trust was struck off on 10 July 2015. A summary of the activities is shown below:

	<b>2014</b>
	<b>£</b>
<b>Gross incoming resources</b>	227,335
Total expenditure on charitable activities	(126,230)
Governance costs	(2,890)
Transfer of assets to Jobs & Business Glasgow	(425,562)
<b>Net outgoing resources</b>	<u>(327,347)</u>
Total funds brought forward	327,347
<b>Total funds carried forward</b>	<u><u>-</u></u>
<b>Represented by:</b>	
Restricted income funds	-
Unrestricted income funds	-
	<u><u>-</u></u>
At 31 March 2014 the assets and liabilities of the subsidiary were:	
Fixed assets	-
Current assets	-
Current liabilities	-
<b>Total net assets</b>	<u><u>-</u></u>
<b>Aggregate reserves</b>	<u><u>-</u></u>



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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**2. Financial activities of the subsidiaries (continued)**

**BRIDGE END NURSERY GROUP LIMITED**

The charity had a seventh wholly owned trading subsidiary Bridge End Nursery Group Limited, which was incorporated in Scotland and whose principal activity was the provision of childcare. On 31 March 2014, Bridge End Nursery Group transferred its assets, liabilities and activities to Jobs & Business Glasgow. Bridge End Nursery Group was struck off on 3 July 2015. A summary of the trading results is shown below:

	<b>2014</b>
	<b>£</b>
<b>Turnover and other operating income</b>	286,343
Cost of sales & administration costs	(351,410)
Interest receivable	-
Transfer of Liabilities to Jobs & Business Glasgow	271,836
<b>Net profit</b>	<u>206,769</u>
Taxation	-
Retained in subsidiary	<u>206,769</u>
	<b>2014</b>
	<b>£</b>
At 31 March 2014, the assets and liabilities of the subsidiary were:	
Current assets	100
Current liabilities	-
Long term creditors	-
<b>Total net assets</b>	<u>100</u>
<b>Aggregate share capital and reserves</b>	<u>100</u>

**JOBS & BUSINESS GLASGOW**  
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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**3. Voluntary Income - Group**

	<b>Unrestricted General £</b>	<b>Unrestricted Designated £</b>	<b>Restricted £</b>	<b>2015 Total £</b>	<b>2014 Total £</b>
Glasgow City Council core grant	4,854,239	-	-	4,854,239	3,004,322
Grants and donations	647,799	-	-	647,799	189,543
	<u>5,502,038</u>	<u>-</u>	<u>-</u>	<u>5,502,038</u>	<u>3,193,865</u>

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

	<b>Unrestricted General £</b>	<b>Unrestricted Designated £</b>	<b>Restricted £</b>	<b>2015 Total £</b>	<b>2014 Total £</b>
Digital Media Centre	3,101	-	-	3,101	4,775
Festival Business Centre	335,940	-	-	335,940	379,215
Moorpark Estate	180,278	-	-	180,278	182,261
Orkney Street	87,367	-	-	87,367	113,912
Saracen House	80,583	-	-	80,583	-
Rowan Business Park	437,679	-	-	437,679	431,994
Greater Easterhouse Property Company Limited	785,176	-	-	785,176	398,981
Dalsetter Business Village Limited	335,909	-	-	335,909	1,162,975
Glasgow North Properties Limited	23,210	-	-	23,210	22,227
Regenerate: Glasgow Ltd	1,883	-	-	1,883	23,737
Property by Jobs and Business Glasgow Limited (Formerly Castlemilk Property Company Limited)	871,628	-	-	871,628	933,361
Bridge End Nursery Group Limited	-	-	-	-	286,343
Moorpark House	92,350	-	-	92,350	90,400
	<u>3,235,104</u>	<u>-</u>	<u>-</u>	<u>3,235,104</u>	<u>4,030,181</u>

**5. Investment Income – Group**

	<b>Unrestricted General</b>	<b>Unrestricted Designated £</b>	<b>Restricted £</b>	<b>Pension Reserve £</b>	<b>2015 Total £</b>	<b>2014 Total £</b>
Bank interest received	131,978	-	-	-	131,978	193,695
FRS 17 – Net Interest	-	-	-	(1,000)	(1,000)	(20,000)
	<u>131,978</u>	<u>-</u>	<u>-</u>	<u>(1,000)</u>	<u>130,978</u>	<u>173,695</u>

**JOBS & BUSINESS GLASGOW**  
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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**6. Incoming Resources from Charitable Activities - Group**

	<b>Unrestricted General</b>	<b>Unrestricted Designated</b>	<b>Restricted</b>	<b>2015 Total</b>	<b>2014 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Employability	5,677,240	160,179	4,518,774	10,356,193	14,758,153
Youth and learning	1,795,029	-	175,511	1,970,540	2,350,090
Childcare	1,807,251	-	-	1,807,251	1,709,490
Enterprise and social economy	1,194,190	-	(147,993)	1,046,197	2,253,827
Property	-	-	-	-	929,533
Community Engagement	102,099	-	-	102,099	285,385
Drumchapel Training Trust	-	-	-	-	63,818
	<u>10,575,809</u>	<u>160,179</u>	<u>4,546,292</u>	<u>15,282,280</u>	<u>22,350,296</u>

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

	<b>Direct Costs</b>	<b>Support Costs</b>	<b>2015 Total</b>	<b>2014 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Digital Media Centre	-	-	-	5,067
Festival Business Centre	250,661	-	250,661	214,025
Moorpark Estate	61,597	-	61,597	68,230
Moorpark House	54,664	-	54,664	46,909
Orkney Street	45,916	-	45,916	120,881
Saracen House	131,787	-	131,787	-
Rowan Business Park	268,222	-	268,222	301,771
Property by Jobs and Business Glasgow Limited (Formerly Castlemilk Property Company Limited)	849,199	-	849,199	111,349
Bridge End Nursery Group Limited	-	-	-	322,856
Dalsetter Business Village Limited	350,479	-	350,479	352,841
Greater Easterhouse Property Company Limited	699,672	-	699,672	1,354,838
Glasgow North Properties Limited	31,269	-	31,269	29,653
Regenerate: Glasgow Limited	2,881	-	2,881	12,598
	<u>2,746,347</u>	<u>-</u>	<u>2,746,347</u>	<u>2,941,018</u>

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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

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

	Direct Costs £	Support Costs £	2015 Total £	2014 Total £
Employability	10,459,038	3,473,564	13,932,602	15,323,036
Youth and learning	2,309,675	32,769	2,342,444	2,622,983
Childcare	1,867,694	573,466	2,441,160	2,550,503
Enterprise and social economy	1,644,777	1,097,777	2,742,554	2,219,310
Community Engagement	129,480	147,463	276,943	337,558
Drumchapel Training Trust	-	-	-	109,027
FRS 17 – payroll costs	47,000	-	47,000	(119,000)
	<u>16,457,664</u>	<u>5,325,039</u>	<u>21,782,703</u>	<u>23,043,417</u>

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

	Direct Costs £	Support Costs £	2015 Total £	2014 Total £
Staff costs and management time	-	24,946	24,946	25,005
Professional fees and other expenditure	-	-	-	93
Audit fee	26,608	-	26,608	23,545
	<u>26,608</u>	<u>24,946</u>	<u>51,554</u>	<u>48,643</u>

**10. Resources expended – Other Resources Expended – Group**

	Direct Costs £	Support Costs £	2015 Total £	2014 Total £
Loss on disposal of fixed assets	-	-	-	220,729
Impairment of fixed assets - subsidiary	659,706	-	659,706	-
	<u>659,706</u>	<u>-</u>	<u>659,706</u>	<u>220,729</u>

**11. Support Costs – Breakdown by Activities - Group**

	Employability	Youth & Learning	Childcare	Enterprise & Social Economy	Community Engagement	Activities for Generating Funds	Governance	Basis of Allocation
	£	£	£	£	£	£	£	
Salaries	1,501,704	14,167	247,923	474,594	63,751	-	24,946	Head count
Professional fees	308,420	2,910	50,918	97,472	13,094	-	-	Head count
Property costs	299,607	2,826	49,464	94,688	12,720	-	-	Head count
Administration costs	955,060	9,010	157,675	301,836	40,545	-	-	Head count
Irrecoverable VAT	198,264	1,870	32,732	62,657	8,417	-	-	Head count
Bank charges	10,346	98	1,708	3,270	438	-	-	Head count
Depreciation	200,163	1,888	33,046	63,260	8,498	-	-	Head count
	<u>3,473,564</u>	<u>32,769</u>	<u>573,466</u>	<u>1,097,777</u>	<u>147,463</u>	<u>-</u>	<u>24,946</u>	

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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**12. Net Incoming Resources for the Year – Group**

This is stated after charging/(crediting):

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Depreciation	932,607	935,456
Impairment of property	659,706	-
Amortisation of capital grants	(254,886)	(255,725)
Loss on disposal of fixed assets	3,938	220,729
Auditors' Remuneration – Audit Fees	44,003	47,157
Auditors' Remuneration – Non Audit services	5,369	4,230

During the year the group made payments of £296,298 (2014 - £924,542) in respect of operating lease rentals for properties and £10,126 (2014 - £27,425) in respect of operating lease rentals for plant and machinery.

**13. Staff Costs and Numbers – Group**

Staff costs were as follows:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Salaries and wages	14,586,373	16,796,283
Social security costs	1,089,365	1,246,344
Other pension costs	706,897	331,324
Total	<u>16,382,635</u>	<u>18,373,951</u>

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

	<b>2015</b>	<b>2014</b>
£60,000 - £70,000	-	1
£80,000 - £90,000	1	-
£100,000 - £110,000	1	1

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

	<b>2015</b>	<b>2014</b>
	<b>Number</b>	<b>Number</b>
Charitable activities	362	420
Fundraising	103	111
Total	<u>465</u>	<u>531</u>

The total headcount as at 31 March 2014 was 562 and as at 31 March 2015 was 503

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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**14. Directors' Remuneration and Related Party Transactions**

Malcolm MacLean Graham received remuneration of £120,620 during the year in his role as Chief Executive. This comprised £98,614 gross salary, £3,960 car allowance and £18,046 employers pension contributions. Mr Graham was also reimbursed £255 (2014: £1,476) for expenses during the year.

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

	<b>Income</b> <b>£'000</b>	<b>Expenditure</b> <b>£'000</b>	<b>Debtors</b> <b>£'000</b>	<b>Creditors</b> <b>£'000</b>
Glasgow City Council	13,157	1,169	653	271
Glasgow Life	181	67	-	6

Included within the table below is a summary of the transactions and year end balances with the charity's joint ventures:

	<b>Income</b> <b>£'000</b>	<b>Expenditure</b> <b>£'000</b>	<b>Debtors</b> <b>£'000</b>	<b>Creditors</b> <b>£'000</b>
Modular Developments	3	55	74	-

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

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

<b>Name</b>	<b>Organisation</b>	<b>Position Held</b>
Jonathan Findlay	Glasgow City Council	Councillor
	East Dunbartonshire Council	Solicitor
	North West Sector Community Planning Partnership	Chair
	Glasgow Works Partnership Board	Board Member
	Drumchapel & Anniesland Area Partnership	Member
	Three Eyes Project Management Committee	Member
	Joint Partnership Board with NHS Greater Glasgow & Clyde	Member
Hanif Raja	Glasgow City Council	Councillor
	Strathclyde Partnership for Transport	Substitute
	Glasgow Community Justice Authority	Member
	Pollokshields Area Partnership	Chair
	Barlinnie Prison Visiting Committee	Member
	Glasgow Dean of Guild Court Trust	Member
Emma Gillan	Glasgow City Council	Councillor
	Glasgow Life	Board Member
	Newlands/Auldburn Area Partnership	Chair
	South Sector Community Planning Partnership	Member
	Joint Partnership Board with HNS Greater Glasgow & Clyde	Member
	Glasgow Centre for Population Health	Member

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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**14. Directors' Remuneration and Related Party Transactions (continued)**

John Kelly	Communications Workers Union  Glasgow City Council Access Garscadden/Scotstounhill Area Partnership North West Sector Community Planning Partnership	Assistant Secretary – Glasgow & Motherwell Branch Councillor Board Member Chair Member
David Alan Rooney	Whitelaw Bailie Figes	Consultant
Shabbar Jaffri	Glasgow City Council City Parking	Councillor Board Member
Dan Donald	Cruden Estates Glasgow Simon Community	Director Board Member
Alastair McManus	TSB Bank	Regional Director
Donna Vallance	Redgrange Consultants Limited Clyde Valley Group	Director Trustee
Caroline Stuart	Skills Development Scotland	Trustee

**15. Reconciliation of Operating (Deficit)/Surplus to Net Cash Inflow from Operating Activities - Group**

	<b>2015</b>	<b>2014</b>
	£	£
Operating (deficit)/surplus	(1,089,910)	3,494,230
Depreciation	932,607	935,456
Impairment	659,706	-
FRS 17 recognition in the SOFA	48,000	(99,000)
Amortisation of capital grants	(254,886)	(255,725)
Loss on disposal of fixed assets	3,938	220,729
Decrease in stock	851	305
Decrease in Debtors	1,295,576	48,405
Increase/(decrease) in Creditors and Provisions	1,016,523	(971,609)
Interest payable	65,922	63,964
Interest receivable	(131,978)	(193,695)
Net Cash Inflow from Operating Activities	<u>2,546,349</u>	<u>3,243,060</u>

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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**16. Tangible Fixed Assets - Group**

	Assets under Construction	Land & Freehold Buildings	Leasehold Property	Fixtures & Equipment	Office Equipment	Computer Equipment	Motor Vehicles	Total
	£	£	£	£	£	£	£	£
<b>Cost</b>								
At 01.04.14	2,984,061	32,830,807	3,149,230	2,369,572	396,137	1,603,388	88,429	43,421,624
Additions	934,172	-	-	-	-	485,772	-	1,419,944
Disposals	-	-	(23,774)	(705,909)	(260,139)	(446,185)	-	(1,436,007)
Transfers	(3,918,233)	3,918,233	-	-	-	-	-	-
At 31.03.15	<u>-</u>	<u>36,749,040</u>	<u>3,125,456</u>	<u>1,663,663</u>	<u>135,998</u>	<u>1,642,975</u>	<u>88,429</u>	<u>43,405,561</u>
<b>Depreciation</b>								
At 01.04.14	-	10,044,635	2,160,541	2,325,661	396,137	1,024,991	66,055	16,018,020
Charge for year	-	669,000	68,570	9,489	-	176,705	8,843	932,607
Eliminated on Disposal	-	-	(23,774)	(701,971)	(260,139)	(446,185)	-	(1,432,069)
Impairment	-	659,706	-	-	-	-	-	659,706
At 31.03.15	<u>-</u>	<u>11,373,341</u>	<u>2,205,337</u>	<u>1,633,179</u>	<u>135,998</u>	<u>755,511</u>	<u>74,898</u>	<u>16,178,264</u>
<b>Net book values</b>								
At 31.03.15	<u>-</u>	<u>25,375,699</u>	<u>920,119</u>	<u>30,484</u>	<u>-</u>	<u>887,464</u>	<u>13,531</u>	<u>27,227,297</u>
At 31.03.14	<u>2,984,061</u>	<u>22,786,172</u>	<u>988,689</u>	<u>43,911</u>	<u>-</u>	<u>578,397</u>	<u>22,374</u>	<u>27,403,604</u>

The net book values at 31 March 2015 represent fixed assets used for:

Direct charitable purpose	-	13,042,872	745,604	-	-	887,464	13,531	14,689,471
Fundraising	-	12,332,827	174,515	30,484	-	-	-	12,537,826
	<u>-</u>	<u>25,375,699</u>	<u>920,119</u>	<u>30,484</u>	<u>-</u>	<u>887,464</u>	<u>13,531</u>	<u>27,227,297</u>

Included in Land & Freehold Buildings is land with a value of £277,000 (2014: £277,000) which is not depreciated.



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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**17. Tangible Fixed Assets - Company**

	Asset under Construction £	Land & Freehold buildings £	Leasehold property £	Fixtures & equipment £	Office Equipment £	Computer Equipment £	Motor Vehicles £	Total £
<b>Cost</b>								
At 01.04.14	2,984,061	15,889,219	2,926,719	1,622,157	395,044	1,603,388	88,429	25,509,017
Additions	934,172		-	-	-	485,772	-	1,419,944
Transfer	(3,918,233)	3,918,233	-	-	-	-	-	-
Disposals	-		(23,774)	(652,185)	(260,139)	(446,185)	-	(1,382,283)
At 31.03.15	<u>-</u>	<u>19,807,452</u>	<u>2,902,945</u>	<u>969,972</u>	<u>134,905</u>	<u>1,642,975</u>	<u>88,429</u>	<u>25,546,678</u>
<b>Depreciation</b>								
At 01.04.14	-	2,941,470	2,112,545	1,619,492	395,044	1,024,991	66,055	8,159,597
Charge for the year	-	375,400	68,570	2,665	-	176,705	8,843	632,183
Eliminated on disposal	-	-	(23,774)	(652,185)	(260,139)	(446,185)	-	(1,382,283)
At 31.03.15	<u>-</u>	<u>3,316,870</u>	<u>2,157,341</u>	<u>969,972</u>	<u>134,905</u>	<u>755,511</u>	<u>74,898</u>	<u>7,409,497</u>
<b>Net book values</b>								
At 31.03.15	<u>-</u>	<u>16,490,582</u>	<u>745,604</u>	<u>-</u>	<u>-</u>	<u>887,464</u>	<u>13,531</u>	<u>18,137,181</u>
At 31.03.14	<u>2,984,061</u>	<u>12,947,749</u>	<u>814,179</u>	<u>2,664</u>	<u>-</u>	<u>578,395</u>	<u>22,371</u>	<u>17,349,419</u>

The net book value at 31 March 2015 represents fixed assets used for :

	£	£	£	£	£	£	£	£
Direct charitable purposes	-	13,042,872	745,604	-	-	887,464	13,531	14,689,471
Fundraising	-	3,447,710	-	-	-	-	-	3,447,710
	<u>-</u>	<u>16,490,582</u>	<u>745,604</u>	<u>-</u>	<u>-</u>	<u>887,464</u>	<u>13,531</u>	<u>18,137,181</u>

Included in Land & Freehold Buildings is land with a value of £277,000 (2014: £277,000) which is not depreciated.

**JOBS & BUSINESS GLASGOW**  
(A company limited by guarantee)

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**18. Fixed Asset Investments**

	COMPANY		GROUP	
	2015 £	2014 £	2015 £	2014 £
Investments in Subsidiaries	303	401	-	-
Investments in Joint Ventures	24,995	24,995	24,995	24,995
	<u>25,298</u>	<u>25,396</u>	<u>24,995</u>	<u>24,995</u>

Dalsetter Business Village Limited - £1 (2014: £1) (1 ordinary £1 share)

The wholly owned trading subsidiary Dalsetter Business Village Limited, which is incorporated in Scotland manages the property at Dalsetter Business Village and all associated commercial operations. The charity owns the entire share capital of 1 ordinary share of £1. The subsidiary had a retained deficit of £138,739 for the year.

Property by Jobs and Business Glasgow Limited (Formerly Castlemilk Property Company Limited) - £100 (2014: £100) (100 ordinary £1 shares)

The trading subsidiary is wholly owned by the charity and operates various commercial properties. The subsidiary had a retained deficit of £201,964 for the year.

Greater Easterhouse Property Company Limited - £100 (2014: £100) (100 ordinary £1 shares)

The trading subsidiary is wholly owned by the charity. The subsidiary has retained a profit of £2,733 for the year.

Glasgow North Properties Limited - £100 (2014: £100) (100 ordinary £1 shares)

The trading subsidiary is wholly owned by the charity (100 ordinary £1 shares). The subsidiary has retained a deficit of £53,675 for the year.

Regenerate: Glasgow Limited – company limited by guarantee

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

Govan Digital Media Centre Limited – £24,995 - (2014 - £24,995)

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

Modular Developments Limited

The charity hold a 50% share in the joint venture Modular Developments Limited. The charity own share capital of £90,000 (90,000 ordinary £1 shares). At 30.04.2014 the company had net liabilities of £537,134 (2014: £541,529). The carrying value of this investment is £Nil (2013 - £Nil).

Drumchapel Training Trust Limited

The charity also had a subsidiary charity, Drumchapel Training Trust Limited, a company limited by guarantee. On 31 March 2014, Drumchapel Training Trust transferred all of its assets, liabilities and activities to Jobs & Business Glasgow. Drumchapel Training Trust Limited was struck off on 10 July 2015

Bridge End Nursery Group Limited - £- (2014: £100) (100 ordinary £1 shares)

The trading subsidiary was wholly owned by the charity and operated the Adelphi Nursery. On 31 March 2014, Bridge End Nursery Group Limited transferred all of its assets, liabilities and activities to Jobs & Business Glasgow. Bridge End Nursery Group Limited was struck off on 3 July 2015.

**JOBS & BUSINESS GLASGOW**  
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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**19. Stock**

	COMPANY		GROUP	
	2015 £	2014 £	2015 £	2014 £
Café stock	-	-	-	851
	<u>-</u>	<u>-</u>	<u>-</u>	<u>851</u>

**20. Debtors**

	COMPANY		GROUP	
	2015 £	2014 £	2015 £	2014 £
Trade debtors	748,901	1,155,345	948,097	1,427,771
Other debtors and prepayments	248,613	357,747	424,101	507,373
Accrued income	2,099,356	1,707,831	2,099,356	1,707,831
Due from group undertakings	2,356,489	3,642,756	802,727	1,926,882
	<u>5,453,359</u>	<u>6,863,679</u>	<u>4,274,281</u>	<u>5,569,857</u>

Included within amounts due from group undertakings in the company is £1,357,020 (2014: £1,113,392) which is due in more than one year.

**21. Creditors: Amounts falling due within one year**

	COMPANY		GROUP	
	2015 £	2014 £	2015 £	2014 £
Trade creditors	334,124	678,542	508,345	875,601
Other taxes and social security costs	402,300	342,009	508,585	432,518
Other creditors and accruals	2,762,197	2,045,598	3,315,974	2,386,929
Bank loans and overdrafts	296,650	320,698	296,650	320,698
Deferred income (note 22)	170,677	101,360	170,677	101,360
Due to group undertakings	349,077	42,160	309,350	-
	<u>4,315,025</u>	<u>3,530,367</u>	<u>5,109,581</u>	<u>4,117,106</u>

**JOBS & BUSINESS GLASGOW**  
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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

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

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Balance at 1 April 2014	101,360	97,120
Amount released to incoming resources	(101,360)	(97,120)
Amount deferred in the year	170,677	101,360
Balance at 31 March 2015	<u>170,677</u>	<u>101,360</u>

Deferred income at 31 March 2015 comprises income received in advance of service provision for the following projects:

	<b>£</b>
GCC IGF	2,915
Nursery fees in advance	54,061
Deposits	21,750
Others	91,951
	<u>170,677</u>

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

	<b>COMPANY</b>		<b>GROUP</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans	1,569,379	1,867,325	1,569,379	1,867,325
	1,569,379	1,867,325	1,569,379	1,867,325
Deferred capital grants (see below)	-	-	7,637,060	7,891,946
	<u>1,569,379</u>	<u>1,867,325</u>	<u>9,206,439</u>	<u>9,759,271</u>

The loans are repayable as follows:

	<b>COMPANY</b>		<b>GROUP</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
In one year or less	296,650	320,698	296,650	320,698
Between one and two years	218,068	297,393	218,068	297,393
Between two and five years	221,924	671,757	221,924	671,757
In five years or more	1,129,387	898,175	1,129,387	898,175
	<u>1,866,029</u>	<u>2,188,023</u>	<u>1,866,029</u>	<u>2,188,023</u>

## JOBS & BUSINESS GLASGOW

(A company limited by guarantee)

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

#### 23. Creditors: Amounts falling due after more than one year (continued)

Loans repayable after more than one year are repaid by monthly instalments. Interest is charged on these amounts at a rate of base rate + 1.5%.

The charity has granted a floating charge over the property at 150 Brand Street, Govan, Glasgow and Moorpark Industrial Estate, Broomloan Road, Glasgow in favour of the Royal Bank of Scotland plc in respect of all borrowings of the group.

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

	COMPANY		GROUP	
	2015	2014	2015	2014
	£	£	£	£
<b>Deferred capital grants:</b>				
Balance at 1 April 2014	-	-	7,891,946	8,147,671
Grants received in the year	-	-	-	-
Amortisation in the year	-	-	(254,886)	(255,725)
Balance at 31 March 2015	-	-	<u>7,637,060</u>	<u>7,891,946</u>

#### 24. Operating Leases Commitments - Group

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

	2015		2014	
	Property	Other	Property	Other
	£	£	£	£
Operating leases which expire:				
Within one year	304,394	1,763	189,115	10,136
In the second to fifth years inclusive	65,999	-	197,995	16,655
After five years	64,080	-	50,625	-
	<u>434,473</u>	<u>1,763</u>	<u>437,735</u>	<u>26,791</u>

**JOBS & BUSINESS GLASGOW**  
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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**25. Restricted Funds – Group and charity**

	As at 1 April 2014 £	Incoming resources £	Resources expended £	Transfers £	As at 31 March 2015 £
<b>European Funding</b>					
Enterprise Creation	-	(205,610)	249,394	455,004	-
Enterprise Support	-	57,617	57,617	-	-
Job Brokers - North/East/West	-	200,613	200,613	-	-
Bridging Services	225,000	836,777	856,777	-	205,000
Youth Employability Service	-	478,542	478,542	-	-
Youth Employability Scotland Fund	99,024	30,000	126,665	-	2,359
Roma	-	181,601	181,601	-	-
Roma Matrix	-	62,112	62,112	-	-
<b>Other funding</b>					
Additions	-	20,000	20,000	-	-
MCK Maryhill & Kelvin	-	72,605	72,605	-	-
Into Sustainable Employment	-	85,000	85,000	-	-
GCC – Making it Work	-	9,000	-	-	9,000
Opportunities for All - Green Wardens	-	90,749	90,749	-	-
Opportunities for All - LES Parks	-	13,195	13,195	-	-
Adult Literacy & Numeracy	-	145,511	145,511	-	-
Personal Best	72,213	167,008	167,008	-	72,213
J P Morgan	31,868	-	-	-	31,868
Making It Work	332,295	666,576	663,282	-	335,589
Vulnerable Young Women	28,620	-	-	-	28,620
Assisted Garden Maintenance	-	1,435,000	1,435,000	-	-
Environmental Project	3,000	-	-	-	3,000
Support to People – North	73,923	-	-	-	73,923
Oatlands Development	270	-	-	-	270
The Big Lottery - School Gates	78,927	199,996	252,666	-	26,257
Flexible Support Fund	235,531	-	129,481	-	106,050
	<u>1,180,671</u>	<u>4,546,292</u>	<u>5,287,818</u>	<u>455,004</u>	<u>894,149</u>

**Enterprise Creation**

Provides support to Social Enterprise organisations to grow and develop business skills.

**Enterprise Support**

Provides support to Social Enterprise organisations to grow and develop business skills.

**Job Brokers**

Provides a service to employers matching employer vacancies to employability clients.

**Bridging Services**

Funding received in advance for 2014/15 activities.

**Youth Employability Service**

A youth employability service aimed at young people aged 16-19 with barriers to employment offering training and employability services. This fund provides grant support to encourage employers to employ young people aged 16 -24.

**Roma**

Is a city wide project providing employability support to the Roma community.

## **JOBS & BUSINESS GLASGOW**

(A company limited by guarantee)

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

#### **25. Restricted Funds – Group and charity (continued)**

##### **Roma Matrix**

Is a city wide project providing employability support to the Roma community.

##### **Addictions**

The project provides employability support to clients with addictions.

##### **MCK Maryhill, Kelvin**

This fund was created to fill the gap in provision to assist young people, aged 16-24, who were experiencing difficulty accessing mainstream learning and employability services and who were at risk of social and labour market exclusion.

##### **Into Sustainable Employment**

This project provides employer based training for clients residing in the South area of Glasgow.

##### **GCC – Making It Work**

This fund relates to GCC's contribution to the Making it Work programme, no expenditure has been incurred during 2014/ 2015.

##### **Opportunities for All - Green Wardens**

This project was aimed at increasing the environmental awareness of small businesses.

##### **Opportunities for All - Land and Environmental Services Parks**

The project provided work experience and training through an Intermediate Labour Market Project for clients wishing to gain employment in gardening and estate maintenance.

##### **Adult Literacy and Numeracy**

Provides learning and support for adults with literacy and numeracy difficulties to gain employment.

##### **Personal Best**

A Big Lottery funded project which provides the most vulnerable people with an opportunity for volunteering and gaining employment. The project uses prestigious events throughout the city to provide training and experience to these clients.

##### **J P Morgan**

The project focusses on connecting clients to enterprise by providing mentoring support.

##### **Making it Work**

A Big Lottery Funded project which seeks to help lone parents get the challenges of family life, childcare and work right. It aims to improve the quality of family life for lone parents and their children. It seeks to improve access to effective services for lone parents furthest from the labour market whose complex set of circumstances suggest they are less likely to benefit effectively from mainstream support.

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

The project supports young women, many of whom are going into the labour market for the first time, to gain entry into the labour market.

##### **Assisted Garden Maintenance**

This project operates on an intermediate labour market basis offering a number of clients valuable work experience and job skills to enable them to compete externally for employment.

##### **Environmental Project - Young roots**

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

## **JOBS & BUSINESS GLASGOW**

**(A company limited by guarantee)**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

#### **25.Restricted Funds – Group and charity (continued)**

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

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

##### **Oatlands Development**

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

##### **The Big Lottery – School Gates**

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

##### **Flexible Support Fund**

Provides clients with a variety of targeted learning and support to enable them to take up employment.



**JOBS & BUSINESS GLASGOW**  
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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**26. Unrestricted Funds – Group**

Designated Funds	Movement in funds				As at 31 March 2015 £
	As at 1 April 2014 £	Incoming Resources £	Expenditure losses £	Transfers £	
Provision for Marketing	40,000	-	-	(5,000)	35,000
Provision for Redundancy	835,000	-	120,552	(40,000)	674,448
Provision for Loan Repayments	2,188,023	-	321,994	-	1,866,029
Refurbishment and Consolidation of Properties	1,800,000	-	12,996	-	1,787,004
Provision for Delivery of Services 2014 - Gap Funding	1,550,000	-	1,550,000	-	-
Provision for Delivery of Services 2015 - Gap Funding	-	-	-	600,000	600,000
Saracen House	461,000	120,000	-	(581,000)	-
Tangible Fixed Assets	15,161,396	-	-	1,109,756	16,271,152
Tangible Fixed Assets- Subsidiaries	2,162,239	-	-	(774,199)	1,388,040
GHA pilot	-	17,705	-	-	17,705
Govanhill	-	22,474	-	-	22,474
	<u>24,197,658</u>	<u>160,179</u>	<u>2,005,542</u>	<u>309,557</u>	<u>22,661,852</u>
<b>General Funds</b>	<u>4,257,979</u>	<u>19,444,929</u>	<u>17,899,950</u>	<u>(764,561)</u>	<u>5,038,397</u>
	<u>28,455,637</u>	<u>19,605,108</u>	<u>19,905,492</u>	<u>(455,004)</u>	<u>27,700,249</u>

Designated funds represent funds set aside in relation to funding received not yet expended as follows:

**Provision for Marketing**

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

**Provision for Redundancy**

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

**Provision for Loan repayments**

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

**Refurbishment and Consolidation of Properties**

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

**Provision for Delivery of Services 2014 – Gap Funding**

There was uncertainty regarding the release date of the 2014- 2020 European Structural Funds. A fund was designated to allow the company to continue to deliver services to clients pending the outcome of grant awards.

**Provision for Delivery of Services 2015 – Gap Funding**

There is uncertainty regarding the release date of the 2014- 2020 European Structural Funds. A fund has been designated to allow the company to continue to deliver services to clients pending the outcome of grant awards.

## JOBS & BUSINESS GLASGOW

(A company limited by guarantee)

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015

#### 26. Unrestricted Funds – Group (continued)

##### Saracen House

A capital development at Saracen Street took place and was completed in the year. Funds were therefore set aside to fund this development which was further supported by European Regional Development fund support.

##### Tangible Fixed Assets

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

The subsidiary fund reflects the net book value of the subsidiary companies fixed assets less any related capital grants.

##### GHA Pilot

This programme funded by GHA supports GHA tenants who have gone through the Work Programme and have not yet gained employment.

##### Govanhill

This project is funded by Govanhill Housing Association and provides work experience to clients who have no recent experience in the labour market.

#### 27. Analysis of Net Assets between Funds - Group

	Tangible Fixed Assets £	Fixed Asset Investments	Net Current Assets £	Long Term liabilities £	Total £
Restricted funds	-	-	894,149	-	894,149
Unrestricted funds- General	-	24,995	5,013,402	-	5,038,397
Unrestricted funds- Designated	27,227,297	-	4,640,994	(9,206,439)	22,661,852
Pension reserves	-	-	-	(1,050,000)	(1,050,000)
Total funds	<u>27,227,297</u>	<u>24,995</u>	<u>10,548,545</u>	<u>(10,256,439)</u>	<u>27,544,398</u>

#### 28. Control

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

#### 29. Pension Costs

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

	31 March 2015 £'000	31 March 2014 £'000
Contribution to SPF	115	248
<b>Total pension cost</b>	<u>115</u>	<u>248</u>

**JOBS & BUSINESS GLASGOW**  
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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**29. Pension Costs (continued)**

**Strathclyde Pension Fund (SPF)**

The Charity's senior management team belong to the Strathclyde Pension Fund (SPF), which is of the Defined Benefit type. The assets of the SPF scheme are held in a separate, trustee administered fund.

The Charity paid contributions of 19.3% for the period from 1 April 2014.

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

The following information is based upon a full actuarial valuation of the Fund at 31 March 2015 by a qualified independent actuary.

<b>Principal Actuarial Assumptions</b>	<b>At 31 March 2015</b>	<b>At 31 March 2014</b>
Pension Increase Rate	2.4%	2.8%
Salary Increase Rate	4.3%	5.1%
Expected Return on Assets	3.2%	6.0%
Discount rate	3.2%	4.3%

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

	<b>At 31 March 2015</b>	<b>At 31 March 2014</b>
<i>Retiring today</i>		
Males	22.1	21.0
Females	23.6	23.4
<i>Retiring in 20 years</i>		
Males	24.8	23.3
Females	26.2	25.3

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

	<b>Long-term rate of return expected at 31 March 2015</b>	<b>Value at 31 March 2015 £'000</b>	<b>Long-term rate of return expected at 31 March 2014</b>	<b>Value at 31 March 2014 £'000</b>
Equities	3.2%	2,352	6.6%	1,536
Bonds	3.2%	408	3.7%	243
Property	3.2%	345	4.8%	141
Other	3.2%	31	3.7%	101
<b>Total Market Value of Assets</b>		3,136		2,021
Present value of scheme liabilities		4,186		2,851
<b>Deficit in the scheme</b>		(1,050)		(830)

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

	<b>2015 £'000</b>	<b>2014 £'000</b>
Service cost	162	129
<b>Total operating charge</b>	<b>162</b>	<b>129</b>

**JOBS & BUSINESS GLASGOW**  
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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**29. Pension Costs (continued)**

**Analysis of pension finance income / costs**

	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
Expected return on pension scheme assets	(124)	(95)
Interest on pension liabilities	125	115
<b>Pension finance costs</b>	<u>1</u>	<u>20</u>

**Analysis of amount recognised in statement of financial activities**

	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
Actual return less expected return on pension scheme assets	(1,075)	(117)
Experience gains and losses on liabilities	903	28
Changes in financial assumptions underlying the scheme liabilities	-	-
Actuarial loss recognised in SOFA	<u>(172)</u>	<u>(89)</u>

	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
(Deficit) in scheme at beginning of year	(830)	(840)
Current service cost	(162)	(129)
Employer contributions	115	248
Interest cost	(125)	(115)
Past service costs	-	-
Expected return on employer assets	124	95
Actuarial (loss)	(172)	(89)
<b>Deficit in the scheme at end of year</b>	<u>(1,050)</u>	<u>(830)</u>

**Reconciliation of defined benefit obligation**

	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
<b>Opening Defined Benefit Obligation</b>	2,851	2,493
Current Service cost	162	129
Interest Cost	125	115
Contributions by members	49	42
Actuarial losses	1,075	117
Past Service cost	-	-
Estimated benefits paid	(76)	(45)
<b>Defined benefit obligation</b>	<u>4,186</u>	<u>2,851</u>

**JOBS & BUSINESS GLASGOW**  
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**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2015**

**29. Pension Costs (continued)**

Reconciliation of fair value of employer assets

	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
<b>Opening Fair Value of Employer Assets</b>	2,021	1,653
Expected Return on assets	124	95
Contributions by members	49	42
Contributions by employers	115	248
Actuarial gains	903	28
Benefits paid	(76)	(45)
<b>Closing Fair Value of Employer Assets</b>	<u>3,136</u>	<u>2,021</u>

**30. Capital Commitments**

At 31 March 2015 capital expenditure commitments were as follows:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Authorised by the Trustees but not contracted for	<u>-</u>	<u>-</u>
Authorised by the Trustees and contracted for	<u>-</u>	<u>515,846</u>

**31. Contingent Liability**

Internal audit have identified a potential clawback of European funding received in the period 2007 to date. A detailed review has been carried out, as a result of which the Trustees believe that £292,000 of funding is likely to require to be repaid to the funder. This has been recognised as a liability in these accounts.

The issue is the subject of discussions between Glasgow City Council and the Scottish Government, the outcome of which is unknown at the date of signing these financial statements.

The final liability may or may not be higher than the liability provided in these financial statements.