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**GRAMPIAN LIVING OPTIONS LIMITED
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
FOR
31 MARCH 2008**

**COMPANY REGISTRATION NUMBER 138697
SCOTTISH CHARITY NUMBER SCO 020490**



WILLIAMSON & DUNN
Chartered Accountants & Registered Auditors
3 West Craibstone Street
Aberdeen
AB11 6YW

GRAMPIAN LIVING OPTIONS LIMITED COMPANY LIMITED BY GUARANTEE

YEAR ENDED 31 MARCH 2008

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GRAMPIAN LIVING OPTIONS LIMITED COMPANY LIMITED BY GUARANTEE

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2008

DIRECTORS AND ADVISORS

Directors

Dr C J Webster	Resigned 22/07/08
Mrs M Webster	Resigned 01/08/08
Mrs A J Pacitti	Appointed 22/07/08

Registered Office

Taigh Farrais Respite Accommodation,
MacDonald Drive
Forres
Moray
IV36 1NG

Auditors

Williamson & Dunn
3 West Craibstone Street
Aberdeen
AB11 6YW

Bankers

Royal Bank of Scotland plc
Westhill Branch
2 Old Skene Road
Westhill
Skene
AB32 6RL

GRAMPIAN LIVING OPTIONS LIMITED COMPANY LIMITED BY GUARANTEE

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2008

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2008. The directors confirm that the accounts comply with the current statutory requirements, requirements of the revised SORP 2005 and with the requirements of the Memorandum and Articles of Association.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Grampian Living Options Limited is constituted as a company limited by Guarantee (Reg. No. SC138697). It is registered with the Office of the Scottish Charity Regulator (SCO 020490).

In the course of the year the directors have considered the implications of the Charities and Trustee Investment (Scotland) Act 2005 and the National Occupational Standards for Trustees.

With regard to the consideration of the former, the organisation is registered with The Office of the Scottish Charity Regulator (OSCR) and governance of the company is managed to ensure that the responsibilities and duties of the directors are consistent with those outlined in the Act.

Recruitment and appointment of new directors is through recommendation by existing directors of individuals with the required skills.

Induction and training of directors is undertaken and includes topics such as the history of the organisation, the work at the respite and supported accommodation units and finance.

The Director reviews the overall strategy of the organisation together with dealing with day to day management matters including finance. Managers at the respective units are updated on director's decisions.

OBJECTIVES AND ACTIVITIES

The principal activity of the company during the year was the management of respite accommodation at Alford, Fraserburgh and Forres.

ACHIEVEMENT AND PERFORMANCE

Grampian Living Options Limited manages two respite units and one supported accommodation unit for physically disabled adults. Over the last year, all three units have continued to operate efficiently and well. Taizali, the long term residential unit has been fully occupied all year.

In Achbuie and Taigh Farrais, the respite units, occupancy was 78% to 84% with the highest disability levels taking up half of the available accommodation. The emergency room at Alford continues to prove its worth. The adapted vehicles at all three units are in frequent use.

GRAMPIAN LIVING OPTIONS LIMITED COMPANY LIMITED BY GUARANTEE

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2008

This level of successful operation has only been possible as a result of the dedicated efforts of our staff at all three units and we very much appreciate their efforts. Grampian Living Options Limited has a policy of providing full training to staff and all are trained in lifting and handling guests, in first aid and in proper handling of food. We have prepared a staff training program which fully meets the standards of the Care Commission and our recruitment policy meets the requirements of Disclosure Scotland in protection of vulnerable clients.

FINANCIAL REVIEW

The company is almost wholly funded through local authorities by grant and accommodation income. As can be seen from the attached accounts income for the year was greater than expenditure.

It is likely that future increases from such funding will not be significant and therefore care will require to be exercised with future expenditure to ensure it continues not to exceed income.

RISK MANAGEMENT

It is evident that Grampian Living Options Limited is totally dependent on others for funding. Essentially this places the company at risk at any time. However, the company has built up a good reputation in terms of delivering services to a good standard and would therefore be an attractive provider for purchasers to use. The directors regularly assess risk, particularly risk relating to the operations and finances of the company, and are satisfied that systems are in place to mitigate the exposure to major risks.

INVESTMENT POLICY

The directors have considered that the most appropriate policy for investing surplus funds is within interest bearing bank accounts for short term purposes. No long term investments are currently held by the company.

RESULTS FOR THE YEAR

The net (incoming) resources for the year amounted to £7,994 (2007 £9,977) of which all is attributable to unrestricted funds.

DIRECTORS

The directors who served the company during the year were as follows:

Dr. C.J. Webster	Resigned 22/07/08
Mrs M. Webster	Resigned 01/08/08
Mrs A J Pacitti	Appointed 22/07/08

GRAMPIAN LIVING OPTIONS LIMITED COMPANY LIMITED BY GUARANTEE

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2008

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and 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 company and of the profit or loss of the company for that year.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on pages 9 to 10, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

A resolution to re-appoint Williamson & Dunn as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
Taigh Farrais Respite Accommodation
MacDonald Drive
Forres
Moray
IV36 1NG

Signed on behalf of the directors



Director
Mrs Ann J Pacitti

Approved by the directors on 18-12-08

GRAMPIAN LIVING OPTIONS LIMITED COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRAMPIAN LIVING OPTIONS LIMITED

YEAR ENDED 31 MARCH 2008

This report is issued in respect of an audit carried out under section 235 of the Companies Act 1985 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. We have audited the financial statements of Grampian Living Options Limited for the year ended 31 March 2008 on pages 7 to 14 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007) and on the basis of the accounting policies set out on pages 9 to 10.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985, and to the charity'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. Our audit work has been undertaken so that we might state to the company's members and the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and whether the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**GRAMPIAN LIVING OPTIONS LIMITED
COMPANY LIMITED BY GUARANTEE**

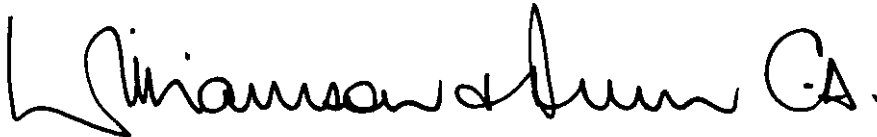
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GRAMPIAN LIVING OPTIONS (continued)**

YEAR ENDED 31 MARCH 2008

OPINION

In our opinion:

- The financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 March 2008 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- The financial statements have been properly prepared in accordance with the Companies Act 1985; and
- The information given in the Directors' Report is consistent with the financial statements.



Williamson & Dunn
Chartered Accountants
& Registered Auditors
3 West Craibstone Street
Aberdeen

AB11 6YW

18-12-08

The notes on pages 9-14 form part of these financial statements.

**GRAMPIAN LIVING OPTIONS LIMITED
COMPANY LIMITED BY GUARANTEE**

STATEMENT OF FINANCIAL ACTIVITIES FOR YEAR ENDED 31 MARCH 2008

	Note	Unrestricted Funds £	General Restricted Funds £	Total 2008 £	Total 2007 £
INCOMING RESOURCES					
Incoming resources from generated funds					
<i>Voluntary income:</i>					
Donations		-	2,189	2,189	2,107
<i>Activities for generating funds:</i>					
Bank interest receivable	4	2,646	-	2,646	1,632
Gain on Sale of Van		-	-	-	1,000
Incoming resources from charitable activities					
Local authority grants		-	424,663	424,663	420,633
Accommodation income		205,576	-	205,576	195,285
Total Incoming resources		208,222	426,852	635,074	620,657
RESOURCES EXPENDED					
Charitable activities		198,113	424,737	622,850	607,155
Governance Costs		2,115	2,115	4,230	3,525
Total resources expended	2	200,228	426,852	627,080	610,680
Net movement in funds		7,994	-	7,994	9,977
Reconciliation of Funds:					
Total funds at 1 April 2007		68,776	-	68,776	58,799
Total funds at 31 March 2008		76,770	-	76,770	68,776

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

The notes on pages 9-14 form part of these financial statements.

**GRAMPIAN LIVING OPTIONS LIMITED
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

AT 31 MARCH 2008

	Note	2008 £	£	2007 £	£
FIXED ASSETS					
Tangible assets	6		64,949		71,377
CURRENT ASSETS					
Debtors	7	13,639		12,002	
Cash at bank and in hand		49,419		54,901	
		<u>63,058</u>		<u>66,903</u>	
CREDITORS: Amounts falling due within one year	8	(51,237)		(69,504)	
NET CURRENT (LIABILITIES)			<u>11,821</u>		<u>(2,601)</u>
Net assets			<u>76,770</u>		<u>68,776</u>
Income and expenditure account					
Unrestricted funds	9		76,770		68,776
Total Funds			<u>76,770</u>		<u>68,776</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

These financial statements were approved by the directors on the 18-12-08 and are signed on their behalf by:


MRS ANN J PACITTI

GRAMPIAN LIVING OPTIONS LIMITED COMPANY LIMITED BY GUARANTEE

BALANCE SHEET

AT 31 MARCH 2008

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007), the Companies Act 1985 and follow the recommendations in Accounting and Reporting by Charities: Statement of Recommended Practice issued in March 2005.

Incoming resources

Income is recognised in the period in which the company is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable. Capital grants are included in creditors as deferred income and credited to the Statement of Financial Activities over the life of the asset.

Resources expended

Resources expended are recognised on an accruals basis as a liability in the period in which they are incurred.

Costs of generating funds comprise those costs directly attributable to organising fundraising events and administering donations received.

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 the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned in line with funding provisions and budgeted deficits as per note 2.

Fixed assets

Freehold land and buildings, leasehold improvements and furnishings and equipment are stated in the balance sheet at cost less depreciation. Items of equipment are capitalised where the purchase price exceeds £500.

Depreciation

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

Tenants improvements	- Over 10 years
Motor vehicles	- Over 4 years
Equipment and fittings	- Over 5 years
Computer	- Over 4 years

GRAMPIAN LIVING OPTIONS LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

Pension costs

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

Cash flow statement

The company qualifies as a small company under the terms of section 247 of the Companies Act 1985. As a consequence, it is exempt from the requirement to publish a cash flow statement.

Funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

2. ANALYSIS OF RESOURCES EXPENDED

	Charitable Activities £	Governance Costs £	Total 2008 £	Total 2007 £
Resources expended				
Staff Costs (Note 3)	455,923	-	455,923	434,350
Provisions	24,007	-	24,007	22,298
Premises Expenses	101,059	-	101,059	102,142
Van expenses	4,196	-	4,196	5,211
Administration expenses	11,046	-	11,046	12,791
Training costs	2,330	-	2,330	10,584
General Expenses	11,850	-	11,850	8,276
Audit Fees	-	4,230	4,230	3,525
Depreciation	19,895	-	19,895	18,960
(Release from Deferred Grants Accounts)	(7,456)	-	(7,456)	(7,457)
Total Resources Expended	622,850	4,230	627,080	610,680

**GRAMPIAN LIVING OPTIONS LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

3. STAFF COSTS

Staff costs were as follows:

	2008	2007
	£	£
Salaries and wages	399,616	379,303
Directors' remuneration	660	3,355
Social Security costs	25,772	25,277
Pension contributions	29,875	26,415
	<u>455,923</u>	<u>434,350</u>

During the year to 31 March 2008 the company had an average of 34 individuals employed (full and part-time) each month.

No individual employed by the company earned more than £50,000 in the year to 31 March 2008.
(2007 – nil)

4. INTEREST RECEIVABLE

	2008	2007
	£	£
Bank interest receivable	<u>2,646</u>	<u>1,632</u>

5. TAXATION

No provision for taxation is required as the company has been granted charitable status.

**GRAMPIAN LIVING OPTIONS LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

6. TANGIBLE FIXED ASSETS

	Land and buildings £	Other plant & machinery etc. £	Total £
COST			
At 1 April 2007	107,455	157,948	265,403
Additions	10,574	2,893	13,467
Disposals	-	-	-
At 31 March 2008	118,029	160,841	278,870
DEPRECIATION			
At 1 April 2007	50,046	143,980	194,026
Charge for the year	11,803	8,092	19,895
On Disposals	-	-	-
At 31 March 2008	61,849	152,072	213,921
NET BOOK VALUE			
At 31 March 2008	56,180	8,769	64,949
At 31 March 2007	57,409	13,968	71,377

7. DEBTORS

	2008 £	2007 £
Other debtors	13,639	12,002

8. CREDITORS: Amounts falling due within one year

	2008 £	2007 £
Other creditors:		
PAYE and social security	-	7,379
Other creditors and accruals	9,813	13,245
Deferred income	41,424	48,880
	51,237	69,504

**GRAMPIAN LIVING OPTIONS LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	General Restricted Funds £	Total £
Fund balances at 31 March 2008 are represented by:			
Tangible fixed assets	64,949	-	64,949
Current assets	63,058	-	63,058
Current liabilities	(51,237)	-	(51,237)
	<u>76,770</u>	<u>-</u>	<u>76,770</u>

10. MOVEMENT IN FUNDS

	At 1 April 2007 £	Incoming Resources £	Outgoing Resources £	At 31 March 2008 £
Unrestricted funds:				
Respite and supported Accommodation	68,776	208,222	(200,228)	76,770
Restricted funds:				
Respite and supported Accommodation	-	426,852	(426,852)	-
Total Funds	<u>68,776</u>	<u>635,074</u>	<u>(627,080)</u>	<u>76,770</u>

GRAMPIAN LIVING OPTIONS LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2008

11. PENSIONS

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

Under the Aberdeen City Council Pension Fund the contribution rate required for Grampian Living Options Limited is set on a grouped basis, combining the experience of the employer with other employers also participating in the Fund. Assets and liabilities of the Fund are not separately identified between the various employers participating as part of the triennial actuarial valuations. As a result Grampian Living Options Limited is unable to identify its relevant share of the underlying assets and liabilities in the Fund. These accounts have therefore been drawn up in accordance with FRS17 on the basis that the pension cost is accounted for as for a defined contribution scheme.

Information about the overall funding position of the Aberdeen City Council Pension Fund was provided by the actuary to the Fund in his report dated 20 March 2006 on the actuarial valuation of the Scheme as at 31 March 2005. That valuation showed that the overall funding position of the Scheme as a whole was 84%, the deficit being £243.4 million. The contributions payable by the employers are based on the position of the Fund as a whole, which is reassessed at each triennial valuation, in line with the Administering Authority's Funding Strategy Statement.

The next actuarial valuation of the Aberdeen City Council Pension Fund is being carried out with an effective date of 31 March 2008, with revised contribution rates being effective from 1 April 2009.

12. RELATED PARTY TRANSACTIONS

No transactions with related parties were undertaken such as are required to be disclosed under the Financial Reporting Standard for Smaller Entities.

13. COMPANY LIMITED BY GUARANTEE

There is no share capital. The company is limited by guarantee not exceeding £1 per member. At 31 March 2008 there were 2 members, (2007 - 2 members).

14. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2008 the company had annual commitments under non-cancellable operating losses as set out below:

	2008	2007
	£	£
Operating leases that expire:		
After more than 5 years	<u>54,325</u>	<u>50,925</u>