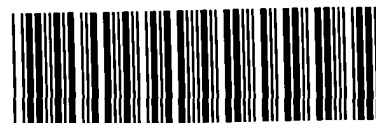


REGISTERED COMPANY NUMBER: SC106295
REGISTERED CHARITY NUMBER: SC008075

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
FOR
THE SCOTTISH DRUGS FORUM LIMITED**

Martin Aitken & Co Ltd
Statutory Auditor
Chartered Accountants
Caledonia House
89 Seaward Street
Glasgow
G41 1HJ

FRIDAY



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SCT

07/07/2017

#133

COMPANIES HOUSE

**MARTIN
AITKEN
&CO**

CHARTERED ACCOUNTANTS
& BUSINESS ADVISERS

THE SCOTTISH DRUGS FORUM LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

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THE SCOTTISH DRUGS FORUM LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2017. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives, activities & achievements

The Scottish Drugs Forum Limited's (SDF) outcomes are:

- An increase in the number of problem drug users recovering;
- A reduction in drug related harm to individuals;
- A reduction in the number of new problem drug users

Summary

This has been another very successful year for SDF in terms of consolidating and expanding the quality and reach of our work across Scotland. There has been a particular challenge in funding the Addiction Workers Training Programme as we were hoping to secure matched funding from Alcohol and Drug Partnerships (ADPs) to match the Big Lottery Fund. This has been made significantly more challenging with the reduction in funding to ADPs. We were delighted to secure a further 3 years funding for our 'responding to outbreaks of infection' project, whose remit has been expanded to include HIV.

Objectives, activities & achievements

Key highlights over the last year have been -

Service Quality

Worked with 8 ADPs including:

- Dumfries and Galloway; strategic development of service user involvement
- Argyll and Bute; Working in 2 pilot areas on ROSC development work
- Aberdeenshire; Evaluation of 3 Community Forums
- Borders; supporting service self-evaluation against quality principles and subsequent development of action plans through membership of quality improvement sub-group
- South Lanarkshire; support for self-evaluation against quality principles completed, service user involvement led to improvement in availability of Naloxone for service users

Individual Services

Worked with a range of individual services including:

- Signpost Recovery; DAPL; Abbeycare Murdostoun Castle. ARBD (Stirling, Falkirk, Clacks); Change is a Must (CIAM);
- Worked with the Care Inspectorate on a validated self-assessment of the use and impact of the quality principles

Sexual and Reproductive Health

- Glasgow: ongoing peer group support for 6 people trained and providing training in Glasgow
- 14 workers from across Scotland attended five days training for trainers in S&RH
- 5 sexual and reproductive health training events held for 60 people. Evaluations have been very positive with people having increased knowledge, confidence and skills in talking about and addressing S&RH
- A resource has been developed which addresses challenging issues around sex and drugs e.g. sexual exploitation, grooming, violence against women and will form the basis for resources available to all workers supporting vulnerable young women
- 10 GPR training events held in Forth Valley attended by 150 people which includes a component on S&RH.Chemsex
- National conference on 'Young People and Sexual Health' on 13th September with 104 delegates
- Resources being developed for prison population through consultation with workers to help with their design and implementation
- Developing and piloting an app with Autism Network Scotland and CKUK which will provide the basis for accessible information for the prison population
- Co-hosted an event in Dumfries and Galloway with the sexual health department on IPEDS, Chemsex and sexual health attended by 50 people

THE SCOTTISH DRUGS FORUM LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

OBJECTIVES AND ACTIVITIES

Objectives, activities & achievements

User Involvement/Volunteering

In January, SDF filled a post with the aim of enhancing the work we undertake with volunteers, developing our peer research model alongside exploring other opportunities to utilise volunteers within SDF.

6 Service User surveys carried out in:-

- NHS Lanarkshire Needle Exchange
- Kilmarnock ADP - Employment: Barriers and Opportunities Questionnaires
- NHS Fife -Surveying the needs of people with HCV
- Fife ADP - Naloxone Kit and Overdose Survey
- East Dunbartonshire Test of Change card looking at services in East Dunbartonshire

26 volunteers of which

- 9 moved onto further volunteering or paid work

Addiction Worker Training Programme

- Recruited 27 trainees in total across East and West of Scotland with significant numbers into employment. Began recruitment of 23 places for 2017/18

Naloxone and Drug Related Deaths

- 4 x meetings with NPHN
- 4 x meetings with NFDRD
- 4 x meetings with ScoNN
- 265 SPS night shift staff trained over 25 sessions in an 8 week period
- 10 x T4T sessions on THN
- 12 awareness sessions on THN
- 25 awareness support sessions delivered to existing peer networks

Hepatitis Scotland

- 10 bulletins published across year to date. Average opens increased from 850 to 950
- A total of 36 BBV training sessions have been delivered to 400 workers across Scotland in the following areas: Glasgow and Clyde, Orkney, Ayrshire and Arran, Fife, Dumfries and Galloway, Highland Grampian, Lanarkshire, Lothian, and Forth Valley
- National Group further developed through local services and services supported through training events. National group contributed to development of national patient satisfaction survey, World Hepatitis Day (WHD) materials and events, focussed information and chemsex events
- Interviewed on STV for WHD
- Worked with Scottish Blood Transfusion Service working group to mitigate concerns and explore practice changes needed due to non-contact of individuals with HCV, HBV and syphilis
- Have taken over Health Scotland resources on request, redeveloped and updated and published with local board details
- Coordinated national activity for WHD, Three-part social media campaign for WHD: #MyHepCStory, #HepatitisGO, 455 retweets in total for 10 facts

Emergency Planning

- Delivered: 22 x bacterial infection and drug use training
- Delivered 2 bespoke HIV training sessions alongside NHS GGC in response to HIV outbreak
- Completed 70 HIV briefings to 740 staff, volunteers, peer and service users in voluntary sector agencies in Glasgow
- Developed HIV resource in response to the HIV outbreak. Available online and in print
- Developed HIV briefing which has been rolled out across Glasgow to a range of different organisations
- Facilitated a workshop on Wounds, Infections and other Tissue Issues at Scottish Needle Exchange Conference
- Worked alongside the guidelines development group to inform the development of 'guidelines for the public health management of tetanus, botulism or anthrax among people who use drugs'

THE SCOTTISH DRUGS FORUM LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

OBJECTIVES AND ACTIVITIES

Objectives, activities & achievements

Communications and Information

- Maintaining a national directory of specialist drug services
- Maintaining a national directory of needle exchanges
- Twitter followers increased to 3134 - 36% increase
- Dealt with over 240 media requests which were all dealt with timeously
- 20 E news letters

Workforce Development

Range of strategic work force development undertaken

- Strategic workforce development within the following ADPs - Dumfries & Galloway Perth & Kinross, Inverclyde and Renfrewshire
- Reviewed progress of strategic workforce development plans with North Lanarkshire, Borders, Angus and Forth Valley
- 14 training sessions on the Recovery outcomes toolkit delivered in 7 ADP areas attended by 188 participants. Met with special advisors at Scottish Government and ISD to review ROW based on feedback from participants in training and further meeting will review Children and Families section.
- 21 ADPs received core training of 120 days attended by 1027 people, the most popular courses were Understanding Stigma, ROW and Introduction to MI.
- 65 days training commissioned by partners, across 11 ADPs with 580 participants. Training offered has been over a wide range including:-
 - GPR
 - CAPSM
 - Motivational interviewing
 - Understanding and supporting people with alcohol related brain damage
- Tender for training contract with GG&C Health Board was successful
- E learning NPS package completed by over 300 people

Events/Conferences

- Delivered Annual General meeting and seminar for 150 people.
- Cannabinoids conference - delivered with 105 people attending the conference and 64 attending the Masterclass.
- Conference on drug trends and vulnerable populations (in partnership with HPS and ISD) attended by over 100 people.

FINANCIAL REVIEW

The Statement of Financial Activities, on page 10, shows an overall increase in funds of £88,220. This is made up of:

- | | |
|---|---------|
| - An increase in the General Fund of | £82,150 |
| - An increase in the Designated Reserves of | £32,845 |
| - A decrease in the Restricted Reserves of | £26,775 |

Details of grants receivable are shown in notes 2 and 4 on pages 16 and 17.

The movement on funds over the year is shown in note 18 on pages 23 and 24.

General Fund

This was a one year funding agreement from Scottish Government. We are in receipt of a similar funding award for 2017/18. We are grateful to the Scottish Government for its continued support.

At 31 March 2017, the balance of the General Fund stood at £513,726. This fund represents the free reserves of the charity, which are available for the immediate support of the organisation. These funds are held to protect the organisation against future financial risks, such as loss of funding, unexpected increases in expenditure or legal action against the organisation, in accordance with the reserves policy which is set out below.

The Board's long term financial objective is to secure the long term viability of the organisation by targeting annual contributions to General Fund of around £30,000 per year. The current financial climate has made this difficult to budget for year on year. Although the results for 2016/17 were above this level, overall reserves remain below target levels, which have increased in line with the Scottish Drugs Forums activity, which continues to expand.

THE SCOTTISH DRUGS FORUM LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

FINANCIAL REVIEW

Designated Funds

Designated funds of £365,294 include:

- a redundancy provision of £137,738 (to ensure SDF can meet its legal obligations to staff when required) and £22,663 representing the carrying value of tangible fixed assets;
- £127,293 which has been set aside to support future work and;
- £77,600 which represents the value of unrestricted income recognised during the year which relates to activity to be delivered in the future

Restricted Funds

Restricted Funds of £397,687 are carried forward, covering a range of projects being undertaken for a number of different funders.

Investment Policy

The majority of funds managed by the Scottish Drugs Forum are either entrusted to SDF for restricted purposes or require to be readily available for the support of the organisation. Therefore all funds are held in interest bearing accounts where there is no risk to the capital sums. As all funds are being used and replenished within the short to medium term (0 to 6 months), no long term deposits are made.

Reserves Policy and Going Concern

The funds available for the immediate support of the organisation are regularly compared against the costs of the Scottish Drugs Forum's activity in order to assess the level of protection they afford. The Board's aim is that they should, broadly, equate to a minimum of 3 months running costs for the whole organisation, as measured against the previous financial year. At 31 March 2017, this would suggest an appropriate level of available reserves to be around £533,000, an increase of £67,000 during the year. As seen above, our immediately available General Fund is currently below this level and despite the difficult economic conditions, the Board will be seeking to address this over the next few years. The budget being adopted for 2017/18 suggests that £64,000 would need to be added to reserves during the year to achieve the target by the year end.

Risk Management

The directors have instigated a formal process to review and monitor the major risks to which the charity is exposed. They are aware of the major risks, financial and otherwise, affecting the charity and consider that appropriate procedures are in place to mitigate those risks.

Funders

The Scottish Drugs Forum would like to thank the following organisations for their financial support:

Scottish Government
Big Lottery Fund
Borders Alcohol & Drug Partnership / NHS Borders
East Ayrshire Alcohol & Drug Partnership / East Ayrshire Council
East Ayrshire Health & Social Care Partnership
East Dunbartonshire Alcohol & Drug Partnership / East Dunbartonshire Council
Fife Alcohol & Drug Partnership / Fife Council
NHS Greater Glasgow & Clyde
Glasgow City Council Integrated Grants Fund
Robertson Trust
Shaw Trust
Clydesdale Bank
Henry Smith Charity

Future plans

Our current (2017/18) core funding agreement from Scottish Government is for one year to March 2018. Additional project activity continues to generate significant support for core activity and work is continually underway to replace projects which will be coming to an end during the coming year. We are grateful to the Big Lottery Fund for their renewed (4 year) support of our Additional Worker Training Project.

THE SCOTTISH DRUGS FORUM LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Scottish Drugs Forum Limited (SDF) is a company limited by guarantee with the liability of members limited to £1 each. The company is governed under the terms of its Memorandum and Articles of Association and is a registered Scottish Charity.

In February 2017, at their Annual General Meeting, the members of Scottish Drugs Forum Limited adopted changes to their governing Articles of Association. The principal changes were:

- The removal of the word 'Limited' from the legal name
- Adoption of an updated objects clause
- Creation of new membership categories
- Removal of the requirement for an Annual General Meeting
- Alternation to quorum at General meetings
- Appointment of Board members to be delegated to the Board
- Appointment of Auditors to be delegated to the Board
- Accounts to be published on the Scottish Drugs Forum website

Directors are appointed to the Board for a term of 3 years. Directors retire after 3 years, up to a maximum of 12 years service, and are eligible for re-appointment. In appointing new directors, consideration is given to the existing make-up of the Board. Attempts are made to ensure that the Board maintains a balance of interest groups within the sector and contains the range of experience necessary for the management of the organisation.

The Board meets regularly (at least quarterly) to direct the business of the charity and has also set up sub-committees for finance and for other purposes. Induction and relevant training are given as required. Responsibility for day to day operations is delegated to the senior management staff.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC106295

Registered Charity number

SC008075

Registered office

91 Mitchell Street
Glasgow
G1 3LN

Trustees

George Allan
Jim Stephen
John Preston
Stephanie Morrison
Mary Hepburn
April Adam
Hazel Robertson
George Thomson
Liam Wells
Sandra Wallace
Peter Kelly
Alastair Gilmour
John Budd
George Webster
Mark McCann
Jennifer Milligan
Aileen O'Gorman

Chair
Vice-Chair
Treasurer

- resigned 7.9.16
- resigned 6.5.16

- appointed 7.12.16
- appointed 7.9.16
- appointed 5.4.17
- appointed 5.4.17

Trustees retire after 3 years' service, and are eligible for re-appointment.

THE SCOTTISH DRUGS FORUM LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

REFERENCE AND ADMINISTRATIVE DETAILS

Company Secretary

Ken Butler

Auditors

Martin Aitken & Co Ltd

Statutory Auditor

Chartered Accountants

Caledonia House

89 Seaward Street

Glasgow

G41 1HJ

Senior Management Staff

Dave Liddell - Director

Ken Butler - Head of Business, Finance & Administration

Leon Wylie - Lead Officer Hepatitis Scotland

Neil Stewart - Head of Quality Development

Bankers

Clydesdale Bank plc

30 St Vincent Place

Glasgow

G1 2HL

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of The Scottish Drugs Forum Limited 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), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper 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. 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 auditors are 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 auditors are aware of that information.

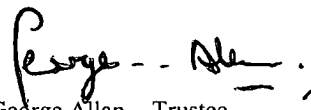
AUDITORS

The auditors, Martin Aitken & Co Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

THE SCOTTISH DRUGS FORUM LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

Approved by order of the board of trustees on 21 June 2017 and signed on its behalf by:


George Allan - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF THE SCOTTISH DRUGS FORUM LIMITED

We have audited the financial statements of The Scottish Drugs Forum Limited for the year ended 31 March 2017 on pages ten to twenty six. 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 Financial Reporting Standard 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. 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 and 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 Statement of Trustees Responsibilities set out on page six, 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 (APB's) Ethical Standards for Auditors, including APB Ethical Standard - Provisions Available for Small Entities (Revised), in the circumstances set out in note 21 to the financial statements

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/apb/scope/private.cfm.

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 March 2017 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; 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.

Opinion on other matter prescribed by the Companies Act 2006

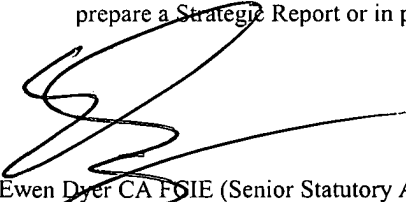
In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF
THE SCOTTISH DRUGS FORUM LIMITED**

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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.



Ewen Dyer CA FCGIE (Senior Statutory Auditor)

for and on behalf of Martin Aitken & Co Ltd

Statutory Auditor

Chartered Accountants

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Caledonia House

89 Seaward Street

Glasgow

G41 1HJ

21 June 2017

THE SCOTTISH DRUGS FORUM LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2017**

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
INCOME FROM					
Grants and subscriptions	2	299,780	-	299,780	307,055
Charitable activities	4				
Quality Development Programme		-	254,462	254,462	255,126
Hepatitis Scotland		-	236,654	236,654	220,000
Other national services		-	714,044	714,044	723,852
Addiction Worker's Training Programme		-	464,390	464,390	348,014
User involvement & peer research		-	114,182	114,182	26,905
Other projects		-	28,140	28,140	61,030
Conferences & seminars		19,780	-	19,780	25,100
Consultancy, training fees & other income		86,565	-	86,565	104,208
Staff secondment		-	-	-	6,169
Other operations projects		-	-	-	41,241
Investment income	3	1,725	-	1,725	2,632
Total		407,850	1,811,872	2,219,722	2,121,332
EXPENDITURE ON					
Charitable activities	5				
Administrative costs		40,452	154,403	194,855	206,518
Staff costs		273,696	1,145,115	1,418,811	1,239,530
Project costs	7	24,557	493,279	517,836	419,869
Total		338,705	1,792,797	2,131,502	1,865,917
NET INCOME		69,145	19,075	88,220	255,415
Transfers between funds	18	45,850	(45,850)	-	-
Net movement in funds		114,995	(26,775)	88,220	255,415
RECONCILIATION OF FUNDS					
Total funds brought forward		764,025	424,462	1,188,487	933,072
TOTAL FUNDS CARRIED FORWARD		879,020	397,687	1,276,707	1,188,487

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

GAINS AND LOSSES

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

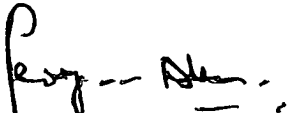
The notes form part of these financial statements

THE SCOTTISH DRUGS FORUM LIMITED (REGISTERED NUMBER: SC106295)

**BALANCE SHEET
AT 31 MARCH 2017**

	Notes	2017 £	2016 £
FIXED ASSETS			
Tangible assets	12	22,663	15,309
CURRENT ASSETS			
Stocks	13	50	50
Debtors	14	100,996	129,012
Cash at bank and in hand		1,304,113	1,159,339
		<u>1,405,159</u>	<u>1,288,401</u>
CREDITORS			
Amounts falling due within one year	15	(151,115)	(115,223)
NET CURRENT ASSETS		<u>1,254,044</u>	<u>1,173,178</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,276,707</u>	<u>1,188,487</u>
NET ASSETS		<u>1,276,707</u>	<u>1,188,487</u>
FUNDS	18		
Unrestricted funds:			
General fund		513,726	431,576
Redundancy provision		137,738	130,642
Fixed asset fund		22,663	15,309
Long term absence reserve		37,800	30,000
Training reserve		24,396	10,000
Accommodation development		5,097	8,323
Programme development		60,000	60,000
Future commitments fund		77,600	78,175
		<u>879,020</u>	<u>764,025</u>
Restricted funds		397,687	424,462
TOTAL FUNDS		<u>1,276,707</u>	<u>1,188,487</u>

The financial statements were approved by the Board of Trustees on 21 June 2017 and were signed on its behalf by:


George Allan -Trustee

The notes form part of these financial statements

THE SCOTTISH DRUGS FORUM LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017**

	Notes	2017 £	2016 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>164,724</u>	<u>263,829</u>
Net cash provided by (used in) operating activities		<u>164,724</u>	<u>263,829</u>
Cash flows from investing activities:			
Purchase of property plant and equipment		(21,675)	(11,603)
Interest received		<u>1,725</u>	<u>2,632</u>
Net cash provided by (used in) investing activities		<u>(19,950)</u>	<u>(8,971)</u>
Change in cash and cash equivalents in the reporting period		<u>144,774</u>	<u>254,858</u>
Cash and cash equivalents at the beginning of the reporting period		<u>1,159,339</u>	<u>904,481</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,304,113</u></u>	<u><u>1,159,339</u></u>

The notes form part of these financial statements

THE SCOTTISH DRUGS FORUM LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017	2016
	£	£
Net income for the reporting period (as per the statement of financial activities)	88,220	255,415
Adjustments for:		
Depreciation charges	14,321	28,849
Interest received	(1,725)	(2,632)
Decrease/(increase) in debtors	28,016	(6,106)
Increase/(decrease) in creditors	35,892	(11,697)
Net cash provided by (used in) operating activities	164,724	263,829

THE SCOTTISH DRUGS FORUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are presented in Sterling (£).

Going concern

The financial statements have been prepared on a going concern basis, which the trustees believe to be appropriate for the reasons set out in the Trustees' Report.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charitable company's accounting policies, the directors and trustees are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities

Costs of charitable activities are incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Allocation and apportionment of costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel and governance costs which support the charity's programmes and activities.

THE SCOTTISH DRUGS FORUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold improvements	- written off over the term of the lease
Fixtures, fittings and equipment	- at varying rates on cost

Fixed assets are included in the balance sheet at cost less depreciation. Generally assets costing less than £250 are not capitalised.

Stocks

Stock comprises publications and is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

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

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds are set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term creditors are measured at transaction price.

Other basic financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently at their settlement value.

THE SCOTTISH DRUGS FORUM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017**

2. GRANTS AND SUBSCRIPTIONS

	2017	2016
	£	£
Grants	299,780	302,110
Subscriptions	-	4,945
	<u>299,780</u>	<u>307,055</u>

Grants received, included in the above, are as follows:

	2017	2016
	£	£
NHS Borders	5,780	6,800
NHS Fife - East of Scotland	11,000	11,000
Scottish Government - for National core activities (including directory)	283,000	284,310
	<u>299,780</u>	<u>302,110</u>

3. INVESTMENT INCOME

	2017	2016
	£	£
Bank interest receivable	<u>1,725</u>	<u>2,632</u>

THE SCOTTISH DRUGS FORUM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017**

4. INCOME FROM CHARITABLE ACTIVITIES

	2017 £	2016 £
National services:		
Quality Development Programme	254,462	255,126
Hepatitis Scotland	236,654	220,000
Other national services	714,044	723,852
Operations projects:		
Addiction Worker's Training Programme	464,390	348,014
User involvement & peer research	114,182	26,905
Other projects	28,140	102,271
Conferences & seminars	19,780	25,100
Consultancy, training fees & other income	86,565	104,208
Staff secondment	-	6,169
	<u>1,918,217</u>	<u>1,811,645</u>

Grants received, included in the above, are as follows:

	2017 £	2016 £
Scottish Government - Naloxone/critical incidents training	135,696	135,464
Scottish Government - Sexual health	76,680	75,809
Scottish Government - National development advisor	-	31,947
Scottish Government - New psychoactive substances	47,774	31,850
East Dunbartonshire Council - user involvement	15,000	15,000
East Ayrshire ADP - user involvement & peer to peer recovery	54,349	52,278
Scottish Government - Workforce development project	313,733	295,293
Glasgow City Council - Addiction workers training project	127,890	127,890
Big Lottery & Addaction - Drink wise, age well	67,111	35,771
Scottish Government - Hepatitis Scotland	229,000	220,000
Scottish Government - Quality Development	40,000	40,000
Big Lottery - Quality Development	211,267	215,126
Scottish Government - Emergency Plan	70,928	70,929
Poverty Alliance - Tracking welfare changes	-	8,194
Scottish Government Training Development	27,140	-
NHS Fife - User involvement	40,000	40,000
Scottish Government - Older drug users research	-	25,000
Capacity bid	-	15,000
Other grants	318,000	279,802
	<u>1,774,568</u>	<u>1,669,980</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct costs £	Support costs (See note 6) £	Totals £
Staff costs	1,418,811	-	1,418,811
Administrative costs	-	194,855	194,855
	<u>1,418,811</u>	<u>194,855</u>	<u>1,613,666</u>

THE SCOTTISH DRUGS FORUM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017**

6. SUPPORT COSTS

	Management and head office costs	Finance	Other	Governance costs	Totals
	£	£	£	£	£
Administrative costs	<u>169,700</u>	<u>282</u>	<u>2,815</u>	<u>22,058</u>	<u>194,855</u>

Support costs, included in the above, are as follows:

Management and head office costs

	2017	2016
	Administrative costs	Total activities
	£	£
Rent and rates	49,893	48,985
Postage and telephone	20,382	21,220
Property services	38,181	33,156
Office supplies	18,647	19,354
Office equipment costs	22,232	21,295
Professional fees	5,141	7,457
Staff recruitment	1,619	3,171
Depreciation of property, plant and equipment	13,605	27,407
	<u>169,700</u>	<u>182,045</u>

Governance costs

	2017	2016
	Administrative costs	Total activities
	£	£
Wages	8,073	7,743
Auditors' remuneration	4,800	4,800
Rent and rates	2,626	2,578
Property services	2,010	1,745
Staff recruitment	85	167
Postage and telephone	1,073	1,117
Office supplies and equipment	2,152	2,139
Professional fees	523	393
Depreciation of property, plant and equipment	716	1,442
	<u>22,058</u>	<u>22,124</u>

THE SCOTTISH DRUGS FORUM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017**

7. PROJECT COSTS

	2017	2016
	£	£
Travel and subsistence	57,533	45,740
Staff training and development	4,262	3,278
Conferences and seminars	32,364	19,831
Publications, printing and subscriptions	1,255	4,714
National services project costs	134,118	79,934
Operations services project costs	276,056	266,268
Other project costs	12,248	104
	<u>517,836</u>	<u>419,869</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2017	2016
	£	£
Auditors' remuneration	4,800	4,800
Depreciation - owned assets	14,321	28,849
Other operating leases	<u>52,519</u>	<u>51,563</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2017 nor for the year ended 31 March 2016.

Trustees' expenses

During the year, four trustees were reimbursed travel expenses of £534 (2016 - £352).

THE SCOTTISH DRUGS FORUM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017**

10. STAFF COSTS

	2017 £	2016 £
Wages and salaries	1,223,581	1,064,024
Social security costs	127,000	110,190
Other pension costs	76,303	73,059
	<u>1,426,884</u>	<u>1,247,273</u>

The average monthly number of employees during the year was as follows:

	2017	2016
Management	7	8
Project/development	26	21
Administrative support	6	5
Trainees	13	19
	<u>52</u>	<u>53</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2017	2016
£60,001 - £70,000	1	1

During the year, total remuneration of £106,650 (2016 - £104,205) was paid to key management personnel.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME FROM			
Grants and subscriptions	307,055	-	307,055
Charitable activities			
Quality Development Programme	-	255,126	255,126
Hepatitis Scotland	-	220,000	220,000
Other national services	-	723,852	723,852
Addiction Worker's Training Programme	-	348,014	348,014
User involvement & peer research	-	26,905	26,905
Other projects	61,030	-	61,030
Conferences & seminars	25,100	-	25,100
Consultancy, training fees & other income	104,208	-	104,208
Staff secondment	6,169	-	6,169
Other operations projects	-	41,241	41,241
Investment income	2,632	-	2,632
Total	<u>506,194</u>	<u>1,615,138</u>	<u>2,121,332</u>

THE SCOTTISH DRUGS FORUM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017**

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
EXPENDITURE ON			
Charitable activities			
Administrative costs	74,220	132,298	206,518
Staff costs	261,312	978,218	1,239,530
Project costs	29,248	390,621	419,869
Total	364,780	1,501,137	1,865,917
NET INCOME	141,414	114,001	255,415
Transfers between funds	52,470	(52,470)	-
Net movement in funds	193,884	61,531	255,415
RECONCILIATION OF FUNDS			
Total funds brought forward	570,141	362,931	933,072
TOTAL FUNDS CARRIED FORWARD	764,025	424,462	1,188,487

12. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Fixtures, fittings and equipment £	Totals £
COST			
At 1 April 2016	80,649	91,720	172,369
Additions	-	21,675	21,675
Disposals	-	(12,496)	(12,496)
At 31 March 2017	80,649	100,899	181,548
DEPRECIATION			
At 1 April 2016	80,649	76,411	157,060
Charge for year	-	14,321	14,321
Eliminated on disposal	-	(12,496)	(12,496)
At 31 March 2017	80,649	78,236	158,885
NET BOOK VALUE			
At 31 March 2017	-	22,663	22,663
At 31 March 2016	-	15,309	15,309

THE SCOTTISH DRUGS FORUM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017**

13. STOCKS

	2017	2016
	£	£
Stocks	50	50

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade debtors	72,558	107,540
Prepayments and accrued income	28,438	21,472
	<u>100,996</u>	<u>129,012</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade creditors	46,105	38,335
Social security and other taxes	34,172	31,221
Other creditors	11,462	27,180
Funds held for ERIT	5,678	5,678
Accruals and deferred income	53,698	12,809
	<u>151,115</u>	<u>115,223</u>

Funds of £5,678 (2016 - £5,678) are held on behalf of the Federation of European Professional Associations Working in the Field of Drug Abuse (ERIT).

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2017	2016
	£	£
Within one year	46,656	46,656
Between one and five years	81,312	121,968
	<u>127,968</u>	<u>168,624</u>

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2017 Total funds	2016 Total funds
	£	£	£	£
Fixed assets	22,663	-	22,663	15,309
Current assets	1,007,472	397,687	1,405,159	1,288,401
Current liabilities	(151,115)	-	(151,115)	(115,223)
	<u>879,020</u>	<u>397,687</u>	<u>1,276,707</u>	<u>1,188,487</u>

THE SCOTTISH DRUGS FORUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017

18. MOVEMENT IN FUNDS

	At 1.4.16 £	Net movement in funds £	Transfers between funds £	At 31.3.17 £
Unrestricted funds				
General fund	431,576	22,796	59,354	513,726
Redundancy provision	130,642	-	7,096	137,738
Fixed asset fund	15,309	(14,321)	21,675	22,663
Long term absence reserve	30,000	-	7,800	37,800
Training reserve	10,000	14,396	-	24,396
Accommodation development	8,323	(3,226)	-	5,097
Programme development	60,000	-	-	60,000
Future commitments fund	78,175	49,500	(50,075)	77,600
	<u>764,025</u>	<u>69,145</u>	<u>45,850</u>	<u>879,020</u>
Restricted funds				
Quality development	116,322	27,883	(4,082)	140,123
Hepatitis Scotland	30,469	2,675	(5,172)	27,972
Naloxone	7,746	317	(6,000)	2,063
Critical incidents	8,964	-	-	8,964
NPS training and development	893	-	(893)	-
Sexual health	7,526	4,505	(4,555)	7,476
AWTP Glasgow	37,034	57,077	(39,158)	54,953
AWTP Edinburgh	49,009	(45,204)	45,204	49,009
East Dunbartonshire UI	2,714	1,702	-	4,416
East Ayrshire UI	9,405	10,799	(199)	20,005
Injecting equipment directory	4,445	-	(4,445)	-
Evaluation of peer research	1,254	-	(1,254)	-
Contact management	4,000	-	-	4,000
Christmas campaign	555	(555)	-	-
Sexual health training for trainers	13,461	(13,461)	-	-
Emergency plan	26,591	8,341	(19,055)	15,877
Fife UI	41,424	(7,699)	-	33,725
Capacity building D&G	14,875	(12,911)	-	1,964
Workforce development	-	9,655	(9,655)	-
NPS research	10,554	(10,554)	-	-
Older drug users research	23,625	(27,547)	3,922	-
Drink wise age well	9,651	(9,244)	(407)	-
Addiwell Prison	3,945	(4,144)	199	-
AWTP development	-	300	(300)	-
Scottish Government training development	-	27,140	-	27,140
	<u>424,462</u>	<u>19,075</u>	<u>(45,850)</u>	<u>397,687</u>
TOTAL FUNDS	<u>1,188,487</u>	<u>88,220</u>	<u>-</u>	<u>1,276,707</u>

THE SCOTTISH DRUGS FORUM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017**

18. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	358,350	(335,554)	22,796
Future commitments fund	49,500	-	49,500
Fixed asset fund	-	(14,321)	(14,321)
Training reserve	-	14,396	14,396
Accommodation development	-	(3,226)	(3,226)
	407,850	(338,705)	69,145
Restricted funds			
Quality development	254,462	(226,579)	27,883
Hepatitis Scotland	236,654	(233,979)	2,675
Naloxone	135,696	(135,379)	317
Sexual health	67,826	(63,321)	4,505
AWTP Glasgow	258,471	(201,394)	57,077
AWTP Edinburgh	150,919	(196,123)	(45,204)
East Dunbartonshire UI	16,000	(14,298)	1,702
East Ayrshire UI	54,817	(44,018)	10,799
Christmas campaign	1,000	(1,555)	(555)
Sexual health training for trainers	8,854	(22,315)	(13,461)
Emergency plan	73,050	(64,709)	8,341
Fife UI	40,000	(47,699)	(7,699)
Capacity building D&G	-	(12,911)	(12,911)
Workforce development	313,733	(304,078)	9,655
NPS research	47,774	(58,328)	(10,554)
Older drug users research	-	(27,547)	(27,547)
Drink wise age well	67,111	(76,355)	(9,244)
Addiwell Prison	-	(4,144)	(4,144)
AWTP development	55,000	(54,700)	300
Scottish Government training development	27,140	-	27,140
South Ayrshire Research	3,365	(3,365)	-
	1,811,872	(1,792,797)	19,075
TOTAL FUNDS	2,219,722	(2,131,502)	88,220

THE SCOTTISH DRUGS FORUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2017

18. MOVEMENT IN FUNDS - continued

General fund

Is available for use at the discretion of the Trustees in accordance with the Scottish Drugs Forum's charitable objectives. It is maintained at a level sufficient to allow the organisation time to adjust to changing financial circumstances.

Redundancy provision

Ensures that SDF is always able to meet it's legal obligations to staff in terms of redundancy.

Fixed asset fund

Represents the estimated current value of SDF's property and equipment.

Long term absence reserve

Allows financial support to be given to activities, to ensure programme continuity, when significant additional staff costs are incurred as a result of long term staff absence.

Training reserve

Allows for the training and development of staff.

Accommodation development

A short term fund targeting enhancement of the Glasgow office premises during 2017/18.

Programme development

To allow for the development of new activities where external funding has not been secured.

Future Commitments

To allow for the delivery of future activity already contracted for.

Funded Programmes

Allowing for the carrying out of specific programmes of activity agreed with funders.

- Quality development
- Hepatitis Scotland
- Naloxone
- Sexual Health
- AWTP Glasgow
- AWTP Edinburgh
- East Dunbartonshire UI
- East Ayrshire UI
- Sexual health training for trainers
- Emergency plan
- Fife UI
- Capacity building D&G
- Workforce development
- Drink wise age well
- AWTP development
- Scottish Government training development

Research Activity

Allowing for specific research work agreed with funders.

- Evaluation of peer research
- NPS research
- Older drug users research
- Addiwell Prison

Restricted reserves

Available to support specific activities as required.

- Critical incidents
- NPS training and development
- Injecting equipment directory
- Contact management

THE SCOTTISH DRUGS FORUM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017**

18. MOVEMENT IN FUNDS - continued

- Christmas campaign

19. PENSION COMMITMENTS

The charity operates a defined contribution pension scheme, the assets of which are held in a separate fund. The amount paid in the year and charged to the Statement of Financial Activities amounted to £76,303 (2016 - £73,059). At the year end, there was an outstanding amount due of £Nil (2016 - £3,978).

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2017.

21. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the Office of the Scottish Charity Regulator and assist with the preparation of the financial statements.