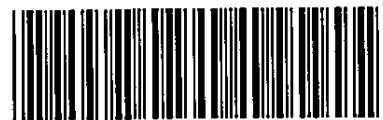


Company No. SC134379
Charity No. SC016015

FABB SCOTLAND LIMITED
(A Company Limited by Guarantee)
REPORT and FINANCIAL STATEMENTS
For the year to 31 March 2012

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FABB SCOTLAND LIMITED
(A Company Limited by Guarantee)

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FABB SCOTLAND LIMITED
(A Company Limited by Guarantee)

Directors and Administrative Details

Directors

Jean Dunlop (Chairperson)
Jack Calder
Caroline Davis
Denise Dalrymple
Alan Archibald
Sandi Gurlytlu
Derick Miller (resigned 1 October 2011)

Company Secretary/Chief Executive
Fiona Hird

Registered Office

Norton Park
57 Albion Road
Edinburgh
EH7 5QY

Bankers

Bank of Scotland
52 Shandwick Place
Edinburgh
EH2 4SB

Independent Examiners

Chiene + Tait
Chartered Accountants
61 Dublin Street
Edinburgh
EH3 6NL

FABB SCOTLAND LIMITED
(A Company Limited by Guarantee)

REPORT of the DIRECTORS

The Board of Directors is pleased to present its Annual Report together with the financial statements for the year ended 31 March 2012. The financial statements have been prepared in accordance with the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities, issued in 2005.

Constitution

Fabb Scotland Limited is a company limited by guarantee established in October 1991 and has no share capital. It is recognised by H M Revenue and Customs as a Scottish Charity. The company is governed by its Memorandum and Articles of Association.

Organisational Structure

The management and governance of the Company is the responsibility of the Board of Directors, who are elected under the terms of the Memorandum and Articles of Association. Board members are provided with an induction pack and training as appropriate. The Board of Directors delegates day to day management of the company to the Chief Executive. The Directors who served during the year are as stated on page 1.

Vision Statement

Fabb Scotland's vision is of a Scotland where disabled children and young people are empowered to actively engage in the social, leisure, educational and vocational activities of their choice.

Purpose and Objectives

At Fabb Scotland we aim to:

- Support young disabled people to become successful learners, confident individuals, effective contributors and responsible citizens in their youth groups and communities.
- Deliver more choices and opportunities for young disabled people by increasing the effectiveness of those who work with them, particularly voluntary and part-time youth workers.
- Improve the life chances of young people by sustaining and developing strong and resilient community based youth work.
- Build on our reputation for high quality, effective and efficient services.

Risk Management

The Board of Directors and management have adopted a structured approach incorporating financial and organisational risk management into risk management practices. The risks facing the organisation are reviewed regularly and risk assessments are undertaken for all of the organisation's activities.

The main risks to the charity going forward continue to be: lack of sufficient funding to continue all operations of the organisation and disruptions to service provision should staff move on. The continuity, motivation and commitment of staff and volunteers in the organisation is a major strength and the fact that services have been sustained and new ones developed against a backdrop of severe constraints and cuts in funding is exceptional.

The risks have been measured and steps have been taken to minimise these risks for the organisation by working to achieve a more stable funding base, introducing annual fundraising to establish a financial reserve, securing continued funding for existing services and procuring new funding for new projects.

We continue to provide opportunities for staff to expand their professional competence and to encourage and support our volunteers' development. We ensure staff and volunteers feel valued and are involved in the delivery and planning of our services.

REPORT of the DIRECTORS (Contd.)

Internal Controls

The company's internal controls include:

- a strategic three year plan and project specific plans
- annual budget and monitoring at quarterly board meetings
- ensure the company maintains proper accounting records
- identification and management of risks
- disclosure checks for all staff and volunteers
- annual insurance and liability review
- staff and volunteer supervision and support
- review of policies and procedures

Achievements and performance – Review of the Year

The year under review has been exciting and challenging with the creation of new projects alongside the consolidation and development of our existing services.

We provide direct specialist youth work services for disabled young people to engage in sport, leisure, arts, cultural events, play and outdoor adventure activities. We provide support, information and training to enable inclusion for young people in mainstream community services across Scotland.

This year we have continued to build on our existing programmes, projects and partnerships and embarked upon new and innovative ones. We hope you find this report useful in summarising the work that has taken place in the last year.

Our weekly youth groups continue to be increasingly popular, providing young people with the opportunity to participate in a wide range of activities that they choose, like horse riding, drumming, climbing, arts, meals out, cinema and much more.

Partnership projects and joint working with statutory providers continue to be a priority for the organisation. Projects like ACERS (Active Club for Exercise, Recreation and Sport) and Open All Hours are well established and we continue to work with partners to widen these opportunities to more disabled children. We secured funding for a ten year anniversary celebration event for Open All Hours in partnership with Edinburgh Leisure and the City of Edinburgh Council Community Learning and Development.

The inclusive event held in October 2011 brought together 240 young people to participate in a range of exciting activities, including bungee runs, sumo suits, Zumba, sports coaching, swim fun and aqua run and more. The event received national publicity and support from elected officials.

Our holiday playschemes and residential programmes continue to be popular and we are working with our voluntary sector colleagues to ensure as many disabled children in need access the service. Playscheme services will be redesigned and tendered in 2013 for 2014/2015

A large number of the young people who have engaged with our services over the past ten years have moved into transition and adulthood. We currently have 150 young people aged 18-30 who are looking for safe social networking opportunities. There are fewer social opportunities for this age group something we are addressing in conjunction with the Council through a project called Breakaways. The principal of Breakaways is similar to the groups we run for school age children but will provide the opportunity for young people to enjoy a wide variety of activities in small group settings. For example some of the young people were able to have a break to Barcelona while others are looking forward to a night at the Wrestling. The Fabb Young Zone continues to grow and successfully raised funds for two residential weekends and will continue to seek resources to set up Fabb Fridays, a monthly night out for vulnerable adults.

FABB SCOTLAND LIMITED
(A Company Limited by Guarantee)

REPORT of the DIRECTORS (Contd.)

Achievements and performance – Review of the Year (Contd.)

Funding

The Board of Directors and the staff team wish to thank every individual, volunteer, partner and agency whose financial and/or in kind support has provided such benefit during the year. In particular we want to thank the individuals who have cycled, jumped off cliffs, ran events and donated to Fabb Scotland this year. We appreciate every penny raised particularly at a time when funding is scarce. In spite of the ongoing funding challenges that Fabb Scotland faces we continue to make small recoveries year on year and have been able to deliver our full programme of services as well as support new initiatives.

Fabb Scotland receives a grant from the Scottish government towards its headquarters costs and the City of Edinburgh Council is very supportive of the work we do in Edinburgh. Other funding sources are listed in the financial statements and we wish to thank all for their support.

Plans for future periods

Our existing strategy supports a number of the Scottish government's outcomes and specific project plans relate directly to local service plans.

The strategic objectives for 2009-2012 are:

1. Develop and deliver quality services, which facilitate equal access to community services for disabled young people and adults.
2. Create new opportunities in local communities to ensure real pathways to inclusion, through partnerships and alliances.
3. Work with disabled young people and adults to break physical and attitudinal barriers to inclusion and to influence policy and practice.
4. Create a more stable funding base for Fabb activities.

Our values are:

- We offer a person-centred approach to people with differing abilities, offering choices through working in partnership.
- We advocate progression from a supported setting into the wider community through well organised local clubs and groups. This "stepping stone" model has been evidenced to be extremely effective. In many areas of Scotland the opportunity to participate in local clubs and groups does not exist or ceases to exist when young disabled people leave school.
- We commit to the involvement of trained staff and volunteers in support of local clubs and groups and believe in the value of volunteering in engendering community spirit.
- Our person-centred approach puts people first and focuses on individual needs, interests and aspirations, often involving appropriately high levels of investment of time, skills and resources.

Personal budgets were introduced in 1996 and the government had planned to have them available to all eligible service users by 2013. Currently only 35% of eligible people currently use them, and many of these receive council-managed budgets rather than direct payments. We need to move towards more 'authentic' personal budgets, providing them in ways that allow people to be active and contributing members of supportive communities and making a real difference to the lives of personal budget holders and their family carers.

FABB SCOTLAND LIMITED
(A Company Limited by Guarantee)

REPORT of the DIRECTORS (Contd.)

Plans for future periods (Contd.)

Our strategy for 2013-2016 has been drafted and circulated for consultation.

We aim to improve the life chances of young people by sustaining and developing strong and resilient community based youth work. This includes making sure communities and service providers have access to advice, guidance and practical support to establish inclusive local youth provision.

The Chief Officer continues to represent the voluntary sector through EVOC at the Strategic Disability Management Group of the NHS/local authority and involvement in other government consultation and working groups.

A number of new projects to mention are Young Roots, Blazing Saddles and Fabb Skills.

Young Roots This project is funded by a Royal Bank of Scotland Community Force Grant and offers young people the opportunity to learn how to grow their own vegetables, flowers and fruit. The garden is located behind tenements in Leith and was derelict a couple of years ago. Subsequent to the year end, our young people have helped to make the garden live up to its name; "Sunshine on Leith". We enjoyed Saturday mornings meeting friends, planting and pottering in the gardens and for some a long lazy lunch on the few sunny days we had this summer was the highlight! We hope to continue with the project next Spring and open the project to a wider group of young people.

Blazing Saddles

Fabb Scotland will kick start a new innovative, exciting all ability cycling project that will provide opportunities for disabled children and young people to cycle with friends, family and community groups across Scotland.

Cycling is one of the few activities that caters for people of all ages and abilities and with the adapted resources and training it is a truly inclusive pursuit. Following extensive research and consultation we have found that adapted bikes have been bought by groups, schools and families on an ad hoc basis. The equipment is expensive and not used in the most effective way. It is clear that a coordinated approach is needed to ensure best use of resources and to meet the needs of individuals and families.

There are a variety of programmes that Blazing Saddles will offer individuals and community groups piloting in Edinburgh and the Lothians, Fife and Dundee in the first year.

Fabb Skills

We identified last year at an Open All Hours Partners Seminar the need for a training programme for young people to gain skills in youth work, leisure and disability. We have successfully received funding from the Voluntary Action Fund to recruit 12 young people who are not in education, employment or training. They will enrol in accredited sports leadership and disability specific courses. All recruits will be placed in the Open all Hours project on completion of the programme.

Financial review

Incoming resources for the year decreased from £119,810 to £109,357. The reason for this was the decrease in service income and grant income by £6,000 and £3,000 respectively. Total expenditure during the year remained consistent with the prior year, only increasing by £600.

The deficit for the year amounted to £396 (2011: surplus £10,644). This result increased the deficit on unrestricted funds at the year end from £11,255 in 2011 to £11,651 in 2012. The Directors are fully aware of the deficit on unrestricted funds at the year end and are actively considering ways to clear this deficit. They are looking at a number of opportunities to increase the funding for the charity and are also continuing to review opportunities to reduce overheads to ensure that the organisation remains financially viable.

FABB SCOTLAND LIMITED
(A Company Limited by Guarantee)

REPORT of the DIRECTORS (Contd.)

Investment policy

The Directors consider that where surplus funds are available, they should be held in a suitable high interest bearing bank account.

Reserves policy

The Board of Directors have agreed a policy of reserves that maintains unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately three months unrestricted expenditure. The Directors continue to strive to create a more stable funding base for Fabb Scotland's activities.

Statement of Directors' responsibilities

The Directors (who are also trustees of Fabb Scotland Limited for the purposes of charity law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing the financial statements the Directors are required to:

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

The Directors 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.) The Directors 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.

Small Company Exemptions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

BY ORDER OF THE BOARD

FIONA HIRD
Company Secretary

 2012

17 Oct 2012

**INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS AND MEMBERS
OF FABB SCOTLAND LIMITED**



I report on the financial statements of Fabb Scotland Limited for the year ended 31 March 2012 which are set out on pages 8 to 17.

This report is made to the Directors of Fabb Scotland Limited, as a body, in accordance with the terms of my engagement. My work has been undertaken to enable me to prepare the financial statements on behalf of the Directors and to report my opinion as set out below and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Directors and members of Fabb Scotland Limited, as a body, for my work or for this report.

Respective responsibilities of Directors and independent examiner

The responsibilities of the Directors (who are the trustees of the charity for the purposes of charity law) for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

The Directors consider that the audit requirement of Regulation 10(1)(a) to (c) of the Charities Accounts (Scotland) Regulations 2006 (as amended) (the Regulations) does not apply.

It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Charities and Trustee Investment Act 2005 (the Act) and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the Directors 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 financial statements.

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 Act and Regulation 4 of the Regulations, and
 - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the Regulationshave not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Malcolm A Beveridge

**Malcolm Beveridge BA CA
CHIENE + TAIT
Chartered Accountants and Independent Examiners
61 Dublin Street
Edinburgh EH3 6NL**

17 October 2012

FABB SCOTLAND LIMITED
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2012

	Note	Restricted Funds £	Un- Restricted Funds £	Total 2012 £	Total 2011 £
Incoming resources	2				
Incoming resources from generated funds:					
Voluntary income		29,034	275	29,309	29,993
Activities for generating funds		-	5,751	5,751	7,144
Incoming resources from charitable activities:					
Other grants		51,839	-	51,839	54,339
Service income		5,456	14,228	19,684	25,557
Other income		-	2,774	2,774	2,777
Total incoming resources		86,329	23,028	109,357	119,810
Resources expended					
Costs of generating funds					
Costs of generating voluntary income	5	-	536	536	839
Charitable activities	6	102,767	-	102,767	102,099
Governance costs	8	-	6,450	6,450	6,228
Total resources expended		102,767	6,986	109,753	109,166
Net (outgoing)/incoming resources before transfers		(16,438)	16,042	(396)	10,644
Transfers between funds	14	16,438	(16,438)	-	-
Net movement in funds		-	(396)	(396)	10,644
Fund balances at 1 April 2011	14	-	(11,255)	(11,255)	(21,899)
Fund balances at 31 March 2012	14	-	(11,651)	(11,651)	(11,255)
		=====	=====	=====	=====

The Statement of Financial Activities includes all gains and losses recognised during the year.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 10 to 17 form part of these financial statements

FABB SCOTLAND LIMITED
(A Company Limited by Guarantee)

BALANCE SHEET

As at 31 March 2012

	Note	£	2012 £	£	2011 £
Fixed Assets					
Tangible assets	9		-		-
Current Assets					
Debtors	10	4,207		2,739	
Cash on hand		277		34	
		<u>4,484</u>		<u>2,773</u>	
Creditors: amounts falling due within one year	11	16,135		14,028	
		<u>-----</u>		<u>-----</u>	
Net current liabilities			(11,651)		(11,255)
			<u>-----</u>		<u>-----</u>
Net liabilities			(11,651)		(11,255)
			<u>=====</u>		<u>=====</u>
Financed by:					
Restricted funds	14		-		-
Unrestricted funds:					
General Funds	14		(11,651)		(11,255)
			<u>-----</u>		<u>-----</u>
			(11,651)		(11,255)
			<u>=====</u>		<u>=====</u>

Audit exemption statement

The Directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The Directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements 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 profit or loss for the financial year in accordance with the requirements of sections 394 and 395, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Statement of Recommended Practice (SORP) 2005 for charities.

The financial statements were approved by the Directors on 17 October 2012 and signed on its behalf by:-

 Director
Jean Dunlop

Company No. SC134379

The notes on pages 10 to 17 form part of these financial statements

NOTES to the FINANCIAL STATEMENTS

For the year ended 31 March 2012

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 2006, Financial Reporting Standard for Smaller Entities (effective April 2008), the Statement of Recommended Practice – Accounting and Reporting by Charities issued in March 2005 and with the company's Memorandum and Articles of Association.

Going concern

The financial statements have been prepared on a going concern basis. The Directors have assessed the charity's ability to continue as a going concern, as detailed in note 16, and have reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

Donations, legacies and similar income

Donations, legacies and similar income are recognised once the charity has entitlement to the resources, the Directors are certain that the resources will be received and the monetary value can be measured with sufficient reliability.

Grants receivable

Revenue Grants, including those relating to Fabb Scotland Limited projects, are recognised in the Statement of Financial Activities in the year in which they relate. Grants in respect of capital expenditure are credited to a restricted fund. The relevant assets are depreciated over their expected useful lives and an amount equal to the depreciation is released against the restricted reserve.

Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis, inclusive of any VAT which cannot be recovered, and has been classified under headings that aggregate all costs related to the category.

- Costs of generating funds comprise those costs associated with attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include independent examiner's fees and costs linked to the strategic management of the charity.
- Costs directly attributable to the cost of generating funds, charitable activities, and governance, are allocated to the appropriate activity. Support costs, including staff costs, which cannot be directly attributed to an activity are allocated on the basis of the time spent by staff on each activity.

Funds

Unrestricted funds represent the general funds which the Directors are free to use in accordance with the charity's charitable objectives. Restricted funds are those where the donor has imposed a restriction on the use of the fund. The nature and purpose of each fund are set out in the notes to the financial statements.

Value Added Tax

The organisation is not registered for Value Added Tax (VAT) consequently all VAT on incurred costs is included in the attributable expenditure.

FABB SCOTLAND LIMITED
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2012

1. Accounting policies (Contd.)

Fixed Assets

Fixed assets are included at cost. Expenditure below £200 is not capitalised. Depreciation is provided on tangible fixed assets at rates calculated to write off the cost, less estimated residual value of each asset over its expected useful life as follows:

Office equipment	–	25% straight line
Computer equipment	–	33% straight line
Motor vehicles	–	25% straight line

Pensions

All employees are given the opportunity to join the Pension Trust's Growth Plan. This is a multi-employer defined benefit scheme. The company makes related contributions to the scheme. Such contributions are linked to salary and are recognised in the Statement of Financial Activities in the year to which they relate.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

2. Income

Income includes grants from trusts and others, and income from other sources, which were received during the year. Included in this figure are the following:

	2012 £	2011 £
CEC – Revenue Grant	38,312	38,312
Scottish Government – HQ Grant	29,034	29,034
ACERS – Children in Need grant	-	5,000
CEC – Holiday Programme	13,527	11,027
	=====	=====

3. Net resources expended

	2012 £	2011 £
This is stated after charging:		
Operating lease payments	2,832	5,451
Independent examiner's fee	1,420	1,284
	=====	=====

4. Staffing costs

	2012 £	2011 £
Salaries	81,114	82,142
Employers National Insurance	7,708	6,817
	-----	-----
	88,822	88,959
	=====	=====

	No.	No.
Average staff numbers:		
Those employed for 20 hours or more per week	2	2
Those employed for less than 20 hours per week	16	15
	=====	=====

FABB SCOTLAND LIMITED
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2012

4. Staffing costs (Contd.)

The charity also draws on the input of 25 volunteers (2011: 23). The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution of volunteers can be found in the Report of the Directors.

There are no employees who earn more than £60,000 per annum.

The Directors receive no remuneration for their services. Directors are however eligible to receive reimbursement of travel and subsistence costs. During the year such claims amounted to £2,214 (2011: £789).

5. Costs of generating voluntary income	2012	2011
	£	£
Promotion and publicity costs	536	839
	=====	=====

6. Charitable activities

	Edinburgh Inclusion Project £	Holiday P'gramme £	ACERS £	Head- Quarters £	2012 Total £	2011 Total £
Staff costs	29,110	8,364	2,192	33,004	72,670	66,520
Sessional staff costs	1,120	478	2,256	3,903	7,757	14,359
Activity/ Programme costs	1,543	1,886	50	-	3,479	3,434
Supports costs (note 7)	6,539	2,461	977	8,884	18,861	17,786
	-----	-----	-----	-----	-----	-----
	38,312	13,189	5,475	45,791	102,767	102,099
	=====	=====	=====	=====	=====	=====

7. Support costs	Edinburgh Inclusion Project £	Holiday P'gramme £	ACERS £	Head- quarters £	2012 Total £	2011 Total £
Administrator staff costs	1,179	416	168	1,602	3,365	3,096
Staff travel	776	274	110	1,054	2,214	789
Staff training	62	22	9	85	178	703
Rent	1,236	437	176	1,680	3,529	5,451
Insurance	230	81	33	313	657	621
Printing and stationery	150	53	21	203	427	208
Postage	34	12	5	47	98	143
Computer running costs	96	34	14	130	274	268
Vehicle costs	1,289	455	184	1,751	3,679	3,231
Telephone	252	89	36	341	718	1,242
Subscriptions	20	7	3	28	58	54
Board expenses	107	38	61	146	352	191
General expenses	512	181	73	695	1,461	520
Volunteer expenses	255	242	36	346	879	519
Room Hire	151	53	21	205	430	290
Professional fees	41	15	6	56	118	-
Bank charges	149	52	21	202	424	460
	-----	-----	-----	-----	-----	-----
	6,539	2,461	977	8,884	18,861	17,786
	=====	=====	=====	=====	=====	=====

FABB SCOTLAND LIMITED
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2012

8. Governance costs	2012	2011
	£	£
Independent examiner's fees	1,420	1,284
Staff costs	5,030	4,944
	-----	-----
	6,450	6,228
	=====	=====

9. Tangible fixed assets	Office equipment £	Computer equipment £	Motor Vehicles £	Total £
Cost				
As at 31 March 2011 and 2012	2,827	5,032	37,796	45,655
	-----	-----	-----	-----
Depreciation				
As at 31 March 2011	2,827	5,032	37,796	45,655
Charge for year	-	-	-	-
	-----	-----	-----	-----
As at 31 March 2012	2,827	5,032	37,796	45,655
	-----	-----	-----	-----
Net book value				
As at 31 March 2012	-	-	-	-
	=====	=====	=====	=====
As at 31 March 2011	-	-	-	-
	=====	=====	=====	=====

10. Debtors	2012	2011
	£	£
Sundry debtors	3,610	2,203
Prepayments	597	536
	-----	-----
	4,207	2,739
	=====	=====

11. Creditors: amounts falling due within one year	2012	2011
	£	£
Bank overdraft	4,703	5,042
Sundry creditors	3,061	2,726
Accruals and deferred income	8,371	6,260
	-----	-----
	16,135	14,028
	=====	=====

12. Leasing commitments	2012	2011
	£	£
The company is committed to making the following annual payments In respect of rental of a property under non-cancellable operating leases:		
Lands and buildings - expiring in less than one year	-	-
- expiring in more than five years	3,121	3,073
	=====	=====

FABB SCOTLAND LIMITED
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2012

13. Restricted funds	As at 31 March 2011 £	Income £	Expenditure £	Transfer (From)/to Unrestricted Funds £	As at 31 March 2012 £
The Inclusion Project	-	38,312	(38,312)	-	-
The Administration fund	-	29,034	(45,791)	16,757	-
The Holiday programme fund	-	13,527	(13,189)	(338)	-
The ACERS fund	-	5,456	(5,475)	19	-
	-----	-----	-----	-----	-----
	-	86,329	(102,767)	16,438	-
	=====	=====	=====	=====	=====

- (a) The Inclusion Project reflects the restricted funds and finances of the Edinburgh Inclusion Project funded by a revenue grant from the City of Edinburgh Council.
- (b) The Administration fund represents the funds received from the Scottish Government which are restricted to meet the Headquarter costs of the charity.
- (c) The Holiday Programme fund reflects the restricted finances for the holiday playschemes and residential programmes funded by the City of Edinburgh Council.
- (d) The ACERS fund reflects the restricted funds from Children in Need to finance Fabb Scotland's support of the ACERS initiative.

Transfers from unrestricted funds to restricted funds represent funds transferred to cover excess costs incurred by projects during the year.

14. Unrestricted funds – General Fund	Total Unrestricted Funds £
Balance at 1 April 2011	(11,255)
Net incoming resources for the year	16,042
Transfer to Restricted Funds	(16,438)

Balance at 31 March 2012	(11,651)
	=====

The general fund is the free and unrestricted fund of the charity.

Refer to note 13 for details of transfers.

15. Analysis of net assets between funds	Tangible Fixed Assets £	Net Current Liabilities £	Total £
Restricted	-	-	-
Unrestricted	-	(11,651)	(11,651)
	-----	-----	-----
	-	(11,651)	(11,651)
	=====	=====	=====

NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2012

16. Going Concern

As disclosed on the balance sheet the charity had net liabilities at the year end of £11,651 (2011: £11,255) and they have reported a deficit for the year of £396 (2011: surplus £10,644). The current financial climate continues to require that the Board, our stakeholders and supporters prioritise strategic objective 4 "to create a more stable funding base for Fabb activities" over all others. The Directors are continuing to focus on increasing the funding base of the charity and during the year they have undertaken a number of successful fundraising activities in order to assist with reducing the deficit. However, the success of these fundraising activities has been offset by further reductions in the grant income received. In addition, the Directors are continuing to look at ways of reducing the charity's cost base and making better use of volunteers to assist in the delivery of the charity's projects.

Budgets and projections have been prepared for the current financial year along with regular cashflow forecasts. Based upon these budgets and forecasts the Directors are satisfied that, with the support of stakeholders, grant providers and supporters, they will be able to continue to operate and are taking significant steps in the reduction of the deficit that existed at 31 March 2012. The Directors are also in discussion with their major funders and are confident that funding will continue to be provided in the future.

After making enquiries, and considering the uncertainties with regard to the future funding of the charity, the Directors have a reasonable expectation that the charity, with the support of its stakeholders and grant providers, will be in a position to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the financial statements.

17. Pension contributions

Fabb Scotland Limited participates in The Pensions Trust's Growth Plan (the Plan). The Plan is funded and is not contracted-out of the State scheme. The Plan is a multi-employer pension plan.

Contributions paid into the Plan up to and including September 2001 were converted to defined amounts of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Plan or by the purchase of an annuity.

The rules of the Plan allow for the declaration of bonuses and/or investment credits if this is within the financial capacity of the Plan assessed on a prudent basis. Bonuses/investment credits are not guaranteed and are declared at the discretion of the Plan's Trustee.

The Trustee commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions.

If the actuarial valuation reveals a deficit, the Trustee will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

FABB SCOTLAND LIMITED
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NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2012

17. Pension contributions (Contd.)

The rules of the Plan state that the proportion of obligatory contributions to be borne by the member and the member's employer shall be determined by agreement between them. Such agreement shall require the employer to pay part of such contributions and may provide that the employer shall pay the whole of them.

Fabb Scotland Limited paid contributions at the rate of 0% during the accounting period. Members paid contributions at the rate of 0% during the accounting period.

As at the balance sheet date there were no active members of the Plan employed by Fabb Scotland Limited (2011: none). Fabb Scotland Limited continues to offer membership of the Plan to its employees.

It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. The Plan is a multi-employer scheme where the Plan assets are co-mingled for investment purposes, and benefits are paid from the total Plan assets. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS17 represents the employer contribution payable.

The valuation results at 30 September 2008 were completed in 2009 and have been formalised. The valuation of the Plan was performed by a professionally qualified Actuary using the Projected Unit Method. The market value of the Plan's assets at the valuation date was £742 million and the Plan's Technical Provisions (i.e. past service liabilities) were £771 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £29 million, equivalent to a funding level of 96%.

The financial assumptions underlying the valuation as at 30 September 2008 were as follows:

	% Per annum
- Investment return pre-retirement	7.6
- Investment return post-retirement	
Actives/deferreds	5.1
Pensioners	5.6
- Bonuses on accrued benefits	0.0
- Rate of price inflation	3.2

In determining the investment return assumptions the Trustee considered advice from the Scheme Actuary relating to the probability of achieving particular levels of investment return. The Trustee has incorporated an element of prudence into the pre and post retirement investment return assumptions; such that there is a 60% expectation that the return will be in excess of that assumed and a 40% chance that the return will be lower than that assumed over the next 10 years.

The preliminary triennial valuation results as at 30 September 2011 were received in March 2012 but, as the valuation will not be finalised until later this year, this disclosure note must still refer to the 2008 valuation results as the last completed valuation.

The Scheme Actuary's preliminary results for 30 September 2011 show that the Plan's assets at that date were £780 million and the Plan's Technical Provisions (i.e. past service liabilities) were £928 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £148 million, equivalent to a funding level of 84%.

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NOTES to the FINANCIAL STATEMENTS (Contd.)

For the year ended 31 March 2012

17. Pension contributions (Contd.)

If an actuarial valuation reveals a shortfall of assets compared to liabilities, the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall.

The Pensions Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or recovery plan are inappropriate. For example, the Regulator could require that the Trustee strengthens the actuarial assumptions (which would increase the Plan liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Plan (which would effectively amend the terms of the recovery plan). A copy of the recovery plan in respect of the September 2008 valuation was forwarded to The Pensions Regulator on 18 December 2009, as is required by legislation.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Plan and The Pensions Act 2011 has more recently altered the definition of Series 3 of the Growth Plan so that a liability arises to employers from membership of any Series except Series 4. The debt is due in the event of the employer ceasing to participate in the Plan or the Plan winding up.

The debt for the Plan as a whole is calculated by comparing the liabilities for the Plan (calculated on a buy-out basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Plan. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Plan's liability attributable to employment with the leaving employer compared to the total amount of the Plan's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

Fabb Scotland Limited has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2010. As of this date the estimated employer debt for Fabb Scotland Limited was £77,159.

18. Members' liability

Fabb Scotland Limited is a company limited by guarantee and therefore has no share capital. Each member undertakes to contribute an amount not exceeding £1, in the event of the company being wound up.