



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

Annual Report and Financial Statements

31 March 2015

Registered number SC172371

Registered charity number SC025818

Annual Report and Financial Statements

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Trustees, Officers and Advisers

Chairman

Professor Sir Jim McDonald

Vice Chairman

Professor J Coggins OBE

Trustees

Dr K G Chrystie

D Colquhoun

J Downes

Dr W Duncan

Professor A Ferguson

A Kidd

A Horn (appointed 25 August 2014)

S Patrick

H Reid OBE

Company Secretary

D McQueen

Audit Committee

Dr W Duncan (Chairman)

Professor J Coggins OBE

J G Wylie CA

Finance Committee

S Patrick (Chairman)

D Colquhoun

A Kidd

Nominations Committee

Professor J Coggins OBE (Chairman)

H Reid OBE

S Patrick

Remuneration and Appointments Committee

D Colquhoun (Chairman)

J Downes

Dr W Duncan

Science Advisory Committee

Professor J Coggins OBE (Chairman)

Dr S Breslin

J Downes

Professor A Ferguson

Dr R Hoyle

Dr G Lang

G Rose

H Reid OBE

Trustees, Officers and Advisers

Executive Team

Dr S Breslin – Chief Executive
D McQueen – Director of Finance & Operations
Dr R Hoyle – Director of Science

Independent Auditor

KPMG LLP
Chartered Accountants
191 West George Street
Glasgow
G2 2LJ

Bankers

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

Solicitors

Burness
120 Bothwell Street
Glasgow
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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 2015.

Structure, Governance and Management

Organisational Structure

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

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

Governance

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

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

At each Annual General Meeting, one third of the Trustees (other than the Chief Executive, 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 the interests of its member in accordance with its Memorandum and Articles of Association and that all its activities fall within its charitable purposes.
- Agreeing a financial budget and monitoring performance, determining plans to mitigate underperformance and ensuring that the charity has adequate resources to undertake its charitable activities.
- Identifying and assessing risks affecting the charity and determining plans to mitigate the risks wherever possible.
- Making accurate and prompt annual returns to the Registrar of Companies and the Office of the Scottish Charity Regulator (OSCR).
- Appointing and reviewing the performance of the Chief Executive.

The Board of Trustees meets every 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 five sub - committees;

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

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

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

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 (£923k in the year ended 31 March 2015) 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 Senior Management Team and any deviations reported to the Trustees through monthly operational reports. The full Risk Register is reviewed on an annual basis by the Trustees

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

Objectives and Activities

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

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

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Our Vision - A brighter future for Scotland through science.

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

Our Ambition - To be recognized as a world-class science centre and leading platform for engagement with science.

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

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

GSC currently employs a total of 209 staff split: 114 full-time staff, 22 part-time staff and 73 casual staff. The gender split of the total staff at the year-end is 121 (58%) female and 88 (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 296,000 visitors to the Science Mall made up of 220,000 public visitors and 76,000 education in-reach participants.
- To achieve a total of 21,000 visitors to Glasgow Tower.
- From the above visitor numbers to achieve a total of 389,600 admissions made up of 296,000 to the Science Mall, 21,000 to the Tower and 72,600 to the Planetarium.
- To achieve 125,000 community and education outreach participants through extensive involvement with the Glasgow Commonwealth Games 2014 including touring with the Queens Baton Relay, being part of the Glasgow Green event zone and delivering In the Zone as part of the BBC at the Quay event.
- To achieve 74,082 visitors to Whitelee Visitor Centre.
- Deliver a 5* customer experience.

2. Educational Resource – Creative and innovative learning experiences

- Complete the Glasgow Tower refurbishment project.
- Develop, fabricate and install a number of new Do Science exhibits throughout the Science Mall.
- Secure the remaining funding for the Powering the Future exhibition, finalise concepts and designs and commence fabrication with the aim of installing and opening on floor 2 in Summer 2015.
- Complete the tender process for the digital upgrade of the Planetarium and subject to securing funding complete the installation.
- Continue to develop curriculum linked science engagement activities that meet the needs of schools.
- Deliver School & Public inreach programmes.
- Deliver School & Community outreach programmes.

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3. Partner of Choice - Build partnerships

- Seek to develop, expand and enhance our existing partnerships with Scottish Government, Skills Development Scotland, GlaxoSmithKline, 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.
- Work with the BBC to develop plans to create a Cultural Hub at Pacific Quay during the Commonwealth Games 2014 including the purchase and installation of a large LED Display Screen to replace the current Features Wall to broadcast live sport in Millennium Square.
- Work with Cryptic to deliver the Sound to Sea concert at Pacific Quay as part of Festival 2014.
- Continue to be an active partner of the Glasgow City of Science initiative.
- To network with local communities and businesses to raise the profile of GSC in its locality to ensure the widest possible access by all groups of society.

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

- Continue to develop and implement a communications, marketing and PR strategy to improve the profile of GSC.

5. Operational Excellence – Commercially focussed and efficient organisation

- Purchase and install a new car parking ticketing system.
- 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.
- 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.
- Deliver the exhibit design and fabrication contracts for NHS Greater Glasgow and Clyde at the new Royal Sick Children's Hospital and continue to develop the business model in this area to proactively seek and deliver new business.
- Maximise the return from all other commercial operations including IMAX property rental, Corporate Events, Whitelee Visitor Centre, Café, Shop and Car Parking.

Strategic Report

Achievements and Performance

The Trustees are pleased to report good progress in delivery of the majority of the Corporate Plan objectives for 2014-15 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:

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Visitors/Participants	Actual 2014/15	Budget 2014/15	Variance	Actual 2013/14
Science Mall – Public	222,527	220,000	2,527	229,775
Tower – Public	5,778	21,000	(15,222)	0
Education In-reach (incl. special events)	75,121	76,000	(879)	75,710
Total	303,426	317,000	(13,574)	305,485

Total visitor/participants at 303,426 were 13,574 or 7.2% behind budget and 2,059 or 0.7% behind the previous year (2014: 305,485) due primarily to a shortfall in visitors to Glasgow Tower due to its delayed reopening and lower than expected demand.

Visitors to the Science Mall were down 7,248 or 3.2% on the record year of 2014 due to lack of a major refresh of the exhibit stock (2014: Bodyworks).

Included in the total education numbers are 14,891 of school visitors (2014: 13,990) 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 visitor numbers is 1,756 participants (2014: 1,340) 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 2014/15	Budget 2014/15	Variance	Actual 2013/14
Science Mall – Public & Education	297,648	296,000	1,648	305,485
IMAX – Public & Education	0	0	0	20,171
Tower – Public	8,326	21,000	(12,674)	0
Planetarium – Public & Education	76,332	72,600	3,732	77,121
Total	382,306	389,600	(7,294)	402,777

Total admissions at 382,306 were 7,294 or 1.9% behind budget due to a shortfall in Glasgow Tower admissions and 20,471 or 5.1% behind last year (2014: 402,777) due to the removal of IMAX admissions which are now the responsibility of Cineworld.

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 2014/15	Budget 2014/15	Variance	Actual 2013/14
Education	27,077	25,000	2,077	35,169
Community	88,500	100,000	(11,500)	52,743
Total	115,577	125,000	(9,423)	87,912

Total Bodyworks on Tour (BWOT) participants at 115,577 were 9,423 or 7.5% behind budget but 27,665 or 31.5% ahead of the previous year (2014: 87,912) to achieve the highest ever number of outreach participants in a year by a significant margin, previous record 88,141 in 2011/12.

Key to the record performance has been the presence at Commonwealth Games 2014 events including a major involvement at the Glasgow Green Festival Zone engaging with 36,000

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participants and presence at over 25 Queen's Baton Relay events, showcasing to 15,071 participants.

A further 14,346 participants were engaged with a temporary outreach exhibition called *In the Zone* which was hosted with support of At Bristol Science Centre as part of BBC at the Quay pop up festival which ran throughout the Commonwealth Games 2014.

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 2014/15	Budget 2014/15	Variance	Actual 2013/14
Public	73,747	68,526	5,221	70,080
Education	5,843	5,556	287	5,708
Total	79,590	74,082	5,508	75,788

Total visitors at 79,590 were 5,508 or 6.9% ahead of budget and 3,802 or 5.0% ahead of the previous year (2014: 75,688).

Customer Satisfaction/Impact

The overall customer satisfaction rating monitored through third party surveys for the Science Mall for the year was 8.67 out of 10 (Target: 8, 2014: 8.57).

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:

- 88% of teachers indicated that their visit helps them deliver Curriculum for Excellence outcomes.
- 81% of visitors believe they learned something new from their visit.
- 75% of visitors believe their visit had encouraged their children's interest in science and technology.
- 75% of visitors believe their visit made them feel science is relevant to their life.
- 75% of visitors believe that Science Centres portray science more honestly than the media or government.
- 67% of visitors believe their visit made them more confident about science in general.
- 65% of visitors want to find out more about science following their visit.
- 65% of visitors find science more interesting following their visit.

Although the above gives strong indication of a significant impact being created by our activities further work is required to evaluate more closely the learning outcomes. Reactions to specific activities indicated the following:

- 90% of visitors indicated that they had learned from Bodyworks with 70% indicating potential changes in lifestyle now or in the future.
- 89% of participants in the community led engagement project indicated that they had learned new things.
- 67% of teachers indicated that their visit had given them increased confidence in teaching science and technology.
- 63% of 10 to 15 year olds visiting the My World of Work area have found out about a new job or career.

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

Many of the impacts being experienced above are delivering key national outcomes for the Scottish Government including:

- To foster a culture of science in Scotland.
- To encourage more young people to pursue science study and careers.
- To raise awareness of the relevance and importance of science and enable informed decision-making and choices.
- To promote the national and international profile of Scottish science.
- To support knowledge exchange between education, industry, research communities and policy interests.

Our status as a 5 Star visitor attraction has been maintained throughout the year and renewed following a site inspection from Visit Scotland on 12 May 2015.

Educational Resource – Creative and innovative learning experiences

Glasgow Tower

The refurbishment of Glasgow Tower including a new experience was successfully completed at a total cost of £1.849m and reopened to the public on 18 July 2014 some 4 weeks behind schedule.

Exhibit Refresh Programme

Further refresh of our exhibition stock has been undertaken during the year as follows:

- Do Science – A total of 10 new exhibits were developed, fabricated and installed by the our exhibit engineers including Guitar Oscilloscope, Standing Waves, Reactable and the 3 Ball Launch.
- Powering the Future – £1.2m of the required £1.5m had been secured at the year end with a further £250k secured since to enable this new exhibition planned for part of floor 2 aimed at raising awareness of the science, innovation and engineering behind the generation of electricity to be progressed. The fabrication of the exhibits is now underway with opening expected in December 2015.
- My World of Work Live – A new area has been created on floor 2 with support from Skills Development Scotland to deliver an innovative suite of practical and careers management workshops to encourage visitors to try science and raise awareness of the exciting career opportunities in science, technology, engineering and maths.
- Bodyworks Floor 3 – New exhibits have been added including the operation table, a sensory wall and arm endurance.

In addition to the above we hosted a number of temporary exhibitions during the year including:

- “Wellcome Images” a satellite version of the Wellcome Trust Image Awards.
- “In Motion” from the Edinburgh Science Festival.
- “Second Hand Smoke” from the Scottish Government.
- “Images of Research: An Exhibition of Strathclyde’s Global Relevance” from Strathclyde University.

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Digital Planetarium Upgrade

A preferred contractor has now been appointed to deliver the digital upgrade of the Planetarium. The planned works will require the closure of the Planetarium in late June 2015 with reopening scheduled for September 2015.

Schools and Public In-reach Programmes

To supplement our exhibition offer an extensive high quality public and schools education programme was delivered throughout the year including innovative interactive shows, workshops and “Meet the Expert” activity. Key highlights include:

- 6 different science shows have been delivered including “It’s a Gas” and “Who needs Science” to 19,313 public visitors and 17,775 school pupils;
- 15 different interactive workshops including “Invisible Science” and “Hands on DNA” have been delivered to 37,879 public visitors and 14,899 school pupils;
- 7 Planetarium shows including The Sky Tonight, Sky Safari, Stargazers and Our Place in Space delivered to 50,703 public visitors and 25,629 school pupils. In addition we also took part in World Space Week in October 2014 with real lunar and meteorite samples.
- Cineworld have shown education films such as Under the Sea 3D, Galapagos 3D, Born to be Wild 3D and Hubble 3D to 15,728 school pupils.
- Extensive “Meet the Expert” programme of talks and demonstrations with 265 events delivered by 680 experts showcasing science in Scotland including Explore Renewable Energy and Elite Sports Science.
- Inspire and Challenge training delivered to 21 engineers as part of the Royal Academy of Engineering funded Ingenious project.
- Under the banner CoderDojo Scotland we delivered programming workshops to 1,549 young people through various initiatives including 13 CoderDojo clubs throughout Scotland, summer camps on coding and teaching youngsters drawn from deprived communities how to code using Raspberry Pi miniature devices.

Schools and Community Outreach Programmes

The main Outreach activity continues to be the delivery of the Bodyworks on Tour outreach programme to schools and community groups throughout the country. Key achievements during the period included:

- Attendance at Queens Baton Relay events, Glasgow Green Festival Zone and BBC at the Quay event as part of the Glasgow Commonwealth Games 2014.
- Attendance at Science Festivals around the country including Orkney, Glasgow, Bang Goes the Borders, Govan Fair, Monster Fest (Inverness), Gibson Street Festival and the Brownies’ 100th birthday.
- Attendance at high profile Visit Scotland tourism events including Highland Homecoming and the World Pipe Band Championships.

Partner of Choice – Building Partnerships

Significant progress has been made in the year in developing new and enhancing existing partnerships with the key developments noted below:

- My World of Work - following the creation of a Careers Hub last year in partnership with Skills Development Scotland, an adjacent new My World of Work Live area has been developed and a feasibility study is underway with the view to creating new dedicated classroom space on floor 2 all to assist in the promotion of STEM careers.
- Bodyworks on Tour – continued to deliver the Bodyworks on Tour outreach programme on the theme of health and wellbeing in partnership with GlaxoSmithKline. Positive discussion are ongoing on the potential enhancement and expansion of the programme when the current funding ends in August 2015.

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- Fee 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.
- Power the Future Advisory Group – this Group has been set up to get industry and other input to the development of the new exhibition. Members include OPITO, Scottish & Southern Energy, Scottish Power, EDF Energy, Scottish Enterprise, Scottish Government Energy and Climate Change Directorate and the Engineering & Physical Sciences Research Council.
- BBC at the Quay – worked with the BBC to deliver the BBC at the Quay festival zone to 160,000 people as part of the Glasgow Commonwealth Games 2014 with live sport and music broadcast from the site on a daily basis.
- Large LED Display Screen – in partnership with SDS, the BBC and Creative Clyde/Scottish Enterprise a large (15m by 3.8m) LED display screen was purchased and installed at front of the Science Mall to show live sport and music during the Commonwealth Games 2014 and moving forward to promote the respective missions of the various partners.
- Explorathon – in partnership with Glasgow and Strathclyde universities we hosted a European researchers' event showcasing science in Scotland to over 1,500 visitors.
- OPAL (Open Air Laboratories) – in partnership with Imperial College London and the Big Lottery fund over 3,220 people have been able to get hand on with nature.
- Education Co-ordinator – in partnership with the Royal Society for Chemistry a GSC based West of Scotland Education Co-ordinator has been appointed to promote Chemistry.
- Sound to Sea – in partnership with Cryptic, All or Nothing, Walk the Plank and the Royal Navy we delivered two performances of Sound to Sea in the canting basin adjacent to GSC as part of the cultural festival during the Commonwealth Games 2014. The performances included live music, boats, aerial dancing and fireworks and attracted an audience of 4,000 with another 10,000 viewing via live streaming.
- Glasgow City of Science – GSC is an active partner along with 65 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 map. During the year 10 demonstrator projects with over 9,500 participants were completed.
- CoderDojo Scotland – the various programming activities were delivered in partnership with the Scottish Government, Glasgow City Council, Skills Development Scotland and JP Morgan.
- Making it Clear – working in partnership with Scottish Water to deliver a three year education programme on the sustainable use of water and the water process.
- Energy – working in partnership with the UK Department of Business Innovation and Skills and others (OPITO, Renewables UK, UK Onshore Oil and Gas, National Skills Academy for Nuclear) on a project to design an intervention for schools (England and Wales) themed on Energy.
- Education Films - working in partnership with Cineworld to deliver an enhanced film education programme in the IMAX cinema and piloting a GSC Outreach presence at their multiplex cinemas.
- Community Groups/Local Businesses – During the year as part of the Scottish Government funded community led engagement programme we have engaged with 35 community groups representing 1,756 participants including CACE Older People Active Lives, Govan and Craigton Integration Network, Brain Injury Rehabilitation Trust, Liberated Prisoners, Glasgow Disability Alliance, Leverndale Hospital and the Princes Trust. Key topics identified by the groups included, health and wellbeing, adult literacy and numeracy and the environment.

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Profile – Building a strong profile that reflects excellence and credibility

Various initiatives have been undertaken during the year including:

- Extensive national media coverage of the reopening of Glasgow Tower.
- Promotion of our presence at various Queens Baton Relay events, the Glasgow Green Festival site and BBC at the Quay festival during the Commonwealth Games 2014.
- Distribution of 80,000 What's On guides throughout Scotland.
- Various PR campaigns using digital, radio, print and outdoor advertising.
- Utilisation of the new 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.
- A high profile "in house" A Question of Science dinner in October 2014 with guest speaker Jim Al-Khalili entertaining over 280 guests.
- Attendance by our Outreach teams at various festivals around the country including the Scottish Learning Festival in September 2014.
- Production and distribution of 3 editions of our Mercury newsletter aimed at raising awareness of our activity among stakeholders including MSPs, MPs, Local Councillors and extensive University contacts.
- Continued use of website, blog and social media (Facebook and Twitter) to promote GSC.

Operational Excellence – Commercially focussed and efficient organisation

Car Parking Ticketing System

A new ticketing system to allow greater flexibility in tariff setting was purchased and installed in the car park in July 2014.

Fundraising Strategy

A fundraising strategy for the next three years has been developed with key areas being the development of one or two major proposals for Trusts and Foundation and the identification of a few industry sectors where long term relationships can be developed with a number of key partners. Work has now commenced on creating the platform and processes to implement the strategy. In the meantime it's been another good year for fundraising with a number of notable successes:

- Receipt of £625,000 from the GSC Endowment Fund to fund various capital renewals, part fund the new Powering the Future exhibition and the digital upgrade of the Planetarium.
- Receipt of £256,782 from Skills Development Scotland to purchase equipment, develop and deliver My World of Work Live! and a Digital Makers experience to 100 young people.
- Receipt of £250,000 from the Scottish Government to part fund the new Powering the Future exhibition.
- Receipt of £245,568 from Skills Development Scotland to fund the development and building of dedicated classroom space on floor 2 for My World of Work Live!
- Receipt of £160,000 from Glasgow City Council to fund one free access visit for every Glasgow primary and assisted needs school pupil, summer coding camps for young people and to support the City of Science initiative.
- Receipt of £150,000 from Scottish & Southern Energy to part fund the new Powering the Future exhibition.
- Receipt of £150,000 from Glasgow City Council to part fund the refurbishment of Glasgow Tower.

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- Receipt of £139,000 being the third and final instalment of a total of £500,000 from GlaxoSmithKline for the funding of Bodyworks on Tour.
- Receipt of £128,000 from the Scottish Government to fund transport subsidy, community subsidy, Coder Dojo workshops and Year of Light celebrations.
- Receipt of £100,000 from the Engineering & Physical Sciences Research Council to part fund the Powering the Future exhibition.
- Receipt of £50,000 from the BBC to part fund the large LED Display Screen installed at the front of the building.

Staff Structure/Management Practices and Procedures

The following has been achieved during the year:

- The Science Learning department has been restructured to recognise various changes in business needs and to improve efficiency and accountability.
- The process of combining the Contact Centre with the Outreach administrators to create a dedicated Sales and Membership department has commenced.
- With the planned digital upgrade of the Planetarium now progressing the process of recruiting a dedicated Planetarium team has commenced.
- A review of the Pay Policy has commenced in conjunction with REMCO.
- Our Business Continuity Plan has been completely revised/updated with support from consultants.
- The performance of all staff continues to be reviewed twice a year through the Personal Development Review (PDR) process which assesses individual performance against the personal objectives directly linked to the Corporate Plan.
- The Staff Terms and Conditions Committee (comprising CEO, Director of Science, Director of Finance & Operations and HR Manager) continues to meet, as necessary, to review the level of staff resources, staff performance, recruitment, job pay banding and any grievance or disciplinary issues.
- There has been a significant amount of staff training undertaken during the year with 450 individuals attending various courses including Additional Support Needs, Bomb and Unspecified Threat, De-Fib, Elementary Food Hygiene, Emergency First Aid, Fire Warden, IOSH Working Safely, Manual Handling, Glasgow Welcomes, Project Management, Rack and Pinion Equipment (Tower Lifts), Stress Management and Water Rescue.
- During the year 37 volunteers spent over 3,794 hours in assisting our staff develop, deliver and evaluate our exhibitions and programmes. In addition, 680 experts contributed 7,126 hours for our "Meet the Expert" programmes.

Exhibit Design and Fabrication Services

There have been some delays in the delivery of the NHS Greater Glasgow and Clyde contracts at the new Royal Sick Children's Hospital with full completion now expected by the end of June 2015. During the year a number of new contracts were entered into with SDS to create a mobile careers hub, install a careers hub at the Mareel Centre in Lerwick and provide advice on the establishment of other satellite career hubs around Scotland.

Other Commercial Activities

It's a good year for our other commercial activities with Corporate Events and Car Parking significantly exceeding budget, a one off unbudgeted property rental from the BBC received and IMAX property rental, Whitelee Visitor Centre, Café and Shop all broadly in line with budget.

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Financial Review

It has been an excellent year for the charity in financial terms with operational performance £221k ahead of budget at a surplus of £221k primarily due to an increase in return from our commercial activities.

Incoming Resources

Total income increased by £889,707 or 11.2% on last year to £8,813,622 (2014: £7,923,915) due mainly to the following:

- increase in activities for generating funds of £1,124,439;
- increase in admissions income for charitable activities of £117,665;
- increase in other incoming resources of £2,005; and
- increase in investment income of £1,566.

Partly offset by:

- decrease in grants for charitable activities of £292,762; and
- decrease in voluntary income of £63,206.

Voluntary Income

Voluntary income decreased by £63,206 or 4.9% to £1,225,077 (2014: £1,288,283) due mainly to a reduction in admission donations following the restructuring of the ticketing offer and reduced gift aid uptake over the main summer months.

Activities for Generating Funds

Income generated from various commercial activities increased by £1,124,439 or 42.6% to £3,764,206 (2014: £2,639,737) due to the following:

- increase in income from the sale of exhibition and programming services of £868,059 or 337% to £1,125,525 (2014: £257,466) due mainly to the delivery of the major contracts with NHS Greater Glasgow and Clyde for the fit out of various areas in the new Royal Sick Children's Hospital;
- increase in corporate events of £177,052 or 21.8% to £990,548 (2014: £813,496);
- increase in IMAX property rental and service charge of 89,240 or 63.6% to £229,493 (2014: 140,253) due to a full year charge to Cineworld;
- increase in car parking income of £75,054 or 31.3% to £314,679 (2014: £239,625) due to increased tariffs and passing trade from the very busy SSE Hydro concert venue; and
- increase in other property rental income of £50,714 or 301% to £67,568 (2014: £16,854) due to the rental of land to the BBC to host their BBC at the Quay festival.

Partly offset by:

- the loss of any income from the showing of DMR feature films in the IMAX cinema (2014: £123,536) following the transfer to Cineworld in Summer 2013.

Investment Income

Investment income from interest on cash balances has increased by £1,566 or 113% to £2,948 (2014: £1,382) due to higher cash balances being held during the year.

Charitable Activities – Admissions

Income from admissions increased by £117,665 or 9.0% to £1,420,212 (2014: £1,302,547) due mainly to the increase in Science Mall admission prices on 1 April 2014 and the reopening of the

Annual Report of the Trustees

Tower partly offset by the loss of education admissions to the IMAX Cinema following its transfer to Cineworld in Summer 2013.

Charitable Activities - Grants

Grant income for capital and major repair projects decreased by £535,576 or 25.4% to £1,570,568 (2014: £2,106,144) due to the completion of the Tower refurbishment project and the securing of the majority of the funding required for the new Powering the Future exhibition.

Grant income for revenue projects increased by £242,814 or 41.4% to £828,606 (2014: £585,792) due mainly to increased projects activity particularly with Skills Development Scotland.

Other Incoming Resources

A total of £2,005 was received from the sale of some fully written down plant and equipment (2014: £0).

Resources Expended

Total expenditure increased by £538,183 or 5.5% to £10,248,809 (2014: £9,710,626) due to the following:

- increase in the costs of generating funds of £831,454; and
- increase in governance costs of £1,413.

Partly offset by:

- decrease in the costs of charitable activities of £294,684.

Costs of Generating Funds

The costs of generating funds increased by £831,454 or 22.1% to £3,761,234 (2014: £2,929,780) due to the significantly increased level of commercial activity during the year.

Charitable Activities

Total costs of charitable activities decreased by £294,684 or 4.4% to £6,414,528 (2014: £6,709,212).

Direct charitable costs decreased by £289,627 or 31.2% to £5,072,238 (2014: £5,361,865) due mainly to reduced expenditure on the Glasgow Tower refurbishment project and reduced IMAX expenditure following the transfer to Cineworld partly offset by increased Science Mall and education project activity.

Direct charitable support costs decreased by £5,057 or 0.4% to £1,342,290 (2014: £1,347,347).

Governance Costs

Governance costs increased by £1,413 or 2.0% to £73,047 (2014: £71,634).

Staff Costs

Total staff costs at £3,349,262 have increased by £226,310 or 7.2% (2014: £3,122,952) due mainly to a 2% cost of living increase, the introduction of a 1% employer' auto enrolment pension contribution and increased staff numbers to assist with new projects/initiatives.

In total average FTE staff numbers have increased by 7 to 143 (2014: 136) during the year.

Operating Deficit

An operating deficit of £1,435,187 (2014: £1,786,711) was incurred in the year primarily due to the depreciation of buildings.

The operating deficit is made up of a surplus of £220,497 (2014: deficit £262,888) in unrestricted funds and a deficit of £1,655,684 (2014: deficit £1,523,823) in restricted funds.

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Capital Expenditure

Capital expenditure of £493,393 was incurred in the year (2014: £516,672) mainly on the following:

- purchase and installation of a large (15m by 3.8m) LED display screen at front of the building;
- creation of a new experience for the reopening of the Tower;
- purchase and installation of a new car parking ticketing system;
- development and fabrication of a number of exhibits “in house” under the banner “Do Science”;
- the completion of the SDS Careers Hub on floor 2; and
- the purchase of various equipment for the new My World of Work Live zone on floor 2.

As well as the new exhibition stock created/purchased during the year various refurbishments have been made to older stock with exhibits beyond economic repair and obsolete scrapped to make way for new or refurbished exhibits.

Financial Reserves

Total financial reserves at 31 March 2015 were £29,224,313 (2014: £30,659,500) representing unrestricted funds of £831,599 (2014: £611,102) and restricted funds of £30,048,398 (2014: £28,392,714).

At 31 March 2015 the unrestricted funds of £831,599 are all held in a general unrestricted financial reserve. The Trustees have designated £140,000 of these funds to be utilised to allow the digital upgrade of the Planetarium to be progressed.

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 realising fixed assets held for its use. To achieve this GSC estimates that, following a review of its Risk Register, unrestricted funds of £500,000 should be retained as financial reserves. This level represents cover for 3 months matching funding for core mission activities, administration and support costs.”

At £691,599 the charity’s general unrestricted financial reserves less designated funds are significantly above the level identified however given uncertainties regarding the future level (post 2015/16) of Scottish Government funding support and the ongoing review of the Pay Policy the Trustees believe it to be prudent to hold a higher level of financial reserves in the short term.

Once the above issues become clearer any available free reserves will be considered for use in funding various much needed infrastructure improvements including to the arrivals area (inside and outside), the café and the website.

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

Plans for Future Periods

The Corporate Plan for 2015 – 16 sets out the following main targets:

- Visitor and admission numbers of 296,000 and 362,040 respectively to the Science Mall including 76,000 in-reach education participants.
- Visitor and admission numbers of 10,000 and 21,400 respectively to Glasgow Tower.

Annual Report of the Trustees

- 65,000 education and community outreach participants subject to securing additional funding from GSK for continuation of the Bodyworks on Tour programme.
- Complete the design, fabrication and installation of the Powering the Future exhibition by the end of 2015.
- Complete the digital upgrade of the Planetarium by the end of Summer 2015.
- Continue to develop and fabricate new Do Science exhibits and install at various points around the Science Mall.
- Continue to develop the My World of Work live experience and complete the feasibility into the establishment of dedicated classroom space on floor 2.
- Design, fabricate and install the Quantum Technologies exhibition on floor 1 in partnership with Quantic at Glasgow University.
- Work with the BBC to deliver the BBC Music at the Quay event in June 2015 including delivery of live music and related workshop activity within the Science Mall.
- Review and update the Exhibition Masterplan and develop and implement further exhibit refreshes subject to resource availability.
- Continue to develop curriculum linked science engagement activities that meet the needs of schools.
- Continue to be an active partner of the Glasgow – City of Science initiative.
- Seek new and develop, expand and enhance our existing partnerships with the Scottish Government, Glasgow City Council, Skills Development Scotland, 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 communications, marketing and PR strategy to improve the profile of GSC.
- 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.
- Continue to investigate and implement further operational efficiencies including the establishment of a dedicated sales/membership department, a review of the existing management/staffing structure, pay policy, training/development for staff, volunteering programme and greater and more efficient use of ICT.
- Finalise the exhibit design and fabrication service contracts for NHS Greater Glasgow and Clyde at the new Royal Sick Children's Hospital and other existing contracts while developing the business model to proactively seek and deliver new business.
- Achieve other targets set for commercial income generation from IMAX property rental, Corporate Events, Whitelee Visitor Centre, Retail Café and Shop and Car Parking operations and develop 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:

- Significant reduction in the level of core funding support from the Scottish Government; and

Annual Report of the Trustees

- 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 funding of £982,700 for financial year 2015/16, an increase of 6.5% but have indicated that funding cannot be guaranteed at this level in 2016/17 onwards in light of an expected tough financial settlement from the UK Government. The Trustees expect significant support from the Scottish Government to continue in future years but it appears likely that there will be a reduction on current levels.

Funding has been secured to complete the new Powering the Future exhibition on floor 2, the digital upgrade of the Planetarium and the development of the My World of Work live area on floor 2 during 2015/16. The completion of these projects will bring a significant refresh to the exhibit and programming offer and should enable visitor numbers to be sustained for at least another 2 years following completion. Although there are many proposals for further refreshes none of these have yet been developed to a point where discussions can commence with prospective funders and, given the lead time to develop, fundraise and implement a major refresh (estimated at 3 years), the Trustees have requested that the Executive Team progress the development of further major refresh proposals as a priority.

The above principal risks and uncertainties form part of the Risk Register which is monitored by the Trustees and Executive Team.

Going Concern

The Trustees are of the opinion that, taking into consideration Scottish Government funding for 2015/16 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, Skills Development Scotland, Glasgow City Council, Scottish & Southern Energy, GlaxoSmithKline, Engineering & Physical Sciences Research Council, BBC, the Big Lottery Fund/Imperial College London, Wellcome Trust, University of Strathclyde, West Dunbartonshire Council, University of Glasgow, University of the West of Scotland, Greater Kansas City Community Foundation, Royal Society of Chemistry, PLACES European funding and the Association for Science and Discovery Centres.

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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these 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;

Annual Report of the Trustees

- 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 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.

In so far as the Trustees are aware:

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

Auditor

In accordance with section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG 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

Professor Sir Jim McDonald
Trustee and Chairman of the Board

1 June 2015

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

We have audited the financial statements of Glasgow Science Centre Charitable Trust for the year ended 31 March 2015 set out on pages 22 to 36. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 charity's trustees, as a body, in accordance with section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the charity's 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 charity, its members as a body and its trustees as a body, for our audit work, for this report or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities set out on page 19, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2015 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information in the Annual Report of the Trustees, which constitutes the Strategic Report and Directors' Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the Trustees and Members of Glasgow Science Centre Charitable Trust (continued)

Matters on which we are required to report by exception

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

- the charitable company has not kept adequate and proper accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company 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.

**Andrew Shaw (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants
191 West George Street
Glasgow
G2 2LJ

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

Consolidated Combined Statement of Financial Activities and Income and Expenditure Account

For the year ended 31 March 2015

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Incoming Resources					
Incoming resources from generated funds:					
Voluntary income	2	1,225,077	-	1,225,077	1,288,283
Activities for generating funds	3	3,764,206	-	3,764,206	2,639,767
Investment income	4	2,948	-	2,948	1,382
Incoming resources from charitable activities:					
Admissions	5	1,420,212	-	1,420,212	1,302,547
Grants	6	-	2,399,174	2,399,174	2,691,936
Other incoming resources	7	2,005	-	2,005	-
		<u>6,414,448</u>	<u>2,399,174</u>	<u>8,813,622</u>	<u>7,923,915</u>
Resources Expended					
Cost of generating funds					
Fundraising trading: cost of goods sold and other costs		3,696,946	64,288	3,761,234	2,929,780
Charitable activities					
Science Mall	10	1,822,310	1,926,388	3,748,698	3,593,671
IMAX Cinema	10	-	325,995	325,995	552,690
Tower	10	290,725	1,052,556	1,343,281	1,791,549
Education programmes	10	277,419	719,135	996,554	771,302
Governance costs	12	<u>73,047</u>	<u>-</u>	<u>73,047</u>	<u>71,634</u>
		<u>6,160,447</u>	<u>4,088,362</u>	<u>10,248,809</u>	<u>9,710,626</u>
Net income/(expenditure) for the year before transfers		<u>254,001</u>	<u>(1,689,188)</u>	<u>(1,435,187)</u>	<u>(1,786,711)</u>
Transfers between funds	13	(33,504)	33,504	-	-
Net movement in Funds		<u>220,497</u>	<u>(1,655,684)</u>	<u>(1,435,187)</u>	<u>(1,786,711)</u>
Funds b/fwd at 1 April 2014		<u>611,102</u>	<u>30,048,398</u>	<u>30,659,500</u>	<u>32,446,211</u>
Funds c/fwd at 31 March 2015		<u>831,599</u>	<u>28,392,714</u>	<u>29,224,313</u>	<u>30,659,500</u>

The above results are wholly derived from continuing activities. The profit for the year for Companies Act purposes comprises the surplus of unrestricted income over expenditure/transfers and totals £220,497 (2014: Deficit £262,888)

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

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

Consolidated balance sheet

As at 31 March 2015

	Notes	2015 £	2014 £
Fixed assets			
Tangible fixed assets	15	<u>26,313,358</u>	<u>28,674,369</u>
Current assets			
Stock		109,535	85,733
Debtors	17	1,923,821	1,682,689
Cash at bank and in hand		<u>1,769,990</u>	<u>959,272</u>
		3,803,346	2,727,694
Creditors: amounts falling due within one year	18	<u>(892,391)</u>	<u>(742,563)</u>
Net current assets		2,910,955	1,985,131
Net assets		<u><u>29,224,313</u></u>	<u><u>30,659,500</u></u>
Reserves			
Restricted funds	19	28,392,714	30,048,398
Unrestricted funds	20	<u>831,599</u>	<u>611,102</u>
		<u><u>29,224,313</u></u>	<u><u>30,659,500</u></u>

The financial statements were approved by the Board of Trustees on 1 June 2015 and signed on their behalf by:

Professor Sir Jim McDonald
Trustee and Chairman of the Board

1 June 2015

Company balance sheet

As at 31 March 2015

	Notes	2015 £	2014 £
Fixed assets			
Tangible fixed assets	15	-	-
Investment in subsidiary undertakings	16	3	3
		<u>3</u>	<u>3</u>
Current assets			
Debtors	17	-	-
Cash at bank and in hand		391	491
		<u>391</u>	<u>491</u>
Creditors: amounts falling due within one year	18	-	-
		<u>-</u>	<u>-</u>
Net current assets		391	491
		<u>391</u>	<u>491</u>
Net assets		<u>394</u>	<u>494</u>
		<u><u>394</u></u>	<u><u>494</u></u>
Reserves			
Restricted funds	19	-	-
Unrestricted funds	20	394	494
		<u>394</u>	<u>494</u>
		<u><u>394</u></u>	<u><u>494</u></u>

The financial statements were approved by the Board of Trustees on 1 June 2015 and signed on their behalf by:

Professor Sir Jim McDonald
Trustee and Chairman of the Board

1 June 2015

Notes to the financial statements

For the year ended 31 March 2015

1. Accounting policies

Basis of preparation

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

Accounting convention

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

Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings Glasgow Science Centre Limited and Glasgow Science Centre (Trading) Limited made up to 31 March each year. The Trustees have taken advantage of the exemption available under Section 657 of the Companies Act 2006 and not presented a profit and loss account of the parent charitable company. A deficit of £100 (2014: deficit £2,000,061) was incurred by the parent charitable company.

Fixed assets

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

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

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

Stocks

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

Pension Scheme

The group operates a stakeholder (money purchase) pension scheme on behalf of its employees through Friends Provident. No employer's contribution is normally made however employees 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. An initial employer' contribution of 1% on all earnings is being made by the Group.

Funds

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

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

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

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

Notes to the financial statements

For the year ended 31 March 2015

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.

Incoming Resources

Voluntary Income

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

Activities for Generating Funds

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

Investment Income

Investment income from investment assets is recognised when earned.

Admissions

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

Grants

Grants in respect of capital expenditure are credited to restricted funds when they are receivable without condition. When the related assets are purchased and brought into use, depreciation is charged annually against the restricted fund. Revenue grants are credited to unrestricted or restricted funds, in line with the terms of the grant, in the year in which they are receivable.

Other Incoming Resources

Other incoming resources are recognised when received.

Resources Expended

Costs of Generating Funds

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

Charitable Activities

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

Support Costs

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

Governance Costs

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

Operating Leases

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

Notes to the financial statements

For the year ended 31 March 2015

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.

2. Voluntary income

	Unrestricted funds	
	2015	2014
	£	£
Scottish Government Grant	922,676	904,044
Gift Aid - Income Tax Recovered	155,925	175,411
Donations	146,476	207,161
Britvic Sponsorship	-	1,167
Other Donations	-	500
	<u>1,225,077</u>	<u>1,288,283</u>

3. Activities for generating funds

	Unrestricted funds	
	2015	2014
	£	£
Exhibition and programme services	1,125,525	257,466
Corporate events	990,548	813,496
Retail - Cafe	415,795	412,568
Management Fees - Whitelee Visitor Centre	317,133	292,858
Car parking	314,679	239,625
Retail - Shop, Snack Bar and Vending	292,457	329,705
Property rental and service charge - IMAX Cinema	229,493	140,253
Property rental - other	67,568	16,854
Berthing charges	11,008	10,434
IMAX Admissions DMR Films	-	123,536
IMAX advertising	-	2,972
	<u>3,764,206</u>	<u>2,639,767</u>

Notes to the financial statements

For the year ended 31 March 2015

4. Investment income

	Unrestricted funds	
	2015	2014
	£	£
Bank interest	2,948	1,382

5. Charitable Activities - Admission income

	Unrestricted funds	
	2015	2014
	£	£
Science Mall	1,208,263	1,099,545
Education programmes	176,306	175,691
Tower	35,643	-
IMAX Cinema	-	27,311

Notes to the financial statements

For the year ended 31 March 2015

6. Grants towards Charitable Activities

	Restricted funds	
	2015	2014
	£	£
Capital and Major Repair Projects		
GSC Endowment Fund - Buildings/Exhibits/Planetarium	625,000	800,000
Scottish Government - Exhibits	250,000	-
Skills Development Scotland - Buildings	245,568	-
Scottish & Southern Energy - Exhibits	150,000	-
Glasgow City Council - Tower	150,000	150,000
Engineering & Physical Sciences Research Council - Exhibits	100,000	-
BBC Scotland - Equipment	50,000	-
Scottish Enterprise - Tower/Exhibits	-	563,995
Offshore Training Foundation - Exhibits	-	250,000
Skills Development Scotland - Exhibits	-	213,450
EDF Energy - Exhibits	-	75,000
Scottish Power - Exhibits	-	50,000
Wellcome Trust - Exhibits	-	2,199
University of Central Lancashire - Exhibits	-	1,500
	<u>1,570,568</u>	<u>2,106,144</u>
Revenue Projects		
Skills Development Scotland	256,782	70,000
Glasgow City Council	160,000	110,000
GlaxoSmithKline	139,000	140,000
Scottish Government	128,000	114,947
Big Lottery Fund/Imperial College London	40,141	-
Wellcome Trust	21,648	-
University of Strathclyde	18,802	28,797
West Dunbartonshire Council	18,000	18,000
University of Glasgow	11,729	10,000
University of the West of Scotland	10,000	-
Greater Kansas City Community Foundation	10,000	-
Royal Society of Chemistry	6,619	-
European Funding - PLACES Project	4,885	9,679
The Association for Science and Discovery Centres	3,000	3,100
Nesta	-	46,000
Royal Academy of Engineering	-	21,696
Theratre Sans Frontiers	-	7,490
Bellahouston Bequest Fund	-	2,500
Scottish Qualification Authority	-	2,000
Merchants House Glasgow	-	1,000
Other	-	583
	<u>828,606</u>	<u>585,792</u>
	<u><u>2,399,174</u></u>	<u><u>2,691,936</u></u>

Notes to the financial statements

For the year ended 31 March 2015

7. Other incoming resources

	2015	2014
	£	£
Profit on sale of assets	2,005	-

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

	2015	2014
	£	£
Auditor's remuneration:		
- Audit of these financial statements	1,000	1,000
- Audit of subsidiaries' financial statement pursuant to legislation	8,250	8,250
Trustees' liability insurance	5,968	5,968
Trustees' remuneration	-	-
Depreciation - owned assets	2,854,404	2,757,597

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

9. Staff costs and Trustee remuneration

	2015	2014
	£	£
Wages and salaries	3,074,113	2,871,683
Social security costs	237,278	229,747
Pension costs	37,871	11,776
Redundancy costs	-	9,746
	<u>3,349,262</u>	<u>3,122,952</u>
Average number of employees	No.	No.
Customer experience	34	33
Science	24	17
Retail/Corporate Hospitality/Catering/Whitelee	38	37
Facilities/Exhibits	32	31
Support	15	18
	<u>143</u>	<u>136</u>

No Trustee received any remuneration during the year (2014: £0). No Trustee was reimbursed for any out of pocket travel and subsistence expenses (2014: £0).

One individual employee earned remuneration (excluding pension contributions) in the range of £60,000 - £70,000 (2014: two), one earned remuneration (excluding pension contributions) in the range of £70,000 - £80,000 (2014: one), one earned remuneration (excluding pension contributions) in the range of £80,000 - £90,000 during the year (2014: none) and one earned remuneration (excluding pension contributions) in the range £90,000 - £100,000 (2014: one).

Pension contributions of £10,693 (2014: £11,776) via salary sacrifice were made on behalf of employees to the Friends Provident stakeholder pension scheme.

Notes to the financial statements

For the year ended 31 March 2015

Employers' pension contributions of £27,178 (£2014: £0) on behalf of enrolled employees were made to the People's Pension Fund.

A total of £21,141 (2014: £52,511) of the staff costs noted above relating to the development, building and installation of new exhibitions have been capitalised.

10. Expenditure on charitable activities

	Direct Expenditure £	Support Costs £	Unrestricted and restricted funds	
			2015 £	2014 £
Science Mall	2,837,638	911,060	3,748,698	3,593,671
IMAX Cinema	325,995	-	325,995	552,690
Tower	1,154,247	189,034	1,343,281	1,791,549
Education programmes	754,358	242,196	996,554	771,302
	<u>5,072,238</u>	<u>1,342,290</u>	<u>6,414,528</u>	<u>6,709,212</u>

11. Support costs

	Fundraising £	Science Mall £	IMAX Cinema £	Tower £	Education £	Unrestricted and restricted funds	
						2015 £	2014 £
Marketing	96,650	96,329	-	19,987	25,608	238,574	224,729
Facilities Management	502,233	500,559	-	103,860	133,068	1,239,720	1,150,598
Information Technology	98,816	98,487	-	20,435	26,181	243,919	237,076
Finance	124,662	124,246	-	25,779	33,030	307,717	305,169
Human Resources	45,372	45,220	-	9,383	12,022	111,997	111,786
Management	46,374	46,219	-	9,590	12,287	114,470	120,693
	<u>914,107</u>	<u>911,060</u>	<u>-</u>	<u>189,034</u>	<u>242,196</u>	<u>2,256,397</u>	<u>2,150,051</u>

12. Governance costs

	2015 £	2014 £
Management	61,297	59,884
Statutory audit	9,250	9,250
Legal expenses	2,500	2,500
	<u>73,047</u>	<u>71,634</u>

Notes to the financial statements

For the year ended 31 March 2015

13. Transfers

Unrestricted funds of £33,504 were transferred during the year to meet a deficit on the annual capital renewals funded by the GSC Endowment Fund.

14. 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.

15. Tangible fixed assets

Group	Land and Buildings £	Exhibits £	Plant and equipment £	Computer equipment £	Total £
Cost or valuation:					
As at 1 April 2014	54,585,073	9,950,194	2,031,154	557,127	67,123,548
Additions	-	137,714	314,416	41,263	493,393
Disposals	-	-	(48,842)	-	(48,842)
As at 31 March 2015	<u>54,585,073</u>	<u>10,087,908</u>	<u>2,296,728</u>	<u>598,390</u>	<u>67,568,099</u>
Depreciation:					
As at 1 April 2014	27,961,632	8,076,880	1,940,519	470,148	38,449,179
Charge for the year	2,100,923	594,792	91,391	67,298	2,854,404
On disposals	-	-	(48,842)	-	(48,842)
As at 31 March 2015	<u>30,062,555</u>	<u>8,671,672</u>	<u>1,983,068</u>	<u>537,446</u>	<u>41,254,741</u>
Net book value:					
As at 31 March 2015	<u>24,522,518</u>	<u>1,416,236</u>	<u>313,660</u>	<u>60,944</u>	<u>26,313,358</u>
As at 31 March 2014	<u>26,623,441</u>	<u>1,873,314</u>	<u>90,635</u>	<u>86,979</u>	<u>28,674,369</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. In line with the transitional provisions of FRS15, the company and group has elected to freeze the valuation of tangible fixed assets at 31 March 2000.

Included in land & buildings is the IMAX Cinema at a cost of £7,150k, aggregate depreciation £4,249k and net book value of £2,901k. This asset was leased on 24 July 2013 by Glasgow Science Centre Limited to Glasgow Science (Trading) Limited for a minimum period of 10 years. On the same date Glasgow Science (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 £3,901 in respect of the new exhibitions/exhibits in development for which no depreciation has been charged during the year (2014: £140,952 in respect of new Careers Hub on floor 2).

Notes to the financial statements

For the year ended 31 March 2015

16. Investment in subsidiary undertakings

	2015	2014
Cost	£	£
Investment in subsidiary undertakings	3	3
	<u> </u>	<u> </u>

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

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

	2015		2014	
	GSC Limited £	GSC (Trading) Limited £	GSC Limited £	GSC (Trading) Limited £
Income	6,103,846	3,682,068	7,997,898	2,597,279
Expenditure	(7,538,933)	(2,939,268)	(7,784,548)	(2,159,087)
Gift aid payment	-	742,800	-	438,192
Assets	29,699,021	1,453,555	31,054,278	1,170,420
Liabilities	(475,101)	(1,453,553)	(395,271)	(1,170,418)
Net assets	<u>29,223,920</u>	<u> 2</u>	<u>30,659,007</u>	<u> 2</u>

17. Debtors

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Trade debtors	327,194	415,008	-	-
Amounts owed by GSC Endowment Fund	451,325	150,000	-	-
Prepayments and accrued income	394,302	480,372	-	-
Other debtors	751,000	637,309	-	-
	<u>1,923,821</u>	<u>1,682,689</u>	<u> -</u>	<u> -</u>

Notes to the financial statements

For the year ended 31 March 2015

18. Creditors: amounts falling due within one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Trade creditors	187,712	150,695	-	-
Tax and social security costs	63,790	56,761	-	-
Accruals and prepaid income	585,008	533,590	-	-
Other creditors	55,881	1,517	-	-
	<u>892,391</u>	<u>742,563</u>	<u>-</u>	<u>-</u>

Included within accruals and prepaid income is the sum of £409,721 (2014: £404,017) in respect of admissions, corporate events, rental, service charge and car parking income received in advance. This income is released in or over the specified future period that it relates to.

19. Restricted funds

Group	Balance at 1 April	Incoming resources	Outgoings/ Transfers	Balance at 31 March
	£	£	£	£
Science Centre - Fixed Assets	28,674,370	493,392	(2,854,404)	26,313,358
GSC Endowment Fund - Capital Renewals	116,478	175,000	(291,478)	-
Powering the Future Exhibition	450,000	750,000	(3,172)	1,196,828
My World of Work Live	70,000	451,000	(88,156)	432,844
Planetarium	-	200,000	-	200,000
Glasgow Tower	381,856	150,000	(531,856)	-
Outreach - Bodyworks on Tour	122,819	159,000	(179,953)	101,866
City of Science	86,721	71,000	(103,193)	54,528
External Screen	75,000	50,000	(125,000)	-
Transport Grant/Community Subsidy	-	80,000	(80,000)	-
Free Access for Schools	30,579	88,000	(84,353)	34,226
Coder Dojo	12,379	136,350	(133,296)	15,433
Other Projects	28,196	88,824	(73,389)	43,631
	<u>30,048,398</u>	<u>2,892,566</u>	<u>(4,548,250)</u>	<u>28,392,714</u>
Company				
Land	-	-	-	-

The restricted funds represent the capital cost of assets held for the purposes of delivering the Group's charitable activities, funds available for capital renewals including new exhibitions and various funds for the delivery of science education projects.

Notes to the financial statements

For the year ended 31 March 2015

20. Unrestricted funds

Group	Balance at 1 April £	Incoming resources £	Outgoings/ Transfers £	Balance at 31 March £
General reserve	611,102	6,274,448	(6,193,951)	691,599
Designated Fund - Planetarium	-	140,000	-	140,000
	<u>611,102</u>	<u>6,414,448</u>	<u>(6,193,951)</u>	<u>831,599</u>
Company				
General reserve	494	-	(100)	394
	<u>494</u>	<u>-</u>	<u>(100)</u>	<u>394</u>

21. Analysis of fund balances between net assets

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fixed assets	-	26,313,358	26,313,358
Net current assets	831,599	2,079,356	2,910,955
	<u>831,599</u>	<u>28,392,714</u>	<u>29,224,313</u>

22. Financial commitments

The group has no financial commitments under non-cancellable financial agreements (2014: None).

23. Capital and major repair commitments

At 31 March 2015 the Group had commitments for the creation of a new exhibition, Powering the Future, of £670,000, all of which has been contracted (2014: major repair expenditure on Glasgow Tower of £531,856, all of which has been contracted).

The funding to meet these commitments is included within restricted funds.

24. Contingent liabilities

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

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

Notes to the financial statements

For the year ended 31 March 2015

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.

25. Share capital

The company does not have a share capital and is limited by guarantee. The liability of members is limited to £1 each. At 31 March 2015 the company had one member, Scottish Enterprise Glasgow.

26. Ultimate parent undertaking

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

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

27. Related party transactions

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