

THE SCOTTISH DRUGS FORUM LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST MARCH 1996



COMPANY REGISTRATION NUMBER

SC 106295

THE SCOTTISH DRUGS FORUM LTD.

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1996

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THE SCOTTISH DRUGS FORUM LTD.

REPORT OF THE MANAGEMENT COMMITTEE

The members of the Management Committee present their report and the financial statements for the year ended 31st March 1996.

PRINCIPAL ACTIVITIES AND FINANCIAL REVIEW

The following were the company's key aims as outlined in its 1997-2000 Strategic Plan.

1. To facilitate the development of a comprehensive range of services to meet the needs of drug users and their families in Scotland.
2. To work towards improving the quality of services to drug users.
3. To provide opportunities to develop and promote common responses to issues of concern.
4. To facilitate the co-ordination of services concerned with problem drug use.
5. To collect and disseminate drugs information of relevance to those concerned with drug problems in Scotland.
6. To represent the interests of those directly affected by drug use at local, regional and national levels.

A full range of activities continued to be undertaken during the year in relation to co-ordination, information collection and dissemination and policy development.

Scottish Drugs Forum would like to thank the Scottish Office Department of Health for their core funding, the Social Work Service Group for the funding of development posts and health boards for the funding of our regional work.

FUTURE PROSPECTS

The company is dependent on grants and donations for its future funding. A grant of £150,000 has been confirmed from the Scottish Office Department of Health for the year to 31st March 1997. Funding is also available from Tayside, Lothian, Greater Glasgow, Lanarkshire, Ayrshire & Arran and Argyll & Clyde Health Boards. In addition Scottish Drugs Forum is in receipt of funding from Social Work Services Group.

MEMBERSHIP AND DIVIDENDS

There are no shareholdings in the company, which is limited by guarantee. The liability of members is limited to £1 each. No dividends are paid.

THE SCOTTISH DRUGS FORUM LTD.

REPORT OF THE MANAGEMENT COMMITTEE (continued)

MEMBERS OF THE MANAGEMENT COMMITTEE & ROTATION

The following served as members of the management committee during the year:

Members throughout the year	Appointed during the year	Resigned during the year
Val Morrison (Chair)	Rusty Murray	John Lang
Gordon Armour	Ji Mackie	Robert Scott
(Treasurer)	Margaret Reilly	Andrew Horne
Max Cruikshank	John Taylor	
Neil McKeganey	Keith Paterson	
Brian Geddes	Liam McLaughlin	
Eileen McDonald		
William Colclough		
Charles Lind		
Elsbeth Harte		
Joyce Parker		
Anne Thomson		

In accordance with Clause 50 of the Company's Articles one third of the members of the Management Committee will retire by rotation at the forthcoming annual general meeting and will be eligible for re-appointment.

AUDITORS

In accordance with Section 384 of the Companies Act 1985 a resolution proposing the re-appointment of Norman, Downie & Kerr as auditors to the company will be put to the Annual General Meeting.

By Order of the Management Committee

Yvonne Alexis
YVONNE ALEXIS
Company Secretary

22nd October 1996

THE SCOTTISH DRUGS FORUM LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the company's state of affairs at the end of the year and of its income less expenditure for that period. In preparing these financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 assume that the company will continue in business.

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

REPORT OF THE AUDITORS TO THE MEMBERS OF
THE SCOTTISH DRUGS FORUM LIMITED

We have audited the financial statements on pages 6 to 12 which have been prepared under the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 4, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards 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 the information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st March 1996 and of its income less expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Norman, Downie & Kerr

NORMAN, DOWNIE & KERR
Chartered Accountants and Registered Auditors

130 Constitution Street,
Leith,
Edinburgh.

30th October 1996

THE SCOTTISH DRUGS FORUM LTD.

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom and Statement of Recommended Practice No. 2 "Accounting by Charities".

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.

GRANTS AND DONATIONS

Income from annual grants is recognised in the period to which the grant relates. Any annual grants received in advance are included as deferred grants in creditors. Income from other grants and donations is recognised on receipt.

Where a grant or donation is received for a specific purpose, it is included in restricted income and any unexpended portion carried forward as a restricted fund.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation on furniture & equipment is charged by the straight line method at rates varying from 10% to 25% of cost per annum depending on the estimated useful life of each asset. Depreciation on leasehold improvements is charged over the period of the lease (currently 10 years).

PENSION COSTS

Pension costs represent defined contributions payable for the accounting period.

TAXATION

No provision for taxation is required since the company is recognised as a charity by the Inland Revenue.

The company is not registered for VAT and expenditure includes the cost of VAT where relevant.

THE SCOTTISH DRUGS FORUM LTD.

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 1996

	Note	1996	1995
		£	£
INCOME			
Grants & donations receivable	2	406,896	459,924
Conferences & seminars		9,695	10,985
Bank interest		5,780	3,377
Other income		13,330	11,643
		435,701	485,929
EXPENDITURE			
Staff costs	4	307,632	202,641
Conferences and seminars		27,019	39,777
Publications and project costs		42,525	48,007
Occupancy costs		22,369	24,112
Administration costs		87,575	60,730
Depreciation		8,902	9,129
	3	496,022	384,396
INCOME LESS EXPENDITURE FOR YEAR		(60,321)	101,533
NET (DECREASE)/INCREASE IN FUNDS		=====	=====

Further analysis of income & expenditure is shown in the statement of financial activities on page 9 (note 1).

The above results are attributable to continuing operations in both financial years.

The income and expenditure account above contains all recognised gains and losses in each financial year and therefore no separate statement of total recognised gains and losses has been presented.

THE SCOTTISH DRUGS FORUM LTD.

BALANCE SHEET AT 31ST MARCH 1996

	Note	1996	1995
		£	£
FIXED ASSETS			
Tangible assets	5	43,329	16,632
CURRENT ASSETS			
Debtors	6	29,624	5,604
Bank deposits		125,831	137,582
Cash at bank & in hand		4,466	53,549
		159,921	196,735
CREDITORS - Amounts falling due within one year	7	99,571	49,367
NET CURRENT ASSETS		60,350	147,368
TOTAL ASSETS LESS CURRENT LIABILITIES		103,679	164,000
NET ASSETS		103,679	164,000
RESERVES			
General fund	9	11,329	23,928
Designated funds	9	-	50,480
Restricted funds	9	92,350	89,592
		103,679	164,000

The accounts on pages 6 to 13 were approved on 22nd October 1996 and are signed on behalf of the Management Committee by:

Gordon W. Amner
R. A. McLaughlin

Members of the Management Committee

THE SCOTTISH DRUGS FORUM LTD.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1996

1. STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 1996	Total 1995
	£	£	£	£
Incoming Resources:				
Grants & donations	5,175	401,721	406,896	459,924
Conferences & seminars	8,645	1,050	9,695	10,985
Bank interest	5,780	-	5,780	3,377
Other income	13,330	-	13,330	11,643
Total incoming resources	32,930	402,771	435,701	485,929
Direct charitable expenditure:				
Staff costs	15,265	222,282	237,547	145,091
Conferences & seminars	6,344	20,675	27,019	39,777
Publications & project costs	15,058	27,467	42,525	48,007
Travel & other	17,392	25,210	42,602	23,583
	54,059	295,634	349,693	256,458
Other expenditure:				
Administrative staff	-	70,085	70,085	57,550
Occupancy costs	-	22,369	22,369	24,112
Office & admin costs	5,302	39,671	44,973	37,147
Depreciation	7,325	1,577	8,902	9,129
	12,627	133,702	146,329	127,938
Total resources expended	66,686	429,336	496,022	384,396
Net incoming/(outgoing) resources	(33,756)	(26,565)	(60,321)	101,533
Net transfers	(29,323)	29,323	-	-
Net movement in funds	(63,079)	2,758	(60,321)	101,533
Balances b/f at 1/4/95	74,408	89,592	164,000	62,467
Balances c/f at 31/3/96	11,329	92,350	103,679	164,000

Further details of restricted funds are shown in note 10.

THE SCOTTISH DRUGS FORUM LTD.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2.	GRANTS & DONATIONS RECEIVABLE	1996	1995
		-----	-----
		£	£
	Received in year	440,094	406,161
	(Less): deferred in year	(33,198)	-
	Deferred grants released	-	53,763
		-----	-----
		406,896	459,924
		=====	=====
3.	EXPENDITURE		
	Expenditure includes the following amounts charged:	£	£
	Auditors' remuneration:		
	for audit work	1,150	1,200
	other services	1,200	-
		-----	-----
		2,350	1,200
		=====	=====
	Hire of equipment	-	664
		=====	=====
4.	STAFF DETAILS		
	The average number of persons employed by the company during the year was:	Number	Number
		-----	-----
	Administrative & field staff	19	13
		=====	=====
	Total staff costs for the above persons were:	1996	1995
		-----	-----
		£	£
	Salaries	267,257	174,398
	Social security	24,099	17,022
	Pension costs	16,276	11,221
		-----	-----
		307,632	202,641
		=====	=====

No emoluments were paid to any member of the management committee during the year.

THE SCOTTISH DRUGS FORUM LTD.

NOTES TO THE FINANCIAL STATEMENTS (continued)

5. TANGIBLE FIXED ASSETS	Leasehold Improvements	Furniture & equipment	Total
	£	£	£
COST OR VALUATION			
At 1st April 1995	-	43,438	43,438
Additions	22,251	13,348	35,599
(less): Disposals	-	(399)	(399)
At 31st March 1996	22,251	56,387	78,638
DEPRECIATION			
At 1st April 1995	-	26,806	26,806
Charge for year	-	8,803	8,803
(less): on disposals	-	(300)	(300)
At 31st March 1996	-	35,309	35,309
NET BOOK VALUE			
At 31st March 1996	22,251	21,078	43,329
At 31st March 1995	-	16,632	16,632

6. DEBTORS	1996	1995
	£	£
AMOUNTS FALLING DUE WITHIN ONE YEAR:		
Prepayments	4,023	4,122
Accrued income	25,261	1,482
Other debtors	340	-
	29,624	5,604

7. CREDITORS	£	£
AMOUNTS FALLING DUE WITHIN ONE YEAR:		
Deferred grants	33,198	-
Taxation & social security	7,899	6,506
Accruals	56,474	41,442
Other creditors	2,000	1,419
	99,571	49,367

THE SCOTTISH DRUGS FORUM LTD.

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. LEASE COMMITMENTS

The company has lease commitments on its various office premises as follows:

Rent due:	Within one year	Within 2-5 years	In over 5 years
-----	-----	-----	-----
	£	£	£
Glasgow (new office)*	16,000	64,000	80,000
Glasgow (old office)	6,250	20,052	-
Edinburgh	4,148	4,706	-
Dundee	3,500	1,371	-
	-----	-----	-----
Total	29,898	90,129	80,000
	=====	=====	=====

*The lease for Glasgow (new office) has a break option after 5 years.

9. MOVEMENT ON FUNDS

	Unrestricted		Restricted	Total
	-----		-----	-----
	General	Designated		
	-----	-----		
	£	£	£	£
At 1/4/95	23,928	50,480	89,592	164,000
Income	32,930	-	402,771	435,701
(Less):				
Expenditure	(66,686)	-	(429,336)	(496,022)
Net transfers	21,157	(50,480)	29,323	-
	-----	-----	-----	-----
At 31/3/96	11,329	-	92,350	103,679
	=====	=====	=====	=====

Further details of restricted funds are shown in note 10 below.

THE SCOTTISH DRUGS FORUM LTD.

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. RESTRICTED FUNDS

	Movement in Resources				At 31/3/96
	At 1/4/95	Incoming	Outgoing	Net Transfers	
	£	£	£	£	£
Core funds:					
National	-	88,000	(88,000)	-	-
Tayside	-	70,075	(70,111)	36	-
Lothian	-	43,646	(45,360)	1,714	-
Strathclyde	-	17,000	(26,974)	9,974	-
New office	-	38,400	(3,386)	(26,089)	8,925
Total Core	-	257,121	(233,831)	(14,365)	8,925
Project funds:					
Recreational					
Drugs Use	34,882	3,600	(38,350)	-	132
Ethnic Minorities	13,150	25,000	(25,073)	-	13,077
Prisons (S 10)	-	45,500	(42,957)	(2,469)	74
Alternatives to					
Custody	-	31,500	(35,671)	4,171	-
Training (S 9)	-	24,050	(37,478)	13,428	-
User Involvement	-	16,000	(7,471)	-	8,529
Publications	25,015	-	(5,918)	-	19,097
Lothian Information					
Resource	16,545	-	(1,010)	-	15,535
Total Projects	89,592	145,650	(193,928)	15,130	56,444
Other:					
Fixed assets	-	-	(1,577)	28,558	26,981
Total	89,592	402,771	(429,336)	29,323	92,350

Core funds represent grants received less expenditure for staff and office costs at the various locations detailed above.

Project funds are for various specific projects as detailed above.

The fixed asset fund represents the net book value of fixed assets purchased from restricted grants. The cost of the asset is transferred to the fund in the year of purchase and annual depreciation charged to the fund each year.