

**Company Registration No. SC000791 (Scotland)**

**Aberdeen and Grampian Chamber of Commerce**

**(A company limited by guarantee)**

**financial statements**

**for the year ended 31 December 2017**

**Pages for filing with Registrar**



**Aberdeen and Grampian Chamber of Commerce**  
**(A company limited by guarantee)**  
**Company information**

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<b>Directors</b>	Chris Bain Russell Borthwick James Bream John Brebner John Gregor Edel Harris Padraig McCloskey Derren McRae Stephen Nicol Deborah O'Neill Judith Palmer William Smyth Suzanne Stephenson Jill Webster Jennifer Young
<b>Secretary</b>	Suzanne Stephenson
<b>Company number</b>	SC000791
<b>Registered office</b>	The Hub Exploration Drive Aberdeen Energy Park Aberdeen AB23 8GX
<b>Auditor</b>	Henderson Loggie 45 Queens Road Aberdeen AB15 4ZN

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**Aberdeen And Grampian Chamber Of Commerce**  
**(A company limited by guarantee)**  
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**Aberdeen and Grampian Chamber of Commerce  
(A company limited by guarantee)  
President's Report**

**for the year ended 31 December 2017**

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**Main activities and achievements**

Having taken the decision in 2015 and 2016 to invest in resources and services at a time when our members most needed us to be visible, active and effective, it was a key aim in 2017 that the Chamber was in a position to return an element of this investment back in to our reserves. The details on the following pages confirm that this was achieved without losing any focus on the core strategy and activities.

Aberdeen & Grampian Chamber of Commerce remains the North-east's leading business membership organisation and the largest Chamber in Scotland, giving us scale and voice.

Our aim is to create the buoyant, diversified regional economy that will enable our 1,200+ members from a wide range of sectors and the 125,000 people employed by them across the city region to be more successful and prosperous.

We believe organisations have two key objectives in joining with us. To make their businesses better and to 'put something back' by playing their part in making the North-east an even better place to live, work, study, invest and do business.

We deliver on this in a wide range of ways:

- From talking up the area and celebrating business success to lobbying for necessary change;
- From equipping the workforce with the skills to succeed to issuing the export documents that enable goods worth over half a billion pounds every year to reach their overseas markets;
- From sourcing research and intelligence on our operating environment to providing unrivalled opportunities for networking, business development and best practice exchange;
- And much more.

During the last year and moving forward, we remain committed to investing a significant amount of our time in progressing the economic growth agenda through engagement in the Regional Economic Strategy and City Centre Masterplan; Board positions on Opportunity North East, Visit Aberdeenshire and Aberdeen Inspired as well as driving activities such as Vanguard and the regional narrative. All of this alongside continuing our campaigning and lobbying on key issues - like winning £17m of Business Rates relief for businesses in the North-east with more to follow.

Our commitment to the skills agenda continues through the Chamber's stewardship of the Developing the Young Workforce (DYW) programme for North-east Scotland. 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 in partnership with the British Chambers of Commerce and Scottish Chambers of Commerce on key issues such as international trade development, industrial strategy, protecting and enhancing the network brand and ensuring that our members are briefed and 'Brexit-ready'.

**Aberdeen and Grampian Chamber of Commerce**  
**(A company limited by guarantee)**  
**President's Report(continued)**  
**for the year ended 31 December 2017**

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**Main activities and achievements (continued)**

In 2017, the Chamber celebrated the 140th anniversary of being incorporated. Despite our longevity we are confident that our members find us to be an organisation that is modern, relevant, passionate about the future of the region and one every business here should do business with!

As a privately funded, not for profit organisation we simply can't do the good work we do without the support of our members. Organisations that engage with us sign up to be part of a cause, not a club. With this in mind, I'd like to make special mention of our Premier Partners who, as committed civic citizens, play a vital role in enabling us to undertake the partnership, project and economic development-related initiatives that we do. Their support is hugely valued and appreciated.

**Our people**

2017 saw a number of personnel changes with staff moving on to pastures new. Although it's always disappointing to lose good people, being in demand is a sign of the esteem in which our team is held and an indication that our regional economy continues to bounce back. That said, it provided an opportunity to bring fresh thinking, skills and perspective into the Chamber and there's no doubt this helped us achieve our plans for 2017.

Deputy Chief Executive Liam Smyth spent the 2nd half of the year on secondment to the British Chambers of Commerce working on a vital brief to secure and hopefully extend the role of the network in the international trade space.

We were delighted to welcome Deborah O'Neill and Derren McRae on to the Board adding their sector knowledge, specialist expertise, energy and passion to an already strong team.

Thank you also to Bob Keiller, Nat Anderson, Maggie Bochel, Rita Brown and John Davidson 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 the region and all the sectors we represent.

**Aberdeen and Grampian Chamber of Commerce**  
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**President's Report(continued)**  
**for the year ended 31 December 2017**

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**On a personal note**


The June 2017 AGM saw me sworn in as President. I am honoured to hold this office, having served on the AGCC Board since 2010.

I would like to put on record my thanks to Immediate Past President Edel Harris, who steps down at this year's AGM, for her fantastic contribution to the Chamber in a variety of roles over the last ten years.

Talking to members, the sense we are getting is that our economy is moving forward again after a challenging few years. The recovery, however, remains patchy and the Chamber will continue to assist individual member businesses while playing a central role in the wider economic development strategies outlined earlier in this introduction.

As things continue to normalise, we must guard against any complacency creeping back in to play. The shock of \$27 oil has created a real focus on shaping the economic future of our region and been the catalyst for many positive developments but this is only just the beginning. Of course, change is challenging but we have a collective responsibility to come together to deliver the future prosperity we all desire for North-east Scotland. Compromise and making difficult decisions remains 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.



John Brebner  
**President**  
24 April 2018

**Aberdeen and Grampian Chamber of Commerce**  
**(A company limited by guarantee)**  
**Balance Sheet**

**as at 31 December 2017**

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Tangible assets	3	90,318		117,967	
Investments	4	841,454		771,254	
		<u>931,772</u>		<u>889,221</u>	
<b>Current assets</b>					
Debtors	5	527,920		353,892	
Cash at bank and in hand		105,000		174,398	
		<u>632,920</u>		<u>528,290</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(625,361)</u>		<u>(573,234)</u>	
<b>Net current assets/(liabilities)</b>			<u>7,559</u>		<u>(44,944)</u>
<b>Total assets less current liabilities</b>			<u>939,331</u>		<u>844,277</u>
<b>Provisions for liabilities</b>			<u>(17,382)</u>		<u>(35,972)</u>
<b>Net assets</b>			<u><u>921,949</u></u>		<u><u>808,305</u></u>
<b>Reserves</b>					
Income and expenditure account			<u><u>921,949</u></u>		<u><u>808,305</u></u>

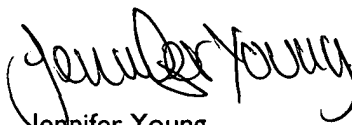
The directors of the company have elected not to include a copy of the income and expenditure account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 24 April 2018 and are signed on its behalf by:



John Brebner  
**Director**



Jennifer Young  
**Director**

**Company Registration No. SC000791**

**Aberdeen and Grampian Chamber of Commerce**  
**(A company limited by guarantee)**  
**Notes to the financial statements**  
**for the year ended 31 December 2017**

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**1 Accounting policies**

**Company information**

Aberdeen and Grampian Chamber of Commerce is a private company limited by guarantee incorporated in Scotland. The registered office is The Hub, Exploration Drive, Aberdeen Energy Park, Aberdeen, AB23 8GX.

**1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies' regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

**1.2 Income and expenditure**

Income and expenses are included in the financial statements as they become receivable or due.

**1.3 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Tenant's improvements	10% - 20% straight line
Plant and equipment	20% - 33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

**1.4 Fixed asset investments**

Interests in listed investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in surplus or deficit. Transaction costs are expensed to surplus or deficit as incurred.



**Aberdeen and Grampian Chamber of Commerce**  
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**Notes to the financial statements (continued)**  
**for the year ended 31 December 2017**

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**1 Accounting policies (continued)**

**1.5 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1.6 Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.7 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Aberdeen and Grampian Chamber of Commerce**  
**(A company limited by guarantee)**  
**Notes to the financial statements (continued)**  
**for the year ended 31 December 2017**

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**1 Accounting policies (continued)**

**Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**1.8 Taxation**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**Aberdeen and Grampian Chamber of Commerce**  
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**Notes to the financial statements (continued)**  
**for the year ended 31 December 2017**

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**1 Accounting policies (continued)**

**1.9 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.10 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.11 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

**1.12 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

**2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was 36 (2016 - 36).

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**Notes to the financial statements (continued)**  
**for the year ended 31 December 2017**

**3 Tangible fixed assets**

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 January 2017	123,667	151,030	274,697
Additions	-	15,682	15,682
At 31 December 2017	123,667	166,712	290,379
<b>Depreciation and impairment</b>			
At 1 January 2017	50,890	105,840	156,730
Depreciation charged in the year	13,977	29,354	43,331
At 31 December 2017	64,867	135,194	200,061
<b>Carrying amount</b>			
At 31 December 2017	58,800	31,518	90,318
At 31 December 2016	72,777	45,190	117,967

**4 Fixed asset investments**

	2017	2016
	£	£
Investments	841,454	771,254

**Aberdeen and Grampian Chamber of Commerce**  
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**Notes to the financial statements (continued)**  
**for the year ended 31 December 2017**

**4 Fixed asset investments (continued)**

**Movements in fixed asset investments**

	Shares in group investments undertakings	Other investments other than loans	Total
	£	£	£
<b>Cost or valuation</b>			
At 1 January 2017	1	771,253	771,254
Additions	-	179,440	179,440
Valuation changes	-	72,201	72,201
Disposals	(1)	(181,440)	(181,441)
At 31 December 2017	-	841,454	841,454
<b>Carrying amount</b>			
At 31 December 2017	-	841,454	841,454
At 31 December 2016	1	771,253	771,254

The company previously held a 100% holding in West African Action UK Limited at £1. The company was dissolved on the 23rd May 2017 and as such the holding was disposed of for £1 during the year.

**5 Debtors**

	2017	2016
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	427,051	308,786
Other debtors	100,869	45,106
	527,920	353,892

**Aberdeen and Grampian Chamber of Commerce**  
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**Notes to the financial statements (continued)**  
**for the year ended 31 December 2017**

**6 Creditors: amounts falling due within one year**

	2017	2016
	£	£
Trade creditors	61,810	59,687
Corporation tax	11,331	-
Other taxation and social security	98,950	95,291
Other creditors	453,270	418,256
	<u>625,361</u>	<u>573,234</u>

**7 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 £81,055 (2016 - £71,864).

**8 Members' liability**

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

**9 Audit report information**

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Fiona Morgan.

The auditor was Henderson Loggie.

**10 Operating lease commitments**

**Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2017	2016
£	£
<u>347,472</u>	<u>424,688</u>

**Aberdeen and Grampian Chamber of Commerce**  
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**Notes to the financial statements (continued)**  
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**11 Related party transactions**

The remuneration of key management personnel is as follows.

£367,063 (2016 - £384,677).

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