



**ALCOHOL & DRUGS SUPPORT
SOUTH WEST SCOTLAND**

FINANCIAL STATEMENTS

31ST MARCH 2018

COMPANY REGISTRATION NUMBER:- SC227133

CARSON & TROTTER

CHARTERED ACCOUNTANTS
123 IRISH STREET
DUMFRIES
DG1 2PE

Alcohol and Drugs Support South West Scotland

Company information

Directors	Mr Syd Barry Mrs Mhairi Ross Ms Karen Irving Mrs Gillian Laurie
Secretary	Dr Angela Roberts
Chief Executive	Dr Angela Roberts
Company Registration Number	SC227133
Scottish Charity Number	SC022925
Registered Office	166 Irish Street Dumfries DG1 2NJ
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Auditors	Carson & Trotter Chartered Accountants 123 Irish Street Dumfries DG1 2PE
Solicitors	John Henderson & Sons LLP 8 Bank Street Dumfries DG1 2NS

Alcohol and Drugs Support South West Scotland

Contents

	Page
Directors' report	1 - 5
Auditors' report	6 - 8
Statement of Financial Activities (incorporating the Income and Expenditure Account)	9
Balance sheet	10
Cash flow statement	11
Notes to the financial statements	12 - 21

Alcohol and Drugs Support South West Scotland
Limited by Guarantee

Report of the Directors
for the year ended 31st March 2018

The directors present their report and the financial statements of the charity for the year ended 31st March 2018.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's Memorandum and Articles of Association, applicable law and the requirements of the Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with Financial Reporting Standard for Smaller Entities.

Objectives and Activities

The company's main objects are to work with people who feel they might be in difficulty because of alcohol, drugs or gambling problems. The only activity of the charity is to support those with alcohol, drug or gambling issues, this is achieved by providing a wide range of services and managing various projects.

Achievements and Performance

The Company has continued to provide various types of recovery services across Dumfries and Galloway. Fuller details of its various projects are provided in its Annual Report.

Achievements for the year have included:

Core service

Alcohol and drugs services have continued as noted below. The Charity has continued to be a recognised Partner of the Local Alcohol and Drugs Partnership (ADP), working actively in the ADP Partners Group and ROSC Delivery Group. In addition, it is involved in various partnership activities, notably Stewartry Health and Wellbeing Partnership, Health & Homelessness Partnership and Risky Behaviours Group.

Talking Therapies

The organisation has developed its Talking Therapies service to include telephone as well as one-to-one therapy, which has proved very successful given the rural area of Dumfries and Galloway. A successful evaluation of the service has led to the contract being extended until March 2019. The service offered almost 2,900 talking therapy appointments this year and are delighted we have maintained an excellent engagement rate of 87 %.

Gardening Project

There are now three garden projects - Crossmichael, Castle Douglas "Pantry Potters" and the Gardeners Yard at the Crichton, Dumfries. They continued to be popular with volunteers and service users alike. The Garden Project Co-ordinator left the organisation in November 2017 and existing staff and volunteers continued to support the activity.

AXS

The AXS Fund is managed by the Company on behalf of the Dumfries and Galloway Alcohol and Drugs Partnership (ADP). Over the last 12 months we have received 10 applications supported by the recovery partners. The AXS Recovery Fund application process is straightforward and seems robust, i.e. appropriate use of grants for service users at the correct stage in their recovery. Relatively small amounts of funding seem to have made positive and significant impact on the lives of the service user recipients.

Housing Support Services

This year has seen an increase in referrals by 13%. This increase, coupled with the life challenges of service users has meant the service has had to dig deeper with its resolve to ensure they continually receive an excellent standard of service. We are delighted with the positive changes in outcomes which have been achieved in this year given the presentation and challenges (homelessness and problematic substance use) of our service user group. In November 2017 the organisation was advised that the contract would be extended until March 2019.

Alcohol and Drugs Support South West Scotland
Limited by Guarantee

Report of the Directors
for the year ended 31st March 2018

REVIVAL

In the current year Revival has:-

- Supported 103 service users
- Recruited and trained 15 new volunteers
- Made 19 new matches
- Supported 38 matches
- Delivered 3,040 Mentor Hours

Groups continued to grow. REVIVAL offered our service users an opportunity to take part in activities any weekday. As 2018 began however, the organisation learned that its funding applications to the BIG Lottery Fund, and others, had not been successful. The REVIVAL Mentoring Service and its various offshoots will inevitably come to an end in the late spring of 2018.

TLC Café

The TLC Community Café continues to go from strength to strength. We have around 20 loyal customers who come every week from Castle Douglas, Dalbeattie and Kirkcudbright, and regulars from Shawhead and as far as Moniaive and Newton Stewart. Holiday makers and visitors also join us, and we love to hear where they have come from!

In June 2017 the café received a VOSCAR (Volunteering Oscar), Third Sector Dumfries and Galloway's Award for Most Enterprising Group. This boosted the confidence of the volunteers and has inspired them towards thoughts of developing the café further.

Training & Development

ADS made a significant investment in vocational qualifications for staff this year, from SVQ IV in Health and Social Care through to Leadership and Management of Care Services Award. ADS staff work hard, and we are delighted to be able to support their continued professional development.

Financial Review

The overall financial position is satisfactory. There was a deficit for the year of £8,237 compared to a deficit of £7,171 in the previous year. Total unrestricted and restricted closing reserves are £264,292.

The main sources of funds are contracts related to the provision of specific services. The principal funders are Dumfries & Galloway Council, Dumfries & Galloway Health Board and the Big Lottery Fund. Generous support is also provided by other benefactors.

Reserves Policy

The general fund represents the unrestricted funds arising from past operating results. In the light of uncertainty in relation to future levels of funding from public funds the Directors feel that it is prudent to aim to have reserves equivalent to around 6 month's expenditure in order to safeguard the future provision of services.

Plans for Future Periods

The organisation continues to contribute to the development of Recovery Orientated Systems of Care [ROSC] and to meaningfully involve the people they support in the development and delivery of services. Moreover, ADS staff, managers and service users will contribute to the work of the ADP Co-Production working group, to develop new contract specifications that the organisation would hope to be able to tender for in the winter of 2018.

Structure, Governance and Management

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 18th January 2002. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up the members are required to contribute an amount not exceeding £1 each.

Alcohol and Drugs Support South West Scotland
Limited by Guarantee

Report of the Directors
for the year ended 31st March 2018

Relationship with predecessor charity

The charitable company took over the responsibilities and activities of Dumfries and Galloway Council on Alcohol with effect from 1st April 2002. All residual funds were transferred from Council on Alcohol to Alcohol and Drugs South West Scotland in April 2014, following approval for said transfer being obtained from The Office of the Scottish Charities Regulator - OSCR.

Appointment of directors

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Board of Directors. One third of the directors retire by rotation at each annual general meeting, the longest serving retiring first. Retiring directors are eligible for re-election.

Director induction and training

The directors keep the necessary skill requirements of Board Members under review. New Board members are recruited by inviting applications in response to a public advertisement or by invitation.

The overall duty of each director is to ensure that the company operates in a manner which enables it to fulfil its objectives as efficiently as possible. In particular they should:

- (a) ensure that the company complies with its founding Articles, charity law and other relevant legislation;
- (b) contribute actively to the board's role in giving clear strategic advice to the company;
- (c) setting overall policy, defining goals, setting targets and evaluating performance;
- (d) safeguard the good name and values of the company;
- (e) ensure the company's stability;
- (f) appoint the Chief Executive and monitor her performance.

Organisation

The Board meets regularly during the year to carry out its functions and receive reports from the Chief Executive. At these meetings the board agree the broad strategy and areas of activity for the company. The Chief Executive, supported by the Senior Leadership Team, manages the day-to-day operations of the company and is responsible for ensuring that the charity delivers the services specified and that key performance indicators are adhered to.

Risk management

The Chief Executive in consultation with the Board of Directors keeps the major risks to which the charity is exposed under regular review. The Risk Management strategy outlines potential risks, potential impacts and steps taken to mitigate the risk across governance, operations, finance, environment and compliance. Formal health and safety reports are now included for discussion by the Board of Directors at regular meetings. The charity has an Internal Financial Controls Policy in place. Investments have been made in relatively low risk fixed rate bonds and short term deposits from the major financial institutions.

Reference and Administrative Details

Charity number:	SC022925
Company number:	SC227133
Registered Office:	166 Irish Street, Dumfries, DG1 2HJ
Principal office:	225 King Street, Castle Douglas, DG7 1DT
Auditors:	Carson & Trotter, CA

Alcohol and Drugs Support South West Scotland
Limited by Guarantee

Report of the Directors
for the year ended 31st March 2018

Directors

The Directors at 31st March 2018, all of whom served throughout the year unless otherwise stated were:

Mr Syd Barry
Mrs Mhairi Ross
Ms Karen Irving
Mrs Gillian Laurie

Statement of trustees' responsibilities

The trustees (who are also directors of Alcohol and Drug Support South West Scotland for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 charity and of the incoming resources and application of resources, including the income and expenditure of the charity for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (2015)(FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the accounts comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. The directors are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure of information to auditors

In so far as the directors who held office at the date of approval of these Financial Statements are aware:

- there is no relevant audit information of which the charity'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.

Small Company Provisions

The report of the directors has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

Alcohol and Drugs Support South West Scotland
Limited by Guarantee

Report of the Directors
for the year ended 31st March 2018

This report was approved by the board on 29th October 2018 and signed on its behalf.



Dr Angela Roberts
Secretary

166 Irish Street
Dumfries
DG1 2NJ

Alcohol and Drugs Support South West Scotland

Independent auditors' report to the trustees and members of Alcohol and Drugs Support South West Scotland

We have audited the financial statements of Alcohol and Drugs Support South West Scotland for the year ended 31st March 2018 which comprise the Statement of Financial Activities (incorporating income and expenditure account), the balance sheet, cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st March 2018, 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 (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Alcohol and Drugs Support South West Scotland

Independent auditors' report to the trustees and members of Alcohol and Drugs Support South West Scotland

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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:

- adequate and proper accounting records have not been kept, 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 4 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Alcohol and Drugs Support South West Scotland

Independent auditors' report to the trustees and members of Alcohol and Drugs Support South West Scotland

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor 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 objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Roderick S. Williamson BACA

Roderick Williamson, BA CA, Senior Statutory Auditor
for and on behalf of Carson & Trotter, Chartered Accountants,
Statutory Auditor
5th November 2018

123 Irish Street
Dumfries
DG1 2PE

(Carson & Trotter Chartered Accountants is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006)

Alcohol and Drugs Support South West Scotland

Statement of Financial Activities (incorporating Income and Expenditure Account)
for the year ended 31st March 2018

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
Income from:					
Donations and legacies	2	6,368	1,870	8,238	15,461
Investment income	3	101	-	101	603
Charitable activities	4	41,879	453,096	494,975	525,869
Total		48,348	454,966	503,314	541,933
Expenditure on:					
Charitable activities:					
Operation of activities	5,6	(94,691)	(411,764)	(506,455)	(544,089)
Governance costs	7	(5,096)	-	(5,096)	(5,015)
Total		(99,787)	(411,764)	(511,551)	(549,104)
Net income/expenditure for the year		(51,439)	43,202	(8,237)	(7,171)
Transfers between funds		80,128	(80,128)	-	-
Net movement in funds		28,689	(36,926)	(8,237)	(7,171)
Reconciliation of funds:					
Total funds brought forward		173,355	99,174	272,529	279,700
Total funds carried forward		202,044	62,248	264,292	272,529

There are no recognised gains or losses other than included above for the above two financial years.

All of the above amounts relate to continuing activities.

The notes on pages 12 to 21 form an integral part of these financial statements.

Alcohol and Drugs Support South West Scotland

Company Number SC227133

Balance Sheet
as at 31st March 2018

	Notes	2018 £	2017 £
Fixed assets	11		
Motor Vehicles		6,825	9,105
Current assets			
Debtors	12	3,373	6,682
Cash at bank		274,734	269,385
		<u>278,107</u>	<u>276,067</u>
Creditors: amounts falling due within one year	13	<u>20,640</u>	<u>12,643</u>
Net current assets		<u>257,467</u>	<u>263,424</u>
Net assets		<u>264,292</u>	<u>272,529</u>
The funds of the charity:			
Restricted income funds	14	62,248	99,174
Unrestricted income funds	15	202,044	173,355
Total charity funds		<u>264,292</u>	<u>272,529</u>

These accounts have been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the directors on 29th October 2018 and signed on their behalf by:



Mrs Mhairi Ross
Director

The notes on pages 12 to 21 form an integral part of these financial statements.

Alcohol and Drugs Support South West Scotland

Cash flow statement
for the year ended 31st March 2018

	Notes	2018 £	2017 £
Cash flow from operating activities:			
Net cash inflow from operating activities	18	5,248	(9,797)
Cash flow from investing activities			
Interest received		101	603
Net cash flow from investing activities		101	603
Net increase(decrease) in cash and cash equivalents		5,349	(9,194)
Cash and cash equivalents at beginning of reporting period		269,385	278,579
Cash and cash equivalents at end of reporting period		274,734	269,385
Cash and cash equivalents consists of:			
Cash at bank and in hand		274,734	269,385

Alcohol and Drugs Support South West Scotland

Notes to the financial statements
for the year ended 31st March 2018

1. Summary of significant accounting policies

1.1. General information and basis of preparation

Alcohol and Drugs Support South West Scotland is a company limited by guarantee in Scotland. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the Directors report.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity.

The financial statements have been prepared in accordance with 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 (FRS102) and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS102.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2. Income recognition

All income is included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. The following specific policies are applied to particular categories of income:

Income from grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

For donations to be recognised the charity will have been notified of the amounts and settlement date, often in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Investment income is included when receivable.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS102).

1.3. Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Alcohol and Drugs Support South West Scotland

Notes to the financial statements for the year ended 31st March 2018

1.4. Support and governance costs

Support costs have been differentiated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and costs relating to board meetings.

As there is only one activity of the charity all governance costs relate to this, support costs have been allocated between the various projects.

1.5. Fund accounting

Unrestricted funds are available for use at the discretion of the directors in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the directors for particular purposes.

Restricted funds are subject to restrictions on their expenditure imposed by the donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out at note 14.

1.6. Tangible fixed assets and depreciation

All fixed assets are initially recorded at cost.

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Equipment costing less than £3,000 and with an anticipated useful life of less than five years is charged to the Statement of Financial Activities in full during the year in which the expenditure is incurred. Other equipment is depreciated at 25% on the reducing balance method. Motor vehicles are depreciated at 25% on the reducing balance method.

Improvements to leased property are depreciated over the period of the lease, or the anticipated useful life of the improvements if that is less.

1.7. Operating lease

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

1.8. Pension costs

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

2. Income from donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total funds 2018 £	Total funds 2017 £
Other grants and donations	6,368	1,870	8,238	15,461

Of the income from grants and donations in 2017, £3,942 was unrestricted, £11,519 restricted.

Alcohol and Drugs Support South West Scotland

Notes to the financial statements
for the year ended 31st March 2018

3. Investment income

	Unrestricted Funds £	Total funds 2018 £	Total funds 2017 £
Bank interest receivable	<u>101</u>	<u>101</u>	<u>603</u>

Of the investment income receivable in 2017 £603 was unrestricted.

4. Income from charitable activities

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Total Funds 2017 £
Grants from Dumfries and Galloway Council	41,879	-	41,879	41,529
Grants from Dumfries and Galloway Council:				
HM Support	-	160,000	160,000	160,000
Gardening project	-	12,822	12,822	19,757
Grants from Dumfries and Galloway Health Board:				
Revival	-	-	-	46,008
Gardening project	-	-	-	2,000
Grants from Big Lottery Fund				
Revival	-	117,574	117,574	112,375
Other Grants				
Gardening project	-	2,500	2,500	-
Revival Group	-	16,000	16,000	-
Income from Contracts:				
Dumfries & Galloway Health Board				
- Talking Therapies	-	144,200	144,200	144,200
	<u>41,879</u>	<u>453,096</u>	<u>494,975</u>	<u>525,869</u>

Of the income from charitable activities in 2017, £41,529 was unrestricted, £484,340 restricted.

Alcohol and Drugs Support South West Scotland

Notes to the financial statements
for the year ended 31st March 2018

5. Charitable activities - operation of activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2018	Total Funds 2017
	£	£	£	£
General support and development	6,456	-	6,456	6,161
Gardening Project	-	2,865	2,865	3,975
HM Support	-	130,023	130,023	128,570
Talking Therapies	-	115,523	115,523	111,886
Revival	-	70,793	70,793	90,958
Revival Group	-	350	350	1,122
AXS	-	1,411	1,411	2,051
Support costs	88,235	90,799	179,034	199,366
	<u>94,691</u>	<u>411,764</u>	<u>506,455</u>	<u>544,089</u>

Of the charitable activities in 2017, £103,740 was unrestricted, £440,349 restricted.

6. Charitable activities - operation of activities by project

	Activities Undertaken Directly	Support Costs	Total Funds 2018	Total Funds 2017
	£	£	£	£
General support and development	6,456	88,235	94,691	103,740
Gardening Project	2,865	20,332	23,197	36,260
HM Support	130,023	6,668	136,691	136,947
Talking Therapies	115,523	2,535	118,058	114,389
Revival	70,793	57,918	128,711	148,173
Revival Group	350	3,212	3,562	2,529
AXS	1,411	134	1,545	2,051
	<u>327,421</u>	<u>179,034</u>	<u>506,455</u>	<u>544,089</u>

Alcohol and Drugs Support South West Scotland

Notes to the financial statements
for the year ended 31st March 2018

6. Support costs allocated to projects

	Support staff costs	Premises costs	Repairs and equipment	fees	charges	General support	Depreciation	Total Funds 2018 £	Total Funds 2017 £
General support and development	£ 46,856	£ 15,835	£ 4,486	£ 3,867	-	£ 14,911	£ 2,280	£ 88,235	£ 97,579
Gardening Project	15,504	1,543	597	-	-	2,688	-	20,332	32,285
HM Support	-	374	461	992	-	4,841	-	6,668	8,377
Talking Therapies	-	484	347	-	-	1,704	-	2,535	2,503
Revival	41,293	6,276	4,394	-	-	5,955	-	57,918	57,215
Revival Group	-	10	-	-	-	3,202	-	3,212	1,407
Drugs support (AXS)	-	-	-	-	-	134	-	134	-
	<u>103,653</u>	<u>24,522</u>	<u>10,285</u>	<u>4,859</u>	<u>-</u>	<u>33,435</u>	<u>2,280</u>	<u>179,034</u>	<u>199,366</u>

Alcohol and Drugs Support South West Scotland

Notes to the financial statements
for the year ended 31st March 2018

7. Charitable activities - governance costs

	Unrestricted Funds	Total Funds 2018	Total Funds 2017
	£	£	£
Accountancy fees	1,200	1,200	1,200
Audit fees	3,660	3,660	3,600
Costs of board meetings	236	236	215
	<u>5,096</u>	<u>5,096</u>	<u>5,015</u>

8. Net (expenditure)/income for the year

This is stated after charging:

Depreciation and other amounts written off tangible assets

Auditors' remuneration

2018	2017
£	£
2,280	3,040
<u>3,660</u>	<u>3,600</u>

9. Payments to directors

The directors received no remuneration.

Payments were made to one director to reimburse expenses as follows:-

	2018	2017
	£	£
Total expenses for attendance at meetings	<u>236</u>	<u>215</u>

Alcohol and Drugs Support South West Scotland

Notes to the financial statements
for the year ended 31st March 2018

10. Staff costs and emoluments

Number of employees

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows:

	2018 Number	2017 Number
Project workers	12	13
Administrative staff	4	4
Management staff	1	1
	<u>17</u>	<u>18</u>

Total staff costs were as follows

	2018 £	2017 £
Wages and salaries	351,702	392,126
Social security costs	27,605	30,879
Other pension costs	20,610	17,017
	<u>399,917</u>	<u>440,022</u>

No employee received emoluments of more than £60,000 during the year (2017 - nil).

11. Tangible fixed assets

	Motor vehicles £	Total £
Cost		
At 1st April 2017	16,195	16,195
At 31st March 2018	<u>16,195</u>	<u>16,195</u>
Depreciation		
At 1st April 2017	7,090	7,090
Charge for the year	2,280	2,280
At 31st March 2018	<u>9,370</u>	<u>9,370</u>
Net book values		
At 31st March 2018	<u>6,825</u>	<u>6,825</u>
At 31st March 2017	<u>9,105</u>	<u>9,105</u>

Alcohol and Drugs Support South West Scotland

Notes to the financial statements
for the year ended 31st March 2018

12.	Debtors: all receivable within one year	2018	2017
		£	£
	Other debtors	-	4,576
	Prepayments and accrued income	3,373	2,106
		<u>3,373</u>	<u>6,682</u>
13.	Creditors: amounts falling due within one year	2018	2017
		£	£
	Other creditors	17,340	9,343
	Accruals and deferred income	3,300	3,300
		<u>20,640</u>	<u>12,643</u>

Alcohol and Drugs Support South West Scotland

Notes to the financial statements for the year ended 31st March 2018

14. Restricted income funds

	Balance at 1st April 2017	Income	Expenditure	Transfers	Balance at 31st March 2018
		£	£	£	£
Gardening Project	3,209	16,372	(23,197)	-	3,616
Talking Therapies	35,972	144,200	(118,058)	(40,000)	22,114
Revival	37,243	118,027	(128,711)	(10,128)	16,431
Revival Group	636	16,367	(3,562)	-	13,441
AXS	4,153	-	(1,545)	-	2,608
HM Support	17,961	160,000	(136,691)	(30,000)	11,270
	<u>99,174</u>	<u>454,966</u>	<u>(411,764)</u>	<u>(80,128)</u>	<u>62,248</u>

Purposes of Restricted Funds

Talking Therapies

Specialist alcohol and drugs counselling services are provided across Dumfries and Galloway.

REVIVAL

REVIVAL Mentoring Service is funded by BIG Lottery and ADS reserves. Services offered include support from trained volunteer mentors, social and peer groups and a Life Development Programme.

REVIVAL Group

A spin-off from the main REVIVAL mentoring service, REVIVAL groups deliver a diverse range of social activities for our service users, including cultural and leisure trips. Service users themselves undertake fundraising activities to support these outings, including table top sales and pop-up charity shops.

AXS

The AXS Fund is managed by the Company on behalf of the Dumfries and Galloway Alcohol and Drugs partnership (ADP). AXS helps support recovering drug and alcohol users in their rehabilitation, by directly purchasing goods and services that would be impossible to fund from other sources.

HM Support

A specialist housing support service to homeless people with substance misuse issues.

Gardening Project

A community garden funded by Dumfries and Galloway Council giving opportunities for service users to fill their time with productive activity, and thus aid recovery.

Alcohol and Drugs Support South West Scotland

Notes to the financial statements for the year ended 31st March 2018

15. Unrestricted income funds

	Balance at 1st April 2017	Income	Expenditure	Transfers	Balance at 31st March 2018
		£	£	£	£
General funds	44,229	48,348	(99,787)	80,128	72,918
Designated Funds:					
Infrastructure & Development Fund	129,126	-	-	-	129,126
	<u>173,355</u>	<u>48,348</u>	<u>(99,787)</u>	<u>80,128</u>	<u>202,044</u>

16. Analysis of net assets between funds

	Tangible fixed assets £	Other net assets £	Total £
Restricted funds			
Gardening Project	-	3,616	3,616
HM Support	-	11,270	11,270
Talking Therapies	-	22,114	22,114
Revival	-	16,431	16,431
Revival Group	-	13,441	13,441
Revival Fittest	-	-	-
AXS	-	2,608	2,608
	-	62,248	62,248
Unrestricted income funds	6,825	195,219	202,044
Total funds	<u>6,825</u>	<u>257,467</u>	<u>264,292</u>

17. Related party transactions

There are no related party transactions to be disclosed.

18. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2018 £	2017 £
Net income/(expenditure) for the year	(8,237)	(7,171)
Interest received	(101)	(603)
Depreciation of tangible assets	2,280	3,040
Increase/(decrease) in creditors	7,997	(434)
(Increase)/decrease in debtors	3,309	(4,629)
Net cash flow from/(to) operating activities	<u>5,248</u>	<u>(9,797)</u>