

COMPANY REGISTRATION NUMBER: SC357883

CHARITY REGISTRATION NUMBER: SC023317

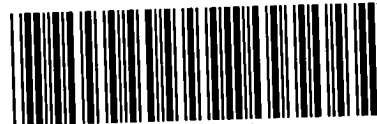
Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Financial Statements

31 March 2019

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Chartered Accountants

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Financial Statements

Year Ended 31 March 2019

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Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2019

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2019.

Reference and administrative details

Registered charity name	Drugs, Alcohol and Psychotherapies Limited	
Charity registration number	SC023317	
Company registration number	SC357883	
Principal office and registered office	1 - 2 Parkdale Avenue Leven Fife KY8 5AQ	
The trustees	Steven Walker Geoffrey Cartwright Kathleen McCleary Pat Greenhaugh Christopher Oliver Lynn Marshall	Appointed 8 November 2018
Key management personnel		
Service Manager	Martin Denholm	
Business Manager	Liam Thomson	
Auditor	Paterson Boyd & Co Chartered Accountants & Statutory Auditor 8 Mitchell Street Leven Fife KY8 4HJ	
Bankers	Bank of Scotland PO Box 1000 BX2 1LB	
Solicitors	Jas S Grosset 57 High Street Leven Fife KY8 4NE	

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2019

Structure, governance and management

Governing document

Drugs, Alcohol and Psychotherapies Limited is a company limited by guarantee without share capital and a registered charity governed by its memorandum and articles of association.

Directors and trustees

The trustees, who are also directors of the charitable company under company law, are as detailed on page 1 of the financial statements.

Induction and training of new trustees

New trustees are given a comprehensive induction covering all aspects of the organisation's work. They are provided with copies of all our literature along with the main documents which set out the operational framework for the charity including the Memorandum and Articles.

Further new trustees are invited to meetings with organisational management and staff members.

Feedback from new trustees about their induction has been very positive.

Volunteers

Paid staff are supported by the work carried out by Drugs, Alcohol and Psychotherapies Limited volunteers. The organisation appreciates the time and effort volunteers give in helping the service achieve its objectives.

Pay policy for senior staff

The trustees consider the board of directors, who are the charity's trustees, the Service Manager and Business Manager to be the key management of the charity in charge of directing and controlling, running and operating the organisation on a day to day basis. All directors give of their time freely and no director received remuneration in the year. The pay of the Service Manager is reviewed annually and is benchmarked against pay levels in other organisations of similar size and type.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2019

Structure, governance and management *(continued)*

Risk management objectives and policies

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The major risks to which the charity is exposed have been identified and systems established to mitigate this.

Risks can be categorised in the following ways:

- Governance risks
- Operational risks
- Financial risks
- Environmental risks
- Regulatory compliance risks

The trustees of the charity believe that sound risk management is integral to both good management and good governance practice.

Risk management forms an integral part of the charity's decision making and is incorporated within strategic and operational planning.

Risk assessment is conducted on all new activities and projects to ensure they are in line with the charity's objectives and mission.

Any risks or opportunities arising are identified, analysed and reported at an appropriate level.

A risk register covering key strategic risks is maintained and updated annually and more frequently when risks are known to be volatile. A more detailed operational risk register is maintained in aspects where this is considered appropriate, taking account of the impact of potential risk and the cost benefit of the exercise.

All staff are provided with adequate training on risk management and their role and responsibilities in implementing this.

The charity regularly reviews and monitors the effectiveness of its risk management framework and updates it as considered appropriate.

Reports are made to the board of continuing and emerging high concern risks and those where priority action is needed to effect better control. Individual error and incident reports are required from individual staff where a reportable event is identified.

Drugs, Alcohol and Psychotherapies Limited

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2019

Objectives and activities

The principal activities and objectives of the charity in the year under review are that of a charitable organisation offering advice, counselling and support services to individuals, and their families, who are affected by drug and alcohol misuse, addictive behaviours and psychological disorders.

The charity's key objectives are:-

- To alleviate the distress and suffering caused by alcohol or drugs use, addictive behaviours or psychological disorders by any reasonable and legitimate means;
- To provide educational and support services to individuals who are, or who are at risk of being affected by alcohol or drugs use, addictive behaviours or psychological disorders;
- To provide and promote educational and support services to professionals working in the fields of alcohol or drug; addictive behaviours or psychological disorders;
- To work with other bodies, agencies and organisations in developing, promoting and delivering such education and support services;
- To recruit, train, support and deploy volunteer workers to assist with the development, promotion and delivery of such education and support services.

The charity is organised so that the trustees meet regularly to manage its affairs. Decisions affecting the normal delivery of the service are made by the service manager with reference to the trustees as necessary. Major decisions are made by the trustees.

The charity continues to maintain close links with Fife Council and Fife Alcohol and Drugs Partnership, both of which provide funding to further the charity's objectives.

The trustees are elected annually at the Annual General Meeting.

Social investment policy

The majority of funds managed by the organisation are either entrusted to DAPL for restricted purposes or require to be readily available for the support of the organisation. Therefore all funds are held in accounts where there is no risk to capital sums. Any deposit accounts will not have a longer duration than the level of contracted core funding.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2019

Achievements and performance

As DAPL marks its 25th anniversary we are mindful of the organisation's journey.

In 1994 the towns situated in Levenmouth in Fife were suffering from the trauma of losing their once thriving industries. Unemployment brought about the all too familiar social ills associated with poverty. Problematic alcohol and drug use rose to the fore because it claimed lives and tore families apart. These issues were compounded by the overall lack of support for drug and alcohol users and their families.

It was these families, the ones that had suffered such terrible losses, which led the call for action. They created the Drug and Alcohol Project Levenmouth. Their aim? To provide a confidential, community-based counselling, support, information and advice service to individuals, their families and friends who are affected by substance misuse in the Levenmouth area. Since those embryonic beginnings in East Fife, DAPL has grown both in size and remit. Today the organisation employs counsellors, art therapists and recovery workers. Leven's drug project has spread to serve all the communities in Fife region.

Thanks to those forward-thinking community activists counselling has become a key part of the Alcohol and Drug Partnership's menu of services. It's not just people affected by drugs and alcohol that are supported by DAPL now. Any young person who attends secondary school in Fife can access our counselling service should they need it. Now people talk about trauma and ACE's, adverse childhood experiences, as if they are new. They are not new to us. This has been DAPL's bread and butter from day one.

Hundreds of people a week come through the many and varied doors across Fife where they can access counselling and art therapy from DAPL. What might have been seen once as something only available to the wealthy or famous has become accessible to everyone.

Whilst unquestionably DAPL has developed, expanded and become more professional over the last 25 years, what is clear is that the same values, commitment and passion that drove the Levenmouth community members to create the original service is still very much woven in to the fabric of the service.

A healthy response to trauma. Let's talk about it and let's make sure someone listens.

DAPL was born in the community and will always remain deeply rooted in the community.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2019

Achievements and performance *(continued)*

2018-19 has been another very productive year for the organisation with service expansion, particularly with respect to counselling young people services.

DAPL has invested significantly in ensuring that its counselling staff are qualified to postgraduate level in children's counselling.

The organisation continues to be proud of being an accredited Scottish Living Wage employer.

The board would like to take this opportunity to show our appreciation to our main funders: Fife Council and Fife Alcohol and Drugs Partnership for their continued support and look forward to the future. We also thank all the schools who have chosen to get additional support from DAPL via the Pupil Equity Fund.

Finally, as always, on behalf of the board we would like to offer our wholehearted thanks to all our staff, volunteers, placements etc, without whose continued dedication and hard work, none of this would be possible. Together we look forward to meeting the challenges ahead.

Significant events and charitable activities

The organisation continues to operate prudently with tight constraints, given the overall financial situation within the public sector. The trustees recognise the challenge of retaining and increasing funding in order to meet a strong demand for the organisation's service throughout the population of Fife. A particular challenge for the organisation continues to be managing commitments to the Local Government Pension Scheme to which DAPL are an admitted body.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2019

Financial review

The Statement of Financial Position of the charity as detailed on page 15 shows total funds of the charity of £788,624 as at 31 March 2019. Net expenditure for the year was £116,506 as detailed in the Statement of Financial Activities on page 14. It should be noted that the above figure was after recognition of an actuarial loss of £125,000 on the Fife Council Pension Scheme.

Principal funding sources

The principal sources of funding are Fife Council and NHS Fife.

Investment powers and policy

Aside from retaining a prudent level of reserves each year, the charity's funds are lodged in a bank current account.

Reserves

The trustees manage the charity's funds with the goal being to ensure that it has a sufficient amount in order to meet various identified contingencies and foreseeable costs. The charity considers it prudent to encompass, within this policy, the following amounts to cover:

- Three months running costs; and
- The legal and financial costs, including redundancy costs, pertaining to a wind up of the organisation.

The trustees believe that three months running costs is reasonable given that a substantial percentage of the workforce have been employed with the organisation for a longer duration of time and therefore would require statutory notice of up to 12 weeks following a consultation period in the event that the organisation was to wind up. Further as part of ethical practice, counsellors would require a sufficient amount of time to close with their clients.

There are a number of legal and financial costs pertaining to the wind up of the organisation, these include:-

- Redundancy costs (the organisation's policy is only to pay statutory redundancy payments). There will also be cost strain sums to pay to the Local Government Pension Scheme for individuals made redundant; and
- Any organisational liabilities due to the Pension Scheme.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2019

Plans for future periods

The organisation has a strategic business plan in place to ensure that services develop to continue to meet the demands of service users and funders.

2019 is an important milestone for DAPL as the organisation marks its 25th anniversary. A number of events are planned throughout the year to celebrate the work of the charity.

DAPL will also seek re-accreditation by the British Association for Counselling and Psychotherapy (BACP). DAPL is one of only four counselling services in the whole of Scotland to have this recognition.

2019/20 will see DAPL continue to deliver Fife Council's Education Directorate's counselling component for young people experiencing emotional distress within the Our Minds matter framework; working alongside colleague from: CAMHS primary mental health team, SAMH, FEAT and school guidance staff.

DAPL will also work closely with partner organisations in the substance misuse field to ensure that the communities of Fife have access to a range of easily accessible and co-ordinated supports.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

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

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

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2019

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

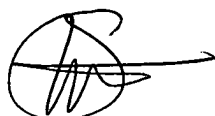
Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

The trustees' annual report and the strategic report were approved on 13 November 2019 and signed on behalf of the board of trustees by:

A handwritten signature in black ink, consisting of a stylized 'S' and 'W' followed by a horizontal line.

Steven Walker
Chairperson

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Drugs, Alcohol and Psychotherapies Limited

Year Ended 31 March 2019

Opinion

We have audited the financial statements of Drugs, Alcohol and Psychotherapies Limited (the 'charity') for the year ended 31 March 2019 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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 charity's affairs as at 31 March 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Drugs, Alcohol and Psychotherapies Limited *(continued)*

Year Ended 31 March 2019

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Drugs, Alcohol and Psychotherapies Limited (continued)

Year Ended 31 March 2019

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Drugs, Alcohol and Psychotherapies Limited *(continued)*


Year Ended 31 March 2019

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Neil Paterson B.A. C.A. (Senior Statutory Auditor)
For and on behalf of
Paterson Boyd & Co
Chartered Accountants & Statutory Auditor
8 Mitchell Street
Leven
Fife
KY8 4HJ

Paterson Boyd & Co Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year Ended 31 March 2019

			2019		2018
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	97,627	–	97,627	97,641
Charitable activities	6	–	707,029	707,029	610,900
Other income	7	150	–	150	75
Total income		<u>97,777</u>	<u>707,029</u>	<u>804,806</u>	<u>708,616</u>
Expenditure					
Expenditure on charitable activities	8,9	103,022	693,290	796,312	703,907
Total expenditure		<u>103,022</u>	<u>693,290</u>	<u>796,312</u>	<u>703,907</u>
Net income		<u>(5,245)</u>	<u>13,739</u>	<u>8,494</u>	<u>4,709</u>
Other recognised gains and losses					
Actuarial (losses)/gains on defined benefit pension schemes		(18,750)	(106,250)	(125,000)	357,000
Net movement in funds		<u>(23,995)</u>	<u>(92,511)</u>	<u>(116,506)</u>	<u>361,709</u>
Reconciliation of funds					
Total funds brought forward		77,641	827,489	905,130	543,421
Total funds carried forward		<u>53,646</u>	<u>734,978</u>	<u>788,624</u>	<u>905,130</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 17 to 29 form part of these financial statements.

Drugs, Alcohol and Psychotherapies Limited

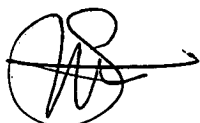
Company Limited by Guarantee

Statement of Financial Position

31 March 2019

		2019	2018
		£	£
Fixed Assets			
Tangible fixed assets	15	8,305	8,103
Current Assets			
Debtors	16	34,489	30,585
Cash at bank and in hand		621,699	573,882
		<u>656,188</u>	<u>604,467</u>
Creditors: amounts falling due within one year	17	<u>8,869</u>	<u>14,440</u>
Net Current Assets		647,319	590,027
Total Assets Less Current Liabilities		655,624	598,130
Net Assets Excluding Defined Benefit Pension Plan Asset		655,624	598,130
Defined benefit pension plan asset	18	<u>133,000</u>	<u>307,000</u>
Net Assets Including Defined Benefit Pension Plan Asset		<u>788,624</u>	<u>905,130</u>
Funds of the Charity			
Restricted funds		734,978	827,489
Unrestricted funds:			
Defined benefit pension reserve		19,950	46,050
Other unrestricted income funds		<u>33,696</u>	<u>31,591</u>
Total unrestricted funds		53,646	77,641
Total charity funds	19	<u>788,624</u>	<u>905,130</u>

These financial statements were approved by the board of trustees and authorised for issue on 13 November 2019, and are signed on behalf of the board by:



Steven Walker
Chairperson

The notes on pages 17 to 29 form part of these financial statements.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Statement of Cash Flows

Year Ended 31 March 2019

	2019 £	2018 £
Cash Flows from Operating Activities		
Net income	8,494	4,709
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	3,288	3,825
Interest payable and similar charges	(7,000)	–
Accrued income	(6,045)	(22,522)
Actuarial gain on defined benefit scheme	(125,000)	357,000
Decrease in provisions	174,000	(308,000)
<i>Changes in:</i>		
Trade and other debtors	(3,430)	1,929
Trade and other creditors	–	3,550
Cash generated from operations	44,307	40,491
Interest paid	7,000	–
Net cash from operating activities	<u>51,307</u>	<u>40,491</u>
Cash Flows from Investing Activities		
Purchase of tangible assets	(3,490)	(6,133)
Net cash used in investing activities	<u>(3,490)</u>	<u>(6,133)</u>
Net Increase in Cash and Cash Equivalents	47,817	34,358
Cash and Cash Equivalents at Beginning of Year	<u>573,882</u>	<u>539,524</u>
Cash and Cash Equivalents at End of Year	<u>621,699</u>	<u>573,882</u>

The notes on pages 17 to 29 form part of these financial statements.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 31 March 2019

1. General Information

The charity is a public benefit entity and a private company limited by guarantee, registered in Scotland and a registered charity in Scotland. The address of the registered office is 1 - 2 Parkdale Avenue, Leven, Fife, KY8 5AQ.

2. Statement of Compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting Policies

Going Concern

The trustees are of the opinion that the charity can continue to meet its obligations as they fall due for the foreseeable future due to the expectations of future income. As a consequence the trustees have prepared the financial statements on the going concern basis. There are no material uncertainties about the charity's ability to continue.

Basis of Preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Taxation

The charity is exempt from tax on income and gains falling within sections 471 - 571 of the Corporation Tax Act 2010 or s256 of the Taxations of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax changes have arisen in the charity.

Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2019

3. Accounting Policies *(continued)*

Fund Accounting

- Unrestricted general funds, which can be used in accordance with the charitable objectives of the charity, no restriction on their use.
- Restricted funds, which are funds that can only be used for a particular restricted purpose within the objectives of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Income

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable. Where legacies have been notified to the charity but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Resources Expended

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred and attributed directly to grant earning income as disclosed in the Statement of Financial Activities. Expenditure includes attributable VAT which cannot be recovered as the charity is not registered for VAT. All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, as set out in the notes to the accounts.

Tangible Assets

Individual fixed assets costing £250 or more are capitalised at cost.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2019

3. Accounting Policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold improvements	-	straight line over ten years
Fixtures & fittings	-	15% reducing balance
Computer equipment	-	straight line over three years

Impairment of Fixed Assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Defined Benefit Plans

The company recognises a defined net benefit pension asset or liability in the statement of financial position as the net total of the present value of its obligations and the fair value of plan assets out of which the obligations are to be settled. The defined benefit liability is measured on a discounted present value basis using a rate determined by reference to market yields at the reporting date on high quality corporate bonds. Defined benefit obligations and the related expenses are measured using the projected unit credit method. Plan surpluses are recognised as a defined benefit asset only to the extent that the surplus is recoverable either through reduced contributions in the future or through refunds from the plan.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2019

3. Accounting Policies *(continued)*

Defined Benefit Plans *(continued)*

Changes in the net defined benefit asset or liability arising from employee service are recognised in income or expenditure as a current service cost where it relates to services in the current period and as a past service cost where it relates to services in prior periods. Costs relating to plan introductions, benefit changes, curtailments and settlements are recognised in income or expenditure in the period in which they occur.

Net interest is determined by multiplying the net defined benefit liability by the discount rate, both as determined at the start of the reporting period, taking account of any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. Net interest is recognised in income or expenditure.

Defined Contribution Plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

4. Limited by Guarantee

The charity is a company limited by guarantee without share capital. Each member of the charity has undertaken to contribute an amount not exceeding £1 towards any deficit arising in the event of the charity being placed in liquidation. At the balance sheet date the charity had six members.

5. Donations and Legacies

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Donations				
Donations	1,767	1,767	1,057	1,057
Grants				
Fife Council - Section 10 grant	95,860	95,860	96,584	96,584
	<u>97,627</u>	<u>97,627</u>	<u>97,641</u>	<u>97,641</u>

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2019

6. Charitable Activities

	Restricted Funds £	Total Funds 2019 £	Restricted Funds £	Total Funds 2018 £
NHS Fife: Counselling support	280,250	280,250	280,250	280,250
Fife Council: Changing Children's Services Fund	207,248	207,248	208,814	208,814
Fife Council: Education Schools & Counselling Service	60,000	60,000	57,500	57,500
Pupil Equity Fund	157,636	157,636	64,336	64,336
Training income	1,895	1,895	–	–
	<u>707,029</u>	<u>707,029</u>	<u>610,900</u>	<u>610,900</u>

7. Other Income

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Court report	150	150	75	75

8. Expenditure on Charitable Activities by Fund Type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Charitable activities	64,790	476,614	541,402
Support costs	38,232	216,676	254,910
	<u>103,022</u>	<u>693,290</u>	<u>796,312</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Charitable activities	62,161	402,039	464,198
Support costs	35,934	203,773	239,709
	<u>98,095</u>	<u>605,812</u>	<u>703,907</u>

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2019

9. Expenditure on Charitable Activities by Activity Type

	Activities undertaken directly £	Support costs £	Total funds 2019 £	Total fund 2018 £
Charitable activities	541,402	248,572	789,974	697,343
Governance costs	–	6,338	6,338	6,564
	<u>541,402</u>	<u>254,910</u>	<u>796,312</u>	<u>703,907</u>

10. Analysis of Support Costs

	Charitable activities £	Total 2019 £	Total 2018 £
Staff costs	146,015	146,015	143,131
Premises	43,180	43,180	36,478
Communications and IT	13,441	13,441	15,816
General office	45,936	45,936	37,720
Governance costs	6,338	6,338	6,564
	<u>254,910</u>	<u>254,910</u>	<u>239,709</u>

11. Net Income

Net income is stated after charging/(crediting):

	2019 £	2018 £
Depreciation of tangible fixed assets	3,288	3,825
Operating lease rentals	<u>12,162</u>	<u>12,807</u>

12. Auditor's Remuneration

	2019 £	2018 £
Fees payable for the audit of the financial statements	<u>4,560</u>	<u>4,560</u>
Fees payable to the charity's auditor and its associates for other services:		
Other non-audit services	<u>1,323</u>	<u>1,283</u>

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2019

13. Staff Costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2019	2018
	£	£
Wages and salaries	480,884	392,117
Social security costs	39,496	30,342
Employer contributions to pension plans	125,679	117,849
	<u>646,059</u>	<u>540,308</u>

The average head count of employees during the year was 22 (2018: 19). The average number of full-time equivalent employees during the year is analysed as follows:

	2019	2018
	No.	No.
Number of core services staff	17	14
Number of management and administrative staff	5	5
	<u>22</u>	<u>19</u>

No employee received employee benefits of more than £60,000 during the year (2018: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £84,534 (2018: £82,322).

14. Trustee Remuneration and Expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2019

15. Tangible Fixed Assets

	Land and buildings £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 April 2018	17,847	14,603	17,622	50,072
Additions	–	–	3,490	3,490
At 31 March 2019	17,847	14,603	21,112	53,562
Depreciation				
At 1 April 2018	17,519	9,091	15,359	41,969
Charge for the year	165	827	2,296	3,288
At 31 March 2019	17,684	9,918	17,655	45,257
Carrying amount				
At 31 March 2019	163	4,685	3,457	8,305
At 31 March 2018	328	5,512	2,263	8,103

16. Debtors

	2019 £	2018 £
Prepayments and accrued income	29,694	29,369
Other debtors	4,795	1,216
	34,489	30,585

17. Creditors: amounts falling due within one year

	2019 £	2018 £
Accruals and deferred income	8,869	14,440

18. Pensions and Other Post Retirement Benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £125,679 (2018: £117,849).

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2019

18. Pensions and Other Post Retirement Benefits *(continued)*

Defined benefit plans

The charity operates a Career Average Revalued Earnings (CARE) scheme. The scheme is part of the Fife Council Pension Fund and is administered by Fife Council. It is a funded scheme and the assets are administered by its trustees and are independent of the trust. The related costs are assessed in accordance with the advice of professionally qualified actuaries.

Pension contributions are determined by Hymans Robertson LLP, the scheme actuary. An actuarial valuation was carried out at 31 March 2019.

The statement of financial position net defined benefit asset is determined as follows:

	2019	2018
	£	£
Present value of defined benefit obligations	(2,928,000)	(2,485,000)
Fair value of plan assets	3,061,000	2,792,000
	<u>133,000</u>	<u>307,000</u>

Changes in the present value of the defined benefit obligations are as follows:

	2019
	£
At 1 April 2018	2,485,000
Current service cost	126,000
Interest expense	69,000
Benefits paid	(28,000)
Contributions by plan participants	19,000
Remeasurements:	
Actuarial gains and losses	257,000
At 31 March 2019	<u>2,928,000</u>

Changes in the fair value of plan assets are as follows:

	2019
	£
At 1 April 2018	2,792,000
Interest income	76,000
Benefits paid	(28,000)
Contributions by employer	70,000
Contributions by plan participants	19,000
Remeasurements:	
Return on plan assets, excluding amount included in interest income	132,000
At 31 March 2019	<u>3,061,000</u>

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2019

18. Pensions and Other Post Retirement Benefits *(continued)*

The total costs for the year in relation to defined benefit plans are as follows:

	2019	2018
	£	£
Recognised in income or expenditure:		
Current service cost	<u>126,000</u>	<u>118,000</u>

The fair value of the major categories of plan assets are as follows:

	2019	2018
	%	%
Equity instruments	74.00	72.00
Property	8.00	9.00
Cash and cash equivalents	5.00	5.00
Bonds	13.00	14.00

The return on plan assets are as follows:

	2019	2018
	£	£
Return on assets of benefit plan	76,000	73,000
Return on reimbursement rights assets in benefit plan	<u>132,000</u>	<u>(7,000)</u>
	<u>208,000</u>	<u>66,000</u>

The principal actuarial assumptions as at the statement of financial position date were:

	2019	2018
	%	%
Discount rate	2.40	2.70
Expected rate of salary increase	3.00	2.90
Expected rate of increase in pensions	2.50	2.40
Mortality rates:	Years	Years
Current pensioners at 65 - male	21.20	21.20
Current pensioners at 65 - female	23.80	23.80
Future pensioners at 65 - male	22.60	22.60
Future pensioners at 65 - female	<u>25.80</u>	<u>25.80</u>

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2019

19. Analysis of Charitable Funds

Unrestricted funds

	At 1 April 2018	Income	Expenditure	Gains and losses	At 31 March 2019
	£	£	£	£	£
General funds	31,591	96,727	(94,622)	–	33,696
Pension	46,050	1,050	(8,400)	(18,750)	19,950
	<u>77,641</u>	<u>97,777</u>	<u>(103,022)</u>	<u>(18,750)</u>	<u>53,646</u>

Restricted funds

	At 1 April 2018	Income	Expenditure	Gains and losses	At 31 March 2019
	£	£	£	£	£
Restricted Funds	566,539	701,079	(645,690)	–	621,928
Pension	260,950	5,950	(47,600)	(106,250)	113,050
	<u>827,489</u>	<u>707,029</u>	<u>(693,290)</u>	<u>(106,250)</u>	<u>734,978</u>

CSSF	To provide counselling, support and advice to young people affected by their own and other individual's substance misuse. Additionally a service is provided to adults affected by younger people and families.
ADP	To provide psychological counselling therapy for substance misusers throughout Fife.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2019

20. Analysis of Net Assets Between Funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	–	8,305	8,305
Current assets	32,366	623,822	656,188
Creditors less than 1 year	(1,330)	(7,539)	(8,869)
Defined benefit pension	19,950	113,050	133,000
Net assets	<u>50,986</u>	<u>737,638</u>	<u>788,624</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Tangible fixed assets	–	8,103	8,103
Current assets	33,757	570,710	604,467
Creditors less than 1 year	(2,166)	(12,274)	(14,440)
Defined benefit pension	46,050	260,950	307,000
Net assets	<u>77,641</u>	<u>827,489</u>	<u>905,130</u>

21. Financial Instruments

The carrying amount for each category of financial instrument is as follows:

	2019 £	2018 £
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	<u>656,188</u>	<u>604,467</u>
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	<u>8,869</u>	<u>14,440</u>

22. Operating Lease Commitments

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

	2019 £	2018 £
Not later than 1 year	<u>8,000</u>	<u>10,920</u>

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2019

23. Related Parties

For the whole of the financial year the charity was controlled by its Board of Directors as listed on page 1 of the financial statements.

During the year the charity paid £nil (2018: £279) for room rental to Furniture Plus Limited, a charity in which director Geoffrey Cartwright is also a director.