REGISTERED COMPANY NUMBER: SC348754 (Scotland)
REGISTERED CHARITY NUMBER: SC039894

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2016 FOR

THE ALBYN FOUNDATION

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SCT 03/02/2017 #4
COMPANIES HOUSE

Johnston Carmichael LLP
Chartered Accountants and Registered Auditors
29 Albyn Place
Aberdeen
AB10 1YL

THE ALBYN FOUNDATION

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FOR THE YEAR ENDED 31 JULY 2016

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2016

The trustees present their report, which includes the requirements for the Strategic Report, and accounts for the year ended 31 July 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)".

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
SC348754 (Scotland)

Registered Charity number
SC039894

Registered office
Union Plaza
6th Floor
1 Union Wynd
Aberdeen
AB10 1DQ

Trustees
I E Long
G Esson

Company Secretary
C Boag

Auditors
Johnston Carmichael LLP
Chartered Accountants and Registered Auditors
29 Albyn Place
Aberdeen
AB10 1YL

Solicitors
Burness Paull LLP
Union Plaza (6th Floor)
1 Union Wynd
Aberdeen
AB10 1DQ

Bankers
Bank of Scotland
Pentland House
8 Lochside Avenue
Edinburgh
EH12 9JD

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Albyn Foundation (A Charitable Company Limited by Guarantee) is governed by its Memorandum and Articles of Association. The company was incorporated on 18 September 2008 and it is a registered charity. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member.

Recruitment and appointment of new trustees

The number of trustees of the charitable company is not less than 1 and not more than 20. The majority of trustees are required to be UK resident and each member of the charitable company shall also be a trustee. One third of the trustees retire by rotation every 3 years. Upon retiral by rotation a person may be re-appointed as a trustee if he/she consents to such re-appointment and such appointment has the unanimous approval of the remaining trustees.

Induction and training of new trustees

The Board strives to ensure that the trustees are informed and educated on their role and responsibilities as a charity trustee.

Organisational structure

The charitable company's operations are overseen by the Board of Trustees who meet regularly to monitor progress and plan future initiatives. The day to day running of the charitable company is managed by Mr Colin Boag. The accounting records are maintained by Mr Colin Boag, Company Secretary.

Related parties

Mr George Esson, a trustee of The Albyn Foundation, is also a governor/trustee of Albyn School Limited. Dr Ian Long, trustee of The Albyn Foundation, is Headmaster of Albyn School Limited. Albyn School Limited and its pupils/potential pupils are to be the beneficiaries of funds raised by The Albyn Foundation. All expenses of The Albyn Foundation are met by Albyn School Limited. Albyn School Limited is the ultimate parent company of The Albyn Foundation.

Risk management

The charitable company has risk management policies and procedures through which risks arising from the existing operations and developments are identified and evaluated. The trustees are required to identify and analyse risks relevant to their scope of activities; assess them according to the impact on the charitable company and their likelihood of occurrence and report on the procedures which are in place, or are being developed or enhanced, to provide assurance that the risk is being managed.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The main objective of the charitable company is the advancement of education for the public benefit. The charitable company aims to raise monies through various fundraising initiatives and donations for the purpose of granting and establishing bursaries, scholarships and prizes. These grants, bursaries and scholarships will be awarded to any charitable educational establishment approved by the trustees and to pupils and students studying at any of these approved educational establishments.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The charitable company continued to receive reasonable levels of donations and has made major grant awards.

FINANCIAL REVIEW

Reserves policy

It is the Board's policy to aim to retain sufficient funds to allow timely granting of awards and expenses to appropriate persons. Total unrestricted reserves at the balance sheet date amounted to £118,072.

Funds

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees. Restricted funds - these are funds subject to specific requirements as to their use which may be declared by the donor or with their authority or created through legal processes, but still within the wider objects of the charity.

The surplus for the year amounted to £76,443 (2015 – deficit £8,480).

FUTURE DEVELOPMENTS

The trustees have various projects underway to raise awareness and income in the coming year. This, together with the accumulated surplus, should allow the Foundation to continue to award grants, bursaries and hardship awards in the coming year.

TRUSTEES RESPONSIBILITY STATEMENT

The trustees (who are also the directors of The Albyn Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2015 (FRS 102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

G Esson - Trustee

27/1/2017.....

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEES AND MEMBERS OF THE ALBYN FOUNDATION

We have audited the financial statements of The Albyn Foundation for the year ended 31 July 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the relates 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors
As explained more fully in the Trustees Responsibility Statement set out on pages three and four, 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 auditors under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

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

Opinion on financial statements
In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2016 and of its 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 regulation 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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



Jean Main (Senior Statutory Auditor)
for and on behalf of Johnston Carmichael LLP
Chartered Accountants and Statutory Auditors
29 Albyn Place
Aberdeen
AB10 1YL

27/1/17

Johnston Carmichael LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

THE ALBYN FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2016

	Notes	Year ended 31.7.16 Unrestricted funds £	Year ended 31.7.15 Total funds £
INCOME AND ENDOWMENTS FROM:			
Donations and legacies	2	163,022	83,823
Investments	3	588	229
TOTAL INCOME AND ENDOWMENTS		163,610	84,052
EXPENDITURE ON:			
Charitable activities			
Administration	4	8,530	7,891
Grants paid	5	78,637	84,641
TOTAL EXPENDITURE		87,167	92,532
NET INCOME/(EXPENDITURE)/NET MOVEMENT IN FUNDS		76,443	(8,480)
RECONCILIATION OF FUNDS:			
TOTAL FUNDS BROUGHT FORWARD		41,629	50,109
TOTAL FUNDS CARRIED FORWARD		118,072	41,629

The notes form part of these financial statements

THE ALBYN FOUNDATION

BALANCE SHEET
AT 31 JULY 2016

	Notes	2016 Unrestricted funds £	2015 Total funds £
CURRENT ASSETS			
Debtors	10	4,661	8,059
Cash at bank		113,411	33,570
		118,072	41,629
NET CURRENT ASSETS		118,072	41,629
TOTAL ASSETS LESS CURRENT LIABILITIES		118,072	41,629
NET ASSETS		118,072	41,629
FUNDS OF THE CHARITY	12		
Unrestricted funds		118,072	41,629
TOTAL CHARITY FUNDS		118,072	41,629

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

The financial statements were approved by the Board of Trustees on ..27/1/2017..... and were signed on its behalf by:

.....
G Esson - Trustee

REGISTERED COMPANY NUMBER: SC348754 (Scotland)
REGISTERED CHARITY NUMBER: SC039894

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Company information
The Albyn Foundation us a charitable company limited by guarantee incorporated in Scotland. The registered office is Union Plaza, 6th Floor, 1 Union Wynd, Aberdeen, AB10 1DQ.

Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and the Companies Act 2006. The financial statements have also been prepared in accordance with the Charities Accounts (Scotland) Regulations Act 2006 (as amended) and the Charities and Trustee Investment (Scotland) Act 2005.

The company is a Public Benefit Entity as defined by FRS 102.

The charity has availed itself of S396 of the Companies House Act 2006, as permitted in paragraph 4(1) of Schedule 1 of SI 2008 no.409, and adapted the Companies Act formats to reflect the special nature of the charities activities.

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

The accounts have been prepared on a going concern basis under the historical cost convention modified for fair value as required. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 July 2016 are the first financial statements of The Albyn Foundation prepared in accordance with SORP (FRS 102). The date of transition was 1 August 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

The charity has taken advantage of the reduced disclosure framework of FRS102 available to certain qualifying subsidiaries, namely the requirement to present a statement of cash flows. The Albyn Foundation is controlled by The Albyn School and the results are included in the consolidated financial statements which are publicly available. See note 13 for details.

Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

Incoming resources
All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy, and it is probable that income will be received.

Income represents donations from individuals and groups, related gift aid and bank interest. Donated services, such as salary costs and accountancy fees, which are paid by Albyn School Limited, are included at the trustees' best estimate of the value or at actual value.

1. ACCOUNTING POLICIES CONTINUED

Resources expended
Resources expended are included on an accruals basis, inclusive of any VAT which cannot be recovered.

Costs of raising funds include those costs relating to the fundraising task.

Charitable activities include all costs relating to activities where the primary aim is part of the objectives of the charitable company.

Governance costs are the costs relating to the governance arrangements of the charitable company. These costs are included within charitable activities.

Grants payable are included when approved by the trustees. The value of such grants unpaid at the year end is accrued. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Taxation
The charity is exempt from corporation tax on its charitable activities.

Fund accounting
Funds held by the charitable company are unrestricted funds which can be used in accordance with the charitable objectives at the discretion of the trustees.

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

Financial instruments
The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets
Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

1. ACCOUNTING POLICIES CONTINUED

Impairment of financial assets
Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

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

Basic financial liabilities
Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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

Critical accounting estimates and judgements
In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The trustees consider that there are no estimates and underlying assumptions which has significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

2. INCOME FROM DONATIONS AND LEGACIES

	Year ended 31.7.16	Year ended 31.7.15
	£	£
Donations	149,921	65,022
Donated services	8,500	7,861
Tax recovered on Gift Aid	4,601	10,940
	163,022	83,823

All of the above income is attributable to unrestricted funds.

3. INCOME FROM INVESTMENTS

	Year ended 31.7.16	Year ended 31.7.15
	£	£
Deposit account interest	588	229

All of the above income is attributable to unrestricted funds.

4. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Year ended 31.7.16	Year ended 31.7.15
	£	£
Staff costs (see note 9)	6,000	5,321
Bank charges	30	30
Governance costs (see note 6)	2,500	2,540
	8,530	7,891

All of the above income is attributable to unrestricted funds.

5. GRANTS PAYABLE

	Year ended 31.7.16	Year ended 31.7.15
	£	£
Grants paid	78,637	84,641

The total grants paid to institutions during the year was as follows:

	Year ended 31.7.16	Year ended 31.7.15
	£	£
Albyn School Limited	78,637	84,641

All of the above expenditure is attributable to unrestricted funds.

6. GOVERNANCE COSTS

	Year ended 31.7.16	Year ended 31.7.15
	£	£
Auditor remuneration	2,500	2,540

7. NET INCOME

Net resources are stated after charging/(crediting):

	Year ended 31.7.16	Year ended 31.7.15
	£	£
Auditor remuneration	2,500	2,540

8. TRUSTEES' REMUNERATION AND BENEFITS

There was no remuneration or other benefits paid to trustees or anyone connected with them for the year ended 31 July 2016 nor for the year ended 31 July 2015.

Trustees' expenses

There were no expenses paid to trustees or anyone connected with them for the year ended 31 July 2016 nor for the year ended 31 July 2015.

9. STAFF COSTS

	Year ended 31.7.16	Year ended 31.7.15
	£	£
Wages and salaries	6,000	5,321

Salary costs for the employees working for this charitable company are included within the salary costs of Albyn School Limited. The above is an estimate of the amounts involved.

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Gift Aid tax refund due	4,661	8,059

11. FINANCIAL INSTRUMENTS

	2016	2015
Carrying amount of financial assets		
Financial assets measured at amortised cost	113,411	33,570
Carrying amount of financial liabilities		
Measured at amortised cost	-	-

12. MOVEMENT IN FUNDS

	At 1.8.15	Net movement in funds	At 31.7.16
	£	£	£
Unrestricted funds			
General fund	41,629	76,443	118,072
TOTAL FUNDS	41,629	76,443	118,072

Net movement in funds, included in the above is as follows:

	Income	Expenditure	Movement in funds
	£	£	£
Unrestricted funds			
General fund	163,610	(87,167)	76,443
TOTAL FUNDS	163,610	(87,167)	76,443

13. ULTIMATE PARENT COMPANY

The Albyn Foundation's ultimate parent company is Albyn School Limited, a company limited by guarantee, incorporated in Scotland (Company number SC026743, Charity number SC008392). The charitable company's results are included in the consolidated financial statements of Albyn School Limited. Copies of the consolidated financial statements can be obtained from Albyn School Limited registered office, Union Plaza, I Union Wynd, Aberdeen, AB10 1DQ.

During the year salary costs for the employees involved in The Albyn Foundation were paid by Albyn School Limited. Accountancy fees were also paid by Albyn School Limited. Best estimates of the amounts involved have been included in the financial statements.

The Albyn Foundation paid £78,637 (2015: £84,641) of grants to Albyn School Limited during the year.

14. CHARITABLE COMPANY LIMITED BY GUARANTEE

As the charitable company is limited by guarantee of the members, the charitable company has no issued share capital. Each member has undertaken to contribute an amount not exceeding £1 towards any deficit arising in the event of the charitable company being wound up.

15. RELATED PARTIES

There are no related party to disclose in these financial statements. No key management personnel received any remuneration or reimbursement of expenses in the current and prior year.