

TURNING POINT SCOTLAND LIMITED

**Report and Consolidated Financial Statements
For the year ended 31 March 2009**

**Charity No: SCO28827
Company No: SC194639**

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TURNING POINT SCOTLAND LIMITED

Report and Consolidated Financial Statements For the year ended 31 March 2009

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TURNING POINT SCOTLAND LIMITED

Company Information

Directors and Trustees

Colin Rae
Vinaykant Ruparelia
Brian MacDonald
Callum Allan
Raymond Edwards
Gill Ottley
Keith Howell – Co-Opted Board Member
Tony Cameron
Morgane Artacho
Dr Eilidh Whiteford
Elizabeth Gray
Ewan McIntyre

Chair
Vice Chair

Secretary and Registered Office

T C Young & Son
7 West George Street
Glasgow
G2 1BA

Auditors

Scott-Moncrieff
25 Bothwell Street
Glasgow
G2 6NL

Bankers

Lloyds TSB Scotland
180 West George Street
Glasgow
G2 2NR

Solicitor

T C Young & Son
7 West George Street
Glasgow
G2 1BA

TURNING POINT SCOTLAND LIMITED

Report of the Trustees

The trustees present their report together with the consolidated financial statements for the year ended 31 March 2009. The financial statements comply with current statutory requirements and Articles of Association and the Statement of Recommended Practice 2005 – Accounting and Reporting by Charities.

Company information set out on page 1 forms part of this report.

Constitution

Turning Point Scotland Limited is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. The registered charity number is SCO28827 and company number is SC0194639.

Directors and Trustees

The directors of the charitable company ("the charity") are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees. The appointment, removal, power and duties of the trustees are as set out in the Articles of Association.

The trustees serving during the year and since the year end were as follows

Colin Rae	Chair
Vinaykant Ruparelia	Vice Chair
Paula Gilder	Resigned 10 June 2009
Brian MacDonald	
Callum Allan	
Raymond Edwards	
Judith Illsley	Resigned 4 November 2008
Gill Ottley	
Keith Howell – Co-Opted Board Member	
Tony Cameron	
James MacKenzie	Resigned 10 June 2009
Morgane Artacho	Appointed 11 February 2009
Dr Eilidh Whiteford	Appointed 11 February 2009
Elizabeth Gray	Appointed 11 February 2009
Ewan McIntyre	Appointed 10 June 2009

All of the trustees perform a non-executive role.

Results

The income and expenditure account is included within the Statement of Financial Activities on page 13. The group incurred a deficit of £270,429 in the year to 31 March 2009.

Objects of the charity

Turning Point Scotland is a registered charity and a company limited by guarantee. There are no shares and we are not a membership organisation. Our Directors have no financial interests in the company.

Turning Point Scotland provides services to Local Authorities and Health Boards who purchase health and social care services for people with drug, alcohol or mental health problems and for people with a learning disability. We also run associated services in criminal justice, young onset dementia, autism, acquired brain injury and homelessness. All of these relate to our four service areas and all focus on adults.

The Board has reviewed our geography and service sectors and has confirmed that Turning Point Scotland will continue to work in Scotland and with adults. Our charitable status and fundraising ability allows us to add value to the packages purchased.

TURNING POINT SCOTLAND LIMITED

Report of the Trustees

Objects of the charity (cont'd)

As our status as a service provider grows we continue to contribute to the development of policy in Scotland by participating in working groups on drugs, alcohol, mental health and learning disability.

Turning Point Scotland is not committed to any one model of support or treatment for people believing that a person centred approach is likely to be most effective. This means that services differ and are designed around individual service users and geographies. It also means we are committed to redesigning services for individuals. We aim never to exclude people from our services and we believe that we live up to our claim that we make services fit people. We believe that almost everyone is able to improve the quality of their life and to improve participation in the community they are part of.

Believing in person centred services means that we are committed to reducing support as well as increasing support. It is not our intention to continue to grow for growth's sake - instead our business plan states our intention to get bigger, but only if by so doing, we get better.

Our services include registered care homes, respite services, day activity and support services, supported tenancies, community drug services, education and employment opportunities.

Background to the charity

1. Turning Point Scotland was established on 1 April 1999. Its principal reason for existence is: **to protect and/or further the social care and health of individuals suffering problems related to alcohol or drug dependency, mental illness, learning disabilities or any other disability, through the provision of care, support, treatment, training, education or other appropriate service (Memorandum and Articles of Association).**
2. Turning Point Scotland's management structure consists of a voluntary Board of Directors, an executive management team and operational and service management teams. The Board of Directors manage the Chief Executive who consequently oversees the functioning of the organisation. Day to day operations of the organisation are delegated to the Executive Management Team, being the Senior Operations Manager, Finance & Resources Manager and Business Development and Improvement Manager.
3. A Scheme of Delegation is in place which clearly defines the roles of the Board, Chief Executive and Management Team in relation to decision making; this includes financial transaction limits, property lease and acquisition and day to day operations of the organisation. The Board reviewed and updated this scheme in February 2009.
4. We are an equal opportunities employer and have been accredited as a positive about disability employer.
5. The founding Chief Executive, Netta Maciver, left the organisation in July 2008. Martin Cawley was appointed as the new Chief Executive on 4th August 2008.

Service provision

6. As at 31st March 2009, we provide 38 services, all purchased by local authorities who specify the service level TPS must provide.
7. Services are provided in a range of settings and include residential care facilities, crisis centres, community rehabilitation models, support to people in their own homes, day centre or programmed activities and supported employment. Services are customised to the needs of those using the service and to the locality within which the service operates. The aim of all services is **to make the service fit the person** and to make the person as independent as possible. In 2008-09 we provided support to 4,632 people across Scotland.

TURNING POINT SCOTLAND LIMITED

Report of the Trustees

Service provision (cont'd)

8. To be able to do this we employed 1,080 staff in 2008-09. We have a training programme in place to ensure staff have core training for the work they undertake but also to ensure that staff receive the training which will allow them to comply with the requirements of the Scottish Social Services Council. In 2008-09 54 staff completed their SVQ3 and 4. The training programme offered a total of 679 courses over the year in addition to external training purchased on behalf of staff.

Regulation

9. All bar 4 services are registered with the Care Commission. Over the year we had 44 inspections. Of these inspections there was one organisational requirement where time lined action was required. Learning from all of these visits was gathered in order to share learning and best practice and to allow staff to make changes across Scotland.
10. The Audit Committee reviewed our Memorandum and Articles to ensure that they were in line with OSCR's charity test.

Staff Involvement

11. EAR4U continued to develop its work as the TPS staff representative council. Staff raised areas of concern to them and work was undertaken to improve these. Specific examples include the purchase of staff food in supported living services when staff are eating with service users, remuneration for service user holidays, employee benefits scheme, SVQ study time and service users' holidays. We have agreed to publicise the work of the Staff Council to enable staff to make best use of it. The first annual report was issued in June 2008. There is also a Joint Negotiating Committee (JNC) with Unite to act as a staff representative forum for members of the union.

Service User Involvement

12. The past year has seen Turning Point Scotland build and develop its service user involvement processes and activity. The strategy for improving our service user involvement activity has been to enhance every service user's ability and opportunity to be involved in influencing their own care and support, to express their views and make a difference to the service which supports them and to have an impact on the organisation's broader decision making and direction.

To promote greater involvement in Turning Point Scotland's broader decision making processes the existing Service User Council arrangements were refreshed and regionalised. Each Operations Manager was supported from central funds to develop their local processes. To give the developments a focus each locality was asked to give specific responses to issues previously identified by the "old" Service User Council. This has stimulated a wide range of service user engagement using a variety of methodology reflecting the diverse range of service user supported by Turning Point Scotland. The learning from this will continue to be built upon in future years.

The past year has seen a considerable growth in service user involvement and peer support groups developing throughout the organisation. These local groups have proved very successful, particularly in Ayrshire, Glasgow and Aberdeen. The success and growing confidence in these groups is beginning to have direct influence on local service provision.

Turning Point Scotland has always placed the delivery of person centred services at the forefront of our activity. The past year has seen this develop considerably with the embracing of the philosophies of Recovery throughout our services. To support this a staff member from our Midway Service in Glasgow was seconded to work with services and service users throughout the country to facilitate their thinking and development in relation to delivering Recovery focussed services. The impact of this support, and more importantly from the work of staff within services, is service users increasingly taking control of their own lives.

TURNING POINT SCOTLAND LIMITED

Report of the Trustees

Premises

13. We operate from a range of premises trying to ensure that buildings are accessible and pleasant to be in. We have both leased and owned premises. Being able to purchase premises has been of benefit to those who use our services and to those purchasers who have had difficulty with capital programmes. It has also helped to develop the asset base of the charity. We now own 18 properties across Scotland.

Strategic direction

14. This has been the final year of our current three year business plan. We can demonstrate that we have extended our reach across Scotland, increased work with existing partners and have launched Turnaround, a new flagship project across two Community Justice Authorities. Our influencing work has developed this year with more press opportunities and more opportunities to influence social policy and the Scottish Government. We have appointed a Policy Officer who will further enhance our work in this regard. The Board have agreed a new strategic plan which will provide direction to the company 2009-2012. There are five main strategic objectives; to retain existing business, to develop new business in new and existing markets, to continue to learn and develop as an organisation, to raise our profile and reputation and to further enhance the recognition of TPS as a quality service provider across Scotland.

Fundraised income

15. The charity works actively to increase the value it brings to public contracts and its fundraiser raised £198,844 over the year for services. We would like to thank the following trust funds which supported TPS:
- Big Lottery
 - KPMG Foundation

Monitoring performance

16. TPS gathers a range of information to ensure that it is monitoring its performance adequately. Such information is reported on at Board meetings, in contract compliance and via inspections and reports to a range of regulatory bodies. Information is gathered and analysed in the following areas: financial management, people management information including absenteeism, turnover and training, health and safety information, quality systems, service user outcomes and staff outputs. Last year our database was launched and this year services started to gather and analyse information. The information is both quantitative and qualitative. It will prepare the organisation for the new outcomes based approach to monitoring led by the Scottish government in their agreement with local authorities.
17. The great challenge in working to targets is to make sure that they are targets that matter. The main target for TPS is to make a positive difference to individual lives in a person centred and aspirational way. We will work hard to evidence the impact we make on peoples' lives.
18. A staff stress audit was conducted this year and results indicate that the stressors which require the most urgent attention are role (i.e. whether people understand their role within the organisation and whether the organisation ensures the person does not have conflicting roles) and change (i.e. how organisational change, large and small, is managed and communicated in the organisation). An action plan has been developed to address these areas.
19. Interviews were conducted with 7 major customers. Feedback was positive with customers finding TPS a flexible organisation willing to work positively with them and to adapt services as required.
20. We have identified a set of key strategic indicators and results which will allow us to benchmark and measure organisational performance. These will be rolled out across the organisation in 2010.

TURNING POINT SCOTLAND LIMITED

Report of the Trustees

External accreditation

21. We are recognised and were re-recognised this year as Investors in People. We are Positive about Disability employers. We hold the Bronze Award for Scotland's Health at Work Campaign and we have Invested in Excellence (using EFQM as our framework and establishing a range of benchmarking partners to allow us to measure performance).

The external environment

22. In the external environment there continues to be opportunities to tender for new business but there is also a climate of re-tendering based on the central government efficiency driver and EU Procurement legislation requirements. A number of local authorities are entering Framework Agreements for purchased services. Whilst this may bring about an increase in retendering it also allows TPS to substantiate our presence with present local authority partners. There has been an increase in the tightening of public spending and the Scottish Concordats agreement between local authorities and the Scottish Government saw the removal of ring fenced income streams. This has affected the funding streams for some of our services. Despite this the organisation has continued to develop new services.

Governance

23. We currently have a Board of up to 15 Directors. A skills gap analysis of the Board was carried out and an external recruitment was carried out based on these gaps. As a result we recruited 3 new Board members in February 2009. We publicly recruit every two years. Eilidh Whiteford, Morgane Artacho and Elizabeth Gray joined the Board in February 2009. Judith Ilsley resigned from the Board in November 2008. Since the year end date, Ewan McIntyre has joined the Board, while Paula Gilder and James MacKenzie have resigned from the Board.
24. We have a detailed Directors Information Pack which is given to all new Board members as part of their induction. Their induction also includes sessions with Chair and Vice Chair, Chief Executive and Executive Management Team and visits to services.
25. Board members are also required to carry out Governance, Equalities and Dealing with Discipline training.
26. Following our Governance Review by the Social Work Inspection Agency (SWIA), we have been working through the action plan established to develop our areas of improvement. This has been completed and sent to SWIA. The Board has a continued focus on the development of good governance.
27. The Audit Committee have revised their terms of reference and this was agreed by the Board in September 2008. Their new work plan based on the terms of reference was approved by the Board in February 2009.
28. A calendar has been established to ensure review of Board policies and processes on a regular basis.

We illustrate our work this year with some recovery stories written by service users.

Gordon

My name is Gordon and I am 23 years old. I never really went to school much and went about with the wrong crowd. I ended up doing daft things like carrying knives and stuff and eventually I was sent to prison. I was in Greenock prison for six and a half months and I really didn't want to be like the people I was in with. I didn't want to be in and out of jail for the rest of my life.

I was released about a year ago and my probation officer suggested referring me to Turnaround. At first I wasn't too sure about it, I've never been to anything like this in my life. But I liked how it was relaxed, it wasn't like meeting someone in an office and everyone was laid back. I got assigned a support worker and I talked to them about my life and I found it was a good release to talk about the stuff that was going on with me. They also gave me good advice that made me think about things.

TURNING POINT SCOTLAND LIMITED

Report of the Trustees

Gordon (cont'd)

They put me on a Venture Trust ten day course. It's like an outdoor course and I spent the first few days canoeing, hill walking, learning to pitch and cook outdoors. Then I went on a seven day expedition, camping and climbing Ben Eibhinn. There was a group of us, men and women and we were all from different backgrounds. Through the games we played they were teaching us how to solve problems.

I really loved it, I didn't know Scotland was as beautiful as it is and I was so grateful I was given this opportunity. Whilst I was on the course I just thought, I'd love a job doing this and so now I am volunteering with the Venture Trust. I'm starting my First Aid courses next week and at the moment I help out with the preparation training. I'm teaching people how to cook outdoors and the benefits of different food groups that we should be eating. I'm also assisting with the canoeing and teaching people how to pitch a tent. One time I spent nine hours in the pouring rain playing games and I loved it.

Some of the people who come on the courses don't stick it out, but loads of them, like me, think it is brilliant and get to do things we never thought we would. You can see a change in people throughout the course, people's attitudes and the way they think about things.

When I was in prison I could never have imagined I'd have this opportunity and I'm so glad that I have. Nowadays I get up in the morning and look forward to going to my work. Not many people can say that.

My recovery story, Robert

When I was 16 I started work in a butcher's in Aberdeen and joined the TA as a part time soldier. That's where my problems started. I was having strange experiences. I began to hear bad voices and it made me unwell. I don't know where the voices came from but it was not right. I was based in Edinburgh for my basic training and found myself doing a lot of guard duty, you know, standing at the gates of the barracks. I was with another soldier but I started to feel strange: it was very scary. I was seeing things and hearing strange things that weren't really there. Things weren't normal at all. I couldn't decide what was really happening. I spoke to one of the officers and they sent me to a psychiatrist. I was referred to Cornhill hospital back in Aberdeen. I felt like I was experiencing ghosts – scary things that weren't there. I didn't know I was unwell, I was very confused and I got a medical discharge from the army. I was admitted to hospital and was an in-patient for 3 and a half years. They tried giving me needles but that didn't seem to work so then they tried me on medicine. I have been taking the same medicine ever since then and I don't hear the voices any more.

I had nothing then. Now I have a house, my birds, a job and lots of positive things. Life's been good lately, now I don't want to hurt anyone or hurt myself any more. Over the years, I have lost a couple of good friends, people who were good to me in Cornhill, people who helped me get better but now they have died I still think about them sometimes. I see my psychiatrist about every three months. I just want to keep well and make other people happy; that's what makes me happy.

I started taking cannabis when I was 16. In the TA everyone was doing it there. I think a lot of my mental illness comes down to using cannabis. That and alcohol. I have done so well. My life has changed totally for the best. I don't drink alcohol now because it's not good when I go off the edge, that's when I get funny thoughts and I start to think things are real when they aren't. I keep taking the medicine and life is good now.

When I was in hospital I went to groups about drugs and alcohol and I did a course. Then I went to stay in a hostel and I was there for two years while I re-learned how to cook and shop and budget my money. I had to learn it all again after being in hospital for so long. I was one of eight people in there and I had my own bedroom but the rest of the house was shared. It was ok and the people were nice but it was a moving on stage.

Then 4 or 5 years ago I moved into my own bed-sit. It felt like I was getting back in control of my life and everything seemed to be going smoothly. I didn't touch drink or drugs while I was there and I stayed about 2 years and there were people to keep eye on me.

From there I moved into my own house, living totally by myself and I have been there three years now. That's when I started having visits from STABLE. They helped me keep control over my food shopping, cleaning and keeping myself and my house tidy as well as keeping on top of washing my clothes but most important was that they listened to me.

TURNING POINT SCOTLAND LIMITED

Report of the Trustees

My recovery story, Robert (cont'd)

I had done a course about drink and drugs so I know how harmful they can be for me, but I still like the effect of smoking cannabis. It chills me out and, while I know it's not good for me, it can be very difficult not to take it when there are lots of people around who are all doing it. STABLE really helped me to deal with that so nowadays it's not a temptation very often. I did exercises on drugs and alcohol and how it affects the mind and yourself. I stay away from places where I might get offered cannabis and now that I can sleep normally, I don't feel like I need it to get off to sleep. I've worked really hard with this and sometimes it seems like a dream, what I've done and how far I've come. My Mum and Dad are proud of me too.

I am now working as a gardener. It was my support worker from STABLE who helped me get that, but it was me who got through the interview. I work hard and I enjoy it. It allows me to get a Saturday night out. Drink is also a temptation but I know I don't want to become ill again, so when I go out I drink Irn Bru.

I am very proud of myself and I feel like this is a success story. I've gone from having fourteen hours of visits to needing less than 20 minutes a week where now they just check and say "Is everything ok, Robbie?", and it is nowadays, so soon I don't think I will need even that.

My Journey with Studio 8

For 25 years drink was my life. Whether I liked it or not. Peer pressure, some may say, but I never felt any pressure to drink, in fact I loved it!

It was great, I was a young and fit man, out every chance I had, and always involving alcohol. Sure I had hangovers, but they soon disappeared and so onto the next night out, no bother.

Most of my mates started to settle down as far as the booze was concerned, but not me I enjoyed it far too much and was having a whale of a time.

Very soon, and without noticing, things started to change. Hangovers lasted longer and got gradually worse and worse. Friends disappeared, jobs were lost, relationships suffered and ended. My health got so bad I was ending up in hospital a number of times and I never seemed to have any money.

I knew I had to sort out my drinking, but how? I tried cutting down or stopping myself, but was soon back on the bevy.

I tried numerous agencies to try and help me, but I just couldn't change. "You have to stop drinking", was all I got told, but I wanted to know how! It also scared the hell out of me.

Being made homeless I got a place in Guildry House, in Elgin. It was there I was introduced to Lynn Keith, who was then a substance misuse worker, and she referred me to Studio 8.

Lynn put me under no pressure to stop drinking, but to gradually cut down my intake. This I did over a few months, with a few relapses along the way. After a seizure, one of many one of which caused me to dislocate my shoulder & break it, it was decided I should stop drinking altogether.

With help from the doctor, my parents and the support at Studio 8 I have stayed sober now for 15 months, and have never felt better.

Through Studio 8 I attended numerous courses including assertiveness, confidence, building and coping skills etc.

I also feel a need to attend the drop in facility offered by Studio 8, and know that if I ever feel the need for help Studio 8 is always there for me.

SMART Recovery is another group I attend and I am soon attending a training course so I can facilitate at the meetings.

I am now in full-time employment in a care home in Elgin, as a care assistant. For the last 8 months I've been working as a befriender with the Red Cross in a voluntary capacity.

TURNING POINT SCOTLAND LIMITED

Report of the Trustees

My Journey with Studio 8 (cont'd)

Hard work and determination have been needed in my part, to get where I am. But without going through my journey with Studio 8 none of this would be possible. This thing is even with all this above, I couldn't be where I am now without Studio 8's help in me STOPPING AND KEEPING OFF THE DRINK!

Claire's Story

My name is Claire, my age is 30. I used to stay at home with my mum and dad and I have now moved to Phoenix Grove in Elderslie.

My new home is massive and I had a nice welcoming party with all of my new flatmates and they made me feel so welcome. I am going to settle in well here. I go to the Whitehaugh Centre three days a week and I have got lots of activities. I go to the bingo every Saturday with my mum and auntie. I like to go to the cinema, pub, doing tapestry, ten pin bowling and going out for meals. I love going to the seaside and going on holidays. This year I am going to Haven and Disneyland Paris. I love flying. I like to do baking and I make up all my own pack lunches for my centre. I go with the staff to do the house shopping and I write out the shopping list. I have got tickets to go and see shows with my flatmate and this will be great. In the summer time I would like to go to the Blair Drummond Safari Park.

I dislike all sports.

I have got a nice bedroom and my own laptop as I like to do computer work and go on the internet. I am going to have a great time living here at Phoenix and the staff are so nice to me.

Investment Power

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the Directors see fit.

Reserves and risk management

The charity has two categories of reserves - Restricted Funds (can only be used for specific services) and Unrestricted Funds (can be used by the company). Further details of these funds can be found in note 19. As part of the overall Reserves Policy and part of the Risk Management Policy the company is working towards achieving Company Development Reserves of three months' salary costs. The next stage of the charity's growth will aim to give better geographic spread in Scotland with more support being available in each of these localities.

The company has a company wide risk management plan within which financial risks are assessed and managed. The company has no foreign transactions and therefore is not exposed to currency exchange risks. The company has acted to reduce its interest rate risk by entering an arrangement with our bank which limits our risk to +1% of the base interest rate. It invests part of its cash assets in longer term investment at higher interest rates and the remainder is held as cash within the main banking account which is also tied to the base interest rate.

Borrowing is only used for property acquisition and the risk is minimised by having a third party invest 30% of the cost in the residential properties we acquire.

All services are purchased by local authorities who have entered into a contractual agreement with the company to provide services on its behalf. There is government legislation in place to ensure payment is made within set time limits.

TURNING POINT SCOTLAND LIMITED

Report of the Trustees

Related parties

The trustees receive no remuneration for fulfilling their role as trustees. Total expenses of £4,804 (2008: £3,864) were reimbursed to the trustees during the year.

Turning Point Scotland operates contracts on behalf of Turning Point Scotland Services Limited, its 100% owned subsidiary. During the year, Turning Point Scotland invoiced a sum of £20,329,574 (2008: £14,782,237) to its subsidiary in respect of these contracts. In addition £25,735 (2008: £13,354) in payroll costs were recharged to the subsidiary for management services provided.

Trustees' responsibilities for the financial statements

The trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure of the charity for the year. In preparing these 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
- state whether applicable accounting standards and statements of recommended practice 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 which enable them to ensure that the financial statements comply with the Companies Act 1985. They 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.

Disclosure of information to auditors

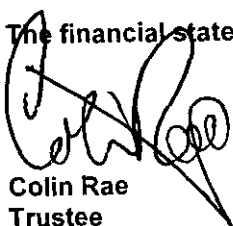
As far as each of the trustees at the time the report is approved are aware:

- a) there is no relevant information of which the company's auditors are unaware; and
- b) the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of the information.

Auditors

Grant Thornton UK LLP resigned as auditors in the year. Scott-Moncrieff, Chartered Accountants, were appointed as auditors in the year and a resolution to re-appoint Scott-Moncrieff as auditors will be proposed at the Annual General Meeting.

The financial statements were approved by the Board on 16 September 2009



Colin Rae
Trustee

TURNING POINT SCOTLAND LIMITED

Independent Auditors' Report to the Members of Turning Point Scotland Limited For the year ended 31 March 2009

We have audited the financial statements of Turning Point Scotland Limited for the year ended 31 March 2009 which comprise the principal accounting policies, the statement of financial activities (incorporating the income and expenditure account), the balance sheet, the cash flow statement and notes to the financial statements. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made exclusively to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985 and Section 44(1)c of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The responsibilities of the trustees (who are also the directors of Turning Point Scotland Limited for the purposes of company law) 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) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom 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, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and whether the information given in the Trustees' Report 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, or if the charity's financial statements are not in agreement with those accounting records or 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 transactions with the charitable company is not disclosed.

We read the Trustees' Report 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 (United Kingdom 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.

TURNING POINT SCOTLAND LIMITED

Independent Auditors' Report to the Members of Turning Point Scotland Limited For the year ended 31 March 2009

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 March 2009 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 Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006; and
- the information provided in the Trustees' Report is consistent with the financial statements.

Scott-Moncrieff

Scott-Moncrieff
Registered Auditors
Chartered Accountants
25 Bothwell Street
Glasgow
G2 6NL

Dated: 16 September 2009

TURNING POINT SCOTLAND LIMITED

Consolidated Statement of Financial Activities (incorporating income and expenditure account) For the year ended 31 March 2009

	Notes	Unrestricted Funds £	Restricted Funds £	2009 £	2008 £
Incoming resources					
Incoming resources from generated funds					
- Voluntary income	2	14,647	190,182	204,829	134,317
- Investment income	3	82,796	-	82,796	130,570
Incoming resources from charitable activities	4	25,570,701	-	25,570,701	24,870,458
Other incoming resources	5	19,167	-	19,167	177,119
Total incoming resources		<u>25,687,311</u>	<u>190,182</u>	<u>25,877,493</u>	<u>25,312,464</u>
Resources expended					
Costs of generating funds					
Costs of generating voluntary income	6	42,863	-	42,863	42,843
Governance costs	7	31,542	-	31,542	30,520
Charitable activities	8	25,641,363	432,154	26,073,517	24,549,387
Total resources expended		<u>25,715,768</u>	<u>432,154</u>	<u>26,147,922</u>	<u>24,622,750</u>
Net (outgoing)/incoming resources		(28,457)	(241,972)	(270,429)	689,714
Movement between funds		22,183	(22,183)	-	-
Total funds brought forward		<u>7,973,378</u>	<u>304,155</u>	<u>8,277,533</u>	<u>7,587,819</u>
Total funds carried forward	19	<u>7,967,104</u>	<u>40,000</u>	<u>8,007,104</u>	<u>8,277,533</u>

All income and expenditure is from continuing activities.

The notes on pages 18 to 28 form part of these financial statements

TURNING POINT SCOTLAND LIMITED

Company Statement of Financial Activities (incorporating income and expenditure account) For the year ended 31 March 2009

	Notes	Unrestricted Funds £	Restricted Funds £	2009 £	2008 £
Incoming resources					
Incoming resources from generated funds					
- Voluntary income	2	14,647	190,182	204,829	134,317
- Investment income		281,141	-	281,141	342,155
Incoming resources from charitable activities		25,545,712	-	25,545,712	24,846,458
Total incoming resources		<u>25,841,500</u>	<u>190,182</u>	<u>26,031,682</u>	<u>25,322,930</u>
Resources expended					
Costs of generating funds					
- Costs of generating voluntary income	6	42,863	-	42,863	42,843
Governance costs		30,892	-	30,892	29,870
Charitable activities		25,613,478	432,154	26,045,632	24,533,278
Total resources expended		<u>25,687,233</u>	<u>432,154</u>	<u>26,119,387</u>	<u>24,605,991</u>
Net incoming/(outgoing) resources		154,267	(241,972)	(87,705)	716,939
Movement between funds		22,183	(22,183)	-	-
Total funds brought forward		<u>7,746,167</u>	<u>304,155</u>	<u>8,050,322</u>	<u>7,333,383</u>
Total funds carried forward	19	<u>7,922,617</u>	<u>40,000</u>	<u>7,962,617</u>	<u>8,050,322</u>

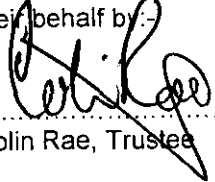
All income and expenditure is from continuing activities.

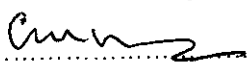
TURNING POINT SCOTLAND LIMITED

Consolidated Balance Sheet As at 31 March 2009

	Notes	2009		2008	
		£	£	£	£
Fixed assets					
Tangible assets	13		5,106,453		4,726,279
Current assets					
Debtors	15	2,003,601		3,543,006	
Cash at bank and in hand		2,466,725		1,755,925	
		<u>4,470,326</u>		<u>5,298,931</u>	
Creditors : Amounts falling due within one year	16	<u>(1,339,827)</u>		<u>(1,446,829)</u>	
Net current assets			<u>3,130,499</u>		<u>3,852,102</u>
Total assets less current liabilities			8,236,952		8,578,381
Creditors: Amounts due after more than one year	17		<u>(229,848)</u>		<u>(300,848)</u>
Net assets			<u><u>8,007,104</u></u>		<u><u>8,277,533</u></u>
Reserves					
Restricted funds	19		40,000		304,155
Unrestricted funds	19		7,967,104		7,973,378
			<u><u>8,007,104</u></u>		<u><u>8,277,533</u></u>

The financial statements were authorised for issue by the Board on 16 September 2009 and are signed on their behalf by:-


Colin Rae, Trustee


Callum Allan, Trustee

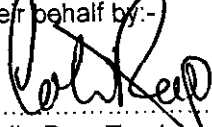
The notes on pages 18 to 28 form part of these financial statements

TURNING POINT SCOTLAND LIMITED

Company Balance Sheet As at 31 March 2009

	Notes	2009		2008	
		£	£	£	£
Fixed assets					
Tangible assets	13		5,106,453		4,726,279
Investments	14		1		1
			<u>5,106,454</u>		<u>4,726,280</u>
Current assets					
Debtors	15	2,834,581		3,757,578	
Cash at bank and in hand		1,430,146		1,213,659	
		<u>4,264,727</u>		<u>4,971,237</u>	
Creditors : Amounts falling due within one year	16	<u>(1,178,716)</u>		<u>(1,346,347)</u>	
Net current assets			<u>3,086,011</u>		<u>3,624,890</u>
Total assets less current liabilities			8,192,465		8,351,170
Creditors: Amounts due after more than one year	17		<u>(229,848)</u>		<u>(300,848)</u>
Net assets			<u><u>7,962,617</u></u>		<u><u>8,050,322</u></u>
Reserves					
Restricted funds	19		40,000		304,155
Unrestricted funds	19		7,922,617		7,746,167
			<u>7,962,617</u>		<u>8,050,322</u>

The financial statements were authorised for issue by the Board on 16 September 2009 and are signed on their behalf by:-


Colin Rae, Trustee


Callum Allan, Trustee

The notes on pages 18 to 28 form part of these financial statements

TURNING POINT SCOTLAND LIMITED

Consolidated Cash Flow Statement As at 31 March 2009

	Notes	2009		2008	
		£	£	£	£
Net cash inflow from operating activities	24		1,245,947		237,438
Returns on investments and servicing of finance					
Interest received		82,796		130,570	
Interest paid		(16,857)		(26,820)	
Net cash inflow from returns on investments and servicing of finance			65,939		103,750
Capital expenditure					
Payments to acquire tangible fixed assets		(530,086)		(326,000)	
Net cash outflow from capital expenditure			(530,086)		(326,000)
Net cash inflow before financing			781,800		15,188
Financing					
Loans repaid		(71,000)		(71,000)	
Net cash outflow from financing			(71,000)		(71,000)
Increase/(decrease) in cash	25		710,800		(55,812)

The notes on pages 18 to 28 form part of these financial statements

TURNING POINT SCOTLAND LIMITED

Notes to the Consolidated Financial Statements For the year ended 31 March 2009

1. Accounting policies

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings, and have been properly prepared in accordance with the Statement of Recommended Practice 2005, "Accounting and Reporting by Charities" and applicable accounting standards.

Basis of consolidation

The statement of financial activities (SOFA) and the consolidated balance sheet consolidate the financial statements of the company and its subsidiary undertaking, Turning Point Scotland Services Limited. The results of the subsidiary are consolidated on a line by line basis.

The charity has availed itself of the Paragraph 3(3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities.

Incoming resources from charitable activities

Rental income from the charity's properties and income from café sales is included in incoming resources in the period to which it relates.

Donations and grants

Income from donations and grants, including capital grants, is included in incoming resources when these are receivable, except as follows:

- when donors specify that donations and grants given to charity must be used in future accounting periods, the income is deferred until those periods.
- when donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Interest receivable

Interest is included when receivable by the charity.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis. Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

Governance costs

These costs include the cost of governance arrangements which relate to the general running of the charity as opposed to the management functions inherent in generating funds, service delivery and programme or project work. This includes such items as internal and external audit, legal advice for trustees and costs associated with constitutional and statutory requirements.

TURNING POINT SCOTLAND LIMITED

Notes to the Consolidated Financial Statements For the year ended 31 March 2009

1. Accounting policies (cont'd)

Tangible fixed assets and depreciation

Items costing less than £3,000 are not capitalised. Capital items which are used exclusively on a particular project are written off to that project's expenditure in the year of acquisition. All other fixed assets are recorded at cost or valuation less depreciation. Depreciation is provided to write off the cost, less estimated residual values, of tangible fixed assets evenly over their expected useful lives. It is calculated at the following rates:

Freehold property	-	2% straight line
Motor vehicles	-	20% straight line
Fittings and equipment	-	15% straight line

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to resources expended on a straight line basis over the period of the lease.

Pensions

The company participates in the Turning Point Pension Scheme, a multi-employer defined benefits pension scheme. Pension contributions are charged to the statement of financial activities to spread the cost of pensions over the employees' working lives.

Restricted funds

Restricted funds are to be used for specific purposes as laid down, either implicitly or explicitly, by the donor. Expenditure which meets the criteria is identified to the fund, together with a fair allocation of overhead support cost.

Included within Restricted funds are the following amounts:

£95,286 received from Big Lottery in respect of our Turnaround service
£76,291 received from Big Lottery in respect of our Rosie's Café service
£20,000 received from KPMG Foundation

Unrestricted funds

Unrestricted funds comprise funds raised and other incoming resources received or generated for charitable purposes.

Designated funds

Designated funds are funds earmarked for particular purposes.

TURNING POINT SCOTLAND LIMITED

Notes to the Consolidated Financial Statements For the year ended 31 March 2009

2. Incoming Resources – voluntary income

	Unrestricted funds £	Restricted funds £	2009 £	2008 £
Fundraised income	8,662	190,182	198,844	129,608
Donations	5,985	-	5,985	4,709
	<u>14,647</u>	<u>190,182</u>	<u>204,829</u>	<u>134,317</u>

3. Incoming Resources – investment income

	Unrestricted funds £	Restricted funds £	2009 £	2008 £
Bank interest	<u>82,796</u>	<u>-</u>	<u>82,796</u>	<u>130,570</u>

4. Incoming Resources from charitable activities

Revenue grants are received by the Charity and represent amounts for individual projects. The grants are matched against the expenditure of the individual projects for which they were received.

	Unrestricted funds £	Restricted Funds £	2009 £	2008 £
Revenue grants	16,410,960	-	16,410,960	15,553,488
Rental income	1,229,859	-	1,229,859	1,081,562
Other income	309,475	-	309,475	328,105
Supporting people income	5,826,028	-	5,826,028	6,148,565
Supporting cost income	1,794,379	-	1,794,379	1,758,738
	<u>25,570,701</u>	<u>-</u>	<u>25,570,701</u>	<u>24,870,458</u>

5. Incoming resources – other income resources

	Unrestricted funds £	Restricted Funds £	2009 £	2008 £
VAT reclaim	<u>19,167</u>	<u>-</u>	<u>19,167</u>	<u>177,119</u>

TURNING POINT SCOTLAND LIMITED

Notes to the Consolidated Financial Statements For the year ended 31 March 2009

6. Resources expended – costs of generating voluntary income

	Unrestricted funds £	Restricted Funds £	2009 £	2008 £
Staff costs	37,172	-	37,172	36,509
Project running costs	5,691	-	5,691	6,334
	<u>42,863</u>	<u>-</u>	<u>42,863</u>	<u>42,843</u>

7. Resources expended – governance costs

	Unrestricted funds £	Restricted Funds £	2009 £	2008 £
Audit fees	24,084	-	24,084	23,506
Board running costs	7,458	-	7,458	7,014
	<u>31,542</u>	<u>-</u>	<u>31,542</u>	<u>30,520</u>

8. Resources expended – charitable activities

	Unrestricted funds £	Restricted Funds £	2009 £	2008 £
Staff costs	20,439,777	239,011	20,678,788	19,880,137
Company running costs	3,977,120	172,449	4,149,569	3,656,477
Interest paid	16,857	-	16,857	26,820
Maintenance costs	510,055	-	510,055	405,222
Rent paid	697,554	20,694	718,248	580,731
	<u>25,641,363</u>	<u>432,154</u>	<u>26,073,517</u>	<u>24,549,387</u>

9. Employees

Staff costs consist of:

	2009 £	2008 £
Wages and salaries	18,434,560	17,641,510
Social security costs	1,422,260	1,378,024
Other pension costs	859,140	897,112
	<u>20,715,960</u>	<u>19,916,646</u>

TURNING POINT SCOTLAND LIMITED

Notes to the Consolidated Financial Statements For the year ended 31 March 2009

9. Employees (contd)

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

	2009 No	2008 No
Salaried	965	972
Seasonal	174	235
	<u>1,139</u>	<u>1,207</u>

The number of staff paid over £60,000 during the year (salary plus taxable benefits excluding pension contributions) was:

	2009 £	2008 £
£80,000-£90,000	-	1
	<u>-</u>	<u>1</u>

The total cost of pension contributions in 2008 for this member of staff was £12,018.

10. Trustees

The trustees received no emoluments during this or the prior year.

11. Net (outgoing)/incoming resources

Net (outgoing)/incoming resources for the year are stated after charging:-

	2009 £	2008 £
Auditors' remuneration:		
For audit services	24,084	23,506
For taxation services	-	940
Depreciation of fixed assets	<u>149,912</u>	<u>107,774</u>

12. Taxation

As a registered charity, the company is exempt from tax.

TURNING POINT SCOTLAND LIMITED

Notes to the Consolidated Financial Statements For the year ended 31 March 2009

13. Tangible assets	Freehold property £	Motor vehicles £	Fixtures and Fittings £	Total £
Group and company				
Cost or valuation				
At 1 April 2008	4,984,004	81,812	73,248	5,139,064
Additions	494,077	36,009	-	530,086
Disposals	-	(12,400)	-	(12,400)
At 31 March 2009	5,478,081	105,421	73,248	5,656,750
Depreciation:				
At 1 April 2008	273,643	81,812	57,330	412,785
Provided for the year	109,562	36,009	4,341	149,912
On disposals	-	(12,400)	-	(12,400)
At 31 March 2009	383,205	105,421	61,671	550,297
Net book value:				
At 31 March 2009	5,094,876	-	11,577	5,106,453
At 31 March 2008	4,710,361	-	15,918	4,726,279

The company's properties were revalued on 17 June 2005 by Barr Brady, Chartered Surveyors at open market value.

14. Fixed asset investments	Group £	Company £
Cost and net book value		
At 1 April 2008 and 31 March 2009	-	1

Investments relate to an investment in a subsidiary, Turning Point Scotland Services Limited, a company registered in Scotland, comprising a holding of 100% of its issued ordinary capital.

Turning Point Scotland Services Limited was incorporated on 18 March 2003.

During its latest financial year, Turning Point Scotland Services Limited made a deficit after tax of £182,724 and at the end of that year the aggregate of its capital and reserves was £44,488.

15. Debtors	Group		Company	
	2009 £	2008 £	2009 £	2008 £
Trade debtors	1,562,080	2,401,661	418,424	223,338
Amounts due from group undertakings	-	-	1,974,636	2,392,895
Other debtors	358,550	1,047,048	358,550	1,047,048
Prepayments and accrued income	82,971	94,297	82,971	94,297
	2,003,601	3,543,006	2,834,581	3,757,578

All amounts shown under debtors fall due for payment within one year.

TURNING POINT SCOTLAND LIMITED

Notes to the Consolidated Financial Statements For the year ended 31 March 2009

16. Creditors: amounts falling due in less than one year	Group		Company	
	2009 £	2008 £	2009 £	2008 £
Bank loans	71,000	71,000	71,000	71,000
Trade creditors	216,945	192,586	216,945	192,586
Taxation and social security	414,078	431,563	410,062	411,169
Pensions	212	104,855	212	104,855
Other creditors	306,081	237,277	148,986	157,189
Accruals and deferred income	331,511	409,548	331,511	409,548
	<u>1,339,827</u>	<u>1,446,829</u>	<u>1,178,716</u>	<u>1,346,347</u>

The bank overdraft and loan facilities are secured by a bond and floating charge over all of the company's assets.

The bank has first standard security over the company's properties at Mansewood Road, Maryhill Road, Glenfield Avenue, Phoenix Grove, Garpel Cottage, Turnhill Drive, Annetyard Drive, Station Wynd, Overwood Drive, Maryholme Farm and Govan Road. Communities Scotland have a standard security over the property at Mansefield Road.

The loans are repayable over a period of 10 years. Interest charged at 1% above the bank's base rate.

17. Creditors: amounts falling due after more than one year	2009 £	2008 £
Group and company		
Bank loans	<u>229,848</u>	<u>300,848</u>
Included within the above are amounts falling due as follows:-		
In 1 – 2 years: Loan instalments	71,000	71,000
In 2 – 5 years: Loan instalments	158,848	213,000
In more than 5 years: Loan instalments	-	16,848
	<u>229,848</u>	<u>300,848</u>

TURNING POINT SCOTLAND LIMITED

Notes to the Consolidated Financial Statements For the year ended 31 March 2009

18. Operating leases

At 31 March 2009 the company had annual commitments under non-cancellable operating leases as set out below:

	2009 £	2008 £
Land and Buildings		
Included within the above are amounts falling due as follows:		
Operating leases which expire: Within one year	341,104	529,531
Operating leases which expire: Within 2 to 5 years	65,054	51,200
	<u>406,158</u>	<u>580,731</u>

19. Reserves

	At 1 April 2008 £	Transfer to unrestricted funds £	Retained for year £	At 31 March 2009 £
Group Restricted funds				
Restricted development reserves	304,155	(22,183)	(241,972)	40,000

Unrestricted funds

	At 1 April 2008 £	Transfer from restricted funds £	Retained for year £	Transfer between funds £	At 31 March 2009 £
General development reserve	4,197,257	-	(327,756)	134,436	4,003,937
<i>Designated reserves</i>					
Maintenance	13,664	-	-	-	13,664
Fund raising	48,922	-	(10,426)	-	38,496
Human resources	297,055	-	-	-	297,055
Capital	513,789	-	-	(1,344)	512,445
Service development	2,525,478	22,183	309,725	(125,059)	2,732,327
Revaluations	377,213	-	-	(8,033)	369,180
	<u>7,973,378</u>	<u>22,183</u>	<u>(28,457)</u>	<u>-</u>	<u>7,967,104</u>

TURNING POINT SCOTLAND LIMITED

Notes to the Consolidated Financial Statements For the year ended 31 March 2009

19. Reserves (cont'd)

Company	At 1 April 2008 £	Transfer to unrestricted funds £	Retained for year £	Transfer between funds £	At 31 March 2009 £
Restricted development reserves	304,155	(22,183)	(241,972)	-	40,000
Unrestricted funds	At 1 April 2008 £	Transfer from restricted funds £	Retained for year £	Transfer between funds £	At 31 March 2009 £
General development reserve	3,970,046	-	(145,032)	134,436	3,959,450
<i>Designated reserves</i>					
Maintenance	13,664	-	-	-	13,664
Fund raising	48,922	-	(10,426)	-	38,496
Human resources	297,055	-	-	-	297,055
Capital	513,789	-	-	(1,344)	512,445
Service development	2,525,478	22,183	309,725	(125,059)	2,732,327
Revaluations	377,213	-	-	(8,033)	369,180
	<u>7,746,167</u>	<u>22,183</u>	<u>154,267</u>	<u>-</u>	<u>7,922,617</u>

Restricted development reserves represent the surplus arising on restricted income.

General development reserves are held to maintain and develop the Company.

Maintenance reserves are to be used to maintain the fabric of the buildings and offices.

Fund raising reserves represent reserves brought about by fundraising activities.

Human resources reserve has been accumulated to enable the company to deal with unforeseen HR issues. This includes redundancies, maternity cover and long term sickness. The reserve has been capped at £297,055.

Capital reserves represent the funds that may require to be repaid if properties were to be sold.

Service development reserves are held to maintain and develop the Service.

Revaluation reserves represent the cumulative balance of annual property revaluations less amounts which have been amortised.

TURNING POINT SCOTLAND LIMITED

Notes to the Consolidated Financial Statements For the year ended 31 March 2009

20	Allocation of assets between funds	Unrestricted £	Restricted £	Total £
	Group			
	Fixed assets	5,106,453	-	5,106,453
	Net current assets	3,090,499	40,000	3,130,499
	Creditors greater than one year	(229,848)	-	(229,848)
		<u>7,967,104</u>	<u>40,000</u>	<u>8,007,104</u>
	Company			
	Fixed assets	5,106,454	-	5,106,454
	Net current assets	3,046,011	40,000	3,086,011
	Creditors greater than one year	(229,848)	-	(229,848)
		<u>7,922,617</u>	<u>40,000</u>	<u>7,962,617</u>

21 Contingent liabilities

The company received a grant from the National Lottery Charity Board to finance the purchase of a property at 45-49 Holburn Street, Aberdeen. The grant is repayable in full if the property is sold within 80 years of the grant being awarded. In previous years grants have been received from Argyll & Clyde Health Board, Renfrewshire Council and Inverclyde Council toward the purchase of Glenfield Avenue, Phoenix Grove, Annetyard Drive, Turnhill Drive and Station Wynd which are repayable if the properties are sold within 25 years of their purchase date.

22 Pensions

Turning Point Scotland participates in the Turning Point Pension Scheme, a defined benefit scheme covering more than one employer. The charity is unable to identify its share of the underlying assets and liabilities.

The funds are valued every three years by a professionally qualified independent actuary, the rates of contribution payable then being determined by Pension Trustees on advice of the actuary. The major assumptions used by the actuary were:

Price inflation	3.2%
Salary inflation	4.2%
Rate of increase to pensions in payment	2.4 – 3.2%
Rate used to discount scheme liabilities	5.2 – 6.7%

The assets and liabilities of the scheme as valued at the last triennial review at 31 March 2007 were:

	£'000
Assets	39,000
Liabilities	(44,400)
Deficit	(5,400)

TURNING POINT SCOTLAND LIMITED

Notes to the Consolidated Financial Statements For the year ended 31 March 2009

23 Capital commitments

There were no capital commitments at 31 March 2009 or 31 March 2008.

24 Reconciliation of operating (deficit)/surplus to net cash inflow from operating activities

	2009 £	2008 £
Operating (deficit)/surplus	(270,429)	689,714
Bank interest received	(82,796)	(130,570)
Interest paid	16,857	26,820
Depreciation of tangible fixed assets	149,912	107,774
Decrease/(increase) in debtors	1,539,405	(984,227)
(Decrease)/increase in creditors	(107,002)	527,927
Net cash inflow from operating activities	<u>1,245,947</u>	<u>237,438</u>

25 Reconciliation of net cashflow to movement in net funds

	2009 £	2008 £
Increase/(decrease) in cash in the year	710,800	(55,812)
Cashflow from change in debt	<u>71,000</u>	<u>71,000</u>
	781,800	15,188
Change in net funds	781,800	15,188
Opening net funds	<u>1,384,077</u>	<u>1,368,889</u>
Closing net funds	<u>2,165,877</u>	<u>1,384,077</u>

26 Analysis of changes in net funds

	At 1 April 2008 £	Cash flows £	At 31 March 2009 £
Cash at bank and in hand	1,755,925	710,800	2,466,725
Debt due within one year	(71,000)	-	(71,000)
Debt due after one year	(300,848)	71,000	(229,848)
Total	<u>1,384,077</u>	<u>781,800</u>	<u>2,165,877</u>

27 Related party transactions

The trustees receive no remuneration for fulfilling their role as trustees. Total expenses of £4,804 (2008: £3,864) were reimbursed to the trustees during the year.