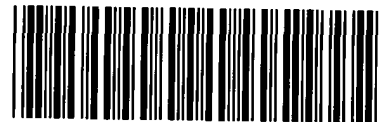


REGISTERED NUMBER: SC000791 (Scotland)

Financial Statements
for the Year Ended 31 December 2016
for
Aberdeen and Grampian
Chamber of Commerce

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for the Year Ended 31 December 2016**

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**Company Information
for the Year Ended 31 December 2016**

DIRECTORS:

Ms E B Harris
J A Brebner
Ms C M Benzie
A M Carstairs
J G Bream
W P Smyth
S J Nicol
Ms J Webster
Ms J E Young
Ms J A Palmer
R C Borthwick
Ms S Stephenson
P C McCloskey
J F Gregor
R A J Garnish
Mrs C Bain

SECRETARY:

Ms S Stephenson

REGISTERED OFFICE:

The Hub
Exploration Drive
Aberdeen Energy Park
Bridge of Don
Aberdeenshire
AB23 8GX

REGISTERED NUMBER:

SC000791 (Scotland)

AUDITORS:

Campbell Dallas LLP
Chartered Accountants &
Statutory Auditors
23 Carden Place
Aberdeen
AB10 1UQ

**President's Report
for the Year Ended 31 December 2016**

Main activities and achievements

In planning for 2016 the Board took the decision to invest in resources and services at a time when our members most needed us to be visible, active and effective. I believe the team delivered on this brief admirably in difficult circumstances and this was borne out by the statistics on the following pages.

The impact of the oil price reduction continued to have a negative impact on the regional economy, not just on operators and their direct suppliers, but also on the wider supply chain. As a result the Chamber posted a second consecutive deficit.

We are a privately funded, not for profit organisation and so the continued backing of our members and other supporters is vital to enable us to continue to deliver the activities we believe will create the economic conditions in Aberdeen city and shire that will allow our 1250+ members and the 125,000 people that they employ to be more successful and prosperous. Thank you for your ongoing support and please feel free to encourage any organisations in your network that are not engaged with us to get in touch.

One of our main ambitions for 2016 was for AGCC to demonstrate real leadership on the key issues for our regional economy and to be known for taking a more campaigning stance.

AGCC is recognised as one of the best Chambers in the UK for representing the views of its membership and helping to amplify the voice of business. This reputation for influencing positive change and getting things done remains one of our major strengths and I believe we built further on this over the last twelve months.

Political activity

2016 saw the team present a powerful manifesto ahead of the Holyrood election, challenging the parties to support an agenda that would see business and our region prosper. In addition we provided members with a detailed and impartial analysis of the pros and cons around the Brexit debate. And following the historic result, we continued to engage with and consult members as to the short and medium term impacts being felt as a result.

In the lead up to the 2017 local elections the Chamber's policy team sought to secure cross-party support for consistency and continuity in delivering the plans that will underpin the economic future of our city region and will continue to hold the new administrations to account to ensure that the key projects are all delivered as per the expected timelines.

The background work also began on the Business Rates campaign that hit the headlines at the start of 2017.

Partnership working and campaigns

During the year the Chamber took the lead on several initiatives designed to 'talk up' the region with the aim of enhancing the local economy and creating the conditions for future success. Buy North East was a concept delivered alongside key partners aimed at getting companies to put the issue of increased local procurement on their agenda and more than 500 signed up to the charter. Our first Investment Tracker was published highlighting the £5.3bn of infrastructure projects currently live in the region. And we worked with ITN, the World Petroleum Council and our two local authorities to create a short film about the future of oil and gas at the heart of a vibrant and diversified regional economy.

**President's Report
for the Year Ended 31 December 2016**

Our commitment to the skills agenda continued through the delivery of the Developing the Young Workforce (DYW) programme for North-east Scotland. After a challenging start in 2015, our region is now viewed as one of the leaders in this field across Scotland; demonstrating many elements of best practice and creating meaningful partnerships between business and education.

We also continue to work collaboratively with the British Chambers of Commerce and Scottish Chambers of Commerce on key issues such as international trade development, protecting and enhancing the network brand and ensuring the future relevance of our offer.

Civic leadership

The Chamber team remains engaged in and committed to initiatives designed to make Aberdeen city and shire an even better place to live, work, study, visit, invest and do business and continue to represent our members' interests through a number of Board positions and participation in working groups.

I represent AGCC on the Opportunity North East board and the Chief Executive Russell Borthwick, sits on the board of Visit Aberdeenshire, is a member of the Energy Jobs Taskforce, is a director of the Scottish Chambers of Commerce and is Vice Chair of the City Centre Masterplan reference group.

Membership Director Liam Smyth is on the board of Aberdeen Inspired and is actively involved with the Energetica initiative, North East Scotland Trade Group and South Aberdeen Local Action Group.

Research & Policy Director James Bream contributes to the Regional Economic Strategy group, the North East Business Week steering group, the Trinity Group and Aberdeen International Airport Consultative Committee as well as his role on the DYW Board.

All of this resulted in significant regular mentions of the Chamber being made in local council chambers, at Holyrood and Westminster as well as in the media; all contributing to our reputation and profile being reinforced and enhanced.

Our people

During 2016 the main changes saw Russell Borthwick joining as Chief Executive in February and Sue Stephenson joining as Finance & Corporate Services Director on the retirement of Gordon Prentice in August. I'd like to publicly thank Gordon for his contribution to AGCC during the ten years he was in post.

Early 2017 saw a number of the team decide to move onto pastures new in enhanced roles, some of them with Chamber-member organisations. This is a sign of both the esteem in which our staff is held and indication that our regional economy is beginning to bounce back. Although we were sad to see them leave, this provided an opportunity to bring some fresh thinking, skills and perspective into the Chamber and we are confident this will help us achieve our plans for 2017 and beyond.

We can't review the highlights of 2016 without marking the incredible achievement of Finance Administrator Isabel Grant. Isabel joined the Chamber straight from completing a secretarial course at Aberdeen College of Commerce in December 1966. Her 50th anniversary was marked with a cake and surprise visit from one of her lifetime heroes- King Joey Harper.

We were delighted to welcome Chris Bain, Pdraig McCloskey, Robert Garnish and John Gregor onto the Board adding their sector knowledge and specialist expertise to an already strong team and our thanks goes to them for their fantastic contribution.

**President's Report
for the Year Ended 31 December 2016**

Thank you also to Jane Spiers, Colette Backwell, Tom Sanders, Richard Sweetnam, Neil Clapperton and Adrian Watson for standing and being elected to our Policy Council. This is a vital role that helps to shape Chamber policy, ensuring it is in line with business opinion and thinking across all the sectors we represent.

On a personal note

The June 2017 AGM sees the end of my two year term as President. I am proud to have served AGCC on the Policy Council and Board since 2008 and to have been the first female President and the first from the third sector in the history of Aberdeen and Grampian Chamber of Commerce.

Since assuming office in June 2015, I have visited many member organisations, spoken with many of you at Chamber events and I would like to thank you all for being so welcoming, accommodating and for sharing your business issues, challenges and opportunities with me. It is important that we continue to understand the challenges that businesses across the region are facing so please do continue to engage with my successor as President and the wider Chamber team.

It has been a period of significant challenge and change in the regional economy and I believe that the Chamber has been and will continue to be at the heart of shaping the agenda for our economic renaissance. As I have said before, even with some positive indicators now on the horizon, we all still have a collective responsibility to come together to deliver the changes required in North-east Scotland. Compromise and making some difficult decisions will be inevitable, but are necessary in order to deliver the things this region needs and deserves.

Thank you again for your support of the Chamber. Together, we are....the Ultimate Business Network.

Edel Harris
President



**Aberdeen and Grampian
Chamber of Commerce (Registered number: SC000791)**

**Balance Sheet
31 December 2016**

		2016		2015	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	4		117,967		158,604
Investments	5		771,254		713,007
			<u>889,221</u>		<u>871,611</u>
CURRENT ASSETS					
Debtors	6	353,892		295,679	
Cash at bank and in hand		174,398		92,464	
		<u>528,290</u>		<u>388,143</u>	
CREDITORS					
Amounts falling due within one year	7	573,234		514,914	
		<u>573,234</u>		<u>514,914</u>	
NET CURRENT LIABILITIES			<u>(44,944)</u>		<u>(126,771)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			844,277		744,840
PROVISIONS FOR LIABILITIES	8		35,972		17,822
NET ASSETS			<u>808,305</u>		<u>727,018</u>
RESERVES					
Retained earnings			808,305		727,018
			<u>808,305</u>		<u>727,018</u>

The notes form part of these financial statements

**Balance Sheet - continued
31 December 2016**

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 25 April 2017 and were signed on its behalf by:



Ms E B Harris - Director



J A Brebner - Director

**Notes to the Financial Statements
for the Year Ended 31 December 2016**

1. STATUTORY INFORMATION

Aberdeen and Grampian Chamber of Commerce is a private company, limited by guarantee, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Preparation of consolidated financial statements

The financial statements contain information about Aberdeen and Grampian Chamber of Commerce as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

Turnover

Turnover represents amounts receivable for services provided in the year. Where services performed span the year end turnover is recognised based on management's best estimate of work performed to date and work required to complete the service. Where this is different to amounts invoiced in the year, turnover is deferred or accrued accordingly. It also includes government grants which are credited to the profit and loss account as and when the relevant expenditure has been incurred.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Tenant's improvements - 10% on cost

Plant and machinery etc - 33% on cost and 20% - 33% on cost

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Investments in shares are included at fair value.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pension costs

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

The assets of the scheme are held separately from the company.

Leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred. The aggregate benefit of lease incentives are recognised as a reduction to the expense recognised over the initial lease term on a straight line basis.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 36.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

4. TANGIBLE FIXED ASSETS

	Tenant's improvements £	Plant and machinery etc £	Totals £
COST			
At 1 January 2016	121,931	145,826	267,757
Additions	1,736	5,204	6,940
	<u>123,667</u>	<u>151,030</u>	<u>274,697</u>
At 31 December 2016	123,667	151,030	274,697
DEPRECIATION			
At 1 January 2016	37,006	72,147	109,153
Charge for year	13,884	33,693	47,577
	<u>50,890</u>	<u>105,840</u>	<u>156,730</u>
At 31 December 2016	50,890	105,840	156,730
NET BOOK VALUE			
At 31 December 2016	<u>72,777</u>	<u>45,190</u>	<u>117,967</u>
At 31 December 2015	<u>84,925</u>	<u>73,679</u>	<u>158,604</u>

5. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Other investments £	Totals £
COST OR VALUATION			
At 1 January 2016	1	713,006	713,007
Additions	-	207,427	207,427
Disposals	-	(271,598)	(271,598)
Revaluations	-	122,418	122,418
	<u>1</u>	<u>771,253</u>	<u>771,254</u>
At 31 December 2016	1	771,253	771,254
NET BOOK VALUE			
At 31 December 2016	<u>1</u>	<u>771,253</u>	<u>771,254</u>
At 31 December 2015	<u>1</u>	<u>713,006</u>	<u>713,007</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

5. FIXED ASSET INVESTMENTS - continued

Cost or valuation at 31 December 2016 is represented by:

	Shares in group undertakings £	Other investments £	Totals £
Valuation in 2016	-	122,418	122,418
Cost	1	648,835	648,836
	<u>1</u>	<u>771,253</u>	<u>771,254</u>

Listed investments are disclosed at fair value. The company has taken the exemption under Section 35 of FRS 102 not to restate the comparative figure.

The company's investments at the Balance Sheet date in the share capital of companies include the following:

West African Action UK Limited

Registered office: Johnstone House, 52-54 Rose Street, Aberdeen, AB10 1HA

Nature of business: Dormant

	% holding		
Class of shares:	100.00		
Ordinary		31.8.16 £	31.8.15 £
Aggregate capital and reserves		<u>1</u>	<u>1</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	308,786	247,512
Other debtors	45,106	48,167
	<u>353,892</u>	<u>295,679</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	59,687	45,840
Taxation and social security	95,291	74,339
Other creditors	418,256	394,735
	<u>573,234</u>	<u>514,914</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

8. PROVISIONS FOR LIABILITIES

	2016	2015
	£	£
Deferred tax	<u>35,972</u>	<u>17,822</u>
		Deferred tax
		£
Balance at 1 January 2016		17,822
Capital allowances in advance of depreciation		(6,333)
Listed investments		<u>24,483</u>
Balance at 31 December 2016		<u>35,972</u>

9. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Alan Taylor FCCA (Senior Statutory Auditor)
for and on behalf of Campbell Dallas LLP

10. PENSION COMMITMENTS

The company operates a defined contribution scheme on behalf of its directors and employees. The annual commitment under this scheme is for contributions of £71,864 (2015 - £106,743).

11. RELATED PARTY DISCLOSURES

The company provides services to entities in which directors have an interest. The board of directors consider that disclosure of such transactions, which are undertaken on normal commercial terms, would not influence decisions made by users of the accounts.

12. ULTIMATE CONTROLLING PARTY

The company is under control of its members.

13. FIRST YEAR ADOPTION

Transitional relief

On transition to FRS 102, the company has taken advantage of the following transitional relief:

- not to apply the requirements of paragraphs 20.15A to 20.25A in respect of lease incentives.