



Glasgow Science Centre Charitable Trust
(A Charitable Company Limited by Guarantee and not having a Share Capital)

Annual Report and Financial Statements

31 March 2010

Registered number SC172371

Registered charity number SC025818



Annual Report and Financial Statements

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Glasgow Science Centre Charitable Trust (Reg. No. SC172371)
(A Company Limited by Guarantee and not having a Share Capital)

Trustees, Officers and Advisers

Chairman

Sir K Calman

Vice Chairman

R McGrory

Trustees

C Bell (appointed 24 May 2010)

C Campbell

Dr K G Chrystie

Professor J Coggins OBE

D Colquhoun

Dr R Dickinson (resigned 24 June 2009)

Dr W Duncan (appointed 24 May 2010)

V Featherstone (appointed 24 May 2010)

Professor A Ferguson (appointed 24 May 2010)

M Gray

D Orr (retired 14 December 2009)

S Patrick

H K Ramsay

H Reid OBE

Company Secretary

D McQueen

Audit Committee

Dr K G Chrystie (Chairman)

Professor J Coggins OBE

J G Wylie CA

Finance Committee

R McGrory (Chairman)

Dr K G Chrystie

S Patrick

H K Ramsay

Nominations Committee

Sir K Calman (Chairman)

C Campbell

H K Ramsay

H Reid OBE

S Patrick

Science Advisory Committee

Professor J Coggins OBE (Chairman)

Sir K Calman

A Dobson

Professor A Ferguson

Professor G Graham

Professor J Hough

R Hoyle

M Mathers

H Reid OBE

Professor C Tannahill

Professor I Underwood

C Yates

Glasgow Science Centre Charitable Trust (Reg. No. SC172371)
(A Company Limited by Guarantee and not having a Share Capital)

Trustees, Officers and Advisers

Remuneration and Appointments Committee

R McGrory (Chairman)
D Colquhoun
M Gray

Executive Team

H K Ramsay – Chief Executive
R Hoyle – Director of Science
D McQueen – Director of Finance

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditor
141 Bothwell Street
Glasgow
G2 7EQ

Bankers

The Royal Bank of Scotland plc
Sauchiehall Street Branch
23 Sauchiehall Street
Glasgow
G2 3AD

Solicitors

Burness
120 Bothwell Street
Glasgow
G2 7JL

Registered Office

50 Pacific Quay
Glasgow
G51 1EA

Registered Charity Number

SC025818

Company Number

SC172371

Annual Report of the Trustees

The Trustees present their report and financial statements for the year ended 31 March 2010.

Structure, Governance and Management

Organisational Structure

Glasgow Science Centre Charitable Trust ('the charity') was incorporated on 17 February 1997 as a company limited by guarantee and without a share capital (number SC172371). The company is a registered Scottish Charity (number SC025818) and is governed by its Memorandum and Articles of Association.

The single member of the charity is Scottish Enterprise Glasgow, a company registered in Scotland. The member's liability is limited to £1.

Governance

The charity is governed by a Board of Trustees. The Trustees serving throughout the year and up to the date of signing of these financial statements are detailed on Page 1.

Trustees are appointed by the member but may also be co-opted by the existing Trustees. The responsibility for determining and overseeing the procedures for electing new Trustees has been delegated to the Nominations Committee, an elected group of existing Trustees. The member and all Trustees may also nominate new Trustees but such nominations are required to be approved by the Nominations Committee. Any Trustee co-opted by the existing Trustees must have their appointment approved by the member at the succeeding Annual General Meeting.

At each Annual General Meeting, one third of the Trustees (other than the Chief Executive) shall retire from office. The Trustees to retire in each year are those who have been longest in office since their last election. A retiring Trustee shall not be eligible to be appointed again until the second Annual General Meeting after that which he retires from office but may offer themselves for re-election to fill the vacated office if no other person is nominated. Such proposals are agreed by the Trustees and then presented to the member for approval.

All newly elected Trustees undergo an induction programme to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the decision making processes, business plan and recent financial statements. Copies of relevant technical releases relating to charity governance are circulated timeously to all Trustees.

Management

The main responsibilities of the Trustees are:

- Determining and agreeing the strategic direction and policies of the charity.
- Ensuring the charity is run lawfully in the interests of its members in accordance with its Memorandum and Articles of Association and that all its activities fall within its charitable purposes.
- Agreeing a financial budget and monitoring performance, determining plans to mitigate underperformance and ensuring that the charity has adequate resources to undertake its charitable activities.
- Identifying and assessing risks affecting the charity and determining plans to mitigate the risks wherever possible.
- Making accurate and prompt annual returns to the Registrar of Companies and the Office of the Scottish Charity Regulator (OSCR).
- Appointing and reviewing the performance of the Chief Executive.

The Board of Trustees meets every 6 weeks to review reports from the Chief Executive and Director of Finance on the charity's operations and financial performance.

The Board is also assisted in the performance of its duties by five sub - committees;

- Audit Committee – External audit of statutory accounts.

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- Finance Committee – Financial stewardship.
- Nominations Committee – Trustee appointments.
- Remuneration and Appointments Committee – Remuneration and appointment of senior executives.
- Science Advisory Committee – Scientific integrity of mission related work.

Each Committee is given delegated responsibility for its particular area of governance through an approved Terms of Reference and reports in full to the Board. The Committees are made up of existing Trustees and where appropriate other individuals with relevant expertise.

The day-to-day operations of the charity are delegated to the Chief Executive who is supported by a Director of Science and a Director of Finance.

Related Parties

As noted above, the charity is a subsidiary of Scottish Enterprise Glasgow. The charity also has two wholly owned subsidiaries:

- (a) Glasgow Science Centre Limited, a charity registered in Scotland, established to deliver the charity's core charitable activities, and
- (b) Glasgow Science Centre (Trading) Limited, a company registered in Scotland, established to deliver the wholly commercial activities of the charity. This company gift aids all of its profits to Glasgow Science Centre Limited.

The charity receives core operational funding from the Scottish Government (£1.248m in the year ended 31 March 2010) in accordance with the Scottish Government's Science Strategy for Scotland. The Scottish Government allocate the available funding between the four Scottish science centres (Glasgow Science Centre, Our Dynamic Earth, Sensation and Satrosphere) forming part of the Scottish Science Centre Network (SSCN) in accordance with the SSCN Strategy derived jointly by the four centres and published in November 2005. The four science centres in the SSCN operate as separate entities although do collaborate on sharing of best practice in commercial matters and science education. The Scottish Government issues funding based on the SSCN Strategy and does not exercise, or have any general power to exercise, any control over the activities of the charity or its affairs and the Trustees do not consider it to be a related party to the charity.

The charity is the sole beneficiary of the Glasgow Science Centre Endowment Fund ('the Fund'), which is governed by a separate Board of Trustees representing Glasgow Science Centre Charitable Trust, Scottish Enterprise Glasgow and Glasgow City Council. This body was formed in 1999 for the purposes of funding the construction and renewal of the buildings and exhibitions of Glasgow Science Centre.

Risk Management

All major risks to which the charity is exposed are detailed in its Risk Register together with actions and responsibilities to mitigate or minimise the effect of these risks wherever possible. The risks are reviewed on an ongoing basis by the Senior Management Team and any deviations reported to the Trustees through monthly operational reports. The full Risk Register is reviewed on an annual basis by the Trustees

The Trustees are satisfied that appropriate action, wherever possible, is being taken to mitigate or minimise the risks identified in the Risk Register.

Objectives and Activities

The charity's main objectives, as set out in the Articles of Association, are:

- (a) To advance the education of the general public, and in particular the inhabitants of Scotland, by promoting awareness and understanding of science and technology through the establishment and operation of a permanent exhibition and education centre;

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- (b) To advance the education of the general public through the promotion of the principles of science and technology, their application and their potential for the creation of improved conditions of life worldwide.

The charity's vision and mission statement, as set out in its Corporate Plan 2009 - 10, are as follows:

Our Vision

A brighter future for Scotland through science experiences that engage, challenge and inspire.

Our Mission

To promote Science & Technology through thought-provoking, fun and exciting experiences that inspire all to explore and understand the world around them.

The charity's main activity is to hold shares in its subsidiaries who in turn deliver the mission as stated above via the operation of Glasgow Science Centre ("GSC") and by carrying out commercial activities; all surpluses from commercial activities are re-applied in delivering the charity's mission.

GSC opened to the public in July 2001 and comprises three principal attractions, a Science Mall, Glasgow Tower and an IMAX cinema.

GSC currently employs 121 full-time staff, 19 part-time staff and 67 casual staff. GSC is a 7 day a week operation for the majority of the year. Extended opening hours for all or part of the site are required on many days to accommodate evening science programmes, IMAX screenings and corporate events.

The charity's strategic and primary objectives for the current reporting period as set out in its Corporate Plan for 2009 -10 are:

- 1. *Maximise accessibility and impact to attract more visitors from a wider audience and inspire them to return.***
 - To achieve a total of 278,972 visitors made up of 173,000 public visitors to the Science Mall, 4,000 public visitors to the Tower, 52,000 education in-reach participants and 49,972 community and education outreach participants.
 - From the above visitor numbers to achieve a total of 397,972 admissions made up of 225,000 to the Science Mall, 56,100 to the IMAX, 27,975 to the Tower, 38,925 to the Planetarium and 49,972 to outreach.
 - Make further improvements to the external/internal environments.
- 2. *Create interactive and inspirational experiences to increase awareness and engagement in science, technology, engineering and medicine.***
 - Embed learning quality assurance framework.
 - Deliver exhibition refresh programme.
 - Deliver Schools & Public inreach programmes.
 - Deliver Schools & Community outreach programme.
- 3. *Build partnerships to develop our national role as a key player in science communication and education.***
 - Establish good working practices with a network of key stakeholders in science engagement.
 - Develop relationships with HE / FE / TEs.
 - Develop relationships with industry and career and enterprise organisations to raise awareness of GSC's current and potential contribution to science careers.

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- To network with local communities and businesses to raise the profile of GSC in our locality to ensure the widest possible access to GSC by all groups of society.
- 4. Deliver staff development and maximise operational efficiency.**
 - Establish a company structure and management practices and procedures that promote continuous improvement and effectively deliver all GSC services.
 - Develop and introduce GSC Staff Development programme.
- 5. Expand/diversify fundraising activities to build a high performing responsive and sustainable Glasgow Science Centre.**
 - To create and implement a fundraising strategy that maximises financial return from both existing and new potential sources income.
 - Improve management reporting systems.

Achievements and Performance

The Trustees are pleased to report good progress in delivery of the Corporate Strategy despite difficult operational circumstances following the redundancy of 21 staff last year. Progress against the primary objectives for the year is noted below:

Accessibility and Impact

The table below summarises visitor and admission numbers for the year against budget and the previous year:

Visitors/Participants	Actual 2009/10	Budget 2009/10	Variance	Actual 2008/09
Science Mall – Public	164,684	173,000	(8,316)	192,504
Tower – Public	1,527	4,000	(2,473)	2,996
Education In-reach	52,142	52,000	142	62,327
Education & Community Outreach	62,175	49,972	12,203	50,226
Total	280,528	278,972	1,556	308,053
Admissions				
Science Mall – Public & Education	216,853	225,000	(8,147)	258,480
IMAX – Public & Education	52,606	56,100	(3,494)	72,999
Tower – Public	8,199	27,975	(19,776)	23,296
Planetarium – Public	37,524	38,925	(1,401)	41,426
Education & Community Outreach	62,175	49,972	12,203	50,226
Total	377,357	397,972	(20,615)	446,427

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Total visitor/participants at 280,528 were 1,556 or 0.6% ahead of budget and 27,525 or 8.9% behind last year (2009: 308,053) while total admissions at 377,357 were 20,615 or 5.2% behind budget and 69,070 or 15.5% behind last year (2009: 446,427).

The main reason for the drop in visitor/admission numbers against the previous year is considered to be the impact of the economic recession on consumer spending.

The shortfall in admissions against budget is mainly due to the ongoing reliability issues with the Tower which significantly restricted its availability during the year.

Customer satisfaction rating monitored through third party surveys has remained above target at 8.3 out of 10 (Target: 8, 2009: 8.5).

Phase 2 of the improvements to the external environment around GSC have been completed including landscaping, tree planting and the installation of bollards/street furniture around Millennium Square to add to the amenity value and also increase the protection of the buildings and visitors from unauthorised vehicular access.

The refurbishment of the IMAX foyer was also completed to improve the quality of the visitor experience.

Quality Science Experiences

Learning Quality Assurance Framework

Work continued on the development of a learning quality assurance framework however although the principles of the framework were agreed a lack of resources has meant that the framework itself has not been finalised and therefore no progress has been made in embedding it within the delivery of our science experiences.

Exhibit Refresh Programme

Despite limited resources, work has also continued in developing/expanding our exhibits stock through new exhibit creation and by securing various temporary travelling exhibitions. Exhibits/Exhibitions developed/created/secured/hosted in the year include:

- Hosting of temporary travelling exhibitions "Inside DNA", "Future Foods" and "Darwin 200".
- Purchase/creation of new exhibits including mindball, 3 animation stations, spinning disk, tenorian, polydrons station and sand patterns.
- Creation of a Children's Discovery area for under 7s in the Clyde Explorer area on floor 1 which opened on 1 April 2010.
- Temporary travelling exhibition "Wallace and Gromit present a World of Cracking Ideas" secured and installed on part of floor 2 and all of floor 3 in March 2010 and will be hosted from April 2010 to November 2010.
- Development of new Innovations Area ongoing for creation/installation on floor 2 in late 2010.
- Development of Bodyworks exhibition ongoing for creation/installation on floor 3 in early 2012.
- Initial investigation into the availability of further temporary travelling exhibitions for 2011.

Schools and Public In-reach Programmes

A high quality public and schools education programme continues with new innovative interactive shows being developed and rolled out over the year receiving excellent responses from all participants. In addition to our ongoing programmes new shows/programmes developed and rolled out during the year include:

- Various International Year of Astronomy 2009 events.
- Darwin 200 debates and festival events.
- Homecoming Scotland 2009 events celebrating Scotland's contribution to Science.

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- Inside DNA workshops.
- Social Science licensed adult events.
- Potions science show linked to Harry Potter.
- Adult numeracy programmes.
- New Little Explorer public and education programmes (Animal Bite, Twinkle Time)
- New pre and post visit curriculum linked resource materials for all new education programmes.

Schools and Community Outreach Programmes

The main Outreach activity has been the delivery of the Bodyworks Outreach Programme (Understanding how your body works) to schools and community groups throughout the country.

In addition a nursery Outreach programme including teacher CPD has been delivered to 50 nursery schools across 10 Council wards in Glasgow.

A total of 62,175 individuals experienced the Outreach activities, which was 12,203 or 24.4% ahead of the target of 49,972.

Profile Raising/Partnership Working

Good progress has been made during the year in raising the profile of the GSC and science in general with the official launch by the Lord Provost, Bob Winter, of Glasgow City of Science in February 2010. This initiative attempts to build on Glasgow's long tradition of excellence in science, technology, engineering and medicine by co-ordinating the work of its universities, colleges, schools, the city council, commerce and industry to encourage interest, education and investment in the STEM sectors. A co-ordinating group has been established to take the initiative forward and work has commenced in a number of key policy areas through small working groups.

Work in developing other partnerships in a range of areas has continued with some good progress but there is still much work remaining to establish and take forward more focussed and strategic partnerships that will make a significant difference to the delivery of the GSC mission.

The main profile raising and partnership work in the four identified priority areas is summarised below:

Networking with other Science Engagement Organisations

- A Memorandum of Understanding with the Royal Zoological Society of Scotland (RZSS) was agreed in January 2010 to investigate the feasibility of establishing a joint venture vehicle to construct an RZSS facility as part of or adjacent to the Science Centre.
- Partner in national Embedding Dialogue project with 5 UK Science Centres to improve facilitation skills in science communicator professionals across the UK.
- Delivered "She is an Astronomer" project with UK Research Councils.
- Worked with the Astronomer Royal to deliver the "New Constellation" project.
- Worked with Outreach & Public Engagement Network (OPEN) for the West of Scotland to deliver series of events for University Scientists.
- Worked with the Royal Astronomical Society to deliver International Year of Astronomy events.
- Supported the delivery of the "Timetastical Science Show" with Edinburgh Science Festival.
- Delivered Eco Days with the STEM network.
- Delivered Clyde in the Classroom with the Clyde River Foundation.

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- Supported the WISE Group, Countryside Rangers, Strathclyde Police Wildlife Protection, SEPA, Scottish Wildlife Trust and Skills Development Scotland to deliver environmental workshops.
- Worked with SSREC to deliver teacher and pupil events during Chemistry Week.
- Hosted events for East and West STEMpoint holders.

Relationships with HE / FE / TEs

- Seconded staff to Glasgow and Strathclyde Universities to deliver the OPEN West of Scotland project.
- Worked with the University of Glasgow to deliver International Year of Astronomy and Homecoming events.
- Glasgow and Strathclyde Universities worked with visitors to research facial recognition patterns.
- Worked with MRC to deliver workshops to engage the public with DNA and how to extract it.
- Delivered CPD for PDGE students from Strathclyde and Cumbria Universities.
- Assisted Strathclyde University with the delivery of its Life Long Learning Programme.
- Sleep study undertaken by Glasgow University on GSC visitors.
- Worked with Glasgow University on their "How Fit Are You" research project to gather data on children's fitness levels during Outreach visits to various secondary schools.

Relationships with Industry, Careers and Enterprise Organisations

- Continued to work with GlaxoSmithKline to deliver Bodyworks Outreach programme.
- Partnership established with ScottishPower Renewables as a result of GSC (Trading) Limited managing their new Whitelee Visitor Centre. Since it opened in September 2009 until 31 March 2010 (winter shutdown 1 Dec to 22 Mar) a total of 26,964 visitors have attended including 1,314 education visitors.
- Working with Skills Development Scotland to deliver Eco Days.
- Delivered "Who wants to be a scientist?" programme.
- Hosted "Engineering our Future" conference.
- Delivered science communication training to prospective teachers at Stow College.
- Hosted meetings and product launches for Thales, LeoPharma, SCDI and Nexus.

Relationships with Community and Local Businesses

GSC Outreach team attended many local and national events at various venues throughout the country including Silverburn Shopping Centre, River Festival, Southside Festival, Pollokshaws Carnival, Clan Gathering, Go Greener, PRYDE, BIG Conference, Partick Fayre, Torglen International Play Day, Netherton Fund Day, Pipe Band Championship, Great Scottish Scientific Minds – Stratosphere, Cowal Games, Guide Headquarter Scotland, Mearns Fund Day, Dundee Flower and Food Festival, Scottish Learning Festival, Dumbreck Fun Day, Science in the Sporrin Edinburgh Castle, Scottish Parliament 10th Anniversary and many more.

Staff Development/Operational Efficiency

Following the loss of 21 staff through redundancy last year, the main priority has been the bedding in of the revised staffing structure agreed in March 2009. This has been completed successfully with most departments operating effectively throughout the year. The reduced staffing numbers have, however, stretched the organisation during peak periods with holidays and sickness also adding to the pressures. Additional temporary and casual staff were employed at various times during the year to reduce/remove any bottlenecks which appeared.

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An ongoing review is being undertaken on operational efficiency in all business areas with further changes implemented when significant weaknesses are identified. In January 2010 the line management of the Science Communicators on the floors was transferred from the Customer Experience department to the Science Learning department in an effort to improve the quality and consistency of the science experience for customers.

Despite ongoing resource constraints, there has been a significant amount of staff training undertaken as follows:

- Institute of Occupational Safety and Health (IOSH) training completed by 25 individuals.
- 22 individuals have completed first aid training.
- The majority of front of house staff have undertaken Customer Service training.
- Practical fire training undertaken by 46 individuals.
- SVQ in management being undertaken by 6 individuals.
- A number of Managers have taken part in various Scottish Enterprise management seminars including Managing Teams, Dealing with Conflict and Recruitment & Selection.

A new system of Personal Development Reviews has been introduced which will ensure that the performance of all members of staff are reviewed twice a year against personal objectives directly linked to the corporate strategy and operational plan. The new system will also better facilitate the management of staff training needs.

In an effort to partly compensate for the reduction in staffing complement, a volunteering programme has been developed. Policy and procedures have been agreed and recruitment has commenced. Two volunteers have been recruited to work as Early Years Support Assistants in the Children's Discovery Area and recruitment is ongoing for School Welcome Hosts.

Income Expansion and Diversification & Management Information Systems

The economic recession has created difficult market conditions for charitable giving and, therefore, it has been a very difficult year for our fundraising efforts. Despite this, there are a few notable achievements:

- Securing of £41,500 for the creation of a Children's Discovery Area from Scottish Water (£21,500), the Institute of Civil Engineers (£10,000) and People's Postcode Trust (£10,000).
- Securing of £34,320 from the Scottish Government to develop and delivery education programmes related to the Children's Discovery Area.
- Securing of £41,300 from Glasgow City Council to deliver Outreach activities to 50 nursery schools.

Since the year end, a capital grant contribution of £900,000 from the Wellcome Trust has been secured towards a new Bodyworks exhibition to be situated on Floor 3 at a cost of £1.9m. Efforts are continuing to secure the remaining funds, with the exhibition expected to be on the floor early in 2012.

A lack of resources has limited progress on the production of a structured fundraising strategy and the completion of this document is a key objective for 2010/11. The Board wish to see a significant improvement in fundraising performance over the coming year.

It has been a very successful year from our commercial activities with trading operations achieving an increase of 45.4% in turnover to £3,250,515 (2009: £2,235,508) due mainly to the increased IMAX DMR admission income and for the first time fees for the management of Whitelee Visitor Centre.

Due to reduced staffing capacity, the implementation of the new Finance System was significantly delayed. The new system eventually went live on 1 April 2010 with work ongoing to gradually roll out throughout the organisation.

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Financial Review

Despite a further reduction in Scottish Government funding and the impact of the recession, 2009/10 has been a good year for the charity in financial terms.

Incoming Resources

Total income decreased by £317,268 or 5.1% on last year to £5,920,053 (2009: £6,237,321) due mainly to the following:

- decrease in voluntary income of £146,419;
- decrease in investment income of £31,245;
- decrease in admissions income of £143,310;
- decrease in grants for charitable activities of £812,563; and
- decrease in other incoming resources of £198,738

Offset by:

- increase in activities for generating funds of £1,015,007.

Voluntary Income

Voluntary income decreased by £146,419 or 8.3% to £1,626,050 (2009: £1,772,469) due mainly to a reduction of £167,000 in the Scottish Government Grant offset by an increase in donations and gift aid from individuals.

Activities for Generating Funds

Income generated from various commercial activities increased by £1,015,007 or 45.4% to £3,250,515 (2009: £2,235,508) due to the following:

- Increased admission income from the screening of IMAX DMRs (digitally remastered feature films) of £609,716 or 130% to £1,079,652 (2009: £469,936) due mainly to the resurgence in the availability and demand for 3D films and in particular the phenomenal success of Avatar which had full houses for every screening. Total DMR admission numbers were up 101% at 158,227 (2009:78,692).
- Fee income of £209,544 from the management of Whitelee Visitor Centre on behalf of ScottishPower Renewables since September 2009.
- Increase in shop, snack bar and vending income of £61,452 or 12.6% to £547,796 (2009: £486,344) due to additional spend in the IMAX snack bar from the increase in IMAX admissions partly offset by reduced shop sales.
- Increase in Christmas Party Night income of £39,898 or 46.3% to £126,167 (2009: £86,269) following introduction of a revised offer with 3 menu options now available to meet different budgetary needs.
- Increase in car parking income of £38,429 or 24.8% to £193,514 (2009: £155,085) resulting from the increased IMAX activity.
- Increase in the sale of exhibition and programming services to other organisations of £33,578 to £38,578 (2009: £5,000).

Investment Income

Investment income from interest on cash balances has decreased by £31,245 or 92.7% to £2,473 (2009: £33,718) due to the base rate remaining at 0.5% throughout the year.

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Charitable Activities – Admissions

Income from admissions has decreased by £143,310 or 11.7% to £1,083,306 (2009: £1,226,616) due to the reduction in admission numbers across all activities. The reduction is considered to be due mainly to the economic recession but also to the lack of re-investment in the exhibit stock.

Grants towards Charitable Activities

Grant income for capital projects has decreased by £654,787 or 168.2% to a negative figure of £265,403 (2009: £389,384) due mainly to the cancellation of a previously approved grant commitment from the GSC Endowment Fund of £512,673 for the settlement of disputed sums due to a number of professional advisers for the construction of the Science Centre. The disputed sums were resolved in March 2010 at no cost to the charity and therefore the grant commitment was no longer required.

Grant income for revenue projects decreased by £157,776 or 42.3% to £215,600 (2009: £373,376) due to difficult market conditions for fundraising.

Other Incoming Resources

Income from other resources has decreased by £198,738 or 96.4% to £7,512 (2009: £206,250) due to there being no one off receipt this year from the BBC (2009: £206,000 from the BBC as a contribution to landscaping works).

Resources Expended

Total expenditure has increased by £166,066 or 1.7% to £10,071,501 (2009: £9,905,435).

Cost of Generating Funds

The costs of generating funds have increased by £834,199 or 33.5% to £3,324,229 (2009: £2,490,030) due to the significant increase in commercial activities during the year.

Charitable Activities

Direct charitable costs have decreased by £328,500 or 6.3% to £4,896,958 (2009: £5,225,458) due to cost saving measures.

Support costs have decreased by £340,384 or 16.0% to £1,782,133 (2009: £2,122,517) due to cost saving measures.

Governance Costs

Governance costs at £68,181 are in line with last year (2009: £67,430).

Staff Costs

Total staff costs at £2,801,143 have decreased by £317,633 or 10.2% (2009: £3,118,776) due to the impact of the staff redundancies made last year with average staff numbers reduced by 7 to 118 (2009: 125) offset by a 2% bonus paid to all staff in March 2010 instead of a cost of living increase.

Operating Deficit

An operating deficit of £4,151,448 (2009: £3,668,114) was incurred in the year.

The operating deficit is made up of a surplus of £174,481 (2009: deficit of £466,908) in unrestricted funds and a deficit of £4,325,929 (2009: £3,201,206) in restricted funds.

The improvement in unrestricted surplus of £641,389 (Loss of £466,908 to surplus of £174,481) is due to an increase in unrestricted income of £701,295 offset by an increase in unrestricted expenditure and transfers of £59,906 during the year.

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The increase in unrestricted expenditure of £59,906 is made up of an increase in the costs of generating funds of £827,130 and governance costs of £751 offset by a decrease in charitable activities expenditure of £767,975.

The increase in the deficit on restricted funds of £1,124,723 is due to a decrease in restricted capital and revenue grant income of £1,018,563 and increase in restricted expenditure and transfers of £106,160 during the year.

Capital Expenditure

Capital expenditure of negative £94,233 was incurred in the year (2009: £665,132) mainly on the following:

- Negative capital expenditure of £512,673 on the Tower following the receipt of credit notes against disputed invoices;
- Phase 2 of the landscaping of the external environment around GSC;
- Completion of the Bodyworks portable exhibits;
- Construction of a Children's Discovery Area within the Clyde Explorer area on floor 1;
- Purchase/creation of new exhibits including mindball, 3 animation stations, spinning disk, tenorian, polydrons station and sand patterns.
- Further development of the retail catering operations;
- Replacement of pinion and roller systems and safety devices for both Tower lifts.
- Upgrade of Building Management System;
- Refurbishment of IMAX Foyer;
- Purchase of new photocopier printers; and
- Various energy efficiency projects.

Financial Reserves

Total financial reserves at 31 March 2010 were £39,040,204 (2009: £43,191,652) representing unrestricted funds of £752,630 (2009: £578,149) and restricted funds of £38,287,574 (2009: £42,613,503).

At 31 March 2010 the unrestricted funds of £752,630 are all held in the general unrestricted financial reserve.

Financial Reserves Policy

The charity's unrestricted (general) financial reserves policy was approved in May 2007 as follows:

"To retain sufficient unrestricted funds to allow Glasgow Science Centre (GSC) to be managed effectively, ensure the uninterrupted delivery of its Corporate Strategy and avoid the necessity of realising fixed assets held for its use. To achieve this GSC estimates that, following a review of its Risk Register, unrestricted funds of £500,000 should be retained as financial reserves. This level represents cover for 3 months matching funding for core mission activities, administration and support costs."

At £752,630 the charity's unrestricted financial reserves are above the level identified. Given the uncertainty regarding Scottish Government funding beyond 2010/11 the Trustees believe it to be prudent to hold a higher level of financial reserves until Scottish Government funding for the 3 year period 2011/14 is agreed.

The financial reserves policy is reviewed by the Trustees on an annual basis.

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Plans for Future Periods

The Operational Plan for 2010 – 11 sets out the following main targets under the five corporate objective headings:

- Achieving visitor and admission numbers of 262,000 and 375,250 respectively including 60,000 in-reach education participants. These figures represent a 20% increase on 2009-10.
- 60,000 education and community outreach participants.
- Develop and implement a Science Engagement Quality Assurance Framework that enables the outcome and impact of all activities to be captured and assessed.
- Increase partnership development and working including supporting the development of Glasgow City of Science and progressing the feasibility study into a joint venture with RZSS.
- Secure the remaining funding required to develop and implement a new innovations area on Floor 2 during 2010 and the Bodyworks exhibition on Floor 3 in early 2012.
- Investigate and secure a further high profile temporary travelling exhibition for 2011.
- Achieve targets set for commercial income generation from IMAX DMR, Corporate Events, Whitelee Visitor Centre and Retail trading operations and develop proposals for further expansion of these activities.
- Produce and implement a structured fundraising strategy to significantly improve the current return from unrestricted and restricted fundraising activities from all funding sectors i.e. public, charitable and industry.
- Create a programme to celebrate the 10th anniversary of the opening of GSC during summer 2011.
- Continue to investigate and implement further operational efficiencies including training/development of staff, establishment and implementation of volunteering programme and improvements in management information systems.

The Trustees are of the opinion that, taking into consideration the further reduction in Scottish Government funding for 2010/11, the continuing uncertain economic outlook, forecast earned revenues and unrestricted financial reserves, the charity can be considered as a going concern.

Thanks

The Trustees are grateful for the continued support of GSC's many partners in the delivery of its mission and extends its thanks to all staff for their hard work over the year.

The Trustees also wish to thank all of the charity's corporate, statutory and charitable funders for their continuing support, in particular the Scottish Government, Glasgow Science Centre Endowment Fund, GlaxoSmithKline, Glasgow City Council, Scottish Water, Britvic, Institute of Civil Engineers and People's Postcode Trust.

Statement of Trustees' responsibilities in respect of the financial statements

The Trustees (who are also Directors of Glasgow Science Centre Charitable Trust for the purposes of company law) are responsible for preparing the Annual Report of the Trustees 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:

Annual Report of the Trustees

- 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 charitable company will continue in business.

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

In so far as the Trustees are aware:

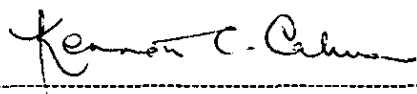
- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Auditors

A resolution will be proposed at the Annual General Meeting that PricewaterhouseCoopers LLP be re-appointed as auditors to the charity for the ensuing year.

For and on behalf of Board of Trustees



Sir Kenneth Calman
Trustee and Chairman of the Board

12 July 2010

Independent auditors' report to the Trustees and Members of Glasgow Science Centre Charitable Trust

We have audited the financial statements of Glasgow Science Centre Charitable Trust for the year ended 31 March 2010 which comprise the Consolidated Combined Statement of Financial Activities and Income and Expenditure Account, the Consolidated and Company Balance Sheets and the related notes. The financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of Trustees and auditors

The Trustees' (who are also the directors of the charity for the purposes of company law) responsibilities for preparing the Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' responsibilities in respect of the financial statements.

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

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the charity's Members as a body in accordance with Chapter 3 Part 16 of the Companies Act 2006, and to the charity's Trustees as a body in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view, 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. We also report to you whether in our opinion the information given in the Annual Report of the Trustees is consistent with the financial statements.

We also report to you if, in our opinion, the charity has not kept adequate and proper accounting records, if the charity's financial statements are not in agreement with these accounting records, if we have not received all the information and explanations we require for our audit, or if certain disclosures of Trustees' remuneration specified by law are not made.

We read other information contained in the Annual Report and Financial Statements, and consider whether it is consistent with the audited financial statements. This other information comprises only the Annual Report of the Trustees and all of the other information listed on the contents page. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Trustees in the preparation

Independent auditors' report to the Trustees and Members of Glasgow Science Centre Charitable Trust

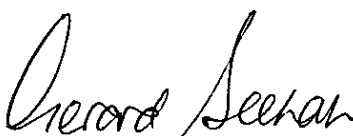
of the financial statements, and of whether the accounting policies are appropriate to the group and parent charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2010 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006; and
- the information given in the Annual Report of the Trustees is consistent with the financial statements.



Gerard Seenan (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

PricewaterhouseCoopers LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Glasgow

Date: 10 August 2010

Consolidated Combined Statement of Financial Activities and Income and Expenditure Account

For the year ended 31 March 2010

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2010 £	Total 2009 £
Incoming Resources					
Voluntary income	2	1,626,050	-	1,626,050	1,772,469
Activities for generating funds	3	3,250,515	-	3,250,515	2,235,508
Investment income	4	2,473	-	2,473	33,718
Charitable activities					
Admissions	5	1,083,306	-	1,083,306	1,226,616
Grants	6	-	(49,803)	(49,803)	762,760
Other incoming resources	7	7,512	-	7,512	206,250
		<u>5,969,856</u>	<u>(49,803)</u>	<u>5,920,053</u>	<u>6,237,321</u>
Resources Expended					
Cost of generating funds					
Fundraising trading: cost of goods sold and other costs		3,301,963	22,266	3,324,229	2,490,030
Charitable activities					
Science Mall	10	1,766,369	2,934,335	4,700,704	5,066,354
IMAX Cinema	10	274,923	433,683	708,606	803,860
Tower	10	188,883	537,784	726,667	826,054
Education programmes	10	213,827	329,287	543,114	651,707
Governance costs	12	68,181	-	68,181	67,430
		<u>5,814,146</u>	<u>4,257,355</u>	<u>10,071,501</u>	<u>9,905,435</u>
Net income/(expenditure) for the year before transfers		<u>155,710</u>	<u>(4,307,158)</u>	<u>(4,151,448)</u>	<u>(3,668,114)</u>
Transfers between funds		18,771	(18,771)	-	-
Net movement in Funds		<u>174,481</u>	<u>(4,325,929)</u>	<u>(4,151,448)</u>	<u>(3,668,114)</u>
Funds b/fwd at 1 April 2009		<u>578,149</u>	<u>42,613,503</u>	<u>43,191,652</u>	<u>46,859,766</u>
Funds c/fwd at 31 March 2010		<u>752,630</u>	<u>38,287,574</u>	<u>39,040,204</u>	<u>43,191,652</u>

The above results are wholly derived from continuing activities.

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

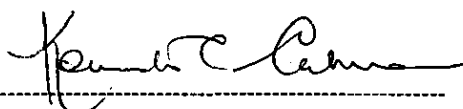
There is no difference between the results for the year and the results for the year based on their historical cost equivalent.

Consolidated balance sheet

As at 31 March 2010

	Notes	2010 £	2009 £
Fixed assets			
Tangible fixed assets	14	38,026,094	42,072,381
Current assets			
Stock		109,618	84,868
Debtors	16	844,277	938,765
Cash at bank and in hand		954,290	1,353,805
		1,908,185	2,377,438
Creditors: amounts falling due within one year	17	(894,075)	(745,495)
Net current assets		1,014,110	1,631,943
Provision for liabilities and charges	18	-	(512,672)
Net assets		39,040,204	43,191,652
Reserves			
Restricted funds	19	38,287,574	42,613,503
Unrestricted funds	20	752,630	578,149
		39,040,204	43,191,652

The financial statements were approved by the Board of Trustees on 12 July 2010 and signed on their behalf by:



Sir Kenneth Calman
Trustee and Chairman of the Board

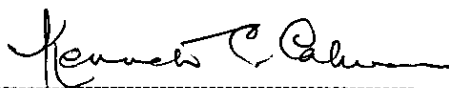
12 July 2010

Company balance sheet

As at 31 March 2010

	Notes	2010 £	2009 £
Fixed assets			
Tangible fixed assets	14	2,000,000	2,000,000
Investment in subsidiary undertakings	15	3	3
		<u>2,000,003</u>	<u>2,000,003</u>
Current assets			
Debtors	16	1,313	522,610
Cash at bank and in hand		22,073	22,134
		<u>23,386</u>	<u>544,744</u>
Creditors: amounts falling due within one year	17	(22,651)	(543,948)
Net current assets		<u>735</u>	<u>796</u>
Net assets		<u><u>2,000,738</u></u>	<u><u>2,000,799</u></u>
Reserves			
Restricted funds	19	2,000,000	2,000,000
Unrestricted funds	20	738	799
		<u><u>2,000,738</u></u>	<u><u>2,000,799</u></u>

The financial statements were approved by the Board of Trustees on 12 July 2010 and signed on their behalf by:



Sir Kenneth Calman
Trustee and Chairman of the Board

12 July 2010

Notes to the financial statements

For the year ended 31 March 2010

1. Accounting policies

Basis of preparation

The financial statements have been prepared on a going concern basis, which assumes that the company will continue in operational existence for the foreseeable future and be able to meet its liabilities as they fall due.

Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and in accordance with applicable accounting standards and the Statement of Recommended Practice, Accounting by Charities. No cash flow statement has been prepared in accordance with the exemption for subsidiary undertakings where consolidated financial statements which include the subsidiary group are available.

Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings Glasgow Science Centre Limited and Glasgow Science Centre (Trading) Limited made up to 31 March each year. The Trustees have taken advantage of the exemption available under Section 657 of the Companies Act 2006 and not presented a profit and loss account of the parent company. A deficit of £61 (2009: surplus £293) was incurred by the parent company.

Fixed assets

All fixed assets are included at historical cost with the exception of freehold land which is included at valuation. Fixed asset additions below £500 are not normally capitalised unless they are part of a larger fixed asset. A review of impairment of all fixed assets is undertaken on an annual basis with appropriate write down incorporated if required.

The cost of tangible fixed assets, other than construction in progress, is written off by means of the straight line basis over their expected useful lives as follows:

Buildings	-	25 years
Exhibits	-	3 -10 years
Plant and equipment	-	5 -10 years
Computer equipment	-	3 years
IMAX projector	-	20 years

Stocks

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

Pension Scheme

The group operates a stakeholder (money purchase) pension scheme on behalf of its employees through Friends Provident. No employer's contribution is normally made however employees have the option of dispensing with their cost of living salary increase in return for an employer's contribution of the same amount to the scheme. In addition, a number of other employees received contributions towards their money purchase personal pension schemes. Contributions to all schemes are accounted for on an actual basis.

Funds

Funds are classified as restricted or unrestricted in the Statement of Financial Activities as defined as follows:

Restricted Funds – expendable for specific purposes declared by the donor.

Unrestricted Funds – expendable at the discretion of the Trustees in furtherance of the objects of the charity.

Designated Funds – unrestricted funds designated for a specific purpose by the Trustees.

Notes to the financial statements

For the year ended 31 March 2010

Incoming Resources

Voluntary Income

Voluntary income includes grants for core funding from government, donations and any gift aid claimed and sponsorships where these are, in substance, donations rather than payment for goods and services. Income is recognised in the accounting period when there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability unless the donor specifies that the grant or donation must only be used in a future accounting period.

Activities for Generating Funds

Activities for generating funds are trading and other fundraising activities carried out to generate incoming resources which will be used to undertake the charitable activities. Income is recognised when earned and includes sponsorships which cannot be considered as pure donations and income from property letting and licensing arrangements.

Investment Income

Investment income from investment assets is recognised when earned.

Admissions

Income from visitor admissions principally represents tickets sold for daily admissions or annual season tickets. Daily admissions income is recognised by ticket date while season ticket income is spread evenly throughout the year.

Grants

Grants in respect of capital expenditure are credited to restricted funds and released to the income and expenditure account over the expected useful lives of the relevant assets by equal annual instalments. Revenue grants are credited to revenue in the year to which they are receivable.

Other Incoming Resources

Other incoming resources are recognised when received.

Resources Expended

Costs of Generating Funds

Costs of generating funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Charitable Activities

Expenditure on charitable activities includes both direct charitable expenditure and an appropriate proportion of support costs for the charity's four main activities: science mall, IMAX, tower and education programmes.

Support Costs

Support costs include marketing, facilities management, information technology, finance, human resources and general management. These costs are allocated across fundraising expenditure and the four categories of charitable expenditure on the basis of the direct expenditure incurred.

Governance Costs

Governance costs include the costs of staff time in dealing with governance issues, the cost of the statutory audit and legal costs associated with the governance of the company.

Operating Leases

Operating lease rentals are charged to the financial statements as they fall due.

Notes to the financial statements

For the year ended 31 March 2010

2. Voluntary income

	2010 £	2009 £
Scottish Government Grant	1,248,000	1,415,000
Donations	180,767	164,607
Gift Aid - Income Tax Recovered	173,103	136,196
Britvic Sponsorship	19,712	6,666
BiP Solutions Sponsorship	4,468	-
ScottishPower Planetarium Sponsorship	-	50,000
	<u>1,626,050</u>	<u>1,772,469</u>

3. Activities for generating funds

	2010 £	2009 £
IMAX Admissions DMR Films	1,079,652	469,936
Corporate hospitality	652,441	641,173
Retail - Shop, Snack Bar and Vending	547,796	486,344
Retail - Cafe	331,332	342,759
Management Fees - Whitelee Visitor Centre	209,544	-
Car parking	193,514	155,085
Christmas party nights	126,167	86,269
Property rental	43,596	27,903
Exhibition and programme services	38,578	5,000
Berthing charges	18,372	8,624
IMAX advertising	9,523	12,420
Other	-	131
Catering commission	-	(136)
	<u>3,250,515</u>	<u>2,235,508</u>

4. Investment income

	2010 £	2009 £
Bank interest	<u>2,473</u>	<u>33,718</u>

5. Charitable Activities - Admission income

	2010 £	2009 £
Science Mall	756,356	796,477
Education programmes	251,857	284,083
IMAX Cinema	57,225	104,542
Tower	17,868	41,514
	<u>1,083,306</u>	<u>1,226,616</u>

Notes to the financial statements

For the year ended 31 March 2010

6. Grants towards Charitable Activities

	2010	2009
	£	£
Capital Projects		
Scottish Water - Childrens Discovery Area	21,500	-
GlaxoSmithKline - Exhibits	18,630	92,739
The Institution of Civil Engineers - Childrens Discovery Area	10,000	-
People's Postcode Trust - Childrens Discovery Area	10,000	-
Britvic - Exhibits	-	30,000
GSC Endowment Fund - Buildings/Exhibits	(325,533)	240,806
Scottish Enterprise - External Works	-	16,000
Energy Savings Trust - Wind Turbine	-	9,585
Proven Energy - Wind Turbine	-	254
	<u>(265,403)</u>	<u>389,384</u>
Revenue Projects		
Scottish Government	92,520	119,965
GlaxoSmithKline	66,200	84,560
Glasgow City Council	41,300	979
Bellahouston Bequest Fund	5,000	-
Royal Astronomical Society	2,580	4,588
Commonweal Fund	2,500	-
The W M Mann Foundation	2,000	-
The Endrick Trust	2,000	-
Glasgow University	1,500	-
SSERC	-	130,000
Glasgow Caledonian University	-	8,000
University of the West of Scotland	-	8,000
Strathclyde University	-	4,327
Scottish Arts Council	-	3,840
ScottishPower	-	2,609
University of Dundee	-	2,000
James Wood Bequest Fund	-	1,000
Other	-	3,508
	<u>215,600</u>	<u>373,376</u>
	<u>(49,803)</u>	<u>762,760</u>

The negative grant received from GSC Endowment Fund of £325,533 is made up of £187,139 of grants received during the year offset by the cancellation of a previously approved grant commitment of £512,672 to settle disputed contractual claims with a number of contractors involved in the original construction of the Science Centre. The disputed contractual claims were settled at nil cost to the charity in March 2010 and therefore the grant commitment is no longer required (see also Note 14 and 18).

Notes to the financial statements

For the year ended 31 March 2010

7. Other incoming resources

	2010 £	2009 £
Insurance Claim - IMAX water damage	7,512	-
BBC Scotland - Contribution to landscaping works	-	206,000
Profit on sale of fixed assets	-	250
	<u>7,512</u>	<u>206,250</u>

8. The (deficit)/surplus for the year is stated after charging:

	2010 £	2009 £
Auditors' remuneration	12,250	12,500
Trustees' liability insurance	2,993	2,993
Trustees' remuneration	105,861	105,861
Depreciation - owned assets	3,874,560	3,880,185
Depreciation - leased assets	77,494	77,494

9. Staff costs and Trustee remuneration

	2010 £	2009 £
Wages and salaries	2,565,564	2,779,381
Social security costs	212,106	243,163
Pension costs	23,473	28,786
Redundancy costs	-	67,446
	<u>2,801,143</u>	<u>3,118,776</u>

	No.	No.
Average number of employees		
Customer experience	36	38
Science	14	13
Retail/Corporate Hospitality/Catering/Whitelee	30	26
Facilities	27	32
Support	11	16
	<u>118</u>	<u>125</u>

Trustee Remuneration (Chief Executive) was as follows:

	£	£
Salary	89,713	89,713
Pension	16,148	16,148
	<u>105,861</u>	<u>105,861</u>

With the exception of the Chief Executive no other Trustee received remuneration for their services or reimbursement of any out of pocket expenses during the year (2009: £0).

Notes to the financial statements

For the year ended 31 March 2010

Excluding the Chief Executive one other individual employee earned remuneration (excluding pension contributions) in the range of £60,000 - £70,000 during the year (2009: None).

Pension contributions of £7,325 (2009: £9,864) were made on behalf of employees to the Friends Provident stakeholder pension scheme and contributions of £16,148 (2009: £18,922) were made to the personal pensions schemes of other employees.

10. Expenditure on charitable activities

	Direct Expenditure £	Support Costs £	2010 £	2009 £
Science Mall	3,446,449	1,254,255	4,700,704	5,066,354
IMAX Cinema	519,534	189,072	708,606	803,860
Tower	532,776	193,891	726,667	826,054
Education programmes	398,199	144,915	543,114	651,707
	<u>4,896,958</u>	<u>1,782,133</u>	<u>6,679,091</u>	<u>7,347,975</u>

11. Support costs

	Fundraising £	Science Mall £	IMAX Cinema £	Tower £	Education £	2010 £	2009 £
Marketing	96,784	136,860	20,631	21,157	15,813	291,245	325,326
Facilities Management	520,774	736,413	111,010	113,840	85,085	1,567,122	1,528,812
Information Technology	58,700	83,006	12,513	12,831	9,590	176,640	223,983
Finance	126,888	179,428	27,048	27,737	20,731	381,832	404,732
Human Resources	40,633	57,458	8,661	8,882	6,638	122,272	135,336
Management	43,201	61,090	9,209	9,444	7,058	130,002	223,592
	<u>886,980</u>	<u>1,254,255</u>	<u>189,072</u>	<u>193,891</u>	<u>144,915</u>	<u>2,669,113</u>	<u>2,841,781</u>

12. Governance costs

	2010 £	2009 £
Management	52,931	52,930
Statutory audit	12,250	12,500
Legal expenses	3,000	2,000
	<u>68,181</u>	<u>67,430</u>

13. Taxation on net incoming resources

No tax charge arises on the incoming resources for the year due to the charitable status of Glasgow Science Centre Ltd and Glasgow Science Centre Charitable Trust.

Notes to the financial statements

For the year ended 31 March 2010

14. Tangible fixed assets

Group	Land £	Buildings £	Exhibits £	Plant and equipment £	Computer equipment £	IMAX Projector £	Total £
Cost or valuation:							
As at 1 April 2009	2,000,000	52,761,536	13,383,353	2,041,275	584,324	1,549,878	72,320,366
Additions	-	(384,329)	128,796	130,488	30,812	-	(94,233)
Disposals	-	-	-	-	-	-	-
As at 31 March 2010	2,000,000	52,377,207	13,512,149	2,171,763	615,136	1,549,878	72,226,133
Depreciation:							
As at 1 April 2009	-	17,472,667	10,118,194	1,449,812	524,588	682,724	30,247,985
Charge for the year	-	2,092,608	1,464,718	275,123	42,111	77,494	3,952,054
On disposals	-	-	-	-	-	-	-
As at 31 March 2010	-	19,565,275	11,582,912	1,724,935	566,699	760,218	34,200,039
Net book value:							
As at 31 March 2010	2,000,000	32,811,932	1,929,237	446,828	48,437	789,660	38,026,094
As at 31 March 2009	2,000,000	35,288,869	3,265,159	591,463	59,736	867,154	42,072,381

Company

	Freehold land £
Valuation At 1 April 2009 and 31 March 2010	2,000,000

The freehold land was valued at its open market value on 24 February 1999 by the District Valuer, Scotland South West. The company received it for £1. In line with the transitional provisions of FRS15, the group has elected to freeze the valuation of tangible fixed assets at 31 March 2000. The net book value of tangible fixed assets includes an amount of £789,660 (2009: £867,154) in respect of the IMAX Projector which is held under a finance lease.

The negative additions to Buildings in the year of £384,329 is made up of £128,343 of landscaping works on the external environment offset by a reduction in the cost of the Tower of £512,672 following the settlement of disputed contractual claims with a number of contractors involved in the original construction of the Science Centre at nil cost to the charity in March 2010.

In addition to the fixed assets noted above the Group retains legal ownership of £450,000 of exhibits located at At Bristol Science Centre. These exhibits were created through a joint project with At Bristol funded by the Millennium Commission with ownership resting with the Group as the contracted body for the purposes of the funding agreement. GSC Limited has however agreed to allow At Bristol to retain full beneficial ownership of these exhibits for their estimated useful lives and therefore they have been excluded from the financial statements.

Notes to the financial statements

For the year ended 31 March 2010

15. Investment in subsidiary undertakings

	2010	2009
	£	£
Cost		
Investment in subsidiary undertakings	3	3
	<u>3</u>	<u>3</u>

The investment in subsidiary undertakings represents a holding of 100% of the issued ordinary shares of £1, in Glasgow Science Centre Limited and Glasgow Science Centre (Trading) Limited.

16. Debtors

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Trade debtors	306,236	92,161	-	-
Amounts owed by GSC Endowment Fund	1,313	522,610	1,313	522,610
Prepayments and accrued income	536,728	323,994	-	-
	<u>844,277</u>	<u>938,765</u>	<u>1,313</u>	<u>522,610</u>

Included within prepayments is £9,732 (2009 - £28,503) in respect of advance rental payments for the IMAX. All of this sum will be expensed within 6months.

17. Creditors: amounts falling due within one year

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Trade creditors	139,051	233,701	-	-
Amount owed to subsidiary undertaking	-	-	22,651	543,948
Tax and social security costs	80,009	59,323	-	-
Accruals and prepaid income	617,380	407,512	-	-
Other creditors	57,635	44,959	-	-
	<u>894,075</u>	<u>745,495</u>	<u>22,651</u>	<u>543,948</u>

Included within accruals and prepaid income is the sum of £95,233 (2009: £68,020) in respect of admissions, corporate events, service charge, rental and sponsorship income received in advance. This income is released in or over the specified future period that it relates to.

Notes to the financial statements

For the year ended 31 March 2010

18. Provision for liabilities and charges

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Construction settlement provision	-	512,672	-	-

Settlement of the disputed contractual claims with a number of contractors involved in the original construction of the Science Centre was reached at nil cost to the charity in March 2010. The construction settlement provision was therefore reversed resulting in a negative addition to fixed assets for the same sum.

19. Restricted funds

	Balance at 1 April	Incoming resources	Outgoings/ Transfers	Balance at 31 March
Group	£	£	£	£
Science Centre - Fixed Assets	42,072,381	(94,233)	(3,952,054)	38,026,094
External Environment Improvements	117,554	-	(117,554)	-
BDP Settlement - Capital Renewals	69,983	-	(69,983)	-
GSC Endowment Fund - Capital Renewals	98,987	(325,533)	346,900	120,354
Childrens Discovery Area - Exhibits	-	41,500	(41,500)	-
Outreach - Exhibits	-	18,630	(18,630)	-
Britvic - Exhibits	5,000	-	(5,000)	-
IMAX Prepaid Rental Fund	28,503	-	(18,771)	9,732
Scottish Government - Projects	75,473	92,520	(167,993)	-
Outreach - Life & Health	64,487	109,000	(126,632)	46,855
Outreach - General	59,455	-	(3,075)	56,380
Community Liaison Project	7,335	-	-	7,335
Bodyworks Exhibition	6,000	11,500	-	17,500
Other Projects	8,345	2,580	(7,601)	3,324
	<u>42,613,503</u>	<u>(144,036)</u>	<u>(4,181,893)</u>	<u>38,287,574</u>
Company				
Land	<u>2,000,000</u>	<u>-</u>	<u>-</u>	<u>2,000,000</u>

The restricted funds represent the capital costs of assets held for the purposes of delivering the Group's charitable activities, funds available for capital renewals, funds to cover IMAX rental payments and various funds for the delivery of science education projects.

Notes to the financial statements

For the year ended 31 March 2010

20. Unrestricted funds

	Balance at 1 April £	Incoming resources £	Outgoings/ Transfers £	Balance at 31 March £
Group				
General reserve	578,149	5,969,856	(5,795,375)	752,630
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Company				
General reserve	799	-	(61)	738
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

21. Analysis of fund balances between net assets

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fixed assets	-	38,026,094	38,026,094
Net current assets	752,630	261,480	1,014,110
	<u>752,630</u>	<u>38,287,574</u>	<u>39,040,204</u>

22. Financial commitments

The annual financial commitment under a non-cancellable operating agreement with IMAX Corporation for maintenance and rental of the IMAX projection system is £157,951 (2009: £167,446) expiring as follows:

	2010 £	2009 £
After more than five years	<u>157,951</u>	<u>167,446</u>

The operating agreement runs for 20 years from 1 October 2000 to 30 September 2020 and provides for an additional annual charge for any increase in the Retail Price Index since the commencement of the agreement. It is also subject to exchange rate fluctuations as it is stated in US\$. The RPI and exchange rate fluctuations are not considered to be significant financial risks to the charity.

23. Capital commitments

At 31 March 2010 the Group had no commitments for capital expenditure on buildings, exhibits and plant and equipment enhancements (2009: £150,673).

Notes to the financial statements

For the year ended 31 March 2010

24. Contingent liabilities

Funding contracts with the Millennium Commission and Scottish Enterprise Glasgow (including ERDF) for the original construction of the Science Centre provide for the repayment of the whole or any part of the total grant of £69.5m (MC £36.2m, SEG £13.6m, SEG (ERDF) £19.7m) should an event of default occur. Events of default are defined as follows:

- insolvency of the charity
- misuse of grant
- successful completion does not, or becomes unlikely to occur
- breach of obligations
- change of project purpose
- fraud and negligence
- material misrepresentation
- change of ownership, composition or structure of the charity

At the date of signing of these financial statements the Trustees know of no event of default that would result in a repayment of grant.

Both Scottish Enterprise Glasgow and the Millennium Commission have a bond and floating charge over the assets of the Company as security for their grant funding.

25. Share capital

The company does not have a share capital and is limited by guarantee. The liability of members is limited to £1 each. At 31 March 2010 the company had one member, Scottish Enterprise Glasgow.

26. Ultimate parent undertaking

The company's immediate parent undertaking is Scottish Enterprise Glasgow. The ultimate parent undertaking is Scottish Enterprise.

Group financial statements can be obtained from Scottish Enterprise, Atrium Court, 50 Waterloo Street, Glasgow, G2 6HQ.

27. Related party transactions

The company has taken advantage of the exemption available under Financial Reporting Standard 8 not to disclose details of intra-group transactions, on the grounds that transactions are within the group and will be fully eliminated on consolidation.