



Aberdeen Foyer

*(a company limited by guarantee
and not having a share capital)*

(Company number: SC184423)
(Charity number: SC023655)

**Directors' report and financial statements
for the year ended 31 March 2016**

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Aberdeen Foyer

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Legal and administrative information

Directors and Trustees

The Directors of the charitable company ("the charity") are its trustees for the purposes of charity law. The Directors are:

Directors

Ms C Gifford	Chairman
Ms S Elston	Vice Chairman
Mr J Scrimgeour	Treasurer
Ms E Bentley	
Ms E Hart	
Mr C Menzies	
Mr A Mutch	
Mr K Russell	
Ms K Saluja	
Mr C Stirrat	
Ms A Weir	

Organisation

The company is managed by the Board of Directors.

Secretary

Mr K Milroy

Principal officers

Mr K Milroy	Chief Executive	
Ms M Annal	Executive Director	- Operations
Ms L McDermid	Executive Director	- Commercial & Business Development

Leadership Team

Mr H Buck	Operations Manager
Ms A Harvey	Operations Manager
Ms A Kain	Operations Manager
Ms K Singer	Operations Manager
Ms C Swales	Finance & Admin Manager
Ms C Simpson	Communications Manager

Aberdeen Foyer

Legal and administrative information (continued)

Registered office	Marywell Centre Marywell Street Aberdeen AB11 6JF
Business address	Sir Ian Wood House Hareness Road Aberdeen AB12 3LE
Auditor	Henderson Loggie 48 Queens Road Aberdeen AB15 4YE
Bankers	Clydesdale Bank 56 Carden Place Aberdeen AB10 1UP
Solicitors	Burness Paull LLP Union Plaza 1 Union Wynd Aberdeen AB10 1DQ
Property advisors	Graham & Sibbald 21 Carden Place Aberdeen AB10 1UQ

Aberdeen Foyer

Directors' report

The Directors submit their Report and the Audited Accounts of the group and the charitable company for the year ended 31 March 2016.

Legal and administrative information set out on pages 1 and 2 forms part of this report. The Accounts comply with the current statutory requirements, the Memorandum and Articles of Association and Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

Structure, Governance and Management

Constitution

Aberdeen Foyer is a company limited by guarantee (Company No: SC184423) and a registered Scottish Charity (Charity No: SC023655). The charity is governed by its Memorandum and Articles of Association.

Organisational Structure

The Board of Directors administers the charity. The Board comprises a maximum of 12 Directors. A person automatically becomes a Director of the company upon his/her admission to membership. Membership is open to any eligible individual wishing to support the aims and activities of the company. All Board members are 'non-executive' with the day to day running of the organisation delegated to the Chief Executive and Company Secretary, Mr Ken Milroy. The Directors are drawn from different walks of life and bring varied skills, experience and interests to support the organisation to fulfil its purpose and aims.

The Board may at any time appoint an individual to be a Director providing he/she is willing to act to fill a vacancy. Such Directors shall consist of individuals whose appointment and contribution would be beneficial to the promotion and furtherance of the company's purposes.

The full Board normally meets quarterly. As well as receiving reports on the performance of the organisation and its operation, the Board will review and as necessary revise the organisational strategy and plans, taking full account of the organisations' capacity and the external policy and funding environment. Scrutiny of the organisations financial health and staffing arrangements is considered by the Board's Resources Management Committee, which meets on a quarterly basis. Oversight of the organisations' services and development plans is considered by the Board's Service Review Committee, which also meets on a quarterly basis.

The Board also operates a Staff Consultative Committee through which the Board may consult staff representatives and staff representatives may raise matters for consideration by the Board and or Chief Executive. The Staff Consultative Committee meets on a quarterly basis.

The Board has also established a Remuneration Committee to consider and propose salary and terms and conditions for the organisations senior staff, presently Chief Executive and two Executive Directors. The Remuneration Committee may seek external professional benchmark advice in determining these matters. The Remuneration Committee meets as required.

Aberdeen Foyer

Directors' report (continued)

Directors

The Directors of the company at the date of this report were as noted on page 1. In 2013/14 the Board agreed to streamline the governance arrangements for the Foyer and its trading subsidiaries to reflect the level of commercial trading and to support the strategic objectives of the Foyer. The following served as a Director during the year and retired as Director on the date noted:

Ms C Clarke - resigned 21 December 2015
Ms M Roberts - resigned 25 November 2016

The Directors wish to record their thanks and appreciation to Ms C Clarke and Ms M Roberts for the contribution they have made to the work of Aberdeen Foyer.

The following directors were appointed on the dates noted:

Ms E Bentley - appointed 20 April 2015
Mr C Menzies - appointed 21 December 2015

Recruitment and Appointment of New Directors

The recruitment and appointment of new Directors is overseen by a *Membership Committee of the Board, comprising the Chairman, Vice Chairman and Company Secretary (Chief Executive)*. Vacancies are advertised on the organisations website as a minimum.

In considering the appointment of any new Directors, the Board will actively seek nominations from individuals who can bring expertise, experience and skills, particularly where there has been an identified gap. Any individuals who register their interest in becoming members of Aberdeen Foyer Board are invited to submit a CV for consideration by the Membership Committee. The Membership Committee considers any applications received and makes recommendations to the Board on the appointment of individuals. Aberdeen Foyer Board then considers the nominations and approves, or otherwise, any recommendations made by the Membership Committee.

Induction and Training of Directors

When a new Director takes up office they receive appropriate induction training. The induction programme for Foyer Board Members has been established to:

- a. assist new Directors to familiarise themselves with their role and responsibilities as a Board Member; and
- b. to provide information on the operation of the Foyer, its charitable purpose, the structure of the organisation, its business strategy, the environment the organisation operates within and the Board's aspirations for the future.

The induction of new Directors normally involves introductory meetings with the Chairman and Chief Executive followed by briefings with each of the Senior Management Team members. New Directors are also provided with a range of reading material and offered an opportunity to tour the Foyer's premises and services in Aberdeen and Aberdeenshire.

Ongoing training is offered to Directors as necessary.

Aberdeen Foyer

Directors' report (continued)

Related Parties

Aberdeen Foyer holds the entire share capital of Foyer Enterprise Limited and Roadwise Driver Training Limited.

The business activities of both Foyer Enterprise and Roadwise Driver Training operate commercially and trade to support the work of the Foyer, to raise the public profile of the charity in the wider community and to offer training and employment opportunities to Foyer clients where possible.

The following organisations are related parties and details of the nature of the relationships and transactions in the year, are included in note 24:

Aberdeen Foyer leases properties from Grampian Housing Association and details of these transactions are included in Note 24 of the Accounts. Grampian Housing Association is invited to nominate a member to serve as a Director of Aberdeen Foyer.

Aberdeen Foyer is also in receipt of funding for the delivery of specific education and training programmes from North East Scotland College. Details of these transactions are included in Note 24 of the Accounts. North East Scotland College is invited to nominate a member to serve as a Director of Aberdeen Foyer.

Aberdeen City Council and Aberdeenshire Council appoint 'observers' to the Foyer Board's main Committees.

Aberdeen Foyer cooperates with Alcohol and Drugs Action for the delivery of Drug Recovery services in Aberdeen.

Risk Management

The Directors have assessed the major risks to which the charity is exposed, in particular those related to the operation and finance of the company and are satisfied that systems are in place to manage the exposure to major risks. The Board reviews the Foyer's risk register on a regular basis.

The specific risks, and the systems in place to mitigate those risks, are explained more fully within the "Objectives and activities" section on page 6.

Aberdeen Foyer

Directors' report (continued)

Key Management Personnel

The directors consider Aberdeen Foyer's key management personnel to be the Chief Executive and his Principal Officers and Leadership Team, comprising as noted on page 1. The organisation has a pay grading structure, which is reviewed by the Board on an annual basis. Staff are placed within that pay grading structure commensurate with their qualifications and experience. Directors receive no remuneration from the company.

Objectives and Activities

Aberdeen Foyer's objects are set out in the company's Memorandum of Association which notes the company's objects are:-

- To alleviate hardship by securing the provision of advice, information and support services to enable young people on their transition from dependence to independence to secure education, training, accommodation, health and other services appropriate to their needs.
- In particular, but without prejudice to the above, Aberdeen Foyer may, in securing the performance of the company's purposes, target areas designated as areas of multiple deprivation by the Scottish Office under the Urban Programme or any programme of a similar nature which may be substituted therefore.

Aberdeen Foyer provides supported accommodation, education/training and health and wellbeing services to young people and to other members of the community in need of these services.

Directors of the Board were involved in a strategic planning session in 2014 and 2015 and the Directors approved a revised Strategic Plan 2015-2018. The plan builds on our past successes and sets a direction for the organisation that seeks to sustain and develop the Foyer's work and maximise the impact it can make.

As an established Scottish Charity and social enterprise, Aberdeen Foyer aims to:-

- strive for high performance and impact;
- be distinctive, play to our strengths and add value;
- provide an engaging place of work;
- support our staff to learn and develop;
- engage with those with whom we work to shape and influence decisions that affect them;
- be a partner organisation of choice;
- embrace change, welcome innovation and creativity;
- inform and influence change; and
- demonstrate the impact we make.

Aberdeen Foyer

Directors' report (continued)

Objectives and activities (continued)

The Board has considered and agreed the key elements of the organisations strategy to sustain and develop in the period 2015 -18. Maintaining the organisation's financial stability is a vital pre-requisite if the other aspects of the strategy are to be achieved.

Financial Stability

- control our core costs to safeguard full cost recovery;
- competitive in tendering for public service contracts – demonstrate value for money;
- maximise the return from our trading;
- fundraising to secure grants and, where possible, corporate and individual support;
- endeavour to increase our reserves;
- effective and efficient use of resources.

See the solution, not the problem

- simplify our services to maximise impact and outcome rather than funding streams;
- invest in and develop our early intervention and preventative activity;
- develop our capacity for integrated services;
- develop and strengthen our information and performance management;
- tailor services to better meet the needs of those with whom we work;
- maintain our research and development activity.

Participative

- enable those with whom we work to be actively involved in shaping our services;
- enable our staff to support improvement in quality, performance and development;
- develop our risk and needs assessment processes to be strength based;
- develop our risk and prototyping processes.

Impact Measurement

- improve how we capture, measure and disseminate our impact;
- use our networks to influence.

Visibility

- sustain and develop our local and national networks and relationships;
- develop our internal and external communication;
- maintain our profile at a national level;
- be a partner of choice;
- explore opportunities for greater partnership working, collaborations and joint working with other agencies.

Our Work

- maintain and develop flexible housing and support options which respond to those with more complex needs as well as the need for transitional supported accommodation for young people linked to skills and employability;
- develop homelessness prevention services;
- improve our employer engagement to better understand their needs;
- increase accreditation of learning;
- develop intermediate labour market and supported employment opportunities;
- develop and promote Health and Wellbeing;
- sustain our capacity for profitable trading through our businesses.

Aberdeen Foyer

Directors' report (continued)

Objectives and activities (continued)

Our People

- recruit for values – train for skills;
- recognise and value the commitment and capacity of staff and volunteers to shape what we do;
- develop our capacity as a learning organisation;
- nurture emerging talent and leadership;
- seek external validation/support as an employer;
- develop staff learning and development opportunities;
- refresh our induction process to promote our ethos;
- enable our staff and volunteers to be solution focussed;
- encourage our staff to be advocates and champions for the Foyer.

Good Governance

- develop our performance reporting to give the Foyer Board greater strategic oversight of the company;
- continue to implement the succession plan for Board members;
- forge effective partnerships with organisations that support our purpose and ambition.

We wish to build on our work to date, to draw on past and current successes and seek to harness the talent, enthusiasm and commitment of ALL staff and volunteers across the organisation, combined with the support and leadership of our Board members.

Fundamental in determining the success of our work at the Foyer is our ability to enable people who can to move towards and into work actively supports a positive contribution to their own wellbeing and the wellbeing of their families and communities.

Central to our approach is the importance of economic independence. This bring about lasting change to those who may have faced challenges of homelessness, poor health and wellbeing, offending backgrounds and substance use. Being in work provides a real sense of purpose, belonging and worth. Much of what we do across the organisation is about enabling those who may have faced difficulties and challenges in their lives to progress into work and realise their potential.

The experience of young people, who faced multiple issues resulting in homelessness, prompted the formation of the Foyer in 1995. Sadly, and despite progressive policies from Government and a secure funding framework for our work, many still face the issue of 'no home, no job - no job, no home'.

The Foyer has moved well beyond the early focus we had on just those aged 16 – 25, to encompass a much wider age range of programme participants, learners and tenants. The growth of the organisation has been fuelled through our positive response to need, matched with an eye for opportunity and a focussed sense of purpose. While the North East of Scotland has to a large extent been sheltered from the worst impact of economic recession, until the recent drop in oil price, there continue to be those who do not benefit from the successes of our region.

With much of our work funded by Government we have and will likely continue to face financial uncertainty like many working to provide public services.

Aberdeen Foyer

Directors' report (continued)

Objectives and activities (continued)

Our great asset is the organisation's experience of supporting people towards independent living, learning and work. We are very proud of the thousands of individuals who have worked hard, persevered and have been committed to completing training programmes and engaging in services following periods of transition and often chaos their lives.

Through **Foyer Housing** we provide a temporary home with support for formerly homeless and at risk young people. We work closely with both Aberdeen City and Aberdeenshire Councils to help meet each Council's statutory duties for those who present as homeless.

Foyer Learning offers a range of opportunities to help people move towards and into work. Working with partners we offer a continuum of informal as well as accredited learning and training opportunities to suit people at different points of moving into work. Programmes are often tailored to skills shortages in the local economy so we work closely with employers and other training organisations to help ensure positive outcomes for those with whom we work.

Good health is something we value at the Foyer and it has not always been experienced by those with whom we work. Through **Foyer Health** we work to promote healthy habits, life styles and choices. We help signpost to specialist help through the NHS and other organisations as well as provide direct help and support, including counselling, when things are difficult. We take a holistic approach to wellbeing; a healthy mind and body stands us all in good stead to be in a good place to make the right choices for the future and be able to embark on training and work.

Through **Foyer Futures** we work with young people aged 14 to 19 who are facing difficulties in their lives and have become disengaged from education and other statutory services, those who are not attaining anticipated potential and those who are not in training or employment. We work with young people alongside their families and schools, taking time to listen, build relationships, encourage reengagement, increase attendance and maximise training opportunities.

Our services are designed and delivered with an approach that holds the person at the centre. Our starting point is to focus on a person's strengths and potential, to avoid highlighting what is not being achieved.

Integral to the Foyer are our businesses: **Foyer Graphics**, **Foyer Works** and **Roadwise Driver Training**. Profit from these enterprises goes to support our wider work. They also raise the profile of the Foyer in the wider community as well as provide invaluable employment, work experience and training opportunities for those with whom we work.

Aberdeen Foyer

Directors' report (continued)

Achievements and performance

The Foyer has continued over the course of the year to meet its charitable purpose by maintaining a portfolio of service activities. Over the year we engaged with over 2500 individuals, with over 440 achieving accredited qualifications through our various programmes, and some 530 progressing on to employment or other education, training or volunteering and some 1343 noting improved confidence. Through Foyer Housing we worked with an increased number of young homeless people, increasing from 116 in the previous year to 153.

Highlights for the year include:-

2015 marked the Foyer's 20th anniversary with a number of events and promotional activities taking place to celebrate the work and achievements of the organisation.

Foyer Learning maintained its work as a provider for Skills Development Scotland to deliver employability support on behalf of the Scottish Government across the north-east.

Foyer Learning maintained its work with Learn Direct, for the delivery of a DWP contract for Community Work Placements, including delivering in Moray.

Through our partnership with North East Scotland College we established the 'Open Talent' programme delivering in North Aberdeenshire and Aberdeen and the successful REACH programme was delivered in 3 locations - Aberdeen, Inverurie and Fraserburgh.

The Foyer was accredited as an SQA Centre and re accredited for delivery and award of World Host (Customer Service).

We achieved our first completion of Modern Apprenticeship Training in Retail, Customer Service, Management, Hospitality and Business Admin.

We saw a much higher number of individuals use our Learning Houses as a consequence of redundancies at Young's in Fraserburgh, and St. Fergus plant.

We successfully secured the contract to deliver counselling and mental health support in Aberdeen through the 'Choose Life' programme. We received very positive feedback on our tender proposal.

Having been re-accredited for Investors In People (IIP) status in 2014 we committed to the new IIP framework and were delighted to be awarded the Silver standard.

Foyer Graphics moved to a new studio at Rubislaw Terrace Lane.

The first Foyer Sleep out as part of the national campaign to 'End Youth Homeless', raised £14,000, including a sizable donation of matched funds from John Wood Group PLC ("Wood Group").

The Foyer was one of a number of organisations to benefit from a Big Lottery funded programme entitled - Better by Design. The programme brought a design led approach to innovation and development for the organisation, enabling new ways of working and new service ideas to emerge. The approach and methodology helped inform the revised strategy for the next three years. Ideas for service development included the design of a new housing and support model for young people and refreshing the staff induction process.

Aberdeen Foyer

Directors' report (continued)

Achievements and performance (continued)

The Foyer's Central Support staff relocated to Sir Ian Wood House, continuing the generous 'in kind' support Wood Group provides by way of office accommodation – a big thanks to Wood Group.

The Foyer Board has maintained its support to pay the Living Wage to all employees as a minimum.

The Foyer was recognised as a Silver Member by Aberdeen and Grampian Chamber of Commerce for its 20 year membership of the Chamber.

The Foyer Board met as a full Board during the financial year on 4 occasions plus a separate risk and strategy session and the AGM. The Board's Committees also met as follows during the financial year: Resources Management Committee – 4 meetings; Service Review Committee – 4 meetings; Staff Consultative Committee – 3 meetings. Minutes of these meetings are considered at each meeting of the Board.

During the year, Board members received presentations from all service areas of the organisation as part of the Service Review Committee's work. Members welcomed the opportunity to hear directly from delivery staff of the work they were engaged in. Members were extremely impressed with the commitment shown by staff.

Senior Foyer staff members have continued to play an active role at a local, Scottish and UK levels through, in particular, active participation and membership of the Foyer Federation, membership of Social Enterprise Scotland, Social Firms Scotland and involvement on the Boards of the Social Enterprise Academy and FirstPort.

Plans for the future

Our revised Strategic Plan sets out the key areas of focus and direction for the organisation over the next 3 years. We plan to implement a period of consolidation and limited growth in some services of the organisation, which will see us:-

- Focus our efforts regionally, reaffirming our commitment to work in Aberdeen and Aberdeenshire but seek and take up development opportunities in Moray;
- Build on our existing experience and skills by strengthening areas of specialism and our 'joined up' approach;
- Tailor services to better meet the needs of the individuals and communities in our region;
- Continue to look for opportunity to shift our service activity 'upstream', seeking to prevent crisis;
- Strengthen both strategic and operational partnerships;
- Remain responsive to changing environments;
- Stay cutting edge.

Aberdeen Foyer

Directors' report (continued)

Plans for the future (continued)

We recognise that continuing constraints on the public purse may impact on the organisation, in particular; those services funded under contract with Government or its agencies. We will therefore plan for a period of consolidation around our core service activity with any development being focused around key specialist service areas, including Foyer Futures and employability services through Foyer Learning. Changes in public sector procurement mean that we now operate in a much more competitive environment; this may well threaten continuation of some of our existing services.

We will continue to focus key elements of our work in relation to the Scottish Government's Youth Employment Strategy, an area where we have built up a range of effective service provision for participants and commissioners.

Foyer Health remains a distinctive element of our approach and a key service area we would wish to sustain and develop alongside our accommodation and support services, learning, employability and business activities. While the financial environment may well pose constraints on our ability to grow and evolve this important aspect of our work, we will endeavour to ensure that promoting the health and wellbeing of our tenants, programme participants and staff, remains a key part of our strategy and ethos. Given the changes the UK Government is now implementing in relation to Welfare Reform, the links between health and employment are becoming even closer aligned.

Foyer Futures has provided us with an important new dimension to our work that fits well with the need for public service reform and a shift to preventative interventions. This should be an area of growth for us.

Financial review

Results

The consolidated accounts show net outgoing resources for the year amounting to £162,675 (2015 – £84,059), which have been dealt with as shown in the Statement of Financial Activities.

In 2010 the Board reviewed its arrangements in relation staff pensions to ensure they were affordable and sustainable in the medium to long term and meet obligations for auto enrolment. Aberdeen Foyer is an admitted body within the Local Government pension scheme, but also operates a defined contribution scheme for some staff members. The Board has agreed to maintain its membership of the Local Government scheme but to restrict future access to senior staff, consequently membership and the associated cost of the scheme has reduced. A new defined contribution scheme now meets the organisations auto enrolment obligations, and serves the majority of staff.

Operating as a social enterprise, the organisation will continue to secure the majority of its funding through public sector contracts. While the public sector is experiencing severe financial constraints the Foyer continues to align its service activities to support government (local, Scottish, UK) meet statutory duties. The Foyer's senior staff members endeavour to keep abreast of changes in social policy as it affects the Foyer's key client groups and geography and adjust the organisations strategy and service plans accordingly.

Aberdeen Foyer

Directors' report (continued)

Financial review

Results (continued)

Key aspects of the Foyer's activities have been adversely affected by the local economy and the down turn in the oil and gas sector. This has had a most notable impact on aspects of the commercial work through Foyer Enterprise and Roadwise. Much work has been undertaken to maintain service and in the case of Roadwise to diversify the services/products and secure work outwith the local area. This is proving to be positive.

The Board are very aware of the tight financial situation the organisation, including its subsidiaries are in and have implemented a more rigorous risk management strategy focusing on financial performance and plans. The Board will maintain this focus to ensure the work of the organisation is sustained.

Reserves

The Directors aim to establish a level of free reserves to enable the charity to sustain its charitable activities. Restricted funds are those funds which can only be used for particular restricted purposes, specified by the donor or when funds are raised for a particular restricted purpose. The Restricted fund as at 31 March 2016 represents the surplus of restricted income over expenditure accumulated to this date.

The consolidated unrestricted funds as at 31 March 2016 amount to £373,137 (2015 - £377,193).

The business strategy is to increase free reserves (that is those funds not tied up in fixed assets and restricted funds) to cover at least 2 months of operating expenditure held in unrestricted funds within the next five years. Our longer term goal is to increase this to the equivalent of 3 months operating expenditure.

Provision of information to auditor

So far as the Directors are aware there is no relevant audit information of which the company's auditor is unaware and we have taken all the necessary steps that we ought to have taken as Directors in order to make ourselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Henderson Loggie has expressed their willingness to continue in office and a resolution proposing their reappointment will be submitted at the Annual General Meeting.

This report, which has been prepared in accordance with the provision applicable to companies subject to the small companies' regime was approved by the board on 14 December 2016 and signed on its behalf by:



Chairman – Catriona Gifford

Aberdeen Foyer

Statement of trustees' responsibilities

The trustees (who are also Directors of Aberdeen Foyer for the purposes of company law) are responsible for preparing the Directors' 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 group and charitable company and of the incoming resources and application of resources, including the income or expenditure of the group and 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 judgements 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 accounts on the going concern basis unless it is inappropriate to presume that the group and charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and charitable company and to 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 group and charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the group and charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Aberdeen Foyer

Independent auditor's report to the members and trustees of Aberdeen Foyer

We have audited the financial statements of Aberdeen Foyer for the year ended 31 March 2016 which comprise the group and parent charitable company statements of financial activities, including income and expenditure accounts, the group and parent charitable company balance sheets, group and parent charitable company statements of cash flows and the related notes. 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).

This report is made solely 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 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Basis for qualified audit opinion on financial statements

As described in note 26, the company is an admitted body of the North East Scotland Pension Fund. The scheme presently provides for defined benefits based on final pensionable salary. The trustees have not sought the necessary information in relation to the disclosure requirements of the Financial Reporting Standard 17 - Retirement Benefits, on the grounds that Aberdeen Foyer is as an employer grouped for funding purposes at the 2011 valuation.

The trustees consider the costs of obtaining the relevant information from the actuaries would be in excess of any benefit obtained from disclosing this information within the financial statements.

The audit evidence available to us was limited because the directors have not obtained the relevant information from the actuaries. Had this information been available to us we might have formed a different opinion on the financial statements.

Aberdeen Foyer

Independent auditor's report to the members and trustees of Aberdeen Foyer (continued)

Qualified opinion on financial statements

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2016 and of the group's and the parent charitable company's incoming resources and application of resources, including the group's and the parent 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the accounts.

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 parent 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 parent charitable company's financial statements are not in agreement with the accounting records or 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirements to prepare a strategic report.



Fiona Morgan (Senior Statutory Auditor)

For and on behalf of
Henderson Loggie
Statutory Auditor
Aberdeen

Henderson Loggie is eligible to act as an auditor in terms of
Section 1212 of the Companies Act 2006.

14 December 2016

Aberdeen Foyer

Consolidated statement of financial activities (including income and expenditure account) for the year ended 31 March 2016

	Note	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Income:					
Donations and legacies	2	53,650	2,183	55,833	79,003
Income from charitable activities:					
Housing	4	1,407,072	1,887	1,408,959	1,376,391
Learning	4	1,120,505	199,155	1,319,660	1,235,777
Health	4	247,194	108,944	356,138	370,370
Early Intervention	4	299,000	-	299,000	225,431
Other	4	84,339	-	84,339	14,251
Income from other trading activities	3	419,075	-	419,075	529,365
Investment income		689	-	689	1,044
Total income		3,631,524	312,169	3,943,693	3,831,632
Expenditure:					
Cost of raising funds	6	470,054	9,134	479,188	519,378
Expenditure on charitable activities:					
Housing	7	1,329,067	1,887	1,330,954	1,272,839
Learning	7	1,129,131	324,655	1,453,786	1,148,975
Health	7	224,198	132,333	356,531	348,981
Early Intervention	7	283,295	2,779	286,074	207,331
Other	7	197,495	-	197,495	415,847
Total expenditure		3,633,240	470,788	4,104,028	3,913,351
Net expenditure	9	(1,716)	(158,619)	(160,335)	(81,719)
Amortisation of goodwill on acquisition of Roadwise Driver Training Ltd		(2,340)	-	(2,340)	(2,340)
Net movement of funds for the year		(4,056)	(158,619)	(162,675)	(84,059)
Reconciliation of funds					
Total funds brought forward	20	377,193	176,033	553,226	637,285
Total funds carried forward	20	373,137	17,414	390,551	553,226

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

All income and expenditure derives from continuing activities.

Aberdeen Foyer

Statement of financial activities (including income and expenditure account) for the year ended 31 March 2016

	Note	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Income:					
Donations and legacies	2	53,650	2,183	55,833	79,003
Income from charitable activities:					
Housing	4	1,407,072	1,887	1,408,959	1,376,391
Learning	4	1,120,505	199,155	1,319,660	1,235,777
Health	4	247,194	108,944	356,138	370,370
Early Intervention	4	299,000	-	299,000	225,431
Other	4	84,339	-	84,339	14,251
Income from trading activities	3	26,716	-	26,716	33,980
Investment income		689	-	689	12,476
Total income		<u>3,239,165</u>	<u>312,169</u>	<u>3,551,334</u>	<u>3,347,679</u>
Expenditure					
Cost of raising funds	6	27,836	9,134	36,970	26,927
Expenditure on charitable activities:					
Housing	7	1,336,419	1,887	1,338,306	1,274,964
Learning	7	1,143,339	324,655	1,467,994	1,149,807
Health	7	232,289	132,333	364,622	349,397
Early Intervention	7	287,604	2,779	290,383	209,339
Other	7	218,156	-	218,156	412,435
Total expenditure		<u>3,245,643</u>	<u>470,788</u>	<u>3,716,431</u>	<u>3,422,869</u>
Net expenditure and net movement in funds	9	(6,478)	(158,619)	(165,097)	(75,190)
Reconciliation of funds					
Total funds brought forward	20	394,434	176,033	570,467	645,657
Total funds carried forward	20	<u>387,956</u> =====	<u>17,414</u> =====	<u>405,370</u> =====	<u>570,467</u> =====

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

All income and expenditure derives from continuing activities.

Aberdeen Foyer

Consolidated balance sheet at 31 March 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	12	37,434	39,774
Tangible assets	13	138,913	190,961
		<u>176,347</u>	<u>230,735</u>
Current assets			
Debtors	15	340,150	433,224
Cash at bank and in hand		364,056	510,757
		<u>704,206</u>	<u>943,981</u>
Creditors			
Amounts falling due within one year	16	249,592	321,560
Net current assets		<u>454,614</u>	<u>622,421</u>
Total assets less current liabilities		<u>630,961</u>	<u>853,156</u>
Creditors			
Amounts falling due after more than one year	16	240,410	299,930
Net assets		<u>390,551</u>	<u>553,226</u>
Funds			
Restricted	20	17,414	176,033
Unrestricted	20	373,137	377,193
		<u>390,551</u>	<u>553,226</u>

The directors have taken advantage in the preparation of these financial statements of provisions applicable to companies subject to the small companies' regime.

Signed on behalf of the Board of Directors

Catriona Gifford

Chairman – Catriona Gifford

14 December 2016

Aberdeen Foyer

Balance sheet at 31 March 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	13	118,349	162,556
Investments	14	50,002	50,002
		<u>168,351</u>	<u>212,558</u>
Current assets			
Debtors	15	420,309	424,140
Cash at bank and in hand		234,259	407,513
		<u>654,568</u>	<u>831,653</u>
Creditors			
Amounts falling due within one year	16	177,139	173,814
Net current assets		<u>477,429</u>	<u>657,839</u>
Total assets less current liabilities		<u>645,780</u>	<u>870,397</u>
Creditors			
Amounts falling due after more than one year	16	240,410	299,930
Net assets		<u>405,370</u> =====	<u>570,467</u> =====
Funds			
Restricted	20	17,414	176,033
Unrestricted	20	387,956	394,434
		<u>405,370</u> =====	<u>570,467</u> =====

The directors have taken advantage in the preparation of these financial statements of provisions applicable to companies subject to the small companies' regime.

Signed on behalf of the Board of Directors

Catriona Gifford

Chairman – Catriona Gifford

14 December 2016

Aberdeen Foyer

Consolidated statement of cash flows for the year ended 31 March 2016

	Note	2016 £	2015 £
Cash used in operating activities	27	(63,190)	(53,799)
Cash flows from investing activities			
Interest received		689	1,044
Interest paid		(6,014)	(6,556)
Purchase of tangible fixed assets		(26,054)	(40,425)
Cash used in investing activities		(31,379)	(45,937)
		(94,569)	(99,736)
Cash flows from financing activities			
Repayment of borrowing		(330,345)	(8,369)
Cash inflows from new borrowings		278,213	-
Cash used in financing activities		(52,132)	(8,369)
Decrease in cash and cash equivalents in the year		(146,701)	(108,105)
Cash and cash equivalents at the beginning of the year		510,757	618,862
Cash and cash equivalents at the end of the year		364,056 =====	510,757 =====

Aberdeen Foyer

Statement of cash flows for the year ended 31 March 2016

	Note	2016 £	2015 £
Cash used in operating activities	27	(101,896)	(79,179)
Cash flows from investing activities			
Interest received		689	12,476
Finance cost		(6,014)	(6,556)
Purchase of tangible fixed assets		(13,901)	(40,425)
Cash used in investing activities		(19,226)	(34,505)
		(121,122)	(113,684)
Cash flows from financing activities			
Repayment of borrowing		(330,345)	(8,369)
Cash inflows from new borrowings		278,213	-
Cash used in financing activities		(52,132)	(8,369)
Decrease in cash and cash equivalents in the year		(173,254)	(122,053)
Cash and cash equivalents at the beginning of the year		407,513	529,566
Cash and cash equivalents at the end of the year		234,259	407,513
		=====	=====

Aberdeen Foyer

Notes to the financial statements

1 Accounting policies

Basis of accounts preparation

The financial statements have been prepared in accordance with applicable accounting standards and recommended practice under the historical cost accounting rules. They include the results of the company's and group's operations as indicated in the Directors' Report, all of which are continuing.

These financial statements have been prepared in accordance with applicable accounting standards and the Statement of Recommended Practice Accounting and Reporting by Charities, preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014, and comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 £1.

Aberdeen Foyer meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost for transaction value unless otherwise stated in the relevant account policy note.

Reconciliation with Generally Accepted Accounting Practice

In preparing the 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. No restatement of comparatives is required.

Going concern

These accounts have been prepared on the going concern basis as the directors are satisfied that the financial needs of the company will be met from within its existing facilities and agreements. If the company were unable to continue in operation, adjustments would have to be made to reduce the value of the assets to their recoverable amount, to provide for any further liabilities that might arise and to reclassify fixed assets as current assets.

Consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiaries Foyer Enterprise Limited and Roadwise Driver Training Limited on a line by line basis.

Income

All income is included in the Statement of Financial Activities ("SOFA") when the group is legally entitled to the income and the amount can be quantified with reasonable certainty.

Non-recurrent capital grants received in respect of the acquisition of fixed assets are treated as deferred capital grants and amortised in line with depreciation over the life of the assets.

Aberdeen Foyer

Notes to the financial statements (continued)

1 Accounting policies (continued)

Income from raising funds

- Voluntary income:-
Donations and legacies – donations including donations in kind and legacies are included in the SOFA in the year they are receivable.
- Activities for raising funds – all income from sales or fees are accounted for in the period in which the transaction arises.
- Investment income – income from investments is included in the SOFA in the year in which it is receivable.

Income from charitable activities

This income arises from the group's primary charitable activities. Major income streams within these headings include:-

- Grant income – income from grants, including capital grants, is included as income when it is receivable except where the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period. In these circumstances income is deferred until those periods.
- Service Level Agreements – income from service contracts is recognised at the point it becomes due under the terms of any agreement.
- Housing Rental Income – income from property rental is recognised in the period it is receivable.

Intangible income

Intangible income, which comprises donated services, is included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised when there is no financial cost borne by a third party.

Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any irrecoverable VAT.

Expenditure is directly attributed to the relevant category in the Statement of Financial Activities where practical. Central costs are allocated directly to activities where appropriate, thereafter costs are allocated as follows:

Cost	Nature of expenditure	Allocation basis
Corporate services	Head office staff and activity costs	Income generated by activity
Administration	Shared corporate costs	Staffing hours
Vehicles	Motor expenses	Hours of use
Marywell Centre	Shared costs for operational buildings	Staffing hours – for staff based at Marywell

Aberdeen Foyer

Notes to the financial statements (continued)

1 Accounting policies (continued)

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

Charitable activities include expenditure associated with providing services to young people in Health, Housing, Learning, Driving and Volunteering and include both direct costs and support costs relating to these activities.

Governance costs comprise costs for the running of the charity itself as an organisation and are primarily associated with constitutional and statutory matters.

In kind costs for office space and other office running costs provided at premises supplied and owned by Wood Group have not been provided for within the financial statements, as the charity is unable to quantify the value of such services.

Taxation

Aberdeen Foyer is recognised by Office of the Scottish Charity Regulator as a charity and therefore the company is not liable to taxation.

The charge for taxation in the subsidiary company is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Tangible fixed assets and depreciation

Fixed assets costing £2,500 or more are capitalised at cost.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost less the estimated residual value of each asset evenly over its expected useful life, as follows:

Leasehold property	Over duration of lease 10 – 20 years
Property furniture	5 years
Furniture, fixtures and equipment	3 - 5 years
Vehicles	4 years from initial date of registration

Fixed asset investments

Fixed asset investments are included at cost.

Goodwill

Goodwill arising on consolidation is amortised over its expected useful life of 20 years.

Aberdeen Foyer

Notes to the financial statements (continued)

1 Accounting policies (continued)

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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). Whether 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 cost 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 profit or loss, 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 profit or loss, 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.

Stocks

Stocks are included at the lower of cost and net realisable value with due allowance for any obsolete or slow-moving items.

Cash and cash equivalents

Cash and cash equivalents 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.

Financial instruments

The company has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Aberdeen Foyer

Notes to the financial statements (continued)

1 Accounting policies (continued)

Financial instruments (continued)

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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including 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.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial assets

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, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised as transaction price unless the arrangement constitutes a financing transaction where the debt instrument is measured at the present value of the future receipts 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.

Aberdeen Foyer

Notes to the financial statements (continued)

1 Accounting policies (continued)

Financial instruments (continued)

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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

Employee benefits

The cost 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 an 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.

Operating leases

Rentals paid under operating leases are charged to income on straight-line basis over the lease term.

Pensions

Aberdeen Foyer participates in the North East Scotland Pension Fund ("NESPF") (formerly the Aberdeen City Council Pension Fund) which is part of the Local Government Pension Scheme (Scotland) ("LGPS"), a multi-employer scheme. The LGPS is a defined benefit scheme.

Under the NESPF the contribution rate required for Aberdeen Foyer is set on a grouped basis, combining the experience of the employer with other employers also participating in the Fund. As detailed in note 26, Aberdeen Foyer directors have made the decision not to provide for the current pension scheme deficit within the annual financial statements. These accounts have therefore been drawn up in accordance with Financial Reporting Standard No. 102 Section 34 (Retirement Benefits) on the basis that the pension cost is accounted for as a defined contribution scheme and contributions are charged to the income and expenditure account as they become payable.

The group also operates a defined contribution pension scheme. Contributions are charged to the income and expenditure account as they become payable.

Aberdeen Foyer

Notes to the financial statements (continued)

1 Accounting policies (continued)

Funds

Unrestricted funds include income receivable or generated for the objects of the charity without further specified purpose and are available as general funds. These funds can be used in accordance with the charitable objects at the discretion of the Directors.

Designated funds are unrestricted funds earmarked by the Directors for specific future purposes or projects.

Restricted funds are to be used for specific purposes as laid down by the donor.

2 Voluntary income

Private sector companies have provided voluntary income to support service activities.

Individual donations include 'give as you earn' and employee matched funding from employers.

	Group & Company	
	2016	2015
	£	£
Public	5,966	13,216
Private sector	18,389	48,022
Individuals	21,478	7,765
Donated services	10,000	10,000
	55,833	79,003
	=====	=====

3 Activities for raising funds

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Commercial trading operations	419,075	529,365	-	-
Recharges to subsidiaries	-	-	26,716	33,980
	419,075	529,365	26,716	33,980
	=====	=====	=====	=====

Aberdeen Foyer

Notes to the financial statements (continued)

4 Income from charitable activities

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Housing				
Rental and service charge income	420,912	358,123	420,912	358,123
Supporting People grant	984,975	987,326	984,975	987,326
Other	3,072	30,942	3,072	30,942
	<u>1,408,959</u>	<u>1,376,391</u>	<u>1,408,959</u>	<u>1,376,391</u>
Housing	1,408,959	1,376,391	1,408,959	1,376,391
Learning	1,319,660	1,235,777	1,319,660	1,235,777
Health	356,138	370,370	356,138	370,370
Early Intervention	299,000	225,431	299,000	225,431
Other:				
Foyer Drive	6,600	6,075	6,600	6,075
External bodies - use of facilities	1,870	8,176	1,870	8,176
SIS Funding	75,869	-	75,869	-
	<u>3,468,096</u>	<u>3,222,220</u>	<u>3,468,096</u>	<u>3,222,220</u>
	=====	=====	=====	=====

5 Commercial trading operations and investment in trading subsidiaries

The wholly owned subsidiary, Foyer Enterprise Limited, which operates in the United Kingdom, pays its profits to Aberdeen Foyer by gift aid. The charity owns the entire issued share capital of 2 ordinary shares of £1 each.

A summary of the trading results is shown below.

	2016	2015
	£	£
Turnover	272,377	297,060
Cost of sales and administrative expenses	(274,143)	(324,251)
Other operating income	18,367	38,623
	<u>16,601</u>	<u>11,432</u>
Net profit	16,601	11,432
Gift aid to parent company	-	(11,432)
Taxation	(2,581)	587
	<u>14,020</u>	<u>587</u>
Accumulated in the subsidiary	14,020	587
	=====	=====
The assets and liabilities of the subsidiary were:		
Fixed assets	2,912	6,514
Current assets	158,506	137,482
Creditors: falling due within one year	(365,700)	(362,298)
	<u>(204,282)</u>	<u>(218,302)</u>
Total net liabilities	(204,282)	(218,302)
	=====	=====

Aberdeen Foyer

Notes to the financial statements (continued)

5 Commercial trading operations and investment in trading subsidiaries (continued)

The wholly owned subsidiary Roadwise Driver Training Limited, which operates in the United Kingdom, pays part of its profits to Aberdeen Foyer by gift aid. The charity owns the entire issued share capital of 3,000 ordinary shares of £1 each.

A summary of the trading results is shown below.

	2016 £	2015 £
Turnover	162,291	204,866
Cost of sales and administrative expenses	(173,084)	(213,068)
Net loss	(10,793)	(8,202)
Gift aid to parent company	-	-
Tax on profit on ordinary activities	1,535	1,086
Accumulated in the subsidiary	(9,258)	(7,116)
	=====	=====
The assets and liabilities of the subsidiary were:		
Fixed assets	17,653	21,891
Current assets	33,655	45,900
Creditors: falling due within one year	(58,463)	(65,197)
Provisions for liabilities	-	(491)
Total net (liabilities)/assets	(7,155)	2,103
	=====	=====

Aberdeen Foyer

Notes to the financial statements (continued)

6 Cost of raising funds

	Staff £	Other £	Support £	Total 2016 £	Total 2015 £
Group					
Commercial trading operations	134,384	281,118	26,716	442,218	492,451
Fundraising costs	24,943	5,475	6,552	36,970	26,927
	<u>159,327</u>	<u>286,593</u>	<u>33,268</u>	<u>479,188</u>	<u>519,378</u>
	=====	=====	=====	=====	=====
Company					
Fundraising costs	<u>24,943</u>	<u>5,475</u>	<u>6,552</u>	<u>36,970</u>	<u>26,927</u>
	=====	=====	=====	=====	=====

7 Cost of charitable activities

	Staff £	Property £	Other £	Support £	Total 2016 £	Total 2015 £
Group						
Housing	643,166	317,444	124,273	246,071	1,330,954	1,272,839
Learning	836,966	27,391	239,575	349,854	1,453,786	1,148,975
Health	230,914	2,355	25,783	97,479	356,531	348,981
Early Intervention	189,020	1,670	3,716	91,668	286,074	207,331
Other	(4,042)	-	165,342	496	161,796	379,627
Support	464,086	139,839	214,911	(818,836)	-	-
Governance (note 8)	18,849	-	16,850	-	35,699	36,220
	<u>2,378,959</u>	<u>488,699</u>	<u>790,450</u>	<u>(33,268)</u>	<u>3,624,840</u>	<u>3,393,973</u>
	=====	=====	=====	=====	=====	=====
Company						
Housing	643,166	319,882	129,187	246,071	1,338,306	1,274,964
Learning	836,966	30,787	250,387	349,854	1,467,994	1,149,807
Health	230,914	2,355	33,874	97,479	364,622	349,397
Early Intervention	189,020	1,670	8,025	91,668	290,383	209,339
Other	(4,042)	-	15,404	496	11,858	382,265
Support	464,086	144,349	360,339	(792,120)	176,654	-
Governance (note 8)	18,849	-	10,795	-	29,644	30,170
	<u>2,378,959</u>	<u>499,043</u>	<u>808,011</u>	<u>(6,552)</u>	<u>3,679,461</u>	<u>3,395,942</u>
	=====	=====	=====	=====	=====	=====

Aberdeen Foyer

Notes to the accounts (continued)

8 Governance costs

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Audit	16,795	14,060	10,740	8,010
Legal	-	3,066	-	3,066
Staffing	18,849	18,849	18,849	18,849
Support costs	55	245	55	245
	<u>35,699</u>	<u>36,220</u>	<u>29,644</u>	<u>30,170</u>
	=====	=====	=====	=====

9 Net movement in funds

is stated after charging/(crediting):

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Auditor's remuneration				
- audit fees	16,795	14,060	10,740	8,010
- other services	-	580	-	-
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

Aberdeen Foyer

Notes to the accounts (continued)

10 Staff costs and numbers

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Wages and salaries	2,179,746	1,959,219	2,058,243	1,809,792
Social security	169,279	150,024	158,971	138,004
Other pension costs	176,082	172,188	173,784	169,745
	2,525,107	2,281,431	2,390,998	2,117,541
	=====	=====	=====	=====

The average number of persons employed during the year, including appointed Directors, was as follows:

	Group		Company	
	2016	2015	2016	2015
	No.	No.	No.	No.
Directors	12	12	12	12
Management	8	4	8	4
Operational staff	86	78	86	78
Commercial trading	4	10	-	-
	110	104	106	94
	=====	=====	=====	=====

During the year one employee received emoluments between £70,000 and £80,000 (2015 - same).

Pension contributions to a defined benefit pension scheme amounted to £15,172 (2015 - £14,496) for the same employee.

11 Key management personnel

The Directors received no remuneration or expenses from the group during the year (2015 - same).

The Principal Officers and Senior Leadership team comprises 8 (2015 - 5) members of staff who received total remuneration of £357,027 (2015 - £300,529).

Aberdeen Foyer

Notes to the financial statements (continued)

12 Intangible assets

Group	Goodwill £
Cost	
At 1 April 2015 and 31 March 2016	46,794
Amortisation	
At 1 April 2015	7,020
Charge for the year	2,340
At 31 March 2016	9,360
Net book value	
At 31 March 2016	37,434
	=====
At 31 March 2015	39,774
	=====

Aberdeen Foyer

Notes to the financial statements (continued)

13 Tangible fixed assets

Group	Leasehold property £	Property furniture £	Furniture, fixtures & equipment £	Motor vehicles £	Total £
Cost					
At 1 April 2015	450,227	15,870	272,680	86,658	825,435
Additions	-	-	13,901	12,153	26,054
Disposals	-	-	-	(13,803)	(13,803)
At 31 March 2016	450,227	15,870	286,581	85,008	837,686
Depreciation					
At 1 April 2015	381,778	6,766	179,906	66,024	634,474
Charge for year	21,061	3,174	36,994	7,383	68,612
Relating to disposals	-	-	-	(4,313)	(4,313)
At 31 March 2016	402,839	9,940	216,900	69,094	698,773
Net book value					
At 31 March 2016	47,388	5,930	69,681	15,914	138,913
At 31 March 2015	68,449	9,104	92,774	20,634	190,961
Company	Leasehold Property £	Property furniture £	Furniture, fixtures & equipment £	Motor vehicles £	Total £
Cost					
At 1 April 2015	450,227	15,870	181,357	39,705	687,159
Additions	-	-	13,901	-	13,901
At 31 March 2016	450,227	15,870	195,258	39,705	701,060
Depreciation					
At 1 April 2015	381,778	6,766	96,354	39,705	524,603
Charge for year	21,061	3,174	33,873	-	58,108
At 31 March 2016	402,839	9,940	130,227	39,705	582,711
Net book value					
At 31 March 2016	47,388	5,930	65,031	-	118,349
At 31 March 2015	68,449	9,104	85,003	-	162,556

Aberdeen Foyer

Notes to the financial statements (continued)

14 Investments

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Foyer Enterprise Limited	-	-	2	2
Roadwise Driver Training Limited	-	-	50,000	50,000
	<u>-</u>	<u>-</u>	<u>50,002</u>	<u>50,002</u>
	=====	=====	=====	=====

Foyer Enterprise Limited is a wholly owned subsidiary, incorporated in Scotland. The profit for the year in Foyer Enterprise Limited is £14,020 (2015 - £587) and closing shareholder's funds are in deficit by £204,282 (2015 - £218,302).

Roadwise Driver Training Limited is a wholly owned subsidiary, incorporated in Scotland. The loss for the year in Roadwise Driver Training Limited is £9,258 (2015 - £7,116) and closing shareholders' funds are in deficit by £7,155 (2015 - surplus £2,103).

15 Debtors

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	193,706	291,384	141,052	242,202
Other debtors	-	941	-	525
Prepayments and accrued income	144,457	140,832	136,731	111,075
Deferred tax assets	1,987	67	-	-
Due from subsidiary undertakings	-	-	142,526	70,338
	<u>340,150</u>	<u>433,224</u>	<u>420,309</u>	<u>424,140</u>
	=====	=====	=====	=====

Included in other debtors is a balance of £316,456 (2015 - £242,192) due from the subsidiary company, Foyer Enterprises Limited, which is due in more than one year. A provision of £209,186 (2015 - £209,186) has been made against this balance.

Aberdeen Foyer

Notes to the financial statements (continued)

16	Creditors	Group		Company	
		2016	2015	2016	2015
		£	£	£	£
	Amounts falling due within one year:				
	Bank loan (secured)	35,039	-	35,039	-
	Social Investment Scotland loan	-	27,651	-	27,651
	Trade creditors	88,120	87,404	54,955	62,576
	Taxation and social security	67,040	50,958	47,420	41,066
	Accruals	15,740	41,550	15,740	19,757
	Other creditors	43,653	22,764	23,986	22,764
	Deferred income (Note 17)	-	91,233	-	-
		<u>249,592</u>	<u>321,560</u>	<u>177,139</u>	<u>173,814</u>
		=====	=====	=====	=====
	Amounts falling due after more than one year:				
	Bank loans (secured)	240,410	-	240,410	-
	Social Investment Scotland loan	-	299,930	-	299,930
		<u>240,410</u>	<u>299,930</u>	<u>240,410</u>	<u>299,930</u>
		=====	=====	=====	=====
	Borrowings				
	Analysis of loans				
	Not wholly repayable within five years by instalments	275,449	327,581	275,449	327,581
	Included in current liabilities	(35,039)	(27,651)	(35,039)	(27,651)
		<u>240,410</u>	<u>299,930</u>	<u>240,410</u>	<u>299,930</u>
		=====	=====	=====	=====
	Instalments not due within five years	-	238,500	-	238,500
		=====	=====	=====	=====
	Loan maturity analysis				
	In more than one year but not more than two years	36,523	29,644	36,523	29,644
	In more than two years but not more than five years	203,887	31,787	203,887	31,787
	In more than five years	-	238,500	-	238,500
		=====	=====	=====	=====

The bank loan, which was taken out during the current financial year, is repaid monthly at a rate of £3,837.84 and due to expire on 25 February 2021. Clydesdale Bank plc holds a floating charge over the assets and undertakings of the company. Interest is charged at 4.38% per annum.

The loan from Social Investment Scotland was repaid in full during the year.

Aberdeen Foyer

Notes to the financial statements (continued)

17 Deferred income

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
At 1 April 2015	91,233	136,464	-	36,095
Amount released in year	(91,233)	(136,464)	-	(36,095)
Amount deferred in year	-	91,233	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2016	-	91,233	-	-
	=====	=====	=====	=====

18 Security

The company's bankers hold a bond and floating charge over all the assets of the company and group.

Social Investment Scotland hold a bond and floating charge over all the assets of the company and group.

19 Deferred tax

	Accelerated capital allowances £
At 1 April 2015	67
Arising in year	1,920
	<u> </u>
At 31 March 2016 included in debtors (note 15)	1,987
	=====

Aberdeen Foyer

Notes to the financial statements (continued)

20 Movements in funds

	Unrestricted funds £	Restricted funds £	Total £
Group			
At 31 March 2015	377,193	176,033	553,226
Net expenditure	(1,716)	(158,619)	(160,335)
Amortisation of goodwill	(2,340)	-	(2,340)
At 31 March 2016	373,137	17,414	390,551
	=====	=====	=====
Company			
At 31 March 2015	394,434	176,033	570,467
Net expenditure for the year	(6,478)	(158,619)	(165,097)
At 31 March 2016	387,956	17,414	405,370
	=====	=====	=====

21 Restricted funds

	At 1 April 2015 £	Income £	Expenditure £	Transfers £	At 31 March 2016 £
Group & Company					
Health	31,772	108,944	(132,333)	-	8,383
Housing	-	1,887	(1,887)	-	-
Learning	125,500	199,155	(324,655)	-	-
Early Intervention	11,810	-	(2,779)	-	9,031
Other	6,951	2,183	(9,134)	-	-
	176,033	312,169	(470,788)	-	17,414
	=====	=====	=====	=====	=====

Purpose of restricted funds

The Health fund relates to income received for provision of physical and mental health promotion, education and support services.

Housing support funds are for the provision of supported tenancies in Aberdeen and Aberdeenshire.

The Learning fund relates to income received for a range of specific education, training and employment services provided.

The Early Intervention Fund relates to income received to provide the Foyer's work with 14-19s providing learning and support activities for those who are not readily provided for through mainstream services.

Other restricted funds relate to other charitable initiatives.

Aberdeen Foyer

Notes to the financial statements (continued)

22 Analysis of net assets between funds

Group	Unrestricted funds £	Restricted funds £	Total funds £
Intangible assets	37,434	-	37,434
Tangible fixed assets	138,913	-	138,913
Net current assets	437,200	17,414	454,614
Creditors due after more than one year	(240,410)	-	(240,410)
Net assets at 31 March 2016	373,137 =====	17,414 =====	390,551 =====
Company			
Tangible fixed assets	118,349	-	118,349
Investments	50,002	-	50,002
Net current assets	460,015	17,414	477,429
Creditors due after more than one year	(240,410)	-	(240,410)
Net assets at 31 March 2016	387,956 =====	17,414 =====	405,370 =====

23 Other financial commitments

Operating lease commitments

At 31 March 2016 the group had annual commitments under non-cancellable operating leases as set out below:

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Land and Buildings				
Amount payable next year where lease expires:				
Within one year	233,891	219,518	216,266	208,018
Between two to five years	131,620	191,240	95,620	191,240
After five years	60,000	-	-	-
	=====	=====	=====	=====
Other				
Within one year	37,986	29,319	36,838	28,171
In two to five years	49,081	46,237	49,081	46,237
After five years	-	-	-	165
	=====	=====	=====	=====

Aberdeen Foyer

Notes to the financial statements (continued)

24 Related party transactions

Control

Throughout the year the company was controlled by the Directors.

Transactions

During the year the company had the following transactions with related parties. These bodies are considered to be related parties as some of the directors and senior management on the Board of Aberdeen Foyer have connections with these bodies, as explained in the Directors' Report.

Related party	Transaction	Income/ (expenditure) £	Balance at year end £
Grampian Housing Association Limited	Lease and maintenance of properties from Grampian Housing Association	210,632	19,326
North East Scotland College	Funding for Services provided by Aberdeen Foyer	278,953	-
North East Scotland College	Payment for courses attended by staff and clients	(14,807)	-
Burness Paull LLP	Provision of legal services and advice	(1,740)	240

The company has taken advantage of the exemptions available under Financial Reporting Standard 102 not to disclose transactions with Foyer Enterprise Limited and Roadwise Driver Training Limited.

25 Legal status

Aberdeen Foyer is a company limited by guarantee and not having a share capital. The members' liability in the event of winding up is limited by guarantee not exceeding £1 per member.

Aberdeen Foyer

Notes to the financial statements (continued)

26 Pension commitments

As stated in Note 1 Aberdeen Foyer participates in the North East Scotland Pension Fund ("NESPF") which is a multi-employer defined benefit scheme.

In accordance with the Financial Reporting Standard No 102 the charity is required to disclose certain information concerning assets, liabilities, income and expenditure related to the pension scheme. The charity is also required to provide for the deficit arising on the pension scheme in the Statement of Financial Activities, however, the directors have decided that this will not provide a true and fair view of the charity's position and have not provided for this. The charity operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the charity, being invested with North East Scotland Pension Fund.

Information about the overall funding position of the NESPF was provided by the actuary to the Fund on the actuarial valuation of the Scheme as at 31 March 2014. That valuation showed that the overall funding position of the Scheme as a whole was 94%, the deficit being £191 million. The contributions payable by the employers are based on the position of the Fund as a whole, which is reassessed at each triennial valuation, in line with the Administering Authority's Funding Strategy Statement.

The pension cost charge represents contributions payable by the group to the funds and amounted to £158,846 (2015 - £159,225). Other creditors at 31 March 2016 included £16,999 in respect of pension contributions payable at that date (2015 - £17,641).

The group also operates defined contribution schemes. The assets of the schemes are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the group to the funds and amounted to £17,236 (2015 - £12,963). At the year end £3,758 (2015 - £2,039) was outstanding and is included in other creditors.

27 Reconciliation of net movement in funds to net cash flow from operating activities

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Net expenditure	(162,675)	(84,059)	(165,097)	(75,190)
Depreciation	68,612	75,912	58,108	62,583
Loss on disposal of assets	9,490	-	-	-
Amortisation	2,340	2,340	-	-
Interest received shown in investing activities	(689)	(1,044)	(689)	(12,476)
Finance cost	6,014	6,556	6,014	6,556
Decrease in debtors	93,074	56,565	3,831	11,379
Decrease in creditors	(79,356)	(110,069)	(4,063)	(72,031)
Net cash used in operating activities	(63,190)	(53,799)	(101,896)	(79,179)
	=====	=====	=====	=====