

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 2018

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

	PAGE
Reference and Administrative information	1
Report of the Trustees	2 – 22
Independent Auditor's Report	23 – 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 OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

REFERENCE AND ADMINISTRATIVE INFORMATION

Principal Office	94 Duke Street Glasgow G4 0UW	
Charity Number:	SC023930	
Company Number:	SC108565	
Trustees	Peter Marsh Councillor Annette Christie Councillor Michael Cullen Councillor Malcolm Cuning Councillor Angus Millar (chair) Councillor Franny Scally Yvonne Anderson Gerry Milne Nicola Harmon Gary Hay	
Secretary:	Jon Allen	
Senior Management Team:	Martin Booth (left 11/5/18) Gary Hay Tommy Docherty Jon Allen	
Independent Auditors	Wylie & Bisset LLP Chartered Accountants 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
	Harper Macleod LLP Ca'd'oro 45 Gordon Street Glasgow G1 3PE	Anderson Strathern George House 50 George Square Glasgow G2 1EH

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2018. 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:

Councillor Emma Gillan (resigned 08/05/17)
Baillie Hanif Raja (resigned 18/05/17)
Susan Aitken (resigned 18/05/17)
Jim Coleman (resigned 18/05/17)
Councillor John Andrew Kane (resigned 18/05/17)
Douglas Baillie (resigned 23/4/18)
Peter Marsh
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)
Yvonne Anderson (appointed 23/4/18)
Gerry Milne (appointed 23/4/18)
Nicola Harmon (appointed 17/5/18)
Gary Hay (appointed 5/7/18)

Attendance at Board Meetings

The following table shows the attendance of Board Members at Board meetings during the year. There were 6 board meetings in the period April 2017 to March 2018.

Board Member	21 June 2017	23 Aug 2017	13 Oct 2017	29 Nov 2017	20 Feb 2018	20 Mar 2018	Total Attendance
A Millar	√	√	√	√	√	√	6/6
M Cullen	√	√	√				3/6
M Cunning	√	√	√	√	√	√	6/6
F Scally	√	√		√	√		4/6
A Christie		√	√	√	√	√	5/6
P Marsh		√	√	√	√	√	5/6
D Baillie ¹	√		√				2/6

¹ D Baillie advised that he wished to step down from the Board

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

Structure, Governance and Management

As well as being a charity, Jobs & Business Glasgow (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

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 was one resignation for the Independent Directors– Douglas Baillie resigned on the 23/4/18. Three additional independent Directors were appointed Yvonne Anderson, Gerry Milne and Nicola Harmon.

Martin Booth, Interim Chief Executive, resigned on the 11/5/18 and Gary Hay was appointed to the post of Managing Director on the 21/5/18.

The Managing Director was appointed to the Board on 05/07/18.

Decision making

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

- enters into normal business commitments and contracts on behalf of the 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

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

Senior Management Team

The Senior Management Team has remained consistent over the course of the year which has contributed to bringing stability to the organisation. For the financial year we continued to operate with the interim structure as described in the table below.

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

As discussed above, Gary Hay was appointed to the post of Managing Director on the 21/5/18, following the resignation of the Interim Chief Executive, Martin Booth on 11/05/2018.

For the year ended 31 March 2017 there were additional members of the senior management team.

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:

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

Committees

During 2017/18 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.

Audit & Finance Committee

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

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

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

- 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)
- Councillor Jim Coleman (resigned 18/05/17)
- Councillor Susan Aitken (resigned 18/5/17)
- 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.

Since 21/06/2017, the membership of this committee was as follows:

- Councillor Angus Millar (Chair)
- Councillor Malcolm Cunning
- Elaine Galletly, GCC

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.

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

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. Three 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 the 2016/17 operating year this responsibility was transferred to the Board. At the Board meeting on 29th March 2017 the Board agreed to the pay award strategy for 2017/18. Key management personnel comprises the charity Trustees and the Senior Management Team.

Related Parties

Due to the nature of the charity's operations and the composition of its 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:

- Martin Booth. For the duration of being the Interim Chief Executive of JBG, he was also the Director of Finance and Corporate Services 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)

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

- 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"

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 2017/18 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

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

- Attendance levels
- Key Performance Indicators

Significant Activities Undertaken

In 2017/18, 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	Delivery of Skills Development Scotland contracts; Employability Fund, Modern Apprenticeships.
Core Enterprise	Business support for start-up and micro-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)	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.
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 those who are long term unemployed and in receipt health related benefits such as Employment Support Allowance.
Clyde Gateway	Dedicated support to actively engage with residents of Clyde Gateway postcodes.
Personal Best	Big Lottery funded. Volunteering programme encompassing engagement, action planning, 10-weeks training, volunteering placement, jobsearch and aftercare.

Grant Making Activities

The JBG Business enterprise team has the capacity to award a grant of up to £250 to 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

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

There are various restrictions 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 2017/18 were:

- Development of an options appraisal document covering all properties
- Continued implementation of an office rationalisation programme
- Conclusion of an additional phase of backlog maintenance within the commercial portfolio
- Rationalisation of service /contract suppliers

The main activities in childcare during 2017/18 were:

- Played a lead role with Glasgow City Council in developing a potential Cooperative Model for Childcare provision within the City
- Launched a new childcare facility at Blairtummock House in Easterhouse, in partnership with Glasgow Kelvin College
- 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

Strategic Report

Achievements and Performance

Achievements

Jobs & Business Glasgow remains by some margin the largest provider of Employability advice and guidance in the city, and this remains the cornerstone and key function of the organisation.

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

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

Over the last two years we have developed our delivery model to ensure that we are as close and accessible as we can be to local communities. For many of our clients, initial engagement may be the most difficult step on a long journey. During the 2017/18 operating year we have continued to develop the Service Delivery Plan we began rolling out in 2016. We now deliver services from as many as 45 locations throughout the city with an aim of being within 15 minutes' walk of any potential client. We have carefully selected our delivery locations to provide the best possible location within each neighbourhood with the aim of delivering the most accessible buildings and minimising threshold anxiety.

In order to address these barriers we deliver an individual package of support to identify skills, experience and ambitions and remove barriers to participation and progression (debt and financial issues, childcare, lack of skills and experience). We continue 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.

In 2017/18 JBG staff recorded 5,920 engagements with unemployed residents and assisted 981 into employment.

As well as our core citywide employability services, JBG also manages a number of projects aimed at providing specialised services to specific client groups:

- Our Recovery programme offers a range of employability and guidance services to clients with addictions issues. Delivered on a geographical basis, staff are located in each of the 3 areas – North East, North West and South. JBG works closely with addictions services and staff are based predominantly within local Community Rehabilitation Teams, Residential Rehabilitation Teams, the recovery community and Community Addiction Teams (CAT) across the three geographical areas.
- Working Matters is the key employability objective of the Glasgow City Region City Deal. This programme provides an intensive and integrated package of employability support to individuals across the Clyde Valley in receipt of Employment Support Allowance (ESA). JBG delivers this programme on behalf of Glasgow City Council.
- JBG is a provider of Skills Development Scotland's Employability Fund, offering sector-led vocational training and work placements.
- We are an accredited Modern Apprenticeship provider, and currently have capacity to deliver places in Business Administration and Childcare.
- Jobs & Business Glasgow also has a proven track record of delivering successful Transitional Employment programmes to support unemployed Glasgow residents into employment, in partnership with key public sector partner organisations. Our Transitional Employment programmes enable unemployed Glasgow residents the opportunity to gain valuable work experience and vocational qualifications on an 'employed basis'.

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

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:

Key Performance Indicators – Progress April 1st 2017 – March 31st 2018						
	KEY PERFORMANCE INDICATOR	Target 2017-18	Anticipated to Date	Actual to Date	Variance from Anticipated to Date	% achieved actual / anticipated at assessment date
1	Number of people provided with employment related advice	5,920	5,920	5,290	-630	-11%
2	Number of people supported into employment (all ages)	924	924	793	-131	-14%
3	Number of people supported to participate in work related/vocational training	1,689	1,689	1,008	-681	-40%
4	Number of people supported to participate in non-vocational training	824	824	691	-133	-16%
5	Number of people to achieve a recognised qualification	830	830	693	-137	-17%
6	Number of business start ups created by Glasgow residents	140	140	190	50	36%
7	Number of social enterprises supported	140	140	144	4	3%
8	Number of jobs created through business start up or expansion or social economy support	260	260	315	55	21%
9	Total jobs	1,064	1,064	981	-81	-8%

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

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

Negative Factors

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

- The continued 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

Customer/Client Surveys

In June 2018, JBG contacted all clients currently engaging with our services and invited them to complete a survey on those services. At the time of completing this report the survey process is ongoing. However the aspiration is that results will mirror, or closely reflect the customer survey that was carried out in March 2017 when 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 have acted in 2017/18 to improve these areas.

Funders/Partners Feedback

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

Project Evaluations

An independent evaluation of the Working Matters programme, funded by Glasgow City Region City Deal, is being carried out by Ekosgen, for the period June 2016 – October 2018, with the third and latest stage of their report published in April 2018:

“The evaluation consists of three phases. The Phase 1 interim report covered the period August 2015 – August 2016 and reflected on the delivery and management challenges faced by individual Member Authorities in the first year of delivery, whilst assessing what elements of the programme were working well and identifying areas for development and refinement.

Phase 2 assessed progress at the end of the second year of delivery, up to August 2017, reflecting on the impact that recommendations from Phase 1 had made on programme performance. It also examined in detail the progression made by a number of clients whom the consultants have been tracking since they joined the programme, as well as some clients that had progressed into employment.

The report presented a detailed review of performance of the WM Programme to the end of the attachment period (March 2018), which can be used to inform and help to drive the delivery of the Programme for the remainder of its client management phase until March 2019, as well as any subsequent work. The report found that the attainment of training, employment and personal outcomes is increasing: 20% of clients are participating in training, 16% have achieved a qualification, 6% have taken part in volunteering and 9% (299 clients) have achieved an

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

employment outcome. The latter represents a significant increase since August 2016 (52 clients in employment), and a real term increase on August 2017 (97), although for many outcomes the time taken to achieve these continues to increase.

The Programme is now in its final phase of delivery, Phase 3, which involves working with WM clients till the end of March 2019 and includes a programme extension for an additional six months. This monitoring report presents the performance of the WM programme until the end of March 2018 the point at which attachments to the programme ended”.

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.

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 2017/18 we managed to keep our absence rate to 3.26%, slightly within target.

Challenges

Although JBG made considerable progress in 2017/18 the legacy of the European Funding issue continued to take up a considerable amount of senior management time.

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

The organisation has once again produced a balanced budget in 2018/19, having achieved the same in 2017/18.

Financial Review

Operating and Financial Overview

The charitable group's net surplus for the year to March 2018 was £1,145,035. This compares to a net deficit of £910,141 for the year to March 2017. This is a reduction in deficit of £2,055,176.

The charitable group's total income for the year to March 2018 was £11,730,075. This compares to £15,516,225 for the year to March 2017. This is a reduction of £3,786,150.

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

The charitable group's total expenditure for the year to March 2018 was £11,552,040. This compares to £16,005,366 for the year to March 2017. This is a reduction of £4,453,326.

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

In cash flow terms, the bank account showed an in-funds position of £5,728,762 at the beginning of the year and an in-funds position of £3,467,586 at the end of the year. The company therefore generated a negative cashflow during the year of £2,261,176.

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 2018, 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 2018, of the Strathclyde Pension Fund is £106,000. 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.

Reserves Policy

At 31/03/2018, the total funds the group held were £14.7m. Of these funds £69k were restricted and not available for the general purposes of the charity. £5.9m of the funds were designated and incorporate £5.5m representing the net book value of the groups tangible fixed assets. £8.8m were general funds and incorporate £7.2m representing the net book value of investment properties.

Of the total funds, £12.7m can only be realised by disposing of tangible fixed assets, including investment properties.

This leaves the charity as at 31 March 2018 holding £2m 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 2018/19, three months' expenditure (salaries and project costs) equates to £2.7m. The figure above shows general reserves of £2m 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.

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

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.

Description of Risk	Residual Risk				Mitigation
	Probability	Impact	Score (p*i)	D.O.T	
1 - Commercial property occupancy rates fall below 80% due to lack of effective marketing programme and a cooling of GCC interest in occupying our Westwood property leading to a reduction in income.	3	3	9	No change	Manage probability - A property agent has been appointed and ongoing review of property portfolio and weekly team discussions to identify opportunities.
2 - Loss of staff resources at senior level leading to the risk that stakeholder management tasks are not met as efficiently as anticipated, resulting in reputational damage.	3	3	9	No change	Manage probability - through stakeholder review and distribution of tasks among senior staff

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

<p>3 - JBG may not appropriately prepare for, or meet the requirements of, the new data protection legislation (GDPR) leading to reputational and financial risks in the event that we breach the new rules set out in the legislation.</p>	4	2	8	Decrease	<p>Manage probability - Management awareness sessions were delivered; legal bases for processing personal data were established across all projects; privacy and fair processing notices were established; GOLD training was completed by >97% of JBG staff. Work is ongoing around the updating of contracts between JBG, its suppliers and tenants.</p>
<p>4 - As of Sep 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.</p>	2	4	8	No change	<p>Manage probability - Where possible, liaise closely with funding bodies to assist in proposal development; explore alternative staffing arrangements; engage proactively with partner organisations around delivery arrangements.</p>
<p>5 - Failure to timeously replace staff from property and H&S functions leads to risk of failure to comply with BCP and H&S legislation leading to reputational damage and financial penalties.</p>	2	4	8	No change.	<p>Manage probability – JBG are currently working with CSG to recruit a Health and Safety officer into a shared post.</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:

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

- 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 £3,751k, with trade creditors being owed £332k at the end of the year. Creditor days equate to 32 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 continuing reduction in the number of front line advisers
- The loss of knowledge and expertise
- The impact on demand for JBG services by those leaving the Work Programme

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 2018/19 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 2017. 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.

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

KPI Performance Summary – 1st April, 2018 – 31st March 2019.

Table 1 summarises our proposed **Employability and Skills** targets and outputs for the period 1st April, 2018 – 31st March 2019.

Key Performance Indicators – Targets April 1 st 2018 – March 31 st 2019		
	KEY PERFORMANCE INDICATOR	Target 2018-19
1	Number of people provided with employment related advice	5,920
2	Scottish Index of Multiple Deprivation residents engaged	3,848
3	Number of people supported to participate in work-related training	618
4	Number of people supported into transitional employment	210
5	Transitional employment participants progressing into F/T employment	110
6	Number of people supported into employment (all ages)	814
9	Total jobs	924

Table 2 summarises our proposed **Business and Enterprise** targets and outputs for the period 1st April, 2018 – 31st March 2019.

Key Performance Indicators – Targets April 1 st 2018 – March 31 st 2019		
	KEY PERFORMANCE INDICATOR	Target 2018-19
1	Number of Business Start-ups created	140
2	Number of jobs created through Business Start- ups	160
3	Number of SME's in receipt of aftercare	260
4	Number of social economy initiatives supported	140
5	Number of new Enterprises supported through incubator space	10

Table 3 summarises our proposed **Commercial Property** targets and outputs for the period 1st April, 2018 – 31st March 2019.

Key Performance Indicators – Targets April 1 st 2018 – March 31 st 2019		
	KEY PERFORMANCE INDICATOR	Target 2018-19

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

1	Occupancy Levels	80%
2	Help Desk Completion	95%
3	Tenant Satisfaction	75%
4	Building Statutory Compliance	100%

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.

Glasgow is in a strong starting position as it is the fastest growing city in the UK with a diverse business and industry base and a highly skilled population. However, unless we encourage more innovation, grow our business base, better link skills with the needs of the local economy and tackle longstanding health issues, the city will not realise its potential.

Glasgow's Economy is doing well with Economic Outputs passing £19.25bn, a large share of the country's working age population, unemployment rates at their lowest level since 2014, a growing business base, 46.3% of the workforce educated to degree level (significantly higher than most UK cities) and a large digital and innovation economy. However Glasgow also continues to have a number of significant challenges. Our projected population growth is slow, productivity is low, we have the third lowest economic activity rate in Scotland, long term unemployment is increasing, and there are huge endemic health challenges and significant poverty and inequality in parts of the city.

Poor health, poverty and inequalities are intrinsically linked to social exclusion and unemployment, and actively addressing these issues is an area where JBG can continue to play a significant role.

Our services are designed to provide support for people to address the barriers they may face when considering their employment and career options. Our aim is to offer a tailored package of support that has an emphasis on the physical and mental benefits that employment and training can provide, therefore not only assisting people into work, but also improving their, and their loved ones, financial, physical and mental wellbeing.

The Trustees 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.

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

Employee Involvement

The Directors are very keen that employees are systematically provided with information on matters of concern to them. Given the difficulties in recent years this has been very challenging. The former 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
- 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

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

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 2018

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: 5 September 2018

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 2018

Opinion

We have audited the financial statements of Jobs and Business Glasgow (the 'charitable company') for the year ended 31 March 2018 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 and accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2018 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).

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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 2018

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees, which includes the directors report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included in the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included 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 information given in the financial statements is inconsistent in any material respect with the report of the trustees; or
- adequate accounting records have not been kept by the parent charitable company or returns adequate for our audit have not been received from branches not visited; or
- the parent charitable company financial statements are not in agreement with the accounting records and return; or
- certain disclosures of directors; remuneration specified by law are not made; or
- we have not yet received all the information and explanations we require for our audit.

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 which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 2018

Auditor's responsibilities for the audit of the financial statements

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

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Jenny Simpson
Senior statutory auditor
For and on behalf of Wylie & Bisset LLP, Statutory Auditor

168 Bath Street
Glasgow
G2 4TP

Date 5 September 2018

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2018

(Including an Income and Expenditure account)

	Note					<i>As restated</i>		<i>As restated</i>	
		Unrestricted Funds 2018	Restricted Funds 2018	Pension Funds 2018	Total Funds 2018	Unrestricted Funds 2017	Restricted Funds 2017	Pension Funds 2017	Total Funds 2017
		£	£	£	£	£	£	£	£
Income and endowments from:									
Donations and legacies	5	4,489,012	-	-	4,489,012	5,869,964	-	-	5,869,964
Charitable activities	6	3,749,864	978,042	-	4,727,906	5,782,630	1,346,447	-	7,129,077
Other trading activities	7	133,227	-	-	133,227	331,219	-	-	331,219
Investments	8	2,379,930	-	-	2,379,930	2,185,965	-	-	2,185,965
Total Income		10,752,033	978,042	-	11,730,075	14,169,778	1,346,447	-	15,516,225
Expenditure on:									
Raising funds									
Other trading activities	9	182,750	-	-	182,750	211,618	-	-	211,618
Investment activities	10	1,680,974	-	-	1,680,974	1,703,775	-	-	1,703,775
Charitable activities	12	8,174,718	1,452,598	61,000	9,688,316	12,442,948	1,696,025	(49,000)	14,089,973
Total Expenditure		10,038,442	1,452,598	61,000	11,552,040	14,358,341	1,696,025	(49,000)	16,005,366
Net income/(expenditure) for the year		713,591	(474,556)	(61,000)	178,035	(188,563)	(349,578)	49,000	(489,141)
Transfers between funds		514,879	(514,879)	-	-	-	-	-	-
		1,228,470	(989,435)	(61,000)	178,035	(188,563)	(349,578)	49,000	(489,141)
Other recognised gains/(losses)									
Gains/(losses) on revaluation of fixed assets	17	(65,000)	-	-	(65,000)	-	-	-	-
Actuarial gains/(losses) on defined benefit pension schemes	29	-	-	1,032,000	1,032,000	-	-	(421,000)	(421,000)
Net movement in funds		1,163,470	(989,435)	971,000	1,145,035	(188,563)	(349,578)	(372,000)	(910,141)
Funds reconciliation									
Total Funds brought forward as previously reported		13,420,825	1,057,991	(1,077,000)	13,401,816	13,607,008	1,407,569	(705,000)	14,309,577
Prior year adjustment	30	121,440	-	-	121,440	123,820	-	-	123,820
Total Funds brought forward – as restated	25	13,542,265	1,057,991	(1,077,000)	13,523,256	13,730,828	1,407,569	(705,000)	14,433,397
Total Funds carried forward	25	14,705,735	68,556	(106,000)	14,668,291	13,542,265	1,057,991	(1,077,000)	13,523,256

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 2018

	Note	Total Funds 2018 £	As restated Total Funds 2017 £
Fixed assets:			
Tangible assets	16	5,461,636	5,527,359
Investment properties	17	7,200,000	7,265,000
Investments	18	24,899	24,899
Total fixed assets		12,686,535	12,817,258
Current assets:			
Debtors	19	1,525,947	2,531,614
Investments – cash deposits	28	1,000,000	-
Cash at bank and in hand	28	3,467,586	5,728,762
Total current assets		5,993,533	8,260,376
Liabilities:			
Creditors falling due within one year	20	(3,905,777)	(5,336,092)
Net current assets		2,087,756	2,924,284
Total assets less current liabilities		14,774,291	15,741,542
Creditors: Amounts falling due after more than one year	22	-	(1,125,393)
Deferred tax liability provision	23	-	(15,893)
Net assets excluding pension asset		14,774,291	14,600,256
Defined benefit pension scheme liability	29	(106,000)	(1,077,000)
Net assets		14,668,291	13,523,256
The funds of the charity:			
Restricted income funds	25	68,556	1,057,991
Unrestricted funds	25	14,705,735	13,542,265
Pension reserve	25, 29	(106,000)	(1,077,000)
Total charity funds		14,668,291	13,523,256

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

Name: Angus Millar

Name: Gary Hay

Date: 5 September 2018

Company No: SC108565

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2018

(Including an Income and Expenditure account)

	Note	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Pension Reserve 2018 £	Total Funds 2018 £	As restated Unrestricted Funds 2017 £	Restricted Funds 2017 £	Pension Reserve 2017 £	As restated Total Funds 2017 £
Income and endowments from:									
Donations and legacies	5	4,489,012	-	-	4,489,012	5,869,964	-	-	5,869,964
Charitable activities	6	3,749,864	978,042	-	4,727,906	5,782,630	1,346,447	-	7,129,077
Other trading activities	7	133,227	-	-	133,227	331,219	-	-	331,219
Investments	8	1,356,233	-	-	1,356,233	1,299,701	-	-	1,299,701
Total Income		9,728,336	978,042	-	10,706,378	13,283,514	1,346,447	-	14,629,961
Expenditure on:									
Raising funds									
Other trading activities		182,750	-	-	182,750	211,618	-	-	211,618
Investment activities		387,364	-	-	387,364	450,016	-	-	450,016
Charitable activities		8,284,537	1,452,598	61,000	9,798,135	12,797,815	1,696,025	(49,000)	14,444,480
Total Expenditure		8,854,651	1,452,598	61,000	10,368,249	13,459,449	1,696,025	(49,000)	15,106,474
Net income/(expenditure)		873,685	(474,556)	(61,000)	338,129	(175,935)	(349,578)	49,000	(476,513)
Transfers between funds		514,879	(514,879)	-	-	-	-	-	-
		1,388,564	(989,435)	(61,000)	338,129	(175,935)	(349,578)	49,000	(476,513)
Other recognised gains/(losses)									
Actuarial gains/(losses) on defined benefit pension schemes	29	-	-	1,032,000	1,032,000	-	-	(421,000)	(421,000)
Net movement in funds		1,388,564	(989,435)	971,000	1,370,129	(175,935)	(349,578)	(372,000)	(897,513)
Funds reconciliation									
Total Funds brought forward		11,140,856	1,057,991	(1,077,000)	11,121,847	11,314,411	1,407,569	(705,000)	12,016,980
Prior year adjustment	30	121,440	-	-	121,440	123,820	-	-	123,820
Total Funds brought forward – as restated		11,262,296	1,057,991	(1,077,000)	11,243,287	11,438,231	1,407,569	(705,000)	12,140,800
Total Funds carried forward		12,650,860	68,556	(106,000)	12,613,416	11,262,296	1,057,991	(1,077,000)	11,243,287

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 2018

	Note	Total Funds 2018 £	As restated Total Funds 2017 £
Fixed assets:			
Tangible assets	16	5,118,991	5,418,221
Investment properties	17	4,425,000	4,425,000
Investments	18	24,999	24,999
Total fixed assets		9,568,990	9,868,220
Current assets:			
Debtors	19	1,907,374	3,307,639
Investments	28	1,000,000	-
Cash at bank and in hand	28	3,171,491	4,781,904
Total current assets		6,078,865	8,089,543
Liabilities:			
Creditors falling due within one year	20	(2,928,439)	(4,512,083)
Net current assets		3,150,426	3,577,460
Total assets less current Liabilities		12,719,416	13,445,680
Creditors: Amounts falling due after more than one year	22	-	(1,125,393)
Net assets excluding pension asset		12,719,416	12,320,287
Defined benefit pension scheme liability	29	(106,000)	(1,077,000)
Net assets		12,613,416	11,243,287
The funds of the charity:			
Restricted income funds		68,556	1,057,991
Unrestricted funds		12,650,860	11,262,296
Pension Reserve	29	(106,000)	(1,077,000)
Total charity funds		12,613,416	11,243,287

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

Name: Angus Millar

Name: Gary Hay

Date: 5 September 2018

Company No: SC108565

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 31 MARCH 2018

	Note	Total Funds 2018 £	Total Funds 2017 £
<i>Cash flows from operating activities:</i>			
Net cash (used in) operating activities	27	(1,916,311)	(5,520,283)
<i>Cash flows from investing activities:</i>			
Dividends, interest and rents from investments		2,379,930	2,185,965
Interest payable		(111,779)	(80,846)
Purchase of property, plant and equipment		(262,078)	-
Proceeds from sale of investment property		-	139,000
Cash investments		(1,000,000)	-
Net cash provided by investing Activities		<u>1,006,073</u>	<u>2,244,119</u>
<i>Cash flows from financing activities:</i>			
Repayments of borrowing		(1,350,938)	(218,590)
Net cash (used in) financing activities		<u>(1,350,938)</u>	<u>(218,590)</u>
Change in cash and cash equivalents in the year		(2,261,176)	(3,494,754)
Cash and cash equivalents brought forward	28	5,728,762	9,223,516
Change in cash and cash equivalents		<u>(2,261,176)</u>	<u>(3,494,754)</u>
Cash and cash equivalents carried Forward	28	<u><u>3,467,586</u></u>	<u><u>5,728,762</u></u>

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

CHARITY STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 31 MARCH 2018

	Note	Total Funds 2018 £	Total Funds 2017 £
<i>Cash flows from operating activities:</i>			
Net cash (used in) operating activities	27	(503,929)	(4,563,413)
<i>Cash flows from investing activities:</i>			
Dividends, interest and rents from investments		1,356,233	1,399,080
Interest payable		(111,779)	(56,933)
Cash Invested		(1,000,000)	-
Net cash provided by investing activities		244,454	1,342,147
<i>Cash flows from financing activities:</i>			
Repayments of borrowing		(1,350,938)	(218,590)
Net cash (used in) financing activities		(1,350,938)	(218,590)
Change in cash and cash equivalents in the year		(1,610,413)	(3,439,856)
Cash and cash equivalents brought forward	28	4,781,904	8,221,760
Change in cash and cash equivalents		(1,610,413)	(3,439,856)
Cash and cash equivalents carried forward	28	3,171,491	4,781,904

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

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. Certain items of income and expenditure have been reclassified to ensure comparability. This has no effect on the reported result.

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 subsidiary, Property by Jobs and Business Glasgow Limited on a line by line basis. Wholly owned subsidiary Regenerate: Glasgow Limited and Joint ventures Govan Digital Media Centre Limited and Modular Developments Limited are 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.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

(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 2018

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 2018

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 2018

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 2018

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 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 2018

3. Financial activities of the subsidiary

PROPERTY BY JOBS & BUSINESS GLASGOW LIMITED

The charity has a wholly owned trading subsidiary Property by Jobs & Business Glasgow 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:

	2018 £	2017 £
Turnover	1,389,870	1,696,948
Administration expenses	(1,703,767)	(1,649,788)
Other operating income	159,253	764
Gift aid donation to parent charitable company	-	(44,191)
Operating profit	(154,644)	3,733
Interest receivable	144	316
Interest payable and similar charges	(21,487)	(23,913)
Movement in fair value	(65,000)	-
Taxation	15,893	1,826
Retained in subsidiary	(225,094)	(18,038)
The assets and liabilities of the subsidiary were:		
Fixed assets	342,645	109,138
Investment properties	2,775,000	2,840,000
Current assets	586,038	1,190,873
Current liabilities	(1,059,975)	(1,038,911)
Long term creditors	(588,733)	(805,138)
Provisions for liabilities	-	(15,893)
Total net assets	2,054,975	2,280,069
Aggregate share capital and reserves	2,054,975	2,280,069

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

4. Related party transactions and trustees' expenses and remuneration

Malcolm Maclean Graham received remuneration of £nil (2017; £104,984) during the year in his role as Chief Executive. This comprised £nil (2017; £88,847) gross salary, £nil (2017; £2,970) car allowance and £nil (2017; £47,833) employers pension contributions. Mr Graham was reimbursed £nil (2017; £nil) for expenses during the year. Mr Graham left the organisation on 16/12/16.

During the year, two (2017; nil) Directors were reimbursed £35 (2017; £nil) and one (2017; one) Director waived expenses of £103 (2017; £40).

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	Expenditure	Debtors	Creditors
	£'000	£'000	£'000	£'000
Glasgow City Council	8,497	2,170	1,457	841

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 City Property Investments LLP West of Scotland European Forum City Property (Glasgow) LLP	Councillor Chair Member Chair
Michael Cullen	Glasgow (Central) Citizens Advice Bureau Glasgow Educational and Marshall Trust National Association of Councillors Childrens Hearings Scotland – Glasgow Area Support Team Glasgow City Council	Member Member Member Member Councillor
Malcolm Cunning	Glasgow City Council	Councillor

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

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

Annette Christie	Glasgow City Council Blindcraft Trust City Parking (Glasgow) LLP	Bailie Member Member
Franny Scally	National Association of Councillors Glasgow City Council Community Safety Glasgow Glasgow Housing Association – North West Area Committee Maryhill Housing Association	Member Councillor Member Member Member

5. Income from donations and legacies

	Charity 2018 £	Charity 2017 £	Group 2018 £	Group 2017 £
Glasgow City Council	4,336,137	5,208,009	4,336,137	5,208,009
Other grants	152,875	661,955	152,875	661,955
	<u>4,489,012</u>	<u>5,869,964</u>	<u>4,489,012</u>	<u>5,869,964</u>

6. Income from charitable activities

	Charity 2018 £	Charity 2017 £	Group 2018 £	Group 2017 £
Employability	2,299,082	5,193,043	2,299,082	5,193,043
Childcare	2,245,993	1,897,248	2,245,993	1,897,248
Enterprise and Social Economy	182,831	38,786	182,831	38,786
	<u>4,727,906</u>	<u>7,129,077</u>	<u>4,727,906</u>	<u>7,129,077</u>

7. Income from other trading activities

	Charity 2018 £	Charity 2017 £	Group 2018 £	Group 2017 £
252 Saracen Street	17,000	146,664	17,000	146,664
Orkney Street	116,227	184,555	116,227	184,555
	<u>133,227</u>	<u>331,219</u>	<u>133,227</u>	<u>331,219</u>

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

8. Investment income

	Charity 2018 £	Charity 2017 £	Group 2018 £	Group 2017 £
Bank interest received	43,400	64,448	43,544	64,764
Property by Jobs & Business Glasgow	-	-	1,023,553	930,139
Gift aid received	-	44,191	-	-
Rental Income	1,312,833	1,191,062	1,312,833	1,191,062
	<u>1,356,233</u>	<u>1,299,701</u>	<u>2,379,930</u>	<u>2,185,965</u>

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

	Direct Costs £	Support Costs £	Total 2018 £	Total 2017 £
252 Saracen Street	92,652	-	92,652	133,242
Tollcross Road	85,895	-	85,895	74,344
Ibrox Business Park	4,203	-	4,203	4,032
	<u>182,750</u>	<u>-</u>	<u>182,750</u>	<u>211,618</u>

10. Raising funds – expenditure on investment activities - Group

	Direct Costs £	Support Costs £	Total 2018 £	Total 2017 £
Property rental costs	387,364	-	387,364	450,015
Property by Jobs & Business Glasgow	1,293,610	-	1,293,610	1,253,760
	<u>1,680,974</u>	<u>-</u>	<u>1,680,974</u>	<u>1,703,775</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	1,335,310	797,829	184,683	12,287	Headcount
Stationery	3,828	2,287	529	-	Headcount
Property Related	200,584	119,846	27,742	-	Headcount
Total	<u>1,539,722</u>	<u>919,962</u>	<u>212,954</u>	<u>12,287</u>	

Governance costs:

	2018 £	2017 £
Audit Fee	40,906	40,390
Support costs (see above)	12,287	12,394
	<u>53,193</u>	<u>52,784</u>

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

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

Breakdown of governance and support costs by activity;

	Support costs	Governance	2018	2017
	£	£	£	£
Employability	1,539,722	30,643	1,570,365	1,870,844
Childcare	919,962	18,310	938,272	627,721
Enterprise & Social Economy	212,954	4,240	217,194	197,530
	<u>2,672,638</u>	<u>53,193</u>	<u>2,725,831</u>	<u>2,696,095</u>

12. Analysis of expenditure on charitable activities – Group

	Employability	Childcare	Enterprise & Social Economy	2018 Total	As restated 2017 Total
	£	£	£	£	£
Staff Costs	2,508,442	1,773,566	352,545	4,634,553	9,094,751
Property	233,605	276,266	147,940	657,811	1,182,991
Transport	9,391	46,837	-	56,228	44,986
Supplies & services	1,409,249	112,767	91,877	1,613,893	1,071,150
Governance costs (Note 11)	30,643	18,310	4,240	53,193	52,784
Support costs (note 11)	1,539,722	919,962	212,954	2,672,638	2,643,311
	<u>5,731,052</u>	<u>3,147,708</u>	<u>809,556</u>	<u>9,688,316</u>	<u>14,089,973</u>

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

	2018	2017
	£	£
Salaries and wages	5,744,048	9,196,117
Social security costs	421,735	653,812
Employer contributions to defined benefit pension schemes	26,006	53,806
Employer contributions to defined contribution pension schemes	186,036	219,009
Total staff costs	<u>6,377,825</u>	<u>10,122,744</u>

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

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:

	2018 £	2017 £
£70,001 - £80,000	2	2
£100,001 - £110,000	-	1

	Charity 2018 No.	Charity 2017 No.	Group 2018 No.	Group 2017 No.
--	------------------------	------------------------	----------------------	----------------------

The average weekly number of persons, by headcount, employed by the charity during the year was:

239	279	247	302
-----	-----	-----	-----

	Charity 2018 £	Charity 2017 £	Group 2018 £	Group 2017 £
Key management personnel remuneration	158,904	577,657	158,904	577,657

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 £nil (2017: £40,240).

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

This is stated after charging/(crediting):

	2018 £	As restated 2017 £
Depreciation	327,801	578,639
Audit fees		
- Parent audit fee	40,910	24,870
- Subsidiary fees	16,456	11,850
(Gain) on disposal of fixed assets	-	(9,000)
Unrealised losses through fair value adjustments	(65,000)	-
Operating lease rentals		
- Property	256,820	347,563

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

15. Government Grants

Income from government grants comprises:

		2018	2017
		Total	Total
		£	£
GCC – Services contract	a)	4,601,210	5,245,190
GCC – Integrated Grants	b)	123,463	221,651
GCC – Childcare Strategy	c)	84,038	84,038
GCC – Assisted Garden Maintenance	d)	951,327	945,819
GCC – People Skills	e)	-	4,250
GCC – Glasgow Guarantee	f)	63,000	70,000
GCC – Nursery Partnership funds	g)	215,798	171,158
GCC – Secondments	h)	155,048	206,253
GCC – Make Safe Squad	i)	27,195	92,436
GCC – Food Waste Management	j)	-	425,030
GCC – City Centre Clean Streets Team	k)	-	9,580
GCC – Green Wardens	l)	-	150
GCC – CSG Grant Income	m)	126,000	630,000
GCC – Blairtummock House Nursery	n)	159,253	-
DWP – New Enterprise allowance (GCC – source DWP)	o)	-	121,360
Skills Development Scotland	p)	385,903	594,997
Big Lottery	q)	60,725	(48,727)
		<u>6,952,960</u>	<u>8,773,185</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

(e) GCC - People Skills

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

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

15. Government Grants (continued)

(f) GCC - Glasgow Guarantee

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

(g) 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.

(h) GCC – Secondments

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

(i) 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.

(j) 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.

(k) 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.

(l) 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.

(m) 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

(n) GCC – Blairtummock House Nursery

Funding towards the refurbishment of Blairtummock House Nursery.

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

15. Government Grants (continued)

(o) 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.

(p) Skills Development Scotland

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

(q) 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 2018

16. Tangible Fixed Assets - Group

	Freehold Land & Buildings £	Leasehold Properties £	Fixtures & Equipment £	Office Equipment £	Computer Equipment £	Total £
Cost or valuation						
At 1 April 2017 – as restated	5,363,882	2,902,945	1,536,771	97,891	1,561,821	11,463,310
Additions	-	-	262,078	-	-	262,078
Disposals	-	(1,228,117)	(1,402,369)	(97,891)	(353,412)	(3,081,789)
At 31 March 2018	5,363,882	1,674,828	396,480	-	1,208,409	8,643,599
Depreciation						
At 1 April 2017 – as restated	726,087	2,297,596	1,436,193	97,891	1,378,184	5,935,951
Charge for the year	93,202	71,686	28,043	-	134,870	327,801
Eliminated on disposals	-	(1,228,117)	(1,402,369)	(97,891)	(353,412)	(3,081,789)
At 31 March 2018	819,289	1,141,165	61,867	-	1,159,642	3,181,963
Net book value						
At 31 March 2018	4,544,593	533,663	334,613	-	48,767	5,461,636
At 31 March 2017	4,637,795	605,349	100,578	-	183,637	5,527,359

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

16. Tangible Fixed Assets – Charity

	Freehold Land & Buildings £	Leasehold Properties £	Fixtures & Equipment £	Office Equipment £	Computer Equipment £	Total £
Cost or valuation						
At 1 April 2017 – as restated	5,337,656	2,902,945	957,009	97,891	1,561,821	10,857,322
Additions	-	-	-	-	-	-
Disposals	-	(1,228,117)	(957,009)	(97,891)	(353,412)	(2,636,429)
At 31 March 2018	<u>5,337,656</u>	<u>1,674,828</u>	<u>-</u>	<u>-</u>	<u>1,208,409</u>	<u>8,220,893</u>
Depreciation						
At 1 April 2017 – as restated	708,421	2,297,596	957,009	97,891	1,378,184	5,439,101
Charge for the year	92,674	71,686	-	-	134,870	299,230
Eliminated on disposals	-	(1,228,117)	(957,009)	(97,891)	(353,412)	(2,636,429)
At 31 March 2018	<u>801,095</u>	<u>1,141,165</u>	<u>-</u>	<u>-</u>	<u>1,159,642</u>	<u>3,101,902</u>
At 31 March 2018	<u>4,536,561</u>	<u>533,663</u>	<u>-</u>	<u>-</u>	<u>48,767</u>	<u>5,118,991</u>
At 31 March 2017	<u>4,629,235</u>	<u>605,349</u>	<u>-</u>	<u>-</u>	<u>183,637</u>	<u>5,418,221</u>

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

17. Investment properties

	Charity 2018 £	Charity 2017 £	Group 2018 £	Group 2017 £
Valuation at 31 March 2017	4,425,000	4,425,000	7,265,000	7,395,000
Disposals	-	-	-	(130,000)
Revaluations	-	-	(65,000)	-
Valuation at 31 March 2018	<u>4,425,000</u>	<u>4,425,000</u>	<u>7,200,000</u>	<u>7,265,000</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 2018, with the exception of one property which has been written down to nil from £65k. This property has fallen into a state of disrepair and requires significant spend to bring it back to a reasonable condition.

18. Fixed Asset Investments

	Charity		Group	
	2018 £	2017 £	2018 £	2017 £
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 & Business Glasgow Limited- £100 (2017: £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 £225,094 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 (2017 - £24,899)

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)

Modular Developments Limited - £Nil (2017 - £Nil)

The charity holds a 50% share in the joint venture Modular Developments Limited. The charity owns share capital of £90,000 (90,000 ordinary £1 shares). This investment has been fully impaired due to the net liability position of Modular Developments Limited.

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

19. Debtors

	Charity		Group	
	2018	2017	2018	2017
	£	£	£	£
Trade debtors	115,778	118,353	228,845	34,532
Other debtors & prepayments	106,979	119,123	225,172	203,663
Accrued income	962,244	1,352,880	962,244	1,352,881
Amounts due from group entities	722,373	1,717,283	109,686	940,538
	<u>1,907,374</u>	<u>3,307,639</u>	<u>1,525,947</u>	<u>2,531,614</u>

20. Creditors: amounts falling due within one year

	Charity		Group	
	2018	2017	2018	2017
	£	£	£	£
Bank loan	-	225,545	-	225,545
Trade creditors	139,025	170,611	291,294	202,183
Sundry creditors	82,047	232,942	82,047	232,942
Other creditors and accruals	1,264,592	1,192,040	2,072,304	1,787,418
Deferred income (Note 21)	240,330	243,244	240,330	243,244
Taxation and social security costs	309,474	525,914	309,474	525,914
Amounts due to group entities	892,971	1,921,787	910,328	2,118,846
	<u>2,928,439</u>	<u>4,512,083</u>	<u>3,905,777</u>	<u>5,336,092</u>

21. Deferred Income

	Charity	Group
	£	£
Balance as at 1 April 2017	243,244	243,244
Amount released to income earned from charitable activities	(243,244)	(243,244)
Amount deferred in year	240,330	240,330
Balance as at 31 March 2018	<u>240,330</u>	<u>240,330</u>

Deferred income at 31 March 2018 comprises income received in advance:

	£
Deposits	93,650
Rents in advance	146,680
	<u>240,330</u>

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

22. Creditors: amounts falling due after more than one year

	Charity		Group	
	2018 £	2017 £	2018 £	2017 £
Secured bank loan	-	1,125,393	-	1,125,393
	-	1,125,393	-	1,125,393
Analysed as:				
Within 1-2 years	-	232,926	-	232,926
Within 2-5 years	-	653,495	-	653,495
In more than five years	-	238,972	-	238,972
	-	1,125,393	-	1,125,393

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

23. Deferred tax

	Charity		Group	
	2018 £	2017 £	2018 £	2017 £
Deferred tax liability	-	-	-	15,893
	-	-	-	15,893

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;

	2018 Land and Buildings Charity £	2017 Land and Buildings Charity £	2018 Land and Buildings Group £	2017 Land and Buildings Group £
Under 1 year	231,195	321,938	256,820	347,563
Between 2 and 5 years	390,952	353,721	493,452	456,221
Over 5 years	1,241,033	956,856	1,756,554	1,544,877
	1,863,180	1,632,515	2,506,826	2,348,661

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

25. Funds reconciliation – Group

Analysis Fund movements	<i>As restated</i> Balance at 1 Apr 16 £	Income £	<i>As restated</i> Expenditure £	Transfers £	Gains/ (Losses) £	<i>As restated</i> Balance at 1 April 2017 £	Income £	Expenditure £	Transfers £	Gains/ (Losses) £	Balance at 31 Mar 18
Unrestricted Funds											
Assisted Garden Maintenance	-	-	-	-	-	-	951,327	855,989	-	-	95,338
Clyde Gateway Tangible Fixed Assets	16,625	-	-	-	-	16,625	-	16,625	-	-	-
Investment property Capital redemption reserve	4,239,969	-	578,639	515,091	-	4,176,421	-	327,801	1,613,016	-	5,461,636
	7,395,000	-	-	(130,000)	-	7,265,000	-	-	(7,265,000)	-	-
	300,000	-	-	-	-	300,000	-	-	-	-	300,000
Total designated funds	11,951,594	-	578,639	385,091	-	11,758,046	951,327	1,200,415	(5,651,984)	-	5,856,974
General funds	1,779,234	14,169,778	13,779,702	(385,091)	-	1,784,219	9,800,706	8,838,027	6,166,863	(65,000)	8,848,761
Total unrestricted funds	13,730,828	14,169,778	14,358,341	-	-	13,542,265	10,752,033	10,038,442	514,879	(65,000)	14,705,735

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

25. Funds reconciliation – Group (continued)

Analysis of Fund movements	<i>As restated</i> Balance at 1 April 16 £	Income £	<i>As restated</i> Expenditure £	Transfers £	Gains/ (Losses) £	<i>As restated</i> Balance at 1 April 2017 £	Income £	Expenditure £	Transfers £	Gains/ (Losses) £	Balance at 31 Mar 18 £
Restricted Funds											
Bridging Services	274,000	-	90,000	-	-	184,000	-	184,000	-	-	-
JP Morgan	31,868	-	-	-	-	31,868	-	31,868	-	-	-
The Big Lottery Vulnerable Young Women	462,792	(48,727)	230,163	-	-	183,902	-	31,953	(118,925)	-	33,024
Environmental East	28,620	-	-	-	-	28,620	-	28,620	-	-	-
Support to people North	3,000	-	-	-	-	3,000	-	3,000	-	-	-
Oatlands	73,923	-	-	-	-	73,923	-	73,923	-	-	-
Employability Fund – DWP	270	-	-	-	-	270	-	270	-	-	-
GCC derelict land	106,050	-	-	-	-	106,050	-	106,050	-	-	-
SDS CWR	395,954	-	-	-	-	395,954	-	-	(395,954)	-	-
Communities Facilities Fund	15,560	-	13,667	-	-	1,893	-	1,893	-	-	-
Environmental Task Force	15,531	-	15,531	-	-	-	-	-	-	-	-
Working Matters	-	630,000	581,489	-	-	48,511	126,000	138,979	-	-	35,532
Total restricted funds	-	765,174	765,174	-	-	-	852,042	852,042	-	-	-
Pension Funds	1,407,569	1,346,447	1,696,025	-	-	1,057,991	978,042	1,452,598	(514,879)	-	68,556
Total Funds	(705,000)	-	49,000	-	(421,000)	(1,077,000)	-	61,000	-	1,032,000	(106,000)
	14,433,397	15,516,225	16,005,366	-	(421,000)	13,523,256	11,730,075	11,552,040	-	967,000	14,668,291

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

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:

Assisted Garden Maintenance

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

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.

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. The Trustees have opted to release the designation on these funds as there is no future expense currently attached to the assets.

Capital Redemption Reserve

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

- b) Restricted funds comprise of the following funds

Bridging Services

Funding received in advance for 2016/17 activities.

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.

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

25. Funds reconciliation (Continued)

Support to People - North

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

Oatlands Development

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

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.

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.

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

26. Net assets over funds - Group

	Unrestricted Funds £	Restricted Funds £	Pension Funds £	Total 2018 £
Tangible fixed assets	5,461,636	-	-	5,461,636
Investment properties	7,200,000	-	-	7,200,000
Fixed asset investments	24,899	-	-	24,899
Debtors	1,525,947	-	-	1,525,947
Cash	3,399,030	68,556	-	3,467,586
Current asset investments	1,000,000	-	-	1,000,000
Current liabilities	(3,905,777)	-	-	(3,905,777)
Pension Liability	-	-	(106,000)	(106,000)
	<u>14,705,735</u>	<u>68,556</u>	<u>(106,000)</u>	<u>14,668,291</u>

	Unrestricted Funds £	Restricted Funds £	Pension Funds £	Total 2017 £
Tangible fixed assets	5,527,359	-	-	5,527,359
Investment properties	7,265,000	-	-	7,265,000
Fixed asset 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)
	<u>13,542,265</u>	<u>1,057,991</u>	<u>(1,077,000)</u>	<u>13,523,256</u>

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

Group	2018 £	2017 £
Net income/(expenditure) for the year (as per the Statement of Financial Activities)	178,035	(489,141)
Adjustments for:		
Depreciation charges	327,801	578,639
Pension fund charge	61,000	(49,000)
Dividends, interest and rents from investments	(2,379,930)	(2,185,965)
Interest payable	111,779	80,846
(Gain) on sale of investment property	-	(9,000)
Decrease/(increase) in debtors	1,005,667	575,575
(Decrease)/increase in creditors	(1,220,663)	(4,022,237)
Net cash (used in) operating activities	<u>(1,916,311)</u>	<u>(5,520,283)</u>

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

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

Charity	2018 £	2017 £
Net income/(expenditure) for the year (as per the Statement of Financial Activities)	338,129	(476,513)
Adjustments for:		
Depreciation charges	299,230	551,662
Dividends, interest and rents from investments	(1,356,233)	(1,299,701)
Interest payable	111,779	56,933
Pension fund (credit)/ charge	61,000	(49,000)
Loss on the sale of fixed assets	-	-
Decrease/(increase) in debtors	1,400,265	1,155,320
(Decrease)/increase in creditors	(1,358,099)	(4,502,114)
Net cash (used in) operating activities	<u>(503,929)</u>	<u>(4,563,413)</u>

28. Analysis of cash and cash equivalents

	Charity 2018 £	Charity 2017 £	Group 2018 £	Group 2017 £
Cash in hand	3,171,491	4,781,904	3,467,586	5,728,762
Total cash and cash equivalents	<u>3,171,491</u>	<u>4,781,904</u>	<u>3,467,586</u>	<u>5,728,762</u>

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

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:

	2018	2017
	% p .a	% p .a
Inflation/ Pension Increase Rate	2.4%	2.4%
Salary Increase Rate	3.6%	4.4%
Discount rate	2.7%	2.6%

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	21.4 years	23.7 years
Future pensioners	23.4 years	25.8 years

The net pension liability was:

	2018	2017
	£'000	£'000
Estimated Employer Assets	4,247	4,269
Present Value of Scheme Liabilities	(4,353)	(5,346)
Net Pension Liability	<u>(106)</u>	<u>(1,077)</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 2018

29. Pension Commitments (Continued)

FRS102 –Statement of Financial Activities disclosure:

	2018	2017
	£'000	£'000
Current service cost	58	92
Past service cost	-	58
	<u>58</u>	<u>150</u>
Contributions by employer	(26)	(222)
Pension service cost provision	<u>32</u>	<u>(72)</u>

Reconciliation of fair value of scheme assets:

	2018	2017
	£'000	£'000
Opening fair value of scheme assets	4,269	3,310
Expected Return on Assets	110	119
Contributions by Members	12	30
Contributions by Employer	26	222
Actuarial Gains/(Losses)	(87)	669
Estimated Benefits Paid	(83)	(81)
	<u>4,247</u>	<u>4,269</u>

Reconciliation of defined benefit obligation:

	2018	2017
	£'000	£'000
Opening defined benefit obligation	5,346	4,015
Service Cost	58	150
Interest Cost	139	142
Contributions by Members	12	30
Actuarial Losses/(Gains)	(1,119)	1,090
Estimated Benefits Paid	(83)	(81)
	<u>4,353</u>	<u>5,346</u>

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

29. Pension Commitments (Continued)

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

	2018	2017
	£'000	£'000
Scheme Assets	4,247	4,269
Defined benefit obligation	(4,353)	(5,346)
Deficit	<u>(106)</u>	<u>(1,077)</u>
Experience adjustments on scheme assets	87	669
Experience adjustments on scheme liabilities	1,119	1090

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

	2018	2017
	£'000	£'000
Current Service costs	58	92
Past service cost	-	58
Total operating charge	<u>58</u>	<u>150</u>
Less: contributions paid	(26)	(222)
Current service cost provision	<u>32</u>	<u>(72)</u>

Amount charged to operating costs (Note 12):

Expected Return on Employer Assets	110	119
Interest on Pension Scheme Liabilities	(139)	(142)
Net cost of financing and assets	<u>(29)</u>	<u>(23)</u>

Analysis of the amount recognised in the Statement of Financial Activities

	2018	2017
	£'000	£'000
Changes in value of scheme assets: Actuarial Gains	(87)	669
Changes in defined benefit obligations: Actuarial Gain/(Losses)	1,119	(1,090)
Actuarial gain/(loss) recognised in SOFA	<u>1,032</u>	<u>(421)</u>

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

29. Pension Commitments (Continued)

Movement in deficit during the year:

Deficit at beginning of the year	(1,077)	(705)
Movement in year:		
Current Service Cost	(58)	(92)
Past Service Cost	-	(58)
Employer contributions	26	222
Net return on financing and assets	(29)	(23)
Actuarial gains/(losses)	1,032	(421)
Deficit at end of year	<u>(106)</u>	<u>(1,077)</u>

The estimated employer's contributions for the year to 31 March 2018 are £28,000.

30. Prior year adjustment

During the year it became apparent that the historic cost impairment of a property owned by the charity had reversed and this had not been reflected in the financial statements. Accordingly, a prior year adjustment has been made to reinstate the property at depreciated historic cost. The effect of the prior year adjustment is set out below.

Reconciliation of reported net outgoings (Charity)

£

2017 net movement in funds	(895,133)
Effect of property depreciation	<u>(2,380)</u>
2017 net movement in funds as restated	<u>(897,513)</u>

Reconciliation of reported net outgoings (Group)

£

2017 net movement in funds	(907,761)
Effect of property depreciation	<u>(2,380)</u>
2017 net movement in funds as restated	<u>(910,141)</u>

Reconciliation of funds (Charity)

At 1 April
2016

£

Funds as previously stated	12,016,980
Effect of incorporation of depreciated property value	<u>123,820</u>
Funds as restated	<u>12,140,800</u>

JOBS AND BUSINESS GLASGOW

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

30. Prior year adjustment (continued)

Reconciliation of funds (Group)	At 1 April 2017
	£
Funds as previously stated	14,309,577
Effect of incorporation of depreciated property value	<u>123,820</u>
Funds as restated	<u>14,433,397</u>