

COMPANY REGISTRATION NUMBER: SC070903
CHARITY REGISTRATION NUMBER: SC014849

Aberdeen Cyrenians Limited
Company Limited by Guarantee
Financial Statements
31 March 2017

WILLIAMSON & DUNN
Chartered accountant & statutory auditor
3 West Craibstone Street
Bon Accord Square
Aberdeen
AB11 6YW

Aberdeen Cyrenians Limited

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2017

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Aberdeen Cyrenians Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report)

Year ended 31 March 2017

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2017.

Objectives and activities

Aberdeen Cyrenians has been providing support to vulnerable people for the past 49 years. We aim to meet the needs of individuals who are at the very margins of society; those who are homeless, at the risk of homelessness or affected by homelessness in any way. We listen to their difficulties, understand needs, share burdens, provide professional care and strive to identify permanent solutions that will bring about positive changes to the lives of individuals. Our services focus on:

- Prevention of homelessness - through outreach support, advice and information services and residential respite services
- Alleviation of homelessness - in our 29 accommodation places
- Rehabilitation - tackling underlying issues such as domestic and sexual abuse, substance misuse and mental health
- Resettlement - practical help to gain employment, to learn the skills needed to live in the community and to sustain a tenancy.

The objectives of Aberdeen Cyrenians as outlined in the Memorandum of Association are:

- the relief of poverty, sickness and old age in particular, for the relief of poverty of persons who by reason of mental or physical infirmity are unable to fulfil their duties as citizens or their obligations to their employers, and;
- carrying on for the benefit of the community and the public benefit the provision of houses, hostels and any associated amenities for persons in necessitous circumstances upon terms appropriate to their means.

Vision Statement

The Vision Statement has three parts to it:

- Continue to serve Aberdeen's homeless with compassion and professionalism.
- Be a partner of choice for all who work in our field.
- Be a trusted voice on the issue of homelessness in our city.

Strategies Employed to Realise Our Vision

Fundraising

- To develop and implement short, medium and long term organisational and service based fundraising strategies to maximise fundraised income.

Aberdeen Cyrenians Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2017

Objectives and activities *(continued)*

Partnerships

- To develop and maintain networks and partnerships in line with our Mission, Vision and Aims and Values.
- To develop internal and external Corporate Social Responsibility Strategies.
- To work in partnership with our service users to improve services.

Effectiveness

- To maintain and further develop our Human Resources, Training, Finance, Health and Safety, Environmental and Quality Assurance support services.
- To maintain and improve service delivery of our contracted services and to develop professional relationships with commissioners.
- To further develop and expand services provided by volunteering.
- To secure resources and property for future continuation of services.
- To develop frameworks for measuring outcomes for service users.
- To maintain a motivated workforce.

Aberdeen Cyrenians has a contract with Aberdeen City Council to provide residential services at Margaret House, which offers short term accommodation to 12 residents. Substance misuse and criminal justice issues are common among the residents, as is prostitution, abuse, self-harm and other psychological issues. Staff assist service users to develop the skills they need to address issues and sustain a successful move into their own tenancy.

Aberdeen Cyrenians has a contract with Aberdeen City Council to provide a 24 hour supported residential care service at Wernham House, which provides long term residential and respite placements for 17 individuals aged 18 and over who have alcohol, substance and mental health issues.

Aberdeen Cyrenians has a contract with Aberdeen City Council to provide Advice, Information and Support Resettlement services. In addition, Aberdeen Cyrenians provides a Drop In Service providing advice and information in relation to housing, homelessness including the prevention of homelessness, benefit applications, debt management and income maximisation. The service offers support with employment applications, formal appeals, advocacy, food assistance, access to clothing, toiletries and equipment for rough sleepers. The Drop In service continues to work closely with internal and external agencies, offering a holistic approach to identifying and supporting the needs of those who access the service.

Aberdeen Cyrenians Limited

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Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2017

Objectives and activities *(continued)*

During the year, nearly 5,000 appointments were held and over 250 different individuals received support and advice and benefitted from the support provided.

The Violence Against Women Project (VAW) provides support to vulnerable women of all ages who have experienced or are currently experiencing abuse, whether this be in the form of physical, emotional, financial, sexual abuse and/or sexual exploitation. VAW workers strive to empower women to move past challenging times, enabling them to make positive changes in their lives through the provision of emotional, practical and advocacy support on a one-to-one basis, our 12 week Womens Group programme and our Befriending service. More than 30 women were referred to the project during the year.

The Domestic Abuse Support and Accommodation Project (DASAP) provides support to men, women and families experiencing domestic abuse to enable them to feel safe in accommodation of their choice. The project works in partnership with Aberdeen City Council's Housing Access Service who provide access to alternative accommodation, while Aberdeen Cyrenians offer a package of support. This is the only resource in the city to offer this level of service to men affected by domestic abuse. During the reporting period, 100 people receive support and we continue to see a greater need for DASAP than predicted, when the project began.

Aberdeen Cyrenians also provides hot food, laundry and personal care facilities as part of the Street Alternatives project. This service operates out of Summer Street premises two nights per week and on both Saturday and Sunday lunchtimes. It is run by volunteers with staff support from the Advice, Information and Support, Resettlement and Drop In Services, who are available to support service users to address their individual issues.

The achievement of the objectives of Aberdeen Cyrenians is enhanced by the active participation of the wider community. Aberdeen Cyrenians welcomes and encourages the involvement of individual and corporate volunteers at all levels in the organisation and within all appropriate services and activities. During the year, there were more than 80 active volunteers available to Aberdeen Cyrenians. Their involvement included:

- running the Street Alternatives project where service users can access hot food, laundry and showers two evenings each week and at weekends, as well as encouraging social interaction;
- cooking and general kitchen duties;
- preparing food parcels;
- help to manage the many food, and other, donations to the organisation;
- provision of practical assistance to projects, for example, decorating and gardening;
- provision of Music workshops and access to other creative activities.
- help with fundraising;
- involvement in sponsored, fundraising events;
- collecting donations;
- initiating food drives to supplement food cupboards; and
- provision of a befriending service in conjunction with the Violence Against Women project.

Aberdeen Cyrenians Limited

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Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2017

Achievements and performance

Margaret House

Margaret House provides support and care in a residential setting to twelve individuals at a time. All service users are homeless and have additional issues which can include: substance misuse; learning disabilities; mental health problems; histories of physical and/or sexual abuse; histories of anti-social behaviour. All referrals come through Aberdeen City Council Housing Support Service.

The support provided at Margaret House is designed to enable service users to move-on to more permanent accommodation and to maintain it successfully. The team at Margaret House liaise extensively with Aberdeen City Council in every service user's situation- assisting in areas such as the identification of appropriate types of move-on accommodation and packages of on-going support.

The Care Inspectorate performed an unannounced inspection in April 2016 and April 2017. On both occasions the service was graded as 5 - Very Good, in all the areas inspected.

Wernham House

Wernham House provides 24 hour supported residential care for seventeen individuals aged 18 and over. Working effectively with Aberdeen City Council Social Work Integrated Alcohol Service, placements can be short term, long term and respite. There is a continuing rise in the number of individuals referring and being admitted to the project who have forms of dementia and serious health issues. This necessitates a very substantial amount of one to one personal care input and respite placements may then become longer term.

Service User involvement continues to inform and direct service provision. This is evidenced by resident representative, service user involvement in recruitment and completion of Care Inspectorate assessment forms, collaborative projects with other charities and updating local procedures.

The Care Inspectorate performed an unannounced inspection in October 2016. The service was graded as 5 - Very Good, for quality of management and leadership and graded as 6 - Excellent, for quality of care and support.

Advice, Information and Support, Resettlement and Drop In Services

The Advice, Information and Support, Resettlement and Drop In Services provide advice and information in relation to housing and homelessness including the prevention of homelessness, benefit applications, debt management and income maximisation. The service offers support with employment applications, formal appeals, advocacy, food assistance, access to internal Street Alternative service, clothing, toiletries and access to equipment for rough sleepers.

The Care Inspectorate performed an unannounced inspection in November 2016. The service was graded as 5 - Very Good, in all the areas inspected.

The Drop In service works closely with internal and external agencies, offering a holistic approach to identifying and supporting the needs of those who access the service. Where necessary service users are signposted to relevant external agencies that are most suited to their identified needs. The Drop In service is designed to support service users with multiple, complex and often varying needs, ensuring that the most vulnerable people in the city have access to services.

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Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2017

Achievements and performance *(continued)*

The service has been able to provide a support network to those service users who find it difficult to maintain appointments by offering them the opportunity to drop in as and when they feel they need support. This has proved most effective for "hard to reach" service users.

Currently, there are an average of over 100 appointments at Drop In per week. During the year, nearly 2,000 food parcels were distributed along with nearly 900 toiletry parcels, 140 sleeping bags and 50 rough sleeper packs.

Violence against Women Project

The Violence against Women Project provides support to vulnerable women of all ages. This support may be one-to-one, providing emotional and practical support to promote women's safety and well-being. Many women also require advocacy support, to engage with other agencies and access other services. The frequency, focus and duration of support depends upon each woman's individual needs, from 1-off interventions to short-, medium- and long-term support. One of these options may be the Womens' Group, which offers a safe space for women to build confidence, self-esteem and establish social contact. The women decide themselves what they want from sessions and activities as well as identifying opportunities beyond the group. Befriending volunteers offer follow-on support to women who have accessed 1 to 1 support or the women's group programme. Volunteers meet with women on a regular basis, helping to build confidence and reduce social isolation. The VAW Project was established in 2006 after a gap in service provision was identified for women accessing Aberdeen Cyrenians due to homelessness and housing issues, who had also experienced gender-based violence and abuse.

The project has expanded since this time and receives referrals from a wide range of voluntary and statutory organisations. The number of women accessing VAW support has increased each year, with 83 women receiving support in this reporting period.

The Care Inspectorate performed an inspection in November 2016. The service was graded as 5 - Very Good, in all the areas inspected.

Domestic Abuse Support and Accommodation Project

The Domestic Abuse Support and Accommodation Project (DASAP) provides support to men, women and families experiencing domestic abuse to enable them to feel safe in accommodation of their choice. The project works in partnership with Aberdeen City Council's Housing Access Service who provide temporary and alternative accommodation, while Aberdeen Cyrenians offer a package of support. During this reporting period, 195 people have received support. (188 female; 7 men) DASAP offers practical, emotional and advocacy support for a period of three months and frequently refers service users on for additional support beyond this time. We continue to see a greater need for DASAP than predicted, when the project began in 2014.

The Care Inspectorate performed an inspection in November 2016. The service was graded as 5 - Very Good, in all the areas inspected.

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Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2017

Achievements and performance *(continued)*

Street Alternatives Project

The Street Alternatives Project provides hot food, laundry facilities and personal care facilities. The service is now provided under the supervision of two volunteer co-ordinators and more than 80 volunteers. All volunteers receive a hands-on induction with a Volunteer Coordinator, tailored to their volunteer role, and working alongside a team of experienced volunteers. All volunteers also attend a group formal induction session, which includes a joint exercise and a chance to discuss different scenarios that might occur, as well as discussion about Aberdeen Cyrenians' policies and procedures. Twice a year volunteers are invited to attend Group Support and Supervision sessions.

Aberdeen Cyrenians acknowledge that the support of volunteers is very valuable. Individual and group contributions are recognised at the Aberdeen Cyrenians Staff and Volunteer Recognition Awards as well as at volunteer Christmas dinners hosted by staff and Council of Management Committee members.

Street Alternatives continues to open every day over the Christmas period, including public holidays, to compensate for the gap in food services available in the city when other services close. Over Christmas, festive activities are organised and traditional meals are provided, with all the trimmings, with gifts for all of our service users.

External Agencies

Aberdeen Cyrenians is registered with various external agencies that may monitor services provided. These include:

- Aberdeen City Council - Approved Providers List
- Office of the Scottish Charity Regulator
- Care Inspectorate
- Child Poverty Action Group
- Scottish Social Services Council for the registration of staff
- Disclosure Scotland
- Aberdeen City Council - Environmental Health
- Aberdeen City Council - Registered Landlord
- Aberdeenshire Council - Registered Landlord

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Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2017

Financial review

Main Funding Sources:

65% of our income comes from Aberdeen City Council through Social Care and Communities, Housing and Infrastructure Committees for the provision, under contract, of residential care and support, housing support and advice, currently at Margaret House, Wernham House and the Advice, Information and Support service from Summer Street.

The vital Drop In service, which has an average of more than 100 appointments each week, and the Street Alternatives project, which served 5,178 meals in 2016/17, are currently funded from donations and we are seeking longer term funders for this service.

The Violence Against Women and the Domestic Abuse Support and Accommodation Project have received funding during the year from the National Lottery through the Big Lottery Fund. The Violence Against Women Project also receives funding from the Scottish Government through the Voluntary Action Fund, through the Henry Smith Charitable Trust and through the Volant Trust.

The Robertson Trust contributed £15,000 to the funding of the Violence Against Women and Street Alternatives Projects.

The Fairer Aberdeen Fund contributed to the funding of the Street Alternatives Project.

We continue to be extremely grateful to the many individuals and corporate donors who fundraise and make donations to us, supporting various projects

Review of 2016 - 17:

In line with the challenging economic climate in Aberdeen, generating the vital fundraising income for the ongoing work of Aberdeen Cyrenians has also become more and more challenging. Losses generated by Residential and Community Projects were financed from fundraising in the year, creating an overall surplus of £16,236.

Aberdeen Cyrenians participates in the North East Scotland Pension fund (previously Aberdeen City Council Pension fund), which is a part of the Local Government Pension Scheme (Scotland), a multi-employer scheme. The LGPS is a defined benefit scheme. As at 31 March 2017, the proportion of the deficit on the scheme relating to employees past and present was £2,772,000 (2016: £1,550,000) and this is being reduced by an increased premium being paid by Aberdeen Cyrenians relating to all current employees who are participating in the scheme. As such, this deficit does not affect the organisations underlying activities. In addition, this deficit is covered by a guarantee from Aberdeen City Council. The directors are therefore of the opinion that reflecting this deficit in the balance sheet, as required under SORP 2015 (FRS 102), would not present the true financial position of the organisation as it will not impact on the organisations ability to meet its ongoing obligations.

In recent years, we have endeavoured to increase reserves but this has always been difficult as reserves can only increase as surpluses are generated. However, as at 31 March 2017, total Reserves are £742,044 (2016: £728,508) representing 37% of annual expenditure or 4 months expenditure.

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Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2017

Financial review *(continued)*

Review of 2016 – 17 *(continued)*

The levels of the various designated funds and restricted funds and their purposes are set out in Note 20 to the accounts. The Council of Management continues to review the adequacy of reserves on a regular basis and believes that it is appropriate that the total reserves held should be between 3 and 6 months of the annual resources expended to enable the organisation to continue its current activities in the event of a significant drop in funding.

The Council of Management have assessed the major risks to which the charity is exposed and has identified that the major financial risks relate to the economic environment in which we operate and the challenge of ensuring the income supports the cost of activities. The Council of Management have identified that the best management of this risk is the production and regular review of management information, the ongoing development of community relations and potential further sources of corporate and trust funding in line with the Fundraising Strategy.

Plans for future periods

The Council of Management is currently reviewing the organisation's Business Plan with the intention of continuing to develop our community and residential services which support vulnerable and homeless people. The plan also focuses on giving consideration to other opportunities to provide additional services to our service user group.

The coming year will begin a period of consolidation as we make various changes in management and as we continue to deal with the various challenges imposed on Aberdeen Cyrenians. These include the ongoing implications of the challenging economic environment, the introduction of universal credit and changes to benefits, the ongoing implications of the pension deficit and implications of the requirement to register and lead all care staff through SVQ qualifications.

Going forward, ongoing services will be assessed and developed in the light of the needs of the community as identified in liaison with Aberdeen City Council.

Structure, governance and management

Aberdeen Cyrenians is a membership organisation and the Council of Management is elected from the members, currently numbering 75. Membership is open to anyone who supports the objectives of the organisation. Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2017 was 75. The process for appointing members for the Council of Management is outlined below.

Where there is a requirement to recruit new members for the Council of Management, there are a number of ways that this can be initiated:

- a skills audit of existing members may inform the process of recruiting new members;
- existing members can put themselves forward at the Annual General Meeting;
- expressions of interest might be sought from the members of Aberdeen Cyrenians;
- public advertisement for new members; and/or
- members of the Council of Management putting forward the names of suitable individuals.

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Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2017

Structure, governance and management *(continued)*

Appointments to the Council of Management are made either as per paragraph 7.2 of the Articles of Association or at a General Meeting, and must comply with paragraphs 7.1 and 7.3 of the Articles of Association.

A selection panel consisting of the Chairperson and/or Vice-Chairperson and/or other delegated Council of Management member along with the Chief Executive will meet with prospective candidates to (a) provide further information to the candidate; (b) outline the responsibilities and requirements in relation to serving on the Council of Management; and (c) evaluate the competencies and commitment of the prospective member. The selection panel will then make a recommendation to the full Council of Management.

As part of their induction, all new members will receive copies of the:

- Governance of Aberdeen Cyrenians;
- Memorandum and Articles of Association;
- Strategic Plan (and any reviews);
- Aims & Values Policy;
- The latest Annual Report & Financial Statements; and,
- Minutes of meetings over the past twelve months.

There are normally two induction sessions. One session will cover the history of the organisation, the work of the projects, aims & values and the wider context. The second session will focus on finance.

The Council of Management is responsible for setting and reviewing the overall strategy of the organisation, for organisational policies, for formal contractual agreements and is the employer of all staff. It meets about 11 times a year for this purpose. This includes an annual "Away Day" which provides the opportunity for the Council to take stock of policy and strategic issues impacting on Aberdeen Cyrenians and the position regarding homelessness within the catchment area.

At regular meetings, the Council of Management monitor the management accounts, consider human resource, health and safety and fundraising matters and receive reports on the projects and from external regulators.

The Council of Management periodically reviews the major risks to which the charity is exposed and identifies and appraises the controls in place together with such additional controls as are required to minimise risks.

Operational matters are delegated to the Senior Management Team.

The Senior Management Team is responsible for the implementation of the Strategic Plan, for all service delivery policies, for ensuring that all areas of work have operational plans which are regularly reviewed and for the proper day-to-day management of the organisation including complying with all internal and external regulations, particularly within the context of our aims and values.

Aberdeen Cyrenians Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2017

Structure, governance and management *(continued)*

After nearly 14 years with Aberdeen Cyrenians, we are sorry to announce that Scott Baxter left us on 31st of March. Scott has worked tirelessly through often difficult and challenging times for the charity and for those that seek its help. His commitment, energy, sense of humour, skills and experience will all be sadly missed and we all wish him well for the future.

The Council of Management, who are the charity trustees, consider themselves and the Chief Executive to be the key management personnel of the charity in charge of directing and controlling the operations of the charity. All trustees are volunteers and no trustee received remuneration in the year.

The remuneration of all employees, including the chief Executive and Depute, is reviewed annually at the time of setting the annual budget and increased in accordance with inflationary and average earnings increases. A benchmarking exercise is carried out by the charity to ensure remuneration is in line with the charity sector.

Aberdeen Cyrenians Limited

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Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2017

Reference and administrative details

Registered charity name Aberdeen Cyrenians Limited
Charity registration number SC014849
Company registration number SC070903
Principal office and registered office 62 Summer Street
Aberdeen
AB10 1SD

The trustees

Dr John Love MA (Hons), PhD
Mr William Campbell MSc
Mr Daniel Fraser, FCIBS
Mr Joachim Greiling MTh
Ms Mairead Keigher (Resigned 23 June 2017)
Ms Sarah Smith (Resigned 26 April 2017)
Mr Rory McPherson
Mrs Sharon Munro (Appointed 6 April 2016)
Mrs Gail Smith (Appointed 6 April 2016)
Ms Rebecca Clare Walker (Appointed 6 April 2016)

Senior Management Team

Ms Susan Montgomerie MA, CQSW, Chief Executive
Mr Scott Baxter RMN, Depute Chief Executive (Resigned 31 March 2017)

Auditor Williamson & Dunn
Chartered Accountant & Statutory Auditor
3 West Craibstone Street
Bon Accord Square
Aberdeen
AB11 6YW

Bankers The Royal Bank of Scotland plc
St Nicholas Branch
78 Union Street
Aberdeen
AB10 1HH

Solicitors Shepherd and Wedderburn LLP
2 Rubislaw Terrace
Aberdeen
AB10 1XE

Aberdeen Cyrenians Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2017

Reference and administrative details *(continued)*

Other Advisors	Bruce Tait Associates 12 Pitt Terrace Stirling FK8 2EZ
	InvolvHR LLP 3rd Floor Office, Navigator House 77 Waterloo Quay Aberdeen AB11 5DE

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Aberdeen Cyrenians Limited

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Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2017

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Williamson & Dunn C.A. have expressed their willingness to continue in office and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

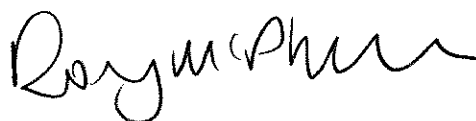
Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 27 September 2017 and signed on behalf of the board of trustees by:



Dan Fraser
Chairperson



Rory McPherson
Treasurer

Aberdeen Cyrenians Limited

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Independent Auditor's Report to the Members and Trustees

Year ended 31 March 2017

We have audited the financial statements of Aberdeen Cyrenians Limited for the year ended 31 March 2017 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the 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 solely to the charity's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006 and the charity's trustees as a body, in accordance with Section 44(1) (c) of the Charities and Trustees 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 charity's members and 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, the charity's 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 trustees' responsibilities statement, the trustees (who are also the directors 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 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 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 charity'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 trustees' report to identify material inconsistencies with the audited financial statements 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.

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Independent Auditor's Report to the Members and Trustees *(continued)*

Year ended 31 March 2017

Basis for adverse opinion on financial statements

As explained in note 19, the charity participates in the North East Scotland Pension Fund which is part of the Local Government Pension Scheme (Scotland), a multi employer defined benefit scheme. An actuarial valuation has been obtained identifying the charity's net defined liability as at 31 March 2017, 31 March 2016 and 1 April 2015. The charity has not recognised the liability of £2,772,000 as at 31 March 2017 in its Statement of Financial Position. The pension scheme is therefore accounted for as a Defined Contribution Scheme with contributions payable to the pension scheme, charged to the Statement of Financial Activities in the period to which they relate. Under FRS 102 SORP 2015, the net defined benefit liability should have been recognised in the financial statements as at 31 March 2017 with comparative figures restated and movements in the liability from the prior year reflected in the Statement of Financial Activities. The effect on the financial statements is that the Statement of Financial Position would show net liabilities of £2,029,956 as at 31 March 2017 and £824,192 as at 31 March 2016 and the Statement of Financial Activities would show a net movement in funds of £(1,205,764) deficit at 31 March 2017 and £359,828 surplus at 31 March 2016. Further information is included in note 24.

In all other respects, in our opinion the financial statements 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).

Adverse opinion on financial statements

In our opinion, because of the significance of the matter detailed in the Basis of Adverse Opinion paragraph, the financial statements do not give a true and fair view of the financial position of Aberdeen Cyrenians Limited as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended, in accordance with United Kingdom Generally Accepted Accounting Practice.

Opinion on other matter prescribed by the Companies Act 2006

Notwithstanding our adverse opinion on the financial statements, in our opinion the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Aberdeen Cyrenians Limited

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Independent Auditor's Report to the Members and Trustees *(continued)*

Year ended 31 March 2017

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 directors remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors reports and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Kathleen Kirkland MA CA

Kathleen Kirkland MA CA (Senior Statutory Auditor)

For and on behalf of
Williamson & Dunn
Chartered accountant & statutory auditor
3 West Craibstone Street
Bon Accord Square
Aberdeen
AB11 6YW

27 September 2017

Williamson & Dunn is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Aberdeen Cyrenians Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year Ended 31 March 2017

		Unrestricted funds £	2017 Restricted funds £	Total funds £	2016 Total funds £
Income and endowments	Note				
Donations and legacies	5	173,217	201,854	375,071	322,073
Charitable activities	6	–	1,625,514	1,625,514	1,546,406
Other trading activities	7	21,300	9,244	30,544	16,284
Investment income	8	1,773	32	1,805	5,238
Total income		<u>196,290</u>	<u>1,836,644</u>	<u>2,032,934</u>	<u>1,890,001</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies		120,776	–	120,776	88,050
Expenditure on charitable activities	9	–	1,895,922	1,895,922	1,771,123
Total expenditure		<u>120,776</u>	<u>1,895,922</u>	<u>2,016,698</u>	<u>1,859,173</u>
Net income		<u>75,514</u>	<u>(59,278)</u>	<u>16,236</u>	<u>30,828</u>
Transfers between funds	14	(75,000)	75,000	–	–
Net movement in funds		<u>514</u>	<u>15,722</u>	<u>16,236</u>	<u>30,828</u>
Reconciliation of funds					
Total funds brought forward		713,042	12,766	725,808	694,980
Total funds carried forward		<u>713,556</u>	<u>28,488</u>	<u>742,044</u>	<u>725,808</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 20 to 32 form part of these financial statements.

Aberdeen Cyrenians Limited

Company Limited by Guarantee

Statement of Financial Position

31 March 2017

		2017	2016
		£	£
Fixed assets			
Tangible fixed assets	15	4,171	4,661
Investments	16	—	100
		<u>4,171</u>	<u>4,761</u>
Current assets			
Debtors	17	78,785	64,660
Cash at bank and in hand		<u>1,100,244</u>	<u>1,063,871</u>
		<u>1,179,029</u>	<u>1,128,531</u>
Creditors: amounts falling due within one year	18	<u>441,156</u>	<u>407,484</u>
Net current assets		<u>737,873</u>	<u>721,047</u>
Total assets less current liabilities		<u>742,044</u>	<u>725,808</u>
Net assets		<u>742,044</u>	<u>725,808</u>
Funds of the charity			
Restricted funds		28,488	12,766
Unrestricted funds		<u>713,556</u>	<u>713,042</u>
Total charity funds	20	<u>742,044</u>	<u>725,808</u>

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

These financial statements were approved by the board of trustees and authorised for issue on 27 September 2017, and are signed on behalf of the board by:



Mr Daniel Fraser, FCIBS
Trustee

Company Registration Number - SC070903

The notes on pages 20 to 32 form part of these financial statements.

Aberdeen Cyrenians Limited

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 March 2017

	2017	2016
	£	£
Cash flows from operating activities		
Net income	16,236	30,828
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	2,151	7,209
Other interest receivable and similar income	(1,805)	(5,238)
Accrued expenses/(income)	20,850	(8,816)
<i>Changes in:</i>		
Trade and other debtors	(14,125)	72,356
Trade and other creditors	12,822	5,485
Cash generated from operations	36,129	101,824
Interest received	1,805	5,238
Net cash from operating activities	37,934	107,062
Cash flows from investing activities		
Purchase of tangible assets	(1,661)	-
Proceeds from sale of tangible assets	-	2
Proceeds from sale of subsidiaries	100	-
Net cash (used in)/from investing activities	(1,561)	2
Net increase in cash and cash equivalents	36,373	107,064
Cash and cash equivalents at beginning of year	1,063,871	956,807
Cash and cash equivalents at end of year	1,100,244	1,063,871

The notes on pages 20 to 32 form part of these financial statements.

Aberdeen Cyrenians Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2017

1. General information

The charity is a private company limited by guarantee, registered in Scotland and a registered charity in Scotland. The address of the registered office is 62 Summer Street, Aberdeen, AB10 1SD.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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 (FRS 102) (Charities SORP (FRS 102)) and the Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended).

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity. Iceberg (Aberdeen) CIC, the trading subsidiary of Aberdeen Cyrenians was dissolved on 27 March 2017, therefore no consolidated accounts have been prepared for the year to 31 March 2017.

Going concern

The directors, having made due and careful enquiry and preparing forecasts, are of the opinion that the company has adequate working capital to execute its operations over the next 12 months. The directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. As a result, the directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 24.

Aberdeen Cyrenians Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual value of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Impairment of debtors

The charity makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

Defined benefit pension scheme

The charity has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation. The assumptions reflect historical experience and current trends.

Fund accounting

Unrestricted funds consist of the general fund and designated funds. Unrestricted funds are available for use at the discretion of the trustees in furtherance of the purposes of the charity.

Designated funds are unrestricted funds earmarked by the trustees for specific purposes. They are not in any way restricted and any surplus or deficit will be transferred to/from the general fund when the designated fund is closed.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

Income

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Aberdeen Cyrenians Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Income *(continued)*

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Items of equipment are capitalised where the purchase price exceeds £500.

Aberdeen Cyrenians Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold improvements	-	over the length of the lease
Furnishings and equipment	-	between 3 - 5 years

Investments

Investments held as fixed assets are valued at cost less any permanent diminution of value.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Pension costs

The company operates a defined benefit pension scheme for employees. The assets of the scheme are held separately from those of the company. The contributions to the scheme are charged to the income and expenditure account so as to spread the cost of pensions over the service lives of employees. Variations from the regular costs are spread over the average expected remaining working lives of current members in the scheme.

Aberdeen Cyrenians Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

Employee benefits

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

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

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

4. Limited by guarantee

Aberdeen Cyrenians Limited is a company limited by guarantee and accordingly does not have a share capital. The members' liability is limited by guarantee not exceeding £1 per member.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
General Donations	159,971	102,607	262,578
Legacies	3,415	–	3,415
Donations in kind	9,831	99,247	109,078
	<u>173,217</u>	<u>201,854</u>	<u>375,071</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
General Donations	156,080	103,626	259,706
Legacies	–	–	–
Donations in kind	20,746	41,621	62,367
	<u>176,826</u>	<u>145,247</u>	<u>322,073</u>

Aberdeen Cyrenians Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

6. Charitable activities

	Total Restricted Funds 2017 £	Total Restricted Funds 2016 £
Aberdeen City Council	1,316,023	1,243,593
Scottish Government	40,594	43,870
BIG Lottery Grant	162,362	216,283
Robertson Trust	15,000	15,000
Fairer Aberdeen Fund	26,930	27,660
Henry Smith Charity	14,773	-
Garfield Weston Foundation	22,000	-
Other Trusts and Foundations	27,832	-
	<u>1,625,514</u>	<u>1,546,406</u>

7. Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Fundraising events	18,008	9,244	27,252
Other	3,292	-	3,292
	<u>21,300</u>	<u>9,244</u>	<u>30,544</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Fundraising events	13,749	2,535	16,284
Other	-	-	-
	<u>13,749</u>	<u>2,535</u>	<u>16,284</u>

Included within Other income is £2,617 (2016 - £nil) which was received from Iceberg (Aberdeen) CIC prior to being dissolved.

8. Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Bank interest receivable	1,773	32	1,805

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Bank interest receivable	5,165	73	5,238

All of the investment income arises from interest bearing bank accounts.

Aberdeen Cyrenians Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2017 £	Total fund 2016 £
Residential projects	920,645	194,628	1,115,273	1,058,442
Violence Against Women Domestic Abuse Support and Accommodation Project	103,764	21,937	125,701	145,008
Street Alternatives	90,313	19,093	109,406	94,103
Advice, Information, Support and Drop In Service	141,465	26,359	167,824	139,248
	<u>311,804</u>	<u>65,914</u>	<u>377,718</u>	<u>334,322</u>
	<u>1,567,991</u>	<u>327,931</u>	<u>1,895,922</u>	<u>1,771,123</u>

10. Analysis of support costs

	Residential Projects £	Violence Against Women £	Domestic Abuse Support and Accommodation Project £	Street Alternatives £	Advice, Information, Support, Resettlement and Drop In Service £	Total 2017 £	Total 2016 £
Staff costs	128,027	14,430	12,559	17,339	43,360	215,715	212,821
Legal & professional	36,288	4,090	3,560	4,915	12,290	61,143	38,977
Premises	8,732	984	857	1,183	2,957	14,713	10,863
Other	21,581	2,433	2,117	2,922	7,307	36,360	41,399
	<u>194,628</u>	<u>21,937</u>	<u>19,093</u>	<u>26,359</u>	<u>65,914</u>	<u>327,931</u>	<u>304,060</u>

11. Net income

Net income is stated after charging/(crediting):

	2017 £	2016 £
Depreciation of tangible fixed assets	2,151	7,209
Operating Leases	156,187	134,023
Indemnity Insurance	1,664	1,620
Auditors remuneration	7,200	7,200

Aberdeen Cyrenians Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2017	2016
	£	£
Wages and salaries	1,128,251	1,118,412
Social security costs	83,928	62,255
Employer contributions to pension plans	155,688	134,856
	<u>1,367,867</u>	<u>1,315,523</u>

In addition to the above there were redundancy payments totalling £34,765 (2016: £nil).

The average head count of employees during the year was 43 (2016: 53). The average number of full-time equivalent employees during the year is analysed as follows:

	2017	2016
	No.	No.
Residential project staff	21	22
Community project staff	12	17
Support staff	7	8
Contract staff	3	6
	<u>43</u>	<u>53</u>

The number of employees whose remuneration for the year fell within the following bands, were:

	2017	2016
	No.	No.
£80,000 to £89,999	<u>1</u>	<u>-</u>

Key Management Personnel

The Charity considers its key management personnel comprises the trustees and the Chief Executive. The total employment benefits including employer national insurance contributions of the key management personnel were £74,816 (2016 - £71,577).

13. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees during the current or previous year.

14. Transfers between funds

A transfer of £75,000 was made during the year from the unrestricted fund to the restricted fund (2016 - £80,000) to cover losses in projects.

Aberdeen Cyrenians Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

15. Tangible fixed assets

	Leasehold improvements £	Furnishings and equipment £	Total £
Cost			
At 1 April 2016	120,273	107,403	227,676
Additions	–	1,661	1,661
Disposals	–	(29,130)	(29,130)
At 31 March 2017	120,273	79,934	200,207
Depreciation			
At 1 April 2016	120,273	102,742	223,015
Charge for the year	–	2,151	2,151
Disposals	–	(29,130)	(29,130)
At 31 March 2017	120,273	75,763	196,036
Carrying amount			
At 31 March 2017	–	4,171	4,171
At 31 March 2016	–	4,661	4,661

16. Investments

	2017 £	2016 £
Shares in group undertakings	–	100

Aberdeen Cyrenians Limited held 100% of the issued share capital in Iceberg (Aberdeen) CIC.

Iceberg (Aberdeen) CIC was dissolved at Companies House on 27 March 2017.

17. Debtors

	2017 £	2016 £
Trade debtors	52,069	50,258
Amounts owed by group undertakings	–	177
Prepayments and accrued income	13,351	14,225
Other debtors	13,365	–
	78,785	64,660

18. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	16,601	19,676
Accruals and deferred income	371,546	350,696
Social security and other taxes	34,413	17,852
Other creditors	18,596	19,260
	441,156	407,484

Aberdeen Cyrenians Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

19. Pensions and other post retirement benefits

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

A full actuarial valuation is carried out every three years by a professionally qualified independent actuary using the projected unit method. In the intervening years, an interim valuation is obtained for the purpose of reporting under FRS 102. The last full actuarial valuation was carried out as at 31 March 2014. Contribution rates are based on the advice of the actuary. Contributions for the year were £155,688 (2016 - £134,856).

The directors are of the opinion that the pension liability does not affect the organisations underlying activities and, as the liability is covered by a guarantee from Aberdeen City Council, to include the pension deficit in the financial statements as required under FRS102 does not reflect a true and fair view of the charity's financial position. As a result, the financial statements have continued to be prepared on the basis that the pension scheme is accounted for as a defined contribution scheme.

If the pension liability was reflected in the financial statements, the disclosure would be as follows:

The statement of financial position net defined benefit liability is determined as follows:

	2017	2016
	£	£
Present value of defined benefit obligations	(12,868,000)	(9,859,000)
Fair value of plan assets	10,096,000	8,309,000
	<u>(2,772,000)</u>	<u>(1,550,000)</u>

Changes in the present value of the defined benefit obligations are as follows:

	2017
	£
At 1 April 2016	9,859,000
Current service cost	184,000
Interest expense	343,000
Benefits paid	(184,000)
Contributions by plan participants	45,000
Gains/losses on settlements and curtailments	2,621,000
At 31 March 2017	<u>12,868,000</u>

Changes in the fair value of plan assets are as follows:

	2017
	£
At 1 April 2016	8,309,000
Interest income	291,000
Benefits paid	(184,000)
Contributions by employer	157,000
Contributions by plan participants	45,000
Administration expenses	(3,000)
Remeasurements:	
Actuarial gains and losses	1,481,000
	<u>10,096,000</u>

Aberdeen Cyrenians Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

19. Pensions and other post retirement benefits *(continued)*

The total costs for the year in relation to the defined benefit plans would have been:

	2017	2016
	£	£
Recognised in income or expenditure		
Current service cost	184,000	180,000
Net interest expense/income	52,000	57,000
Administration expenses	3,000	3,000
	<u>239,000</u>	<u>240,000</u>
Recognised in other recognised gains and losses:		
Remeasurement of the liability	(1,140,000)	433,000
Actuarial gains and losses	<u>(1,140,000)</u>	<u>433,000</u>

The fair value of the major categories of plan assets are as follows:

	2017	2016
	%	%
Equity instruments	68.00	77.40
Property	7.00	8.50
Cash and cash equivalents	1.50	0.80
Government bonds	11.10	10.90
Other bonds	1.60	2.40
Other	10.80	—

The return on plan assets are as follows:

	2017	2016
	£	£
Return on assets of benefit plan	<u>1,772</u>	<u>163</u>

The principal actuarial assumptions as at the statement of financial position date were:

	2017	2016
	%	%
Discount rate	2.50	3.50
Expected rate of salary increase	3.80	3.50
Expected rate of increase in pensions	2.30	2.00
Inflation assumption	2.30	2.00
Mortality rates:		
Mortality rate current pensioners at 65 - male	22.30	22.20
Mortality rate current pensioners at 65 - female	24.90	24.80
Mortality rate future pensioners at 65 - male	24.50	24.40
Mortality rate future pensioners at 65 - female	<u>27.80</u>	<u>27.60</u>

Aberdeen Cyrenians Limited

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2017

20. Analysis of charitable funds

Unrestricted funds

	At 1 April 2016 £	Income £	Expenditure £	Transfers £	At 31 March 2017 £
General funds	489,676	195,735	(120,776)	(75,000)	489,635
Designated Funds: Property Reserve	223,366	555	—	—	223,921
	<u>713,042</u>	<u>196,290</u>	<u>(120,776)</u>	<u>(75,000)</u>	<u>713,556</u>

The property reserve fund represents funds set aside to cover future purchases of property.

Restricted funds

	At 1 April 2016 £	Income £	Expenditure £	Transfers £	At 31 March 2017 £
Residential and Community Services	12,766	1,836,644	(1,895,922)	75,000	28,488

This fund is to provide residential and community services.

21. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Tangible fixed assets	4,171	—	4,171
Current assets	1,150,541	28,488	1,179,029
Creditors less than 1 year	(441,156)	—	(441,156)
Net assets	<u>713,556</u>	<u>28,488</u>	<u>742,044</u>

22. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2017 £	2016 £
Not later than 1 year	130,362	107,389
Later than 1 year and not later than 5 years	51,954	35,127
Later than 5 years	228	—
	<u>182,544</u>	<u>142,516</u>

23. Related parties

During the year donations of £580 were received from directors (2016 - £600).

Aberdeen Cyrenians Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

24. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The charity transitioned to FRS 102 on 1 April 2015.

As the defined benefit pension liability has not been included in the financial statements, no transitional adjustments were required in the retained funds or income or expenditure for the year.

Inclusion of the defined benefit pension liability would have resulted in a restatement of the financial statements as follows:

Retained funds

	1 April 2015	31 March 2016	31 March 2017
	£	£	£
As stated	694,980	725,808	742,044
Transitional adjustment	(1,879,000)	(1,550,000)	(2,772,000)
Restated under FRS 102	<u>(1,184,020)</u>	<u>(824,192)</u>	<u>(2,029,256)</u>

Net income or expenditure for the year

	Year ended 31 March 2016	Year ended 31 March 2017
	£	£
As stated	30,828	16,236
Transitional adjustment	(104,000)	(82,000)
Restated under FRS 102	<u>(73,172)</u>	<u>(65,764)</u>

Other recognised gains and losses

As stated	433,000	(1,140,000)
Transitional adjustment		
Restated under FRS 102	<u>433,000</u>	<u>(1,140,000)</u>