

Registered Company No: SC108565

Registered Charity No: SC023930

GLASGOW'S REGENERATION AGENCY
(formerly Glasgow South West Regeneration Agency)

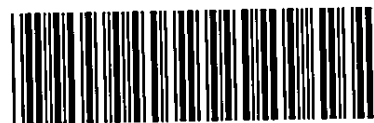
(A company limited by guarantee)

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2012

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GLASGOW'S REGENERATION AGENCY
(formerly Glasgow South West Regeneration Agency)
(A company limited by guarantee)

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2012

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GLASGOW'S REGENERATION AGENCY

(formerly Glasgow South West Regeneration Agency)

(A company limited by guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION

Charity Name:	Glasgow's Regeneration Agency (Formerly Glasgow South West Regeneration Agency)
Registered Office:	112 Ingram Street Glasgow G1 1ET
Charity Registration Number:	SC023930
Company Registration Number:	SC108565
Trustees:	Alistair McManus John Brian Gault David Alan Rooney Daniel Donald Malcolm Maclean Graham Baillie Jonathan Findlay Baillie Hanif Raja Councillor David McDonald Councillor Emma Gillan Councillor John Kelly
Secretary:	Caroline Whyteside
Senior Management Team:	Malcolm Maclean Graham Caroline Whyteside Stephen Brooks Tommy Docherty Caroline Glen Gary Hay Nancy Burns Mary-Theresa Smith Rob Pryce
Auditors:	Wylie & Bisset LLP 168 Bath Street Glasgow G2 4TP
Bankers:	Lloyds TSB 100 West George Street Glasgow G2 2NR
Solicitors:	Burness LLP 120 Bothwell Street Glasgow G2 7JL

GLASGOW'S REGENERATION AGENCY

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2012

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2012. The legal and administrative information on page one forms part of this report.

On 28th March 2011 Glasgow South West Regeneration Agency changed its name to Glasgow's Regeneration Agency and on 1st April 2011 the activities, assets and liabilities of Glasgow North Regeneration Agency, Glasgow East Regeneration Agency, Glasgow West Regeneration Agency and Glasgow South East Regeneration Agency were transferred into the charity.

Directors and Trustees

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

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

Alistair McManus

John Brian Gault

David Alan Rooney

Daniel Donald

Malcolm Maclean Graham (appointed 6 September 2011)

Bailie Jonathan Findlay (appointed 17 May 2012)

Bailie Hanif Raja (appointed 17 May 2012)

Councillor David McDonald (appointed 17 May 2012)

Councillor Emma Gillan (appointed 17 May 2012)

Councillor John Kelly (appointed 17 May 2012)

Councillor Patricia Chalmers, Chairperson (resigned 4 November 2011)

Peter Watson (resigned 17 May 2011)

Richard Leonard (resigned 17 May 2011)

Heather Alexander (resigned 17 May 2011)

Councillor Kenneth Carmichael Elder (resigned 3 May 2012)

Councillor John Flanagan (resigned 3 May 2012)

Councillor John Mathieson McKenzie (resigned 3 May 2012)

Richard John Moir (resigned 15 September 2011)

Bailie Alan Norman Rolland Stewart (resigned 4 November 2011)

Bailie John Scanlon, Chairperson (appointed 4 November 2011, resigned 3 May 2012)

Councillor Mohammed Razaq (appointed 4 November 2011, resigned 3 May 2012)

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2012 (continued)

Structure, Governance and Management

Board

The Board of GRA 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 GRA's operational plan
- resolving major policy issues
- monitoring, reviewing and reporting the general performance of GRA 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

The initial board was appointed on 28th March 2011 and consisted of 5 elected members and 5 independent business leaders drawn from the boards of the former LRAs.

During the year, Councillor Chalmers and Bailie Stewart resigned from the board and Bailie Scanlon and Councillor Razaq were appointed in their place.

On 6 September 2011 Malcolm MacLean Graham was formally confirmed as GRA's Chief Executive and appointed to the Board.

On 3rd May 2012 following the local government elections, the 5 council board members resigned and were replaced on the 17 May by Bailies Findlay and Raja, and Councillors McDonald, Gillan and Kelly.

GRA's Company Secretary is Caroline Whyteside, GRA's Finance Director, and she was appointed to this role on the 28 February 2012.

Chief Executive

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

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

Malcolm Maclean Graham who had been GRA's Interim Chief Executive, was formally confirmed as the new Chief Executive on 6th September 2011.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2012 (continued)

Senior Management Team

The Senior Management team consists of 8 Senior Managers who report directly to the Chief Executive.

All of the Senior Management Team, except the Director of Finance, were appointed on the 14 November 2011 and drawn from the former LRAs.

The Director of Finance position was recruited externally and appointed on 1 December 2011.

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

Post	Senior Manager	Responsibilities
Director of Finance	Caroline Whyteside	All strategic and operational financial aspects of the organisation, company secretarial work
Head of Employability	Mary-Theresa Smith	Adult Employability, community benefits
Head of Youth & Learning	Nancy Burns	Youth employability, adult and youth learning
Head of HR, Communications and Organisational Development	Caroline Glen	HR, internal and external communications, PR, training and development of staff and Board
Head of Strategy, Project Development & Compliance	Stephen Brooks	Company development, Strategy risk management, IT, procurement, funding applications, project compliance
Head of Commercial Contracts	Tommy Docherty	Property, Childcare, Commercial contracts
Head of Strategic Projects	Gary Hay	Strategic employability programmes and Intermediate Labour Market Projects
Head of Enterprise, Business and the Economy	Rob Bryce	Enterprise and social enterprise start-up and support

Subsidiaries

GRA currently has 7 subsidiaries. Five of these are property companies:

- Castlemilk Property Company
- Greater Easterhouse Property Company
- Glasgow North Properties
- Dalsetter Business Village
- Drumchapel Training Trust

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2012 (continued)

One is a childcare provider:

- Bridge End Nursery Group

One is a former joint venture between the 5 former LRA's and is currently being wound up:

- Regenerate Glasgow

All of these companies are non-charitable other than Drumchapel Training Trust which is a charity.

The subsidiaries are currently being reviewed in order to determine the best way to consolidate them. Once the approach has been agreed by the Board it will be implemented during the financial year 2012/13 with a view to the process being hopefully completed by 31 March 2013.

Sub Committees

GRA currently has 3 sub committees. These are:

Finance and Audit Committee

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

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

This committee aims to meet quarterly.

HR Committee

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

- the recruitment, development and retention of staff, in particular, terms and conditions, probation and training and development

This committee aims to meet quarterly.

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.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2012 (continued)

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 directors are required to contribute an amount not exceeding £1 each.

A Governance Protocol is currently being written which describes in more detail the authority which has been retained by the board and that which it has delegated to the Chief Executive and Senior Management team.

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.

Trustee Induction and Training

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

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

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2012 (continued)

Risk Management

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

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

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.

Objectives and Activities

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

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

GRA 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.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2012 (continued)

Objectives

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

Objective 1: help people find a job, stay in work and develop their careers

Objective 2: work in partnership to enhance the development of vibrant, diverse and sustainable local economies within Glasgow by supporting the formation and sustainability of new businesses and encouraging existing employers to grow, develop and increase their competitiveness

Objective 3. Create strong, strategic and sustainable partnerships to help individuals, businesses and communities to contribute to the economic regeneration and environmental improvements of our communities

Objective 4. Continually strengthen and develop the capacity and performance of our organisation in order to be recognised as being committed to excellence and deliver best value and continuous improvement to services that are valued by all clients, businesses and partner agencies.

Other Activities

In addition to the direct service delivery activities during last year, the company spent a significant amount of time to restructure and reorganise, and invested in a range of organisational development activities in order to mitigate a number of post-merger challenges.

Achievements and Performance

The year to March 2012 was extremely challenging for GRA. Amongst the challenges it faced were: dealing with the new company's first year of operation, extremely difficult decisions having to be made regarding staffing levels of senior and operational management, new governance arrangements with Glasgow City Council, various changes to board members throughout the year, working with six different sets of staff terms and conditions, and very tight budget conditions.

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

- Reducing the financial deficit from £2.1m at the end of March 2011 to a deficit of £1.2m at the end of March 2012
- Reducing the number of management posts from 116 to 39, saving £2.3m of annual salary costs
- Reducing the number of finance staff from 31 to 18
- Successful completion of the Accessing Opportunities 3 year ERDF programme

GRA is continually measured on a wide range of Key Performance Indicators (KPIs). Key achievements over the last year include a total of 3,206 people moving into employment and 3,322 people moving into education and training. A range of support has also been provided to local businesses, social enterprise organisations along with projects and activities that have been delivered to improve the city's infrastructure.

The table over the page sets out the headline figures achieved by the company.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2012 (continued)

	Performance Indicator	Actual 2011/12	Target 2011/12
1	Number of people provided with employment related advice	20,855	18,465
2	Number of people supported into employment	3,206	3,057
3	Number of people supported to participate in work related/vocational training	3,322	3,094
4	Number of people supported to participate in non vocational training	2,007	2,082
5	Number of people to achieve a recognised qualification	1,845	2,082
6	Number of business start ups created by Glasgow residents	253	236
7	Number of social economy initiatives supported	238	223
8	Number of jobs created through business start up or expansion of social economy support	414	338

Financial Review

Operating and Financial Overview

The charity's net deficit for the year to March 2012 was £1.2m. This compares to a £2.1m deficit for 2010/11. This is a reduced deficit position of £0.9m (43%). The net deficit position of £1.2m includes exceptional voluntary severance costs of £1.0m.

The charity's total income for the year to March 2012 was £28m. This compares to £44m for 2010/11. This is a reduction of £16m (35%).

The charity's total expenditure for the year to March 2012 was £29m. This compares to £46m for 2010/11. This is a reduction of £17m (37%).

The company managed approximately 180 projects spread across its strategic themes.

In cash flow terms, the bank account showed an in-funds position of £8.7m at the beginning of the year and an in-funds position of £8.8m at the end of the year. The company therefore generated a positive cashflow during the year of £0.1m.

The charity shows an unrestricted reserve of £25m. (£26m in 2011). It should be noted that the majority of the unrestricted funds are non-cash reserves for the purpose of the future depreciation of tangible fixed asset projects.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2012 (continued)

Investment Policy

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

Reserves Policy

The Trustees have examined the company's requirements for reserves in the light of the main risks to the organisation. It has established a policy whereby unrestricted general funds not committed should be approximately three months of total expenditure. The unrestricted general funds exclude designated funds which are not readily expendable. Based on the approved budget for 2012/13, three months expenditure (salaries and project costs) equates to £7m. The 2011/12 Balance Sheet shows general reserves of £7.2m which is in line with this policy. The reserves are needed to meet the working capital requirements of the company and the financial obligations in the short-term in the event of a significant drop in revenue grant funding. This would allow time for a restructuring of the company's activities and its project and its project and core cost budgets.

Plans for Future Periods

GRA has recently carried out an extensive strategy development exercise, supported by consultants from Glasgow University. The main output of this will be a 5 year strategy document which will be available on GRA's website and directly distributed to all GRA's main stakeholders. It is anticipated that this document will be completed by 30 September 2012.

It is GRA's first strategy as a new company and builds on extensive consultation with customers, staff, stakeholders and funders. 2012-2017 will be an exciting but challenging period for Glasgow and, with this strategy, we believe we can make a significant contribution to Glasgow's economic development.

GRA has emerged into the most challenging economic environment for 30 years.

- The labour market is flat at best and fears are growing across Europe of a double dip recession
- Public finances are being squeezed and budget cuts are the reality for the foreseeable future. Public spending in Scotland is not expected to achieve pre-crisis levels until 2023-24.
- Major policy changes including Welfare Reforms, particularly universal credit, are being introduced that will impact significantly and detrimentally on cities including Glasgow

We believe GRA can make a very important contribution to Glasgow, its businesses, social enterprises and residents. We also recognise that we cannot do this alone. To make a real difference, we need 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.

Employee involvement

We have a TU Recognition Agreement with Unite the Union who have sole negotiating rights and there is a Joint Consultation and Negotiating Forum (JCNC) that meets at a minimum of 4 times a year. The CEO ensured that non-union members are communicated with by carrying out visits to all the local offices following the JCNC. There is also a weekly Blog that goes out to all staff informing them of current matters in the company.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2012 (continued)

Disabled persons

The company is in the process of introducing a capability policy, this is currently out for staff consultation, it is anticipated that this will be agreed in the next 5 weeks and be introduced. The Capability Policy ensures that managers will consider whether an employee may be considered to have a disability under the Equality Act 2010, and if so whether 'reasonable adjustments' might permit retention in the job, or in another job. We are also in process of applying for Positive about Disability (in the past a number of the old LRA were accredited).

Trustees Responsibilities

The trustees (who are also directors of Glasgow's Regeneration Agency for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and 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 these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

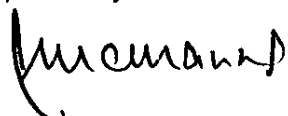
The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment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

In so far as the trustees are aware:

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

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

Approved by the Trustees and signed on their behalf by.



ALISTAIR McMANUS

Name:

Date: 15 August 2012

GLASGOW'S REGENERATION AGENCY

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF GLASGOW'S REGENERATION AGENCY

We have audited the financial statements of Glasgow's Regeneration Agency for the year ended 31st March 2012 which comprise the Group and Parent Charitable Company Statements of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Charitable Company Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31st March 2012 and of the group's and parental charitable company's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF GLASGOW'S
REGENERATION AGENCY**

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

Wylie & Bisset LLP

Jenny Simpson (Senior statutory auditor)

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

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

Date: 15th August 2012

168 Bath Street
Glasgow
G2 4TP

GLASGOW'S REGENERATION AGENCY

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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(including Income and Expenditure Account)

FOR THE YEAR ENDING 31 MARCH 2012

	Notes	Unrestricted £	Restricted £	2012 Total £	2011 Total £
Incoming Resources					
Incoming resources from voluntary funds					
Voluntary income	3	3,347,668	-	3,347,668	1,487,771
Activities for generating funds	4	4,683,008	-	4,683,008	6,337,415
Investment income	5	67,528	-	67,528	96,982
Incoming resources from charitable activities	6	16,363,640	3,507,890	19,871,530	36,469,559
Total Incoming Resources		<u>24,461,844</u>	<u>3,507,890</u>	<u>27,969,734</u>	<u>44,391,727</u>
Resources expended					
Costs of generating funds	7	4,231,647	-	4,231,647	5,851,281
Charitable activities	8	20,441,461	4,456,302	24,897,763	40,033,373
Governance costs	9	63,819	-	63,819	518,313
Total Resources Expended		<u>24,736,927</u>	<u>4,456,302</u>	<u>29,193,229</u>	<u>46,402,967</u>
Net (outgoing) resources before transfers		(275,083)	(948,412)	(1,223,495)	(2,011,240)
Transfers	29	(5,705)	5,705	-	-
Net (expenditure) for the year before other recognised gains and losses		<u>(280,788)</u>	<u>(942,707)</u>	<u>(1,223,495)</u>	<u>(2,011,240)</u>
Other recognised gains and losses					
Unrealised loss on investment		-	-	-	(90,000)
Net (expenditure) for the year		<u>(280,788)</u>	<u>(942,707)</u>	<u>(1,223,495)</u>	<u>(2,101,240)</u>
Reconciliation of Funds					
Total funds brought forward	27, 28	25,751,933	1,431,425	27,183,358	29,284,598
Total funds carried forward	27, 28	<u>25,471,145</u>	<u>488,718</u>	<u>25,959,863</u>	<u>27,183,358</u>

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

All incoming resources and resources expended derive from continuing activities.

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CONSOLIDATED BALANCE SHEET AT 31 MARCH 2012

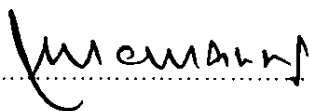
	Notes	£	2012 £	2011 £
FIXED ASSETS				
Intangible Assets	15		-	-
Tangible Assets	16		26,218,833	27,088,787
Investments	18		24,995	24,995
			<u>26,243,828</u>	<u>27,113,782</u>
CURRENT ASSETS				
Investments	19	250,000		250,000
Stock	20	5,920		4,705
Debtors	21	6,901,300		7,932,505
Cash at bank and in hand		8,782,023		8,717,209
		<u>15,939,243</u>		<u>16,904,419</u>
Creditors: amounts falling due within one year	22	(4,638,408)		(4,642,912)
NET CURRENT ASSETS			11,300,835	12,261,507
Creditors: amounts falling due after more than one year	24		(11,584,800)	(12,156,931)
Provisions for liabilities and charges	25		-	(35,000)
NET ASSETS			<u>25,959,863</u>	<u>27,183,358</u>
Unrestricted Funds				
Designated Funds	28	18,223,553		16,145,622
General Funds	28	<u>7,247,592</u>		<u>9,606,311</u>
			25,471,145	25,751,933
Restricted Funds	27		488,718	1,431,425
TOTAL FUNDS			<u>25,959,863</u>	<u>27,183,358</u>

Approved by the Trustees and signed on their behalf.


ALISTAIR McMANUS

MALCOLM MACLENN GRAHAM

Name:



Name:



Date: 15th August 2012

Company No: SC108565

GLASGOW'S REGENERATION AGENCY**(formerly Glasgow South West Regeneration Agency)****(A company limited by guarantee)****CHARITY STATEMENT OF FINANCIAL ACTIVITIES****(including Income and Expenditure Account)****FOR THE YEAR ENDING 31 MARCH 2012**

	Unrestricted £	Restricted £	2012 £	2011 £
Incoming Resources				
Incoming resources from voluntary funds				
Voluntary income	3,347,668	-	3,347,668	1,524,834
Activities for generating funds	1,139,607	-	1,139,607	802,797
Investment income (including gift aid of £364,475)	429,543	-	429,543	117,392
Incoming resources from charitable activities	16,256,987	3,507,890	19,764,877	33,470,777
Total Incoming Resources	21,173,805	3,507,891	24,681,695	35,915,800
Resources Expended				
Costs of generating funds	1,007,488	-	1,007,488	161,189
Charitable activities	20,421,205	4,456,302	24,877,507	36,930,283
Governance costs	62,248	-	62,248	516,443
Total Resources Expended	21,490,941	4,456,302	25,947,243	37,607,915
Net (outgoing) resources before transfers	(317,136)	(948,412)	(1,265,548)	(1,692,115)
Transfers	(5,705)	5,705	-	-
Net (expenditure) for the year before other recognised gains and losses	(322,841)	(942,707)	(1,265,548)	(1,692,115)
Other recognised gains and losses				
Unrealised loss on investment	-	-	-	(90,000)
Net (expenditure) for the year	(322,841)	(942,707)	(1,265,548)	(1,782,115)
Reconciliation of funds				
Total funds brought forward	25,190,728	1,431,425	26,622,153	28,404,268
Total funds carried forward	24,867,887	488,718	25,356,605	26,622,153

GLASGOW'S REGENERATION AGENCY
 (formerly Glasgow South West Regeneration Agency)
 (A company limited by guarantee)

CHARITY BALANCE SHEET AT 31 MARCH 2012

	Notes	£	2012 £	2011 £
FIXED ASSETS				
Tangible Assets	17		14,815,115	15,405,059
Investments	18		25,396	25,596
			<u>14,840,511</u>	<u>15,430,655</u>
CURRENT ASSETS				
Investment	19	250,000		250,000
Stock	20	1,786		1,656
Debtors	21	8,244,151		9,460,408
Cash at bank and in hand		<u>7,668,032</u>		<u>7,589,690</u>
		16,163,969		17,301,754
Creditors: amounts falling due within one year	22	<u>(3,149,135)</u>		<u>(3,286,968)</u>
NET CURRENT ASSETS			13,014,834	14,014,786
Creditors: amount falling due after one or more years	24		(2,498,740)	(2,788,288)
Provisions for liabilities and charges	25		-	(35,000)
NET ASSETS			<u>25,356,605</u>	<u>26,622,153</u>
Unrestricted Funds				
Designated Funds		17,989,437		16,076,420
General Funds		<u>6,878,450</u>		<u>9,114,308</u>
			24,867,887	25,190,728
Restricted Funds	27		488,718	1,431,425
TOTAL FUNDS			<u>25,356,605</u>	<u>26,622,153</u>

Approved by the Trustees and signed on their behalf.

ALISTAIR McMANUS

MALCOLM MACLEAN GRATTAM

Name

Alastair McManus

Name

Malcolm Maclean Grattam

Date: 15th August 2012

Company No: SC108565

GLASGOW'S REGENERATION AGENCY

(formerly Glasgow South West Regeneration Agency)

(A company limited by guarantee)

CONSOLIDATED CASH FLOW STATEMENT**FOR THE YEAR ENDED 31 MARCH 2012**

	Note	2012 £	2011 £
Net Cash inflow/(outflow) from Operating Activities	14	<u>321,575</u>	<u>(3,149,340)</u>
Investing Activities			
Returns on investment and servicing of finance			
Interest received		67,528	96,982
Interest paid		(117,780)	(170,761)
Payments to acquire tangible fixed assets		(142,773)	(1,253,224)
Financing		-	298,691
Acquisitions and disposals		-	648,611
Government grants received in year		20,500	40,000
Net cash (outflow) from Investing Activities		<u>(172,525)</u>	<u>(339,701)</u>
Increase/(Decrease) in Cash and Cash Equivalents		<u>149,050</u>	<u>(3,489,041)</u>

Analysis Of Changes In Net Debt

	At 1 April 2011 £	Cash flows £	As at March 2012 £
Cash in hand, at bank	8,717,209	64,814	8,782,023
Overdraft	(747,498)	84,236	(663,262)
TOTAL	<u>7,969,711</u>	<u>149,050</u>	<u>8,118,761</u>

GLASGOW'S REGENERATION AGENCY

(formerly Glasgow South West Regeneration Agency)

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

1. Accounting Policies

a) Basis of preparation

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

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

On 28th March 2011 Glasgow South West Regeneration Agency changed its name to Glasgow's Regeneration Agency and on 1st April 2011 the activities, assets and liabilities of Glasgow North Regeneration Agency, Glasgow East Regeneration Agency, Glasgow West Regeneration Agency and Glasgow South East Regeneration Agency were transferred into the charity.

The combination of Glasgow South West Regeneration Agency, Glasgow South East Regeneration Agency, Glasgow East Regeneration Agency, Glasgow West Regeneration Agency and Glasgow North Regeneration Agency met the merger accounting criteria under the SORP and FRS 6. Comparative figures have therefore been restated to include the results, assets and liabilities of the five parties to the merger, in accordance with the principals of merger accounting.

As part of the restatement, the accounting policies of the original five LRA's were aligned. Glasgow South West Regeneration Agency had previously accounted for its freehold and leasehold land and buildings at valuation. The group accounting policy is to account for freehold and leasehold land and buildings at depreciated cost. An adjustment was therefore made to the cost and accumulated depreciation to align the accounting policies. This amounted to a decrease in net book value of £3,294,891.

Glasgow South West Regeneration Agency had previously accounted for its interests in joint venture property companies as programme related investments. The group accounting policy is to account for investments in property companies (either subsidiary or joint venture) at cost less provision for permanent diminution in value. An adjustment was therefore made to the carrying value of investments to align the accounting policies. This amounted to a decrease in the carrying value of investments in joint ventures of £283,131.

b) Fund accounting

- Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- Restricted funds are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

c) Incoming resources

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

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

GLASGOW'S REGENERATION AGENCY

(formerly Glasgow South West Regeneration Agency)

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

1. Accounting Policies (continued)

- Investment income is included when receivable.
- Incoming resources from charitable trading activities are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Income is only deferred when:

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

d) Resources expended

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

- Costs of generating funds comprise the costs associated with attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis as set out in Note 10.

e) Tangible fixed assets and depreciation

Assets costing more than £25,000 are capitalised.

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

Freehold land and 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% to 33% on cost
Computer equipment	33% on cost
Motor vehicles	10% - 25% on cost

No depreciation is provided in respect of land.

f) Investments

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

GLASGOW'S REGENERATION AGENCY

(formerly Glasgow South West Regeneration Agency)

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

1. Accounting Policies (continued)

g) Stock

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

h) Operating leases

Rentals paid under operating leases are charged to the statement of financial activities. The obligation to pay future rentals on operating leases is shown by way of a note to the Accounts.

i) Pension scheme

The pension costs charged against profits represent the amount of employer's contributions payable to the scheme in respect of the accounting period.

The charity is also an admitted body to the Strathclyde Pension Fund which operates a defined benefit pension scheme. The contributions payable by the charity, as employer, and of the relevant staff, are prescribed by the managers of the fund under the statutory provisions under which the scheme operates. The company has no discretion to vary the rates of its contributions and therefore the pension scheme is treated as a defined benefit scheme as permitted by FRS 17.

The pension costs charged in the financial statements in respect of this scheme represent the contributions payable by the company during the year.

j) Taxation

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

k) Legal Status

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

GLASGOW'S REGENERATION AGENCY

(formerly Glasgow South West Regeneration Agency)

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012**2. Financial activities of the subsidiaries****BRIDGE END NURSERY GROUP LIMITED**

The charity has a wholly owned trading subsidiary Bridge End Nursery Group Limited, which is incorporated in Scotland and whose principal activity is the provision of childcare. The deficit retained by the subsidiary is £33,844 (2011: £187,400). No tax is payable by the entity due to the deficit made. The charity owns the entire share capital of 100 ordinary shares of £1 each. A summary of the trading results is shown below:

	2012	2011
	£	£
Turnover	312,130	473,447
Cost of sales & administration costs	(346,100)	(660,871)
Interest receivable	126	24
Net (loss)	<u>(33,844)</u>	<u>(187,400)</u>
Taxation	-	-
Retained in subsidiary	<u>(33,844)</u>	<u>(187,400)</u>
	2012	2011
	£	£
The assets and liabilities of the subsidiary were:		
Fixed assets	240,321	246,857
Current assets	72,430	28,665
Current liabilities	(344,360)	(252,637)
Long term creditors	(261,385)	(282,035)
Total net (liabilities)	<u>(292,994)</u>	<u>(259,150)</u>
Aggregate share capital and reserves	<u>(292,994)</u>	<u>(259,150)</u>

GLASGOW'S REGENERATION AGENCY**(formerly Glasgow South West Regeneration Agency)****(A company limited by guarantee)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012****2. Financial activities of the subsidiaries (continued)****CASTLEMILK PROPERTY COMPANY LIMITED**

The charity has a second wholly owned trading subsidiary Castlemilk Property Company Limited, which is incorporated in Scotland and whose principal activity is property rental. The deficit retained in the subsidiary is £31,667 (2011: Nil). The company pays its profits to the charity by gift aid. The charity owns the entire share capital of 100 ordinary shares of £1 each. A summary of the trading results is shown below:

	2012 £	2011 £
Turnover	1,366,038	1,504,252
Cost of sales & administration costs	(1,056,943)	(1,077,226)
Interest receivable	239	242
Net profit	<u>309,334</u>	<u>427,268</u>
Amount gift aided to the charity	(341,001)	(427,268)
Taxation	-	-
Retained in subsidiary	<u>(31,667)</u>	<u>-</u>

	2012 £	2011 £
The assets and liabilities of the subsidiary were:		
Fixed assets	4,474,443	4,556,423
Current assets	304,371	253,442
Current liabilities	(1,551,161)	(1,430,425)
Long term creditors	(2,722,806)	(2,842,926)
Total net assets	<u>504,847</u>	<u>536,514</u>
Aggregate share capital and reserves	<u>504,847</u>	<u>536,514</u>

GLASGOW'S REGENERATION AGENCY**(formerly Glasgow South West Regeneration Agency)****(A company limited by guarantee)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012****2. Financial activities of the subsidiaries (continued)****DRUMCHAPEL TRAINING TRUST**

The charity has a third wholly owned subsidiary Drumchapel Training Trust, which is a charity incorporated in Scotland and acts as a landlord of the leased Open Gate Building. The amount retained by the subsidiary of £30,908 (2011 £10,986), is exempt from tax. The charity sub-leases accommodation to Glasgow Regeneration Agency and other organisations providing training and support to local residents. A summary of the activities is shown below:

	2012	2011
	£	£
Gross incoming resources	222,130	252,302
Total expenditure on charitable activities	(189,650)	(239,446)
Governance costs	(1,572)	(1,870)
Net incoming resources	<u>30,908</u>	<u>10,986</u>
 Total funds brought forward	 257,877	 246,891
 Total funds carried forward	 <u><u>288,785</u></u>	 <u><u>257,877</u></u>
 Represented by:		
Restricted income funds	-	-
Unrestricted income funds	288,785	257,877
	<u><u>288,785</u></u>	<u><u>257,877</u></u>
 The assets and liabilities of the subsidiary were:		
Fixed assets	9,679	19,194
Current assets	310,894	304,254
Current liabilities	(31,788)	(65,571)
Total net assets	<u>288,785</u>	<u>257,877</u>
 Aggregate reserves	 <u><u>288,785</u></u>	 <u><u>257,877</u></u>

GLASGOW'S REGENERATION AGENCY**(formerly Glasgow South West Regeneration Agency)****(A company limited by guarantee)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012****2. Financial activities of the subsidiaries (continued)****DALSETTER BUSINESS VILLAGE LIMITED**

The charity has a fourth wholly owned trading subsidiary Dalsetter Business Village Limited, which is incorporated in Scotland, pays all but a small proportion of its profits to the charity by gift aid. In the current financial year, the subsidiary company paid £12,920 (2011: £60,399) to the charity by gift aid. The amount retained by the subsidiary, £54,226 this year (2011; deficit of £30,123) is after tax. Dalsetter Business Village Limited manages the property at Dalsetter Business Village and all associated commercial operations. The charity owns the entire share capital of 1 ordinary share of £1. A summary of the trading results is shown below.

	2012	2011
	£	£
Turnover	362,654	330,643
Cost of sales & administration costs	(403,833)	(471,522)
Other operating income	95,047	110,467
Interest receivable	358	288
Net profit / (loss)	<u>54,226</u>	<u>(30,124)</u>
Taxation	-	1
Retained in subsidiary	<u>54,226</u>	<u>(30,123)</u>
The assets and liabilities of the subsidiary were:		
Fixed assets	3,648,701	3,756,066
Current assets	109,499	166,174
Current liabilities	(292,079)	(354,728)
Long-term liabilities	(192,556)	(253,126)
Accruals and deferred income	(3,221,034)	(3,316,081)
Total net liabilities	<u>52,531</u>	<u>(1,695)</u>
Aggregate share capital and reserves	<u>52,531</u>	<u>(1,695)</u>

GLASGOW'S REGENERATION AGENCY

(formerly Glasgow South West Regeneration Agency)

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012**2. Financial activities of the subsidiaries (continued)****GREATER EASTERHOUSE PROPERTY COMPANY LIMITED**

The fifth wholly owned trading subsidiary, Greater Easterhouse Property Company Limited, which is incorporated in Scotland, paid all of its profits to the charity by gift aid. A deficit of £28,708 was retained in the year (2011:£31,057). Greater Easterhouse Property Company Limited manages the Westwood Business Centre and all associated commercial operations. The charity owns the entire share capital of 100 ordinary shares of £1 each. A summary of the trading results is shown below.

	2012	2011
	£	£
Turnover	1,314,895	1,216,187
Cost of sales & administration costs	(1,410,888)	(2,467,454)
Interest receivable	19	17
Other income	67,266	1,259,133
Net (loss)/profit	<u>(28,708)</u>	<u>7,883</u>
 Amount gift aided to the charity	 -	 (38,940)
Retained in subsidiary	<u>(28,708)</u>	<u>(31,057)</u>
 The assets and liabilities of the subsidiary were:		
Fixed assets	2,832,010	2,902,124
Current assets	310,129	224,259
Current liabilities	(280,773)	(189,543)
Accruals and deferred income	(2,880,835)	(2,927,601)
Total net assets	<u>(19,469)</u>	<u>9,239</u>
 Aggregate share capital and reserves	 <u>(19,469)</u>	 <u>9,239</u>

GLASGOW'S REGENERATION AGENCY

(formerly Glasgow South West Regeneration Agency)

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012**2. Financial activities of the subsidiaries (continued)****GLASGOW NORTH PROPERTIES LIMITED**

The sixth wholly owned trading subsidiary Glasgow North Properties Limited, which is incorporated in Scotland, pays all but a small proportion of its profits to the charity by gift aid. No amounts were retained by the subsidiary this year or in the previous year. Glasgow North Properties Limited manages the Business Centre at High Craighall and all associated commercial operations. The charity owns the entire share capital of 100 ordinary shares of £1 each. A summary of the trading results is shown below.

	2012	2011
	£	£
Turnover	25,369	23,973
Cost of sales & administration costs	(19,315)	(8,662)
Interest receivable	-	-
Net profit	<u>6,054</u>	<u>15,311</u>
Amount gift aided to the charity	(10,554)	(19,811)
Retained in subsidiary	<u>(4,500)</u>	<u>(4,500)</u>
The assets and liabilities of the subsidiary were:		
Fixed assets	198,564	203,064
Current assets	39,228	48,278
Current liabilities	6,917	10,859
Group balances	171,953	177,061
Total net assets	<u>58,922</u>	<u>63,422</u>
Aggregate share capital and reserves	<u>58,922</u>	<u>63,422</u>

GLASGOW'S REGENERATION AGENCY

(formerly Glasgow South West Regeneration Agency)

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012**2. Financial activities of the subsidiaries (continued)****REGENERATE GLASGOW LIMITED**

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

	2012 £	2011 £
Turnover		-
Cost of sales & administration costs	169,395	(3,873,740)
Other operating income	(113,757)	3,796,577
Interest receivable	-	-
Net profit / (loss)	<u>55,638</u>	<u>(77,163)</u>
 Amount gift aided to the charity	 -	 -
Retained in subsidiary	<u>55,638</u>	<u>(77,163)</u>
 The assets and liabilities of the subsidiary were:		
Fixed assets	-	-
Current assets	624,581	2,062,484
Current liabilities	(613,065)	(2,106,606)
Total net assets	<u>11,516</u>	<u>(44,122)</u>
 Aggregate share capital and reserves	 <u>11,516</u>	 <u>(44,122)</u>

At 31.03.2011 the company also had shares in Gorbals Initiative Business Services Limited of 100 £1 shares and shares in EV Works Limited of 100 £1 shares, both of which were dormant throughout the year ended 31 March 2011. Both companies were struck off during 2011/12.

GLASGOW'S REGENERATION AGENCY

(formerly Glasgow South West Regeneration Agency)

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

3. Voluntary Income - Group

	Unrestricted £	Restricted £	2012 Total £	2011 Total £
Transfer of assets from EEHLC	-	-	-	771,302
Glasgow City Council core grant	3,031,869	-	3,031,869	616,214
Grants and donations	315,799	-	315,799	100,255
	<u>3,347,668</u>	<u>-</u>	<u>3,347,668</u>	<u>1,487,771</u>

4. Activities for Generating Funds - Group

	Unrestricted £	Restricted £	2012 Total £	2011 Total £
Media Solutions	30,008	-	30,008	53,732
Digital Media Centre	11,497	-	11,497	10,577
Festival Business Centre	371,890	-	371,890	375,845
Moorpark Estate	163,430	-	163,430	150,630
Orkney Street	136,140	-	136,140	84,933
Rowan Business Park	375,795	-	375,795	370,865
Greater Easterhouse Property Company Limited	1,382,161	-	1,382,161	2,475,337
Dalsetter Business Village Limited	457,701	-	457,701	441,398
Glasgow North Properties Limited	25,369	-	25,369	18,571
Castlemilk Property Company Limited	1,366,038	-	1,366,038	1,504,252
Bridge End Nursery Group Limited	312,130	-	312,130	473,447
Ladywell Business Centre	-	-	-	65,302
Moorpark House	50,849	-	50,849	57,408
Other activities for generating funds	-	-	-	255,118
	<u>4,683,008</u>	<u>-</u>	<u>4,683,008</u>	<u>6,337,415</u>

5. Investment Income - Group

	Unrestricted £	Restricted £	2012 Total £	2011 Total £
Bank interest received	67,528	-	67,528	79,730
Final distribution from dissolved subsidiaries	-	-	-	17,252
	<u>67,528</u>	<u>-</u>	<u>67,528</u>	<u>96,982</u>

GLASGOW'S REGENERATION AGENCY

(formerly Glasgow South West Regeneration Agency)

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012**6. Incoming Resources from Charitable Activities - Group**

	Unrestricted £	Restricted £	2012 Total £	2011 Total £
Employability	10,335,935	1,533,786	11,869,721	23,008,084
Youth and learning	2,435,674	676,904	3,112,578	2,825,640
Childcare	1,919,368	70,017	1,989,385	2,856,033
Enterprise and social economy	779,574	786,463	1,566,037	6,121,486
Property	33,776	-	33,776	661,311
Brokered income	-	-	-	110,507
Community Engagement	638,901	440,720	1,079,621	635,214
Drumchapel Training Trust	220,412	-	220,412	251,284
	<u>16,363,640</u>	<u>3,507,890</u>	<u>19,871,530</u>	<u>36,469,559</u>

7. Resources Expended – Costs of Generating Funds - Group

	Direct Costs £	Support Costs £	2012 Total £	2011 Total £
Media Solutions	47,592	2,161	49,753	75,523
Digital Media Centre	80,848	828	81,676	10,577
Festival Business Centre	253,294	26,780	280,074	375,845
Moorpark Estate	70,986	11,769	82,755	150,630
Moorpark House	43,667	3,662	47,329	57,408
Orkney Street	110,563	9,803	120,366	84,933
Rowan Business Park	318,475	27,060	345,535	370,865
Castlemilk Property Company Limited	1,056,943	-	1,056,943	1,077,050
Bridge End Nursery Group Limited	346,100	-	346,100	660,847
Dalsetter Business Village Limited	390,913	-	390,913	411,123
Greater Easterhouse Property Company Limited	1,410,888	-	1,410,888	2,467,454
Ladywell Business Centre	-	-	-	85,532
Glasgow North Properties Limited	19,315	-	19,315	3,260
Oatlands Development Project	-	-	-	20,234
	<u>4,149,584</u>	<u>82,063</u>	<u>4,231,647</u>	<u>5,851,281</u>

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

8. Resources Expended- Charitable Activities - Group

	Direct Costs £	Support Costs £	2012 Total £	2011 Total £
Employability	12,633,021	2,010,552	14,643,573	24,726,461
Youth and learning	3,071,960	779,602	3,851,562	3,280,727
Childcare	2,411,391	738,570	3,149,961	3,299,338
Enterprise and social economy	1,417,494	369,285	1,786,779	6,928,374
Property	57,445	-	57,445	612,401
Brokered income	-	-	-	158,546
Community Engagement	1,095,698	123,095	1,218,793	786,210
Drumchapel Training Trust	189,650	-	189,650	241,316
	<u>20,876,659</u>	<u>4,021,104</u>	<u>24,897,763</u>	<u>40,033,373</u>

9. Resources Expended – Governance Costs - Group

	Direct Costs £	Support Costs £	2012 Total £	2011 Total £
Staff costs and management time	-	19,763	19,763	194,493
Professional fees and other expenditure	30,322	-	30,322	70,930
Merger costs	13,734	-	13,734	251,040
Directors indemnity insurance	-	-	-	1,850
	<u>44,056</u>	<u>19,763</u>	<u>63,819</u>	<u>518,313</u>

10. Support Costs – Breakdown by Activities - Group

	Employability	Youth & Learning	Childcare	Enterprise & Social Economy	Community Engagement	Activities for Generating Funds	Governance	Basis of Allocation
	£	£	£	£	£	£	£	
Salaries	604,232	234,293	221,963	110,981	36,993	24,663	19,763	Head count
Professional fees	232,078	89,990	85,253	42,627	14,209	9,473	-	Head count
Property costs	250,777	97,240	92,122	46,061	15,354	10,236	-	Head count
Administration costs	227,261	88,122	83,484	41,742	13,914	9,276	-	Head count
Irrecoverable VAT	120,797	46,840	44,374	22,187	7,396	4,930	-	Head count
Bank charges	12,188	4,726	4,477	2,239	746	497	-	Head count
Depreciation	87,102	33,774	31,997	15,998	5,333	3,555	-	Head count
Severance costs	476,117	184,617	174,900	87,450	29,150	19,433	-	Head count
	<u>2,010,552</u>	<u>779,602</u>	<u>738,570</u>	<u>369,285</u>	<u>123,095</u>	<u>82,063</u>	<u>19,763</u>	

GLASGOW'S REGENERATION AGENCY**(formerly Glasgow South West Regeneration Agency)****(A company limited by guarantee)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012****11. Net Incoming Resources for the Year - Group**

This is stated after charging:

	2012	2011
	£	£
Depreciation	1,012,726	2,278,216
Amortisation of goodwill	-	124,950
Amortisation of capital grants	290,750	1,559,475
Auditors' Remuneration - Audit Fees	38,470	53,995
Auditors' Remuneration - Non Audit services	12,975	50,805

During the year the group made payments of £1,157,519 in respect of operating lease rentals for properties and £243,835 in respect of operating lease rentals for plant and machinery.

12. Staff Costs and Numbers - Group

Staff costs were as follows:

	2012	2011
	£	£
Salaries and wages	16,628,525	22,188,571
Social security costs	1,317,575	1,812,941
Other pension costs	309,723	547,593
Total	<u>18,255,823</u>	<u>24,549,105</u>

Included in the above figures are exceptional costs in respect of severance payments totalling £971,667 (2011: £2,576,940).

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

	2012	2011
£70,000 - £80,000	-	2
£80,000 - £90,000	-	3
£90,000 - £100,000	1	-
£110,000 - £120,000	-	1

In addition to the above, in 2011 four of the higher paid employees received severance packages of between £37,173 and £512,820, totalling £716,885.

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

	2012	2011
	Number	Number
Charitable activities	478	840
Fundraising	118	89
Total	<u>596</u>	<u>929</u>

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

13. Directors' Remuneration and Related Party Transactions

Malcolm MacLean Graham received remuneration of £107,294 during the year in his role as Chief Executive. This comprised £86,500 gross salary, £3,960 car allowance, £11,644 employers national insurance, and £5,190 employers pension contributions. Mr Graham was appointed to the board on 6 September 2011. No director was reimbursed for any expenses during the year (2011: Nil).

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

	Income £'000	Expenditure £'000	Debtors £'000	Creditors £'000
Glasgow City Council	15,571	58	1,225	-
City Building (Glasgow) LLP	-	31	-	3
Culture and Sport Glasgow Limited	110	53	-	1
Cordia Services LLP	-	5	-	-
City Property Glasgow (Investments) LLP	73	-	-	2

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
Jonathan Findlay	Glasgow City Council Strathclyde Partnership for Transport Nevis Technologies Limited	Councillor Chairperson Director
Hanif Raja	Hansons Scotland Group Limited Importer of Workwear	Director
David Mc Donald	Scottish Campaign for Nuclear Disarmament Glasgow Credit Union United Nations Association	Member Member Member
Emma Gillan	Culture and Sport Glasgow Greater Pollock & Newlands/Auldburn Local Community Planning Partnership Glasgow City Council Regeneration Economy Policy Development	Board Member Convener Committee Member Committee Member
John Kelly	Communications Workers Union	Assistant Secretary
David Alan Rooney	Cubick Limited Stoneyloch Limited	Director Director
John Brian Gault	Young and Gault Architects Bo'ness Developments Ltd The Haven Kilmacolm	Senior Partner Director Director

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

	Haven Superstores	Director
	Castra Estates Ltd	Director
Daniel Donald	Cruden Estates Ltd	Director

14. Reconciliation of Operation Deficit to Net Cash Inflow from Operating Activities - Group

	2012	2011
	£	£
Operating deficit	(1,223,495)	(2,011,240)
Depreciation	1,012,726	2,379,514
Transfer of assets from EEHLC	-	(771,302)
Amortisation of capital grants	(290,750)	(1,559,475)
Amortisation of intangible assets		124,950
Disposal of investments	-	200
(Increase) in stock	(1,215)	(537)
Decrease/(Increase) in Debtors	1,031,206	(2,113,730)
Increase in Creditors and Provisions	(257,149)	728,501
Interest payable	117,780	170,761
Interest receivable	(67,528)	(96,982)
Net Cash inflow/(outflow) from Operating Activities	<u>321,575</u>	<u>(3,149,340)</u>

15. Intangible Fixed Assets – Group

	£
Net book value at 1 April 2010	<u>124,950</u>
Amortisation	(124,950)
Net book value at 31 March 2011 and at 31 March 2012	<u>-</u>

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

16. Tangible Fixed Assets - Group

	Land & Freehold Buildings	Leasehold Property	Fixtures & Equipment	Office Equipment	Computer Equipment	Motor Vehicles	Total
	£	£	£	£	£	£	£
Cost							
At 01.04.11	34,520,994	3,490,659	3,057,466	503,203	1,900,349	88,429	43,561,100
Additions	98,185	28,009	16,579	-	-	-	142,773
Disposals	-	-	-	(25,423)	(74,495)	-	(99,918)
At 31.03.12	<u>34,619,179</u>	<u>3,518,668</u>	<u>3,074,045</u>	<u>477,780</u>	<u>1,825,854</u>	<u>88,429</u>	<u>43,603,955</u>
Depreciation							
At 01.04.11	10,160,189	1,320,218	2,790,597	446,298	1,714,484	40,528	16,472,314
Charge for year	526,328	198,119	156,457	11,895	111,086	8,841	1,012,726
Eliminated on Disposal	-	-	-	(25,423)	(74,495)	-	(99,918)
At 31.03.12	<u>10,686,517</u>	<u>1,518,337</u>	<u>2,947,054</u>	<u>432,770</u>	<u>1,751,075</u>	<u>49,369</u>	<u>17,385,122</u>
Net book values							
At 31.03.12	<u>23,932,662</u>	<u>2,000,331</u>	<u>126,991</u>	<u>45,010</u>	<u>74,779</u>	<u>39,060</u>	<u>26,218,833</u>
At 31.03.11	<u>24,360,805</u>	<u>2,170,441</u>	<u>266,869</u>	<u>56,905</u>	<u>185,865</u>	<u>47,901</u>	<u>27,088,786</u>

The net book values at 31 March 2012 represent fixed assets used for:

Direct charitable purpose	13,012,277	1,581,502	72,166	45,010	74,779	39,060	14,824,794
Fundraising	10,920,385	418,829	54,825	-	-	-	11,394,039
	<u>23,932,662</u>	<u>2,000,331</u>	<u>126,991</u>	<u>45,010</u>	<u>74,779</u>	<u>39,060</u>	<u>26,218,833</u>

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

17. Tangible Fixed Assets - Company

	Freehold Land & buildings £	Leasehold properties £	Fixtures & equipment £	Office Equipment £	Computer Equipment £	Motor Vehicles £	Total £
Cost							
At 01.04.11	15,260,636	2,948,497	2,240,303	502,110	1,900,349	88,429	22,940,324
Additions	28,375	28,009	-	-	-	-	56,384
Disposals	-	-	-	(25,423)	(74,495)	-	(99,918)
At 31.03.12	<u>15,289,011</u>	<u>2,976,506</u>	<u>2,240,303</u>	<u>476,687</u>	<u>1,825,854</u>	<u>88,429</u>	<u>22,896,790</u>
Depreciation							
At 01.04.11	2,073,866	1,206,264	2,054,917	445,205	1,714,484	40,528	7,535,264
Charge for the year	202,868	188,740	122,899	11,895	111,086	8,841	646,329
Eliminated on disposals	-	-	-	(25,423)	(74,495)	-	(99,918)
At 31.03.12	<u>2,276,734</u>	<u>1,395,004</u>	<u>2,177,816</u>	<u>431,677</u>	<u>1,751,075</u>	<u>49,369</u>	<u>8,081,675</u>
Net book values							
At 31.03.12	<u>13,012,277</u>	<u>1,581,502</u>	<u>62,487</u>	<u>45,010</u>	<u>74,779</u>	<u>39,060</u>	<u>14,815,115</u>
At 31.03.11	<u>13,186,770</u>	<u>1,742,233</u>	<u>185,386</u>	<u>56,905</u>	<u>185,865</u>	<u>47,901</u>	<u>15,405,059</u>

The net book value at 31 March 2012 represents fixed assets used for :

	£	£	£	£	£	£	£
Direct charitable purposes	13,012,277	1,581,502	62,487	45,010	74,779	39,060	14,815,115
Other purposes	-	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-	-
	<u>13,012,277</u>	<u>1,581,502</u>	<u>62,487</u>	<u>45,010</u>	<u>74,779</u>	<u>39,060</u>	<u>14,815,115</u>

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

18. Fixed Asset Investments

	COMPANY		GROUP	
	2012	Restated 2011	2012	Restated 2011
	£	£	£	£
Investments in Subsidiaries	401	601	-	-
Investments in Joint Venture	24,995	24,995	24,995	24,995
	<u>25,396</u>	<u>25,596</u>	<u>24,995</u>	<u>24,995</u>

Dalsetter Business Village - £1 (2011: £1) (1 ordinary £1 share)

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

Drumchapel Training Trust Limited

The charity also has a subsidiary charity, Drumchapel Training Trust Limited, a company limited by guarantee. Glasgow Regeneration Agency is the sole member of Drumchapel Training Trust.

Bridge End Nursery Group Limited - £100 (2011: £100) (100 ordinary £1 shares)

The trading subsidiary is wholly owned by the charity and operates Bridge End Nursery and Shawlands Nursery. The subsidiary has retained losses of £259,250.

Castlemilk Property Company Limited - £100 (2011: £100) (100 ordinary £1 shares)

The trading subsidiary is wholly owned by the charity and operates various commercial properties. The subsidiary has retained profits of £536,514.

Greater Easterhouse Property Company Limited - £100 (2011: £100) (100 ordinary £1 shares)

The trading subsidiary is wholly owned by the charity. The profits of the subsidiary are gifted to the charity.

Glasgow North Properties Limited - £100 (2011: £100) (100 ordinary £1 shares)

The trading subsidiary is wholly owned by the charity (100 ordinary £1 shares). Profits of this subsidiary are gifted to the charity.

Regenerate: Glasgow Limited – company limited by guarantee

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

EV Works Limited - £- (2011: £100) (100 ordinary £1 shares)

The subsidiary was wholly owned by the charity but was dormant as at 31.3.11. During the year the company was struck off.

Gorbals Initiative Business Services Limited - £- (2011: £100) (100 ordinary £1 shares)

The subsidiary was wholly owned by the charity but was dormant as at 31.3.11. During the year the company was struck off.

Govan Digital Media Centre Limited

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

GLASGOW'S REGENERATION AGENCY**(formerly Glasgow South West Regeneration Agency)****(A company limited by guarantee)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012****18. Fixed Asset Investments**Modular Developments Limited

The charity hold a 50% share in the joint venture Modular Developments Limited. The charity own share capital of £90,000 (90,000 ordinary £1 shares). At 30.04.2011 the company had net liabilities of £92,786 of which Glasgow Regeneration Agency's share was £49,393.

Moorpark LLP

The charity holds a 50% share in the joint venture Moorpark LLP. At 31.03.2011 Moorpark LLP had net assets of £7,802 of which the charities share was £3,901.

19. Current asset investment

	COMPANY		GROUP	
	2012	2011	2012	2011
	£	£	£	£
Cash deposit	250,000	250,000	250,000	250,000
	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>

20. Stock

	COMPANY		GROUP	
	2012	2011	2012	2011
	£	£	£	£
Goods for resale	1,786	1,656	5,920	4,705
	<u>1,786</u>	<u>1,656</u>	<u>5,920</u>	<u>4,705</u>

21. Debtors

	COMPANY		GROUP	
	2012	2011	2012	2011
	£	£	£	£
Trade debtors	3,743,081	2,799,582	3,446,649	1,929,737
Other debtors and prepayments	289,433	2,033,713	450,030	3,057,859
VAT Recoverable	-	85,109	-	-
Accrued income	2,465,206	2,759,411	2,465,206	2,525,536
Due from group undertakings	1,746,431	1,782,593	539,415	419,373
	<u>8,244,151</u>	<u>9,460,408</u>	<u>6,901,300</u>	<u>7,932,505</u>

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22. Creditors: Amounts falling due within one year

	COMPANY		GROUP	
	2012	2011	2012	2011
	£	£	£	£
Trade creditors	672,385	758,684	886,358	1,013,945
Other taxes and social security costs	1,025,479	502,147	1,089,672	534,608
Other creditors and accruals	993,191	1,461,836	1,597,771	1,892,750
Bank loans and overdrafts	292,066	339,380	966,100	1,031,821
Deferred income (see below)	98,507	169,788	98,507	169,788
Due to group undertakings	67,507	55,133	-	-
	<u>3,149,135</u>	<u>3,286,968</u>	<u>4,638,408</u>	<u>4,642,912</u>

23. Deferred Income – Group & Company

	2012	2011
	£	£
Balance at 1 April 2011	169,788	362,039
Amount released to incoming resources	(169,788)	(362,039)
Amount deferred in the year	98,507	169,788
Balance at 31 March 2012	<u>98,507</u>	<u>169,788</u>

Deferred Income at 31 March 2012 comprises income received in advance of service provision for the following projects:

Clyde Gateway East	£15,709
Rent in advance	£34,990
Nursery fees in advance	£21,180
Deposits	£26,438
Others	£190
	<u>£98,507</u>

24. Creditors: Amounts falling due after more than one year

	COMPANY		GROUP	
	2012	2011	2012	2011
	£	£	£	£
Bank loans	2,498,740	943,113	2,531,828	988,534
Development loan	-	1,407,322	-	1,407,322
Moorpark loan	-	437,853	-	437,853
	<u>2,498,740</u>	<u>2,788,288</u>	<u>2,531,828</u>	<u>2,833,709</u>
Deferred capital grants (see below)	-	-	9,052,972	9,323,222
	<u>2,498,740</u>	<u>2,788,288</u>	<u>11,584,800</u>	<u>12,156,931</u>

The loans are repayable as follows:

	COMPANY		GROUP	
	2012	2011	2012	2011
	£	£	£	£
In one year or less	292,066	273,551	302,838	284,323
Between one and two years	311,190	278,219	321,962	288,991
Between two and five years	844,957	878,460	855,729	913,109
In five years or more	1,342,593	1,631,609	1,354,137	1,631,609
	<u>2,790,806</u>	<u>3,061,839</u>	<u>2,834,666</u>	<u>3,118,032</u>

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

	COMPANY		GROUP	
	2012	2011	2012	2011
	£	£	£	£
Deferred capital grants:				
Balance at 1 April 2011	-	-	9,323,222	10,842,697
Grants received in the year	-	-	20,500	40,000
Amortisation in the year	-	-	(290,750)	(1,559,475)
Balance at 31 March 2012	-	-	<u>9,052,972</u>	<u>9,323,222</u>

25. Provisions – Group and company

	2012	2011
	£	£
Provision for redundancy costs	<u>-</u>	<u>35,000</u>

26. Operating Leases Commitments

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

	2012	
	Property	Other
	£	£
Operating leases which expire:		
Within one year	146,905	32,140
In the second to fifth years inclusive	-	26,959
After five years	-	-
	<u>146,905</u>	<u>59,099</u>

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27. Restricted Funds - Group	Movement in funds				Balance at 31-Mar-12 £
	Balance at 01-Apr-11 £	Incoming resources £	Expenditure £	Transfers £	
Enterprise Creation	-	126,980	126,980	-	-
Enterprise Growth	-	175,130	175,130	-	-
Job Brokers-North/East/West	-	93,096	93,096	-	-
Social Economy Development Fund	-	290,223	290,223	-	-
Bridging Services	-	385,257	385,257	-	-
Yes	-	159,433	159,433	-	-
Enterprise Development	-	25,894	25,894	-	-
Social Economy	-	54,215	54,215	-	-
Accessing Opportunities	-	200,278	200,278	-	-
Youth Employability	-	95,861	95,861	-	-
Business Development	-	8,021	8,021	-	-
Step Up to Employment	-	69,265	69,265	-	-
Challenge Project	-	39,013	39,013	-	-
ESF RAP (Aftercare)	-	45,062	45,062	-	-
Roma	-	28,236	28,236	-	-
Retail Sales Analysis	-	8,000	8,000	-	-
Unfunded Posts	-	81,000	81,000	-	-
Bridging Services	-	100,000	100,000	-	-
NHS Works	-	50,000	50,000	-	-
Addictions	-	78,526	78,526	-	-
Addictions – Link Up	-	59,373	59,373	-	-
Addictions – EETI	-	62,101	62,101	-	-
Into Employment Programme	-	85,000	85,000	-	-
MCMC Central	-	43,629	43,629	-	-
St Enoch Working	-	85,000	85,000	-	-
Adult Literacy & Numeracy	-	161,652	161,652	-	-
North Glasgow Learns	-	88,197	88,197	-	-
Sunshine Nursery (EEHLC)	-	70,017	70,017	-	-
Community Engagement	-	21,550	21,550	-	-
C – Space	-	10,000	10,000	-	-
Synergy Programme	-	40,000	40,000	-	-
Bambury Centre	-	56,000	56,000	-	-
EEHLC Premises	-	440,720	440,720	-	-
Balgrayhill Learning Programme	-	22,781	22,781	-	-
PRE Get Ready for Work	-	113,380	113,380	-	-
Job Seekers IT Suite	-	35,000	35,000	-	-
Workforce Development	28,620	-	-	-	28,620
Townhead	5,427	-	3,504	-	1,923
Shopmobility	2,466	-	2,466	-	-
Environmental Project	3,000	-	-	-	3,000
Support to People-North	16,435	-	22,140	5,705	-
Support to People North	928,066	-	809,172	-	118,894
Saracen Street	277,000	-	-	-	277,000
Health Spot	29,759	-	-	-	29,759
Economy and Regeneration	76,866	-	76,866	-	-
Place and Regeneration	9,232	-	-	-	9,232
People and Regeneration (SW)	20,020	-	-	-	20,020
People and Regeneration (SE)	6,413	-	6,413	-	-
Oatlands Development	1,066	-	796	-	270
Browsers	27,055	-	27,055	-	-
	<u>1,431,425</u>	<u>3,507,890</u>	<u>4,456,302</u>	<u>5,705</u>	<u>488,718</u>

GLASGOW'S REGENERATION AGENCY

(formerly Glasgow South West Regeneration Agency)

(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

Restricted Funds:

Workforce Development

This fund will support a development officer working with mental health clients seeking to progress into employment.

Townhead

A small balance of funding remains which is to fund consultancy in the proposed development of the Townhead Village Hall project.

Environmental Project

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

Support to People North

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

Saracen Street

These funds were received to provide Public Realm facilities at the Saracen Street Development. This work will be carried out during 2012/2013.

Health Spot

The fund will support a range of health awareness activities for young people aged 18-24.

Place and Regeneration

This fund is restricted in use within the project or property development to which it relates, for the specific purpose that it was awarded.

People and Regeneration

This fund is restricted in use within the project or property development to which it relates, for the specific purpose that it was awarded.

Oatlands Development

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

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

28. Unrestricted Funds – Group

	Balance at 01-Apr-11 £	Movement in funds		Transfers £	Balance at 31-Mar-12 £
		Incoming Resources £	Expenditure (gains)/losses £		
Provision for Marketing	-	-	-	250,000	250,000
Provision for Redundancy	-	-	-	519,164	519,164
Provision for Loan Repayments	-	-	-	2,352,773	2,352,773
Refurbishment and Consolidation of Properties	-	-	-	500,000	500,000
Saracen Street	2,109,304	-	-	-	2,109,304
Tangible Fixed Assets	-	-	-	12,024,309	12,024,309
People and Regeneration Properties	805,977	-	-	(805,977)	-
New Product Development	7,474,172	-	-	(7,474,172)	-
JRF Dissemination	26,111	-	-	(26,111)	-
Business Development Fund	1,187	-	-	(1,187)	-
ESF ACP	91,617	-	-	(91,617)	-
ESF RAP	17,236	-	-	(17,236)	-
Employability and Learning	7,414	-	7,414	-	-
Regenerate Glasgow	85,357	-	31,438	(53,919)	-
Glasgow Works	3,880	-	-	(3,880)	-
Progress Torglen	93,486	340,957	238,309	(196,134)	-
Fixed Assets	10,483	-	-	(10,483)	-
Match Funding-Fairer Scotland	46,293	-	-	(46,293)	-
Match Funding-Ineligible ERDF	6,988	-	-	(6,988)	-
Match Funding ESF-Ineligible Costs	4,893	-	-	(4,893)	-
Capital Replacement	24,350	-	-	(24,350)	-
Re-Furbishment Costs	103,018	-	-	(103,018)	-
Client Progression Fund	45,000	-	-	(45,000)	-
Match Funding ESF	31,376	-	15,887	(15,489)	-
Community Health Partnership	194,629	-	196,816	2,187	-
Vulnerable Young Women	30,846	-	-	(30,846)	-
Fire Reach	40,000	69,357	55,730	(40,031)	13,596
School Gates Initiative	-	10,000	3,765	-	6,235
Drumchapel Training Trust-Upgrades	8,750	-	6,255	(2,495)	-
ERDF/ESF-Prolongation	69,222	30,000	8,250	-	90,972
Capital Grants	46,335	-	36,578	(9,757)	-
Enterprise Development Fund	1,750,489	-	-	(1,750,489)	-
Capital Developments	178,680	-	-	(178,680)	-
Economic Service Developments	547,784	111,716	152,852	(506,648)	-
Empolyability Programmes	69,406	1,037	33,373	(37,070)	-
Contingency	600,355	93,735	203,246	(490,844)	-
Childcare	150,513	-	-	(150,513)	-
Community Engagement	7,186	-	-	(7,186)	-
Mobile Tech	54,977	30,121	59,933	(25,165)	-
Regenerate Gift Aid	1,009	-	-	(1,009)	-
EEHLC	3,880	-	-	(3,880)	-
Corporate Admin	684,486	-	-	(684,486)	-
Corporate Property	299,924	-	-	(299,924)	-
Projects	271,931	-	-	(271,931)	-
Govanhill	47,078	-	-	(47,078)	-
Dalsetter Business Village	-	159,439	36,355	-	123,084
DTT – Fixed Assets	100,000	-	11,204	(88,796)	-
DTT – Landlords Obligations	19,194	-	-	(9,515)	9,679
DDT – Internal Refit and Upgrade	14,638	-	-	-	14,638
	39,810	-	8,580	-	31,230
	16,219,264	846,362	1,105,985	2,085,343	18,044,984
General Funds	9,532,669	23,615,482	23,630,942	(2,091,048)	7,426,161
	25,751,933	24,461,844	24,736,927	(5,705)	25,471,145

GLASGOW'S REGENERATION AGENCY

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

Designated Funds

Funds set aside as designated funds relate to funding received not yet expended as follows:

Provision for Marketing

The company intends to rebrand following the merger and development of our strategy for 2012-2017. A significant investment in rebranding is required throughout our delivery locations.

Provision for Redundancy

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

Provision for Loan repayments

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

Refurbishment and Consolidation of Premises

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

Saracen Street

A proposed capital development at Saracen Street is scheduled to take place during the year. Funds are therefore continued to be set aside to fund this development which is further supported by European Regional Development fund support.

Tangible Fixed Assets

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

Vulnerable Young Women

Funds were received to fund a programme of activities for a period of one year. This funding was late in being agreed and funds represent the balance of funding required to support the balance of activities carried out early in the next financial year.

Fire Reach

Funds were received during 2011/12 intended to support a year of activities. This funding was later in being agreed. The balance of funding represents a planned range of activities to be carried out in 2012/2013.

Drumchapel Training Trust Upgrades

This represents funds set aside in order to specifically upgrade the Open Gate. The funds are set aside to upgrade existing facilities and to make adjustments to existing provision to ensure that the facility continues to attract a range of projects delivering facilities to the local community.

Govanhill

The above funding was invoiced during the year to 31 March 2012. However the project did not start until December of 2011. The project delivers employability services to the Roma community. The balance of funds are held to be expended during the financial year to 31 March.

29. Transfer of Funds

The transfer of £5,705 represents the deficit on Support to People - North which was funded out of unrestricted funds.

GLASGOW'S REGENERATION AGENCY

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012**30. Analysis of Net Assets between Funds - Group**

	Tangible Fixed Assets £	Fixed Asset Investments	Net current assets £	Long term liabilities £	Total £
Restricted funds	-	-	488,718	-	488,718
Unrestricted funds	26,218,833	24,995	10,812,117	(11,584,800)	25,471,145
Total funds	<u>26,218,833</u>	<u>24,995</u>	<u>11,300,835</u>	<u>(11,584,800)</u>	<u>25,959,863</u>

31. Control

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

32. Post Balance Sheet Events

On 31 May 2011 Regenerate: Glasgow Limited ceased to trade and is currently in the process of completing final funding claims, following which it is the directors intention to submit an application for strike off to the Registrar of Companies.

On 1st August 2012, the charity transferred the assets and related activities of East End Healthy Living Centre (Net Book Value at 31 March 2012 £345,951) to Glasgow Life.

33. Capital Commitments

At 31 March 2012 capital expenditure commitments were as follows:

	2012 £	2011 £
Authorised by the Trustees but not contracted for	<u>3,327,683</u>	<u>-</u>