

THE SCOTTISH DRUGS FORUM LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST MARCH 1997



COMPANY REGISTRATION NUMBER

SC 106295

THE SCOTTISH DRUGS FORUM LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 1997

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THE SCOTTISH DRUGS FORUM LIMITED

REPORT OF THE MANAGEMENT COMMITTEE

The members of the Management Committee present their report and the financial statements for the year ended 31st March 1997.

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 Services 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 1998. Funding is also available from Tayside, Lothian, Fife, Glasgow and Argyll & Clyde Health Boards, and the Social Work Services Group for a development post.

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 LIMITED

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)	John Davies	Neil McKeganey
Gordon Armour (Treasurer)	Alex Meikle	Brian Geddes
Max Cruikshank	Jean McDonald	Margaret Reilly
John Taylor	Paul Mooney	Elsbeth Harte
Ji Mackie		Keith Paterson
Eileen McDonald		
William Colclough		
Charles Lind		
Joyce Parker		
Anne Thomson		
Rusty Murray		
Liam McLaughlin		

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

21st October 1997

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 13 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 1997 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.

7th November 1997

THE SCOTTISH DRUGS FORUM LIMITED

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 LIMITED

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 1997

	Note	1997 £	1996 £
INCOME			
Grants & donations receivable	2	442,787	406,896
Conferences & seminars		12,057	9,695
Subscriptions & adverts		5,465	4,047
Publication sales & fees		18,908	9,283
Bank interest		<u>2,527</u>	<u>5,780</u>
		<u>481,744</u>	<u>435,701</u>
EXPENDITURE			
Staff costs	4	330,732	307,632
Conferences and seminars		14,586	27,019
Publications and project costs		37,376	42,525
Occupancy costs		50,596	22,369
Administration costs		66,033	87,575
Depreciation		<u>12,646</u>	<u>8,902</u>
	3	<u>511,969</u>	<u>496,022</u>
INCOME LESS EXPENDITURE FOR YEAR			
NET (DECREASE) IN FUNDS		<u>(30,225)</u>	<u>(60,321)</u>

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.

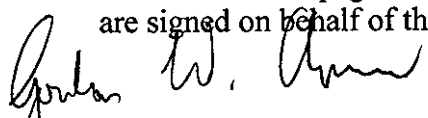
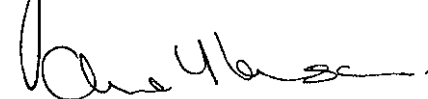
The income and expenditure account above contains all recognised gains and losses in each financial year and therefore no separate statement of total recognised gains and losses has been presented.

THE SCOTTISH DRUGS FORUM LTD.

BALANCE SHEET AT 31ST MARCH 1997

	Note	1997 £	1996 £
FIXED ASSETS			
Tangible assets	5	<u>48,642</u>	<u>43,329</u>
CURRENT ASSETS			
Debtors	6	18,598	29,624
Bank deposits		112,082	125,831
Cash at bank & in hand		<u>4,673</u>	<u>4,466</u>
		<u>135,353</u>	<u>159,921</u>
CREDITORS - Amounts falling due within one year	7	<u>110,541</u>	<u>99,571</u>
NET CURRENT ASSETS		<u>24,812</u>	<u>60,350</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>73,454</u>	<u>103,679</u>
NET ASSETS		<u>73,454</u>	<u>103,679</u>
FUNDS:			
Unrestricted funds	9	8,304	11,329
Restricted funds	9	<u>65,150</u>	<u>92,350</u>
		<u>73,454</u>	<u>103,679</u>

The accounts on pages 6 to 13 were approved on 26th October 1997 and are signed on behalf of the Management Committee by:

)
)
) Members of the Management Committee
)

THE SCOTTISH DRUGS FORUM LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1997

1. STATEMENT OF FINANCIAL RESPONSIBILITIES

	Unrestricted Funds £	Restricted Funds £	Total 1997 £	Total 1996 £
Incoming Resources:				
Grants & donations	500	442,287	442,787	406,896
Conferences & seminars	11,967	90	12,057	9,695
Subscriptions & adverts	5,465	-	5,465	4,047
Publication sales & fees	16,434	2,474	18,908	9,283
Bank interest	2,527	-	2,527	5,780
Total incoming resources	36,893	444,851	481,744	435,701
Direct charitable expenditure:				
Staff costs	-	246,707	246,707	237,547
Conferences & seminars	7,706	6,880	14,586	27,019
Publications & projects	-	37,376	37,376	42,525
Travel & other	-	18,924	18,924	42,602
	7,706	309,887	317,593	349,693
Other expenditure:				
Administrative staff	10,031	73,994	84,025	70,085
Occupancy costs	-	50,596	50,596	22,369
Office & admin costs	-	47,109	47,109	44,973
Depreciation	8,241	4,405	12,646	8,902
	18,272	176,104	194,376	146,329
Total resources expended	25,978	485,991	511,969	496,022
Net incoming/ (outgoing) resources	10,915	(41,140)	(30,225)	(60,321)
Net transfers	(13,940)	13,940	-	-
Net movement in funds	(3,025)	(27,200)	(30,225)	(60,321)
Balances b/f at 1/4/96	11,329	92,350	103,679	164,000
Balances c/f at 31/3/97	8,304	65,150	73,454	103,679

Further details of restricted funds are shown in note 10.

THE SCOTTISH DRUGS FORUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. GRANTS AND DONATIONS RECEIVED

	1997 £	1996 £
Received in year	490,787	440,094
(Less): deferred in year	(81,198)	(33,198)
Deferred grants released	<u>33,198</u>	<u>-</u>
	<u>442,787</u>	<u>406,896</u>

3. EXPENDITURE

	£	£
Expenditure includes the following amounts charged:		
Auditors' remuneration:		
For audit work and accounts	1,200	1,150
Other services	<u>-</u>	<u>1,200</u>
	<u>1,200</u>	<u>2,350</u>

4. STAFF DETAILS

The average number of persons employed by the company during the year was:

	Number	Number
Administrative & field staff	<u>19</u>	<u>19</u>

Total staff costs for the above persons were:

	1997 £	1996 £
Salaries	284,352	267,257
Social security	27,538	24,099
Pension costs	<u>18,842</u>	<u>16,276</u>
	<u>330,732</u>	<u>307,632</u>

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

THE SCOTTISH DRUGS FORUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

5. TANGIBLE FIXED ASSETS	Leasehold Improvements £	Furniture & equipment £	Total £
COST OR VALUATION			
At 1st April 1996	22,251	56,387	78,638
Additions	9,240	8,719	17,959
(Less): Disposals	<u>-</u>	<u>(664)</u>	<u>(664)</u>
At 31st March 1997	<u>31,491</u>	<u>64,442</u>	<u>95,933</u>
DEPRECIATION			
At 1st April 1996	-	35,309	35,309
Charge for year	3,149	9,497	12,646
(Less): on disposals	<u>-</u>	<u>(664)</u>	<u>(664)</u>
At 31st March 1997	<u>3,149</u>	<u>44,142</u>	<u>47,291</u>
NET BOOK VALUE			
At 31st March 1997	<u>28,342</u>	<u>20,300</u>	<u>48,642</u>
At 31st March 1996	<u>22,251</u>	<u>21,078</u>	<u>43,329</u>
6. DEBTORS		1997 £	1996 £
AMOUNTS FALLING DUE WITHIN ONE YEAR:			
Prepayments		7,801	4,023
Accrued income		3,700	18,000
Other debtors		<u>7,097</u>	<u>7,601</u>
		<u>18,598</u>	<u>29,624</u>
7. CREDITORS		£	£
AMOUNTS FALLING DUE WITHIN ONE YEAR:			
Deferred grants		81,198	33,198
Taxation and Social Security		6,184	7,899
Accruals		16,051	56,474
Other creditors		<u>7,108</u>	<u>2,000</u>
		<u>110,541</u>	<u>99,571</u>

THE SCOTTISH DRUGS FORUM LIMITED
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	64,000
Glasgow (old office)	6,250	13,802	-
Edinburgh	4,183	523	-
Dundee	<u>1,371</u>	<u>-</u>	<u>-</u>
	<u>27,804</u>	<u>78,325</u>	<u>64,000</u>

*The lease for Glasgow (new office) has a break option in 4 years time.

9. MOVEMENT ON FUNDS

	Unrestricted General Fund £	Restricted £	Total £
At 1st April 1996	11,329	92,350	103,679
Income	36,893	444,851	481,744
(Less): Expenditure	(25,978)	(485,991)	(511,969)
Net transfers	<u>(13,940)</u>	<u>13,940</u>	<u>-</u>
At 31st March 1997	<u>8,304</u>	<u>65,150</u>	<u>73,454</u>

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

THE SCOTTISH DRUGS FORUM LIMITED
NOTES TO THE FINANCIAL STATEMENTS continued)

10. RESTRICTED FUNDS

	At 1/4/96 £	Movement in Resources		Net Transfers £	At 31/3/97 £
		Incoming £	Outgoing £		
Core funds:					
National	-	150,000	(150,000)	-	-
Tayside	-	49,653	(54,226)	4,573	-
Lothian	-	26,220	(36,205)	9,985	-
West of Scotland	-	16,500	(18,138)	1,638	-
New office	8,925	-	(2,885)	(6,040)	-
Equal opportunities	-	1,500	(800)	-	700
Total core	8,925	243,873	(262,254)	10,156	700
Project funds:					
Recreational Drugs Use	132	27,000	(25,638)	-	1,494
Ethnic Minorities	13,077	25,000	(38,281)	204	-
Prisons (S10)	74	45,000	(45,321)	247	-
Alternatives to Custody	-	38,000	(38,017)	17	-
Training (S 9)	-	23,090	(23,096)	6	-
User Involvement	8,529	-	(11,259)	2,730	-
Survivor Guide	-	9,888	(6,911)	-	2,977
Spike	-	20,000	(9,969)	-	10,031
Directory	17,000	13,000	(20,668)	-	9,332
Other publications	2,097	-	(97)	-	2,000
Lothian Information Resource	15,535	-	(75)	(5,460)	10,000
Total projects	56,444	200,978	(219,332)	(2,256)	35,834
Other:					
Fixed Assets	26,981	-	(4,405)	6,040	28,616
Total	92,350	444,851	(485,991)	13,940	65,150

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.