

REGISTERED COMPANY NUMBER: 3989442 (England and Wales)
REGISTERED CHARITY NUMBER: 1083593

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008
FOR
INGLOS LIMITED**

Andorran Limited
6 Manor Park Business Centre
Mackenzie Way
Cheltenham
Gloucestershire
GL51 9TX

INGLOS LIMITED

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FOR THE YEAR ENDED 31 MARCH 2008**

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INGLOS LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2008

The trustees who are also directors of the charity for the purposes of the Companies Act 1985, present their report with the financial statements of the charity for the year ended 31 March 2008. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

3989442 (England and Wales)

Registered Charity number

1083593

Registered office

St Peters House
4 - 6 College Street
Gloucester
Gloucestershire
GL1 2NE

Trustees

Sir G C Warner	Chair	
Ms B A Bleasedale		- appointed 19.11.07 - resigned 9.7.08
D W Buckle		
C L Creswick		
A J Gardiner		
H W Herford		
Mrs L Marcer		- appointed 19.11.07
P R Marshall	Treasurer	
Dr S G E McMinn		- appointed 19.11.07
A Metherall		
S Mills		
Ms R Pearce	Deputy Chair	
R J Reade		- resigned 19.11.07
Lady C M Warner		

Patron

Lord Neidpath

President

The Right Reverend Michael Perham
Bishop of Gloucester

Vice President

David Drew MP

Chief Executive

Mr P Steel

Company Secretary

A Lightowler

Auditors

Andorran Limited
6 Manor Park Business Centre
Mackenzie Way
Cheltenham
Gloucestershire
GL51 9TX

INGLOS LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2008

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Davis Gregory
25 Rodney Road
Cheltenham
GL50 1HX

Bankers

HSBC Bank Plc
The Cross
Gloucester
GL1 2AP

Legal and Administrative Information

inglos Limited is a charitable company limited by guarantee. The organisation operates locally as GDAS (Gloucestershire Drug & Alcohol Service), gamh (Gloucestershire Association for Mental Health) and SHARE (Young Peoples Counselling Service).

Bases:	GDAS	gamh	SHARE
Cheltenham	1		
Cirencester		1	
Dursley		1	
Forest of Dean	2	2	
Gloucester	3	1	1
Stroud	1	1	
Tewkesbury	1		

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 1985.

The organisation is a charitable company limited by guarantee incorporated on 10th May 2000 and registered as a charity on 22nd November 2000.

The company was established under a Memorandum of Association which defined the objects and powers of the company and it is governed under its Articles of Association.

During the reporting period the organisation merged with SHARE (Young People's Counselling Service) in order to achieve benefits of synergy and to increase ease of access to services.

Induction and training of new trustees

During the year a review of board performance was commissioned and improvements in Trustee induction and training featured in the findings of the review.

A new Trustee resource pack has been developed and new Trustees will be inducted on the same programme as new employees. Existing Trustees have access to all general and specific training courses provided by the organisation.

There are annual trustee retreats to explore current activity and future direction.

Organisational structure

The directors of the company are also charity trustees for the purpose of charity law. Under the company's Articles the Trustees are elected at the Annual General Meeting and retire by rotation.

In order to deliver on its responsibilities the Board of Trustees meets quarterly. There are two committees of Trustees: the Management Support Group (MSG) which meets eight times per year to oversee, monitor and support the functioning of the organisation and the Quality and Performance Group (QPG) which meets six times a year to oversee and scrutinise service quality, the meeting of client needs and performance management.

INGLOS LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2008

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Related parties

The organisation holds memberships of all relevant national sector and professional bodies. Locally the organisation is represented on all appropriate forums and groups through which it can further its objects.

Risk management

As mentioned above, a review of Board performance was commissioned during the year. Following the review the Trustees have agreed to develop a new risk strategy. This new strategy reflects the increased size and complexity of the business and will embed consideration of risk at all points in the organisation.

The major risks facing the organisation are as reported previously including quality of practice, HR, performance management and financial issues, reputation & publicity, and health & safety. The Trustees consider that most risks have currently been mitigated to reasonable levels and that systems are in place to identify risks as they arise.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the charity are to minimise the harm caused to people of all ages in Gloucestershire whose health and wellbeing are at risk as a consequence of mental health problems, substance misuse or other dependency and in particular:

1. The relief of individuals to promote recovery from drug, alcohol and mental health problems and to reduce the harm caused to their families and friends
2. To improve and increase facilities for the treatment, care, rehabilitation and housing of those at risk
3. To educate individuals, families and communities on the causes and effects of mental health problems and substance misuse.

Significant activities

The organisation's services are provided from fifteen bases across the county of Gloucestershire. Twelve of the bases operate full time and services in Cirencester, Dursley and Tewkesbury are provided on a part time basis. Some staff operate from within partner agencies and young people's counselling is provided in schools. The organisation also undertakes outreach services in venues across the county according to need.

The programme activities of the organisation are set out below in groups which reflect the objects of the charity:

OBJECT 1

Needle Exchange Service (NX) - Delivered from a number of GDAS bases and local pharmacies across the county. The NX scheme provides clean needles and equipment for intravenous drug users and receives returned used equipment. The focus is the reduction both of harm and the spread of blood borne diseases.

Open Access Locality Drug & Alcohol Services - Supplying advice, information and referrals to other services, including assessments for rehabilitation.

Primary Care activity - drugs - These are interventions provided in GP surgeries for people with drug problems. The staff work in partnership with primary care staff and staff from 2gether (the NHS Foundation Trust for Gloucestershire).

Primary Care activity - alcohol - These are interventions provided in GP surgeries for people with alcohol problems. In part of the county this is long established work. There has been additional investment in this financial year to extend the spread of services. New investment has been a trigger to review how alcohol services are provided across the whole organisation.

Community Integration Service (CIS) - This is a service for drug users only that works towards supporting people towards integration back into the community. Using a variety of funding streams the CIS delivers day programme activity including education, training and support towards employment, education etc.

Counselling - This is intensive one to one work with individuals carried out using the care plan approach. This can be in the form of Cognitive Behaviour Therapy (CBT), counselling or other interventions.

Drug Intervention Programme (DIP) - Partnership activity with the Probation Service, Countywide Specialist Substance Misuse Service (CSSMS) and Community Integration Service (CIS) intended to bring about stability and a reduction in offending behaviour.

INGLOS LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2008

OBJECTIVES AND ACTIVITIES (Continued)

Persistent and Prolific Offenders (PPO) - This is a partnership with the Police and Probation Service focussing on a small number of offenders who commit a disproportionately high number of crimes.

Alcohol Arrest Referral Scheme (AARS) - A countywide partnership with the Police and County plus District Councils & NHS in which anyone arrested for an alcohol related offence can be referred to GDAS, prior to a court appearance, for assessment of the links between the individual's alcohol use and offending.

Alcohol Treatment Requirement (ATR) - This is partnership work with Probation Service for offenders where alcohol is seen to be playing a role in their offending. The ATR is part of the sentence.

Housing Floating Support - This work involves providing advice and support for people in their accommodation; which helps to sustain tenancies.

Mental Health Day Services - These are services provided for people with a mental health problem. Services are for working age adults plus there are two services for older people and two for younger people. These services are currently under review at a county level to bring about improvement and modernisation.

Services for Young People (YP) - Services for YP are provided in a range of settings including schools. The work is to support the emotional wellbeing of young people. Staff are also seconded into the Youth Offending Service (YOS).

OBJECT 2

Outreach Team - The focus for the Outreach Team is to work with people currently not in services to support them to access provision. Where the person does not want to engage with services the Team will support them in the community. The target groups include Black and Minority Ethnic communities; homeless people; and isolated rural areas. There is specific funding to provide direct services in the area covered by Cotswold District Council.

Emergency Department (ED) Alcohol Project - This new project is provided in Gloucester and Cheltenham EDs for people whose attendance is linked to their alcohol use. It is a partnership with the Gloucestershire NHS Hospitals Trust and provides a referral scheme for people directly from the ED into further services.

OBJECT 3

External Training - A wide range of training and consultancy services for external organisations are provided across the year and the county. This work supports a professional staff to function more effectively regarding drug or alcohol problems.

Volunteers - The organisation has a strong commitment to using and supporting people to become Volunteers across the agency. Many people who volunteer have used services themselves in the past. Supporting Volunteers to develop is a priority for inglos. This includes increasing the number of Volunteers (capacity) and the scope of use of Volunteers (quality). inglos sees volunteering as a way of staying connected to local areas and of promoting communities to be better places to live.

Community Services - As part of its brief the Outreach Team work across the Cotswolds, the Forest of Dean, Gloucester, Stroud and Tewkesbury areas provide support for families and the local community.

Involvement in strategic developments - Much activity is committed by senior members of staff to bring about strategic changes in the county including developing, with key partners, new approaches to old problems and work to support inclusion.

General

Besides the practice delivery outlined above the organisation maintains infrastructure support functions, including Human Resources, Finance & Facilities, Learning & Development, Performance Management and IT. The organisation is also closely involved in working within the Voluntary Sector of the county to try to improve services for the local community.

INGLOS LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2008

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Service User feedback about services remains good. We have particularly focused on piloting feedback in the Community Integration Service (CIS). Lessons learnt about making good use of the feedback are currently being rolled out across the organisation. As ever, more can be done.

This year was the first full year following the merger of GDAS & gamh. Continuing uncertainty over the future of mental health day services in the county has influenced progress and has had an effect on Service Users and staff. However, services have been improved, systems have been transformed and a lot more staff training put in place. There are indications that service commissioning changes can be expected and this should lead to higher levels of certainty in this area.

During the period GDAS services continued to develop and the Community Integration Service (CIS) underwent further substantial organisational change while endeavouring to provide a consistent service. There has been expansion of services in the primary care setting for drug and alcohol interventions. Relationships with other providers have improved greatly. A reduction in organisational barriers will translate into improved services for people.

A root and branch review of GDAS drug and alcohol services was undertaken to establish current supply and demand, to make recommendations on provision of services over the next three years, and to formulate priorities for the coming year. As with other comparable services the outcomes set nationally for drug services remains one of the biggest challenges for GDAS.

The wide range of criminal justice services continued to develop in line with statutory partners' requirements. The Alcohol Arrest Referral Scheme (AARS) was highlighted by the Home Secretary as an example of good practice and is now seen by the Home Office as the standard to aspire to by other areas.

New projects started in the year included the provision of alcohol interventions in Emergency Departments of county hospitals and community development services in the Cotswold area. An agreement was signed with 'Gamcare' to provide support services for people with gambling problems using the existing skills of the staff team.

Much effort has been invested in creating a partnership to provide improved services for people involved in domestic abuse. Funding bids have yet to be successful, but new ways of engaging with refuges have been put in place.

SHARE (Young People's Counselling Service) merged with inglos at the start of 2008. Since the merger much time has been invested to prepare this area of work for the future, especially as there is more market testing for young people's services generally. There has been success in attracting resources to provide enhanced services for emotional wellbeing of young people.

Changes have been made in the infrastructure to accommodate more projects with associated financial, HR, performance management and data handling together with additional learning and development requirements. Special mention should be made of all the work which is carried out training volunteers and mentors for the whole agency. Training and supporting Volunteers has many advantages which include: the individual Volunteer as a pathway to employment (if wanted); the local community as it makes it more cohesive and inglos with the extra skills they bring. The Learning & Development team have, in addition, provided a growing range of professional training across the county.

During the year the organisation had its Investors in People (IIP) accolade renewed. Additionally, all staff and Trustees participated in a programme of diversity training. This programme gives everyone in the organisation an evidenced knowledge base.

In the coming year work towards achievement of the Investors in Volunteering (IIV) accolade will be undertaken. This furthers the inglos commitment to volunteering.

FINANCIAL REVIEW

Reserves policy

The reserves policy aims to hold a minimum of 6 weeks resources as unrestricted funds. At 31st March 2008 net unrestricted funds equated to 4 weeks resources. This is an improvement over 2006/2007 but continues to depend on securing realistic cost recovery arrangements.

INGLOS LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2008

FINANCIAL REVIEW (Continued)

Summary

Incoming resources increased by £149 during the year; amounting to £2,875. Total funds of £417 were carried forward; a net decrease of £270. This comprised £215 recognised as creditors for income received and £55 shortfall on charitable activities.

As a consequence of continued improvements in management and control of overheads the recorded loss from charitable activities was less than had been originally anticipated.

During the year the Trustees agreed to support any interim shortfall on the funding of mental health day services, and that funds arising from the disposal of former gamh premises in Stroud would be used for this purpose.

The acquisition cost of SHARE (Young Peoples Counselling Service) was £12,117 in the form of negative restricted funds. Pending the planned development of enhanced services for young people, the Trustees agreed to eliminate this shortfall from unrestricted funds.

FUTURE PLANS

Drug Work

The new 10 year national drug strategy has now been published by the Government. This focuses on communities, families, young people and crime. The range of services for the coming period is broadly similar to those currently provided. However, through a series of projects which will deliver real changes for people, the focus for the coming year will be about improving the client experience.

Alcohol Work

There is a major push in the county to raise the level of treatment services. This follows many years of national under-investment, and the development of a County Alcohol Strategy locally. In the coming year there will be a reorganisation of the alcohol services GDAS provides to move the emphasis towards primary care.

Mental Health Day Services

After a period of great uncertainty it is planned that, by partnership working, Day Services for Working Age Adults and Older People will move towards being provided on a firmer footing in 2008/09. Negotiations are still at an early stage and final detail remains to be agreed.

Criminal Justice Work

The coming year will see some changes in the focus of delivery and improvements to reflect changing demand.

Young People's Services

The future shape and direction of YP services is starting to become clearer with the success in attracting repeat and new pieces of work. The organisational changes needed to accommodate service changes will continue throughout the next period.

External Training

The organisation has been retained to undertake more external training than ever before across a range of themes. The reputation of the Learning & Development team itself and its quality assurance has been a factor in attracting more business.

Internal Learning & Development

There is a large amount of internal staff development taking place this year which targets groups of people. This includes working towards mental health qualifications for all MH staff. The organisation will be focusing on further developments in how it responds to the diversity, risk and sustainability agendas. A new 3 year Strategic Plan will be in place from April 2009 and this occasion will be used to refresh the organisational values.

INGLOS LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2008**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit 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;
- 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 1985. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 234ZA of the Companies Act 1985) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

Andorran have expressed their willingness to continue as auditors and a proposal to re-appoint them will be put to the charity's Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:

.....
A Lightowler - Secretary

Date:

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
INGLOS LIMITED**

We have audited the financial statements of Inglos Limited for the year ended 31 March 2008 on pages nine to fifteen. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page eight.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Trustees is consistent with the financial statements.

In addition, we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the Report of the Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charitable company's affairs as at 31 March 2008 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Trustees is consistent with the financial statements.

Andorran Limited
6 Manor Park Business Centre
Mackenzie Way
Cheltenham
Gloucestershire
GL51 9TX

Date:

INGLOS LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2008**

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2008 Total funds £	2007 Total funds £
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income		11,235	-	-	11,235	4,177
Activities for generating funds		29,366	-	-	29,366	11,603
Investment income	2	23,897	-	-	23,897	11,841
Incoming resources from charitable activities	3	2,584,031	59,505	-	2,643,536	2,540,698
Other incoming resources	4	<u>166,549</u>	<u>-</u>	<u>-</u>	<u>166,549</u>	<u>157,245</u>
Total incoming resources		2,815,078	59,505	-	2,874,583	2,725,564
RESOURCES EXPENDED						
Costs of generating funds						
Costs of generating voluntary income		13,247	-	-	13,247	5,221
Charitable activities	5	2,781,881	63,200	-	2,845,081	2,564,888
Governance costs		27,247	-	-	27,247	20,818
Other resources expended		<u>31,727</u>	<u>-</u>	<u>-</u>	<u>31,727</u>	<u>73,463</u>
Total resources expended		<u>2,854,102</u>	<u>63,200</u>	<u>-</u>	<u>2,917,302</u>	<u>2,664,390</u>
NET INCOMING/(OUTGOING) RESOURCES before transfers						
		(39,024)	(3,695)	-	(42,719)	61,174
Transfers between funds	13	50,129	8,859	(58,988)	-	-
Transfer Funds of SHARE	13	(12,117)	-	-	(12,117)	408,373
Funds transferred to Income Creditors	13	<u>(142,021)</u>	<u>(73,409)</u>	<u>-</u>	<u>(215,430)</u>	<u>-</u>
Net incoming/(outgoing) resources		(143,033)	(68,245)	(58,988)	(270,266)	469,547
Total funds brought forward		<u>423,730</u>	<u>74,649</u>	<u>188,988</u>	<u>687,367</u>	<u>217,820</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>280,697</u></u>	<u><u>6,404</u></u>	<u><u>130,000</u></u>	<u><u>417,101</u></u>	<u><u>687,367</u></u>

INGLOS LIMITED

**BALANCE SHEET
AT 31 MARCH 2008**

		Unrestricted funds £	Restricted funds £	Endowment funds £	2008 Total funds £	2007 Total funds £
FIXED ASSETS						
Tangible assets	9	18,150	-	130,000	148,150	410,376
Investments	10	<u>15,935</u>	<u>6,404</u>	<u>-</u>	<u>22,339</u>	<u>22,339</u>
		34,085	6,404	130,000	170,489	432,715
CURRENT ASSETS						
Stocks		3,112	-	-	3,112	2,972
Debtors: amounts falling due within one year	11	130,762	-	-	130,762	173,030
Cash at bank		<u>397,603</u>	<u>-</u>	<u>-</u>	<u>397,603</u>	<u>182,469</u>
		531,477	-	-	531,477	358,471
CREDITORS						
Amounts falling due within one year	12	<u>(284,865)</u>	<u>-</u>	<u>-</u>	<u>(284,865)</u>	<u>(103,819)</u>
NET CURRENT ASSETS		<u>246,612</u>	<u>-</u>	<u>-</u>	<u>246,612</u>	<u>254,652</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>280,697</u>	<u>6,404</u>	<u>130,000</u>	<u>417,101</u>	<u>687,367</u>
NET ASSETS		<u><u>280,697</u></u>	<u><u>6,404</u></u>	<u><u>130,000</u></u>	<u><u>417,101</u></u>	<u><u>687,367</u></u>
FUNDS	13					
Unrestricted funds					280,697	423,730
Restricted funds					6,404	74,649
Endowment funds					<u>130,000</u>	<u>188,988</u>
TOTAL FUNDS					<u><u>417,101</u></u>	<u><u>687,367</u></u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

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

.....
Trustee

.....
Trustee

INGLOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standards for Smaller Entities (effective January 2007), the Companies Act 1985 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Investments

Investments are stated at market value and any increase/decrease in value at the year end is taken to/deducted from unrestricted reserves.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

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.

Tangible fixed assets

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

Furniture & Equipment	-25% on reducing balance
Computer equipment	-33% on reducing balance

Stocks

Stocks are 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. It is not, however, wholly exempt from VAT, and in those cases where VAT is charged, irrecoverable VAT is included in the cost of those items to which it relates.

Fund accounting

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

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs

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.

2. INVESTMENT INCOME

	2008	2007
	£	£
Interest received	<u>23,897</u>	<u>11,841</u>

INGLOS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2008**

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2008	2007
Activity	£	£
Objective 1 - the relief of individuals and harm reduction/criminal justice/mental health day services	2,368,496	2,422,769
Objective 2 - the improvement of facilities for those at risk	239,196	82,614
Objective 3 - the preservation and protection of good health through education	<u>35,844</u>	<u>35,315</u>
	<u><u>2,643,536</u></u>	<u><u>2,540,698</u></u>

4. OTHER INCOMING RESOURCES

Other incoming resources includes £83,183 net proceeds from the disposal of freehold property.

5. CHARITABLE ACTIVITIES COSTS

	2008	2007
	£	£
Objective 1 - the relief of individuals and harm reduction/criminal justice/mental health day services	2,664,947	2,458,853
Objective 2 - the improvement of facilities for those at risk	151,448	48,075
Objective 3 - the preservation and protection of good health through education	<u>28,686</u>	<u>57,960</u>
	<u><u>2,845,081</u></u>	<u><u>2,564,888</u></u>

All of the above costs are direct costs.

6. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2008	2007
	£	£
Depreciation - owned assets	5,740	7,361
Auditors remuneration	<u>4,333</u>	<u>4,289</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2008 nor for the year ended 31 March 2007.

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31 March 2008 nor for the year ended 31 March 2007.

8. STAFF COSTS

	2008	2007
	£	£
Wages and salaries	<u>1,874,919</u>	<u>1,736,170</u>

At 31 March 2008 the company employed 112 people (2007: 122) of which 74 were full time and 38 part time.

INGLOS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2008**

9. TANGIBLE FIXED ASSETS

	Freehold property £	Furniture & Equipment £	Computer equipment £	Totals £
COST				
At 1 April 2007	388,795	25,436	42,084	456,315
Additions	-	598	-	598
Disposals	<u>(257,084)</u>	<u>-</u>	<u>-</u>	<u>(257,084)</u>
At 31 March 2008	<u>131,711</u>	<u>26,034</u>	<u>42,084</u>	<u>199,829</u>
 DEPRECIATION				
At 1 April 2007	-	16,068	29,871	45,939
Charge for year	<u>-</u>	<u>2,225</u>	<u>3,515</u>	<u>5,740</u>
At 31 March 2008	<u>-</u>	<u>18,293</u>	<u>33,386</u>	<u>51,679</u>
 NET BOOK VALUE				
At 31 March 2008	<u>131,711</u>	<u>7,741</u>	<u>8,698</u>	<u>148,150</u>
At 31 March 2007	<u>388,795</u>	<u>9,368</u>	<u>12,213</u>	<u>410,376</u>

10. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
At 1 April 2007 and 31 March 2008	<u>22,339</u>
 NET BOOK VALUE	
At 31 March 2008	<u>22,339</u>
At 31 March 2007	<u>22,339</u>

There were no investment assets outside the UK.

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 £	2007 £
Trade debtors	79,057	102,392
Other debtors	5,653	45,291
Prepayments	<u>46,052</u>	<u>25,347</u>
	<u>130,762</u>	<u>173,030</u>

INGLOS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2008**

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 £	2007 £
Trade creditors	36,265	23,041
Social security and other taxes	52,135	59,292
Other creditors	10,022	11,069
Income in advance	174,272	-
Accrued expenses	<u>12,171</u>	<u>10,417</u>
	<u>284,865</u>	<u>103,819</u>

13. MOVEMENT IN FUNDS

	At 1.4.07 £	Net movement in funds £	Transfers between funds £	At 31.3.08 £
Unrestricted funds				
General fund	394,433	(39,024)	(88,009)	267,400
Designated Funds	<u>29,297</u>	<u>-</u>	<u>(16,000)</u>	<u>13,297</u>
	423,730	(39,024)	(104,009)	280,697
Restricted funds				
Voluntary Sector Mental Health	5,000	-	(5,000)	-
Young Peoples Service remodelling costs	54,302	-	(54,302)	-
Volunteering England	632	(3,695)	3,063	-
Service Users Support Team	8,602	-	(8,602)	-
Sandford Street	<u>6,113</u>	<u>-</u>	<u>291</u>	<u>6,404</u>
	74,649	(3,695)	(64,550)	6,404
Endowment funds				
GAMH Property	<u>188,988</u>	<u>-</u>	<u>(58,988)</u>	<u>130,000</u>
TOTAL FUNDS	<u>687,367</u>	<u>(42,719)</u>	<u>(227,547)</u>	<u>417,101</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,815,078	(2,854,102)	(39,024)
Restricted funds			
Volunteering England	33,500	(37,195)	(3,695)
Big Lottery Fund	<u>26,005</u>	<u>(26,005)</u>	<u>-</u>
	59,505	(63,200)	(3,695)
TOTAL FUNDS	<u>2,874,583</u>	<u>(2,917,302)</u>	<u>(42,719)</u>

INGLOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2008

13. MOVEMENT IN FUNDS - continued

Details of Funds

Designated Funds

These funds were transferred from Gloucestershire Association for Mental Health. The balance carried forward represents £12,297 of funds set aside for the maintenance and development of Belsize House and £1,000 held as a contingency fund for supported accommodation for Gloucestershire County Council.

Restricted Fund

In 1985 some property was disposed of in Sandford Street, Cheltenham under the supervision of the Charity Commission. The charity is required to invest the sum of £291.12 in the COIF Charities Investment Fund annually until 2015. On completion of the thirty payments the investment can be merged into the general funds of the charity. This commitment was transferred from Gloucestershire Association for Mental Health.

Endowment Fund

Gloucestershire County Council in respect of Hill House (transferred from Gloucestershire Association Mental Health).

Transfers between funds

Transfers are made between restricted and unrestricted funds at the end of every accounting period in cases where:-

- i) the activity of the restricted fund has come to an end and there is an unspent balance that is not repayable to the funder(s), when the surplus is transferred to unrestricted funds; and
- ii) the restricted fund is in deficit and has either come to an end or there is no prospect of a surplus in a later period, when the deficit is eliminated by transfer from unrestricted funds.

Funds transferred to income in advance

Incoming resources include funding for services to be delivered in future periods. Recognition of these funds in the period received has in the past distorted net incoming/(outgoing) resources by not showing income in the same period as contracted expenditure.

The value of funds received in advance of the relevant services to be delivered has been transferred to 'Income in advance' in creditors.

14. CONTINGENT LIABILITIES

Various funders retain the right to claw back grants should the use of the funds not be in accordance with the terms of the grant. In the opinion of the trustees no such liability exists at 31 March 2008.

15. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and does not have a share capital. Under the terms of the Memorandum and Articles of Association every member is liable to contribute a sum not exceeding £1 in the event of winding up of the Company during the time that the Member holds office or within one year thereafter.