

Action on Addiction Trading Limited

Registered number: 02518717

Directors' report and financial statements

For the year ended 31 March 2019



ACTION ON ADDICTION TRADING LIMITED

COMPANY INFORMATION

Directors	G D Beech J R Drummond Smith
Company Secretary	V J Whitworth
Registered Number	02518717
Registered Office	Head Office East Knoyle Salisbury Wiltshire SP3 6BE
Independent Auditors	Mazars LLP Chartered Accountants & Statutory Auditor 90 Victoria Street Bristol BS1 6DP
Bankers	NatWest Bank plc Salisbury Wiltshire SP1 1DF
Solicitors	Bates Wells & Braithwaite London LLP 10 Queen Street Place London EC4R 1BE

ACTION ON ADDICTION TRADING LIMITED

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ACTION ON ADDICTION TRADING LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

The Directors present their report and the financial statements for the company for the year ended 31 March 2019.

Directors' responsibilities statement

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The Directors who served during the year were:

G D Beech
J R Drummond Smith

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

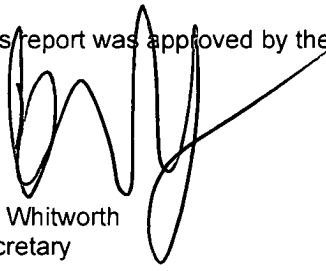
ACTION ON ADDICTION TRADING LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 30 September 2019 and signed on its behalf.



V J Whitworth
Secretary

ACTION ON ADDICTION TRADING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTION ON ADDICTION TRADING LIMITED

Opinion

We have audited the financial statements of Action on Addiction Trading Limited (the 'Company') for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

ACTION ON ADDICTION TRADING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTION ON ADDICTION TRADING LIMITED

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

ACTION ON ADDICTION TRADING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTION ON ADDICTION TRADING LIMITED

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the Company's member in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the company's member for our audit work, for this report, or for the opinions we have formed.



Richard Bott (Senior statutory auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
90 Victoria Street
Bristol
BS1 6DP

Date: 9/10/19

ACTION ON ADDICTION TRADING LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019**

	Note	2019 £	2018 £
Turnover		28,969	172,656
Cost of sales		(25,713)	(45,621)
Gross profit		<u>3,256</u>	<u>127,035</u>
Administrative expenses		(3,215)	(8,794)
Operating profit	3	<u>41</u>	<u>118,241</u>
Interest receivable and similar income		6	23
Profit before tax		<u>47</u>	<u>118,264</u>
Profit for the financial year		<u>47</u>	<u>118,264</u>

There was no other comprehensive income for 2019 (2018: £NIL).

The notes on pages 9 to 14 form part of these financial statements.

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ACTION ON ADDICTION TRADING LIMITED
REGISTERED NUMBER: 02518717

BALANCE SHEET
AS AT 31 MARCH 2019

	Note	2019 £	2018 £
Current assets			
Stocks	7	2,191	2,781
Debtors: amounts falling due within one year	8	1,872	124,609
Cash at bank and in hand	9	5,906	470
		<u>9,969</u>	<u>127,860</u>
Creditors: amounts falling due within one year	10	(4,332)	(4,006)
Net current assets		<u>5,637</u>	<u>123,854</u>
Total assets less current liabilities		<u>5,637</u>	<u>123,854</u>
Net assets		<u>5,637</u>	<u>123,854</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		5,537	123,754
		<u>5,637</u>	<u>123,854</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 September 2019


J R Drummond Smith
 Director

The notes on pages 9 to 14 form part of these financial statements.

ACTION ON ADDICTION TRADING LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2017	100	37,488	37,588
Comprehensive income for the year			
Profit for the year	-	118,264	118,264
Total comprehensive income for the year	-	118,264	118,264
Distribution: Gift Aid to Parent Charity	-	(31,998)	(31,998)
Total transactions with owners	-	(31,998)	(31,998)
At 1 April 2018	100	123,754	123,854
Comprehensive income for the year			
Profit for the year	-	47	47
Total comprehensive income for the year	-	47	47
Distribution: Gift Aid to Parent Charity	-	(118,264)	(118,264)
Total transactions with owners	-	(118,264)	(118,264)
At 31 March 2019	100	5,537	5,637

The notes on pages 9 to 14 form part of these financial statements.

ACTION ON ADDICTION TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. General information

These are the individual accounts of Action on Addiction Trading Limited, which is a private company, limited by shares, incorporated in England and Wales, registered number 02518717. Its registered office is disclosed on the Company information page.

The principal activity of the Company is to raise monies from fund raising events for charitable purposes. The company is a subsidiary of Action on Addiction which is a Public Benefit Entity under FRS 102.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The presentation currency of the financial statements is sterling and the financial statements are rounded to the nearest £. The current financial statements relate to the year ended 31 March 2019 and the comparative period is the year ended 31 March 2018.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured

ACTION ON ADDICTION TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.2 Revenue (continued)

reliably; and

- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.4 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures & fittings	- 33.3%
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

ACTION ON ADDICTION TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.11 Distributions: Gift Aid to Parent Charity

The Company Gift Aids its taxable profits to its Parent Charity subject to having sufficient distributable reserves.

3. Operating profit

The operating profit is stated after charging:

	2019 £	2018 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	1,200	1,125

ACTION ON ADDICTION TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

4. Auditor's remuneration

	2019 £	2018 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	1,200	1,125
	<u>1,200</u>	<u>1,125</u>
Fees payable to the Company's auditor and its associates in respect of:		
Other services relating to taxation	940	905
All other services	815	780
	<u>1,755</u>	<u>1,685</u>

5. Employees

The average monthly number of employees, including directors, during the year was 2 (2018 - 4).

6. Tangible fixed assets

	Fixtures & fittings £
Cost	
At 1 April 2018	459
At 31 March 2019	<u>459</u>
Depreciation	
At 1 April 2018	459
At 31 March 2019	<u>459</u>
Net book value	
At 31 March 2019	<u>-</u>
At 31 March 2018	<u>-</u>

ACTION ON ADDICTION TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

7. Stocks

	2019 £	2018 £
Finished goods and goods for resale	2,191	2,781
	<u>2,191</u>	<u>2,781</u>

8. Debtors

	2019 £	2018 £
Trade debtors	149	-
Amounts owed by group undertakings	1,723	116,853
Other debtors	-	54
Prepayments and accrued income	-	7,702
	<u>1,872</u>	<u>124,609</u>

9. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	5,906	470
	<u>5,906</u>	<u>470</u>

10. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	1,184	959
Other taxation and social security	192	-
Accruals and deferred income	2,956	3,048
	<u>4,332</u>	<u>4,007</u>

ACTION ON ADDICTION TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

11. Pension commitments

The Company's parent charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the parent charities fund and amounted to £Nil (2018 - £173). Contributions totalling £Nil (2018 - £Nil) were payable to the fund at the balance sheet date.

12. Controlling party

The controlling party of Action on Addiction Trading Limited is Action on Addiction which is a charity (Number : 1117988) registered in England and Wales and limited by guarantee (Number : 5947481). Copies of the Annual Report of the parent charity can be obtained from:

Action on Addiction
Head Office
East Knoyle
Salisbury
Wiltshire
SP3 6BE