

Aberdeen Association of Social Service

(Operating as VSA)

(A private company limited by guarantee, not having share capital)

Directors' report and financial statements

For the year ended 31 March 2016

Registered Number SC018487

Charity Registration Number SC 012950



Aberdeen Association of Social Service (Operating as VSA)
Directors' report and financial statements
For the year ended 31 March 2016

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Aberdeen Association of Social Service (Operating as VSA)

Report of the Trustees for the year ended 31 March 2016

The trustees are pleased to present their report including a strategic report together with the audited financial statements for the year to 31 March 2016.

Administrative details

Charity Name:	Aberdeen Association of Social Service
Operating Name:	VSA
Charity registration number:	SC 012950
Company registration number:	SC018487
Registered office and Principal office:	38 Castle Street Aberdeen AB11 5YU

Directors and Trustees

The Directors of Aberdeen Association of Social Service operating as VSA (the charity) are its Trustees for the purpose of charity law and throughout this trustee report are collectively referred to as the trustees.

The Trustees of Aberdeen Association of Social Service who were in office during the year and up to the date of signing the Financial Statements were:

Lady J Catto	Chair of Trustees	
Ms A Hunter	Vice Chair of Trustees	
Mr N E Harper	Treasurer	
Mr S B Smith		
Mr A C Forsyth		(Resigned May 2015)
Mr A F Gall		
Mr C D Campbell		
Mr G M Bone		(Resigned October 2015)
Mrs J Lishman		
Ms K Beveridge		
Ms C Cameron		(Resigned October 2015)
Dr D McMurray		(Resigned November 2015)
Mrs M J Wilson		(Resigned September 2015)
Mr F Dalgarno		
Mrs C Inglis		(Appointed October 2015)
Mr H Ouston		(Appointed October 2015)
Mrs K Sinclair		(Appointed October 2015)

Dr K Simpson (Chief Executive)	Company Secretary
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Key Management Personnel at 31st March 2016

Dr K Simpson	Chief Executive & Company Secretary	
Mr J Booth	Deputy Chief Executive	
Mrs E Robertson	Director of Finance	(Retired June 2015)
Mr G Edwards	Interim Director of Finance	(Appointed August 2015)
Ms J Ewen	Director of Adult and Community Services	
Mrs A Garden	Director of Children & Families and Carers	
Mrs W Milne	Director of Linn Moor Campus	

Aberdeen Association of Social Service (Operating as VSA)

Report of the Trustees for the year ended 31 March 2016 (continued)

Administrative details (Continued)

Independent Auditors

RSM UK Audit LLP, 139 Fountainbridge, Edinburgh, EH3 9QG (appointed 14 January 2016)

Bankers

Bank of Scotland, PO Box No 10, 2nd Floor, 38 St Andrew Square, Edinburgh, EH2 2YR

Solicitors

Burness Paull LLP, Union Plaza, 1 Union Wynd, Aberdeen, AB10 1DQ

Investment Managers

Standard Life Wealth Ltd, 1 George Street, Edinburgh, EH2 2LL
Brewin Dolphin, 6th Floor, Atria One, 144 Morrison Street, Edinburgh EH3 8EX

Objectives and Activities

The objects of the Charity are:

- To provide for the general welfare of children, families, adults, older people, disabled people and people in need who are partially or wholly unable to provide for themselves.
- To act in co-operation with the statutory authorities and other organisations, voluntary or otherwise, engaged in the furtherance of general welfare.
- To establish, take over or administer, either alone or along with others, charitable funds or agencies, either as Trustees or in any other capacity.
- To establish and operate agencies or bureau for the purpose of giving advice or assistance on problems of a monetary and/or social nature, to those in need.
- To provide facilities for training in social service and for advancing the interest of the public in social work.

The main objectives and activities for the year continued to focus on providing a high level of care to existing service users whether they be children, families, adults or older people. The trustees have had specific regard to the Charity Commission guidance on public benefit in section 4 of the Charities Act 2006.

Aberdeen Association of Social Service (Operating as VSA)

Report of the Trustees for the year ended 31 March 2016 (continued)

Structure, Governance and Management

Governing Document

Aberdeen Association of Social Service, operating as VSA, is a charitable private company limited by guarantee and governed by its Memorandum and Articles of Association as amended on 30 May 2002. It is a registered charity with the Office of the Scottish Charity Regulator (OSCR). Anyone can become a Member of the Company each of whom agree to contribute one pound sterling in the event of the Charity being wound up. There are two classes of Member, namely Annual Member and Life Member, dependent on subscription levels. There are 79 Annual Members and 48 Life Members as at 31 March 2016.

Recruitment and Appointment of Trustees

The Board of Trustees aims to be a clearly identifiable body with the right balance of skills and experience to run VSA effectively. Each trustee has an individual, as well as collective, responsibility for exercising general control and management over the administration of VSA. The Board of Trustees directs the affairs of the VSA and ensures that it is well run, delivers on its charitable objectives for the benefit of the public and remains solvent at all times. The Board of Trustees understands its responsibilities and ensures it has systems in place to deliver them effectively. This includes the identification of the broad skills, knowledge and experience required for the effective direction of VSA. The recruitment, selection and rotation of trustees are based on the mix of skills, knowledge and experience that individuals have to offer, bringing diversity to the trustee body. All potential Trustees are interviewed by a group of nominated Trustees before being recommended to the Board for approval.

The Board of Trustees is comprised of members who are elected as individuals. Members of the Board are elected at the Annual General Meeting, normally for a period of three years and for two terms of office. Usually one-third of current Board members retire each year, and are eligible for re-election, usually for no more than three terms of office. Members can be co-opted to the Board as vacancies arise, and may be nominated for election at the next Annual General Meeting. There should be no less than ten and no more than eighteen members on the Board.

Trustees are not remunerated for this role. VSA follows the OSCR regulations on Trustee Remuneration and no Trustees will be remunerated from the charity's assets unless there are exceptional circumstances that arise which comply with the OSCR regulations. There was no payment for expenses to the Trustees in the reporting year.

Trustee Induction and Training Programmes

New Trustees are provided with a copy of the Memorandum and Articles of Association and a suite of other documents that describe the role, functions and operations of the Board, the Trustees and Committees. New Board members are also provided with, and briefed, on a document explaining the role of Board members as Company Directors and Charity Trustees. This explains their legal obligations under charity and company law. There is a regular and varied programme of trustee induction and training in place.

During the financial year a comprehensive governance review was undertaken with the general theme of 'Hallmarks of an Effective Charity' with a particular focus on:-

Impact and Outcomes:

- Ensuring that the charity considers the impact that it wishes to have, and actually has, on the people who benefit from its services. This ensures that there are methods to identify measure and learn from achievements and outcome, including the effects on the recipients of services, other stakeholders and the community as a whole.
- ensuring that the vision, mission and values direct the work of the charity and inform its strategy.

Fit for Purpose:

- reviewing organisational structures, policies and procedures.
- ensuring there is a strong link between its mission, values, strategic objectives in the delivery of services.
- recognising the external perspective and wider context within which VSA operates.

Aberdeen Association of Social Service (Operating as VSA)

Report of the Trustees for the year ended 31 March 2016 (continued)

Structure, Governance and Management (Continued)

Organisational Structure

The Board of Trustees meets quarterly to deal with normal business and although the Company Secretary sits on the Board he has no voting rights.

The governance and management structure of the Charity is such that there is a Services Committee and a Corporate Services Committee. An Audit & Risk Sub Committee, reporting to the Corporate Services Committee, has recently been established. These Committees meet regularly to monitor the ongoing work of the Charity and to develop new policies, making recommendations to the Board of Trustees. An Executive Committee can be called to act on behalf of the Board as required.

Dr K Simpson, as Chief Executive, is appointed by the Trustees to manage the operations of the Charity. A scheme of delegated authority, approved by the Trustees, is in place to facilitate effective operations. The senior management team was restructured during 2014/15. The Chief Executive is supported by a Senior Management Team consisting of a Deputy Chief Executive, an Interim Director of Finance (pending a wider review of the support service structures) and three Directors of Services.

Risk Management

Risk management is the process of identifying risks, the occurrence of which would inhibit the smooth running and operational effectiveness of VSA. It involves assessing the likelihood and impact of their occurrence, determining the most effective methods of managing them, or reducing them to an acceptable level. Risk management also provides a means of improving strategic, operational and financial management, all of which are central to VSA delivering high quality services.

The Board of Trustees are ultimately responsible for risk management within VSA and following extensive work in recent years are satisfied that VSA has a strong risk management culture and all the appropriate internal control systems and processes in place.

The Trustees consider that the following steps / framework provide VSA with adequate measures to reduce the impact of identified risks:-

Strategic Risk Register Review – The Board of Trustees reviews the strategic risk register on a regular basis to ensure it is current and takes account of all identified risks. The Senior Management Team provides updates on risk management as part of their reports to trustees & committees.

The Senior Management Team (SMT) – The SMT is made up including the Key Management Personnel and reviews the significant organizational risks on an ongoing basis and ensures that the internal controls framework within which we operate is effective. The SMT considers new and emerging risk, review internal control measures, internal and external audit reports and ensures all actions are implemented. This is underpinned by robust systems, policies and procedures and internal quality assurance to ensure that such controls remain effective. There has been a significant development of the risk management culture throughout VSA in recent years. Reports presented to Trustees for consideration include a section on risk management, so that in agreeing any development, investment or change in service delivery Trustees understand the level of risk and how it will be managed and monitored.

In addition to policies and procedures for raising complaints and grievances, there is also a "Whistleblowing (Raising a concern) Policy" in place. This ensures that a member of staff or volunteer can report a concern within a supportive environment through their line manager or if necessary through a confidential helpline.

The most significant risks and control measures, which are regularly re-evaluated, are set out in the table on the following page.

Aberdeen Association of Social Service (Operating as VSA)
Report of the Trustees for the year ended 31 March 2016 (continued)

Principal risks and uncertainties

Risk	Management and Control Measures
Reputational risk due to serious fraud, health and safety incident or professional breach by staff.	<ul style="list-style-type: none"> • Robust training and awareness programmes for all staff. • Management team engagement in policy setting and monitoring. • Whistleblowing procedures in place. • Fraud risk assessment processes • Robust HSEQ Management Systems • HR Policies and Procedures.
Impact of National and Local Government policy and spending reviews.	<ul style="list-style-type: none"> • Membership of influential groups which provide updates on implications for the sector. • Regular liaison with local political leaders.
Continued economic pressure and competition for voluntary income.	<ul style="list-style-type: none"> • Ongoing review of market intelligence. • PR releases to maintain visibility of VSA as a local charity.
Credit risk: the principal liquid financial assets are bank balances, some investments and trade receivables.	<ul style="list-style-type: none"> • An active credit control policy • Review of amounts held with banking and investment groups. • Regular review of investment policies.
Market risk: the Charity's investments are subject to market movements; small realized losses and unrealised gains have been recorded this year.	<ul style="list-style-type: none"> • The current investment policy is one of medium risk. • The focus is on income generation and continued capital preservation. • Continued liaison with Investment Managers regarding the financial markets.
Liquidity risk: in the current economic climate, the Charity must ensure it is able to meet its budget commitments and liabilities as and when they fall due.	<ul style="list-style-type: none"> • Comprehensive budget monitoring procedures, including clear individual budget holder responsibilities. • Treasury management policies. • Prudent reserves and cash flow policies.
Failure to secure workforce required.	<ul style="list-style-type: none"> • Workforce planning and career progression scheme. • Remuneration Group. • Regular review of terms and conditions and benefits package. • Skills development initiatives. • SSSC qualification requirements. • Investors in People Gold accreditation.

Aberdeen Association of Social Service (Operating as VSA)

Report of the Trustees for the year ended 31 March 2016 (continued)

Reports from Services

VSA has been delivering services to the people of Aberdeen for over 145 years and has grown to become the largest city based social care charity in the United Kingdom. VSA's services are focused on four discrete groups: Children & Families, Adult & Community, Education & Learning, Carers & Supporting People; providing a wide range of community-based services to a diverse population.

Children and Family Services:

As the North East of Scotland's leading social care charity, VSA continually supports and strengthens the future of children and families through a variety of services. Our professionally trained staff and volunteers are inclusive and flexible in their practice, recognising and respecting diversity and changing needs and reducing inequalities.

During the year we provided a breadth of services, with the aim of ensuring best outcomes for the most vulnerable of children in our local community. Our specialist Children and Families team, include Counselling services for looked after children and for children in local schools through our schools network; Clubs for children with additional support needs, after school clubs and holiday play schemes; family support through our Early Years' Service and more specific advice and support to parent carers; our Family Contact Centre also helps children build and strengthen relationships with their contact parent.

Our Nursery at the Maisie Munro Children's Centre in the West end of the city promotes inclusion for children with additional support needs and their peers in a small and nurturing environment.

Richmondhill House Family Services:

Provides residential and community based support and assessment for vulnerable families who face a range of social, emotional and behavioural difficulties which have potential to impact on their parenting ability, capacity and risk to the child.

Adult and Community Services:

Our services strive to provide the best of care, while promoting independent living and social integration, ensuring the individuals accessing them have every opportunity to live the best of lives. Our approach is always needs-led by placing the individual at the centre of what we do, assisting them in having every opportunity to lead fulfilling and meaningful lives.

Our Adult and Community Services fall under three main types:

- Services for older people
- Mental wellbeing services
- Services for individuals with a learning disability

Older People Services:

VSA touches the lives of thousands of local older people every year. We offer a range of flexible and adaptive services that include two residential Care Homes, Ruthrieston House and Crosby House and two Housing with Support/Care at Home services, Broomhill Park and Cloverfield Grove.

Forest Grove at Kings Gate in the west end of the city is the first of its kind; a respite service for carers who care for adults over the age of 50 with a mental or physical illness, who are cared for at home in Aberdeen City. We also offer respite to carers at home through our Home Support service, which allows carers a short break whilst ensuring the cared for person is supported at home. Weekend Day Care is also run from this location and is a day service for older adults with a diagnosis of dementia.

Our two activity centres, Broomhill and Woodside, offer members a range of stimulating activities, classes and peer groups for the over 50's.

Aberdeen Association of Social Service (Operating as VSA)

Report of the Trustees for the year ended 31 March 2016 (continued)

Reports from Services (continued)

Mental Wellbeing Services

VSA has supported over 100 people this past year with a diagnosis of mental illness in Aberdeen City. Services vary depending on need, from outreach services delivered in the community, to residential care homes. All our mental health services focus on supporting recovery and building resilience of people, not just on treating or managing symptoms.

Learning Disabilities

VSA understands the importance of meaningful placements for adults with learning disabilities. We are committed to ensuring a high standard of care for every individual accessing our services, where life, vocational, social and personal skills are developed in a safe way that is meaningful to the individual. We offer Housing Support and Care at Home for adults with learning disabilities, providing a person-centered approach to community care. Tenants are given support to maintain their own tenancies both at Craigton Grove and throughout Aberdeen City.

Easter Anguston Farm

The farm is our working Farm in Peterculter, which offers vocational training for adults with additional support needs. Service users can gain life skills along with skills in animal husbandry, horticulture, agriculture, catering and retail.

Education and Learning Services

VSA has a vast history of providing exceptional outcome driven educational opportunities for individuals with additional support needs. Our education and learning services provide individualised and person-centered packages of care and education that focus on life, academic and vocational skills development.

Linn Moor Residential School

Linn Moor Residential School has a long history of providing specialist residential care and education for children and young adults with autism, related conditions such as social and communication difficulties, and learning disability.

At Linn Moor Residential School we strive to empower the children and young people we support and provide them with the skills they need to live exceptional lives. We promote learning opportunities in a range of resource rich environments where people are encouraged to develop transferrable academic, vocational and life skills that will support them in adulthood.

Linn Moor's residential provision consists of seven self-contained group homes. We strive to ensure the highest of accommodation and care standards in all of our residences, creating warm and homely environments. The child/young person is at the centre of all we do and we respect and see each child/young person as unique and while fully recognising their difficulties, we focus on their rights to have and enjoy an ordinary life and to access the opportunities open to other young people in the wider community.

Rowanlea House & Cottage (Supporting Young People with the Transition to Adult Life)

The recently opened Rowanlea service has been designed for young people from the age of 18, who may have lived in a residential school or care setting and who aspire to have a place of their own. At Rowanlea we believe that skilled transition from school age to adulthood with a continuing learning opportunity is fundamental to a rich and satisfying life. Our supported living service at Rowanlea enables young people to take that step towards independence through an encouraging, stimulating and supportive environment, in which they can enjoy a challenging and interesting introduction to adult life. Transition programmes are individual to each young person, combining life and social skills learning, with care and support.

Aberdeen Association of Social Service (Operating as VSA)

Report of the Trustees for the year ended 31 March 2016 (continued)

Reports from Services (continued)

Carer and Support People Services:

Specialist Day Care and Home Support

VSA provides support to adults and young carers throughout Aberdeen City and has specialist support for mental illness, including weekend day care and home support for those suffering from dementia and for their Carers.

The VSA Carers Services has bases in Castle Street and Cornhill Hospital and our Carer Advisors work closely with Carers in localities across the city, offering advice, information and support on all aspects of caring. We have a calendar of activities, where carers can join in and have fun, meet new people and learn something new; along with advice on accessing support and funding for things like short breaks - all of which will support carers to sustain their caring role. Our Carers Services are for anyone over 8 years old who help a relative, friend or neighbour who cannot manage without their support and has taken on an unpaid caring role in addition to their existing commitments.

Young Carers Services

There are around 2,240 children in Aberdeen, some as young as five, who look after another family member and assume a level of responsibility usually associated with an adult. The person receiving care is often a parent but could be a sibling, grandparent, another relative, friend or neighbour who is disabled, has a chronic illness, a mental health problem or other condition that means they need care, support or supervision. However, for Young Carers, this can have an impact on other aspects of their lives. VSA's Young Carers staff work in partnership with the Young Carers, their family and others to ensure that their physical, social, emotional and educational needs are not adversely affected by their caring role.

VSA offers a range of support to Young Carers which they can access when required: including 1:1 sessions, group work and peer support, access to technology and signposting to other local community based services.

Other Support, Training and Retail Services

VSA also offers some unique retail opportunities, visitor attractions and training services which are also available to the wider public; from our Mercat Book shop in Castle Street to the Easter Anguston Farm, Shop and Cafe just outside Peterculter.

Our Behavioural Support Strategies (BSS) offers accredited training and support to professional bodies to develop and implement the BSS programme of managing challenging behaviour in Scotland, a step-by-step process for crisis intervention and prevention. This is in addition to offering a wide and varied range of high quality social care and support services, ensuring the best of care to the people of Aberdeen and Aberdeenshire.

Volunteers

The work of VSA is supported and enabled by the input of volunteers. Volunteering allows specific projects to be completed, can reduce costs and increase quality, and assists with fluctuating workload pressures. Volunteers experience benefits in developing new skills and contributing to society. However, effective volunteering needs to be supported and resourced, and with demographic and social change impacting on volunteering, VSA need to continue to look ahead and plan to maximise the contribution that volunteers make, as well as the support that VSA can offer to volunteers.

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Aberdeen Association of Social Service (Operating as VSA)

Report of the Trustees for the year ended 31 March 2016 (continued)

Reports from Services (continued)

Volunteers - continued

VSA has a history and track record of innovation and good practice in the recruitment, deployment and support of volunteers, and it is generally well understood that there is a significant cost to the organisation in training and managing volunteers to gain maximum benefit for VSA and for individual volunteers.

The VSA Volunteering Strategy has been developed with three key objectives to:

- increase the quality of VSA services
- increase community involvement
- increase the quality of the volunteering experience for the volunteer

The first of these will be achieved by assessing the potential for volunteers to support VSA and by identifying and maximising the opportunities across VSA where volunteer support could be targeted. VSA do not seek to replace existing paid posts with volunteers, but rather to use the skills and time that volunteers can offer to extend and enhance current service provision.

VSA also seeks greater integration with the community. This will be achieved by identifying groups within the population where a volunteering relationship with VSA could be mutually beneficial. VSA will provide training and support for volunteers ensuring that they are professionally managed and developed.

VSA have 242 volunteers as at 31 March 2016, 17 of whom have dual roles, covering the following directorates:-

Children & Families	188
Older People Services	39
Other	32

Aberdeen Association of Social Service (Operating as VSA)

Report of the Trustees for the year ended 31 March 2016 (continued)

Financial Review

During the year the Charity adopted FRS102 and the new Charities Statement of Recommended Practice (SORP), requiring the restatement of the Charity's Financial Statements as at 1st April 2014. The impact of this is set out in Note 28.

The financial results of the Charity show net incoming resources for the year (before other recognised gains / losses and exceptional items) of £436,000 compared to net outgoing resources (before other recognised gains/losses and exceptional items) of (£607,000) in the previous financial year of 2015.

The improvement in this financial position compared to the previous year is due mainly to a combination of an increase in board charges and the new adult support services of £791,000.

The net movement in funds after other recognised gains/losses and exceptional items, was an increase of £118,000 compared to a reduction of (£417,000) in the previous financial year of 2015.

The other recognised gains/losses consisted of a gain from the sale of Investments of £183,000 (2015 loss of £60,000). However, this was offset by a significant unrealized loss on Investments of (£501,000), (2015 unrealized gain of £374,000), reflecting the overall reduction in stock market values.

There was a reduction in capital expenditure this year with circa £289,000 being spent compared to circa £720,000 last year. There were no grants or donations towards this expenditure. Almost £125,000 of this spend was initiated by Health & Safety, to ensure legislative standards are maintained and adhered to.

During the year VSA continued to invest resources in improving the use of the integrated HR/payroll/training system and the finance and document imaging system, as well as a Health & Safety database and Accident Management System. Benefits from these systems include improved monitoring of sickness absence, staff turnover and training achievements and incident control and improvement. In addition, there is devolved budgeting, electronic purchase order processing and electronic accounts payable in place.

All these systems continue to bring major benefits to the Charity in terms of increased efficiency, effectiveness and compliance.

The Board continues to look to develop a wider range of key outcomes to measure organizational performance. The key outcomes during the year were:-

Key Outcomes	Performance Target	2016	2015
Care Inspectorate	Average of 4.0 (good)	Average of 5.2 (very good +)	Average of 5.2 (very good+)
Budget Performance	Breakeven (before depreciation)	Surplus	Deficit (after adoption of FRS102 adjustments)
Agency Staff	£400,000	£363,000	£215,000
Staff Turnover	20.00%	19.49%	20.00%
Absence Rate	5.00%	4.00%	4.20%
Cash Flow	£1,000,000 (month end minimum)	£1,171,000	n/a
RIDDOR 2013	5	5	n/a

Continual reviews of these key outcomes is undertaken, to ensure the effective performance and operation of the charity.

VSA is still in a strong financial position with £19,540,000 in reserves (2015: £19,422,000). Just over £7,000,000 of these reserves are unrestricted representing circa 6 months operating costs, as last year. However, the overall position is that unrestricted reserves have decreased from £7,295,000 (2015) to £7,098,000 by 2016.

Aberdeen Association of Social Service (Operating as VSA)

Report of the Trustees for the year ended 31 March 2016 (continued)

Financial Review (Continued)

Reserves Policy

The trustees have reviewed the reserves of the Charity in light of the main risks facing the charity. At 31 March 2016, the charity had tangible/intangible fixed assets of £13,920,000 (2015: £14,281,000), investments at market value of £5,023,000 (2015: £5,377,000) and net current assets of £597,000 (2015: net current liabilities of £236,000) giving net assets of £19,540,000 (2015: £19,422,000).

These assets are represented by three categories of reserve: namely endowment of £48,000 (2015: £48,000), restricted of £12,394,000 (2015: £12,079,000) and unrestricted of £7,098,000 (2015: £7,295,000). These reserves are held as three different types of funds:-

- Endowment funds: are known as permanent endowment funds as they have been earmarked by the donor to be held as capital with the trustees having no power to convert the capital into income;
- Restricted funds: represent funds that are earmarked for specific purposes by the donors; and
- Unrestricted funds: represent funds that are not committed or invested in fixed assets and are expendable at the discretion of the trustees in accordance with the charitable objects of the company.

It is the aim of the Charity to retain a level of unrestricted funds of around £8,000,000, which are not committed or invested in fixed assets, representing approximately six months operating expenditure. Whilst the Charity does not currently hold this level of unrestricted reserves, the reserves currently held are not all unencumbered.

Regular monitoring of the reserves will take place over the course of the next two years in an attempt to achieve this target. Although reserves will be monitored regularly, the Board will formally review the reserves policy on an annual basis.

In addition, the Charity aims to maintain adequate reserves to:-

- Provide protection against fluctuations in income from donations, grants and other sources;
- Provide a major source of income to underwrite the cost of providing care services for people in need in the community; and
- Fund new services and capital expenditure such as the provision of housing with care to replace residential care homes for older people.

Principal Funding Sources

The principal funding sources for the Charity are currently by way of grants from Aberdeen City Council and Aberdeenshire Council and income from board charges. However Linn Moor School and Richmondhill House receive funding from local authorities throughout Scotland depending on the client who is making use of the resource. Funding is also received from The Scottish Government and NHS Grampian as well as individual Trusts. More detail on grants is given in Note 3 of the financial statements.

Investment Powers and Policy

Under the Memorandum and Articles of Association, the trustees have the power to make any investment for the benefit of the Charity but not for the avoidance of tax.

The trustees have regard to the liquidity requirements of operating the Charity and have a policy of keeping a level of funds available in interest bearing bank accounts to meet short-term operational needs. During the financial year the balance of funds was held in two portfolios managed by the Charity's appointed investment managers. Brewin Dolphin managed a small portfolio of funds on a discretionary balanced basis, with an initial income yield target of £30,000 per annum. The level of risk attached to this portfolio was determined by the trustees as 'medium'. The portfolio investment performance is measured against a composite benchmark index consisting of the following:-

FTSE All Share Stocks Gilts Index (15%), FTSE All Share Index (60%), FTSE World ex UK Index (20%), Cash LIBID 1 month notice Index (5%). The market value of this portfolio at 31 March 2016 was £838,224 (2015 £912,857).

Aberdeen Association of Social Service (Operating as VSA)

Report of the Trustees for the year ended 31 March 2016 (continued)

Financial Review (Continued)

Reserves Policy - continued

The main portfolio was managed by Standard Life Wealth Ltd. This investment portfolio is managed on a discretionary balanced basis. The fund is invested primarily to generate a minimum annual income of between £150,000 and £175,000 per annum. (2015: annual income between £135,000 and £155,000 per annum). The portfolio investment performance is measured against a composite benchmark index consisting of the following: FTSE All Share Stocks Gilt Index (15%), FTSE All Share Index (60%), FTSE World ex UK Index (20%), Cash LIBID 7 day notice index (5%). The market value of this portfolio at 31 March 2016 was £4,185,153 (2015 £4,463,836).

There is only one investment restriction in that neither fund is to invest directly in tobacco companies.

Over the year to 31 March 2016, the income target from both portfolios was achieved. The overall investment performances of the Funds are measured in line with the benchmarks over a rolling 3 to 5 year period. During the financial year the trustees reviewed the performance of both funds over the 5 year period. The investment performance of Standard Life Wealth was slightly ahead of their benchmark for this period, whilst the investment performance of Brewin Dolphin was slightly behind their benchmark. After consideration the Trustees agreed to consolidate the smaller Brewin Dolphin fund within the Standard Life Wealth fund and for the consolidated fund to be managed by Standard Life Wealth. As well as consolidating the management of the fund it would also generate savings in investment management fees through economies of scale. The consolidation of the two funds was completed in May 2016.

The financial statements at 31 March 2016 show an overall unrealised loss on investments of £501,000 (2015: Gain £374,000). This reflects a general reduction in stock market performance over the financial year. There was however a realised gain from the sale of some investments during the year of £183,000. (Loss in 2015: £60,000)

Exceptional Items

There were no exceptional items to be reported during the year.

In the previous financial year (2015) there was an exceptional item in relation to a final charge settlement of £124,693 relating to the buy out deficit arising on the withdrawal from the multi-employer defined benefit pension scheme. (The total buy-out payment over the pension closure term was £4,116,238).

Remuneration Policy

VSA's remuneration policy is based on motivating staff to achieve the aims and objectives of the organisation, in line with its charitable aims and objectives.

As a people based organisation, VSA aims to provide a competitive remuneration package to attract, motivate and retain staff at all levels, recognizing the local employment market conditions. The Board of Trustees has appointed a Remuneration Group that will advise trustees on the remuneration policy for both senior personnel and staff at all other grades within VSA. The Remuneration Group, consisting of a small number of trustees and senior officers, will work with the Head of Human Resources to provide advice to the Board on the review and implementation of VSA's remuneration policies and practices.

The Remuneration Group uses the following methods to assist with decisions on employee remuneration;

- To monitor staff retention and recruitment to ensure VSA remains competitive.
- To conduct benchmarking exercises within the sector and local economy to ensure VSA is competitively placed
- To consult local and national surveys relating to executive and management pay as well as staff at all levels.
- Seek legal and professional advice on remuneration to ensure VSA complies with equal pay and living wage requirements.
- To develop remuneration and benefits strategies which are budgeted and cost effective to retain key personnel (retention payments, allowances, pension's entitlements, holiday entitlements, flexible working arrangements etc.)

Aberdeen Association of Social Service (Operating as VSA)

Report of the Trustees for the year ended 31 March 2016 (continued)

Plans for Future Periods

Our Plans for 2016 / 17

Both locally and nationally our plans for 2016 / 2017 will enable VSA to continue to deliver the best of care and support to the many thousands of vulnerable people we support to enable them to lead the best of lives.

1. Maintaining Financial Stability

Over the past 10 years VSA has worked hard to ensure that despite the external economic climate we have always operated from a position of financial stability. We will continue to achieve this by:-

- Operating a break-even revenue budget for 2016 / 17
- Having robust internal audit systems and processes and the establishment of an Audit & Risk Committee.
- Achieving financial sustainability for services through effective negotiations with commissioners and funding bodies to achieve full cost recovery and having an innovative approach to income generation and funding (Public Sector Partnerships etc.)
- Developing a three year revenue budget program to provide for informed and robust decision making in relation to financial sustainability and long term planning.

2. Delivering the “best of care”

VSA has a well established reputation for delivering a high standard of care and support that has been verified by external regulatory bodies. Our mission is to deliver the best of care and we will continue to achieve this by:-

- Having robust internal quality assurance systems in place to monitor and improve standards across the organisation to ensure for compliance and foster a culture of continuous improvement and development.
- Establishing an internal Care Governance committee to monitor and review standards.
- Achieving positive reports and verification from external regulatory bodies on the quality of service VSA provides.

3. Service / Business Development

VSA are working closely with our stakeholders, commissioners and partners within the third sector to develop new and existing services to meet the ever changing needs of the community we support and secure funding for such services:-

- To have strategic influence and involvement with relevant bodies such as the Integrated Health and Social Care Partnerships, Community Planning, Third Sector Interfaces to be proactively aware of opportunities to develop and secure funding for services.
- To build on the success of our lead role in Public Social Partnerships (PSP) to develop partnership working and successfully bid for similar partnership models in the future (e.g. Aberdeen City Council Children's Services etc.)
- Reviewing the possibilities to further extend the successful Rowanlea Services for young adults with additional support needs and further establish the “campus” model within the Peterculter area.
- Review the options for re-provisioning services to new locations and modern facilities to ensure they best meet the needs of those using the service.
- Developing an agency wide business development strategy to look at the effective marketing and pricing of services and strengthen VSA's position within the third sector.

Aberdeen Association of Social Service (Operating as VSA)
Report of the Trustees for the year ended 31 March 2016 (continued)

Plans for Future periods (Continued)

4. Workforce & Volunteer Development

VSA as a people based organisation strongly values the role played by employees and volunteers in delivering the best of care. VSA is committed to supporting, involving and developing its employees and volunteers which is reflected in VSA achieving Investors in People Gold Accreditation. We will continue to build on this by:-

- Reviewing and improving the people management systems and procedures to take a more proactive approach to people issues to improve HR performance indicators (recruitment, retention etc.)
- Continuing to invest in the development of our people to meet the ever changing needs and requirements of those who use our services (SSSC registration, qualification requirements, competency framework etc.)
- Consolidating and building on the development of the new HSE management systems to further embed the risk management culture and further ensure for the health, safety and well-being of all employees and volunteers.

5. Asset Management / Property Strategy

VSA has invested significantly in its extensive property portfolio to ensure the quality of environment is of a high standard. We will look to further consolidate and take a more proactive / strategic approaches to our property management to ensure our buildings are fit for purpose for the long term future. We will achieve this by:-

- Developing an asset management strategy that is founded on the future demand of service provision to ensure VSA's assets are used efficiently and effectively to deliver a high quality service.
- Implementing a proactive planned maintenance system to ensure buildings are maintained to a high standard and meet legislative requirements whilst also providing effective management information to inform budgeting and long term planning.
- Identifying opportunities for improving VSA's environmental performance through the use of various initiatives as part of an "Invest to Save" program.
- Consolidating and building on the progress in updating ICT to ensure our ICT infrastructure is effective and supportive of VSA operations.

Aberdeen Association of Social Service (Operating as VSA)

Report of the Trustees for the year ended 31 March 2016 (continued)

Trustees' Responsibilities in Relation to the Financial Statements

Statement of Trustees' responsibilities

The Trustees (who are also directors of Aberdeen Association of Social Service operating as VSA for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the 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 are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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 United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditors

The auditors, RSM UK Audit LLP were appointed on 14th January 2016 and have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting of the Charity.

The Report of the Trustees was approved by the Trustees and signed on their behalf by JOAN CATTO
on 15/9/16

Lady J Catto,
Chair of Trustees

Date 15/9/16

Aberdeen Association of Social Service (Operating as VSA)

Independent auditors' report to the members of Aberdeen Association of Social Service (Operating as 'VSA')

Report on the financial statements

We have audited the financial statements of VSA for the year ended 31 March 2016 on pages 18 to 40. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made exclusively to the 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 (as amended). Our audit work has been undertaken so that we might state to the 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 15, 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 auditors under section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on 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 (APB'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 <http://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 charitable company's affairs as at 31 March 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 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 given in the Trustees' Report and incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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) requires us to report to you if, in our opinion:

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

Aberdeen Association of Social Service (Operating as VSA)

Independent auditors' report to the members of Aberdeen Association of Social Service (Operating as 'VSA') – continued

RSM UK Audit LLP

JANET HAMBLIN (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor [see Appendix 1 to Chapter B.4.1]

Chartered Accountants

First Floor Quay 2

139 Fountainbridge

Edinburgh

EH3 9QG

Date *20 September 2016*

Aberdeen Association of Social Service (Operating as VSA)
Statement of financial activities for the year ended 31 March 2016

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2016 £'000	Total 2015 £'000
Income & Expenditure						
Income and Endowments from:						
Donations and legacies	26	64	332	0	396	483
Other trading activities		199	0	0	199	214
Investments	9	74	124	0	198	228
Incoming from charitable activities:						
Board Charges	3	0	9,862	0	9,862	9,460
Revenue Grants	3	0	2,659	0	2,659	2,615
Support		0	1,144	0	1,144	753
Training Income		88	122	0	210	302
Other Income		404	8	0	412	379
Total		829	14,251	0	15,080	14,434
Expenditure on:						
Raising Funds	24	262	21	0	283	302
Charitable activities:						
Children & Family Services	4	75	4,855	0	4,930	5,107
Adult & Older People Services	4	251	7,292	0	7,543	7,504
Carers services	4	0	751	0	751	849
Training	4	0	244	0	244	274
Other resources expended	4	339	554	0	893	1,005
Total charitable activities		665	13,696	0	14,361	14,739
Total		927	13,717	0	14,644	15,041
Net income/(expenditure)	18	(98)	534	0	436	(607)
Other recognised gains/(losses)						
Gain/(Loss) on investment assets						
Realised		69	114	0	183	(60)
Unrealised	12	(188)	(313)	0	(501)	374
Net gains/(losses) on investments		119	(199)	0	(318)	314
Exceptional Items in the year						
Pension Deficit	27	0	0	0	0	(124)
Net movement in funds		(217)	335	0	118	(417)
Reconciliation of funds:						
Total funds brought forward at 1 April 2015		7,315	12,059	48	19,422	19,839
Total funds carried forward at 31 March 2016	17	7,098	12,394	48	19,540	19,422

All gains and losses recognised in the year are included in the statement of financial activities.
All the above results are from continuing activities.

There is no material difference between the surplus/ (deficit) for the financial year stated above and its historical cost equivalents.

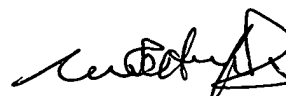
Aberdeen Association of Social Service (Operating as VSA)
Balance sheet as at 31 March 2016

	Note	2016 £'000	2016 £'000	2015 £'000	2015 £'000
Fixed assets					
Intangible assets	11a		47		18
Tangible assets	11		13,873		14,263
Investments	12		5,023		5,377
Total fixed assets			18,943		19,658
Current assets					
Stocks and work in progress	13	13		19	
Debtors	14	1,239		1,530	
Cash at bank and in hand		1,171		901	
Total current assets		2,423		2,450	
Creditors: amounts falling due within one year	15	(1,826)		(2,686)	
Net current assets/(liabilities)			597		(236)
Total assets less current liabilities			19,540		19,422
The funds of the Charity:					
Endowment income funds	17		48		48
Restricted income funds	17		12,394		12,059
Unrestricted income funds	17		6,340		6,064
Revaluation reserve	17		758		1,251
Total Charity funds			19,540		19,422

The financial statements on pages 18 to 40 were approved by the board of directors on 15 September 2016 and were signed on its behalf by:



Director: Lady J Catto



Director: Mr N E Harper

Aberdeen Association of Social Service (Operating as VSA)
Cash flow statement for the year ended 31 March 2016

	Note	2016 £'000	2015 £'000
Net cash provided by/(used in) operating activities	18	321	(4,617)
Returns on investments and servicing of finance			
Receipts from sale of investments		1,289	1,595
Receipts from sale of tangible fixed assets		5	4
Dividends received	9	195	219
Interest received	9	3	9
Net cash inflow from returns on investments and servicing of finance		1,492	1,827
Capital expenditure and financial investment			
Payments to acquire investments	12	(1,254)	(561)
Payments to acquire tangible fixed assets	11	(289)	(720)
Capital receipts		0	85
Net cash outflow from capital expenditure and financial investment		(1,543)	(1,196)
Net cash inflow/(outflow) before management of liquid resources	19	270	(3,986)

Reconciliation of net cash flow movement to decrease/ (increase) in funds

	2016 £'000	2015 £'000
Increase/(decrease) in cash in the year	270	(3,986)
Cash flow from (decrease)/increase in liquid resources	0	0
Increase/(decrease) in cash in the year	19	(3,986)

Aberdeen Association of Social Service (Operating as VSA)

Notes to the financial statements for the year ended 31 March 2016

1. Principal accounting policies

Aberdeen Association of Social Service which operates as VSA is a charitable private company limited by guarantee. It is registered as a Charity in Scotland, with Charity Registration number SC012950 and has its principal office at 38 Castle Street, Aberdeen AB11 5YU. VSA is a public benefit entity.

Basis of preparation of accounts

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", Charities Accounts (Scotland) regulations 2006, and Charities and Trustee Investment (Scotland) Act 2005, together with applicable accounting standards in the United Kingdom, the Companies Act 2006 and the Statement of Recommended Practice – "Accounting and Reporting by Charities (FRS102)", issued in May 2008.

The financial statements are prepared on the historical cost basis of accounting, with the exception of investments which are included at market value. Monetary amounts in these Financial Statements are rounded to the nearest £1,000.

The accounting policies have been applied consistently throughout the year.

Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the level of Investments held at their disposal and their review of future funding requirements for at least the next 12 months.

Incoming resources

Income is recognised in the monthly period in which the company is entitled to receipt and the amount can be measured with reasonable certainty. Income is allocated directly to the relevant category on receipt. Income is deferred only when the Charity has to fulfill conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Donations and legacies are included when money is received and their receipt is probable and the amount receivable can be quantified.

Grants are recognised in the financial statements in the year in which they are receivable.

All resources are recorded gross.

Investment income is apportioned in ratio to the opening balance sheet reserves funds categories.

Capital receipts

All capital receipts are credited in full to restricted incoming resources in the SOFA in the year of receipt.

Resources expended

Resources expended are included in the Statement of Financial Activities (SOFA) on an accruals basis, inclusive of any VAT which cannot be recovered. This is recognised when there is a legal or constructive obligation to pay for expenditure. All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly and others are apportioned:

Costs of generating funds comprise those costs directly attributable to organising fundraising events, administering donations and legacies received, and in managing the Charity shop and are allocated directly.

Charitable expenditure comprises those costs incurred by the Charity in delivering activities and services for its service users. It includes both costs that can be allocated directly to such activities and indirect costs necessary to support them. These support costs are apportioned in ratio to the total overall support costs element.

Aberdeen Association of Social Service (Operating as VSA)

Notes to the financial statements for the year ended 31 March 2016

Resources expended - continued

Governance costs include costs associated with meeting constitutional and statutory obligations of the Charity and include audit and legal fees and costs linked to the strategic management of the Charity and are allocated directly as part of support costs.

No grants to individuals or families are made from VSA funds.

Tangible assets

Individual tangible assets and subsequent enhanced tangible asset expenditure costing £10,000 or more are capitalised in the balance sheet at cost.

Land and Assets Under Construction are not depreciated. Depreciation is provided in the year in which the tangible assets are brought into use. The rates of depreciation used are calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life as follows:

Freehold heritable property	50 years
Motor vehicles	5 years
Furnishings and equipment	5 years
ICT (hardware)	5 years

Intangible assets

Intangible assets represent ICT assets which are not physical in nature, such as software licences and developments costs.

Individual and enhanced intangible assets expenditure costing £10,000 or more, are capitalized in the balance sheet at cost. Depreciation is provided in the year in which the intangible assets are brought into use. The rate of depreciation used are calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life as follows:

ICT (software & development)	5 years
------------------------------	---------

Investments

Investments are valued at market value at the balance sheet date.

Investment income

Investment income, investment costs and gains and losses on investments are apportioned between unrestricted and restricted funds. Apportionment is based on the balance of these Charity funds at the beginning of the financial year. Investments continue to be included in the financial statements at market value.

Realised and unrealised gains and losses

Realised gains and losses are applied to the income and expenditure account in the year they occur.

Unrealised gains and losses are held over and applied to the income and expenditure account only when they become realised gains and losses through sale of the investments involved.

Stocks

A valuation of farm stocks has been carried out. Stocks are stated in accordance with this valuation, which is at the lower of cost or net realisable value.

Operating leases

Costs in respect of operating leases are charged to the SOFA as incurred over the lease term.

continued

Aberdeen Association of Social Service (Operating as VSA)

Notes to the financial statements for the year ended 31 March 2016

Pension

The charity has adopted FRS102 in relation to the accounting treatment of 'Retirement Benefits' in the Financial Statements. The charity contributes to three pension schemes, The Pensions Trust, Scottish Teachers Superannuation Scheme and National Employment Savings Trust (NEST).

Within the Pensions Trust there is an Ethical Plan and a Flexible Retirement Plan which are both defined contribution schemes. Prior to January 2009 the charity contributed to Growth Plan Series 3 within the Pensions Trust, which was set up as a defined contribution scheme but the Pension Regulator re-assessed the Growth Plan Series 3 scheme as a defined benefit scheme. At 1st October 2013 the charity moved all members of the Growth Plan Series 4 to the Flexible Retirement Plan. The charity intends to continue to operate the Flexible Retirement Plan for all existing members and selected future employees.

As at 30 September 2013 the charity withdrew from Growth Plan Series 3 which the Pension Regulator still regarded as a defined benefit scheme and as a result there was a Debt on Withdrawal which is detailed separately in the notes to the financial statements. The pension costs charged to the income and expenditure account are the contributions payable in the year.

Scottish Teachers Superannuation Scheme is a defined benefit scheme, but as the Aberdeen Association of Social Service's share of the underlying assets and liabilities cannot be identified the contributions to the scheme, as advised by the Scottish Office Pension Agency, are accounted for as if it were a defined contribution scheme and are charged to the income and expenditure account so as to spread the cost of pensions over the period during which the company benefits from the employees' services. National Employment Savings Trust is a defined contribution scheme which the company will operate for all other employees. The pension costs charged to the income and expenditure account are the contributions payable in the year.

Aberdeen Association of Social Service (Operating as VSA)

Notes to the financial statements for the year ended 31 March 2016

The funds of the charity:

Endowment funds

Represent funds earmarked by the donor to be held as capital, with the trustees having no power to convert the capital to income. The incoming interest on endowment funds based on the current bank interest rates is treated as restricted income.

Restricted funds

Represent funds earmarked either by the donor or by the terms of an appeal for particular projects or services e.g. Older Peoples Service or for fixed assets. Sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with its restrictions.

Unrestricted funds

Represent funds which are not committed and which can be used in accordance with the charitable objects of the company at the discretion of the directors.

Revaluation reserve

Represents the difference between the market value of Investments and their historic cost and is classed as unrestricted funds. There are no transfers between restricted to unrestricted funds at the year-end reporting.

Taxation

The Charity is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

The Charity is registered for VAT. Accordingly, all expenditure is recorded inclusive of any VAT incurred as the Charity is only able to recover all the VAT incurred on farm shop and cafe expenditure. In these circumstances the cost is recorded net of VAT.

Irrecoverable VAT

Any irrecoverable VAT is charged to the SOFA where appropriate.

Transition to FRS 102

The opening fund balances at the date of transition (1 April 2014) have been stated under FRS 102 including a liability for holiday pay. Subsequent adjustments to holiday pay were required to the previously reported closing balances for financial year 2014/15 in making the transition to FRS 102. See Note 28 for additional details.

2. Critical Accounting Estimates and Areas of Judgement

Preparation of Financial Statements requires Senior Management to make critical judgements and estimates. These judgements and estimates are continually evaluated and are based on historical experiences, advice from qualified professionals and other factors that are believed to be reasonable in the circumstances. The areas where senior management have made critical assumptions and estimates are:

- the going concern concept
- allocation of management costs
- depreciation policies

Aberdeen Association of Social Service (Operating as VSA)
Notes to the financial statements for the year ended 31 March 2016

3 Analysis of Board Charges and Revenue Grants

	Unrestricted	Restricted	Endowments	TOTAL	TOTAL
	£'000	£'000	£'000	2016	2015
				£'000	£'000
BOARD					
Children etc.	0	4,495	0	4,495	4,282
Adult & Older	0	5,367	0	5,367	5,178
Total	0	9,862	0	9,862	9,460
REVENUE					
Children etc.	0	766	0	766	799
Adult & Older	0	1,016	0	1,016	1,053
Carers	0	868	0	868	760
Other	0	9	0	9	3
Total	0	2,659	0	2,659	2,615

Revenue Grants were received during the year from the following:-

	2016	2015
	£'000	£'000
Aberdeen City Council	1,782	1,818
Aberdeenshire Council	477	363
Scottish Government	236	236
NHS Grampian	22	90
Princess Royal Trust	54	51
Proctors Trust	88	48
Others	0	9
Total	2,659	2,615

Aberdeen Association of Social Service (Operating as VSA)
Notes to the financial statements for the year ended 31 March 2016

4 Analysis of total charitable expenditure

	Children & Family Services £'000	Adult & Older People Services £'000	Carers Services £'000	Training £'000	Other Resources Expended £'000	2016 TOTAL £'000	2015 TOTAL £'000
Direct activities:							
Salaries	3,359	4,095	463	230	0	8,147	8,609
Property Costs	474	1,497	69	0	168	2,208	2,180
Supplies & Services	184	388	86	0	46	704	783
Total direct activities	4,017	5,980	618	230	214	11,059	11,572
Support cost:							
Governance	0	0	0	0	269	269	291
Management	339	463	56	6	137	1,001	895
Finance & IT	201	276	33	4	82	596	533
HR	113	154	19	2	46	334	299
General	105	143	17	1	43	309	277
Property	48	66	8	1	20	143	128
Depreciation	107	461	0	0	82	650	744
Total support costs	913	1,563	133	14	679	3,302	3,167
Total charitable expenditure	4,930	7,543	751	244	893	14,361	14,739

Total salary costs include agency staff costs. Note 7 Employee information only includes staff employed directly by VSA, Note 7a shows the costs for other labour from agency and seconded staff and specialist support consultants.

Support costs are directly attributed costs which have been charged to the operating cost centres, including governance (See Note 5 for governance costs).

Aberdeen Association of Social Service (Operating as VSA)
Notes to the financial statements for the year ended 31 March 2016

5 Analysis of governance costs

	2016 £'000	2015 £'000
Salary cost	208	216
External audit fees	14	25
Consultancy fees	47	50
	269	291

6 Directors' emoluments

The directors of the Board received nil emoluments (2015: £nil) and were reimbursed £nil for expenses (2015: £nil) during the year.

An additional £1,666 (2015: £1,666) was incurred during the year for the purchase of insurance to indemnify the directors against the consequences of any neglect or defaults.

7 Employee information

	2016 £'000	2015 £'000
Total staff costs for the year were as follows:		
Wages and salaries	9,142	9,064
Social security costs	643	633
Other pension costs (Note 22)	222	226
Total direct costs of employment	10,007	9,923

There were six employees (2015: five) whose emoluments for the year, including National Insurance, were greater than £60,000:-

Two employees fall within the banding £60,001-£70,000	(2015: two employees)
Two employee's falls within the banding £70,001-£80,000	(2015: one employee)
No employee falls within the banding £80,001-£90,000	(2015: one employee)
One employee falls within the banding £90,001-£100,000	(2015: one employee)
One employee falls within the banding £100,001-£110,000	(2015: no employee)
No employee falls within the banding £110,001-£120,000	(2015: one employee)

Four of the employees (2015: three) are members of The Pension Trust and contributions amounting to £39,316 (2015: £32,520) were made to their pension scheme during the year. Two of the employees (2015: two) are members of NEST and contributions amounting to £1,128 (2015: £1,051) were made to their pension scheme during the year.

The key management personnel of the charity is defined as, the Chief Executive & Company Secretary and the Senior Management Team as detailed on Page 1 of the Trustees Report. Aggregate emoluments for key management personnel, including pension contributions were £501,657 (2015 £512,992)

Aberdeen Association of Social Service (Operating as VSA)
Notes to the financial statements for the year ended 31 March 2016

7a Employee information – continued

In addition to the wages and salaries figures disclosed above VSA made payments in respect of other employment costs in relation to providing its services of:-

	2016 £'000	2015 £'000
Other employment costs:		
Agency staff	363	215
Specialist support services	28	47
Seconded staff for projects	76	54
	467	316

7b Employee information

The average number of full time equivalent staff employed during the year was as follows:	2016	2015
Adult & older people services	223	228
Children & family services	169	88
Carers services	19	107
Training	8	8
Other	37	45
Total employed by FTE	456	476
Total employed by headcount	547	545

8 Operating surplus/ (deficit)

Operating surplus/ (deficit) is stated after charging/ (crediting):

	2016 £'000	2015 £'000
Auditors' remuneration - external audit	14	25
Depreciation	650	744
Operating lease rentals - vehicles	26	20
- other	70	56
Amortisation of capital receipts	(260)	(295)
Gain on sale of tangible assets	(5)	(4)

Aberdeen Association of Social Service (Operating as VSA)
Notes to the financial statements for the year ended 31 March 2016

9 Investment income

	2016 £'000	2015 £'000
Income from listed investments	195	219
Other interest receivable and similar income	3	9
	198	228

10 Basis of Allocation – Management Costs

The principle office running and staffing costs including HR, Finance, H&S, Property, ICT, Key Management Personnel, Quality Assurance, costs are calculated in full. This total is then recharged out to all performing locations as follows:-

- Principal Property Costs – recharge use of Principal Office and other owned buildings by estimated area and/or rateable value
- Insurance – estimated by area/rateable value and by specific area of use
- Grounds & Property Maintenance – allocated by area by specific locations of use
- Management Recharges – estimated as:-
 - 8% recharge on total costs to the City Mental Health St Aubin's Group – fixed 8% as dictated by the city council
 - 10% recharge on all other locations on their respective total costs
 - Balance of recharge is absorbed through high level admin prime locations such as Linn Moor, to the full extent of recovering the 100% of the principle costs and is at senior management discretion.

This balancing recharge fluctuates on a year by year basis

Aberdeen Association of Social Service (Operating as VSA)
Notes to the financial statements for the year ended 31 March 2016

11 Tangible assets

	Freehold Heritable Property £'000	Motor Vehicles £'000	Furnishings/ Equipment £'000	ICT (hardware) £'000	Assets Under Construction £'000	Total £'000
Cost						
At 1 April 2015	18,784	342	3,496	390	0	23,012
Additions	154	4	77	11	0	246
Disposals	0	(23)	0	0	0	(23)
At 31 March 2016	18,938	323	3,573	401	0	23,235
Accumulated Depreciation						
At 1 April 2015	5,088	237	3,124	300	0	8,749
Charge for the year	356	50	204	26	0	636
Disposals	0	(23)	0	0	0	(23)
At 31 March 2016	5,444	264	3,328	326	0	9,362
Net book amount:						
At 31 March 2016	13,494	59	245	75	0	13,873
At 31 March 2015	13,696	105	372	90	0	14,263

There was a standard security held by Scottish Government over Broomhill Park to the value of £882,000 plus 4% interest over base rate from the date of default. The primary condition was that a service shall operate on an agreed basis in the subjects for a period of 10 years.

The service commenced on 9 September 2005 and subsequently the standard security held is now entitled to a discharge within the year ended 31 March 2016.

Aberdeen Association of Social Service (Operating as VSA)
Notes to the financial statements for the year ended 31 March 2016

11a Intangible assets

	ICT (software & development) £'000	2016 Total £'000
Cost		
At 1 April 2015	432	432
Additions	43	43
Disposals	0	0
At 31 March 2016	475	475
Accumulated Depreciation		
At 1 April 2015	414	414
Charge for the year	14	14
Disposals	0	0
At 31 March 2016	428	428
Net book amount:		
At 31 March 2016	47	47
At 31 March 2015	18	18

12 Investments

	2016 £'000	2015 £'000
Market value at 1 April 2015	5,377	6,097
Acquisitions at cost	1,254	561
Disposals at cost or opening market value	(1,071)	(1,640)
Unrealised gain on investments	(501)	374
Net movement in cash held awaiting investment	(36)	(15)
Market value at 31 March 2016	5,023	5,377
Historical cost at 31 March 2016	4,266	4,126

Aberdeen Association of Social Service (Operating as VSA)
Notes to the financial statements for the year ended 31 March 2016

12 Investments - continued

Investments at market value include:

	2016 £'000	2015 £'000
UK listed investments		
- Fixed interest securities	619	791
- Equity shares	4,022	4,234
- Investment trusts and unit trusts	200	133
Cash held in the UK awaiting investment	182	219
	5,023	5,377

No investment amounted to greater than 5% of the total market value of investments at 31 March 2016 (2015: nil). The Directors believe that the carrying value of the investments is supported by their underlying net assets.

13 Stocks and work in progress

The amounts attributable to different categories are as follows:-

	2016 £'000	2015 £'000
Livestock	4	4
Crops	2	4
Seeds, manure and feeding stuffs	5	9
Other consumables	2	2
	13	19

14 Debtors

	2016 £'000	2015 £'000
Amounts falling due within one year		
Trade debtors	1,060	1,261
Provision for bad debts	(47)	(15)
Prepayments and accrued income	226	284
	1,239	1,530

15 Creditors – amounts falling due within one year

	2016 £'000	2015 £'000
Trade creditors	399	464
Taxation and social security	207	219
Accruals and deferred income	1,220	2,003
	1,826	2,686

Aberdeen Association of Social Service (Operating as VSA)
Notes to the financial statements for the year ended 31 March 2016

15a Analysis of Deferred Income

The Charity's deferred income movement for the year was as below:

	2016 £'000	2015 £'000
Opening Balance	595	566
Movement in the year	(153)	29
Closing Balance	442	595

16 Analysis of total Charity funds

	Balance at 1 April 2015 £'000	Incoming Resources £'000	Resources Expended £'000	Revaluation/ Gain on Investments £'000	Balance at 31 March 2016 £'000
Unrestricted funds:					
General	6,064	829	(927)	374	6,340
Revaluation reserve	1,251	0	0	(493)	758
Total unrestricted funds	7,315	829	(927)	(119)	7,098
Restricted funds:					
Property related funds	8,405	0	(260)	0	8,145
Other funds (FRS102)	3,654	14,251	(13,457)	(199)	4,249
Total restricted funds	12,059	14,251	(13,717)	(199)	12,394
Endowment funds:					
James Mackie Bequest	3	0	0	0	3
Coutts trust fund	1	0	0	0	1
Thomson trust fund	1	0	0	0	1
Burton memorial fund	2	0	0	0	2
Oldfield trust fund	5	0	0	0	5
Aberdeen united coal fund	20	0	0	0	20
Ritchie trust fund	16	0	0	0	16
Total endowment funds	48	0	0	0	48
Total Charity funds (FRS)	19,422	15,080	(14,644)	(318)	19,540

Funds categories are historic, brought forward and accumulating annually from direct allocations, so to carry forward. Refer to principal accounting policies note for the Charity funds for the purpose of each fund.

The restrictions imposed are specific to the wide ranging requirements of the particular donor. Sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions imposed.

The largest is the restricted Property fund for £8,145,000 which represents receipts from donors used for capital assets.

Aberdeen Association of Social Service (Operating as VSA)
Notes to the financial statements for the year ended 31 March 2016

17 Analysis of net assets between total Charity funds

	Revaluation reserve £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2016 Total £'000
Fund balances at 31 March					
2016 are represented by:-					
Tangible fixed assets	0	5,775	8,145	0	13,920
Investments	758	565	3,652	48	5,023
Current assets	0	0	2,423	0	2,423
Current liabilities	0	0	(1,826)	0	(1,826)
	758	6,340	12,394	48	19,540

18 Reconciliation of operating surplus/(deficit) for the year to net cash outflow from operating activities

	2016 £'000	2015 £'000
Net incoming/ (outgoing) resources	436	(607)
Investments	(198)	(228)
Capital receipts	0	(85)
Depreciation	650	744
Gain on sale of tangible assets	(5)	(4)
Exceptional – Pension final settlement balance	0	(124)
Decrease/(Increase) in stocks	7	(6)
Decrease/(Increase) in debtors	291	(236)
Decrease in creditors	(860)	(4,071)
Net cash inflow/(outflow) from operating activities	321	(4,617)

19 Analysis of changes in net funds

	At 1 April 2015 £'000	Increase in cash £'000	At 31 March 2016 £'000
Cash at bank and in hand	901	270	1,171

20 Members' liability

Members' liability is limited by guarantee not in excess of £1 per member.

Aberdeen Association of Social Service (Operating as VSA)

Notes to the financial statements for the year ended 31 March 2016

21 Heritable property

The company owned, at 31 March 2016, the following subjects in Aberdeen, unless otherwise stated:-

VSA HQ	Castle Street	Main Registered Office
Cloverfield Grove	Bucksburn	Housing with Care for Older People
Broomhill Park	Broomhill Road	Housing with Care for Older People
Ruthrieston House	Broomhill Road	Residential Care for Older People
Crosby House	May Baird Avenue	Residential Care for Older People
Forestgait (t/a Forest Grove)	Kingsgate	Supported Day Care for Older People
Forestgait Lodge/Richmondhill Court	Richmondhill Place	Sheltered Housing & Residential Flats 1-20
Loanhead	Loanhead Terrace	Special Purpose Housing – Flats 1-5, 56
Woodside	Clifton Road	Activity Centre
Richmondhill House	Richmondhill Place	Mother & Baby Unit and Contact Centre
Maisie Munro's	Richmondhill Place	Children's Day Care Centre
Linn Moor School	Peterculter	Residential School
Rowanlea House	Peterculter	Transition to Adult Supported Housing
Rowanlea Cottage (Lyll)	Peterculter	Transition to Adult Supported Housing
Apache Cottage	Peterculter	Residential for LM School
Millbank House	Hardgate,	Supported Accommodation for Adults
Arrdeir House	Mannofield	Supported Accommodation for Adults
St Aubins	South Anderson Drive	Supported Accommodation for Adults
Northfield Lodge	Provost Fraser Drive	Supported Accommodation for Adults
Land	Holburn Street	Vacant plot
Easter Anguston	Peterculter	
• Farm land & Buildings		Supported Adult Training & Visitor Centre
• Crichton House		Cafe
4 Crown Crescent	Peterculter	Adult Housing with Support
40 Crown Crescent	Peterculter	Adult Housing with Support
4 Craigton Grove	Peterculter	Adult Housing with Support

The above properties are held in the balance sheet at cost.

No properties were disposed of during the financial year.

Aberdeen Association of Social Service (Operating as VSA)

Notes to the financial statements for the year ended 31 March 2016

22 Pension costs

During the year, the company contributed to three pension schemes for certain employees. The details of these schemes are shown below:

a) The Pensions Trust

The Charity participates in the Pensions Trust's Flexible Retirement Plan and Ethical Plan. Both plans are non-contracted out defined contribution schemes which are not affected by the debt on withdrawal legislation. The Charity offers membership of the Flexible Retirement Plan or membership of the Ethical Plan to all managerial staff.

There were 63 active members of the Flexible Retirement Plan at 31 March 2016 (2015: 69). There were 14 active members of the Ethical Plan at 31 March 2015 (2015: 18).

The Charity paid contributions at the rate of 7.25% during the accounting year. Members paid contributions at the rate of 4% during the accounting year.

A charge of £154,370 (2015: £168,236) has been made in the year. Contributions totalling £12,737 (2015: £13,515) were payable to the pension fund at 31 March 2016 and are included in creditors.

Pension Deficit

As advised in the financial statements to 31 March 2013 and 31 March 2014 the Trustees of VSA gave notice to the Pensions Trust of withdrawal from The Pensions Trust's scheme Growth Plan 4 on 30 September 2013. This action triggered a debt on withdrawal, which meant that the Charity had an obligation to buy out its share of the deficit arising on withdrawal from the multi-employer defined benefit pension scheme.

In the financial statements to 31 March 2014 the Trustees made full provision for the liabilities totalling £4,240,451, as provided by the Scheme Actuary.

At 7 October 2014 the Section 75 Debt on Withdrawal was confirmed as £4,240,451. This debt was settled in full by 31 October 2014. Note 27 refers.

b) Scottish Teachers Superannuation Scheme

The scheme is an unfunded multi- employer defined benefit scheme. It is accepted that the treatment can be as a defined contribution scheme as the Charity is unable to identify its share of the underlying assets and liabilities of the scheme. As the scheme is unfunded there can be no surplus or shortfall. Pension contribution rates are set by the scheme actuary at a level to meet the cost of the pensions as they accrue.

A revised Scottish Teachers' Pension Scheme (STPS) was introduced from 1st April 2015, which will meet the requirements of the UK Government's reform program. For the purposes of the reform process, HM Treasury set a benchmark scheme for the STPS which was based upon the new 2015 Teachers' Pension Scheme for England and Wales. Therefore, by definition, the new Scottish Teachers' Pension Scheme design meets the cost envelope set by HM Treasury without requiring any further detailed actuarial analysis.

There are 3 active members of the scheme (2015: 3). From 1st September 2015 a new contributions rate was introduced and payable by the company at 17.2% (2015 was fixed 14.9%) of pensionable salaries. Members also contributed on salary based sliding scale percentage.

Aberdeen Association of Social Service (Operating as VSA)
Notes to the financial statements for the year ended 31 March 2016

22 Pension costs – continued

b) Scottish Teachers Superannuation Scheme - continued

Actual Pensionable Salary	Your Contributions for 2015/16 (% of pensionable Salary)
Up to and including £25,999	7.2%
£26,000 to £34,999	8.7%
£35,000 to £41,499	9.7%
£41,500 to £54,999	10.4%
£55,000 to £74,999	11.5%
£75,000 and above	11.9%

The total STSS pension cost for the company was £20,951 (2015: £15,969) and these contributions were made to their pension scheme during the year.

(2015: Members paid contributions at the fixed one rate of 9.5% during the accounting year).

Contributions totalling £1,558 (2015: £1,066) were payable to the pension fund at 31 March 2016 and are included in creditors.

Two employees fall within the banding up to £25,999	(2015: two employees)
No employee's falls within the banding to £34,999	(2015: nil employees)
No employee's falls within the banding to £41,499	(2015: nil employees)
One employee falls within the banding to £54,999	(2015: one employee)
No employees falls within the banding to £74,999	(2015: nil employees)
No employees falls within the banding over £75,000	(2015: nil employees)

c) National Employment Savings Trust

The Charity joined the National Employment Savings Trust (NEST) on 1 November 2013. This pension scheme was chosen to comply with automatic enrolment legislation.

NEST is run by NEST Corporation a trustee body made up of a Chair and up to 14 Trustee Members who set the strategic direction and objectives for NEST. NEST Corporation is a non-departmental public body that operates at arm's length from government and is accountable to Parliament through the Department for Work and Pensions.

All staff below managerial level are automatically enrolled into this scheme. There were 259 active members of NEST at 31 March 2016 (2015: 262).

The Charity and members paid contributions at the rate of 1.0% during the accounting year.

A charge of £47,094 (2015: £42,654) has been made in the year. Contributions totalling £3,391 (2015: £3,870) were payable to the pension fund at 31 March 2016 and are included in creditors.

Aberdeen Association of Social Service (Operating as VSA)
Notes to the financial statements for the year ended 31 March 2016

23 Related Party Transactions

	2016 £'000	2015 £'000
Expenditure		
Langstane Press Limited	8	4

This relates to the purchase of printing & stationery supplies from Langstane Press, of which Mr C D Campbell is a Managing Director, as well as a Trustee as detailed on Page 1.

24 Cost of Generating Voluntary Income

(Fundraising and Publicity)

	2016 £'000	2015 £'000
Staff, Property and Overhead Costs	175	190
Printed Materials	3	4
Advertising	11	11
Events	94	97
	283	302

25 Lease Commitments

The Charity has entered into various rental and lease agreements and as at 31 March 2016 the committed liability of these agreements are not reflected as liabilities on the balance sheet and are as follows:-

	< 1 year £'000	> 1 year £'000	>2-5 years £'000	TOTAL £'000
Equipment	1	1	2	4
Property	21	0	0	21
Vehicles	23	20	8	51
	45	21	10	76

The lease expenditure charged to the Income & Expenditure for the year was £96,350 (2015: £76,470)

Aberdeen Association of Social Service (Operating as VSA)
Notes to the financial statements for the year ended 31 March 2016

26 Analysis of Voluntary Income

	2016 £'000	2015 £'000
Donations	179	138
Legacies (FRS)	88	82
Trust funds	129	263
	396	483

Analysis of Voluntary Income – Legacy Allocation

During 2016 legacies of £87,615 (2015 £81,647) were received, of which £71,770 (£3,857) were restricted.

Contingent Assets under FRS 102

The following Legacies were known up to the Financial reporting year end of 31 March 2016, however, under the new FRS adoption rules, the income recognition criteria had not yet been met, and they are listed below for disclosure.

	Type	2016 £'000	2015 £'000
Legacy - Share Portfolio (MV)	Unrestricted	741	0
Legacy - Bequests	Unrestricted	210	0
Legacy - Bequests	Restricted	140	0
		1,091	0

27 Exceptional Items

2016

There were no exceptional items during the year.

2015

During the year payments totaling £4,116,238, being the final liability confirmed by the Pension Trust, were made in order to buy out the deficit arising on withdrawal from the multi-employer defined benefit pension scheme. At 31 March 2014 a provision of £3,991,545 had been included in the financial statements. This has given rise to an exceptional charge of £124,693 in 2015's financial statements.

Aberdeen Association of Social Service (Operating as VSA)

Notes to the financial statements for the year ended 31 March 2016

28 Transition Notes of FRS102 adoption

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

At the date of transition, 1 April 2014, in applying the requirement to recognise liabilities arising from employee benefits, a liability was recognised for short-term compensated absence arising from employee entitlement of the parent charity to paid annual leave. The initial liability recognised (of £670k) at the date of transition, was for the holiday entitlement carried forward and for the entitlement arising in the year which was due but not taken. By the end of the 2014/15 financial year, the liability for the holiday entitlement carried forward and for the entitlement arising in the year which was due but not taken decreased by £23k resulting in total liability of £647k as at 31 March 2015.

In accordance with the requirements of FRS 102 a reconciliation of opening balances (to those previously reported) and a reconciliation of income and expenditure (to those previously reported) is set out below:

Balance Sheet	2014 £,000	2015 £'000
Equity as previously reported under previous UK GAAP	20,509	20,069
Transition Issues:		
Holiday Pay Directive	(670)	(647)
Equity currently reported under FRS 102	19,839	19,422

Income & Expenditure	2015 £'000
Deficit as previously reported under previous UK GAAP	(440)
Transition Issues:	
Holiday Pay Directive	23
(Deficit)/surplus currently reported under FRS 102	(417)