

Scottish Charities Number: **SCO15443**
Registered Number: **SC79721**

**Report of the Directors and
Financial Statements
for the Year Ended 31 March 2005
for
Glasgow Building Preservation Trust**



Glasgow Building Preservation Trust

Contents of the Financial Statements for the Year Ended 31 March 2005

	Page
Company Information	1
Report of the Directors	2
Report of the Auditors	4
Revenue Account	5
Balance Sheet	6
Statement of Financial Activities	7
Notes to the Financial Statements	8
Income and Expenditure Accounts	14

Glasgow Building Preservation Trust

**Company Information
for the Year Ended 31 March 2005**

BOARD OF DIRECTORS

INDIVIDUAL DIRECTORS

Stewart Leighton
John Entwistle
Patricia Chalmers
John Sheridan
Henry McKeown
Thomas McNally
John Steele
Paul Zealey (appointed 26th January 2005)

CO-OPTED DIRECTORS

David Martin

NOMINATED DIRECTORS

Jeremy Armitage – Trades House of Glasgow
Robert Corrigan – Glasgow Chamber of Commerce
Moira Dyer – Greater Glasgow Tourist Board
Mary Leggat – Glasgow Trades Union Council
John Chapman – Merchants House of Glasgow
Cllr. James McNally – Glasgow City Council
Michael Jarvis – Glasgow Institute of Architects

OFFICE BEARERS

Patricia Chalmers, Chair
John Entwistle, Vice Chair
John Steele, Secretary
Technical Advisor
James McDonald – Glasgow City Council

PROFESSIONAL STAFF

Anne McChlery, Director.
Susan O'Connor, Project Officer.
Ruth Oliver, Finance/Administration Officer
Neil Baxter, New Developments Director (Consultant)
Theresa White, Administration Assistant

REGISTERED OFFICE

42 Miller Street
Glasgow, G1 1DT

AUDITORS

Gerber Landa & Gee
Registered Auditor
Chartered Accountants
11/12 Newton Place
Glasgow, G3 7PJ

Glasgow Building Preservation Trust Limited

Report of the Directors for the Year Ended 31st March 2005

The directors present their report with the financial statements of the company for the year ended 31st March 2005.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of identifying and restoring historic or architecturally significant buildings at risk from neglect or abuse within Greater Glasgow and its environs.

REVIEW OF THE BUSINESS

This has been a particularly busy year preparing for the site start of the Castlemilk Stables restoration project. In addition the Trust has been commissioning, preparing and delivering several project feasibility studies, acting as agent on several repair and restoration projects and last but not least promoting and co-ordinating the Glasgow Doors Open Day event in September 2004.

Under the excellent management of James Barr, the Wellpark/Kirkhaven building owned by the Trust made a £35k surplus this year. However it should be recognised that in order to fulfil the Trust's responsibility for the long-term upkeep of the building in terms of cyclical and planned maintenance, it is absolutely necessary to make such surpluses and transfer them to an appropriate sinking fund.

As at the balance sheet date the Trust is showing net assets of £957k. The largest portion of this reflects the value of non-liquid assets held by the Trust- the investment properties at Wellpark/Kirkhaven and St Andrews in the Square. During the year Wellpark/Kirkhaven was revalued upwards by £411k taking its stated value to £1.1m. The Trust is justifiably proud of its achievements in both restoring and continuing to meet its management obligations in respect of these outstanding buildings.

DIRECTORS

The directors during the year under review were:

P. Chalmers	
S. Leighton	M. Dyer
M. Leggat	Cllr. J. McNally
H. McKeown	J. Entwistle
J. Sheridan	T. McNally
D. Martin	P. Zealey
M. Jarvis	R. Corrigan
J. Armitage	J Steele

STATEMENT OF DIRECTORS' RESPONSIBILITIES.

Company Law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Glasgow Building Preservation Trust

**Report of the Directors
for the Year Ended 31st March 2005**

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, Gerber Landa & Gee, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to be 'John Entwistle', written over a horizontal line.

John Entwistle, Director

Glasgow Building Preservation Trust
Report of the Independent Auditors to the Members of
the Glasgow Building Preservation Trust Limited

We have audited the financial statements of Glasgow Building Preservation Trust Limited for the year 31 March 2005 on pages five to thirteen. These financial statements are been prepared under historical cost conventions (as modified by the revaluation of certain fixed assets) and the accounting policies set out on page six.

Respective responsibilities of directors and auditors

As described on page two the company's directors are responsible for the preparations of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remunerations and transactions with the company are not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st March 2005 and of its surplus of the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Gerber Landa & Gee

Gerber Landa & Gee
Registered Auditors
Chartered Accountants
11/12 Newton Terrace
Glasgow, G3 7PJ

Dated:

Glasgow Building Preservation Trust Limited
Revenue Account for the Year Ended 31st March 2005

31.3.04			31.3.05
£	Notes		£
		INCOME	
10,000	3	Grants Received	10,000
8,346	4	Management Fees	8,603
7,570		Fundraising and Donations	12,849
1,401	5	Rental Income	6,711
31,098	4	Consultancy Fees	65,722
10,567		Investment Income	13,304
169,253	6	Wellpark/Kirkhaven Income	223,942
<u>238,235</u>			<u>341,131</u>
		EXPENDITURE	
58,466	7	Building Restoration	74,013
3,470	7	Fundraising	4,406
7,519	7	Administration	9,694
<u>165,398</u>		Wellpark/Kirkhaven Expenditure	<u>188,918</u>
<u>234,853</u>			<u>277,031</u>
<u>3,382</u>		(Deficit)/Surplus For Year	64,100

Statement of Total Recognised Gains and Losses

31.3.04		31.3.05
£		£
3,382	(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR	64,100
<u>-</u>	Surplus on Revaluation	<u>411,353</u>
<u>3,382</u>	TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>475,453</u>

All activities relate to continuing operations.

The notes form part of these financial statements

Glasgow Building Preservation Trust Limited
Balance Sheet as at 31st March 2005

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These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:

Patricia Chalmers, Director

John Entwistle, Director

Approved by the Board on _____

The notes form part of these financial statements

Glasgow Building Preservation Trust Limited
Statement of Financial Activities for the Year Ended 31st March 2005

	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Endowment</u> <u>Funds</u> £	<u>Total Funds</u> £	<u>2004</u> <u>Total</u> £
INCOMING RESOURCES					
Grants Received	10,000	-	-	10,000	10,000
Management Fees	8,603	-	-	8,603	8,346
Fundraising & Donations	12,849	-	-	12,849	7,570
Rental Income	6,711	-	-	6,711	1,401
Consultancy Fees	65,722	-	-	65,722	31,098
Investment Income	13,304	-	-	13,304	10,567
Wellpark/Kirkhaven Income	223,942	-	-	223,942	169,253
	<u>341,131</u>	-	-	<u>341,131</u>	<u>238,235</u>
RESOURCES EXPENDED					
Building Restoration	74,013	-	-	74,013	58,466
Fundraising	4,406	-	-	4,406	3,470
Administration	9,694	-	-	9,694	7,519
Wellpark/Kirkhaven					
Expenditure	188,918	-	-	188,918	165,398
Total Resources					
Expended	<u>277,031</u>	-	-	<u>277,031</u>	<u>234,853</u>
Net Incoming(Outgoing)					
Resources	64,100	-	-	64,100	3,382
Surplus on Revaluation	411,353	-	-	411,353	-
<i>Balances Brought Forward</i> at 1 April 2004	<u>481,417</u>		-	<u>481,417</u>	<u>478,035</u>
BALANCES CARRIED FORWARD					
AT 31ST March 2005	<u>956,870</u>		-	<u>956,870</u>	<u>481,417</u>

Glasgow Building Preservation Trust Limited

Notes to the Financial Statements for the Year Ended 31st March 2005

1. ACCOUNTING POLICES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and are in accordance with applicable accounting standards, the Charities Accounts (Scotland) Regulations 1992 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) issued in October 2000.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Tangible fixed assets

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

Plant and machinery, etc	- 25% on cost and
	- 33% on cost

Investment Properties

In accordance with SSAP19 investment properties are included within the balance sheet at their open market value. No depreciation is provided in respect of investment properties. It is a requirement of the Companies Act 1985 that all properties are depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in the SSAP 19 and the directors consider that the standard should be adopted in order to provide a true and fair view.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Hire purchase and leasing commitments

Rental paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged on the profit and loss account.

Grants

Revenue Grants are taken to Revenue Account in the year to which they relate. Project Grants are deducted from the cost of Investment Properties. A condition of certain project grants requires repayment of all or part of the grant if the properties are disposed of within certain time periods.

Rent and Service Charges

Gross rents and service charges received and receivable from the investment properties are included in the revenue account on the basis that credit is taken as they fall due for payment. Provision is made for any rents due but not considered receivable.

Glasgow Building Preservation Trust
Notes to the Financial Statements (continued)
for the Year Ended 31st March 2005

2. GRANTS RECEIVED

This grant represents core funding received from Glasgow City Council.

3. MANAGEMENT AND CONSULTANCY FEES

This represents income from the provision of project management and consultancy services.

4. RENTAL INCOME

This represents rental income from the Trust's property at St Andrews in the Square.

5. WELLPARK/KIRKHAVEN INCOME

This represents rental, service charges and other income from the Trust's property at the Wellpark/Kirkhaven Enterprise Centre.

6. EXPENDITURE

	For year ended 31 st March 2005					2004
	<u>Building</u>	<u>Fund</u>		<u>Wellpark/</u>		
	<u>Restoration</u>	<u>Raising</u>	<u>Admin.</u>	<u>Kirkhaven</u>	<u>Total</u>	
	£	£	£	£	£	£
Employment Costs	53,132	3,162	6,959	-	63,253	77,709
Publicity & Marketing Costs	2,351	140	307	-	2,798	7,603
Services Costs	5,404	322	708	150,797	157,231	134,780
Professional Fees	4,171	249	546	23,439	28,405	27,573
Office Costs	8,955	533	1,174	14,682	25,344	(12,812)
	74,013	4,406	9,694	188,918	277,031	234,853

The following are included in the above; Audit Fee £4,560 (2004: £4,000); Depreciation £1,547 (2004: £4,567).

Employment costs consist of Gross Salaries £58,736 (2004: £67,879), Employers NI £2,640 (2004: £6,109) and Pension Contributions £2,640 (2004: £3,721).

There are no employees with emoluments greater than £50,000.

7. TAXATION

No liability to UK corporation tax arose on ordinary activities for the year ended 31st March 2005 nor for the year ended 31st March 2004.

Glasgow Building Preservation Trust

Notes to the Financial Statements (continued) for the Year Ended 31st March 2005

8. TANGIBLE FIXED ASSETS

	Investment Properties	Plant and Machinery etc	Totals
	£	£	£
COST OR VALUATION:			
At 1 st April 2004	780,789	36,703	817,492
Additions	6,894	1,468	8,362
Disposals	-	-	-
Grants received	(26,852)	-	(26,852)
Surplus on Revaluation	411,353	-	411,353
At 31 st March 2005	<u>1,172,184</u>	<u>38,171</u>	<u>1,210,355</u>
DEPRECIATION:			
At 1 st April 2004	-	20,772	20,772
Charge for year	-	5,085	5,085
On Disposals	-	-	-
At 31 st March 2005	<u>-</u>	<u>25,857</u>	<u>25,857</u>
NET BOOK VALUE:			
At 31 st March 2005	<u>1,172,184</u>	<u>12,314</u>	<u>1,184,498</u>
At 31 st March 2004	<u>780,789</u>	<u>15,931</u>	<u>796,720</u>

If the investment properties had not been revalued they would have been included at the following historical cost, which represents development costs less project grants received:

31.3.04		31.3.05
£		£
727,407	Cost	707,449
424,433	Valuation at 31/3/97	424,433
(48,476)	Valuation at 31/3/99	(48,476)
(322,575)	Valuation at 31/3/02	(322,575)
-	Valuation at 01/4/05	<u>411,353</u>
780,789		1,172,184

The properties known as Wellpark Enterprise Centre & Kirkhaven at Duke Street were valued on a current open market value basis on 1st April 2005 by the District Valuer. The directors consider this to be the open market value of the properties as at 31 March 2005. The cost of the property known as Kirkhaven at Duke Street, Glasgow includes capitalised interest of £30,883.

The property at St Andrews Church was valued at an open market value basis on 31 March 2005 by the directors. The cost of this property includes capitalised interest of £12,304.

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

31.3.04		31.3.05
£		£
55,285	Sundry Debtors	652,239
<u>4,787</u>	Prepayments	<u>7,249</u>
60,072		659,488

Glasgow Building Preservation Trust
Notes to the Financial Statements (continued)
for the Year Ended 31st March 2005

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR.

31.3.04			31.3.05
£			£
8,018		VAT	21,864
299,918	12	AHF Loan	285,506
90,771		Trade Creditors	544,789
139,325		Payments on Account	283,516
49,366		Deferred Income & Sundry Creditors	19,486
602		Social Security & Other Taxes	1,267
<u>71,782</u>		Accrued expenses	<u>95,552</u>
659,782			1,251,980

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

31.3.04			31.3.05
£			£
-	12	AHF Loan	-

12. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

31.3.04			31.3.05
£			£
-		Amounts falling due within one year or on demand:	-
-		Bank overdrafts	-
<u>299,918</u>		AHF Loan	<u>285,506</u>
-			285,506
299,918		Amounts falling due between one and two years:	-
		AHF Loans	-

13. OBLIGATIONS UNDER LEASING AGREEMENTS

The following payments are committed to be paid within one year:

31.3.04			31.3.05
£			£
4,070		Operating leases	4,070
		Expiring: Between one and five years	

14. SECURED DEBTS

The following secured debts are included within creditors:

31.3.04			31.3.05
£			£
299,918		AHF Loan	285,506

The AHF Loan of £285,506 is secured over the property at "Kirkhaven" 176 Duke Street, Glasgow.

Glasgow Building Preservation Trust
Notes to the Financial Statements (continued)
for the Year Ended 31st March 2005

15. PENSION COMMITMENTS

The company contributes to defined contribution stakeholder pension schemes for its employees. The contributions paid in the year were £1,877 (2004: £3,721).

16. REVALUATION RESERVE

31.3.04		31.3.05
£		£
53,382	Revaluation of Investment Property	53,382
<u>53,382</u>	Revaluation in year	<u>411,353</u>
	REVALUATION RESERVE AT 31st MARCH 2005	464,735

The revaluation reserve is required by the Companies Act 1985 and represents the amount by which investment properties exceed their historical cost.

17. DESIGNATED RESERVES

31.3.04		31.03.05
£		£
105,559	As at 1 st April 2004	133,059
27,500	Transfer from General Funds	27,500
133,059	AS AT 31st MARCH 2005.	160,559

The directors have designated funds for repairs, which may be required for the investment properties.

18. GENERAL FUNDS

31.3.04		31.3.05
£		£
238,235	Incoming Resources	341,131
<u>(234,853)</u>	Outgoing Reserves	<u>(277,031)</u>
3,382		64,100
27,500	Transfer to Designated Reserve	27,500
<u>319,094</u>	General Funds at 1 st April 2004	<u>294,976</u>
294,976	GENERAL FUNDS AT 31ST MARCH 2005	331,576

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted & Designated Funds	Restricted Funds	2005 Total	2004 Total
	£	£	£	£
Tangible Fixed Assets	1,184,498	-	1,184,498	796,720
Net Current Assets	(227,628)	-	(227,628)	(315,303)
Creditors Falling Due after More Than One Year	-	-	-	-
	<u>956,870</u>	<u>-</u>	<u>956,870</u>	<u>481,417</u>

Glasgow Building Preservation Trust
Notes to the Financial Statements (continued)
for the Year Ended 31st March 2005

20. LANDFILL TAX CONTRIBUTIONS

During the year the Trust received £62,717 (2004 – £nil) in respect of Landfill Tax Contributions from Glasgow City Council re the project at the Pearce Institute. Funds totalling £71,722 have been expended on the Pearce Institute and £nil on 73-77 Trongate.

21. CONTINGENT LIABILITIES

At 31 March 2005 the charity has contingent liabilities in relation to the Kirkhaven building and Wellpark Enterprise Centre.

On 14 July 2000, a grant of £302,000 for the Kirkhaven building was awarded from Historic Scotland. The terms of the grant stipulate that the Glasgow Building Preservation Trust shall notify Scottish Ministers immediately of any intended disposal of an entire or part interest of the property, which is due from the date of the offer of the grant. The terms of the grant also stipulate that the Scottish Ministers can recover the grant or such an amount of the grant as Scottish Ministers think fit at any time if the Glasgow Building Preservation Trust fails to comply with or contravenes the conditions of the grant. However, the grant was awarded in the knowledge that after the refurbishment of the Kirkhaven building, the Glasgow Building Preservation Trust would sell the building to the Wellpark Enterprise Centre.

A grant of £326,000 was also received from the Heritage Lottery Fund (HLF) for the Kirkhaven building in 2000. The grant was awarded in the knowledge that the property may, following the refurbishment, be sold by the grant applicants to the Wellpark Enterprise Centre and no clawback would be due to the HLF as long as the disposal proceeds do not exceed £400,000 (Kirkhaven building only). However, it was a condition of acceptance of the grant that clawback may be due in the event of a sale to any other party within ten years of the award.

On 22 December 1999, a grant of £350,000 was awarded from the European Regional Development Fund (ERDF) for the Kirkhaven building. Clawback for all or part of this may be due in the event of a sale of the building before the 31 December 2005.

Glasgow Building Preservation Trust Limited

**Income and Expenditure Account
for the Year Ended 31st March 2005
(excluding Wellpark/Kirkhaven Enterprise Centre)**

31.3.04	31.3.04		31.3.05	31.3.05
£	£		£	£
		Income:		
10,000		Core Funding	10,000	
8,346		Management Fee	8,603	
3,070		Donations & Subscriptions	2,580	
4,500		Income From Events (Net)	10,269	
10,567		Bank Interest Received	13,304	
1,401		Rent & Service Charges	6,711	
<u>31,098</u>		Consultancy Fee	<u>65,722</u>	
	68,982			117,189
		Expenditure:		
67,879		Salaries	58,736	
6,109		Social Security	2,640	
3,721		Pensions	1,877	
-		Benefits in Kind	-	
2,150		Telephone	1,532	
1,677		Printing & Stationery	1,212	
4,415		Publicity	2,798	
(37,632)		Project Costs	3,284	
793		Cleaning	953	
4,594		Sundry Expenses	1,041	
4,000		Auditors Remuneration	4,560	
-		Accountancy Services	-	
1,535		Legal Fees	406	
4,070		Rent	4,070	
682		Rates	640	
2,156		Insurance	2,097	
331		Heat & Light	485	
629		Repairs & Maintenance	233	
116		Bank Charges	2	
6		Bank interest paid	-	
839		Depreciation - Fixtures & Fittings	1,144	
<u>1,385</u>		Depreciation - Computer Equipment	<u>403</u>	
	<u>69,455</u>			<u>88,113</u>
	<u>(473)</u>	EXCESS OF INCOME OVER EXPENDITURE (2004- EXCESS OF EXPENDITURE OVER INCOME)		<u>29,076</u>

Glasgow Building Preservation Trust Limited

**Income and Expenditure Account
for the Year Ended 31st March 2004
Wellpark/Kirkhaven Enterprise Centre**

31.3.04	31.3.04		31.3.05	31.3.05
£	£		£	£
		Income:		
141,841		Rent & Service Charges	187,687	
78		Bank Interest Received	703	
27,334		Other Income	35,552	
<u> </u>	169,253			223,942
		Expenditure:		
12,337		Property Management Fees	11,730	
17,431		Telephone	22,875	
2,189		Printing and Stationery	2,841	
3,188		Publicity and Marketing	-	
18,191		Cleaning	20,289	
9,043		Professional Fees	11,709	
770		Rates	1,106	
1,310		Water Charges	2,897	
6,359		Insurance	3,869	
15,603		Heat & Light	21,722	
12,832		Postage	6,789	
29,543		Security and Reception	33,049	
1,728		Waste Disposal	2,484	
20,993		Repairs & Maintenance	30,950	
295		Sundry Expenses	1,926	
41		Bank Charges	22	
11,202		Loan Interest	11,122	
2,343		Depreciation - Fixtures & Fittings	3,538	
<u> </u>	165,398		<u> </u>	188,918
	<u>3,855</u>	EXCESS OF INCOME OVER EXPENDITURE		<u>35,024</u>