

**Dumfries & Galloway Third Sector Interface**

**Annual Report and Financial Statements**

**for the year ended 31st March 2019**

## Dumfries & Galloway Third Sector Interface

### Charity information

#### **Trustees**

I Boddy (Chair)  
H Kerón (Vice Chair)  
A Dickson (Treasurer)  
C Leadbeater  
P Mitchell  
K Dams  
E Bryant  
J Dougan

#### **Scottish Charity Number**

SC043832

#### **Principal Office**

54 Buccleuch Street  
Dumfries  
DG1 2AH

#### **Bankers**

Unity Trust Bank  
9 Brindley Place  
Birmingham  
B1 2HB

#### **Auditors**

Carson & Trotter  
Chartered Accountants  
123 Irish Street  
Dumfries  
DG1 2PE

**Dumfries & Galloway Third Sector Interface**

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## Dumfries & Galloway Third Sector Interface

### Trustees Report for the year ended 31st March 2019

The Trustees have the pleasure of presenting their report and the financial statements of the charity for the year ended 31st March 2019.

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 requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities (FRS102).

#### Objectives and Activities

The charitable purposes of the charity are:

- The general advancement of community development throughout the communities of Dumfries and Galloway.
- The promotion, support and development of the third sector and the effectiveness and efficiency of third sector organisations.
- The promotion, support and development of volunteering and volunteer involving organisations.
- In its role as Dumfries and Galloway's Third Sector Interface, the representation of the third sector on matters relating to public policy as such affects the interests of the third sector.
- The advancement of education and research within the third sector.

#### Main Activities

Third Sector Dumfries and Galloway (TSDG) is one of thirty-two third sector interfaces (TSIs) in Scotland. In 2016 the TSIs went through a major Scottish Government review. In 2018 the result was a move towards outcome-based organisations with the focus on four new roles for the TSIs:

To be a central source of knowledge about the third sector locally

To ensure a strong third sector voice at a strategic level within local planning structures and nationally

To develop the capacity of volunteering, community groups, voluntary organisations and social enterprise to achieve positive change

To provide leadership, vision and coordination to the local third sector to better respond to local priorities, including through partnership and collaboration

In 2018/19 TSDG responded to this move by introducing a new way of delivering our services through improved communications, a programme of roadshows, a portfolio of key partners and the opportunities to create strategic collaborations. This involved a restructuring and the introduction of a new set of values for the organisation

There are robust processes in place for monitoring and reporting on performance. The results of the organisation's key performance indicators were reported to and scrutinised by the TSDG board.

#### Achievements and Performance

Since the introduction of the TSIs in April 2013, our task continues to be to build a credible, robust and sustainable third sector interface with the ongoing financial support of the Scottish Government and Dumfries and Galloway Council. Using our new programme of roadshows, our engagement team takes our core services to remote rural communities as well as towns and villages across the region. Our communications team has refreshed our bulletins, improved our website and enhanced the presence of TSDG in social media.

For the first three months of 2018/19 we had funding from the Health and Social Care Partnership (HSCP) to support three integration officers. Since then we have reviewed the role of TSDG in the partnership by consulting with the HSCP locality teams and the Third Sector Health and Social Care Forum. A set of proposals have been submitted to the HSCP and a renewed relationship is anticipated for the next financial year.

## Dumfries & Galloway Third Sector Interface

### Trustees Report for the year ended 31st March 2019

During Volunteers' Week, the annual VOscars event was held in the Baptist Church in Dumfries in June 2018 with a fantastic turnout of nearly 300 people. 2018 was the year of young people and we used the VOscars to showcase young volunteers and the contribution they make to our region. Young people and their families and friends came from all over Dumfries and Galloway to celebrate their achievements.

2018/19 was also a great year overall for youth volunteering with 874 Saltire Awards awarded to young people between the ages of 12 and 25. These acknowledge the significant contribution of young volunteers to the third sector in the region and we appreciate the support of schools and communities in helping young people to gain these purposeful awards.

#### Financial Review

There was a deficit for the year of £120,654 compared to a surplus in the previous year of £165,641. Closing reserves are £252,996 made up of £83,107 unrestricted and £169,889 restricted reserves.

The Board acknowledges the support of the Scottish Government and Dumfries and Galloway Council as the organisation's principal funding stakeholders. An amount equivalent to that of 2017/18 was secured from both parties for the financial year 2018/19. The Scottish Government funding of all TSIs was reviewed during 2018/19 with decisions expected on the amount and the term of funding by the end of 2019.

With no increase in our funding, a prudent fiscal management approach has been adopted by the Board to balance its income and expenditure. As part of a collaborative approach we successfully submitted a bid to DGC for a joint representation and engagement commission with the Dumfries and Galloway Equalities Partnership. This has created a more 'joined up' approach to representation and engagement on a range of issues.

#### Reserves Policy

The Board regularly reviews the level of reserves held by the Charity. Some use of reserves was made during 2018/19 to procure services to assist with the introduction of the changes approved by the Board. The General Fund should be sufficient to cover outstanding liabilities in the event of the Charity ceasing to operate, to ensure that the Charity's core activities can continue during a period of unforeseen difficulty and to provide an appropriate period of time to secure additional or new funding when existing funding is withdrawn or is no longer available. To achieve this purpose the Board aims to have unrestricted funds (those not invested in tangible fixed assets) equivalent to around three months' normal expenditure.

#### Plans for the Future

Our planning commits the Board, management and staff to continuous improvement and to a competency framework that is designed to inform job roles and ensure that our culture is embedded with reflective practice.

The competency framework also requires management to recognise and develop talent appropriately and to act on gaps in knowledge and skills.

In setting the budget for 2018/19, the board prioritised preparation for the new outcome framework and the need to live within static resources. Improved communications and engagement with the sector were also priorities. The staffing structure and new delivery model has put in place the strengthened basis for responding to change and the opportunities that we anticipate for the third sector created by the arrival of the South of Scotland Enterprise Agency and Borderlands in 2020.

## Dumfries & Galloway Third Sector Interface

### Trustees Report for the year ended 31st March 2019

#### Structure, Governance and Management

Dumfries and Galloway Third Sector Interface is a Scottish Charitable Incorporated Organisation (SCIO), registered No SC043832; and is a membership organisation with a governing document. The address of the principal office is 54 Buccleuch St, Dumfries, DG1 2AH.

An Audit and Risk Committee, chaired by the Treasurer and comprising two more trustees, is constituted to meet at least four times per year to scrutinise the organisation's financial affairs, performance and to consider exposure to major risks (see below). The Committee then reports its findings to the Board.

In 2018 we created a Joint Consultative Group (JCG) made up of staff, trade union representatives and board members. This group monitors the role of TSDG as an employer and influences our employment policy and practice.

#### Recruitment and appointment

The Board comprises of seven people elected by the Members. The elected members of the Board may, in addition, appoint up to five additional members to fill skills gaps. Appointed trustees serve for a period of one year, but may be re-appointed.

The Board meets at least six times per annum to conduct business, and up to a further three times per annum to discuss strategy and to engage in board development and training.

#### Risk management

The Board has assessed the major risks to which the charity is exposed, in particular those related to operations and finance, and continues to evaluate the systems in place to mitigate exposure to major risks. A risk management policy and related risk register are in place. The risk register is reviewed at Board meetings.

Salaries are reviewed annually and are set to reflect levels for equivalent posts in similar organisations.

#### Reference and Administrative Details

Charity number: SC043832  
Principal Office: 54 Buccleuch Street, Dumfries, DG1 2AH  
Auditors: Carson & Trotter, CA, 123 Irish Street, Dumfries, DG1 2PE

#### Trustees

The Trustees who served during the year were:

S Irving (Chair)	Resigned 1st March, 2019
I Boddy (Vice Chair - Chair from 1/03/19)	
R S J Wishart (Treasurer)	Resigned 20th June, 2018
M Gowan	Resigned 2nd November, 2018
G Hunter	Resigned 22nd May 2018
H Keron (Vice chair from 1/03/19)	
G Mann	Resigned 7th November 2017
D Bleasdale	Resigned 7th November 2018
C Leadbeater	
P Mitchell	
J Wilson	Resigned 2nd November, 2018
J Dougan	Appointed 28th March, 2019
E Bryant	Appointed 2nd November, 2018
K Dams	Appointed 2nd November, 2018
A Dickson (Treasurer)	Appointed 28th March, 2019

## Dumfries & Galloway Third Sector Interface

### Trustees Report for the year ended 31st March 2019

Chief Executive            Norma Austin Hart

A special members' meeting was held on 26 March 2018 to elect two new Board members. There are no elected vacancies to be filled at this 2019 AGM and one current Board member has agreed to be re-elected at the 2019 AGM.

#### Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland 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 charity and of the incoming resources and application of resources for that period.

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

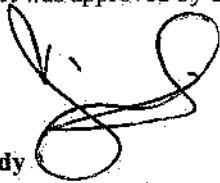
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed 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 trustees 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 Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Finally, it has been a privilege to serve as vice chair and now chair of our Third Sector Interface during an exciting and evolving period for both the third sector and the interface. In my third year as a trustee I took over as chair from Sue Irving, who stepped down at the end of March 2019. I would like to thank Sue for her valued contribution as chair of TSDG. I will be standing down in June 2020 at the end of my tenure.

I would also like to thank all our stakeholders for their continued support and look forward to a productive and innovative time in the third sector in the year ahead, as we develop our new delivery model and consolidate the team.

This report was approved by delegated trustees on 1st November, 2019 and signed on their behalf.



**Iain Boddy**  
Trustee and Chair of the Board of Trustees

## Dumfries & Galloway Third Sector Interface

### Independent auditors' report to the trustees and members of Dumfries & Galloway Third Sector Interface

We have audited the financial statements of Dumfries & Galloway Third Sector Interface for the year ended 31st March 2019 which comprise the Statement of Financial Activities, 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 charity's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's 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 charity's affairs as at 31st March 2019, and of its incoming resources and application of resources, 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 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 charity 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 charity'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.



## **Dumfries & Galloway Third Sector Interface**

### **Independent auditors' report to the trustees and members of Dumfries & Galloway Third Sector Interface**

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.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit; or

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 4 the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

## Dumfries & Galloway Third Sector Interface

### Independent auditors' report to the trustees and members of Dumfries & Galloway Third Sector Interface

#### **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 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 charity'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 charity'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 charity 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.

*Carson & Trotter C.A.*

**Carson & Trotter  
Statutory Auditor**

**123 Irish Street  
Dumfries  
DG1 2PE**

**23rd December 2019**

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

**Dumfries & Galloway Third Sector Interface**

**Statement of Financial Activities**  
**for the year ended 31st March 2019**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
<b>Income from:</b>					
Donations and legacies	2	445,691	41,652	487,343	671,346
Other trading activities	3	6,325	-	6,325	26,685
Investment income	4	847	-	847	167
Charitable activities	5	2,150	-	2,150	1,317
<b>Total</b>		<u>455,013</u>	<u>41,652</u>	<u>496,665</u>	<u>699,515</u>
<b>Expenditure on:</b>					
Charitable activities	6	(560,143)	57,176	(617,319)	(533,874)
<b>Total</b>		<u>(560,143)</u>	<u>(57,176)</u>	<u>(617,319)</u>	<u>(533,874)</u>
<b>Net income/expenditure for the year</b>		<u>(105,130)</u>	<u>(15,524)</u>	<u>(120,654)</u>	165,641
<b>Net movement in funds</b>		<u>(105,130)</u>	<u>(15,524)</u>	<u>(120,654)</u>	165,641
<b>Reconciliation of funds:</b>					
<b>Total funds brought forward</b>		<u>188,237</u>	<u>185,413</u>	<u>373,650</u>	208,009
<b>Total funds carried forward</b>		<u>83,107</u>	<u>169,889</u>	<u>252,996</u>	<u>373,650</u>

All of the above amounts relate to continuing activities

The notes on pages 11 to 20 form an integral part of these financial statements.

**Dumfries & Galloway Third Sector Interface**

**Balance Sheet**  
**as at 31st March 2019**

		2019		2018	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		2,478		3,304
<b>Current assets</b>					
Debtors	12	970		153,357	
Investments	13	1,000		1,000	
Cash at bank and in hand		268,431		241,694	
		<u>270,401</u>		<u>396,051</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(19,883)</u>		<u>(25,705)</u>	
<b>Net current assets</b>			<u>250,518</u>		<u>370,346</u>
<b>Net assets</b>			<u>252,996</u>		<u>373,650</u>
<b>The funds of the charity:</b>					
<b>Restricted funds</b>	16		169,889		185,413
<b>Unrestricted funds</b>					
Unrestricted income funds	16		83,107		188,237
<b>Total charity funds</b>			<u>252,996</u>		<u>373,650</u>

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and have been approved and authorised for issue by the Board on 1st November 2019 and signed on their behalf by:

Iain Boddy  
Trustee



The notes on pages 11 to 20 form an integral part of these financial statements.

**Dumfries & Galloway Third Sector Interface**

**Cash flow statement**  
**for the year ended 31st March 2019**

	Notes	2019 £	2018 £
<b>Cash flow from operating activities:</b>			
Net cash inflow from operating activities	20.	25,890	41,022
<b>Cash flow from investing activities</b>			
Interest received		847	167
Sale of investments		-	20,000
Purchase of investments		-	-
<b>Net cash flow from investing activities</b>		847	20,167
<b>Net increase(decrease) in cash and cash equivalents</b>		26,737	61,189
<b>Cash and cash equivalents at beginning of reporting period</b>		241,694	180,505
<b>Cash and cash equivalents at end of reporting period</b>		268,431	241,694
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		268,431	241,694

## Dumfries & Galloway Third Sector Interface

### Notes to the financial statements for the year ended 31st March 2019

#### 1. Summary of significant accounting policies

##### 1.1. General information and basis of preparation

Dumfries and Galloway Third Sector Interface is a Scottish Charitable Incorporated Organisation (SCIO). The address of the principal office is given in the trustees report.

The charity constitutes a public benefit entity as defined by FRS102. 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) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

The significant accounting policies 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.

For donations to be recognised the charity will have been notified of the amount and settlement date. 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.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from government and other 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.

Investment income is recognised when received.

## Dumfries & Galloway Third Sector Interface

### Notes to the financial statements for the year ended 31st March 2019

#### **1.3. Expenditure recognition**

Liabilities are recognised as soon as there is legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grants payable are payments made to third parties in the furtherance of the charitable objectives. Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SOFA once the recipient of the grant has provided the specific service or output.

Grants payable without performance conditions are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about with the timing of the grant or the amount payable.

#### **1.4. Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **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 16.

#### **1.6. Tangible fixed assets and depreciation**

Individual fixed assets costing £1000 or more are initially recorded at cost.

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over the expected useful economic life as follows:

Computer equipment	3 years straight line basis
Fixtures and fittings	25% reducing balance basis

#### **1.7. Operating leases**

Rentals payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term.

**Dumfries & Galloway Third Sector Interface**

**Notes to the financial statements**  
**for the year ended 31st March 2019**

**1.8. Investments**

Current asset investments are at the lower of cost and net realisable value.

**1.9. Pension costs**

The charity operates a defined contribution pension scheme for employees. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

**2. Donations and legacies**

	Unrestricted Funds £	Restricted Funds £	Total funds 2019 £	Total funds 2018 £
<b>Grants and sponsorship</b>				
Scottish Government	378,600	-	378,600	376,000
Dumfries & Galloway Council	67,091	-	67,091	70,275
NHS Dumfries & Galloway - Integrated Care	-	18,750	18,750	75,000
Capacity Building Programme	-	-	-	7,900
BESN	-	-	-	3,000
Community Jobs Scotland	-	7,028	7,028	6,056
Aspiring Communities	-	15,874	15,874	25,415
Community Transport Public Social Partnership	-	-	-	107,700
	<u>445,691</u>	<u>41,652</u>	<u>487,343</u>	<u>671,346</u>

Of the income from grants and sponsorship in 2018, £446,275 was unrestricted, £225,071 was restricted.

**3. Other trading activities**

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
Other income	(3,779)	-	(3,779)	1,520
Services Provided to other organisations	10,104	-	10,104	25,165
	<u>6,325</u>	<u>-</u>	<u>6,325</u>	<u>26,585</u>

Of the income from other trading activities in 2018, £26,685 was unrestricted.

**4. Investment income**

	Unrestricted Funds £	Restricted Funds £	Total funds 2019 £	Total funds 2018 £
Interest on cash deposits	<u>847</u>	<u>-</u>	<u>847</u>	<u>167</u>

Of the investment income receivable in 2018, £167 was unrestricted.



**Dumfries & Galloway Third Sector Interface**

**Notes to the financial statements**  
**for the year ended 31st March 2019**

**5. Income from charitable activities**

	<b>Unrestricted Funds 2019 £</b>	<b>Restricted Funds 2019 £</b>	<b>Total Funds 2019 £</b>	<b>Total Funds 2018 £</b>
Other events	2,150	-	2,150	817
Volunteer awards	-	-	-	500
	<u>2,150</u>	<u>-</u>	<u>2,150</u>	<u>1,317</u>

Of the income from charitable activities in 2018, £817 was unrestricted, £500 was restricted.

**Dumfries & Galloway Third Sector Interface**

**Notes to the financial statements**  
**for the year ended 31st March 2019**

**6. Expenditure**

	Charitable Activities	Total Funds 2019	Total Funds 2018
	£	£	£
<b>Direct costs</b>			
Event costs	832	832	2,097
Volunteer awards	3,119	3,119	1,763
Community Transport Public Social Partnership	57,176	57,176	115
Aspiring Communities	-	-	11,540
Wages and salaries	310,279	310,279	332,990
Employer's NI contributions	17,382	17,382	22,474
Staff pensions	16,119	16,119	17,662
Training delivery	11,248	11,248	869
	<u>416,155</u>	<u>416,155</u>	<u>389,510</u>
<b>Support &amp; governance costs</b>			
Staff training & welfare	4,269	4,269	10,932
Rent & premises costs	54,094	54,094	44,987
Insurance	2,573	2,573	2,761
Postage and telephone	25,658	25,658	16,031
Computer software and maintenance costs	14,862	14,862	10,040
Office supplies	4,168	4,168	2,863
Subscriptions	4,800	4,800	3,891
Travel and subsistence	9,944	9,944	12,485
Volunteer expenses	-	-	1,215
Recruitment costs	3,981	3,981	9,212
Advertising	9,279	9,279	5,455
Repairs and maintenance	2,010	2,010	1,224
Board costs	592	592	1,240
Audit fees	3,480	3,480	3,502
Auditors' remuneration - non audit work	1,000	1,000	1,460
Legal and professional fees	33,706	33,706	22,432
Bank charges	522	522	453
Office move	25,400	25,400	-
Depreciation of fixtures and fittings	826	826	1,101
Depreciation of office equipment	-	-	500
(Reversal) Impairment of fixed asset unlisted investment	-	-	(7,420)
	<u>201,164</u>	<u>201,164</u>	<u>144,364</u>
	<u>617,319</u>	<u>617,319</u>	<u>533,874</u>

Of the expenditure in 2019, £560,143 was unrestricted, £57,176 restricted, in 2018 £465,139 was unrestricted, £68,735 was restricted.

**Dumfries & Galloway Third Sector Interface**

**Notes to the financial statements**  
**for the year ended 31st March 2019**

<b>7. Net (expenditure)/income for the year</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation and other amounts written off tangible assets	826	1,601
Auditors' remuneration	3,480	3,502
Auditors' remuneration - non audit work	1,000	1,460
	<u>          </u>	<u>          </u>

**8. 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:

	<b>2019</b>	<b>2018</b>
	<b>Number</b>	<b>Number</b>
Charitable activities	14	15
	<u>          </u>	<u>          </u>

**Total staff costs were as follows**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Wages and salaries	310,279	332,990
Social security costs	17,382	22,474
Other pension costs	16,119	17,662
	<u>343,780</u>	<u>373,126</u>

No employee received remuneration of more than £60,000 during the year (2018 - none).

**9. Trustee remuneration and expenses**

No trustees received any remuneration during the year.

Travelling expenses totalling £500 (2018 £703) were paid to four (2018 - four) of the trustees during the year to reimburse them for expenses incurred in the course of their duties.

**10. Auditor's remuneration**

The auditor's remuneration amounts to an audit fee of £3,480 (2018 £3,502) and other accounting services of £1,000 (2018 £1,460).

**Dumfries & Galloway Third Sector Interface**

**Notes to the financial statements**  
**for the year ended 31st March 2019**

**11. Tangible fixed assets**

	<b>Fixtures and fittings</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 1st April 2018	18,167	18,167
At 31st March 2019	18,167	18,167
<b>Depreciation</b>		
At 1st April 2018	14,863	14,863
Charge for the year	826	826
At 31st March 2019	15,689	15,689
<b>Net book values</b>		
At 31st March 2019	2,478	2,478
At 31st March 2018	3,304	3,304

**12. Debtors: all receivable within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade debtors	970	135,841
Other debtors	-	7,420
Prepayments and accrued income	-	10,096
	970	153,357

**13. Current asset investments**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Other unlisted investments	1,000	1,000

**14. Creditors: amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade creditors	8,392	149
Other taxes and social security costs	6,000	6,376
Accruals and deferred income	5,491	19,180
	19,883	25,705

**Dumfries & Galloway Third Sector Interface**

**Notes to the financial statements**  
**for the year ended 31st March 2019**

**15. Operating lease commitments**

Total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>Land and buildings</b>	
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Not later than one year	37,354	37,354
Later than one and not later than five years	47,250	47,250
	<u>84,604</u>	<u>84,604</u>

## Dumfries & Galloway Third Sector Interface

### Notes to the financial statements for the year ended 31st March 2019

#### 16. Analysis of funds

	Balance at 1st April 2018 £	Income £	Expenditure £	Transfers £	Balance at 31st March 2019 £
<b>Designated Funds</b>					
Social Enterprise Fund	5,000	-	-	-	5,000
<b>Unrestricted Funds</b>					
General Fund	183,237	455,013	560,143	-	78,107
<b>Restricted Funds</b>					
Integrated Care Fund	50,750	18,750		-	69,500
Innovation	10,661	-		-	10,661
Social Work	5,075	-	-	-	5,075
Sponsor a volunteer	253	-	-	-	253
Santander	3,000	-	-	-	3,000
Community Jobs Scotland	-	7,028	-	-	7,028
Volunteer Awards	-	-		-	-
Capacity Building	5,037	-		-	5,037
Community Transport	107,310	-	57,176	-	50,134
Aspiring Communities	3,327	15,874		-	19,201
	<u>185,413</u>	<u>41,652</u>	<u>57,176</u>	<u>-</u>	<u>169,889</u>
	<u>373,650</u>	<u>496,665</u>	<u>617,319</u>	<u>-</u>	<u>252,996</u>

#### Purposes of Funds

Social Enterprise Fund - Funding to support work on developing Social Enterprise.

Integrated Care Fund - Funding to support the role of the interface in respect of Health and Social Care.

Innovation - To support the development of a climate within Dumfries and Galloway in which social enterprises can flourish, in particular in the context of Health and Social Care Integration.

Social Work - Funding to provide liaison between Adult Social Work services and the third sector.

Sponsor a volunteer - Donations provided by local businesses to widen access to training for volunteers.

Santander - Community grant to produce materials in accessible format.

Community Jobs Scotland - Creation of work opportunities for young unemployed people within third sector organisations throughout Scotland.

Capacity Building - Awards for all supported a programme of events across Dumfries and Galloway to encourage community participation and activity. TSDG ran Trustees Week and other events during 2017/18 as a result of this funding.

## Dumfries & Galloway Third Sector Interface

### Notes to the financial statements for the year ended 31st March 2019

Community Transport - The funding from the Council was used to set up a partnership and steering group between Dumfries and Galloway Council, SWESTRANS and community transport initiatives to trial innovative solutions to the transport needs in hard to reach rural areas.

Aspiring Communities - This funding was used to part fund a post within TSDG to support the Food Growing Network. This network encouraged the sharing of knowledge experience and ideas between producers of healthy food. The NHS and the Hub DG are partners in the delivery of this project.

#### 17. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible assets	2,478	-	2,478
Current assets	90,134	180,267	270,401
Current liabilities	(9,505)	10,378	(19,883)
<b>Total funds</b>	<b>83,107</b>	<b>169,889</b>	<b>252,996</b>

#### 18. Controlling entity

The charity is controlled by the trustees.

#### 19. Related party transactions

There were no related party transactions during the year.

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

	2019 £	2018 £
Net income/(expenditure) for the year	(120,654)	165,641
Interest received	(847)	(167)
Depreciation of tangible assets	826	1,601
Impairment of investments	-	-
Increase/(decrease) in creditors	(5,822)	9,765
(Increase)/decrease in debtors	152,387	(135,818)
Net cash flow from/(to) operating activities	<u>25,890</u>	<u>41,022</u>