

**HOME-START ABERDEEN**  
**A company limited by guarantee No SC280851**

**TRUSTEES' ANNUAL REPORT**  
**and**  
**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**HOME-START ABERDEEN  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**HOME-START ABERDEEN  
TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2018**

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2018.

**Reference and administrative information**

Charity name: Home-Start Aberdeen  
Charity registration number: SC012942  
Company registration number: SC280851  
Registered office /operational address: 1A Alford Place, Aberdeen AB10 1YD  
Website: [www.homestartaberdeen.org.uk](http://www.homestartaberdeen.org.uk)

**Trustees (from 1 April 2017)**

**Chair** Anne MacDonald – appointed 24 August 2017  
Roberta Eunson - resigned 24 August 2017  
**Vice Chair** Harry Yorston – resigned 28 August 2018  
**Vice Chair** Yvonne Wright  
**Other trustees** Ally Cartwright  
Penny Letts  
Annie Slevin  
Peter Stephen  
Wendy MacAulay – appointed 21 November 2017  
Mike Brown – appointed 28 August 2018  
Rob Burnett - appointed 28 August 2018

**Management team**

Georgette Cobban Scheme Manager - resigned 14 September 2018  
Eleanor McEwan General Manager – appointed 3 September 2018  
Nicki King Administrator  
Nicola Murphy Finance Assistant  
Catherine Beattie Team Leader  
Fiona Cameron Co-ordinator  
Vicky Carter Co-ordinator  
Lyn Elrick Co-ordinator  
Lesley Lewis Co-ordinator  
Billie Reynolds Co-ordinator  
Angela Davidson Play Leader  
Pauline Wells Play Worker – resigned 29 June 2018

Karen Milne Shop Manager  
Brenda Fraser Shop Assistant

**Accountants and Independent Examiners**

Hall Morrice, Chartered Accountants, 7 Queens Terrace, Aberdeen AB10 1XL

**Bankers**

Clydesdale Bank plc, Queens Cross, Aberdeen AB15 4XU

**Public Relations and Communications Advisor**

Clare Scott

## **HOME-START ABERDEEN TRUSTEES' ANNUAL REPORT (CONTINUED)**

### **Objectives and activities**

Home-Start Aberdeen is a voluntary organisation in which volunteers visit young families under stress and offer regular support, friendship and practical help, emphasising the pleasures of family life and helping to prevent family crisis and breakdown. Home-Start provides a breathing space for parents and also support for many professional workers who refer to the scheme families in need with at least one child under school age.

As well as its main objective of home visiting, the charity also runs regular family support groups and other short term groups when needs are identified.

### **Achievements and performance**

During the year our volunteers supported 205 (2017 - 229) families in which there were 368 children (2017 - 360). There is continuing demand for our services and increasing pressure on our waiting list. The main source of our referrals continues to be from health professionals 76% (2017 - 65%) although there are also self-referrals and referrals from community groups including social work which made up 8% and 16% of the 2017/18 total respectively.

We are also involved in a number of projects with partners. These include:

- RAFT (Reaching Aberdeen Families Together) is a consortium of local charities led by Barnardo's who formed a partnership to bid for and successfully won a contract with Aberdeen City Council to provide children's services. The contract commenced in September 2017 and will run for up to 5 years.
- Recipe for Life (with NHS Grampian) - provides support for families teaching practical cooking skills, budgeting and shopping advice, providing oral health information and generally promoting healthy lifestyles.
- Baby Massage (with NHS Grampian) – offered funds to enable our family support worker to train and qualify in Baby Massage.
- Rising Stars family group – targets quality parent/child interaction through play.

### **Financial review**

The overall surplus for the year was £106,309 (2017 – deficit of £79,622) and is made up of a surplus on unrestricted funds of £86,045 and a surplus on restricted funds of £20,264. At 31 March 2018, the charity's funds totalled £259,385 of which £125,641 was restricted funding held for specific projects leaving £133,744 available for use at the discretion of the trustees. In accordance with FRS102, pension accounting was implemented in 2016/17. Due to an improvement in the markets during the year, the net liability position has reduced by £49,000 at 31 March 2018. Note 15 sets out a range of associated pension disclosures.

### **Principal funding sources**

The principal funding sources are as follows:

- Contract income from Aberdeen City Council Education and Children's Services in respect of services provided with partners through RAFT, credited to a separate restricted fund.
- Grant income from Social Care and Wellbeing Services at Aberdeen City Council, credited to the Mainline account as an unrestricted fund.
- Grant from Big Lottery Fund, credited to a separate restricted fund.
- Grant from the Fairer Aberdeen Fund managed by Aberdeen City Council to meet the direct costs of certain family support services, credited to a separate restricted fund.

## **HOME-START ABERDEEN TRUSTEES' ANNUAL REPORT (CONTINUED)**

- Grant from NHS Grampian Health Improvement Fund, credited to a separate restricted fund.
- Grant provided via Home-Start UK from the STV Children's Appeal to support our Big Hopes Big Future Project, credited to a separate restricted fund.
- Grants from Early Years' Change Fund, credited to a separate restricted fund.
- Proceeds of £19,010 from our fundraising events, credited as fundraising income within unrestricted funds.

### *Policy on reserves*

The policy established by the trustees has as its objective the holding of a reserve fund of at least £150,000 in addition to maintaining small working balances on each of our funds. The rationale is that, given the uncertainties about future funding, the reserve fund should be sufficient to finance about 6 months of our ongoing expenditure (the total expenditure in 2017/18 was approximately £380,000).

### **Plans for future periods**

In September 2018, we welcomed a new General Manager to take forward the next chapter in Home-Start Aberdeen. Our previous scheme manager decided to resign this year after many years of service. She had been instrumental in expanding our services and increasing our profile across the city. The board wishes her well in her future roles.

With increased pressure on government funding, there will be less grant income available while demand for services will continue to increase. We have already seen a shift to more formal procurement processes as a means of sourcing funding and with an expectation for third sector organisations to work together in the delivery of services. Recognising the challenges associated with the shift in our funding environment, we appointed a development manager on a contract basis to support us in securing funding.

The board meets every six months to review and monitor strategic objectives and in April 2017, it launched a new Strategic Plan for the period 2017 – 2020 which set out the following priorities:

- build capacity and resilience by strengthening leadership and involving stakeholders in service design and delivery
- develop a community engagement strategy and put performance management arrangements in place so that we can measure and demonstrate our impact
- manage and fund a growing organisation including a greater focus on learning and development opportunities for staff and trustees and working in partnership to improve the life experiences of families in our community.

### **Structure, governance and management**

#### *Governing document*

Home-Start Aberdeen is a company limited by guarantee, governed by its memorandum and articles of association. The Inland Revenue has granted charitable status to the company under section 505 of the Income and Corporation Taxes Act 1988.

## HOME-START ABERDEEN TRUSTEES' ANNUAL REPORT (CONTINUED)

### *Organisational structure*

The Board of Trustees is responsible for the direction and performance of the charity. It meets on a quarterly basis for normal business and on a six monthly basis for strategic planning purposes. The Board has four standing committees which also meet quarterly and this provides more capacity for the charity to conduct its business. The committees, namely finance, developing social enterprise opportunities, fundraising and property management, each have approved terms of reference and the chairs provide regular feedback to the Board.

Our General Manager (previously the Scheme Manager) is responsible for the daily running of the scheme and is directly accountable to the Board of Trustees. In terms of operational activity, the General Manager is supported by a team leader in managing and supervising staff and volunteers. At 31 March 2018, the total the number of permanent team members including shop activities was 13 (2017: 13).

### *Recruitment and appointment of trustees*

The directors of the company are trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. Under the company's Articles trustees are elected to serve for a period of three years with one third of the trustees retiring at each annual general meeting.

New trustees are largely recommended through local community professional networks and contacts. They are chosen for their experience and skills relevant to Home-Start Aberdeen. In recent years, we have welcomed new trustees from the business community and more recently, from the human resources profession. This has been extremely successful in strengthening networks and creating more opportunities for access to funding. The Board feels the time is right to re-focus on service delivery and is therefore delighted to have secured trustees with social work and health visiting experience. This will ensure that our practices remain robust especially when supporting vulnerable families.

### *Trustee induction and training*

All trustees receive an induction pack and are offered support from a staff member or other trustee to take them through the various guidelines.

Home-Start UK offer Induction Training and provide other training events from time to time. It is a requirement that all trustees attend Home-start's Child Protection training event to learn about policies and guidelines in this area. Board members aim to support these events where possible.

### *Risk management*

The Board has an established process of meeting on a six monthly basis for strategic planning purposes to review and revise the organisation's key priorities, aims and aspirations and alongside this, to update the risk register. The charity now publishes an annual public performance report which sets out progress against strategic goals and a summary service analysis.

Regular training and procedures are in place to ensure that Home-Start staff and volunteers involved in home visiting work safely and in line with the guidelines issued by the Suzy Lamplugh Trust.

Home-Start UK has an established quality assurance process. Internally, we have a programme to ensure that standards are reviewed on a cyclical basis over a 3 year period. A significant piece of work was undertaken during the year to ensure that we were well prepared to meet the requirements of the new General Data Protection Regulations which were implemented in May 2018.

Sourcing and maintaining funding to secure existing posts continues to be a priority which is kept under review by the Board. Several significant funding streams came to an end in 2017/18 and while we are secure for 2018/19, there is uncertainty in respect of future years. While the environment is challenging, there are many funding opportunities available and we are confident that we are can attract alternative sources of funding in the future.

**HOME-START ABERDEEN  
TRUSTEES' ANNUAL REPORT (CONTINUED)**

*Related parties*

The main related party relevant to the aims of the charity is Home-Start UK, which provides various support and advisory services in return for payment of an affiliation fee.

**Statement of trustees' responsibilities**

The Trustees, who are also directors of Home-Start Aberdeen for the purposes of company law, are responsible for preparing the Trustees' Annual 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 the financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Basis of Preparation**

This report has been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard and the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Board of Trustees on 20 November 2018 and signed on their behalf:



**Yvonne Wright  
Vice Chair**

**HOME-START ABERDEEN  
REPORTING ACCOUNTANTS REPORT  
TO THE MEMBERS OF HOME-START ABERDEEN**

I report on the accounts of the charity for the year ended 31 March 2018 which are set out on the following pages.

**Respective responsibilities of directors and examiner**

The charity's trustees who are also the directors of the company for the purposes of company law and responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

**Basis of independent examiner's report**

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

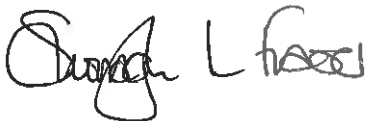
**Independent examiner's statement**

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
  - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;

have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



**Shonagh L Fraser MA CA**  
On behalf of Hall Morrice LLP  
Chartered Accountants  
Aberdeen, 20 November 2018



**HOME-START ABERDEEN  
STATEMENT OF FINANCIAL ACTIVITIES  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

**FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	Unrestricted funds 2018 £	Restricted funds 2018 £	TOTAL 2018 £	TOTAL 2017 £
<b>Income</b>					
Donations	3	28,188	-	28,188	24,237
<i>Income from Charitable activities</i>					
Grant income	4	64,014	209,109	273,123	211,139
Fundraising		43,478	-	43,478	54,077
Trading activities	9	69,561	-	69,561	60,657
Investment income (interest from deposits)		257	-	257	458
Other		15,035	-	15,035	17,898
<b>Total Income</b>		<b>220,533</b>	<b>209,109</b>	<b>429,642</b>	<b>368,466</b>
<b>Expenditure</b>					
Costs of raising funds	5	73,106	-	73,106	67,414
Charitable activities	6	104,908	194,319	299,227	304,674
Interest cost in relation to pension liability		7,000	-	7,000	3,000
Pension service costs		2,000	-	2,000	1,000
<b>Total Expenditure</b>		<b>187,014</b>	<b>194,319</b>	<b>381,333</b>	<b>376,088</b>
<b>Net income/(expenditure)</b>		<b>33,519</b>	<b>14,790</b>	<b>48,309</b>	<b>(7,622)</b>
Actuarial gain/(loss) on defined benefit scheme		58,000	-	58,000	(72,000)
<b>Net movement in funds after actuarial gain/(loss) on pension scheme</b>		<b>91,519</b>	<b>14,790</b>	<b>106,309</b>	<b>(79,622)</b>
<b>Transfers between funds</b>		<b>(5,474)</b>	<b>5,474</b>		-
<b>Net Movement</b>		<b>86,045</b>	<b>20,264</b>	<b>106,309</b>	<b>(79,622)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward	16	47,699	105,377	153,076	232,698
<b>Total funds carried forward</b>		<b>133,744</b>	<b>125,641</b>	<b>259,385</b>	<b>153,076</b>

**HOME-START ABERDEEN  
BALANCE SHEET**

**AT 31 MARCH 2018**

		2018 £	2017 £
<b>Fixed Assets</b>			
Tangible Assets - Equipment	12	5,020	4,876
		<u>5,020</u>	<u>4,876</u>
<b>Current assets</b>			
Debtors	13	74,966	89,177
Investments		62,820	62,563
Cash at bank		290,895	221,346
		<u>428,681</u>	<u>373,086</u>
<b>Liabilities:</b>			
Creditors: amounts due within one year	14	(22,316)	(23,886)
<b>Net current assets</b>		<u>406,365</u>	<u>349,200</u>
<b>Net Assets excluding pension liability</b>		<u>411,385</u>	<u>354,076</u>
Defined benefit pension scheme liability	15	(152,000)	(201,000)
<b>Total Net Assets</b>		<u>259,385</u>	<u>153,076</u>
<b>The funds of the charity:</b>			
Restricted income funds		125,641	105,377
Unrestricted funds		238,744	201,699
Pension Reserve		(105,000)	(154,000)
Total unrestricted reserves	16	133,744	47,699
<b>Total charity funds</b>		<u>259,385</u>	<u>153,076</u>

The directors confirm that the company was entitled to exemption from the requirement to have an audit under the provisions of section 477(1) of the Companies Act 2006 and that the members have not required the company to obtain an audit for the year in accordance with section 476(1) of that Act. The directors acknowledge their responsibility to ensure that the company keeps accounting records in accordance with section 386 and to prepare accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus for that financial year in accordance with section 394 and which otherwise comply with the Companies Act 2006 as far as applicable to the company.

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

These financial statements have been prepared in accordance with Financial Reporting Standard 102 (effective January 2015).

The financial statements on pages 8 to 19 were approved by the Board of Trustees on 20 November 2018 and were signed on its behalf on that date by:



**Anne MacDonald**  
Treasurer

**HOME-START ABERDEEN  
NOTES ON FINANCIAL STATEMENTS  
31 MARCH 2018**

**1 Company status**

The company is a private company limited by guarantee and not having a share capital. The extent of the liability of the members of the company, in accordance with the memorandum of association, is limited to a maximum of one pound each; the number of members at 31 March 2018 was 5. The company is also a registered charity and accordingly no liability to corporation tax arises on its income.

**2 Accounting policies**

**(a) Basis of accounting**

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with 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 (FRS 102) (effective 1 January 2015), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity constitutes a public benefit entity as defined by FRS 102.

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

The accounts are prepared on the going concern basis which provides that the charity will continue in operational existence for the foreseeable future.

**(b) Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the purpose of the charity. Designated funds are unrestricted funds earmarked by the trustees for particular purposes. Restricted funds are subjected to restrictions on their use where the provider of the funds has specified use for specific projects being undertaken by the charity.

**(c) Income**

Grants for restricted purposes are accounted for on an accruals basis and are held separately in restricted funds until expended. Where funding is received in advance it will be reflected as income when received and held separately to be used in line with agreed project plans.

Donations of goods for resale are accounted for when items are sold.

All other income is accounted for when receivable.

**(d) Expenditure**

Expenditure is recognised on an accruals basis as liabilities are incurred. VAT on expenditure is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. Governance costs comprise those costs associated with meeting the constitutional and statutory requirements of the charity and include reporting accountants' fees and trustees' training and travelling expenses.

Costs relating to a particular activity are allocated to the fund that finances that activity. All other costs are allocated to the mainline fund.

**HOME-START ABERDEEN  
NOTES ON FINANCIAL STATEMENTS  
31 MARCH 2018**

**(e) Employment benefits**

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the charity. Any unused benefits are accrued and measured as the additional amount the charity expects to pay as a result of the unused entitlement.

Home-Start Aberdeen participates in the North East Scotland Pension Fund (NESPF) which is a part of the Local Government Pension Scheme (LGPS) and a multi-employer scheme. The LGPS is a defined benefits scheme. The scheme closed to new entrants with effect from April 2011. At that time, the Board elected to provide alternative pension arrangements for new staff. The National Employment Savings Trust (NEST) was approved as the main pension arrangement from April 2013 and upon admission of a new member of staff to the scheme, an employer contribution of 6% of salary was made until 30 June 2016.

With effect from 1 July 2016, staff were auto-enrolled into NEST where appropriate. The Board approved an initial employer contribution of 3% which increases to 6% after 6 months of employment. NEST is a defined contribution scheme.

At 31 March 2018, two members of the team were members of the LGPS and eight were contributing to NEST.

The liabilities of the fund attributable to Home-Start Aberdeen are included in the Balance Sheet on an actuarial basis using projected unit credit method i.e. an assessment of the future payments that will be made in relation to retirement benefits earned today by employees, based on assumptions about mortality rates, employee turnover rates and modelling of projected earnings for current employees.

Liabilities are discounted to their present value at current prices using a discount rate of 2.6% based on a weighted average of 'spot yields' on AA related corporate bonds that are denominated in sterling and have terms approximating to the estimated period of the future payments (discount rate).

The assets of the fund attributable to Home-Start Aberdeen are included in the Balance Sheet at their fair value on the following bases:

Quoted securities	Current bid price
Unquoted securities	Professional estimate
Unsettled securities	Current bid price
Property	Market value

The change in the net pension liability is analysed into the following components:

**Service cost, comprising:**

- Current service cost – the increase in liabilities as a result of years of service earned this year – allocated to the funding streams in the Statement of Financial Activities which funded the relevant staff
- Past service costs – the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years – debited to the surplus/deficit in the Statement of Financial Activities
- Net interest on the net defined benefit liability – net interest expense – the change during the period in the net defined benefit liability that arises from the passage of time charged to the Statement of Financial Activities. This is calculated by applying the discount rate used to measure the defined obligation at the beginning of the year to the net defined benefit liability at the beginning of the year – taking into account any changes in the net defined benefit liability during the year as a result of contribution and benefit payments.

**HOME-START ABERDEEN  
NOTES ON FINANCIAL STATEMENTS  
31 MARCH 2018**

**Remeasurements, comprising:**

- The return on plan assets – excluding amounts included in net interest on the net defined benefit liability charged to the Statement of Financial Activities
- Actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated assumptions, debited or credited to the Statement of Financial Activities.

**(f) Tangible fixed assets**

Furniture and equipment costing less than £500 inclusive of VAT is taken to the statement of financial activities in the period of acquisition. All other furniture and equipment is capitalised at cost and depreciated over the expected useful economic life, on a straight line basis. At present, the useful life is considered to be 5 years.

**(g) Debtors**

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

**(h) Creditors**

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

**(i) Cash and cash equivalents**

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

**3 Donations**

Donations received amounted to £28,188 (2017 - £24,237), all of which represented unrestricted funds. The majority of this amount related to volunteers' donated expenses. The charity really appreciates the dedication of its volunteers in supporting families so to also have the additional financial benefit of donated expenses is of huge value to the charity.

**4 Income from charitable activities: grant income**

	Unrestricted	Restricted	Total 2018	Total 2017
	£	£	£	£
Aberdeen City Council – Social Care	26,490	-	26,490	63,155
Aberdeen City Council – Fairer Scotland Fund	-	31,014	31,014	35,707
Aberdeen City Council – RAFT	-	17,500	17,500	-
Early Years Change fund	-	75,000	75,000	56,250
NHS Grampian – Health Improvement Fund	-	36,000	36,000	-
Big Lottery Fund	-	30,600	30,600	56,027
The Robertson Trust	25,000	-	25,000	-
Big Hopes Big Future	-	18,995	18,995	-
Awards for All	9,524	-	9,524	-
John Gordon Charitable Fund	3,000	-	3,000	-
	64,014	209,109	273,123	211,139

In 2017, £63,155 was attributable to Unrestricted Funds and £147,984 to Restricted Funds.

**HOME-START ABERDEEN  
NOTES ON FINANCIAL STATEMENTS  
31 MARCH 2018**

	Unrestricted £	Restricted £	Total 2018 £	Total 2017 £
<b>5 Cost of raising funds</b>				
Fundraising	18,112	-	18,112	2,670
Charity shop trading costs (note 9)	54,994	-	54,994	64,744
	<u>73,106</u>	<u>-</u>	<u>73,106</u>	<u>67,414</u>

In 2017, £67,414 was attributable to Unrestricted Funds.

	Unrestricted £	Restricted £	Total 2018 £	Total 2017 £
<b>6 Expenditure on charitable activities</b>				
Staff costs	55,752	167,665	223,416	223,254
Co-ordinators' training and expenses	2,207	4,029	6,236	6,943
Volunteers' training and expenses	131	6,834	6,966	9,341
Public Relations and Communication	4,398	3,569	7,967	8,258
Rent, Rates and Water Charges	31,261	3,603	34,864	33,000
Insurance	1,006	-	1,006	843
Other property expenses	770	-	770	168
IT maintenance	327	1,441	1,768	1,157
Telephone and Internet	691	1,955	2,646	2,381
Cleaner's wages	1,990	-	1,990	1,874
Postages	389	311	700	583
Other office expenses	1,225	2,256	3,481	3,509
Membership fees	280	-	280	564
Home-Start UK fee	3,126	1,334	4,460	6,034
Depreciation	960	694	1,654	1,294
Governance costs (Note 7)	(820)	228	(592)	4,157
Miscellaneous	1,215	400	1,615	1,314
	<u>104,908</u>	<u>194,319</u>	<u>299,227</u>	<u>304,674</u>

In 2017, £97,429 was attributable to Unrestricted Funds and £207,245 to Restricted Funds.

	Unrestricted £	Restricted £	Total 2018 £	Total 2017 £
<b>7 Governance costs</b>				
Trustees' training and expenses	248	-	248	23
Independent Examiners' fee	1,212	228	1,440	1,134
Actuary's fee	(2,280)	-	(2,280)	3,000
	<u>(820)</u>	<u>228</u>	<u>(592)</u>	<u>4,157</u>

In 2017, £4,157 was attributable to Unrestricted Funds.

**HOME-START ABERDEEN  
NOTES ON FINANCIAL STATEMENTS  
31 MARCH 2018**

**8 Employee costs**

	<b>Total 2018</b>	<b>Total 2017</b>
	£	£
The following employee costs (covered in Notes 5, 6 and 9) were incurred during the period:		
Wages and salaries	213,985	218,485
Social security costs	16,193	10,863
Pension contributions	27,853	26,920
	258,031	256,268
Pension Adjustment	2,000	1,000
	260,031	257,268

The average number of employees during the period, calculated on the basis of full time equivalents, was 8 (2017 – 8). No employee was paid more than £60,000 per annum.

**9 Charity Shop Trading Account**

	£	2018 £	£	2017 £
<b>Income</b>				
Shop Takings	69,561		60,657	
Other Income	4,287		11,448	
<b>Total Income</b>	73,848		72,105	
<b>Operating Costs</b>				
Salaries	29,218		29,024	
Shop Supplies and Sundries	2,577		2,524	
Volunteers Expenses	221		422	
Rent, Rates and Water Charges	15,331		27,688	
Insurance, Heat and Light	3,349		2,894	
Other Property Costs	2,382		913	
Advertising	99		177	
Telephone	1,119		545	
Other Office Costs	698		557	
	54,994		64,744	
<b>Surplus from trading activities</b>	18,854		7,361	

**10 Trustee remuneration**

No trustee received any remuneration during the period. Three trustees were reimbursed for expenses or had amounts paid directly to third parties on their behalf. The total amount was £232 (2017 - £Nil) analysed as follows: accommodation £101, training £65, travel £53 and annual return fee £13.

**11 Independent examiner's remuneration**

The independent examiner's remuneration constituted an independent exam fee of £1,440 (2017 - £1,134).

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**12 Tangible Fixed Assets**

	2018 Furniture £	2018 Equipment £	2018 Total £
<b>Cost</b>			
At 1 April 2017	3,470	5,494	8,964
Additions	-	1,798	1,798
<b>At 31 March 2018</b>	<b>3,470</b>	<b>7,292</b>	<b>10,762</b>
<b>Depreciation</b>			
At 1 April 2017	1,388	2,700	4,088
Charge for year	694	960	1,654
<b>At 31 March 2018</b>	<b>2,082</b>	<b>3,660</b>	<b>5,742</b>
<b>Net Book Value at 31 March 2018</b>	<b>1,388</b>	<b>3,632</b>	<b>5,020</b>
<b>Net Book Value at 31 March 2017</b>	<b>2,082</b>	<b>2,794</b>	<b>4,876</b>

**13 Debtors**

	Total 2018 £	Total 2017 £
Aberdeen City Council – Social Care Grant	5,263	5,263
Prepayments and accrued income	16,153	37,150
Other debtors	53,550	46,764
	<b>74,966</b>	<b>89,177</b>

In 2018, £73,716 (2017 £86,562) of Debtors related to Unrestricted Funds and £1,250 (2017 £2,615) related to Restricted Funds.

**14 Creditors**

	Total 2018 £	Total 2017 £
Trade creditors	2,073	2,958
Accruals and deferred income	20,243	20,928
	<b>22,316</b>	<b>23,886</b>

In 2018, £13,370 (2017 £13,665) of Creditors related to Unrestricted Funds and £8,946 (2017 £10,221) related to Restricted Funds.

**15 Pension scheme**

Home-Start Aberdeen participates in the North East Scotland Pension Fund (NESPF) which is a part of the Local Government Pension Scheme (LGPS) and a multi-employer scheme. The LGPS is a defined benefits scheme.

In March 2018, the Fund's actuary concluded his triennial valuation of the Fund as at 31 March 2017. This showed that the overall funding position has increased from 94% (2014 valuation) to 107%. The contributions payable by employers have been 19.3% of salary for several years. This rate has been held for the next 3 year period commencing 1 April 2018.



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The valuation reflects that Home-Start Aberdeen is closed to new entrants. In view of the fact that the scheme will have no new members, the employer's contribution rises to provide increased coverage of its share of the pension deficit. With effect from April 2018, Home-Start Aberdeen's employer's contribution increased from 29.6% to 33.6%.

The fund is valued every 3 years by a professionally qualified independent actuary using the projected unit method. In the intervening years, the actuary reviews the progress of the scheme and prepares an interim valuation for the purposes of reporting under FRS 102, section 28: Employee benefits. The value of the fund at 31 March 2018 was as follows:

	2018 £	2017 £
Present value of funded liabilities	517,000	546,000
Fair value of employer's assets	(365,000)	(345,000)
<b>Net liability/Pension deficit</b>	<b>152,000</b>	<b>201,000</b>

**Movement in present value of defined obligation**

	2018 £	2017 £
At start of year	546,000	395,000
Current service cost	22,000	20,000
Interest cost	16,000	13,000
Contribution by members	4,000	5,000
Actuarial losses/(gains)	(64,000)	120,000
Benefits paid	(7,000)	(7,000)
<b>At 31 March 2018</b>	<b>517,000</b>	<b>546,000</b>

**Movement in fair value of employer's assets**

	2018 £	2017 £
At start of year	345,000	270,000
Interest income on plan assets	9,000	10,000
Contribution by members	4,000	5,000
Contribution by employers	20,000	19,000
Remeasurements	(6,000)	48,000
Benefits paid	(7,000)	(7,000)
<b>At 31 March 2018</b>	<b>365,000</b>	<b>345,000</b>

**(Income)/expense recognised in the statement of financial activities**

	2018 £	2017 £
Current service cost	22,000	20,000
Interest cost	7,000	3,000
Actuarial loss/(gain) on NESPF	(58,000)	72,000
<b>At 31 March 2018</b>	<b>(29,000)</b>	<b>95,000</b>

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	2018 £	2017 £
Actuarial loss/(gain) on movement in present value of defined benefit obligation	(64,000)	120,000
Actuarial loss/(gain) on movement in fair value of employer assets	6,000	(48,000)
<b>Actuarial loss/(gain) during the year</b>	<b>(58,000)</b>	<b>72,000</b>

**Fair value of employer assets and return on those assets**

	2018 £	2017 £
Equities	230,000	235,000
Bonds	33,000	44,000
Property	27,000	24,000
Cash	10,000	5,000
Other	65,000	37,000
<b>At 31 March 2018</b>	<b>365,000</b>	<b>345,000</b>

**Principal actuarial assumptions (expressed as weighted averages) were as follows:**

	2018 %	2017 %
Inflation/pension increase rate	2.1	2.3
Salary increase rate	3.7	3.8
Discount rate	2.6	2.6

The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on standard actuarial marketing tables and include an allowance for future improvements in longevity. The assumptions are equivalent to expecting a 65 year old to live for a number of years as follows:

	2018 Males Years	2018 Females Years	2017 Males Years	2017 Females Years
Current pensioners	22.7	24.9	22.3	24.9
Future pensioners	25.6	27.9	24.5	27.8

In respect of our pension schemes, the following contributions were paid during the year:

	NEST 2018 £	NESPF 2018 £	Total 2018 £	NEST 2017 £	NESPF 2017 £	Total 2017 £
Employee contributions	5,153	4,372	9,525	4,180	4,174	8,354
Employer contributions	8,064	19,789	27,853	8,138	16,975	25,113
	<b>13,217</b>	<b>24,161</b>	<b>37,378</b>	<b>12,318</b>	<b>21,149</b>	<b>33,467</b>

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**16 The funds of the charity**

	At start of period £	Incoming resources £	Outgoing resources £	Transfers £	At end of period £
<b>Restricted funds</b>					
Big Lottery Fund	-	30,600	36,027	5,427	-
Fairer Scotland Fund	-	31,014	31,033	19	-
NHS Health Development	19,839	-	-	-	19,839
NHS Health Improvement Fund	56,437	36,000	16,619	-	75,818
Early Years' Fund	29,101	75,000	81,021	-	23,080
Aberdeen City Council (RAFT)	-	17,500	17,528	28	-
Big Hopes Big Futures	-	18,995	12,091	-	6,904
	<b>105,377</b>	<b>209,109</b>	<b>194,319</b>	<b>5,474</b>	<b>125,641</b>
<b>Unrestricted funds</b>					
Reserve fund	100,000	-	-	-	100,000
Pension Reserve	(154,000)	58,000	9,000	-	(105,000)
Property Fund	32,000	-	-	-	32,000
Mainline	57,936	146,684	123,020	(5,474)	76,126
Charity Shop	11,763	73,849	54,994	-	30,618
	<b>47,699</b>	<b>278,533</b>	<b>187,014</b>	<b>(5,474)</b>	<b>133,744</b>
<b>Total funds</b>	<b>153,076</b>	<b>487,642</b>	<b>381,333</b>	<b>-</b>	<b>259,385</b>

The closing balances on all funds are held as net current assets.

**Purposes of restricted funds**

*Aberdeen City Council (RAFT):* Funds provided to support families across Aberdeen as part of a wider contract providing children's services across the city.

*Big Lottery Fund:* Funds provided to support and better equip families to deal with the challenges of 21<sup>st</sup> Century life. For example, financial advice, healthy and affordable eating and skill acquisition.

*Fairer Scotland Fund:* Regeneration Grant provided by the Fairer Scotland Fund of Aberdeen City Council to meet the direct costs of extending our family support services to all designated regeneration areas within the city of Aberdeen.

*NHS Grampian Health Development:* Grant provided by NHS Grampian to fund a co-ordinator to work with families helping them achieve improved nutrition.

*NHS Grampian Health Improvement Fund:* Funds provided to employ a dedicated co-ordinator to support hard to reach vulnerable families in their own homes aiming to target health priorities and reduce health inequalities.

*Early Years' Change Fund:* Funds provided to employ a dedicated co-ordinator and family support worker to support hard to reach vulnerable families in their own homes aiming to target health priorities and reduce health inequalities.

*Big Hopes Big Future:* Funds provided to support a programme of work to help parents and children build the skills and confidence they need to be ready for the first day of school.

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**Purposes of unrestricted funds**

*Reserve Fund:* A designated fund used to set aside surplus funds from other funds with a view to building this fund up to an appropriate level in accordance with the charity's policy of maintaining reserves (see the trustees' report).

*Pension Reserve:* Unrestricted funds of the charity which the trustees have decided at their discretion to set aside for a specific purpose. In this case, the balance represents the shortfall in the pension benefits earned by past and present employees and the resources set aside to meet them.

*Property Fund:* In recognition of future liabilities and increasing costs, balances from unrestricted funds have been earmarked for expected increased property costs associated with managing larger premises.

*Mainline:* This general fund handles the incoming and outgoing resources in respect of the inaugural family support services provided in the city of Aberdeen. All income of the charity, other than income which is attributable to a specific fund, is allocated to this account.

*Charity shop:* Net proceeds provide a source of additional income to meet the costs of our office and training facilities which are essential to maintaining and building the organisation's capacity.

**17 Operating lease commitments**

At the year end the charity had annual operating lease commitments in respect of land and buildings as follows:

£

A lease which expires in 2020

25,500 pa

A temporary lease which continues to operate month to month until notice is served by either party

12,000 pa

**18 Control**

The charity is under the control of the trustees, as detailed on page 2.

**19 Related parties**

The charity is affiliated to Home-Start (UK), to whom an affiliation fee is paid in return for various support services. The fee paid in the year to 31 March 2018 amounted to £4,460 (2017 - £6,034).