

CHARITY NO: SC023930

COMPANY NO: SC108565

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

	PAGE
Reference and Administrative information	1
Report of the Trustees	2 – 23
Independent Auditor's Report	24 – 25
Consolidated Statement of Financial Activities	26
Consolidated Balance Sheet	27
Charity Statement of Financial Activities	28
Charity Balance Sheet	29
Consolidated Statement of Cashflows	30
Charity Statement of Cashflows	31
Notes to the Financial Statements	32 – 61

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

REFERENCE AND ADMINISTRATIVE INFORMATION

Principal Office	231 George St Glasgow G1 1RX
Charity Number:	SC023930
Company Number:	SC108565
Trustees	Peter Marsh Douglas Baillie Francis Paul Scally Michael Cullen Malcolm Robert Cunning Angus Campbell Millar Annette Christie
Secretary:	Martin Booth
Senior Management Team:	Malcolm Maclean Graham (left 23/12/16) Martin Booth Caroline Whyteside (left 30/9/16) Stephen Brooks (left on 6/5/16) Tommy Docherty Caroline Glen (left on 30/06/16) Gary Hay Nancy Burns (left on 13/05/16) Mary-Theresa Smith (left on 20/05/16) Rob Pryce (left on 3/5/16) Jon Allen
Independent Auditors	Wylie & Bisset LLP 168 Bath Street Glasgow G2 4TP
Bankers	Bank of Scotland PLC Argyle St Glasgow G2 8BU
Solicitors	DWF LLP 110 Queen St Glasgow G1 3HO Brodies LLP Monteith House George Square, 110 Queen St, Glasgow G1 3BX

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2017. The legal and administrative information on page one forms part of this report.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

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 (resigned 04/05/16)
Councillor Emma Gillan (resigned 08/05/17)
Councillor John Kelly (passed away 26/07/16)¹
Baillie Hanif Raja (resigned 18/05/17)²
Malcolm Maclean Graham (employment terminated 23/12/17)³
Caroline Whyteside (resigned 30/09/16)
Maureen Burke (resigned 28/06/16)
Peter Marsh (appointed 04/04/16)
Susan Aitken (resigned 18/05/17)
Douglas Bailie (appointed 04/04/16)
James McKenna (resigned 23/8/16)
Jim Coleman (appointed 28/06/16, resigned 18/05/17)
Councillor John Andrew Kane (appointed 8/09/16, resigned 18/05/17)
Francis Paul Scally (appointed 18/05/17)
Michael Cullen (appointed 18/05/17)
Malcolm Robert Cunning (appointed 18/05/17)
Angus Campbell Millar (appointed 18/05/17)
Annette Christie (appointed 18/05/17)

¹ Councillor Kelly had been on long term sick leave since 20/1/16 and passed away on 26th July 2016

² Baillie Raja was on long term sick leave (LTS)

³ M Graham has been suspended since 27/1/16 and left on 23/12/2016

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Attendance at Board Meetings

The following table shows the attendance of Board Members at Board meetings during the year. There were 8 board meetings in the period April 2016 to March 2017.

Board Member	10 May 2016	21 June 2016	24 Aug 2016	30 Nov 2016	22 Feb 2017	29 Mar 2017	Total Attendance
J Coleman	N/A	N/A	√	√	√	√	4/4
H Raja ⁴	√	LTS	LTS	√	√	√	4/4
E Gillan	√	√	√	√	√	√	6/6
J Kelly ⁵	LTS	LTS	N/A	N/A	N/A	N/A	0/0
S Aitken		√	√		√	√	4/6
M Burke	√	√	N/A	N/A	N/A	N/A	2/2
M Graham ⁶	susp	susp	susp	susp	N/A	N/A	0/0
J McKenna			N/A	N/A	N/A	N/A	0/2
P Marsh	√	√	√	√	√		5/6
D Baillie	√		√		√	√	4/6

Structure, Governance and Management

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

Board Decision making

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

- giving strategic direction to the company
- agreeing JBG's 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

Membership

There was one resignation during the year for the Partner Directors (Councillors) and an appointment to immediately replace them. Councillor Maureen Burke resigned on the 28/6/16 and was replaced by Councillor Jim Coleman on the same date.

⁴ Bailie Raja was on long term sick leave (LTS)

⁵ Councillor Kelly had been on long term sick leave since 20/1/16 and passed away on 26th July 2016

⁶ M Graham has been suspended since 27/1/16 and left on 23/12/2016

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Councillor John Kelly sadly passed away on the 26/07/16. He was replaced by Councillor John Kane on 8/9/2016.

As a result of Local Government elections on the 8/05/17, Emma Gillen stood down as a Councillor and therefore also as a Partner Director. On the 18/05/17 Jim Coleman, Hanif Raja, Susan Aitken and John Kane also resigned as Directors and they were replaced on the same date by Annette Christie, Michael Cullen, Malcolm Cunning, Angus Millar and Franny Scally.

There were two resignations during the year for the Independent Directors– Alistair McManus and Jim McKenna resigned from the board on 4/5/16 and 23/8/16 respectively.

The Executive Director who is also the Company's Chief Executive has been suspended from his post since 27/1/16 and his employment was terminated on 23/12/16. Martin Booth continues as Interim Chief Executive. Martin Booth is not a board member.

As at the date of signing the accounts, there were three independent director vacancies on the Board. This has been a difficult year for JBG and now that the charity is in a more stable position the nominations committee will actively search for suitable candidates to fill these vacancies.

Chief Executive

Decision making

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

Martin Booth continues to cover this role on an interim basis and has done so since 28 January 2016.

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Senior Management Team

Following the upheaval of last year, the Senior Management Team have worked hard to provide stability across the organisation. We continue to operate with the interim structure as described in the table below. Caroline Whyteside, who was Director of Finance and Deputy Chief Executive, left the organisation on the 30th September and her role as Director of Finance has been covered by Jon Allen who has been seconded from Glasgow City Council.

Post	Senior Manager	Responsibilities
Director of Finance	Jon Allen	Finance, company secretarial work.
Acting Head of Employability & Training	Gary Hay	Adult and Youth employability, community benefits, adult and youth learning, company strategy and funding applications
Acting Head of Property, Childcare & Enterprise	Tommy Docherty	Property, Childcare and Business start-up and support, social enterprise start-up support and advice

Subsidiaries

- **Property by Jobs & Business Glasgow (formerly Castlemilk Property Company).** This is JBG's property trading subsidiary.

For most of the year, the membership of this board was as follows:

- Councillor Emma Gillan (Chair)
- Bailie Hanif Raja
- Councillor John Kane
- Councillor Susan Aitken
- Malcolm Maclean Graham
- Jim McKenna
- Peter Marsh
- Douglas Baillie

The current Board membership is as follows:

- Councillor Michael Cullen (Chair)
- Bailie Annette Christie
- Councillor Malcolm Cunning
- Councillor Angus Millar
- Councillor Franny Scally
- Peter Marsh
- Douglas Baillie

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Committees

During 2016/17 there was a restructuring of the committees of the JBG Board. The Board agreed to reduce the number of committees to two with all other business being dealt with directly by the Board

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 will meet three times a year and will include standing invitations to both Internal and External Auditors.

The membership of this committee was as follows:

- Peter Marsh (chair)
- Alistair McManus (resigned 4/5/16)
- Councillor Maureen Burke (resigned 28/6/16)
- Councillor Jim Coleman (resigned 18/05/17)
- Councillor Susan Aitken (resigned 18/5/17)
- Calum Graham (left 23/12/16)
- Douglas Baillie
- Councillor Angus Millar (appointed 21/6/17)
- Councillor Michael Cullen (appointed 21/6/17)
- Councillor Malcolm Cunning (appointed 21/6/17)

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.

For most of the year, the membership of this committee was as follows:

- Councillor Jim Coleman (Chair)
- Councillor Susan Aitken
- Elaine Galletly
- Jim Gray

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 7 January 1988 and registered as a charity on 30th 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 members 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.

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

Arrangement for Setting the Pay and Remuneration of Management

The arrangements for setting the pay and remuneration of the charity's key management personnel was previously carried out by the HR committee. During 2016/17 this responsibility was undertaken by the Board. At the Board meeting on 29th March the Board agreed to the pay award strategy for 2017/18. Key management personnel comprises the charity Trustees and the Senior Management Team.

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

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.

Note 4 of the attached accounts lists all Trustees' related parties. In particular, please note the following:

- Councillor Emma Gillan. As well as being Trustee of JBG she is also a Trustee of Glasgow Life
- Martin Booth. As well as being the Interim Chief Executive of JBG he is also the Director of Finance of Glasgow Life
- Councillor Angus Millar. As well as being a Trustee of JBG he is also a Director of City Property

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

Objectives and Activities

The purposes of JBG as set out in its articles of association include:

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

In December 2012, the Board developed a 5 year strategy for the period 2013-2018. JBG's mission was described as:

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

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Objectives and Activities (Continued)

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

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

Objectives

In striving to achieve this vision, the overall service activity delivered by JBG 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

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

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.

Criteria used to assess success

In the 2016/17 financial year, the main criteria we used to assess success included:

- Customer/Client Surveys
- Funders/Partners feedback
- Formal independent project evaluations, usually carried out by external advisers/consultants
- Client case studies
- Satisfactory Internal and External Audit Reports
- Investors in People accreditation
- Attendance levels
- Key Performance Indicators

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Significant Activities Undertaken

In 2016/17, the main projects which JBG delivered are shown in the table below.

Project	Description of Service
Core Employability (Adult & Youth)	Engagement and advice and guidance to clients at all stages of employability pipeline. Self-referrals in addition to referrals from partner organisations e.g. Jobcentre Plus.
Core Learning	The delivery of all our Lifeskills support and courses including SQA Working with Others (Core Skill); Basic IT, Universal Job Match and Email Attachments ; SQA First Aid; REHIS Elementary Food Hygiene and Health and Safety Awareness.
Core Enterprise	Provides business support to start-up and young businesses, both social and business enterprises.
Addictions/Recovery	One-to-one advice and guidance, tailored support. Referred by Community Addictions Teams.
Adult Literacy & Numeracy (ALN)	ALN trainers delivering literacy and numeracy support to both individuals and groups of clients across the city. SQA Core Skills at SCQF Level 3 in Communications or Numeracy.
MCMC	16-19yrs; three concentrated areas of support each known locally as Youth Unlimited, Aspiring Women and 'Into work'.
Youth Employability programme	16-24yrs; nine-week programme that provides opportunities for young people who are defined as pre stage 1 or stage 1 within the employability skills pipeline.
GHA Community Janitors	JBG provided this service from April-October 2016. In July 2016 staff TUPE transferred to GHA.
Environmental Services	Supported Employment Programme to deliver assisted garden maintenance to vulnerable residents. Created 156 employment places with 62% moving on to permanent employment.
Glasgow Guarantee	In Work Support for young people who have secured apprenticeships through GCC Glasgow Guarantee
Working Matters	Part of City Deal. Target clients are leavers from the Work Programme
SDS Employability Fund Contract	199 places at Stages 2, 3 and 4. Largest provider in West of Scotland.
SDS MA Contract	Delivering Business Administration Apprenticeships at both Level 2 and 3. Childcare programme will commence in 2017/18
Clyde Gateway	Dedicated support to actively engage with residents of Clyde Gateway postcodes.
Govanhill Backcourt Environmental Programme	Working with Govanhill H.A. to provide paid work placements in the Govanhill area. 50% of all recruits should be recognised as from the ROMA community.
Making It Work	Big Lottery funded. Partnership with a number of organisations such as Wise Group and One Parent Families Scotland. Ended July 2016
Personal Best	Big Lottery funded. Volunteering programme encompassing engagement, action planning, 10-weeks training, volunteering placement, jobsearch and aftercare.

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Grant Making Activities

The JBG Business enterprise team has one grant available of up to £250 per award which is targeted at new start businesses that have been trading up to 6 months and who meet the eligibility criteria shown below:

- Those in the most deprived communities as represented by the worst 15% SIMD
- Those locating their new start up business into a 15% SIMD deprived community
- The Long Term Unemployed (more than 6 months) and those on Incapacity Benefit, Lone Parents
- Those in low income (suffering in work poverty) ie less than Glasgow Living Wage
- The over 50's on benefit and those with little opportunity of securing paid employment eg. ex-offenders and those with little or no qualifications
- Students - Those within 6 months of completing their course or within 6 months of graduation
- Veterans

There are various restriction to the funding which are –

- New Enterprise Allowance Participants (funding available up to £150 per participant)
- Businesses in the Politics, Religion, Gambling or Multi-Level marketing / pyramid selling industries

The grant can be used for purchasing either IT hardware or consumables for the business and can also be used to meet legitimate startup costs such as purchase of insurance, rent or operating costs incurred at the startup phase.

The grant applicant submits an application and business plan which is then submitted to a funding panel. After the funding panel has met, the applicant is informed by letter as to whether they have been successful or not.

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.

The main activities in property during 2016/17 were:

- Development of an options appraisal document covering all properties
- Implementation of an office rationalisation programme
- Development of an additional phase of backlog maintenance within the commercial portfolio
- Rationalisation of service /contract suppliers
- Developed a standardised and comprehensive suite of leases covering all types of properties

The main activities in childcare during 2016/17 were:

- Played a lead role with Glasgow City Council in developing a potential Cooperative Model for Childcare provision within the City
- All of our nurseries have Partnership Status with Glasgow City Council.
- Obtained highly satisfying grades following Care Inspectorate Audits
- Carried out upgrading works on specified premises.
- Provided high quality childcare services to 800 parents

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Strategic Report

Achievements and Performance

Achievements

The year to March 2017 remained challenging for JBG in terms of business as usual activities. In the last year Jobs and Business Glasgow has rolled out an innovative new approach to delivering essential, more responsive services that has led us to move away from an office-based format and instead develop a leaner, local service based in local communities and neighbourhoods across the city, as part of Glasgow City Council's wider support services.

Utilising the facilities and services of the most appropriate partner organisation in each area such as RSLs, Wheatley Group, local social enterprises, the private sector and Glasgow Life's sports facilities and libraries, this local "surgery" approach is enabling our employability advisors to be more immediately accessible to residents and assists in improving community engagement and referrals to the most appropriate services for each particular resident.

Crucially we aim to build on the work of the existing partners, already providing other support services in each area, and we compliment these services by helping to link up workless residents with an integrated, readily accessible and relevant package of employability support.

We now have a significant presence within many of Glasgow Life's facilities, particularly libraries, where we market JBG's employability services as part of a wider range of Council "family" support and information services that are on offer in our libraries, thus supporting a multi-agency information and support "hub" approach. This will also enable us to offer a package of support that has an emphasis on the physical and mental benefits that employment and training can provide. Our aim is not only to assist people into work, but also to improve their, and their loved ones, financial, physical and mental wellbeing.

It is estimated that our clients or potential clients are within a 15-minute walk of their nearest delivery location. To date, at a time when Jobcentre Plus is consulting on proposals to reduce the number of their offices in Glasgow from fourteen to just seven, JBG is providing employability services in upwards of 39 locations across the city, delivering crucial support to those who need it most under the banner of the Glasgow City Council family.

The section below describes the achievements we have made against each of the key success criteria we identified in the Objectives and Activities section of this report:

Customer/Client Surveys

In March 2017, 3,101 customers of JBG services were asked to complete a survey on those services and 228 customers responded, a return rate of 7%. The responses provided were extremely positive. 94% of customers agreed that they were satisfied or very satisfied with JBG services and 94% of customers specified that they would recommend JBG services. Only a very small number of the comments received suggested areas for improvement and we are currently working on an action plan to improve these areas.

JBG also issued a staff survey in April 2017 to all 242 members of staff. 180 members of staff completed the 2017 survey, a return rate of 74%. The responses to the survey

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Customer/Client Surveys (Continued)

highlighted that 91% of employees enjoy the work they do and 87% of employees agreed they enjoyed working for JBG. There were however, some areas of improvement which have been identified and we are currently working on an action plan to improve these areas. A report on the findings of the survey and the Action Plan will shortly be issued to all staff.

Funders/Partners Feedback

Over the course of the year we have been focussing on rebuilding our reputation with partners and funders. We have been subject to audits from Scottish Government, Big Lottery Fund, Scottish Qualifications Authority(SQA) and Skills Development Scotland (SDS). All audits were passed with positive comments on our performance being received in all cases. As part of the SQA Audit of our Modern Apprentice Programme we were advised that we were a "Centre of Excellence"

Project Evaluations

An independent evaluation of the Making It Work project, funded by the Big Lottery, was carried out by University of Glasgow Training and Employment Research Unit (TERU), with the final report published in August 2016. The report concluded that the project had performed well and had recruited almost double the number of lone parents than originally anticipated, reflecting a very high demand amongst lone parents (and the organisations who refer them) for specialist employability support. Additionally, the programme managed to reach lone parents who were particularly disadvantaged, in line with the strategic objectives of the project. The majority of lone parents who engaged were very disadvantaged in the labour market, 63% were long term unemployed, nearly half had no work experience and a fifth had a chaotic lifestyle. Many had multiple barriers to work.

The evaluation found that Making It Work mostly exceeded its output targets.

- 1175 clients were supported to develop an Action Plan and had employability needs assessed. This is above the target of 675;
- 1127 participated in work preparation to address barriers and develop employment related skills which is significantly above the target of 600;
- 421 people or just over one in four participants moved into work after taking part in MiW;
- 587 clients took part in work related training. This was well in excess of the target of 300;
- 409 clients attained a qualification; and 40 progressed into education, equal to the target;
- 89 clients progressed with the workplace against a target of 75.

Client Case Studies

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

Satisfactory Internal and External Audit Reports

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

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Investors in People Accreditation

We continue to hold an IIP Bronze award. During the year we undertook a positive IIP review incorporating interviews with staff from across the organisation.

Attendance

Despite the challenges within the organisation during 2016/17 we managed to keep our absence rate to 3.6%. While this is slightly above target it is considered reasonable in the circumstances.

Key Performance Indicators (KPIs)

The 2017-18 period saw JBG undergo significant operational changes to both its back office and client-facing functions. Notable amongst these changes was:

- the departure of over 170 staff, including over 100 client-facing staff, which equated to 56% of our advisers and trainers, and
- the implementation of JBG's Transformation Project, during which JBG transitioned from delivering services predominantly from static offices across the city, to delivering services predominantly from community-based locations, such as those operated by Glasgow Life and Community Safety Glasgow.

	Performance Indicator	Actual 2016/17	Target 2016/17	Variance 2016/17
Engagement				
1	Number of people provided with employment related advice	6,736	8,231	-1,495
Into Work				
2	Number of people supported into employment	891	1,037	-146
3	The number of young Glasgow residents supported into work (16-19)	156	228	-72
Employability Skills Development				
4	Number of people supported to participate in work related/vocational training	1,700	2,335	-635
5	Number of people supported to participate in non-vocational training	687	824	-137
6	Number of people to achieve a recognised qualification	869	830	39
Enterprise Support				
7	Number of business start-ups created by Glasgow residents	199	190	9

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

8	Number of social economy initiatives supported	159	160	-1
9	Number of jobs created through business start-up or expansion of social economy support	445	465	-20
Jobs				
10	Total Jobs	1,246	1,455	-209

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

Positive Factors

Some of the positive factors that affected the achievements of our objectives and targets in the last financial year include:

- The quality and professionalism of our staff
- The resilience of the organisation to restructure its service delivery and realign our services to be more community focussed
- The positive reputation of JBG amongst the majority of stakeholders and partners
- JBG's emphasis on employer-led opportunities

Negative Factors

Some of the negative factors that affected the achievements of our objectives and KPIs in the last financial year include:

- The loss of a significant number of experienced staff and some specific skill sets
- The loss of significant levels of funding
- The Working Matters City Deal employability project has seen JBG dedicate considerable staff resources to providing intensive support to a relatively small caseload of clients furthest from the labour market
- Evidence has shown us that more young people are now staying on at school, which has reduced the number of 18-19 year olds engaging with our services
- Budgetary constraints

Challenges

Undoubtedly the main challenge facing JBG in 2016/17 continued to be the legacy of the European Funding issue. This continued to take up a considerable amount of senior management time in restructuring the company, dealing with the various disciplinary issues and in dealing with the various audits.

Having successfully restructured the organisation and passed audit scrutiny the organisation can be more positive about its future and is currently in discussions about future additional funding.

The organisation has also produced a balanced budget for 2017/18. This is the first time this has been achieved for a number of years.

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Financial Review

Operating and Financial Overview

The charitable group's net deficit for the year to March 2017 was £907,761. This compares to a net deficit of £3,072,039 for the year to March 2016. This is a reduction in deficit of £2,164,278.

The charitable group's total income for the year to March 2017 was £15,565,225. This compares to £21,065,112 for the year to March 2016. This is a reduction of £5,499,887.

The charitable group's total expenditure for the year to March 2017 was £16,051,986. This compares to £24,532,151 for the year to March 2016. This is a reduction of £8,480,165.

The company managed approximately 40 projects spread across its strategic themes.

In cash flow terms, the bank account showed an in-funds position of £9,223,516 at the beginning of the year and an in-funds position of £5,728,762 at the end of the year. The company therefore generated a negative cashflow during the year of £3,494,754.

The charitable group shows an unrestricted reserve of £13,420,825 (£13,607,008 in 2016). 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.

Impact of the Pension Deficit

As at 31 March 2017, JBG had 3 staff in the Strathclyde Pension Fund, a multi-employer defined benefit scheme. The remainder of the JBG staff are in defined contribution schemes, either the Zurich scheme or NEST, a government backed scheme. Currently, the Board have made the decision that no further staff should be allowed to join the Strathclyde Pension Scheme.

The JBG portion of the deficit as at 31 March 2017, of the Strathclyde Pension Fund is £1,077,000. This deficit would crystallise (that is, be payable) if a cessation event is triggered. A cessation event is triggered if the JBG scheme ceases to have any active members in it, the other employers in the scheme continue to have active members and the pension scheme is in deficit at that time.

The Trustees will be monitoring this situation very carefully to ensure there is no cessation event in the future.

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Reserves Policy

At the 31 March 2017, the total funds the group held were £13.4m. Of these, £1.1m were restricted and were not available for the general purposes of the charity. £11.6m of the total funds were designated, including the following:

- £4.1m representing the net book value of the groups tangible fixed assets
- £7.3m representing the book value of investment properties

Of the total funds, £11.4m can only be realised by disposing of tangible fixed assets.

This leaves the charity as at 31 March 2017 holding £1.8m of general reserves, after making allowances for restricted funds, designated funds and the carrying amount of functional assets which JBG considers to represent a commitment of the reserves it holds.

The Trustees have examined the company's requirements for reserves in the light of the main risks to the organisation. They previously established a policy whereby unrestricted general funds not committed should be approximately three months of total expenditure. Based on the approved budget for 2017/18, three months' expenditure (salaries and project costs) equates to £2.7m. The figure above shows general reserves of £1.8m which is lower, however, it is consistent with our stated objective to slowly and steadily rebuild our general reserves to a more acceptable level to ensure we can deal with any future cuts in funding.

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 Information and Database Manager is 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 the top 5 risks. The following systems and procedures to manage risk have been established:

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

Risk Register

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

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Description of Risk	Mitigation			
	Proba bility	Impact	Score	
Financial risk of being unable to achieve a balanced budget for 2018-19, due to reductions in funding from key partners.	3	4	12	Manage impact - Continue to pursue alternative funding sources, seek to achieve savings at a project and organisational level
As of March 2017, major funding opportunities exist around employability provision. There is a risk that JBG currently possess insufficient back office and project delivery resources to develop funding proposals, arrange partnership working, and deliver activity in line with the expectations of the respective funders, and failure to be engaged with these opportunities will adversely affect JBG's finances and reputation.	3	4	12	Manage probability - Where possible, liaise closely with funding bodies to assist in proposal development; explore the best approach to "staffing up" with HR officers; engage proactively with partner organisations around delivery arrangements.
Development of LEO as a result of GCC transformation will impact on JBG's ability to maintain control of business functionality.	4	3	12	Participate fully in discussions about developments and positively influence where possible
Transition to delivery of employability and training services from outreach locations instead of established, branded locations may reduce volumes of clients engaging with our services, leading to underperformance against KPIs.	3	4	12	Manage probability - Actively targeting known service users and inviting them to re-engage at new, local, community based locations. Marketing service to new clients will be implemented in Q3.
Transition to delivery of employability and training services from outreach locations instead of established locations will introduce logistical and technical barriers to providing a high quality service,	3	4	12	Manage probability - establish working group to assist in identifying and addressing logistical issues arising from working on an outreach basis. Continue to engage with GCC Mobile

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

<p>leading to reputational and performance risks.</p>				<p>Working Engagement group to exchange good practice.</p>
---	--	--	--	--

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.

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 £3.5m, with trade creditors being owed £286k at the end of the year. Creditor days are therefore 30 days. This is consistent with our standard policy of 30 days.

Plans for Future Periods

Summary of Plans

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

- The continued rollout of JBG’s new business model, where advisers will offer services from a reduced number of JBG offices and from other community facilities such as libraries and RSL offices
- The reduced number of front line advisers as a result of the VSS programme
- The loss of knowledge and expertise
- The impact on demand for JBG services by those leaving the Work Programme

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Summary of Plans (Continued)

- The challenging economic outlook particularly in some key economic sectors will lead to additional demands on JBG services
- The increasingly competitive funding environment
- The lack of European funding coming to JBG
- The unknown impact of Glasgow City Council's business transformation project on 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 continue to improve the financial performance of our childcare service

Calculations to arrive at the targets for 2017/18 below are based on: an assessment of current resources; the previous performance of current resources; targets for ongoing, externally-funded projects, such as Working Matters and SDS Employability Fund; consultation with project managers, and; recognition that our services need to complement the ESF funded employability projects that were initiated across Glasgow in 2016. We have removed a KPI targeting a specific age group securing employment, but will provide an age breakdown of those securing employment against indicator 2.

	KEY PERFORMANCE INDICATOR	Target 2017-18
1	Number of people provided with employment related advice	5,920
2	Number of people supported into employment	924
4	Number of people supported to participate in work related/vocational training	1,689
5	Number of people supported to participate in non-vocational training	824
6	Number of people to achieve a recognised qualification	830
7	Number of business start-ups created by Glasgow residents	140
8	Number of social economy initiatives supported	140
9	Number of jobs created through business start-up or expansion or social economy support	260
10	Total jobs	1,064

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Trustees Perspective of Future Direction of Charity

The Trustees view is that the work that JBG carries out is important and is crucial for the success of the City of Glasgow. The support we provide is a vital component of the Glasgow Economic Strategy and requires ongoing support to make a real difference to the lives of Glaswegians and the economic prosperity of the city.

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.

Over the last year we have learned that there is a better business model where advisers use mobile technology to go to the community rather than the community coming to us and our offices. We will continue to take a broader view of service delivery in the city and focus on where we can have the biggest impact and who can best deliver that impact to avoid duplication of provision.

Employee Involvement

The Directors are very keen that employees are systematically provided with information on matters of concern to them. Given the difficulties over the past year this has been very challenging. The Interim Chief Executive has carried out a number of area visits to keep staff informed of key issues arising. The Interim Chief Executive has made a commitment that where there is information to share he will ensure that staff are kept fully informed. An open question and answer session was also held with the Interim Chief Executive as part of the development session and also with Nursery Staff as part of their professional development day. In addition;

- 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 Chief Executive and Senior Management Team as well as representatives from Unite, the Union. The forum enables the CEO to update the union reps and full-time official 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

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Employee Involvement (Continued)

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

Trustees Responsibilities

The charity trustees (who are also the directors of the Jobs and Business Glasgow for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence 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 AND BUSINESS GLASGOW
(A company limited by guarantee)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Statement as to Disclosure of Information to Auditors

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

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: Angus Millar

Date: 23 August 2017

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF JOBS AND BUSINESS GLASGOW FOR THE YEAR ENDED 31 MARCH 2017

We have audited the financial statements of Jobs and Business Glasgow for the year ended 31 March 2017 which comprise the Group and Parent Charitable Company's Statement of Financial Activities, the Group and Parent Charitable Company's Balance Sheets, the Group and Parent Charitable Company's Cash Flow Statements and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 21 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 Trustees 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 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 Report of the Trustees 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 2017 and of the group's and the 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 regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF JOBS AND BUSINESS GLASGOW FOR THE YEAR ENDED 31 MARCH 2017

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees 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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Report of the Trustees.

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's financial statements are not in agreement with the accounting records and 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

168 Bath Street
Glasgow
G2 4TP

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

Date 23 August 2017

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2017

(Including an Income and Expenditure account)

	Note	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Pension Funds 2017 £	Total Funds 2017 £	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Pension Funds 2016 £	Total Funds 2016 £
Income and endowments from:									
Donations and legacies	5	5,869,964	-	-	5,869,964	7,977,573	-	-	7,977,573
Charitable activities	6	5,782,630	1,346,447	49,000	7,178,077	8,328,571	1,649,508	-	9,978,079
Other trading activities	7	146,664	-	-	146,664	49,554	-	-	49,554
Investments	8	2,370,520	-	-	2,370,520	3,059,906	-	-	3,059,906
Total Income		14,169,778	1,346,447	49,000	15,565,225	19,415,604	1,649,508	-	21,065,112
Expenditure on:									
Raising funds									
Other trading activities	9	211,618	-	-	211,618	81,686	-	-	81,686
Investment activities	10	1,905,002	-	-	1,905,002	1,650,586	-	-	1,650,586
Charitable activities	12	12,239,341	1,696,025	-	13,935,366	21,543,791	1,136,088	120,000	22,799,879
Total Expenditure		14,355,961	1,696,025	-	16,051,986	23,276,063	1,136,088	120,000	24,532,151
Net income/(expenditure)		(186,183)	(349,578)	49,000	(486,761)	(3,860,459)	513,420	(120,000)	(3,467,039)
Transfers between funds									
		(186,183)	(349,578)	49,000	(486,761)	(3,860,459)	513,420	(120,000)	(3,467,039)
Other recognised gains/(losses)									
Gains/(losses) on revaluation of fixed assets	17	-	-	-	-	(70,000)	-	-	(70,000)
Actuarial gains/(losses) on defined benefit pension schemes	29	-	-	(421,000)	(421,000)	-	-	465,000	465,000
Net movement in funds		(186,183)	(349,578)	(372,000)	(907,761)	(3,930,459)	513,420	345,000	(3,072,039)
Funds reconciliation									
Total Funds brought forward as previously reported		16,617,156	1,407,569	(705,000)	17,319,725	20,547,615	894,149	(1,050,000)	20,391,764
Prior year adjustment	30	(3,010,148)	-	-	(3,010,148)	(3,010,148)	-	-	(3,010,148)
Total Funds brought forward – as restated	25	13,607,008	1,407,569	(705,000)	14,309,577	17,537,467	894,149	(1,050,000)	17,381,616
Total Funds carried forward	25	13,420,825	1,057,991	(1,077,000)	13,401,816	13,607,008	1,407,569	(705,000)	14,309,577

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2017

	Note	Total Funds 2017 £	Total Funds 2016 £
Fixed assets:			
Tangible assets	16	5,405,919	5,982,178
Investment properties	17	7,265,000	7,395,000
Investments	18	24,899	24,899
Total fixed assets		12,695,818	13,402,077
Current assets:			
Debtors	19	2,531,614	3,107,189
Investments – cash deposits	28	-	3,500,000
Cash at bank and in hand	28	5,728,762	5,723,516
Total current assets		8,260,376	12,330,705
Liabilities:			
Creditors falling due within one year	20	(5,336,092)	(9,349,378)
Net current assets		2,924,284	2,981,327
Total assets less current liabilities		15,620,102	16,383,404
Creditors: Amounts falling due after more than one year	22	(1,125,393)	(1,351,108)
Deferred tax liability provision	23	(15,893)	(17,719)
Net assets excluding pension asset		14,478,816	15,014,577
Defined benefit pension scheme liability	29	(1,077,000)	(705,000)
Net assets		13,401,816	14,309,577
The funds of the charity:			
Restricted income funds	25	1,057,991	1,407,569
Unrestricted funds	25	13,420,825	13,607,008
Pension Reserve	25, 29	(1,077,000)	(705,000)
Total charity funds		13,401,816	14,309,577

Approved by the Trustees on and signed on their behalf by:

Name: Angus Millar

Name: Peter Marsh

Date: 23 August 2017

Company No: SC108565

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2017

(Including an Income and Expenditure account)

	Note	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Pension Reserve 2017 £	Total Funds 2017 £	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Pension Reserve 2016 £	Total Funds 2016 £
Income and endowments from:									
Donations and legacies	5	5,869,964	-	-	5,869,964	7,977,573	-	-	7,977,573
Charitable activities	6	5,782,630	1,346,447	49,000	7,178,077	8,328,571	1,649,508	-	9,978,079
Other trading activities	7	146,664	-	-	146,664	49,554	-	-	49,554
Investments	8	1,484,256	-	-	1,484,256	2,137,192	-	-	2,137,192
Total Income		13,283,514	1,346,447	49,000	14,678,961	18,492,890	1,649,508	-	20,142,398
Expenditure on:									
Raising funds		-	-	-	-	-	-	-	-
Other trading activities		211,618	-	-	211,618	89,871	-	-	89,871
Investment activities		651,243	-	-	651,243	629,001	-	-	629,001
Charitable activities		12,594,208	1,696,025	-	14,290,233	21,750,623	1,136,088	120,000	23,006,711
Total Expenditure		13,457,069	1,696,025	-	15,153,094	22,469,495	1,136,088	120,000	23,725,583
Net income/(expenditure)		(173,555)	(349,578)	49,000	(474,133)	(3,976,605)	513,420	(120,000)	(3,583,185)
Transfers between funds		-	-	-	-	-	-	-	-
		(173,555)	(349,578)	49,000	(474,133)	(3,976,605)	513,420	(120,000)	(3,583,185)
Other recognised gains/(losses)									
Gains/(losses) on revaluation of investment properties	17	-	-	-	-	295,000	-	-	295,000
Actuarial (losses)/gains on defined benefit pension schemes	29	-	-	(421,000)	(421,000)	-	-	465,000	465,000
Net movement in funds		(173,555)	(349,578)	(372,000)	(895,133)	(3,681,605)	513,420	345,000	(2,823,185)
Funds reconciliation									
Total Funds brought forward – as previously restated	1b	14,324,559	1,407,569	(705,000)	15,027,128	18,006,164	894,149	(1,050,000)	17,850,313
Prior year adjustment	30	(3,010,148)	-	-	(3,010,148)	(3,010,148)	-	-	(3,010,148)
Total Funds brought forward – as restated	30	11,314,411	1,407,569	(705,000)	12,016,980	14,996,016	894,149	(1,050,000)	14,840,165
Total Funds carried forward		11,140,856	1,057,991	(1,077,000)	11,121,847	11,314,411	1,407,569	(705,000)	12,016,980

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

CHARITY BALANCE SHEET AS AT 31 MARCH 2017

	Note	Total Funds 2017 £	Total Funds 2016 £
Fixed assets:			
Tangible assets	16	5,296,781	5,846,063
Investment properties	17	4,425,000	4,425,000
Investments	18	24,999	24,999
Total fixed assets		9,746,780	10,296,062
Current assets:			
Debtors	19	3,307,639	4,562,338
Investments	28	-	3,500,000
Cash at bank and in hand	28	4,781,904	4,721,760
Total current assets		8,089,543	12,784,098
Liabilities:			
Creditors falling due within one year	20	(4,512,083)	(9,007,072)
Net current assets		3,577,460	3,777,026
Total assets less current Liabilities		13,324,240	14,073,088
Creditors: Amounts falling due after more than one year	22	(1,125,393)	(1,351,108)
Net assets excluding pension asset		12,198,847	12,721,980
Defined benefit pension scheme liability	29	(1,077,000)	(705,000)
Net assets		11,121,847	12,016,980
The funds of the charity:			
Restricted income funds	25	1,057,991	1,407,569
Unrestricted funds		11,140,856	11,314,411
Pension Reserve	29	(1,077,000)	(705,000)
Total charity funds		11,121,847	12,016,980

Approved by the Trustees on and signed on their behalf by:

Name: Angus Millar

Name: Peter Marsh

Date: 23 August 2017

Company No: SC108565

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING 31 MARCH 2017

	Note	Total Funds 2017 £	Total Funds 2016 £
<i>Cash flows from operating activities:</i>			
Net cash (used in) operating activities	27	(5,704,838)	(3,955,763)
<i>Cash flows from investing activities:</i>			
Dividends, interest and rents from investments		2,370,520	3,059,906
Interest payable		(80,846)	(79,103)
Purchase of property, plant and equipment		-	(558,958)
Proceeds from sale of investment property		139,000	500,090
Purchase of investment property		-	(830,000)
Net cash provided by investing Activities		<u>2,428,674</u>	<u>2,091,935</u>
<i>Cash flows from financing activities:</i>			
Repayments of borrowing		(218,590)	(296,501)
Net cash (used in) financing activities		<u>(218,590)</u>	<u>(296,501)</u>
Change in cash and cash equivalents in the year		(3,494,754)	(2,160,329)
Cash and cash equivalents brought forward	28	9,223,516	11,383,845
Change in cash and cash equivalents		(3,494,754)	(2,160,329)
Cash and cash equivalents carried Forward	28	<u><u>5,728,762</u></u>	<u><u>9,223,516</u></u>

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

CHARITY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING 31 MARCH 2017

	Note	Total Funds 2017 £	Total Funds 2016 £
<i>Cash flows from operating activities:</i>			
Net cash (used in) operating activities	27	(4,747,968)	(2,897,687)
<i>Cash flows from investing activities:</i>			
Dividends, interest and rents from investments		1,583,635	1,994,667
Interest payable		(56,933)	(51,770)
Purchase of property, plant and equipment		-	(459,211)
Purchase of investment property		-	(830,000)
Net cash provided by investing activities		1,526,702	653,686
<i>Cash flows from financing activities:</i>			
Repayments of borrowing		(218,590)	(296,501)
Net cash (used in) financing activities		(218,590)	(296,501)
Change in cash and cash equivalents in the year		(3,439,856)	(2,540,502)
Cash and cash equivalents brought forward	28	8,221,760	10,762,262
Change in cash and cash equivalents		(3,439,856)	(2,540,502)
Cash and cash equivalents carried forward	28	4,781,904	8,221,760

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting Policies

(a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The financial statements consolidate the results of the charity and its wholly owned subsidiaries, Property by Jobs and Business Glasgow Limited and Regenerate: Glasgow Limited, on a line by line basis. Joint venture Govan Digital Media Centre Limited is not included on the grounds of materiality.

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

(b) Funds structure

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

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

Further details of each fund are disclosed in note 25.

(c) Income recognition

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

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

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting Policies (continued)

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

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

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met (see note 21).

(d) Expenditure recognition

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

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

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

Irrecoverable VAT is charged as a cost against the activity for which the expenditure is incurred.

(e) Allocation of support and governance costs

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

Governance costs and support costs relating to charitable activities have been apportioned based on head count. The allocation of support and governance costs is analysed in note 11.

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting Policies (continued)

(f) Tangible fixed assets and depreciation

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

Freehold buildings	Over 50 years, following year of purchase
Leasehold properties	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

Mixed use properties are included within fixed assets and depreciated in line with the policy above because the investment property element could not be measured reliably.

(g) Investment Property

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

Investment properties are included in the Statement of Financial Position at their open market value.

Although this accounting policy is in accordance with FRS 102, it is a departure from the general requirements of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the Trustees compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

(h) Investments

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

(i) Stock

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

(j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting Policies (continued)

(l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(m) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(n) Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity contribution is restricted to the contributions disclosed in note 13. There were no outstanding contributions at the year end.

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

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

The 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.

(o) Contingent liabilities

A contingent liability is identified and disclosed for those grants resulting from:

- a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control; or
- a present obligation following a grant offer where settlement is either not considered probable; or
- the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

(p) 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.

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting Policies (continued)

(q) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(r) 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.

2. Legal status

Jobs and Business Glasgow Limited is a registered Scottish charity.

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 AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

3. 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. The charity owns the entire share capital of 100 ordinary shares of £1 each. A summary of the trading results is shown below:

	2017	2016
	£	£
Turnover	1,696,948	1,943,495
Administration expenses	(1,649,788)	(1,685,929)
Other operating income	764	38,135
Gift aid donation to parent charitable company	(44,191)	(143,570)
Operating profit	3,733	152,131
Interest receivable	316	338
Interest payable and similar charges	(23,913)	(26,980)
Movement in fair value	-	(365,000)
Taxation	1,826	(17,929)
Retained in subsidiary	(18,038)	(257,440)
The assets and liabilities of the subsidiary were:		
Fixed assets	109,138	136,115
Investment properties	2,840,000	2,970,000
Current assets	1,190,873	1,292,823
Current liabilities	(1,038,911)	(902,415)
Long term creditors	(805,138)	(1,180,697)
Provisions for liabilities	(15,893)	(17,719)
Total net assets	2,280,069	2,298,107
Aggregate share capital and reserves	2,280,069	2,298,107

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

4. Related party transactions and trustees' expenses and remuneration

Malcolm Maclean Graham received remuneration of £104,984 (2016; £120,616) during the year in his role as Chief Executive. This comprised £88,847 (2016; £97,935) gross salary, £2,970 (2016; £3,960) car allowance and £47,833 (2016; £18,721) employers pension contributions. Mr Graham was reimbursed £nil (2016: £135) for expenses during the year.

During the year, no (2016; two) other Director was reimbursed (2016; £65) and one (2016; four) Director waived expenses of £40 (2016; £369).

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:

	Income £'000	Expenditure £'000	Debtors £'000	Creditors £'000
Glasgow City Council	11,049	1,023	717	20

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:

Name	Organisation	Position Held
Angus Millar	Glasgow City Council	Councillor
	Margaret Ferrier MP	Constituency Support Officer
	Newslink Scotland Ltd	Media Monitor
	Association of Nationalist Councillors	Member
	Federation of Student Nationalists	Convener
Michael Cullen	City Property (Glasgow) LLP	Chair
	Glasgow City Council	Councillor
	Maryhill & Possilpark Citizen's Advice Bureau	Project Co-ordinator
	Scotlearn Ltd	Company Director
	Unison	Member
Malcolm Cunning	Member	Scotwest Credit Union
	Glasgow City Council	Councillor
	GMB	Member
	Linn Area Partnership	Member

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

4. Related party transactions and trustees' expenses and remuneration (continued)

Hanif Raja	Glasgow City Council Strathclyde Partnership for Transport Glasgow Community Justice Authority Pollokshields Area Partnership Barlinnie Prison Visiting Committee Glasgow Dean of Guild Court Trust	Councillor Substitute Member Chair Member Member
Emma Gillan	Glasgow City Council Glasgow Life Newlands/Auldburn Area Partnership South Sector Community Planning Partnership Joint Partnership Board with NHS Greater Glasgow & Clyde Glasgow Centre for Population Health	Councillor Board Member Chair Member Member Member
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
Alastair McManus	Lloyds TSB	Regional Director
Maureen Burke	Glasgow City Council Cordia (Services) LLP Glasgow Kelvin College Strathclyde Partnership for Transport North East Area Partnership Greater Easterhouse Arts Company (GEAC) Clyde & Loch Lomond Local Plan District	Councillor Board Member Board Member Board Member Substitute Board Member Board Member Committee Member
Susan Aitken	Glasgow City Council National Union of Journalists Langside Area Partnership South Sector Community Planning Partnership Commission on Local Tax Reform National Executive Committee (Scottish National Party) Association of Nationalist Councillors Glasgow City Marketing Bureau	Councillor Member Member Member Member Member Member Director
Annette Christie	Glasgow City Council	Councillor
Franny Scally	Glasgow City Council Community Safety Glasgow	Councillor Trustee
Douglas Baillie	Clydesdale Bank	Senior Manager
Peter Marsh	-	-

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

5. Income from donations and legacies

	Charity 2017	Charity 2016	Group 2017	Group 2016
	£	£	£	£
Glasgow City Council	5,208,009	7,311,211	5,208,009	7,311,211
Other grants	661,955	666,362	661,955	666,362
	<u>5,869,964</u>	<u>7,977,573</u>	<u>5,869,964</u>	<u>7,977,573</u>

6. Income from charitable activities

	Charity 2017	Charity 2016	Group 2017	Group 2016
	£	£	£	£
Employability	5,242,043	6,843,037	5,242,043	6,843,037
Youth & Learning	-	1,419,716	-	1,419,716
Childcare	1,897,249	1,623,854	1,897,249	1,623,854
Enterprise and Social Economy	38,786	91,472	38,786	91,472
	<u>7,178,078</u>	<u>9,978,079</u>	<u>7,178,078</u>	<u>9,978,079</u>

7. Income from other trading activities

	Charity 2017	Charity 2016	Group 2017	Group 2016
	£	£	£	£
252 Saracen Street	146,664	24,430	146,664	24,430
Tollcross Road	-	21,722	-	21,722
Ibrox Business Park	-	3,402	-	3,402
	<u>146,664</u>	<u>49,554</u>	<u>146,664</u>	<u>49,554</u>

8. Investment income

	Charity 2017	Charity 2016	Group 2017	Group 2016
	£	£	£	£
Bank interest received	64,448	100,377	64,764	100,716
Property by Jobs and Business Glasgow	-	-	930,139	1,065,945
Gift aid received	44,191	143,570	-	-
Rental Income	1,375,617	1,893,245	1,375,617	1,893,245
	<u>1,484,256</u>	<u>2,137,192</u>	<u>2,370,520</u>	<u>3,059,906</u>

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

9. Raising funds – expenditure on other trading activities - Group

	Direct Costs £	Support Costs £	Total 2017 £	Total 2016 £
Regenerate: Glasgow Limited	-	-	-	2,842
252 Saracen Street	133,243	-	133,243	34,892
Tollcross Road	74,344	-	74,344	24,616
Ibrox Business Park	4,032	-	4,032	19,336
	<u>211,619</u>	<u>-</u>	<u>211,619</u>	<u>81,686</u>

10. Raising funds – expenditure on investment activities - Group

	Direct Costs £	Support Costs £	Total 2017 £	Total 2016 £
Property rental costs	651,242	-	651,242	629,002
Property by Jobs and Business Glasgow	1,253,760	-	1,253,760	1,021,584
	<u>1,905,002</u>	<u>-</u>	<u>1,905,002</u>	<u>1,650,586</u>

11. Allocation of governance and support costs - Group

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

Cost type	Employability £	Childcare £	Enterprise & Social Economy £	Governance £	Basis of apportionment
Salaries	1,819,100	610,360	192,067	12,394	<i>Headcount</i>
Stationery	15,116	5,072	1,596	-	<i>Headcount</i>
Total	<u>1,834,216</u>	<u>615,432</u>	<u>193,663</u>	<u>12,394</u>	

Governance costs:

	2017 £	2016 £
Audit Fee	40,390	37,395
Support costs (see above)	12,394	33,070
	<u>52,784</u>	<u>70,465</u>

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

11. Allocation of governance and support costs – Group (continued)

Breakdown of governance and support costs by activity;

	Support costs	Governance	2017	2016
	£	£	£	£
Employability	1,834,216	36,628	1,870,844	4,913,091
Youth & Learning	-	-	-	44,462
Childcare	615,432	12,289	627,721	778,092
Enterprise & Social Economy	193,663	3,867	197,530	1,489,490
	<u>2,643,311</u>	<u>52,784</u>	<u>2,696,095</u>	<u>7,225,135</u>

12. Analysis of expenditure on charitable activities – Group

	Employability	Childcare	Enterprise & Social Economy	2017 Total	2016 Total
	£	£	£	£	£
Staff Costs	6,899,240	1,580,912	459,992	8,940,144	12,827,294
Property	901,988	271,557	9,446	1,182,991	415,148
Transport	23,816	21,170	-	44,986	15,896
Supplies & services	907,977	117,583	45,590	1,071,150	2,196,406
Governance costs	36,628	12,289	3,867	52,784	70,465
Support costs	1,834,216	615,432	193,663	2,643,311	7,154,670
Pension costs	-	-	-	-	120,000
	<u>10,603,865</u>	<u>2,618,943</u>	<u>712,558</u>	<u>13,935,366</u>	<u>22,799,879</u>

13. Analysis of staff costs and remuneration of key management personnel

	2017	2016
	£	£
Salaries and wages	9,196,117	13,563,882
Social security costs	653,812	980,572
Employer contributions to defined benefit pension schemes	219,009	358,937
Employer contributions to defined contribution pension schemes	53,806	118,147
Total staff costs	<u>10,122,744</u>	<u>15,021,538</u>

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

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

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

	2017 £	2016 £
£60,001 - £70,000	-	7
£70,001 - £80,000	2	-
£80,001 - £90,000	-	1
£90,001 - £100,000	-	-
£100,001 - £110,000	1	1

	Charity 2017 No.	Charity 2016 No.	Group 2017 No.	Group 2016 No.
The average weekly number of persons, by headcount, employed by the charity during the year was:	279	459	302	475

	Charity 2017 £	Charity 2016 £	Group 2017 £	Group 2016 £
Key management personnel remuneration	577,657	662,521	577,657	662,521

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

During the year the charity made severance payments of £40,240 (2016: £2,654,346).

14. Net income/(expenditure) for the year - Group

This is stated after charging/(crediting):	2017 £	2016 £
Depreciation	576,259	384,229
Audit fees		
- Parent audit fee	24,870	24,000
- Subsidiary fees	7,325	12,099
- Non audit fees	-	5,200
(Gain)/loss on disposal of fixed assets	(9,000)	168,230
Operating lease rentals		
- Equipment	-	10,433
- Property	347,563	390,335

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

15. Government Grants

Income from government grants comprises:

		2017	2016
		Total	Total
		£	£
GCC – Services contract	a)	5,245,190	7,311,211
GCC – Integrated Grants	b)	221,651	685,363
GCC – Childcare Strategy	c)	84,038	96,595
GCC – Assisted Garden Maintenance	d)	945,819	1,330,000
GCC – Sundry ILM	e)	-	59,906
GCC – Grant Derelict land	f)	-	395,954
GCC – People Skills	g)	4,250	14,043
GCC – Glasgow Guarantee	h)	70,000	70,000
GCC – Nursery Partnership funds	i)	171,158	149,219
GCC – Secondments	j)	206,253	79,444
GCC – Make Safe Squad	k)	92,436	-
GCC – Food Waste Management	l)	425,030	-
GCC – City Centre Clean Streets Team	m)	9,580	-
GCC – Green Wardens	n)	150	-
GCC – CSG Grant Income	o)	630,000	-
DWP – New Enterprise allowance (GCC – source DWP)	p)	121,360	(99,091)
HR Micro Business	q)	-	51,504
GCC - Youth Enterprise Zone	r)	-	33,094
Skills Development Scotland	s)	594,997	1,269,102
NHS – Bridging Service	t)	-	274,000
Big Lottery	u)	(48,727)	943,606
		<u>8,773,185</u>	<u>12,663,950</u>

(a) Glasgow City Council Services Contract

A 25-year contract for the delivery of services across a range of Key Performance Indicators. Each year the KPI's will be agreed by both parties and monitored by GCC on a quarterly basis.

(b) GCC - Integrated Grants

This represents a range of specific grants monitored by democratic services across a range of service provision. Each award is project specific, with funds designated as restricted funds.

(c) GCC - Childcare Strategy

An Integrated Grant to support Childcare provision in deprived areas of the city.

(d) GCC - Assisted Garden Maintenance

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

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

15. Government Grants (continued)

(e) GCC - Sundry ILM

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

(f) GCC - Derelict Land

Funding to further prepare vacant land at Saracen Street with a view to making this more attractive to prospective developers, bringing employment to the local area

(g) GCC - People Skills

For the promotion of good practice and provision of support training and development in human resources and related fields.

(h) GCC - Glasgow Guarantee

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

(i) GCC - Nursery Partnerships Funds

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

(j) GCC – Secondments

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

(k) GCC – Make Safe Squad

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

(l) GCC – Food Waste Management

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

(m) GCC – City Centre Clean Streets Team

Bespoke ILM project in conjunction with GCC Development and Regeneration Services to assist clients furthest from the labour market to gain employability and work skills with a view to gaining future employment.

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

15. Government Grants (continued)

(n) GCC – Green Wardens

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

(o) GCC – CSG Grant Income

In partnership with GCC and Community Safety Glasgow, this funds an intermediate labour market project to assist clients furthest from the labour market to gain employability and work skills with a view to gaining future employment

(p) DWP – New Enterprise Allowance

A DWP funded project with the aim of creating a partnership working with Business Mentors supporting the client from the business concept through to training.

(q) HR Micro Business

An ERDF funded project administered through GCC aimed at providing HR support to small micro businesses, supporting the businesses in the development and implementation of staff policies.

(r) GCC – Youth Enterprise Zone

Funded by GCC the project funded the creation of a specific area where young entrepreneurs could access incubator space, and access business advisors for advice and support when starting up in business with the aim of increasing sustainability.

(s) Skills Development Scotland

Funding for the Youth Employability Service and Modern Apprenticeship Projects aimed at providing employability training to young people.

(t) NHS – Bridging Service

Funding received through NHS to support employability activities with clients furthest from the labour market who have a number of barriers, mental health, health, referrals from criminal justice.

(u) Big Lottery

Making It Work Glasgow Partnership is to ensure that the collective skills, experience and expertise of the participant agencies is utilised to meet the aim of delivering the outcomes of the project.

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

16. Tangible Fixed Assets - Group

	Freehold Land & Buildings £	Leasehold Properties £	Fixtures & Equipment £	Office Equipment £	Computer Equipment £	Total £
Cost or valuation						
At 1 April 2016 – as restated	5,213,882	2,902,945	1,536,771	97,891	1,561,821	11,313,310
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At 31 March 2017	<u>5,213,882</u>	<u>2,902,945</u>	<u>1,536,771</u>	<u>97,891</u>	<u>1,561,821</u>	<u>11,313,310</u>
Depreciation						
At 1 April 2016 – as restated	606,081	2,225,911	1,409,741	97,891	991,508	5,331,132
Charge for the year	91,446	71,685	26,452	-	386,676	576,259
Eliminated on disposals	-	-	-	-	-	-
At 31 March 2017	<u>697,527</u>	<u>2,297,596</u>	<u>1,436,193</u>	<u>97,891</u>	<u>1,378,184</u>	<u>5,907,391</u>
Net book value						
At 31 March 2017	<u>4,516,355</u>	<u>605,349</u>	<u>100,578</u>	<u>-</u>	<u>183,637</u>	<u>5,405,919</u>
At 31 March 2016 - as restated	<u>4,607,801</u>	<u>677,034</u>	<u>127,030</u>	<u>-</u>	<u>570,313</u>	<u>5,982,178</u>

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

16. Tangible Fixed Assets - Charity

	Freehold Land & Buildings £	Leasehold Properties £	Fixtures & Equipment £	Office Equipment £	Computer Equipment £	Total £
Cost or valuation						
At 1 April 2016 – as restated	5,187,656	2,902,945	957,009	97,891	1,561,821	10,707,322
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At 31 March 2017	<u>5,187,656</u>	<u>2,902,945</u>	<u>957,009</u>	<u>97,891</u>	<u>1,561,821</u>	<u>10,707,322</u>
Depreciation						
At 1 April 2016 – as restated	588,940	2,225,911	957,009	97,891	991,508	4,861,259
Charge for the year	90,921	71,685	-	-	386,676	549,282
Eliminated on disposals	-	-	-	-	-	-
At 31 March 2017	<u>679,861</u>	<u>2,297,596</u>	<u>957,009</u>	<u>97,891</u>	<u>1,378,184</u>	<u>5,410,541</u>
At 31 March 2017	<u>4,507,795</u>	<u>605,349</u>	-	-	<u>183,637</u>	<u>5,296,781</u>
At 31 March 2016 – as restated	<u>4,598,716</u>	<u>677,034</u>	-	-	<u>570,943</u>	<u>5,846,693</u>

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

17. Investment properties

	Charity 2017 £	Charity 2016 £	Group 2017 £	Group 2016 £
Valuation at 31 March 2016	4,425,000	3,300,000	7,395,000	7,135,000
Additions	-	830,000	-	830,000
Disposals	-	-	(130,000)	(500,000)
Revaluations	-	295,000	-	(70,000)
Valuation at 31 March 2017	<u>4,425,000</u>	<u>4,425,000</u>	<u>7,265,000</u>	<u>7,395,000</u>

The fair value of the investment properties has been arrived at on the basis of a valuation carried out at July 2016 by J & E Shepherd Chartered Surveyors, who are not connected with the company. The valuation was made on a fair value basis, by undertaking a desk top review, with reference to market evidence of transaction prices for similar properties. J & E Shepherd Chartered Surveyors did not undertake an inspection of the subjects as part of the methodology adopted in determining the fair value of the investment properties. The Trustees are of the opinion that there has been no significant change in the valuations at 31 March 2017.

18. Fixed Asset Investments

	Charity		Group	
	2017 £	2016 £	2017 £	2016 £
Investments in Subsidiaries	100	100	-	-
Investments in Joint Ventures	24,899	24,899	24,899	24,899
	<u>24,999</u>	<u>24,999</u>	<u>24,899</u>	<u>24,899</u>

Property by Jobs and Business Glasgow Limited (Formerly Castlemilk Property Company Limited) - £100 (2016: £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 £18,038 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 it was struck off of the Register of Companies on 4 July 2017.

Govan Digital Media Centre Limited - £24,899 (2016 - £24,995)

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

JOBS AND BUSINESS GLASGOW**(A company limited by guarantee)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017****19. Debtors**

	Charity		Group	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	118,353	1,288,526	34,532	1,466,199
Other debtors & prepayments	119,123	176,550	203,663	209,550
Accrued income	1,352,880	469,910	1,352,881	469,910
Amounts due from group entities	1,717,283	2,627,352	940,538	961,530
	<u>3,307,639</u>	<u>4,562,338</u>	<u>2,531,614</u>	<u>3,107,189</u>

20. Creditors: amounts falling due within one year

	Charity		Group	
	2017	2016	2017	2016
	£	£	£	£
Bank loan	225,545	218,420	225,545	218,420
Trade creditors	170,611	624,935	202,183	833,793
Sundry creditors	232,942	2,921,299	232,942	2,921,299
Other creditors and accruals	1,192,040	3,972,947	1,787,418	4,516,262
Deferred income (Note 21)	243,244	217,954	243,244	217,954
Taxation and social security costs	525,914	641,650	525,914	641,650
Amounts due to group entities	1,921,787	409,867	2,118,846	-
	<u>4,512,083</u>	<u>9,007,072</u>	<u>5,336,092</u>	<u>9,349,378</u>

21. Deferred Income

	Charity	Group
	£	£
Balance as at 1 April 2016	217,954	217,954
Amount released to income earned from charitable activities	(217,954)	(217,954)
Amount deferred in year	243,244	243,244
Balance as at 31 March 2017	<u>243,244</u>	<u>243,244</u>

21. Deferred Income Group and Charity (continued)

Deferred income at 31 March 2017 comprises income received in advance of the service provision for the following projects:

	£
Deposits	89,476
Others	153,768
	<u>243,244</u>

JOBS AND BUSINESS GLASGOW**(A company limited by guarantee)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017****22. Creditors: amounts falling due after more than one year**

	Charity		Group	
	2017 £	2016 £	2017 £	2016 £
Secured bank loan	1,125,393	1,351,108	1,125,393	1,351,108
	<u>1,125,393</u>	<u>1,351,108</u>	<u>1,125,393</u>	<u>1,351,108</u>
Analysed as:				
Within 1-2 years	232,926	226,559	232,926	226,559
Within 2-5 years	653,495	718,161	653,495	718,161
In more than five years	238,972	406,388	238,972	406,388
	<u>1,125,393</u>	<u>1,351,108</u>	<u>1,125,393</u>	<u>1,351,108</u>

The bank loan is secured on certain of the charity's properties.

23. Deferred tax

	Charity		Group	
	2017 £	2016 £	2017 £	2016 £
Deferred tax liability	-	-	15,893	17,719
	<u>-</u>	<u>-</u>	<u>15,893</u>	<u>17,719</u>

24. Operating Leases Commitments – Group

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows;

	2017 Land and Buildings Charity £	2016 Land and Buildings Charity £	2017 Land and Buildings Group £	2016 Land and Buildings Group £
Under 1 year	321,938	362,981	347,563	405,718
Between 2 and 5 years	353,721	483,333	456,221	627,170
Over 5 years	956,856	1,542,688	1,544,877	2,071,334
	<u>1,632,515</u>	<u>2,349,002</u>	<u>2,348,661</u>	<u>3,104,222</u>

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

25. Funds reconciliation – Group

Analysis Fund movements	Restated Balance at 1 Apr 15 £	Income £	Expenditure £	Transfers £	Gains/ (Losses) £	Restated Balance at 1 April 2016 £	Income £	Expenditure £	Transfers £	Gains/ (Losses) £	Balance at 31 Mar 17
Unrestricted Funds											
Provision for Marketing	35,000	-	-	(35,000)	-	-	-	-	-	-	-
Provision for Redundancy	674,448	-	51,856	(622,592)	-	-	-	-	-	-	-
Provision for Loan Repayments	1,866,029	-	-	(1,866,029)	-	-	-	-	-	-	-
Refurbishment and Consolidation of Properties	1,784,004	-	399,349	(1,384,655)	-	-	-	-	-	-	-
Clyde Gateway	-	16,625	-	-	-	16,625	-	-	-	-	16,625
Provision for Delivery of Services 2015	600,000	-	1,146,878	546,878	-	-	-	-	-	-	-
Tangible Fixed Assets	4,889,362	-	401,139	(372,074)	-	4,116,149	-	576,259	515,091	-	4,054,981
Investment property	7,135,000	-	-	330,000	(70,000)	7,395,000	-	-	(130,000)	-	7,265,000
GHA pilot	17,705	-	17,705	-	-	-	-	-	-	-	-
Govanhill	22,474	-	22,474	-	-	-	-	-	-	-	-
Capital redemption reserve	300,000	-	-	-	-	300,000	-	-	-	-	300,000
Total designated funds	17,324,022	16,625	2,039,401	(3,403,472)	(70,000)	11,827,774	-	576,259	385,091	-	11,636,606
General funds	213,445	19,398,979	21,236,662	3,403,472	-	1,779,234	14,169,778	13,779,702	(385,091)	-	1,784,219
Total unrestricted funds	17,537,467	19,415,604	23,276,063	-	(70,000)	13,607,008	14,169,778	14,355,961	-	-	13,420,825

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

25. Funds reconciliation – Group (continued)

Analysis of Fund movements	Balance at 1 April 15 £	Income £	Expenditure £	Transfers £	Gains/ (Losses) £	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers £	Gains/ (Losses) £	Balance at 31 Mar 17
Restricted Funds											
Bridging Services	205,000	274,000	205,000		-	274,000		90,000	-		184,000
Youth Employability Fund	2,359	-	2,359	-	-	-	-	-	-	-	-
JP Morgan	31,869	-	-	-	-	31,869	-	-	-	-	31,869
The Big Lottery Vulnerable Young Women	434,058	948,463	919,729	-	-	462,792	(48,727)	230,163	-	-	183,902
	28,620	-	-	-	-	28,620	-	-	-	-	28,620
Environmental East	3,000	-	-	-	-	3,000	-	-	-	-	3,000
Support to people North	73,923	-	-	-	-	73,923	-	-	-	-	73,923
Oatlands	270	-	-	-	-	270	-	-	-	-	270
Employability Fund – DWP	106,050	-	-	-	-	106,050	-	-	-	-	106,050
GCC School Gates	9,000	-	9,000	-	-	-	-	-	-	-	-
GCC derelict land	-	395,954	-	-	-	395,954	-	-	-	-	395,954
SDS CWR	-	15,560	-	-	-	15,560	-	13,667	-	-	1,893
Communities Facilities Fund	-	15,531	-	-	-	15,531	-	15,531	-	-	-
Environmental Task Force							630,000	581,490			48,510
Working Matters							765,174	765,174			
Total restricted funds	849,149	1,649,508	1,136,088	-	-	1,407,569	1,346,447	1,696,025	-	-	1,057,991
Pension Funds	(1,050,000)		120,000	-	465,000	(705,000)	49,000	-	-	(421,000)	(1,077,000)
Total Funds	17,381,616	21,065,112	24,532,151	-	395,000	14,309,577	15,565,225	16,051,986	-	(421,000)	13,401,816

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

25. Funds reconciliation (Continued)

- a) The unrestricted funds are available to be spent for any of the purposes of the charity.

The Trustees have created the following designated funds:

Provision for Marketing

This was a provision for the remaining re-branding activities including snagging for building signages and other marketing activities. It was released at 31 March 2016.

Provision for Redundancy

A provision was made against future redundancy costs. This provision is reviewed annually and was released at 31 March 2016.

Provision for Loan repayments

This was released at 31 March 2016.

Refurbishment and Consolidation of Properties

The unspent balance on this fund was released at 31 March 2016

Clyde Gateway

Providing community engagement and employability services to some of the most disadvantaged people in the city, funded on an annual basis to November.

Provision for Delivery of Services 2015 – 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. This was more than expended during the year.

Tangible Fixed Assets

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

Investment Property

The provision reflects the value of our Investment Property.

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.

Capital Redemption Reserve

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

25. Funds reconciliation (Continued)

b) Restricted funds comprise of the following funds

Bridging Services

Funding received in advance for 2016/17 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.

J P Morgan

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

The Big Lottery

Funding received over 3 years to support 3 projects, as follows: -

- Making it Work – supporting lone parents to take up learning and training opportunities and secured and retained employment.
- Personal Best – supporting people considered most distant from the labour market to have increased self-confidence and be more able to make informed choices about their future employment.
- School Gates - facilitating a range of interventions aimed at improving parents and carers employability and family prospects.

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.

Environmental Project - Young roots

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

Support to People - North

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

Employability Fund

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

School Gates

Funds received from GCC during 2015/16 in relation to The Big Lottery Funded School Gates Project included advance payments which are yet to be expended.

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

25. Funds reconciliation (Continued)

GCC Derelict Grant

Funds received from GCC to carry out ground remediation work on JBG land on Saracen Street.

SDS CWR

Certificate of Work Readiness SQA award for young people, it includes a work experience placement in which the employer's opinion is key to the certificate being awarded.

Communities Facilities Fund

Funds received from GCC to support assets transferred by community based organisations within agreed locations.

Environmental Task Force

GCC funded ILM programme providing employment opportunities for up to 100 unemployed Glasgow residents

Working Matters

The project is designed to support individuals who are long-term unemployed and who have health issues which have proven to be a barrier to securing employment.

26. Net assets over funds - Group

	Unrestricted Funds £	Restricted Funds £	Pension Funds £	Total 2017 £
Tangible fixed assets	5,405,919	-	-	5,405,919
Investment properties	7,265,000	-	-	7,265,000
Investments	24,899	-	-	24,899
Debtors	2,531,614	-	-	2,531,614
Cash	4,670,771	1,057,991	-	5,728,762
Current liabilities	(5,336,092)	-	-	(5,336,092)
Long term liabilities	(1,125,393)	-	-	(1,125,393)
Provisions	(15,893)	-	-	(15,893)
Pension Liability	-	-	(1,077,000)	(1,077,000)
	13,420,825	1,057,991	(1,077,000)	13,401,816

	Unrestricted Funds £	Restricted Funds £	Pension Funds £	Total 2016 £
Tangible fixed assets	5,982,178	-	-	5,982,178
Investment properties	7,395,000	-	-	7,395,000
Investments	24,899	-	-	24,899
Debtors	2,898,861	208,328	-	3,107,189
Current investments	3,500,000	-	-	3,500,000
Cash	4,524,275	1,199,241	-	5,723,516
Current liabilities	(9,349,378)	-	-	(9,349,378)
Long term liabilities	(1,351,108)	-	-	(1,351,108)
Provisions	(17,719)	-	-	(17,719)
Pension Liability	-	-	(705,000)	(705,000)
	13,607,008	1,407,569	(705,000)	14,309,577

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

27. Reconciliation of net expenditure to net cash flow from operating activities

Group	2017	2016
	£	£
Net (expenditure) for the year (as per the Statement of Financial Activities)	(486,761)	(3,467,039)
Adjustments for:		
Depreciation charges	576,259	384,229
Pension fund charge	(49,000)	120,000
Dividends, interest and rents from investments	(2,370,520)	(3,059,906)
Interest payable	80,846	79,103
Loss on the sale of fixed assets	-	168,230
Decrease in investments	-	96
(Gain) on sale of investment property	(9,000)	-
Decrease/(increase) in debtors	575,575	(556,215)
(Decrease)/increase in creditors	(4,022,237)	2,375,739
Net cash used in operating activities	<u>(5,704,838)</u>	<u>(3,955,763)</u>
Charity	2017	2016
	£	£
Net expenditure for the year (as per the Statement of Financial Activities)	(474,133)	(3,583,185)
Adjustments for:		
Depreciation charges	549,282	379,440
Dividends, interest and rents from investments	(1,484,256)	(2,137,192)
Interest payable	56,933	51,770
Pension fund (credit)/ charge	(49,000)	120,000
Loss on the sale of fixed assets	-	150,572
Decrease in investments	-	299
Decrease/(increase) in debtors	1,155,320	(689,564)
(Decrease)/increase in creditors	(4,502,114)	2,810,173
Net cash (used in) operating activities	<u>(4,747,968)</u>	<u>(2,897,687)</u>

28. Analysis of cash and cash equivalents

	Charity	Charity	Group	Group
	2017	2016	2017	2016
	£	£	£	£
Cash in hand	4,781,904	4,721,760	5,728,762	5,723,516
Notice deposits (less than 3 months)	-	3,500,000	-	3,500,000
Total cash and cash equivalents	<u>4,781,904</u>	<u>8,221,760</u>	<u>5,728,762</u>	<u>9,223,516</u>

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

29. Pension Commitments

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.

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

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

	2017	2016
	% p .a	% p .a
Inflation/ Pension Increase Rate	2.4%	2.2%
Salary Increase Rate	4.4%	4.2%
Discount rate	2.6%	3.5%

Life expectancy is based on the Fund's Vita Curves assuming the current rate of improvements has peaked and will converge to a long term rate of 1.25% p.a. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current pensioners	22.1 years	23.6 years
Future pensioners	24.8 years	26.2 years

The net pension liability was:

	2017	2016
	£'000	£'000
Estimated Employer Assets	4,269	3,310
Present Value of Scheme Liabilities	(5,346)	(4,015)
Net Pension Liability	<u>(1,077)</u>	<u>(705)</u>

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

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

29. Pension Commitments (Continued)

FRS102 –Statement of Financial Activities disclosure:

	2017	2016
	£'000	£'000
Current service cost	92	203
Past service cost	58	-
	<u>150</u>	<u>203</u>
Contributions by employer	(222)	(118)
Pension service cost provision	<u>(72)</u>	<u>85</u>

Reconciliation of fair value of scheme assets:	2017	2016
	£'000	£'000
Opening fair value of scheme assets	3,310	3,136
Expected Return on Assets	119	102
Contributions by Members	30	51
Contributions by Employer	222	118
Actuarial Gains/(Losses)	669	(19)
Estimated Benefits Paid	(81)	(78)
	<u>4,269</u>	<u>3,310</u>

Reconciliation of defined benefit obligation:	2017	2016
	£'000	£'000
Opening defined benefit obligation	4,015	4,186
Service Cost	150	203
Interest Cost	142	137
Contributions by Members	30	51
Actuarial Losses/(Gains)	1,090	(484)
Estimated Benefits Paid	(81)	(78)
	<u>5,346</u>	<u>4,015</u>

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

29. Pension Commitments (Continued)

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

	2017	2016
	£'000	£'000
Scheme Assets	4,269	3,310
Defined benefit obligation	(5,346)	(4,015)
Deficit	<u>(1,077)</u>	<u>(705)</u>
Experience adjustments on scheme assets	669	(19)
Experience adjustments on scheme liabilities	1090	(484)

Analysis of the amount charged to staff costs (Note 13):

	2017	2016
	£'000	£'000
Current Service costs	92	203
Past service cost	58	-
Total operating charge	<u>150</u>	<u>203</u>
Less: contributions paid	(222)	(118)
Current service cost provision	<u>(72)</u>	<u>85</u>

Amount charged to operating costs (Note 12):

Expected Return on Employer Assets	119	102
Interest on Pension Scheme Liabilities	(142)	(137)
Net cost of financing and assets	<u>(23)</u>	<u>(35)</u>

JOBS AND BUSINESS GLASGOW
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

29. Pension Commitments (Continued)

Analysis of the amount recognised in the Statement of Financial Activities

	2017	2016
	£'000	£'000
Changes in value of scheme assets: Actuarial Gains	669	(19)
Changes in defined benefit obligations: Actuarial Gain/(Losses)	(1,090)	484
Actuarial gain/(loss) recognised in SOFA	<u>(421)</u>	<u>465</u>

Movement in deficit during the year:

Deficit at beginning of the year	(705)	(1,050)
Movement in year:		
Current Service Cost	(92)	(203)
Past Service Cost	(58)	-
Employer contributions	222	118
Net return on financing and assets	(23)	(35)
Actuarial gains/(losses)	(421)	465
Deficit at end of year	<u>(1,077)</u>	<u>(705)</u>

The estimated employer's contributions for the year to 31 March 2017 are £63,000.

30. Prior year adjustment

Reconciliation of Funds (Charity)	At 1 April
	2016
	£
Funds brought forward	15,027,128
Transfer of property cost to reserves	<u>(3,010,148)</u>
Funds as restated	<u>12,016,980</u>

Reconciliation of Funds (Group)	At 1 April
	2016
	£
Funds brought forward	17,319,725
Transfer of property cost to reserves	<u>(3,010,148)</u>
Funds as restated	<u>14,309,577</u>

The 2016 financial statements incorporated a number of transition adjustments due to the adoption of FRS 102. Several properties were re-disclosed as Investment Properties and included in the accounts at fair value following a revaluation exercise. The accounting for one of these properties was processed incorrectly which has led to a requirement for the above prior year adjustment. The prior year adjustment has no effect on the reported deficit for last year.