

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

**Annual Report and Financial Statements**

**31 March 2019**

**COMPANIES HOUSE  
EDINBURGH**

**28 JUN 2019**

**FRONT DESK**

Registered number SC172371

Registered charity number SC025818



## Annual Report and Financial Statements

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## **Trustees, Officers and Advisers**

### **Chairman**

David Sibbald

### **Trustees**

Dr K G Chrystie (resigned 26 November 2018)

D Clark

Dr C Clugston

J Downes

Dr W Duncan

A Gillespie

A Horn

S Hunter

L O'Hare (appointed 25 February 2019)

S Patrick

J Watson

### **Company Secretary**

D McQueen

### **Audit Committee**

Dr W Duncan (Chairman)

Dr C Clugston

S Patrick

### **Finance Committee**

S Patrick (Chairman)

A Gillespie

### **Nominations Committee**

A Horn (Chairman)

Dr S Breslin

S Patrick

### **Remuneration and Appointments Committee**

J Downes (Chairman)

Dr W Duncan

### **Key Management Personnel**

Dr S Breslin – Chief Executive

D McQueen – Director of Finance & Operations

Dr R Hoyle – Director of Science

G Rose – Creative Director

Dr G Lang – Deputy Director of Science

### **Independent Auditor**

Wylie & Bisset LLP

Chartered Accountants

168 Bath Street

Glasgow

G2 4TP

## **Trustees, Officers and Advisers**

### **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 annual report, strategic report and financial statements for the year ended 31 March 2019.

The legal and administrative information on page 1 and 2 forms part of this report.

### 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.

The recruitment of the Chair is undertaken by the Nominations Committee with support from an external recruitment agency and involves a transparent and open recruitment process with the post advertised in the national press.

At each Annual General Meeting, one third of the Trustees (other than the Chief Executive, if he/she is appointed as a Trustee) 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 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.

## Annual Report of the Trustees

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

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

- Audit Committee – Statutory accounts and external audits.
- Finance Committee – Financial stewardship.
- Nominations Committee – Trustee appointments.
- Remuneration and Appointments Committee – Remuneration and appointment of senior executives.

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 Finance & Operations, Director of Science, Creative Director and a Deputy Director of Science.

The remuneration of the Key Management Personnel is agreed by the Remuneration and Appointments Committee (REMCO). The job pay ranges for all key personnel are set through a benchmarking exercise using external HR consultants to evaluate the job description for the respective posts. Once pay rates and job pay ranges are set the CEO reports on the progress of each of the other key management personnel in achieving their objectives on an annual basis to REMCO including any recommendation for a performance related pay increment. REMCO then consider the CEO's report and make recommendations to the Board for consideration and approval. In the case of the CEO the Chairman has responsibility for reporting and making any recommendations to REMCO for consideration and onward transmission to the Board.

### 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 (£904k in the year ended 31 March 2019) in accordance with the Scottish Government's Science Strategy for Scotland. The Scottish Government issues funding based on the 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 Key Management Personnel and any deviations reported to the Trustees through monthly operational reports.

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

## Annual Report of the Trustees

### 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;
- (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, mission and ambition are as follows:

**Our Vision - A Scotland where all people value science and technology to inform decision making, empower individuals and enrich lives.**

**Our Mission - To be an essential bridge between citizens and science and technology. To inspire people of all ages to explore and understand the world around them, to discover and enjoy science and understand its relevance to their own lives.**

**Our Ambition - To make a substantial contribution to the educational, economic and cultural development of Scotland.**

The charitable company'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 a total of 222 staff split: 122 full-time staff, 45 part-time staff and 55 casual staff. The gender split of the total staff at the year-end is 129 (58%) female and 93 (42%) male. 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 and corporate events.

The charity's strategic and primary objectives to deliver its vision, mission and ambition during the current reporting period as set out in its Corporate Plan are based around 5 pillars of strategic focus:

#### **1. Visitor Experience – Maximise accessibility and impact**

- To achieve a total of 328,000 visitors to the Science Mall made up of 255,000 public visitors and 73,000 education in-reach participants.
- To achieve a total of 2,000 visitors to Glasgow Tower.
- To achieve a total of 17,330 special events visitors to the Planetarium.
- From the above visitor numbers to achieve a total of 445,939 admissions made up of 328,000 to the Science Mall, 9,080 to the Tower and 108,859 to the Planetarium.
- To achieve 73,000 community and education outreach participants.
- To achieve 78,337 visitors to Whitelee Visitor Centre.
- Deliver a 5\* customer experience.

#### **2. Learning Resource – Creative and innovative learning experiences**

- Refresh the exhibition stock on Floor 1.
- Secure the remaining funding for the new Idea 59 exhibition on floor 2 and commence creation of the exhibition with the aim of opening in 2019/20.
- Review and update the Exhibition Masterplan and develop further exhibition and infrastructure refreshes subject to resource availability.

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- Develop and deliver Education & Public inreach programmes including Games Mania and RAF 100.
- Develop and deliver Education & Community outreach programmes including at the Go Live Festival at Glasgow Green as part of the 2018 European Championships.

### **3. Partner of Choice - Building partnerships**

- Seek new and develop, expand and enhance our existing partnerships with Scottish Government, Glasgow City Council, Skills Development Scotland, GSK, universities, colleges, other research institutions, other public sector bodies and industry.
- Seek continuation of support from Glasgow City Council and West Dunbartonshire Council to fund free access for their primary and assisted needs schools and seek support from other local authorities and businesses in the West of Scotland to offer free access and transport subsidy to schools.
- Continue to be an active partner of the Glasgow City of Science and Innovation initiative.

### **4. Profile – Building a strong profile that reflects excellence and credibility**

- Continue to develop and implement a communication, marketing and PR strategy to improve the profile of GSC including the development of our online presence.

### **5. Operational Excellence – Commercially focussed and efficient organisation**

- Deliver a fundraising strategy to significantly improve, on a sustainable basis, the current return from unrestricted and restricted fundraising activities from all funding sectors i.e. public, charitable and industry.
- Secure funding for a major upgrade of our facilities and associated infrastructure from the Inspiring Science Fund.
- Build and expand upon our community engagement programme and integrate community learning and development values into all aspects of our service delivery.
- Complete the review of our Outreach business model and implement findings, secure the remaining funding required to create and deliver the Powering the Future on Tour experience, refresh the Bodyworks on Tour experience and commence delivery.
- Refurbish the Shop and better integrate into the overall GSC experience.
- Seek a long term solution to the issues surrounding the maintenance and operation of Millennium Bridge with Glasgow City Council and other key partners.
- Improve our Security infrastructure.
- Continue to investigate and implement further operational efficiencies including a review of the existing management/staffing structure, pay policy, training/development of staff, volunteering programme and greater and more efficient use of ICT.
- Achieve targets set for commercial income generation from IMAX property rental, Corporate Events, Whitelee Visitor Centre, Retail Café and Shop, Experience Design Services and Car Parking operations and develop and implement proposals for the improvement in the quality and financial return from these activities.



## Annual Report of the Trustees

### Strategic Report

#### Achievements and Performance

The Trustees are pleased to report good progress in delivery of the majority of the Corporate Plan objectives for 2018-19 despite continuing resource constraints.

Progress against the primary objectives for the year is noted below:

#### **Visitor Experience – Maximise accessibility and impact**

##### *In-reach Visitors/Admissions*

The table below summarises actual visitor numbers for the year split by activity together with the budgeted figure and the actual for the previous year:

Visitors/Participants	Actual 2018/19	Budget 2018/19	Variance	Actual 2017/18
Science Mall – Public	241,875	255,000	(13,125)	259,197
Tower – Public	2,204	2,000	204	1,937
Planetarium – Public	8,826	17,330	(8,504)	16,916
Education In-reach (incl. special events)	79,536	73,000	6,536	72,451
<b>Total</b>	<b>332,441</b>	<b>347,330</b>	<b>(14,889)</b>	<b>350,501</b>

Total visitor/participants at 332,441 were 14,889 or 4.3% behind budget and 18,060 or 5.2% behind the previous year (2018: 350,501) due primarily to a significant drop in public visitors to the Science Mall caused by the extended period of exceptional good weather over Spring/Summer 2018 together with a significant reduction in demand for Planetarium events.

Included in the total education visitor numbers are 18,693 of school visitors (2018: 18,848) from remote, economically and/or socially disadvantaged communities who visited GSC as a result of transport subsidy provided by the Scottish Government.

Included in the total public visitor numbers are 3,709 participants (2018: 3,210) from remote, economically and/or socially disadvantaged communities who were engaged in community led activities through funding from the Scottish Government.

The table below summarises how visitor numbers translate into admission numbers for the year split by activity together with the budgeted figure and the actual for the previous year:

Admissions	Actual 2018/19	Budget 2018/19	Variance	Actual 2017/18
Science Mall – Public & Education	321,411	328,000	(6,589)	331,648
Tower – Public	9,463	9,080	383	8,489
Planetarium – Public & Education	97,515	108,859	(11,344)	108,895
<b>Total</b>	<b>428,389</b>	<b>445,939</b>	<b>(17,550)</b>	<b>449,032</b>

Total admissions at 428,389 were 17,550 or 3.9% behind budget due to the reduction in Science Mall and Planetarium visitors and 20,643 or 4.6% behind last year (2018: 449,032).

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### *Outreach (Bodyworks on Tour)*

The table below summarises community and education outreach participation numbers for the year together with the budgeted figure and the actual for the previous year:

Participants	Actual 2018/19	Budget 2018/19	Variance	Actual 2017/18
Education – Bodyworks	27,750	30,000	(2,250)	27,314
Education – Powering the Future	2,399	0	2,399	0
<b>Sub Total</b>	<b>30,149</b>	<b>30,000</b>	<b>149</b>	<b>27,314</b>
Community – Bodyworks	81,449	43,000	38,449	40,470
Community – Powering the Future	11,000	0	11,000	0
<b>Sub Total</b>	<b>92,449</b>	<b>43,000</b>	<b>49,449</b>	<b>40,470</b>
<b>Grand Total</b>	<b>122,598</b>	<b>73,000</b>	<b>49,598</b>	<b>67,784</b>

Total Outreach participants at 122,598 were 49,598 or 67.9% ahead of budget and 54,814 or 80.7% ahead of the previous year (2018: 67,784) due to attendance at a number of large community events and the launch of the new Powering the Future On Tour experience.

### *Whitelee Visitor Centre*

The table below summarises the actual visitor numbers for the year together with the budgeted figure and the actual for the previous year:

Visitors	Actual 2018/19	Budget 2018/19	Variance	Actual 2017/18
Public	71,776	73,111	(1,335)	73,174
Education	4,936	5,226	(290)	5,148
<b>Total</b>	<b>76,712</b>	<b>78,337</b>	<b>(1,625)</b>	<b>78,322</b>

Total visitors at 76,712 were 1,625 or 2.1% behind budget and 1,610 or 2.1% behind the previous year (2018: 78,322).

### *Customer Satisfaction/Impact*

The overall customer satisfaction rating monitored through surveys for the Science Mall for the year has increased slightly from the previous year to 9.00 out of 10 (Target: 8, 2018: 8.75).

The Evaluation Co-ordinator has continued to develop our evaluation and impact assessment processes during the year. A summary of the key findings is noted below:

- 86% of teachers rated pupils' learning as excellent.
- 94% of teachers agreed that their visit assisted them in delivering the 'Curriculum for Excellence'.
- 88% of teachers agreed that their pupils were more positive towards science as a result of their visit.
- 86% of participants in the community led engagement programme indicated that they had learned new things.
- 78% of visitors believe they learned something new from their visit.
- 77% of visitors believe that Science Centres portray science more honestly than the media or government.
- 67% of visitors find science more interesting following their visit.

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- 64% of visitors want to find out more about science following their visit.

All evaluation results will continue to be used to influence future exhibition and programme design and delivery.

Many of the impacts being evidenced above are delivering key aims of the Scottish Government STEM strategy including:

- To inspire children, young people and adults to study STEM.
- To close equity gaps in participation and attainment in STEM.
- To connect the STEM education and training offer with labour market needs.
- To build the capacity of the education and training system to deliver excellent STEM learning.

Our status as a 5 Star visitor attraction has been maintained throughout the year.

### ***Learning Resource – Creative and innovative learning experiences***

#### *Exhibit Refresh Programme*

Floor 1 Refresh – During the year we completed the following:

- Added 5 new exhibits to the excitement zone on floor 1.
- Refurbished the 'Whispering Dishes' area to create a multi-functional flexible area known as 'The Hive' including the creation of the 'Wonder Wall' – a photo installation that celebrates the wonder and beauty of the natural world.
- Installed a 'Gravitational Wave Mosaic' outside of the Planetarium entrance depicting the first gravitational wave signal ever detected.
- Installed the 'We are all scientists' wall – a photographic installation that introduces visitors to our 'Inspire and Challenge' educational philosophy.

Idea 59 Floor 2 – It has proved challenging to raise the full £1.1m funding required to deliver this exhibition on floor 2 however by the year end £700k of funding had been secured/pledged to progress with a first phase which will involve the creation of a Design Studio, a number of Innovation Pods and a number of Skills and Strength exhibits. The majority of the development and design work has been completed with the procurement process due to get under way shortly with the aim of having the first phase of the exhibition open by Easter 2020.

#### *Education and Public In-reach Programmes*

To supplement our exhibitions an extensive high quality education programme was delivered throughout the year including innovative interactive shows, workshops and "Meet the Expert" activity. Key highlights include:

- A mixture of presenter led shows and full dome films delivered on a daily basis in the Planetarium with a total of 88,689 public and school visitors engaged. In addition, an extensive special events programme has engaged a further 8,826 members of the public in various lecture programmes, Sci-Fi Sundays, music shows and adult night classes.
- Various live science shows delivered to 38,797 public and school visitors.
- Various interactive workshops delivered to 36,722 public and school visitors.
- In partnership with Cineworld various education films shown to 15,250 school visitors.
- With support from over 50 experts from a broad range of science fields including digital health, energy, engineering, space and environmental science, 3 Curiosity Live events were held in June, November and March over 11 days for school, community and public visitors.
- Delivered a further 6 licensed adults only Science Lates events engaging with 4,300 participants.

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- In partnership with Skills Development Scotland the My World of Work Live programme designed to inspire young people's interest in careers in science, technology, engineering and maths was delivered to 17,874 public and school visitors.
- In partnership with the UK Department of Business, Energy and Industrial Strategy, OPITO, Renewables UK, UK Onshore Oil and Gas and Nuclear Industry Association we have continued to create and maintain OurFuture.Energy online resources to support young people to become appreciative of the critical role of the UK energy sector, the basic science behind it and the challenges we face in balancing our energy supply and demand.
- In partnership with Arcade Club, a 20 day video gaming festival called Games Mania was held in the Tower base from late June to mid July attracting 5,868 public visitors. The event was well received but unfortunately attendance numbers were significantly behind target due to the good weather.
- In partnership with the RAF, GSC hosted, RAF100, their celebratory centenary event on Millennium Square and on the ground floor within GSC from 29 August to 2 September which included a static aircraft display and a wide range of STEM activities. A total of 16,611 visitors including 1,782 school pupils attended the event over the 5 days.

### *Education and Community Outreach Programmes*

The Bodyworks on Tour outreach programme has continued to be delivered in partnership with GSK throughout the year with funding of £750k secured to continue the programme until August 2023. In addition, with £250k of funding from the Scottish Government, a Powering the Future on Tour experience was created and launched in the last quarter of the year.

Both experiences are now being delivered to education and community groups throughout the country. Key achievements during the period included:

- The creation and launch of the Powering the Future on Tour experience including 16 portable exhibits, show, workshop and dedicated van.
- Attendance at 15 Science Festivals around the UK ranging from the Caithness Science Festival to the Dumfries and Galloway Science Festival as well as the Glasgow STEM Festival and the Big Bang (the UK Young Scientists' and Engineers Fair in Birmingham).
- Attendance at music and cultural events including the Wee Write Festival, Springburn Multicultural Music Festival and the Youthbeatz Music Festival.
- Attendance at the Go Live Festival at Glasgow Green as part of the 2018 European Championships with 23,300 participants engaged over the 11 days.
- Monthly visits to the young patients in the Royal Hospital for Children.
- Attendance at prison family days in partnership with Cell Block Science.

### *Partner of Choice – Building Partnerships*

As well as the many partnerships highlighted above that have assisted with the delivery of creative and innovative learning experiences the following additional partnerships have continued to develop/deliver during the year:

- Free Schools Access – working in partnership with Glasgow City Council/West Dunbartonshire Council to increase accessibility to GSC with both Councils directly meeting the costs of one visit per year for all their primary and assisted needs school pupils. Efforts continue to encourage other local authorities to adopt the same approach.
- Glasgow City of Science and Innovation – GSC continues to an active partner along with 94 other partners (including Glasgow City Council and Glasgow, Strathclyde, Glasgow Caledonian and West of Scotland Universities) in this initiative aimed at placing Glasgow and the West of Scotland on the global science and innovation map.
- David Elder Lecture series – working in partnership with the University of Strathclyde to deliver a programme of lectures by world renowned astronomers.

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- RAISE (Raising Awareness and Interest in STEM Employment) – working in partnership with organisations from Malta, Italy, Luxemburg and Slovenia to inspire children and young people to take a STEM career while humanising scientists and tackling typical STEM stereotypes associated with STEM careers.
- Move2Learn – working in partnership with UK and USA practitioners and researchers to understand learning through the study of how preschool children (ages 3-5) use their bodies to learn, communicate, and feel about STEM.
- Idea 59 – the following organisation are assisting with the development of the new exhibition including Scottish Funding Council, Scottish Enterprise, Zero Waste Scotland, Royal Navy, Skyscanner, Aridhia, M Squared Lasers, Glasgow University, JP Morgan, Stratified Medicine IC, Construction Innovation Centre, Digital Health Institute, Datalab, CENSIS, IBioIC, Fraunhofer, Scottish Institute for Enterprise, NMIS, MMIC, SDS, ifm Systems, RS Components, Thales and Aggreko.
- Community Groups/Local Businesses – During the year as part of the Scottish Government funded community led engagement programme we have engaged with 42 community groups representing 3,709 participants including the Glasgow Association for Mental Health, Princes Trust, Glasgow Disability Alliance and British Deaf Association. Key topics identified by the groups included, health and wellbeing, literacy and numeracy, energy efficiency and the environment.

### ***Profile – Building a strong profile that reflects excellence and credibility***

Work has been ongoing on the development of the Communications Strategy to continue to develop the strong profile created over the last few years to increase both visitor number and the number of partners who work with us. Key initiatives to sustain and enhance this profile during the year have included:

- Promotion through various mediums of key events including Corporate Events, Question of Science, Xmas Party Nights, Games Mania, RAF 100, Planetarium Special Events and Science Lates.
- Regular articles by CEO and other staff published in the press and magazines.
- Extensive use of social media and digital channels.
- Distribution of What's On and Primary and Secondary Education guides throughout Scotland and various consumer campaigns using PR, digital, radio, print and outdoor advertising.
- Development of online season ticket renewal portal for the website.
- Design and promotion of new GSC Shop offer.
- Extensive use of social media and digital channels.
- Utilisation of our large LED Display Screen at front of Science Mall to promote our activities particularly to passing trade to the very busy SSE Hydro concert venue.

### ***Operational Excellence – Commercially focussed and efficient organisation***

#### ***Fundraising Strategy***

Work is ongoing to sustain and enhance existing funding streams and to develop new funding streams. In terms of fundraising success during the year, it's been a record year with the following significant funding commitments secured during the year:

- £2,876,401 from the Wellcome Trust and Department of Business, Energy and Industrial Strategy (BEIS) to deliver the Connect project;
- £1,024,000 from the Scottish Government to deliver a science engagement to the public and education visitors including £60,000 to provide transport subsidy to schools in remote and deprived areas and £60,000 to fund community led engagement;

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- £900,000 from the GSC Endowment Fund to fund the Connect and Idea 59 projects and various capital renewals.
- £750,000 from GSK to develop and deliver Bodyworks on Tour for a further 5 years;
- £250,000 from the Scottish Government to create the Powering the Future on Tour experience;
- £235,000 from the Robertson Trust to fund the Connect project;
- £150,000 from the Garfield Weston Foundation to fund the Connect Project;
- £150,000 from Scottish Enterprise to fund the new Idea 59 exhibition;
- £100,000 from the Hugh Fraser Foundation to fund the Connect Project;
- £100,000 from Zero Waste Scotland to fund the new Idea 59 exhibition;
- £60,000 from Glasgow City Council to fund free access for its primary and secondary schools.
- £59,760 from SEPA to fund the creation and tour of an environmental exhibition; and
- £50,000 from the Offshore Training Foundation to fund the delivery of Powering the Future on Tour.

Please note that although all of the above grant commitments have been secured the grant or proportion of the grant is only recognised in the financial statements when the performance related conditions have been met.

### *Inspiring Science Fund - CONNECT*

The application to deliver CONNECT, an ambitious 3 year programme of change to bring greater inclusion and diversity into the core of our strategy, practices and actions, was approved by the Wellcome Trust/BEIS in June 2018 with the funding contract signed on 19 December 2018. The total cost of the project is £4.1m with £3.6m secured from Wellcome Trust/BEIS, GSC Endowment Fund, Robertson Trust, Garfield Weston Foundation and Hugh Fraser Foundation with fundraising efforts continuing to raise the remaining £500k. The project has the following elements:

- an internal organisational change programme that builds a comprehensive inclusion, diversity and equality strategy that covers all aspects of service delivery.
- an enhanced needs led Community Learning and Development targeted engagement programme serving diverse communities across the City.
- co-development of an ongoing programme of inclusive cultural science events attractive to the broad population.
- transformation of our built environment to be permeable and attractive to create a community and civic outdoor space that is welcoming and relevant.
- user-centred redesign of the GSC reception areas to make them more social, functional and engaging.
- a new exhibition (EXPLORE) on floor 1 created with a design and interpretation philosophy promoting GSC's approach to accessible science communication.

Work has commenced on design and development of the various infrastructure improvements with a number of new dedicated posts to deliver the programme elements recruited.

### *Expansion of Community Engagement Programme*

As part of the Connect project a new Senior Community Learning Co-ordinator has been recruited to assist in the development of a strategy to increase the numbers engaged by our needs led community programme over the next 3 years. This will include the creation of a dedicated STEM Hub to deliver the various community programmes.

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### *Outreach Operating model*

A new staff structure has been developed and implemented to deliver our expanded Outreach activities with the addition of Powering the Future on Tour to the existing Bodyworks on Tour experience and to allow for further development of additional experiences in future years. Funding has been secured to meet the majority of core costs and work is underway to develop a more commercial and partnership approach to ensure the long term sustainability of our Outreach activities.

### *Refurbishment of the GSC Shop*

The GSC Shop was refurbished during the period from 18 July to 27 August with a temporary Shop operated in our Clyde Suite during this time to avoid disruption to visitors.

### *Millennium Bridge*

Various discussions have been held with Glasgow City Council and Scottish Enterprise regarding repair and maintenance obligations relating to Millennium Bridge both in the short and longer term. Unfortunately due to funding constraints and the ongoing development of the City Council's river strategy no progress has been made.

### *Improvement to Security Infrastructure*

Work has commenced on a number of improvements recommended by Police Scotland to our security infrastructure with completion expected in the first quarter of 2019/20.

### *Staff Structure/Management Practices and Procedures*

To embed greater equality, diversity and inclusion in our practices and procedures, a new post of EDI Manager was created and commenced work in April 2019.

Following a review of our existing practices and procedures our Investors in People accreditation has increased to Silver level.

Funding of £10k was secured from the Flexible Workforce Development Fund operated by the City of Glasgow College during the year to deliver various staff training programmes including the development of interpersonal, business and technical skills. A further £15k has been secured from the same source for 2019/20.

### *Commercial Activities*

The target for commercial income generation from Corporate Events, Café, Car Parking, Management Fees (Whitelee Visitor Centre), Shop and Vending, IMAX Property Rental and Service Charge, Experience Design Service, Special Events, Sponsorship, Property Rental and Berthing Charges was surpassed by 12%.

## **Financial Review**

Operational performance, measured by the change in unrestricted financial reserves, was £70,905 behind budget at a deficit of £70,965 (Budgeted: breakeven) due to lower than expected public admission numbers to the Science Mall resulting from the extended period of exceptional good weather over Spring/Summer 2018 together with a significant reduction in demand for Planetarium events.

### Income

Total income increased by £447,928 or 6.3% on last year to £7,614,557 (2018: £7,166,629) due mainly to the following:

- increase in other trading activities income of £341,512;
- increase in investment income of £1,357; and
- increase in grant income for charitable activities of £316,747.

Partly offset by:

## Annual Report of the Trustees

- decrease in donation and legacy income of £100,388;
- decrease in admissions income for charitable activities of £110,040; and
- decrease in other income of £1,260.

### Donation and Legacy Income

Donation and legacy income decreased by £100,388 or 23.2% to £333,039 (2018: £433,257) due to reduced donations and Gift Aid income tax recovered resulting from the shortfall in admission numbers during the year.

### Other Trading Activities

Income from other trading activities increased by £341,512 or 12.0% to £3,181,645 (2018: £2,840,133) due to increases in corporate events, experience design service, special events, car parking and property rental income partly offset by reduced shop and vending, management fees, café and berthing income.

### Investment Income

Investment income from interest on cash balances has increased by £1,357 or 338% to £1,758 (2018: £401) due to higher cash balances being held during the year as advance grant funding was received but not utilised.

### Charitable Activities – Admissions

Income from admissions decreased by £110,040 or 5.4% to £1,942,228 (2018: £2,052,268) due mainly to reduced Science Mall/Planetarium admissions resulting from the extended period of exceptional good weather over Spring/Summer 2018 together with a significant reduction in demand for Planetarium events.

### Charitable Activities - Grants

Grant income for capital and major repair projects increased by £335,705 or 168.0% to £534,895 (2018: £199,190) due mainly to the use of funding for the creation of the Powering the Future on Tour mobile exhibition and various other capital renewals.

Grant income for revenue projects decreased by £18,958 or 1.2% to £1,620,556 (2018: £1,639,514) due to a small drop in activity from a number of projects coming to the end of their funding period.

### Other Income

Other income from the sale of fully written down surplus fixed assets decreased by £1,260 or 74.3% to £436 (2018: £1,696).

### Expenditure

Total expenditure decreased by £191,028 or 1.9% to £10,118,739 (2018: £10,309,767) due to the following:

- decrease in expenditure on charitable activities of £367,003.

Partly offset by:

- increase in expenditure on raising funds of £175,975.

### Raising Funds

Expenditure on raising funds increased by £175,975 or 5.7% to £3,236,854 (2018: £3,060,879) due mainly to the increased trading activity.

### Charitable Activities

Expenditure on charitable activities decreased by £367,003 or 4.1% to £6,881,885 (2018: £7,248,888).



## Annual Report of the Trustees

Expenditure on direct charitable activities decreased by £287,840 or 5.8% to £5,003,005 (2018: £5,290,845) due mainly to reduced depreciation and professional fees partly offset by increased staff costs.

Expenditure on charitable activities support costs decreased by £79,163 or 4.2% to £1,878,880 (2018: £1,958,043) due to reduced marketing costs partly offset by increased information technology costs.

### Staff Costs

Total staff costs have increased by £241,300 or 5.9% to £4,364,290 (2018: £4,122,990) due mainly to the following:

- a 4.9% cost of living increase for all lower paid staff to more than meet the requirements of the increase in the National Living Wage on 1 April 2018;
- a 2% cost of living pay increase for all other staff;
- an increase of 5% from the 1 May 2018 for all Science Communicators following a regrading of this post;
- other staff progressing up their job pay ranges; and
- a 1% increase in employers' pension contributions for all staff.

### Operating Deficit

An operating deficit of £2,504,182 (2018: £3,143,138) was incurred in the year primarily due to the depreciation of buildings, exhibits and equipment.

The operating deficit is made up of a deficit of £70,965 (2018: deficit £126,551) in unrestricted funds and a deficit of £2,433,217 (2018: deficit £3,016,587) in restricted funds.

### Capital Expenditure

Capital expenditure of £611,646 (2018: £287,341) was incurred in the year mainly on the following:

- creation of various new exhibits in the Science Mall and mobile exhibits for the new Powering the Future on Tour experience;
- refurbishment of the GSC Shop;
- new vans for Bodyworks on Tour and Powering the Future on Tour;
- replacement of various kitchen and other equipment;
- initial costs for new security infrastructure and new car park ticketing system; and
- various renewals and enhancement to ICT systems including new telephone system and further work on the website, Customer Relationship Management and HR systems.

### Financial Reserves

Total financial reserves at 31 March 2019 were £18,094,218 (2018: £20,598,400) representing unrestricted funds of £551,799 (2018: £622,764) and restricted funds of £17,542,419 (2018: £19,975,636).

At 31 March 2019 the unrestricted funds of £551,799 are all held in a general unrestricted financial reserve.

### Financial Reserves Policy

The charity's unrestricted (general) financial reserves policy is 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

## Annual Report of the Trustees

realising fixed assets held for its use. To achieve this GSC estimates that, following a review of its Risk Register, unrestricted funds of £622,000 should be retained as financial reserves. This level represents cover for 3 months matching funding for core mission activities, administration and support costs."

At £551,799, the charity's general unrestricted financial reserves are below the level required by the financial reserves policy. The Trustees have requested that actions be implemented by the Executive Team to bring unrestricted financial reserves gradually back up to the policy level over the next few years without adversely impacting on day to day operations.

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

### Plans for Future Periods

The Corporate Plan for 2019 – 20 sets out the following main targets:

- Visitor and admission numbers of 326,000 and 417,658 respectively to the Science Mall and Planetarium including 76,000 in-reach education participants.
- Visitor and admissions numbers of 2,000 and 8,780 respectively to Glasgow Tower.
- Planetarium only visitors to special events of 9,830.
- 101,250 education and community outreach participants for the Bodyworks on Tour (70,000) and Powering the Future on Tour (31,250) programmes.
- 77,460 education and public visitors to Whitelee Visitor Centre.
- Deliver phase 1 of the new Idea 59 exhibition on floor 2 to open in March 2020 and seek funding for the development and delivery of further phases of the exhibition and for the creation and development of a programme of complementary education activities.
- Secure the remaining co-funding for the £4.1m Connect project and deliver the various elements of the project.
- Refresh the exhibits and shows/workshops for Bodyworks on Tour.
- Review and update the Exhibition Masterplan and develop and implement further exhibit and infrastructure refreshes subject to resource availability.
- Build and expand upon our community engagement programme and integrate community learning and development values into all aspects of our service delivery.
- Develop and deliver a programme of inclusive cultural science events.
- Complete the review of our Outreach business model and implement findings and secure the remaining funding required to sustain delivery.
- Continue to be an active partner of the Glasgow City of Science and Innovation initiative.
- Seek new and develop, expand and enhance our existing partnerships with the Scottish Government, Glasgow City Council, Skills Development Scotland, GSK, universities, colleges and other research institutions, other public sector bodies and industry.
- Seek continuation of support from Glasgow City Council and West Dunbartonshire Council to fund free access for primary and assisted needs schools and seek support from other local authorities and businesses in the West of Scotland to offer free access and transport subsidy to other schools.
- Continue to develop and implement a communication, marketing and PR strategy to improve our profile.
- Continue to implement a fundraising strategy to improve, on a sustainable basis, the current return from unrestricted and restricted fundraising activities from all funding sectors i.e. public, charitable and industry.

## Annual Report of the Trustees

- Complete the installation of a new car park ticketing system.
- Complete various improvements to our security infrastructure and quay walls.
- Seek a long term solution to issues surrounding the maintenance and operation of Millennium Bridge with Glasgow City Council and other key partners.
- Continue to investigate and implement further operational efficiencies including a review of the existing management/staffing structure, pay policy, training/development for staff, volunteering programme and greater and more efficient use of ICT.
- Achieve targets set for commercial income generation and develop and implement proposals for the improvement in the quality and financial return from these activities.

### Principal Risks and Uncertainties

The Trustees believe the principal risks and uncertainties for the charity to be:

- Over dependency on core funding support from the Scottish Government; and
- Failure to secure sufficient funding from third parties to enable continual development of the exhibition stock and programming offer which in turn leads to a significant reduction in the number of paying customers.

The Scottish Government have confirmed core funding of £904,000 for financial year 2019/20, unchanged from 2018/19 and the Trustees see no reason to believe that this will not continue.

The last few years have seen significant progress in the refresh of the customer experience resulting in record visitor numbers in 2017/18. With funding in place to complete further enhancements to the customer experience during 2019/20 and beyond through the Connect and Idea 59 projects it appears unlikely that there will be a significant drop in visitor numbers in the near future.

The above principal risks and uncertainties form part of the Risk Register which is monitored by the Trustees and Key Management Personnel.

### Going Concern

The Trustees are of the opinion that, taking into consideration the committed Scottish Government funding for 2019/20 and the current economic outlook, forecast earned revenues and unrestricted financial reserves are sufficient for the charity to 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 and volunteers 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, GSC Endowment Fund, GSK, Glasgow City Council, Skills Development Scotland, Wellcome Trust/BEIS, University of Strathclyde, European Union, Skyscanner, Offshore Training Foundation, Scottish Funding Council, University of West of Scotland, University of Glasgow, Glasgow Caledonian University, Edina Trust, West Dunbartonshire Council, University of Edinburgh, Scottish Enterprise, Scottish Power, National Grid, Big Lottery Fund/Imperial College London, Knowledge Transfer Network, Zero waste Scotland, Glasgow School of Art, Developing the Young Workforce, Historic Environment Scotland, Heriot Watt University, Association for Science and Discovery Centres, Mathworks, Sigma Aldrich, Arizona State University, Scottish Edge and SEPA.

### Statement of Trustees' responsibilities in respect of the Annual Report of the Trustees and the financial statements

The Trustees are responsible for preparing the Annual Report of the Trustees and the financial statements in accordance with applicable law and regulations.

## Annual Report of the Trustees

Company and charity law requires the Trustees to prepare financial statements for each financial year. Under that law they are required to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the group's excess of expenditure over income for that year. In preparing each of the group and charitable company financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

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

### Disclosure of information to Auditor

The Trustees who held office at the date of approval of the Annual Report of the Trustees confirm that, so far as they each are aware, there is no relevant information of which the charity's auditor is unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of the information.

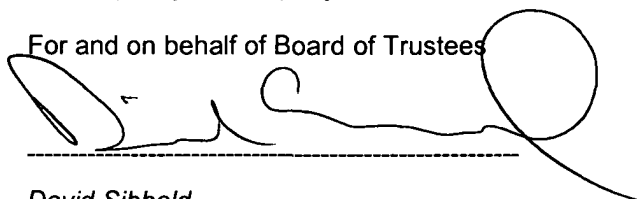
### Auditor

In accordance with section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Wylie & Bisset LLP will therefore continue in office.

### Approval

The Trustees acknowledge that the signing of this report also approves the Strategic Report in their capacity as company directors.

For and on behalf of Board of Trustees



David Sibbald

**Trustee and Chairman of the Board**

28 May 2019

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# **Independent auditor's report to the Members and Trustees of Glasgow Science Centre Charitable Trust for the year ended 31 March 2019**

## **Opinion**

We have audited the financial statements of Glasgow Science Centre Charitable Trust (the 'parent charitable company') for the year ended 31 March 2019 which comprise the Group and Parent Charitable Company's Statement of Financial Activities, the Group and Parent Charitable Company's Balance Sheet, the Group and Parent Charitable Company's Cash Flow Statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2019, and of the group's and parent charitable company's incoming resources and application of resources, including the group's and parent charitable company's 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 requirements of the Companies Act 2016, Charities and Trustee Investment (Scotland) Act 2005 and regulation 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

## **Basis for opinion**

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

## **Conclusions relating to going concern**

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

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

## **Other information**

The other information comprises the information included in the Annual Report of the Trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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## **Independent auditor's report to the Members and Trustees of Glasgow Science Centre Charitable Trust for the year ended 31 March 2019 (continued)**

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

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

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Annual Report of the Trustees.

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

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

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

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## **Independent auditor's report to the Members and Trustees of Glasgow Science Centre Charitable Trust for the year ended 31 March 2019 (continued)**

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

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

### **Use of our report**

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



Scott Gillon BA (hons) FCCA CA (Senior Statutory Auditor)  
For and on behalf of Wylie & Bisset LLP, Statutory Auditor  
168 Bath Street  
Glasgow  
G2 4TP

Date: 28 May 2019

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

## Consolidated Statement of Financial Activities (including Income and Expenditure Account)

For the year ended 31 March 2019

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
<b>Income from:</b>					
Donations and legacies	2	333,039	-	333,039	433,427
Other trading activities	3	3,181,645	-	3,181,645	2,840,133
Investment income	4	1,758	-	1,758	401
Charitable activities:					
Admissions	5	1,942,228	-	1,942,228	2,052,268
Grants	6	904,000	1,251,451	2,155,451	1,838,704
Other income	7	-	436	436	1,696
		<u>6,362,670</u>	<u>1,251,887</u>	<u>7,614,557</u>	<u>7,166,629</u>
<b>Expenditure on:</b>					
Raising Funds	10	3,120,138	116,716	3,236,854	3,060,879
Charitable activities					
Science Mall	11	2,551,254	2,039,098	4,590,352	4,989,664
IMAX Cinema	11	-	325,995	325,995	325,995
Tower	11	343,064	539,219	882,283	870,833
Education programmes	11	342,864	740,391	1,083,255	1,062,396
		<u>6,357,320</u>	<u>3,761,419</u>	<u>10,118,739</u>	<u>10,309,767</u>
<b>Net income/(expenditure)</b>		5,350	(2,509,532)	(2,504,182)	(3,143,138)
<b>Transfers between funds</b>	14	(76,315)	76,315	-	-
<b>Net movement in Funds</b>		(70,965)	(2,433,217)	(2,504,182)	(3,143,138)
<b>Reconciliation of funds:</b>					
Total funds brought forward		622,764	19,975,636	20,598,400	23,741,538
<b>Total funds carried forward</b>		<u>551,799</u>	<u>17,542,419</u>	<u>18,094,218</u>	<u>20,598,400</u>

The above results are wholly derived from continuing activities. The loss for the year for Companies Act purposes comprises the deficit of unrestricted income over expenditure/transfers and totals £70,965 (2018: deficit £126,551)

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.

The notes on pages 26 to 41 form part of these financial statements.



## Charity Statement of Financial Activities (including Income and Expenditure Account)

For the year ended 31 March 2019

	Unrestricted Total 2019 £	Unrestricted Total 2018 £
<b>Expenditure on:</b>		
Raising Funds	60	60
	<u>60</u>	<u>60</u>
<b>Net expenditure</b>	(60)	(60)
<b>Transfers between funds</b>	-	-
	<u>-</u>	<u>-</u>
<b>Net movement in Funds</b>	(60)	(60)
<b>Reconciliation of funds:</b>		
Total funds brought forward	193	253
	<u>193</u>	<u>253</u>
<b>Total funds carried forward</b>	<u>133</u>	<u>193</u>

The above results are wholly derived from continuing activities. The deficit for the year for Companies Act purposes comprises the deficit of unrestricted income over expenditure/transfers and totals £60 (2018: Deficit £60)

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.

The notes on pages 26 to 41 form part of these financial statements.

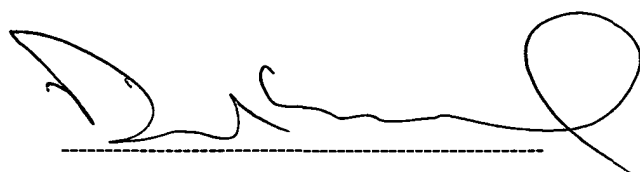
## Consolidated and Charity balance sheet

As at 31 March 2019

	Notes	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
<b>Fixed assets:</b>					
Tangible fixed assets	16	17,470,305	19,918,747	-	-
Investment in subsidiary undertakings	17	-	-	3	3
		<u>17,470,305</u>	<u>19,918,747</u>	<u>3</u>	<u>3</u>
<b>Current assets:</b>					
Stock	18	112,046	114,683	-	-
Debtors	19	954,997	999,591	-	-
Cash at bank and in hand		1,681,924	1,251,182	130	190
		<u>2,748,967</u>	<u>2,365,456</u>	<u>130</u>	<u>190</u>
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	20	(1,965,054)	(1,475,803)	-	-
<b>Net current assets</b>		<u>783,913</u>	<u>889,653</u>	<u>130</u>	<u>190</u>
<b>Total assets less current liabilities</b>		<u>18,254,218</u>	<u>20,808,400</u>	<u>133</u>	<u>193</u>
<b>Provisions for liabilities and charges</b>	21	160,000	210,000	-	-
<b>Total net assets</b>		<u><u>18,094,218</u></u>	<u><u>20,598,400</u></u>	<u><u>133</u></u>	<u><u>193</u></u>
<b>The funds of the charity</b>					
Restricted funds	22	17,542,419	19,975,636	-	-
Unrestricted funds	23	551,799	622,764	133	193
		<u>18,094,218</u>	<u>20,598,400</u>	<u>133</u>	<u>193</u>

The notes on pages 26 to 41 form part of these financial statements.

The financial statements were approved by the Board of Trustees on 28 May 2019 and signed on their behalf by:



David Sibbald  
Trustee and Chairman of the Board

28 May 2019

## Consolidated and Charity Statement of Cash Flows

For the year ended 31 March 2019

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
<b>Cash flows from operating activities:</b>				
Net cash provided by/(used in) operating activities (see below)	1,040,194	231,538	(60)	(60)
<b>Cash flows from investing activities:</b>				
Dividends, interest and rents from investments	1,758	401	-	-
Proceeds from sale of fixed assets	436	1,696	-	-
Purchase of fixed assets	(611,646)	(287,341)	-	-
Net cash used in investing activities	(609,452)	(285,244)	-	-
<b>Change in cash and cash equivalents in the year</b>	<b>430,742</b>	<b>(53,706)</b>	<b>(60)</b>	<b>(60)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1,251,182</b>	<b>1,304,888</b>	<b>190</b>	<b>250</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>1,681,924</b>	<b>1,251,182</b>	<b>130</b>	<b>190</b>
<b>Reconciliation of net income/(expenditure) to net cash flow from operating activities</b>				
Net expenditure for the year (as per the statement of financial activities)	(2,504,182)	(3,143,138)	(60)	(60)
<b>Adjustments for:</b>				
Depreciation charge	3,060,088	3,321,737	-	-
Dividends, interest and rents from investments	(1,758)	(401)	-	-
Profit on the sale of fixed assets	(436)	(1,696)	-	-
Decrease/(increase) in stocks	2,637	(3,806)	-	-
Decrease/(increase) in debtors	44,594	(92,621)	-	-
Increase/(decrease) in creditors	489,251	(58,537)	-	-
(Decrease)/increase in provisions for liabilities and charges	(50,000)	210,000	-	-
Net cash provided by/(used in) operating activities	1,040,194	231,538	(60)	(60)

The notes on pages 26 to 41 form part of these financial statements.

## Notes to the financial statements

For the year ended 31 March 2019

### 1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### ***Basis of preparation***

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

All amounts are presented in Pound Sterling and rounded to the nearest pound.

Glasgow Science Centre Charitable Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

#### ***Basis of financial statements on a going concern basis***

The Trustees are of the opinion that, taking into consideration the committed Scottish Government funding for 2019/20 and the current economic outlook, forecast earned revenues and unrestricted financial reserves are sufficient for the charity to be considered as a going concern.

#### ***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.

#### ***Income and endowments***

##### ***Donations and legacies***

Donations and legacies include all income received by the charity that is, in substance, a gift made to it on a voluntary basis which does not provide any significant benefit to the donor in return for their payment other than the knowledge that the charity must use the gift to further its purpose. Income is recognised when the charity has entitlement, the income has been received or it's probable that it will be received and the amount can be measured reliably and is not deferred.

##### ***Other trading activities***

Income from other trading activities includes income earned from both trading activities to raise funds for the charity and income from fundraising events. This income is received in exchange from the supply of goods and services in order to raise funds for the charity. Income is recognised when the charity has entitlement, the income has been received or it's probable that it will be received and the amount can be measured reliably and is not deferred.

##### ***Investment income***

Investment income is earned from holding assets for investment purposes and includes dividends, interest and rents from investment property. It is recognised when receivable.

##### ***Charitable activities - 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.

##### ***Charitable activities - grants***

Grants for charitable activities are performance related grants which have conditions that specify the provision of particular goods or services to be provided by the charity. Grants whether "capital grants" or "revenue grants" are only recognised when the charity has entitlement, any

## Notes to the financial statements

For the year ended 31 March 2019

performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

### **Other income**

Other income is recognised when received.

### **Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

### **Raising Funds**

Expenditure on raising funds includes all expenditure incurred by the charity in raising funds for its charitable purpose. It includes the costs of all fundraising activities and other trading activities.

### **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, management and corporate governance. These costs are allocated across fundraising expenditure and the four categories of charitable expenditure on the basis of the direct expenditure incurred.

### **Operating Leases**

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

### **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 had 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. This option has now been removed for future cost of living increases following the introduction of the People's Pension but existing arrangements will continue to be honoured.

From 1 April 2014 all eligible employees were auto enrolled in the People's Pension with non-eligible and entitled employees also free to join. The employer's contribution during the current year was 2% on all earnings but will increase to 3% from 1 April 2019.

### **Taxation**

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### **Fixed assets**

All fixed assets are included at historical cost with the exception of freehold land which is included at historical valuation and therefore deemed cost. 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.

## Notes to the financial statements

For the year ended 31 March 2019

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

### **Investments**

Investments held by the charitable company relate to the share capital of its subsidiary companies. Accordingly, investments are reported at their historical cost and not any potential market value.

### **Stocks**

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

### **Debtors**

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

### **Cash at bank and in hand**

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

### **Creditors**

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

Income that is received in advance of the provision of the associated services or goods by the charity is treated as a deferred income liability.

### **Provisions for liabilities and charges**

Provisions are recognised when a contractual obligation from a past event is identified which is likely to lead an outflow from the charity but this outflow has uncertain timing or value.

### **Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

### **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.

**Transfers** - transfer between funds relate to the release of unrestricted or designated income to cover expenditure that has been classified in the SOFA as restricted.

## Notes to the financial statements

For the year ended 31 March 2019

### 2. Donations and legacies

	Unrestricted and Restricted funds	
	2019	2018
	£	£
Gift Aid - Income Tax Recovered	187,716	246,888
Donations	145,323	186,539
	<u>333,039</u>	<u>433,427</u>
Unrestricted	333,039	433,427
Restricted	-	-
	<u>333,039</u>	<u>433,427</u>

### 3. Other trading activities

	Unrestricted funds	
	2019	2018
	£	£
Corporate Events	1,110,354	919,426
Retail - Cafe	526,511	527,403
Car parking	370,951	340,109
Management Fees - Whitelee Visitor Centre	342,032	344,245
Retail - Shop and Vending	284,213	307,265
Property Rental and Service Charge - IMAX Cinema	257,667	236,995
Experience Design Services	210,798	124,961
Special Events	33,267	-
Sponsorship	20,000	20,000
Property rental - other	18,677	12,405
Berthing charges	7,175	7,324
	<u>3,181,645</u>	<u>2,840,133</u>

### 4. Investment income

	Unrestricted funds	
	2019	2018
	£	£
Bank interest	<u>1,758</u>	<u>401</u>

## Notes to the financial statements

For the year ended 31 March 2019

### 5. Charitable Activities - Admission income

	Unrestricted funds	
	2019	2018
	£	£
Science Mall	1,715,529	1,825,926
Education programmes	198,185	200,678
Tower	28,514	25,664
	<u>1,942,228</u>	<u>2,052,268</u>

### 6. Charitable Activities - Grants

	Unrestricted and Restricted funds	
	2019	2018
	£	£
<b>Capital and Major Repairs</b>		
Exhibitions - Scottish Government	208,881	-
Exhibitions - other	94,119	92,411
Other capital and repairs funding	231,895	106,779
	<u>534,895</u>	<u>199,190</u>
<b>Programme development and delivery</b>		
Scottish Government	1,067,611	1,128,082
Other programme development and delivery funding	552,945	511,432
	<u>1,620,556</u>	<u>1,639,514</u>
	<u>2,155,451</u>	<u>1,838,704</u>
Unrestricted	904,000	904,000
Restricted	1,251,451	934,704
	<u>2,155,451</u>	<u>1,838,704</u>

Exhibitions and programme development and delivery grants from the Scottish Government are split as follows:

Operational grant to deliver science engagement	904,000	904,000
Powering the Future On Tour	213,216	-
Schools transport subsidy	60,000	60,000
Community subsidy	60,000	60,000
Venturejam event for young people	20,000	20,000
Digital Participation Charter - marketing support to SMEs	9,321	81,361
Can Do Innovation Summit	7,384	-
Cyber Resilience	1,400	-
National STEM Engagement Campaign	1,171	-
Digital gender balance study	-	2,721
	<u>1,276,492</u>	<u>1,128,082</u>



## Notes to the financial statements

For the year ended 31 March 2019

### 7. Other income

	Restricted funds	
	2019	2018
	£	£
Profit on sale of assets	436	1,696

### 8. The deficit for the year is stated after charging:

	2019	2018
	£	£
Auditor's remuneration:		
- Audit of these financial statements	900	900
- Audit of subsidiaries' financial statement pursuant to legislation	7,220	7,220
Trustees' liability insurance	6,621	6,306
Trustees' remuneration	-	-
Depreciation - owned assets	3,060,088	3,321,737

The audit fee for Glasgow Science Centre Charitable Trust was met by its subsidiary, Glasgow Science Centre Limited.

### 9. Staff costs, Trustee remuneration and expenses and the cost of key management personnel

	2019	2018
	£	£
Wages and salaries	3,959,188	3,777,778
Social security costs	321,230	298,477
Pension costs	83,872	46,735
	<u>4,364,290</u>	<u>4,122,990</u>
Average number of employees	No.	No.
Customer experience	77	86
Science	28	25
Retail/Corporate Hospitality/Catering/Whitelee	62	63
Facilities/Exhibits	39	39
Support	15	14
	<u>221</u>	<u>227</u>

No Trustee received any remuneration during the year (2018: £0).

No Trustee was reimbursed for any out of pocket travel and subsistence expenses (2018: £0). Trustees are entitled to expenses but all waived this entitlement. It is estimated that the waived expenses were less than £1,000.

During the year two employees earned remuneration (excluding pension contributions) in the range of £70,000 - £80,000 (2018: two), no one earned remuneration (excluding pension contributions) in the range of £80,000 - £90,000 (2018: one), one earned remuneration

## Notes to the financial statements

For the year ended 31 March 2019

(excluding pension contributions) in the range of £90,000 to £100,000 and one earned remuneration (excluding pension contributions) in the range £110,000 - £120,000 (2018: one).

The key management personnel of the group, comprise the trustees, Chief Executive, Director of Finance & Operations, Director of Science, Creative Director and Deputy Director of Science. The total remuneration including pension contributions of the key management personnel of the charged in these accounts was £405,986 (2018: £386,087).

Pension contributions of £10,923 (2018: £12,197) via salary sacrifice were made on behalf of employees to the Friends Provident stakeholder pension scheme.

Employers' pension contributions of £72,949 (2018: £34,538) on behalf of enrolled employees were made to the People's Pension Fund.

A total of £67,201 (2018: £9,482) of the staff costs noted above relating to the development, building and installation of new exhibitions have been capitalised.

### 10. Expenditure on raising funds

	Unrestricted and restricted funds	
	2019	2018
	Total	Total
	£	£
<b>Direct expenditure</b>		
Staff and associated costs	1,281,720	1,189,521
Other costs	831,433	795,550
Maintenance & repairs	81,636	82,913
Supplies/consumables	64,599	63,350
Communication costs	37,525	27,138
Travel & subsistence	20,960	15,385
Legal & professional	(36,153)	462
Finance charges	19,573	14,068
Administration	7,898	6,766
	<u>2,309,191</u>	<u>2,195,153</u>
<b>Support costs (see note 13)</b>	<u>927,663</u>	<u>865,726</u>
	<u><u>3,236,854</u></u>	<u><u>3,060,879</u></u>

Expenditure on raising funds was £3,236,854 (2018: £3,060,879) of which £3,120,138 (2018: £2,969,851) was unrestricted and £116,716 (2018: £91,028) was restricted.

## Notes to the financial statements

For the year ended 31 March 2019

### 11. Expenditure on charitable activities

	Science Mall	IMAX Cinema	Tower	Education	Unrestricted and restricted funds	
					2019 Total	2018 Total
	£	£	£	£	£	£
<b>Direct expenditure</b>						
Staff and associated costs	1,155,223	-	49,282	552,304	1,756,809	1,663,143
Other costs	64,529	-	88	153,018	217,635	209,395
Maintenance & repairs	40,040	-	70,005	358	110,403	92,495
Supplies/consumables	81,725	-	2,646	11,593	95,964	114,781
Communication costs	18,283	-	-	3,439	21,722	25,985
Travel & subsistence	11,479	-	-	36,135	47,614	40,246
Legal & professional	1,580	-	-	13,316	14,896	88,110
Finance charges	20,975	-	-	-	20,975	20,715
Administration	7,373	-	-	2,637	10,010	11,148
Depreciation	1,873,577	325,995	507,405	-	2,706,977	3,024,827
	<u>3,274,784</u>	<u>325,995</u>	<u>629,426</u>	<u>772,800</u>	<u>5,003,005</u>	<u>5,290,845</u>
<b>Support costs (see note 13)</b>	1,315,568	-	252,857	310,455	1,878,880	1,958,043
	<u>4,590,352</u>	<u>325,995</u>	<u>882,283</u>	<u>1,083,255</u>	<u>6,881,885</u>	<u>7,248,888</u>

Expenditure on charitable activities was £6,881,885 (2018: £7,248,888) of which £3,237,182 (2018: £3,300,474) was unrestricted and £3,644,703 (2018: £3,948,414) was restricted.

### 12. Summary analysis of expenditure and related income from charitable activities

The total cost of the four main charitable activities and the sources of income directly to support the activities is summarised below:

	Science Mall	IMAX Cinema	Tower	Education	Unrestricted and restricted funds	
					2019 Total	2018 Total
	£	£	£	£	£	£
Expenditure	(4,590,352)	(325,995)	(882,283)	(1,083,255)	(6,881,885)	(7,248,888)
Less: admissions income	1,715,529	-	28,514	198,185	1,942,228	2,052,268
Less: grants	1,438,895	-	-	716,556	2,155,451	1,838,704
<b>Net expenditure</b>	<u>(1,435,928)</u>	<u>(325,995)</u>	<u>(853,769)</u>	<u>(168,514)</u>	<u>(2,784,206)</u>	<u>(3,357,916)</u>

The deficit in the year is met from other income raised by the charity and from unrestricted and restricted financial reserves.

## Notes to the financial statements

For the year ended 31 March 2019

### 13. Support costs

					Unrestricted and restricted funds	
	Fundraising	Science Mall	Tower	Education	2019	2018
	£	£	£	£	£	£
Marketing	84,281	119,523	22,973	28,206	254,983	297,711
Facilities Management	500,343	709,563	136,381	167,447	1,513,734	1,515,011
Information Technology	122,841	174,208	33,483	41,110	371,642	347,093
Finance	109,810	155,727	29,931	36,749	332,217	330,533
Human Resources	44,617	63,273	12,161	14,932	134,983	131,797
Management	40,301	57,153	10,985	13,487	121,926	122,372
Corporate Governance	25,470	36,121	6,943	8,524	77,058	79,252
	<u>927,663</u>	<u>1,315,568</u>	<u>252,857</u>	<u>310,455</u>	<u>2,806,543</u>	<u>2,823,769</u>

### 14. Transfers

Unrestricted funds of £76,315 were transferred during the year to meet funding deficits on various capital renewals of new and existing restricted fixed assets.

### 15. 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 2019

### 16. Tangible fixed assets

Group	Land and Buildings £	Exhibits £	Plant and equipment £	Computer equipment £	Total £
<b>Cost or valuation:</b>					
As at 1 April 2018	54,585,073	10,674,482	2,498,285	822,265	68,580,105
Additions	-	305,570	226,496	79,580	611,646
Disposals	-	(27,589)	(34,430)	(21,740)	(83,759)
As at 31 March 2019	<u>54,585,073</u>	<u>10,952,463</u>	<u>2,690,351</u>	<u>880,105</u>	<u>69,107,992</u>
<b>Depreciation:</b>					
As at 1 April 2018	36,365,324	9,485,751	2,192,924	617,359	48,661,358
Charge for the year	2,100,923	606,054	182,225	170,886	3,060,088
On disposals	-	(27,589)	(34,430)	(21,740)	(83,759)
As at 31 March 2019	<u>38,466,247</u>	<u>10,064,216</u>	<u>2,340,719</u>	<u>766,505</u>	<u>51,637,687</u>
<b>Net book value:</b>					
As at 31 March 2019	<u>16,118,826</u>	<u>888,247</u>	<u>349,632</u>	<u>113,600</u>	<u>17,470,305</u>
As at 31 March 2018	<u>18,219,749</u>	<u>1,188,731</u>	<u>305,361</u>	<u>204,906</u>	<u>19,918,747</u>

Included in land and buildings is land owned by Glasgow Science Centre Charitable Trust which is leased to Glasgow Science Centre Limited for 175 years at an annual rental of £1.

The freehold land was valued at its open market value on 24 February 1999 by the District Valuer, Scotland South West at £2,000,000 and given that the Group still has the full beneficial interest the value is deemed to remain unchanged.

Included in land & buildings is the IMAX Cinema at a cost of £7,150k, aggregate depreciation £5,393k and net book value of £1,757k. This asset was leased on 24 July 2013 by Glasgow Science Centre Limited to Glasgow Science Centre (Trading) Limited for a minimum period of 10 years. On the same date Glasgow Science Centre (Trading) Limited sub-leased the IMAX Cinema to Cineworld Cinemas Limited for a minimum period of 10 years.

Included in exhibits is the sum of £38,822 (2018: £7,039) in respect of new exhibitions/exhibit spaces in development for which no depreciation has been charged during the year.

Included in plant and equipment is the sum of £26,319 (2018: £0) in respect of new plant and equipment in development for which no depreciation has been charged during the year.

All fixed assets are primarily held to provide services to GSC's customers rather than for generating cash flows and therefore it is considered more appropriate to regard value in use as the present value of the asset's service potential rather than the present value of the asset's cash flows. The Trustees consider the depreciated cost of the asset to be the most relevant and reliable means of measuring an asset's service potential.

The Trustees do not believe that there has been any impairment of service potential of any assets during the year.

## Notes to the financial statements

For the year ended 31 March 2019

### 17. Investment in subsidiary undertakings

	2018	2017
	£	£
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 (Registered No. SC184352, Registered Charity No. SC030809) and Glasgow Science Centre (Trading) Limited (Registered No. SC210177).

The income, expenditure, assets and liabilities of each subsidiary is detailed below:

	2019		2018	
	GSC Limited	GSC (Trading) Limited	GSC Limited	GSC (Trading) Limited
	£	£	£	£
Income	5,495,010	3,142,856	5,154,138	2,806,289
Expenditure	(7,999,131)	(2,377,214)	(8,297,214)	(2,249,488)
Gift aid payment	-	765,642	-	556,801
Assets	19,846,418	1,293,749	21,855,040	1,232,840
Liabilities	(1,752,327)	(1,293,747)	(1,256,828)	(1,232,838)
Net assets	<u>18,094,091</u>	<u>2</u>	<u>20,598,212</u>	<u>2</u>

### 18. Stock

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Food and beverage for resale	34,237	40,464	-	-
Merchandise for resale	42,147	38,080	-	-
Crockery and cutlery	35,662	36,139	-	-
	<u>112,046</u>	<u>114,683</u>	<u>-</u>	<u>-</u>

## Notes to the financial statements

For the year ended 31 March 2019

### 19. Debtors

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	259,148	179,804	-	-
Amounts owed by GSC Endowment Fund	-	178,008	-	-
Prepayments and accrued income	517,038	628,164	-	-
Other debtors	178,811	13,615	-	-
	<u>954,997</u>	<u>999,591</u>	<u>-</u>	<u>-</u>

### 20. Creditors: amounts falling due within one year

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Trade creditors	175,264	180,698	-	-
Tax and social security costs	154,719	142,294	-	-
Accruals and prepaid income	1,632,339	1,149,234	-	-
Other creditors	2,732	3,577	-	-
	<u>1,965,054</u>	<u>1,475,803</u>	<u>-</u>	<u>-</u>

Included within accruals and prepaid income is the sum of £1,535,199 (2018: £1,051,685) in respect of income received in advance and/or is subject to performance related criteria. This income is released in or over the specified future period that it relates to and/or when the performance related criteria are achieved. The movement in the year is summarised below:

	Balance at 1 April 2018	Receipts	Released to SOFA	Balance at 31 March 2019
	£	£	£	£
<b>Advanced Income</b>				
Performance related grants	552,563	2,596,565	(2,065,836)	1,083,292
Admissions income	180,432	1,921,634	(1,942,228)	159,838
Corporate events	117,344	1,133,123	(1,110,354)	140,113
Experience design services	104,648	164,352	(210,798)	58,202
IMAX rent & service charge	69,099	251,230	(257,667)	62,662
Whitelee service charge	17,790	346,692	(342,032)	22,450
Car parking	8,521	369,784	(370,951)	7,354
Other	688	2,750	(2,750)	688
Berthing	600	7,175	(7,175)	600
	<u>1,051,685</u>	<u>6,793,305</u>	<u>(6,309,791)</u>	<u>1,535,199</u>

## Notes to the financial statements

For the year ended 31 March 2019

### 21. Provisions for liabilities and charges

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Repairs to Millennium Bridge	160,000	160,000	-	-
Experience design service - provision for remedial work	-	50,000	-	-
	<u>160,000</u>	<u>210,000</u>	<u>-</u>	<u>-</u>

#### **Millennium Bridge**

As part of the contractual arrangements with Glasgow City Council for the adoption of Millennium Bridge, GSC Limited retained responsibility for the maintenance and operation of its moving parts which allow it to open on request to river traffic. A recent inspection identified a number of technical issues with these moving parts and the need for various repairs to be undertaken currently estimated at a cost of £160,000. The inspection also identified the need for various repairs to be undertaken on the non-moving parts which are the responsibility of Glasgow City Council and discussions are underway to establish the extent of each organisations responsibilities and agree a plan to undertake the required repairs. Given the significant access challenges to undertake repairs and the need for a specialist contractor no definitive costings or timetable to undertake the works has yet been agreed.

#### **Experience Design Service**

This provision made released to the income and expenditure during the year following the completion of remedial work and acceptance by the client that this work is full and final settlement of any potential claim they may have against for defective work undertaken by a sub-contractor of GSC (Trading) Limited.



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

## Notes to the financial statements

For the year ended 31 March 2019

### 22. Restricted funds

Group Fund	Purpose	Balance at 01/04/18 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31/03/19 £	Balance at 01/04/17 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31/03/18 £
Science Centre - Fixed Assets	Capital cost of fixed assets	19,918,747	-	(3,060,088)	611,646	17,470,305	22,953,143	-	(3,321,737)	287,341	19,918,747
GSC Endowment Fund - Capital Renewals	Various capital renewals	-	228,238	-	(228,238)	-	-	172,939	-	(172,939)	-
Connect Project	To deliver the Connect project	-	32,393	(8,635)	(23,758)	-	-	-	-	-	-
Idea 59 Exhibition	To deliver the Idea 59 exhibition	-	40,229	-	(40,229)	-	-	-	-	-	-
Other Exhibit and Capital Renewals Projects	Various capital renewals	-	8,189	-	(8,189)	-	-	27,670	-	(27,670)	-
My World of Work Live	To deliver MWOW programme	-	70,424	(70,158)	(266)	-	-	101,594	(101,317)	(277)	-
Outreach - Bodyworks on Tour	To deliver Bodyworks Outreach programme	-	174,294	(148,524)	(25,770)	-	-	115,960	(115,960)	-	-
Outreach - Powering the Future On Tour	To create and deliver the PTFOT programme	-	236,177	(27,296)	(208,881)	-	-	-	-	-	-
City of Science and Innovation	To deliver the initiative and various programmes	45,556	164,750	(149,053)	-	61,253	28,234	129,005	(111,683)	-	45,556
Transport Grant	To provide transport for schools	-	60,000	(60,000)	-	-	-	60,000	(60,000)	-	-
Community Subsidy	To facilitate community led engagement	-	60,000	(60,000)	-	-	-	60,000	(60,000)	-	-
Free Access for Schools	To pay for free access to GSC for schools	-	95,060	(95,060)	-	-	-	82,041	(82,041)	-	-
Digital Initiatives	To deliver various digital support programmes	-	10,721	(10,721)	-	-	-	90,921	(90,921)	-	-
D Elder Lecture Series	To deliver astronomy lecture series	11,333	7,615	(8,087)	-	10,861	10,846	7,615	(7,128)	-	11,333
OPAL	To deliver the Open Air Laboratories programme	-	7,976	(7,976)	-	-	-	30,330	(30,330)	-	-
RSC Co-ordinator	To fund this the RSC Co-ordinator post	-	-	-	-	-	-	27,853	(27,853)	-	-
Other Programmes	To deliver various programme	-	55,821	(55,821)	-	-	-	30,472	(30,472)	-	-
Charity		19,975,636	1,251,887	(3,761,419)	76,315	17,542,419	22,992,223	936,400	(4,039,442)	86,455	19,975,636

In accordance with the original funding agreement for the establishment of Glasgow Science Centre with the Millennium Commission, the Group is required in perpetuity to maintain and renew the assets of Glasgow Science Centre to deliver the original project purpose. To ensure this is achieved the agreement further requires that all surplus income generated from the use of the Group's fixed assets be applied towards their maintenance and renewal (when required) and that an Endowment Fund be established to further assist with this obligation (The Glasgow Science Centre Endowment Fund, Registered Charity No. SC029705). In addition, as security to ensure these obligations are met the Millennium Commission retains a bond and floating charge over the Group's assets (see Note 27). As a result of these obligations all fixed assets continue to be shown as restricted. Generally, the majority of fixed asset additions, particularly new exhibitions, are also funded by restricted funds from other funders but in some cases when there is a shortfall in the funding available for capital renewals from the funds provided by the Endowment Fund, in accordance with the Charity SORP, unrestricted funds are transferred to restricted funds to meet this deficit.

The restricted funds represent the capital cost of assets held for the purposes of delivering the specific charitable activities and various funds provided by third parties for the delivery of specific science education and other programmes/initiatives.

## Notes to the financial statements

For the year ended 31 March 2019

### 23. Unrestricted funds

	Balance at 01/04/18 £	Incoming resources £	Outgoings/ Transfers £	Balance at 31/03/19 £
<b>Group</b>				
General reserve	622,764	6,362,670	(6,433,635)	551,799
<b>Charity</b>				
General reserve	193	-	(60)	133
	Balance at 01/04/17 £	Incoming resources £	Outgoings/ Transfers £	Balance at 31/03/18 £
<b>Group</b>				
General reserve	749,315	6,230,229	(6,356,780)	622,764
<b>Charity</b>				
General reserve	253	-	(60)	193

### 24. Analysis of fund balances between net assets

	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>At 31 March 2019</b>			
<b>Group</b>			
Fixed assets	-	17,470,305	17,470,305
Stock	112,046	-	112,046
Debtors	710,368	244,629	954,997
Cash at bank and in hand	771,147	910,777	1,681,924
Creditors: falling due within one year	(881,762)	(1,083,292)	(1,965,054)
Provision for liabilities and charges	(160,000)	-	(160,000)
	551,799	17,542,419	18,094,218
	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>At 31 March 2018</b>			
<b>Group</b>			
Fixed assets	-	19,918,747	19,918,747
Stock	114,683	-	114,683
Debtors	591,099	408,492	999,591
Cash at bank and in hand	1,050,222	200,960	1,251,182
Creditors: falling due within one year	(923,240)	(552,563)	(1,475,803)
Provision for liabilities and charges	(210,000)	-	(210,000)
	622,764	19,975,636	20,598,400

At 31 March 2019 and 31 March 2018 all of the unrestricted funds of the Charity are held as cash at bank and in hand.

## Notes to the financial statements

For the year ended 31 March 2019

### 25. Financial commitments

The group has no financial commitments under non-cancellable financial agreements (2018: None).

### 26. Capital and major repair commitments

At 31 March 2019 the company had contracted capital commitments for the creation of various new fixed assets of £127,723 (2018: £20,700).

### 27. 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 Group as security for their grant funding.

### 28. 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 2019 the company had one member, Scottish Enterprise Glasgow.

### 29. Ultimate parent undertaking

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

The ultimate parent undertaking is Scottish Enterprise an executive Non- Departmental Public Body of the Scottish Government established by the Enterprise and New Towns (Scotland) Act 1990 for the purposes of furthering the development of Scotland's economy.

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

### 30. Related party transactions

The company has taken advantage of the exemption available under FRS 102 Section 33.1A not to disclose details of intra-group transactions, on the grounds that transactions are within the group and are fully eliminated on consolidation.