



Company No SC153343

**AGE SCOTLAND
(LIMITED BY GUARANTEE)**

**TRUSTEES REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

Charity No SCO10100

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

COMPANY INFORMATION

Trustees	Paul Adams, Interim Chair Diana Findlay Lord George Foulkes Sue Holloway William Martin Professor Brendan McCormack Alison McKean Dorry McLaughlin Suzanne Munday Kenneth Nicholson Brenda Nicolson Tom O'Connell Dr Alasdair Rutherford Glenda Watt Professor John Williams
Treasurer	Tom O'Connell CA
Independent Auditor	BDO LLP City Point 65 Haymarket Terrace Edinburgh EH12 5HD
Bankers	Bank of Scotland 32 Brandon Parade South Motherwell ML1 1UW
Solicitors	Turcan Connell Princess Exchange 1 Earl Grey Street Edinburgh EH3 9EE
Registered Office	Causewayside House 160 Causewayside Edinburgh EH9 1PR
Company No.	SC153343
Charity No.	SCO10100

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

CONTENTS

	Page
TRUSTEES' REPORT	1-7
STATEMENT OF TRUSTEES' RESPONSIBILITIES	8
INDEPENDENT AUDITOR'S REPORT	9-10
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES	11
CONSOLIDATED BALANCE SHEET	12
CHARITY STATEMENT OF FINANCIAL ACTIVITIES	13
CHARITY BALANCE SHEET	14
NOTES TO THE FINANCIAL STATEMENTS	15-31

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2014

The Trustees have pleasure in presenting the Trustees' Report and audited financial statements for the year ended 31 March 2014.

The Directors of the Charitable Company (the Charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

Our vision for older people in Scotland

A Scotland and a world where older people flourish as valued and equal citizens.

Our part in fulfilling that vision – our Mission

To help all older people present a strong and effective voice and to reduce the challenges for those facing serious and multiple disadvantage as they grow older.

Financial Review

The group's result for the year is a surplus of £352,905 (2013: deficit £280,354). This reflects substantial cost savings resulting from the re-structure which took place in early 2013. The Charity's cost base has been streamlined and represents a much more efficient organisation. The Charity has also been successful in attracting funding throughout the year for its various projects as outlined in Note 20 to the financial statements.

The Charity's work is highly dependent upon the level of legacies and donations it receives from the public each year. In addition Age Scotland Enterprises Ltd and Age Scotland Trading Ltd support the Charity by delivering significant levels of gift aid. The Charity is also reliant upon the Scottish Government and other agencies for its project funding. In 2013/14 this amounted to £457,000.

Legacies

Age Scotland benefited from over £1.3 million in legacy gifts.

Donations

The Charity received over £110,000 from donations during the year.

Trading

Age Scotland Enterprises Ltd, the financial services arm of Age Scotland, is a joint venture between Age Scotland and Age UK Enterprises. The company had a strong year with premiums and other sales of £4.86 million generating revenue of £1.536 million (2013: £1.416 million). Net profit was just over £733,000 which was comparable to last year (2013: £732,000). Energy sales were particularly strong due to a very competitive fixed tariff for electricity and gas.

Age Scotland Trading delivered a strong performance increasing sales for the year by 17% largely due to the investment in 5 retail outlets in the previous 2 years. This performance resulted in a profit of £34,000 compared to a loss of £171,000 in the previous year.

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2014 (contd)

Scottish Government and Local Authorities

The Charity was successful in retaining grants from the Scottish Government to support the work of the Charity and included support for the Silver Line Scotland Helpline.

Trustees' Review

The stated aims of Age Scotland's strategic direction have guided our main activities during the year. These are:-

Strategic Objectives 2013-14

1. To concentrate on preventative solutions that will encourage active ageing to improve health and well-being and reduce the loneliness and isolation experienced by too many older people in Scotland.
2. To work collaboratively with like-minded partners whose aims are also to serve older people.
3. To increase current income streams and introduce new areas of income to further increase the services we offer to older people.
4. To ultimately create a model where the charity income areas fund our support infrastructure and all donated funds go towards our front line services.
5. To control costs and build an organisation to support the overall vision.

A brief summary of our activities is listed below:

Charity Services

Community Development

Age Scotland has a reach across Scotland that gives it a truly national character. We have grown to over 1,250 group and individual members including over 800 older peoples' groups. Our member groups are represented on our Board of Trustees by four regionally elected Trustees (each representing one region).

To support our strategic objectives, the charity delivered 4 successful Regional Assemblies, involving representatives of member groups and other local contacts.

Strong regional networks were also further developed during the year in order to facilitate capacity building activity with charity member groups involved in campaigning activity, service provision and social opportunities for older people.

In order to support the development of older people's groups, Age Scotland provided grants to 131 organisations totalling over £150,000. Grants are available to all category 1 member groups of the charity, with the charity's Trustees being involved in the grant making process at regional and national level.

Information & Advice

We were delighted to form a partnership with The Silver Line in November 2013 which has allowed us to expand our Information & Advice service. The Silver Line Scotland is a free, national helpline providing information, friendship and advice to older people 24 hours a day, every day of the year.

The service is delivered in partnership by Age Scotland and The Silver Line Helpline. Our aim is to assist older people to be happy and healthy, supporting them to live independently at home for as long as possible, and helping to overcome the barriers of isolation and loneliness.

AGE SCOTLAND FOR THE YEAR ENDED 31 MARCH 2014

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2014 (contd)

This partnership means that, via just one phone number, older people across Scotland can access both Age Scotland's independent and confidential services along with the 24/7 befriending services of The Silver Line.

During the year 2013/14 the Age Scotland Helpline, and then from November 2013 the Silver Line Scotland dealt with 11,116 calls. The highest number of enquiries were about benefits, housing and non-residential care.

Age Scotland produces information factsheets and works with Age UK to ensure that Age UK leaflets are suitable for use in Scotland. In 2013/14 we have created new information resources on Elder Abuse, Fire Safety and older people in Scotland, Help with Oil Fired heating (with OFTEC) and worked with Age UK on their new publication, Caring for Someone with Dementia.

Policy and Communications

In February 2013, Age Scotland launched its 'Still Waiting' campaign, calling for the Scottish Government to include community transport in the NCT scheme. Since then the campaign has seen community transport rise up the political agenda, with Parliamentary debates and an inquiry into community transport led by Infrastructure and Capital Investment Committee inquiry. In December the Charity handed over a petition of 6,500 signatures to the Transport Minister Keith Brown MSP. While we are disappointed the Scottish Government has so far said no to including community transport in the NCT scheme, in response to our work an extra £1m was invested in community minibuses and the Scottish Government has commissioned further research that should better demonstrate the benefits of investment in community transport.

Mind the Gap 2012/13, the Charity's annual review of public policy, highlighted good progress in areas including health and social care integration, while pointing to areas of concern across the breadth of policy areas impacting on older people. This report was backed by partners including Energy Action Scotland, Carers Scotland and Citizens Advice Scotland.

The Age Scotland Awards, held on October 1 in the Scottish Parliament was again a great celebration of some inspirational people and groups who are working to make life better for older people.

The Charity held its first housing conference in Glasgow in March, bringing older people into direct contact with vital information about energy, adaptations and support to remain independent. Our communications channels continue to grow with 75,000 copies of the annual 'Hot Tips' calendar distributed and via 20,000 copies of Advantage magazine we've spread information, news and resources across Scotland. On social media our Facebook and Twitter followers have continued to grow, along with views of our YouTube channel (from 1491 to 2781 views over the year). A growing number of people are accessing our website with more than 140,000 visits over the year.

Luminate

Luminate, Scotland's creative ageing festival, celebrates our creative lives as we age. Launched in 2012, Luminate is supported by Creative Scotland, the Baring Foundation and Age Scotland. Luminate includes new work, collaborations and international projects specially planned and programmed for the festival, as well as independently-run projects led by a wide range of cultural and community organisations. There is growing evidence of the importance of creative activities to our wellbeing as we age, and Luminate wants to shine a light on the many opportunities that exist across Scotland.

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2014 (contd)

In addition to the public programme, Luminate includes Outreach activities which take the festival to care homes, sheltered housing communities and local groups across the country.

As of 1 March 2014 Luminate has become an independent charity working in partnership with Age Scotland.

Governance

Age Scotland works with Age UK (as described in the Scottish National Partnership Agreement) and the other members of the Age Network on areas of work aimed at delivering consistent and meaningful outcomes for older people in Scotland and the UK and ensuring that expertise and resources are directed towards greatest need. This work is being progressed through 5 UK wide Consortia which include representatives from Age Scotland, Age NI, Age Cymru, Age UK and the Age England Association.

The Memorandum and Articles of Association for the Charity were last updated on 1 April 2009.

Related party transactions

Trustees are required to disclose all relevant interests and register them with the Charity and in accordance with the Charity's policy withdraw from decisions where a conflict of interest arises. One Trustee received remuneration during the year. Details of Trustee expenses and related party transactions are disclosed in note 8 to the accounts.

Reserves Policy

The Reserves Policy has been reviewed by Trustees during the year to 31 March 2014.

Reserves are held for three purposes:-

- To enable the charity to meet all its obligations in the event of dissolution (including FRS17 liabilities);
- To hold sufficient liquid reserves to cushion the impact of fluctuations in legacy income from year to year;
- To hold designated or restricted reserves for a particular purpose as identified by the Board.

The Board has designated funds for the following purposes:

As at 31st March	2013	2014
Asset renewal	65,890	79,074
Development Activities	100,000	100,000
Dilapidations	150,000	150,000
Grants	150,000	150,000

At March 2014 £1,290,380 was held in unrestricted reserves (2013: £865,525) of which 37% (2013:55%) was held as designated funds. The balance on unrestricted reserves at the year-end represents more than 4 months of group operating costs.

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2014 (contd)

Risk Statement

In 2013/14 the six main areas of risk remained as below:

1. Insufficient Income
2. Brand identity issues
3. Non-compliance with legislation: tax, VAT, OSCR
4. Name confusion, donor confusion, income risk
5. Inconsistent quality
6. Loss of Reputation

Volunteer Policy

Age Scotland benefited from the contribution of over 270 volunteers across Scotland in 2013/14. Volunteers contributed to Policy & Communications, Resources Support, Information & Advice, the Silver Line Scotland Helpline and in our retail shops.

Investment Policy

The Charity's investment policy is set in place with the objectives of reducing risk, increasing income and addressing ethical issues.

Grant Making Policy

Our grant programme welcomes applicants for projects and activities which contribute to Age Scotland's strategic goals.

Trustees

The Trustees of the company during the year and since the year end were as follows:-

James Wright, Chair (resigned 30 September 2013)
David Fraser, Chair (appointed 18 September 2013, resigned 11 December 2013)
Paul Adams, Vice-Chair /Interim Chair
Primrose Scott, Treasurer (resigned 31 March 2014)
Tom O'Connell, Treasurer (appointed 18 June 2014)
Diana Findlay
James Fry (resigned 19 June 2013)
Lord George Foulkes (appointed 19 March 2014)
Anne Glencorse (resigned 13 November 2013)
Sue Holloway (appointed 18 September 2013)
William Martin
Professor Brendan McCormack (appointed 18 June 2014)
Alison McKean (appointed 18 September 2013)
Dorothy McLaughlin (appointed 13 November 2013)
Suzanne Munday
Ken Nicholson (appointed 24 September 2014)
Brenda Nicolson
Dr Alasdair Rutherford (appointed 18 September 2013)
Hamilton Smillie (resigned 11 December 2013)
Glenda Watt
Professor John Williams

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2014 (contd)

In 2013/14 the Board was made up of elected Trustees representing Membership Regions and Age UK, and of Trustees coming onto the Board via the Governance Committee. The Board may also include up to three co-opted Trustees. All Trustees receive an induction and ongoing training.

Governing Instrument, Structure, Management & Administration Details

Age Scotland Limited is a company limited by guarantee, governed by its Memorandum and Articles of Association.

In 2013/2014 the Trustees/Directors of the company delegated the management to:

Brian Sloan, Chief Executive
Katie Docherty, Head of Charity Services
Anne Dyce, Head of Commercial Services
Elaine Smurthwaite, Head of Resources
Logan Steele, General Manager Age Scotland Enterprises
Susanne Cameron-Nielsen, Director of Policy, Research & Influencing (until 21 June 2013)

Age Scotland Limited is a company registered in Scotland, company number SC153343. The company is also a registered charity, SCO10100.

The Trustees have taken advantage of the special exemption conferred by section 62 of the Companies Act 2006 applicable to companies limited by guarantee, allowing them to dispense with the requirement of using the word Limited, or the abbreviation Ltd. after the company name.

The company participated in a joint venture with Age UK Enterprises Limited named Age Scotland Enterprises Ltd. formerly Age Concern Enterprises (Scotland) Ltd. The company sells insurance and other products specifically designed for older people. Profits from the company are gift aided to Age Scotland and Age UK.

The company has a wholly owned subsidiary company, Age Scotland Trading Ltd, which is responsible for the trading activities of the retail charity shops, the leases for which are held by Age Scotland.

Plans for the future

During the year Age Scotland undertook a fundamental review of strategy. Our strategic objectives for 2014/15 are:-

- a) We champion change to inspire people so that they can change theirs and others later life for the better.
- b) We prioritise work which Age Scotland is best placed to make change happen.
- c) We are a platform where individuals, communities and organisations can come together collaboratively.
- d) We celebrate living longer.
- e) We deliver high quality services and products tailored to the needs of older people.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2014 (contd)

Basis of Preparation

This report is prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the provisions applicable to companies subject to the small companies regime of the Companies Act 2006.

Approved by the Trustees and signed on their behalf by:

A handwritten signature in black ink, appearing to be 'PA' followed by a long, wavy horizontal line.

Paul Adams
Interim Chair
Edinburgh
10 December 2014

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Age Scotland 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 financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper 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 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF AGE SCOTLAND

We have audited the financial statements of Age Scotland for the year ended 31 March 2014 which comprise the Consolidated and Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members and trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's trustees and members 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 and the charity's trustees and members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2014 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF AGE SCOTLAND
(contd)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records or returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime, take advantage of the small companies exemption in preparing the trustees' report or the exemption from the requirements to prepare a strategic report.

BDO LLP

Martin Gill, Senior Statutory Auditor
for and on behalf of BDO LLP, Statutory Auditor
Edinburgh
United Kingdom
Date: *17 December 2014*

BDO LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2014

(Including Income and Expenditure Account)

	Notes	Unrestricted Funds £	Restricted Funds £	Pension Reserves £	2014 Total Funds £	2013 Total Funds £
Incoming Resources						
Incoming resources from voluntary funds						
-Voluntary income		1,575,564	32,795	-	1,608,359	1,920,610
-Activities for generating funds		1,780,781	681	-	1,781,462	1,631,243
-Investment income		790,770	-	(7,000)	783,770	775,822
Incoming resources from charitable activities		3,800	558,686	-	562,486	386,015
Total incoming resources incl. share of joint venture		4,150,915	592,162	(7,000)	4,736,077	4,713,690
Less: Share of gross incoming resources from joint venture		(767,591)	-	-	(767,591)	(757,182)
Total incoming resources	3	3,383,324	592,162	(7,000)	3,968,486	3,956,508
Resources Expended						
Costs of generating funds						
Costs of generating voluntary income		1,237,569	-	-	1,237,569	1,579,043
Fundraising costs of goods sold and other costs		493,263	6,158	-	499,421	387,521
Cost of Charitable Activities						
-Charity Community Services		1,189,533	593,147	-	1,782,680	1,892,378
-Policy		257,331	172,288	-	429,619	697,330
Governance Costs		15,064	-	-	15,064	24,659
Total Resources Expended	4	3,192,760	771,593	-	3,964,353	4,580,931
Net (outgoing) resources before transfers		190,564	(179,431)	(7,000)	4,133	(624,423)
Transfers between funds	18	(132,481)	132,481	-	-	-
Net (outgoing)/incoming resources before other recognised gains and losses		58,083	(46,950)	(7,000)	4,133	(624,423)
Share of operating profit of joint venture		366,804	-	-	366,804	366,391
Net income/(expenditure) for the year		424,887	(46,950)	(7,000)	370,937	(258,032)
Other recognised gains and (losses)						
Unrealised loss on investments	13b	(32)	-	-	(32)	(234)
Realised loss on investments		-	-	-	-	(9,088)
Unrealised loss on pension obligations		-	-	(18,000)	(18,000)	(13,000)
Net movement in funds		424,855	(46,950)	(25,000)	352,905	(280,354)
Reconciliation of funds						
Balance at 31 March 2013	18	865,525	171,681	(261,000)	776,206	1,014,444
Prior year adjustment	24	-	-	-	-	42,116
Balance at 31 March 2013		865,525	171,681	(261,000)	776,206	1,056,560
Balance at 31 March 2014	18	1,290,380	124,731	(286,000)	1,129,111	776,206

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources expended derive from continuing activities.

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2014

	Notes	£	2014 £	£	2013 £
Tangible fixed assets	11		184,787		210,704
Investments	13				
Investments in joint ventures:					
- Share of gross assets			228,608		191,753
- Share of gross liabilities			<u>(228,144)</u>		<u>(191,703)</u>
			464		50
Total Fixed Assets			185,251		210,754
Current Assets					
Investments	13	5,344		5,376	
Stock	14	20,533		8,804	
Debtors	15	<u>698,285</u>		<u>495,693</u>	
		724,162		509,873	
Bank and Cash in hand		<u>1,002,377</u>		<u>1,023,351</u>	
		1,726,539		1,533,224	
Creditors:					
Amounts falling due within one year	16	<u>(431,146)</u>		<u>(706,772)</u>	
Net current assets			<u>1,295,393</u>		826,452
			1,480,644		1,037,206
Creditors:					
Amounts falling due after more than one year	16	<u>(65,533)</u>			-
Net assets excluding pension scheme liability			1,415,111		1,037,206
Defined benefit pension					
Scheme liability	23	<u>(286,000)</u>			<u>(261,000)</u>
Net Assets			<u>1,129,111</u>		<u>776,206</u>
Unrestricted Funds					
Designated Funds:					
Asset renewal		79,074		65,890	
Development Activities		100,000		100,000	
Dilapidations		150,000		150,000	
Grants		<u>150,000</u>		<u>150,000</u>	
		479,074		465,890	
General Funds		<u>811,306</u>		<u>399,635</u>	
	18		1,290,380		865,525
Restricted Funds					
Income funds		<u>124,731</u>		<u>171,681</u>	
	20		124,731		171,681
Pension Reserve	23	<u>(286,000)</u>			<u>(261,000)</u>
			<u>1,129,111</u>		<u>776,206</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

Approved and authorised for issue by the Board of Trustees on 10/12/14 and signed on its behalf by:

Paul Adams

Interim Chair

Tom O'Connell CA

Treasurer

AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014

CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2014

(Including Income and Expenditure Account)

	Unrestricted Funds £	Restricted Funds £	Pension Reserve £	2014 Total Funds £	2013 Total Funds £
Incoming Resources					
Incoming resources from voluntary funds					
-Voluntary income	1,575,564	32,795	-	1,608,359	1,920,610
-Activities for generating funds	674,420	681	-	675,101	263,063
-Investment income (incl. Gift Aid of £366,390)	389,983	-	(7,000)	382,983	385,030
Incoming resources from charitable activities	3,800	558,686	-	562,486	386,015
Total incoming resources	2,643,767	592,162	(7,000)	3,228,929	2,954,718
Resources Expended					
Costs of generating funds					
Costs of generating voluntary income	21,091	-	-	21,091	39,398
Fundraising costs of goods sold and other costs	637,063	6,158	-	643,221	387,521
Cost of Charitable Activities					
-Charity Community Services	1,189,533	593,147	-	1,782,680	1,892,378
-Policy	257,331	172,288	-	429,619	697,330
Governance Costs	15,064	-	-	15,064	24,659
Total Resources Expended	2,120,082	771,593	-	2,891,675	3,041,286
Net (outgoing) resources before transfers	523,685	(179,431)	(7,000)	337,254	(86,568)
Transfers	(132,481)	132,481	-	-	-
Net (expenditure)/income for the year before other recognised gains and losses	391,204	(46,950)	(7,000)	337,254	(86,568)
Other recognised gains and (losses)					
Realised (loss) / gain on investment	(32)	-	-	(32)	(9,088)
Unrealised (loss) on investment	-	-	-	-	(234)
Actuarial (loss) on Pension scheme	-	-	(18,000)	(18,000)	(13,000)
Net (expenditure)/income for the year	391,172	(46,950)	(25,000)	319,222	(108,890)
Reconciliation of funds					
Total funds brought forward	1,131,733	171,681	(261,000)	1,042,414	1,151,304
Total funds carried forward	1,522,905	124,731	(286,000)	1,361,636	1,042,414

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources expended derive from continuing activities.

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

CHARITY BALANCE SHEET AS AT 31 MARCH 2014

	Notes	£	2014 £	£	2013 £
Tangible fixed assets	12		100,176		99,429
Investments	13		<u>1,050</u>		<u>1,050</u>
			101,226		100,479
Current Assets					
Investments	13	5,344		5,376	
Debtors	15	<u>1,057,872</u>		<u>677,437</u>	
		1,063,216		682,813	
Bank and cash in hand		<u>966,183</u>		<u>1,018,818</u>	
		2,029,399		1,701,631	
Creditors:					
Amounts falling due within one year	16	<u>(417,456)</u>		<u>(498,696)</u>	
Net Current Assets			<u>1,611,943</u>		<u>1,202,935</u>
			1,713,169		1,303,414
Creditors:					
Amounts falling due after more than one year	16		(65,533)		-
Net assets excluding pension scheme liability			1,647,636		1,303,414
Defined benefit pension scheme liability	23		<u>(286,000)</u>		<u>(261,000)</u>
Net Assets			<u>1,361,636</u>		<u>1,042,414</u>
Unrestricted Funds					
Designated Funds:	19				
Asset renewal		79,074		65,890	
Development Activities		100,000		100,000	
Dilapidations		150,000		150,000	
Grants		<u>150,000</u>		<u>150,000</u>	
		479,074		465,890	
General Funds		<u>1,043,831</u>		<u>665,843</u>	
	19		1,522,905		1,131,733
Restricted Funds					
Income funds		<u>124,731</u>		<u>171,681</u>	
	20		124,731		171,681
Pension Reserve	23		<u>(286,000)</u>		<u>(261,000)</u>
			<u>1,361,636</u>		<u>1,042,414</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

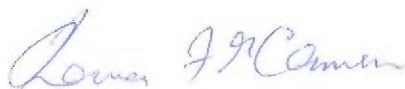
Approved and authorised for issue by the Board of Trustees on 10/12/14 and signed on its behalf by:

Paul Adams



Interim Chair

Tom O'Connell CA



Treasurer

AGE SCOTLAND FOR THE YEAR ENDED 31 MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

Basis of accounting

The financial statements have been prepared on an historical cost basis, except for current asset investments and the defined benefit pension scheme liability which are included at market value, in accordance with applicable Accounting Standards in the United Kingdom, the Statement of Recommended Practice (revised 2005) "Accounting and Reporting by Charities" and the Financial Reporting Standard for Smaller Entities (effective April 2008).

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the charity, its subsidiary undertaking Age Scotland Trading Limited and its joint venture Age Scotland Enterprises Limited.

The results of the subsidiary are consolidated on a line-by-line basis. In the group financial statements the consolidated SOFA includes the group's share of joint venture profits less losses, while the group's share of the net assets of the joint venture is shown in the consolidated balance sheet.

Going Concern

On the basis of their assessment of the Charity's financial position, the Trustees have a reasonable expectation that the Charity will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accountancy in preparing the annual financial statements.

Stocks

Stocks of publications are charged to revenue when purchased. Stock is valued at the lower of cost and net realisable value.

Fixed assets and capital grants

Fixed assets are included in the balance sheet at cost. Depreciation is provided in the month in which the assets are brought into use. The rates of depreciation used are calculated to write off the cost less estimated value evenly over the useful life as follows:-

Land and buildings leasehold	20% straight line
Leased property improvements	10 years
Office equipment	5 years
Computer equipment	3-5 years
Fixtures, fittings & equipment	20% straight line

Amounts under £500 are not capitalised.

Grants received in respect of fixed assets expenditure are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Depreciation on these assets is charged against the capital fund in the Statement of Financial Activities.

Investments

Current asset investments are included at market value as income at the date of gift. Investments are included in the balance sheet at market value at the balance sheet date.

Fixed asset investments are stated at cost less any provision for impairment.

Pensions

The company operates a defined contribution pension scheme and the pension charge in the statement of financial activities represents the amounts payable by the company to the fund in respect of the year.

The company also operates a defined benefit pension scheme. In accordance with the Financial Reporting Standard 17: Retirement Benefits, the operating and financing costs of defined benefit plans are recognised separately in the statement of financial activities: service costs are systematically spread over the service lives of employees, and financing costs are recognised in the periods in which they arise.

AGE SCOTLAND FOR THE YEAR ENDED 31 MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (Contd)

1. Accounting Policies (contd)

Variations from expected costs, arising from the experience of plans or changes in actuarial assumptions, are recognised immediately in the statement of financial activities. The cost of individual events such as past service benefit enhancements, settlements and curtailments are recognised immediately in the statement of financial activities. The liabilities and, where applicable, the assets of defined benefit plans are recognised at fair value in the balance sheet.

Operating Leases

Costs in respect of operating leases are charged on a straight line basis over the lease term.

Resources expended

Direct costs are charged to the charitable activities and support costs are allocated on a relevant basis. Recharges of support costs are made to cost centres throughout the year on a percentage based on staff numbers, split as follows:

	Fundraising	Charity Community Services	Policy
Property, admin & management charges	7%	83%	10%

Governance costs are charged directly and include audit fees and committee expenses.

Fund accounting

Funds held by the charity are either:

- Unrestricted general funds – these are funds, which can be used in accordance with the charitable objects at the discretion of the Trustees.
- Designated funds – these are funds set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by donor or when funds are raised for particular restricted purposes.

Investment income

Current asset income is recognised in the accounts when receivable by the charity. The gift aid received from the subsidiary company, Age Scotland Trading Limited and the joint venture company, Age Scotland Enterprises Limited is recognised in the year in which it is earned.

Donations

Donations and similar incoming resources are recognised in the financial statements in the year in which they are receivable, which is when the charity becomes entitled to the income.

Legacies

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

Grants receivable

Grants receivable are credited to the statement of financial activities in the year in which they are receivable.

Gifts-in-Kind

Donated facilities and services are included in the statement of financial activities in the year in which they are utilised at the value the charity estimates it would pay in the open market for an equivalent service or facility of equivalent utilities. An equivalent amount is included as expenditure under the appropriate heading in the statement of financial activities.

Cash Flow

The group has taken advantage of the available exemption to draw up a cash flow statement, in accordance with FRS1, on the basis that the group is small.

Related party transactions

The group has taken advantage of the available exemption from disclosing details of transactions with other group entities, in accordance with FRS8, on the basis that the transactions and balances have been eliminated on consolidation.

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

NOTES TO THE FINANCIAL STATEMENTS (Contd)

2(a) Financial activities of the subsidiary

The profit retained by the subsidiary this year is £ 33,683 (2013: £171,459) after tax. A summary of the trading results is shown below:-

	2014 £	2013 £
Turnover	1,604,601	1,368,180
Cost of sales & administration costs	(1,570,918)	(1,528,458)
Tax on loss on ordinary activities	-	(11,181)
Net Profit (loss)	33,683	(171,459)
Retained in subsidiary	33,683	(171,459)

The assets and liabilities of the subsidiary were:

Fixed assets	84,610	111,275
Current assets	168,739	96,236
Current liabilities	(407,544)	(386,415)
Long term liabilities	(77,322)	(86,296)
Total net assets	(231,517)	(265,200)

Aggregate share capital and reserves	(231,517)	(265,200)
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2(b) Financial activities of the joint venture

The joint venture, Age Scotland Enterprises Limited, is incorporated in Scotland, and provides general insurance services and matters relating to the general insurance business. The charity owns half of the ordinary share capital of £100. The company pays all of its profits by gift aid. In the current financial year, the joint-venture company paid £366,390 to the charity by gift aid. A summary of the charity's share of the trading results is shown below:-

	2014 £	2013 £
Turnover	767,591	757,182
Cost of sales & administration costs	(400,787)	(340,791)
Interest Receivable	-	-
Net Profit	366,804	366,391
Amount gift aided to the Charity	(366,390)	(366,391)
Share retained in Joint Venture	414	-

The Charity's share of assets and liabilities of the joint venture were:

Fixed assets	28,531	30,050
Current assets	200,077	161,702
Current liabilities	(228,144)	(191,702)
Total net assets	464	50
Aggregate share capital and reserves	464	50

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

NOTES TO THE FINANCIAL STATEMENTS (Contd)

3. Incoming Resources - Group

	Unrestricted £	Restricted £	Pensions Reserves £	2014 Total £	2013 Total £
Voluntary income					
Donations and gifts	110,116	411	-	110,527	128,504
Legacies	1,340,988	500	-	1,341,488	1,600,370
Trust and corporates	62,707	31,884	-	94,591	130,853
Membership subscriptions	3,753	-	-	3,753	2,883
Core Grant	58,000	-	-	58,000	58,000
	<u>1,575,564</u>	<u>32,795</u>	<u>-</u>	<u>1,608,359</u>	<u>1,920,610</u>
Activities for generating funds					
Appeal	107,389	681	-	108,070	126,721
Events	-	-	-	-	2,100
Property	12,116	-	-	12,116	89,575
Retail	56,675	-	-	56,675	44,667
Age Scotland Trading Ltd	1,604,601	-	-	1,604,601	1,368,180
	<u>1,708,781</u>	<u>681</u>	<u>-</u>	<u>1,781,462</u>	<u>1,631,243</u>
Investment income					
Interest	22,743	-	(7,000)	15,743	16,164
Dividends	436	-	-	436	2,476
Age Scotland Enterprises Ltd	767,591	-	-	767,591	757,182
	<u>790,770</u>	<u>-</u>	<u>(7,000)</u>	<u>783,770</u>	<u>775,822</u>
Incoming Resources from Charitable Activities					
Charity Community Services	3,800	426,624	-	430,424	254,015
Policy	-	132,062	-	132,062	132,000
	<u>3,800</u>	<u>558,686</u>	<u>-</u>	<u>562,486</u>	<u>386,015</u>
Less: Share of joint venture	(767,591)	-	-	(767,591)	(757,182)
Total incoming resources	<u>3,383,324</u>	<u>592,162</u>	<u>(7,000)</u>	<u>3,968,486</u>	<u>3,956,508</u>

Activities for generating funds consist of assorted appeals, donations, sponsored events and subsidiary and joint venture income.

Grant income

Included in restricted income are the following receipts of grants:

FUNDER	2014 £
Scottish Government	
- Helpline	99,930
- Housing	110,000
- Core grant	32,172
Silver Line	
- Silver Line (Scotland)	75,235
Creative Scotland	
- Luminate grant	139,949
	<u>457,286</u>

Significant grant support has been received from the Scottish Government, most of which is restricted to accomplish the work of various projects.

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

NOTES TO THE FINANCIAL STATEMENTS (Contd)

4. Resources expended - Group

	Activities Undertaken £	Support Costs £	2014 Total £	2013 Total £
Costs of generating funds				
Cost of generating voluntary income	1,761	-	1,761	13,292
Legacies	19,330	-	19,330	26,112
Age Scotland Trading Ltd	1,216,478	-	1,216,478	1,539,639
	<u>1,237,569</u>	<u>-</u>	<u>1,237,569</u>	<u>1,579,043</u>
Fundraising costs of goods sold and other costs				
Fundraising	117,234	63,124	180,358	386,271
Property	319,063	-	319,063	1,250
	<u>436,297</u>	<u>63,124</u>	<u>499,421</u>	<u>387,521</u>
Cost of Charitable activities				
Charity Community Services	999,943	782,737	1,782,680	1,892,378
Policy	328,620	100,999	429,619	697,330
	<u>1,328,563</u>	<u>883,736</u>	<u>2,212,299</u>	<u>2,589,708</u>
Governance costs				
Governance	5,223	-	5,223	10,878
Audit Fees	9,841	-	9,841	13,781
	<u>15,064</u>	<u>-</u>	<u>15,064</u>	<u>24,659</u>
Total resources expended	<u>3,017,493</u>	<u>946,860</u>	<u>3,964,353</u>	<u>4,580,931</u>

5. Support Costs

	Fundraising £	Charity Community Services £	Policy £	Total £	2013 £
Property, admin and management costs	<u>63,124</u>	<u>782,737</u>	<u>100,999</u>	<u>946,860</u>	<u>1,445,084</u>

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

NOTES TO THE FINANCIAL STATEMENTS (Contd)

6. Grants Payable – Group and Company

Grants payable are debited to the financial statements in the year in which they are awarded.

Included within costs of charitable activities are the following grants paid to member groups:-

Name of Group	2014 £	2013 £
'65' Club Prestwick	-	1,000
Abbeyfield Ballachulish Society	1,250	-
Aberdeen International Centre	1,400	-
Aberdeenshire Care & Repair	-	6,000
Active Communities (Scotland) Ltd	-	1,052
Age Concern Alva	-	1,135
Age Concern Cupar	-	2,400
Age Concern Dundee	2,400	1,000
Age Concern Girvan	1,000	-
Age Concern Glenrothes	2,400	1,500
Age Concern Hurlford	1,000	-
Annan & District Day Centre	-	1,978
Answer Housing Support	-	1,063
Art in Healthcare	-	5,000
Association of East Lothian Day Centres	2,640	-
Badenoch & Strathspey Community Transport Scheme	-	2,450
Baillieston Community Care Ltd	-	7,836
Balornock Community Allotments	-	2,500
Barrowland Ballet	4,455	-
Borders Deaf & Hard of Hearing Network	1,000	-
Borders Forest Trust	-	2,350
Broomlands & Bourtreehill AC	1,200	-
Broomlands & Bourtreehill Age Concern	-	4,745
Cairdean Cordal Ceann a Loch	-	2,000
Caring in Craigmillar	-	2,000
Carron Connect Partnership	2,336	-
Castlemilk Pensioners Action Centre	7,500	-
CHANGES Community Health Project	1,420	-
Citadel Arts Group	2,000	2,400
Clydebank Seniors Forum	1,075	-
Cragroy Tenants Association	-	1,229
Dalbeattie Friendship Club	1,000	1,200
Dalkeith Older People's Welfare Hall	-	1,800
Dance House	-	2,400
DATEC	2,000	-
Deveron Care Concern	-	2,415
Dixon Community Ethnic Minority	1,550	-
Dumfries & Galloway Over 50s Group	-	3,224
Dundee Rep Theatre	-	2,000
East Neuk Frail Elderly Project	2,450	-
Eastwood Age Concern Dementia Project	-	6,637
Ekta Group Elderly Care Forum	-	1,170
Elizabeth Maginnis Court Residents Group	2,150	-
Food Train Friends	6,200	-
Footprints Connect Ltd	1,097	-
Forget Me Not Club	-	3,656
Forres Men's Shed	2,000	-
Forward @ Fifty	-	1,810
Fraser River Tower Residents Assoc.	450	-
Garvald Glenesk	-	1,650
Gilmerton 60+ Group	1,938	-
Forward	<u>53,911</u>	<u>77,600</u>

AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (contd)

6. Grants payable – Group and Company

Name of Group	2014	2013
	£	£
Brought forward	53,911	77,600
Glasgow Old People's Welfare Association	-	1,250
Gordon Dementia Services	-	1,200
Gordon Forum for the Arts	2,499	2,493
Grampian 50+ Network	2,033	-
Grampian Hospitals Arts Trust	3,000	-
Grangemouth Community Care	2,230	-
Hawick Senior Citizens Assoc.	1,400	-
Hearts & Minds Ltd	-	5,000
Helensburgh & Lomond Carers	-	1,312
Highland Print Studio	-	5,715
Highland Senior Citizens Network	-	1,314
Jewish Care Scotland	1,125	-
Kilkdonan & Kilmory Sen. Cit.	1,500	-
Kincardine & Deeside Befriending	1,857	-
Lairg Friendship Club	1,037	-
Lanarkshire Hindu Welfare Assoc.	1,500	-
Laurandy Centre Limited	1,000	-
Loreburn Retirement Group	3,000	-
Lynedoch 2013 Eventer	1,525	-
Mayfield & Easthouses Youth 2000	-	2,000
Mearns & Coastal Healthy Living	-	2,420
Mearns and Coastal Healthy Living	1,180	-
Merkinch Community Centre	1,845	-
Milan Lunch and social Club	-	1,242
Monymusk Senior Citizens	-	1,000
Motherwell Seniors Forum	-	1,180
Nan McKay Community Hall	-	2,485
Nan McKay Hall	2,098	-
National theatre for Scotland	-	1,200
Nithsdale Walking Works	6,500	-
Old Farm Court Social Club	1,370	-
Open Door Edinburgh	3,500	-
Opportunities in Retirement Ayr	-	1,000
Peebles Pensioners Association	-	1,043
Penpont Friendship Club	1,025	-
Peterhead Aged and Infirm	-	1,350
Riverside Centre	1,160	-
Ross shire Care & Repair - ILM	-	6,000
Scottish Borders Elder Voice	3,500	1,527
South Ayrshire Seniors Forum	-	2,246
Springburn Alive and Kicking	2,500	6,200
Springwell Golden Voices	350	-
St. Patricks Women's Guild	-	1,563
Stay Safe Highland SCIO	1,250	-
Stewartry CVS	1,364	-
Stewarty Community Safety Forum	-	2,450
Strange Theatre	2,300	-
Tarbert Youth Group	-	2,454
The Carron Connect Partnership	-	1,685
Third Age Computer Fun	2,000	-
Town Break Stirling Group	1,000	-
Voice of Experience	-	3,500
Volunteer Centre East Lothian	4,000	-
Westhill & District Men's Shed	-	8,740
Whitburn Community Development Trust	-	2,000
< £1,000	38,044	50,638
Total	152,603	199,807

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

NOTES TO THE FINANCIAL STATEMENTS (contd)

7. Operating surplus for the year

The group operating surplus for the year is stated after charging

	2014	2013
	£	£
Auditors Remuneration		
- Audit of charitable company	7,600	8,370
- Audit of subsidiary	2,400	2,980
- Other fees	3,641	5,411
Depreciation	72,557	71,880
Operating lease costs	103,666	142,002

8. Staff numbers and costs

The average weekly number of full-time equivalent employees during the year was:

	2014	2013
	Number	Number
Charitable work	27	31
Administration	9	11
Fundraising	4	6
	<u>40</u>	<u>48</u>

The aggregate remuneration and associated costs of the employees were:

	2014	2013
	£	£
Wages and salaries	1,302,163	1,427,758
Social Security costs	115,606	143,818
Pension costs	67,453	90,764
	<u>1,485,222</u>	<u>1,662,340</u>

One employee earned £60,000 per annum or more (2013: one employee). Travel expenses totalling £ 4,795 (2013: £6,827) were paid to nine of the Trustees (2013: nine Trustees).

During the year the now resigned Honorary Treasurer provided accountancy services for which a fee of £12,000 (2013: £12,000) was paid. No other Trustee received any remuneration (2013: Nil). The Treasurer resigned on 31 March 2014. Her replacement was appointed on 18 June 2014.

9. Investment Income

Investment income represents interest receivable on bank deposits and dividends received.

10. Taxation

The company is a charitable company within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

NOTES TO THE FINANCIAL STATEMENTS (Contd)

11. Tangible Fixed Assets – Group

	Leased Property Improvement £	Office Equipment £	Fixtures, Fittings & Equipment £	2014 Total £	2013 Total £
Cost					
As at 1 April 2013	238,232	715,642	19,461	973,335	875,195
Additions	-	46,640	-	46,640	98,140
As at 31 March 2014	238,232	762,282	19,461	1,019,975	973,335
Depreciation					
As at 1 April 2013	108,701	649,753	4,177	762,631	690,751
Charge	35,210	33,455	3,892	72,557	71,880
As at 31 March 2014	143,911	683,208	8,069	835,188	762,631
Net Book Value					
As at 31 March 2014	94,321	79,074	11,392	184,787	210,704
As at 31 March 2013	129,531	65,889	15,284	210,704	-

12. Tangible Fixed Assets – Company

	Leased Property Improvements £	Office Equipment £	2014 Total £	2013 Total £
Cost				
As at 1 April 2013	124,371	715,642	840,013	827,958
Additions	-	46,640	46,640	12,055
As at 31 March 2014	124,371	762,282	886,653	840,013
Depreciation				
As at 1 April 2013	90,832	649,753	740,584	685,565
Charge	12,437	33,455	45,892	55,019
As at 31 March 2014	103,269	683,208	786,477	740,584
Net Book Value				
As at 31 March 2014	21,102	79,074	100,176	99,429
As at 31 March 2013	33,540	65,889	99,429	142,393

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

NOTES TO THE FINANCIAL STATEMENTS (Contd)

The net book value of, and depreciation charge for the year on, tangible fixed assets includes assets held under finance leases and hire purchase contracts as follows:

	COMPANY		GROUP	
	2014	2013	2014	2013
	£	£	£	£
Net Book Value:				
Office Equipment	18,347	-	18,347	-
Depreciation charged:				
Office Equipment	3,238	-	3,238	-

13. Investments
(a) Fixed Assets

	COMPANY		GROUP	
	2014	2013	2014	2013
	£	£	£	£
Investment in joint venture	50	50	50	50
Investment in subsidiary	1,000	1,000	-	-
	<u>1,050</u>	<u>1,050</u>	<u>50</u>	<u>50</u>

Joint Venture	2014	2013
Share of Assets	£	£
Share of Fixed Assets	28,531	30,050
Share of Current Assets	<u>200,077</u>	<u>161,703</u>
	228,608	191,753
Share of liabilities		
Due within one year or less	<u>(228,144)</u>	<u>(191,703)</u>
Share of net assets	<u>464</u>	<u>50</u>

Age Scotland holds 50 % of the ordinary share capital of the joint venture. The share of assets and liabilities as at the balance sheet date are detailed above.

Age Scotland owns 100% of the ordinary share capital of Age Scotland Trading Limited. Investments in subsidiaries and joint ventures are held at cost.

(b) Current Assets - Group and Company

	2014	2013
	£	£
Market value as at 1 April 2013	5,376	268,044
Additions	-	-
Disposals	-	(262,434)
	<u>5,376</u>	<u>5,610</u>
Change in market value in year	(32)	(234)
Market Value as at 31 March 2014	<u>5,344</u>	<u>5,376</u>
Historical cost	<u>3,480</u>	<u>3,480</u>

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

NOTES TO THE FINANCIAL STATEMENTS (Contd)

14. Stock

	COMPANY		GROUP	
	2014	2013	2014	2013
	£	£	£	£
Stock	-	-	20,533	8,804
	-	-	20,533	8,804

15. Debtors

	COMPANY		GROUP	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	55,229	17,477	26,017	17,477
Accrued legacy income	466,956	330,872	466,956	330,872
Other debtors	58,163	10,126	154,386	93,024
Prepayment	50,926	54,320	50,926	54,320
Due from group undertakings	426,598	264,642	-	-
	1,057,872	677,437	698,285	495,693

Included in debtors due from group undertakings is an amount of £8,973 which is due in more than one year.
(2013: £86,295)

16. Creditors:

Amounts falling due within one year

	COMPANY		GROUP	
	2014	2013	2014	2013
	£	£	£	£
Bank overdraft	-	-	-	13,292
Trade creditors	85,994	11,810	83,042	189,651
HP Creditor	5,460	-	5,460	-
Other creditors	63,212	216,351	72,717	233,294
Other taxes and social security costs	76,846	127,591	83,983	127,591
Deferred income (note 17)	185,944	142,944	185,944	142,944
	417,456	498,696	431,146	706,772

Amounts falling due after more than one year

	COMPANY		GROUP	
	2014	2013	2014	2013
	£	£	£	£
HP creditor	7,280	-	7,280	-
Other creditor	58,253	-	58,253	-
	65,533	-	65,533	-

17. Deferred income – Group and Company

	£
Balance at 1 April 2013	142,944
Recognised in the year	(142,944)
Deferred in the year	185,944
Balance at 31 March 2014	185,944

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

This is project funding for 1 FTE Allied Health Professional who will be working with the Charity for the next 2 years.

NOTES TO THE FINANCIAL STATEMENTS (Contd)

18. Unrestricted Funds – Group

	Balance at 31 March 2013 £	Incoming resources £	Resources expended £	Transfers £	Unrealised / realised gain on Investment £	Balance at 31 March 2014 £
General funds	399,635	3,383,324	(3,192,760)	221,139	(32)	811,306
Share of joint venture profit	-	366,804	-	(366,804)	-	-
Designated Fund:						
Asset Renewal	65,890	-	-	13,184	-	79,074
Development						
Activities	100,000	-	-	-	-	100,000
Dilapidations	150,000	-	-	-	-	150,000
Grant Fund	150,000	-	-	-	-	150,000
	<u>865,525</u>	<u>3,750,128</u>	<u>(3,192,760)</u>	<u>(132,481)</u>	<u>(32)</u>	<u>1,290,380</u>

The Designated Funds are made up of unrestricted income which is set aside from unrestricted funds.

In 2013/14 the Board has designated funds for four purposes: asset renewal - £79,074; development activities - £100,000; dilapidations - £150,000; and grants - £150,000.

19. Unrestricted Funds – Company

	Balance at 31 March 2013 £	Incoming resources £	Resources expended £	Transfers £	Unrealised / realised gain on Investment £	Balance at 31 March 2014 £
General funds	665,843	2,643,767	(2,120,082)	(145,665)	(32)	1,043,831
Designated Fund:						
Asset Renewal	65,890	-	-	13,184	-	79,074
Development						
Activities	100,000	-	-	-	-	100,000
Dilapidations	150,000	-	-	-	-	150,000
Grant Fund	150,000	-	-	-	-	150,000
	<u>1,131,733</u>	<u>2,643,767</u>	<u>(2,120,082)</u>	<u>(132,481)</u>	<u>(32)</u>	<u>1,522,905</u>

The Designated Funds are made up of unrestricted income which is set aside from unrestricted funds.

In 2013/14 the Board has designated funds for four purposes: asset renewal - £79,074; development activities - £100,000; dilapidations - £150,000; and grants - £150,000.

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

NOTES TO THE FINANCIAL STATEMENTS (Contd)

20. Restricted funds – Group and Company

	Balance at 31 March 2013	Incoming resources	Resources expended	Transfers	Balance at 31 March 2014
	£	£	£	£	£
Scottish Executive – Core Grant	-	32,172	(177,663)	145,491	-
Housing	3,213	110,000	(107,479)	-	5,734
Allied Health Professional	-	4,047	(4,050)	-	(-3)
Health Information	-	42,235	(6,236)	-	35,999
Helpline Grant	-	99,930	(99,088)	(842)	-
Silver Line Grant	-	75,235	(61,384)	-	13,851
Scottish Legal Aid Board-Making Advice Work	-	27,368	(6,563)	-	20,805
Age UK					
Age UK – Big Knit	8,225	-	-	(8,225)	-
Information Writer-Generalist	-	14,118	(5,999)	-	8,119
Information Outreach Worker	-	13,634	(5,627)	-	8,007
Age UK – Trek China	3,278	-	-	-	3,278
Restricted Luminate Grant and Donations	2,261	139,949	(138,267)	(3,943)	-
Restricted Trust Donations	-				
The Robertson Trust	-	15,000	(15,000)	-	-
Lloyds TSB Foundation	-	16,884	(6,159)	-	10,725
Restricted Legacy - Various	154,704	1,590	(138,078)	-	18,216
	<u>171,681</u>	<u>592,162</u>	<u>(771,593)</u>	<u>132,481</u>	<u>124,731</u>

Balances carried forward at the year-end are as follows:

The Scottish Executive Core Grant is the Charity's day to day running costs.

The Housing Grant support the Charity's housing policy work.

The Helpline Grant pays the support costs for the Age Scotland Helpline.

Age UK Big Knit monies are for projects that reduce isolation and loneliness in older people.

The restricted Luminate Grant and Donations are used to finance the Festival of Creative Ageing called Luminate.

Restricted Trust Donations represent monies held for expenditure on projects throughout Scotland by our member groups.

Restricted Legacies and Donations represent monies held for expenditure on projects in a defined geographical area.

AGE SCOTLAND FOR THE YEAR ENDED 31 MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (Contd)

Unrestricted reserves are held as designated funds for particular purposes as identified by the Board and in accordance with the Charity's Reserves Policy listed on page 4 of the Trustees Report.

21. Analysis of the assets between funds – Group

	Designated and Unrestricted Funds £	Restricted Funds £	Pensions Reserve £	Total Funds £
Investments	514	-	-	514
Fixed assets	184,787	-	-	184,787
Net current assets	1,105,079	124,731	-	1,229,810
Net pension liability	-	-	(286,000)	(286,000)
	<u>1,290,380</u>	<u>124,731</u>	<u>(286,000)</u>	<u>1,129,111</u>

22. Lease commitments

Age Scotland leases properties on long term leases. The rents payable under these leases are subject to renegotiations at various intervals specified in the leases. Age Scotland pays all insurance, maintenance and repairs of these properties. At 31 March 2014, the company had annual rental commitments on these property leases as follows:-

	2014 £	2013 £
Operating lease expiring:		
In less than one year	19,450	89,000
In 2-5 years	119,528	93,140
After more than 5 years	322,045	228,400
Total commitments per annum	<u>461,023</u>	<u>410,540</u>

23. Pensions

Staff are members of a group personal pension plan which is a "contracted in" money purchase arrangement. In addition there are a small number of former staff that are members of the Local Government Superannuation Scheme of Lothian Council, a "final salary" based scheme. The Local Government Pension Scheme (Scotland) (LGPS) to which the charity is an admitted body is Lothian Pensions Fund (LPF). The assets of the LPF scheme are held in a separate, trustee-administered fund.

The pension costs are assessed in accordance with the advice of independent qualified actuaries using the projected unit method.

The pension costs for the year are £67,453 (2013: £90,764).

The pension costs charged against the income and expenditure account are based on actuarial methods and assumptions designed to spread the anticipated pension costs over the service lives of the employees of the scheme.

The Lothian Pension Fund is a funded defined benefit scheme, with the assets held in separate trustee administered funds. The scheme is closed and no contributions are being made by the employer or the employees. The latest actuarial valuation was at 31 March 2013 and confirmed that the fund is in deficit.

The following information is based upon a full actuarial valuation of the fund at 31 March 2011 and updated to 31 March 2014 by a qualified independent actuary.

Principal Actuarial assumptions

Rate of return on investments in excess of rate of increase in salaries	1.0%
Rate of return on investments in excess of rate of increase in pensions	3.3%

AGE SCOTLAND FOR THE YEAR ENDED 31 MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (Contd)

FRS 17

Financial Assumptions

Year Ended	31 Mar 2014	31 Mar 2013
	% p.a	% p.a
Inflation/pension increase rate	2.6%	2.8%
Salary Increase Rate	4.9%	5.1%
Expected Return on Assets	6.1%	5.3%
Discount Rate	4.1%	4.5%

Breakdown of the Expected Return on Assets by Category

Year Ended	31 Mar 2014	31 Mar 2013
	% p.a	% p.a
Equities	6.6%	5.7%
Bonds	3.9%	3.5%
Property	4.8%	3.9%
Cash	3.7%	3.0%

Mortality

Life expectancy is based on PFA92 and PMA92 'year of birth' tables. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current Pensioners	20.4 years	22.8 years
Future Pensioners	22.6 years	25.4 years

Fair Value of employer assets

Year Ended	31 Mar 2014	31 Mar 2013
	£000	£000
Equities	422	457
Bonds	49	46
Property	44	52
Cash	33	23
Total	548	578

Balance Sheet

Year Ended	31 March 2014	31 March 2013
	£000	£000
Fair value of employer assets	548	578
Present value of Funded liabilities	(834)	(839)
Net (under)funding in Funded Plans	(286)	(261)
Net Liability	(286)	(261)
Amount in Balance Sheet		
Liabilities	286	261
Assets		
Net (Liability)	(286)	(261)

Recognition in the Profit or Loss

Year Ended	31 March 2014		31 March 2013	
	£000	% of pay	£000	% of pay
Interest cost	36	-	36	-
Expected return on employer assets	(29)	-	(30)	-
Past Service Cost/(Gain)				
Less: Contributions paid		-		-
Total	7		6	
Actual Return on Plan Assets	33		80	

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

NOTES TO THE FINANCIAL STATEMENTS (Contd)

Analysis of net return on pension scheme

Year Ended	31 March 2014	31 March 2013
	£000	£000
Expected return on pension scheme assets	29	30
Interest on pension liabilities	(36)	(36)
Net interest/return on assets		
	(7)	(6)

Analysis of amount recognised in Statement of Financial Activities

Year Ended	31 March 2014	31 March 2013
	£000	£000
Actual return less expected return on pension scheme assets	3	50
Changes in financial assumptions underlying the present value of the scheme liabilities	(21)	(63)
Actuarial (loss) recognised in SOFA	(18)	(13)

Movement in surplus/deficit during the year:

Year Ended	31 March 2014	31 March 2013
	£000	£000
(Deficit) at the beginning of year	(261)	(242)
Movement in year:		
Employer contributions		
Interest Cost Loss	(7)	(6)
Actuarial (losses)	(18)	(13)
(Deficit) at the end of the year	(286)	(261)

Reconciliation of Defined Benefit Obligation

Year Ended	31 March 2014	31 March 2013
	£000	£000
Opening Defined Benefit Obligation	839	774
Interest Cost	36	36
Actuarial Losses/(Gains)	21	63
Past Service Costs/(Gains)	-	-
Estimated Benefits Paid	(62)	(34)
Closing Defined Benefit Obligation	834	839

**AGE SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2014**

NOTES TO THE FINANCIAL STATEMENTS (Contd)

Reconciliation of Fair Value of Employer Assets

Year Ended	31 March 2014	31 March 2013
	£000	£000
Opening Fair Value of Employer Assets	578	532
Expected Return on Assets	29	30
Contributions by the Employer	-	-
Actuarial Gains/(Losses)	3	50
Benefits Paid	(62)	(34)
Closing Fair Value of Employer Assets	548	578

Amounts for the Current and Previous Accounting periods

Year Ended	31 March 2014	31 March 2013
	£000	£000
Fair Value of Employer Assets	548	578
Present Value of Defined Benefit Obligation	(834)	(839)
(Deficit)	(286)	(261)
Experience Gains/(Losses) on Assets	3	50
Experience Gains on Liabilities	1	2

Year Ended	31 Mar 2011	31 Mar 2010	31 Mar 2009
	£000	£000	£000
Fair Value of Employer Assets	622	618	489
Present Value of Defined Benefit Obligation	(773)	(877)	(641)
Surplus/(Deficit)	(151)	(259)	(152)
Experience Gains/(Losses) on Assets	(11)	133	(197)
Experience Gains/(Losses) on Liabilities	-	-	30

24. 2013 Prior Year Adjustment

The prior year adjustment in 2013 is in respect of omitted prepaid rentals on the shops managed by Age Scotland Trading Limited in 2011 and 2012. The effect of the adjustment on the consolidated figures, is to increase debtors in the year to 31 March 2012 by £42,116 and reduce rental costs by £8,831 and in the year to 31 March 2011 increase debtors by £33,285 and reduce rental costs by £33,285.