COMPANY REGISTRATION NUMBER: SC357883

CHARITY REGISTRATION NUMBER: SC023317

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Financial Statements

31 March 2020

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S9IKGPY2
SCT 25/11/2020 #164
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PATERSON BOYD & Co.
Chartered Accountants

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Financial Statements

Year Ended 31 March 2020

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

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

Year Ended 31 March 2020

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 2020.

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

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

Structure, governance and management

Governing document
Drugs, Alcohol and Psychotherapies Limited (DAPL) 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.

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 them.

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.

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.

Achievements and performance

The last year has been a very exciting and productive time for DAPL. The board are very pleased and happy to have celebrated our 25-year anniversary. This was marked by a successful open day, at which our staff showed off their skills and enthusiasm to all the clients, colleagues, partners and local dignitaries who attended to mark this occasion. It was also very poignant, given where DAPL began 25 years ago in the community against a backdrop of drug related deaths and this was marked by sharing a short remembrance service for all those who have died with our local colleagues from Addaction Fife.

This year the Board were also very pleased to have the opportunity to recognise the dedication and commitment of our staff to DAPL and our clients by celebrating longevity of their service at 10, 15 and 20 years. This is something we will be pleased to continue over the coming years.

This year we were also pleased to receive a further 5 years' accreditation with the British Association for Counselling and Psychotherapy (BACP). DAPL are one of only four services in Scotland to receive this accreditation which highlights the whole team's commitment and professionalism. DAPL was born in the community, still serving the community and will continue to do so, hopefully for another 25 years.

The board was delighted to see many of our counsellors graduate with a level 7 post qualified diploma in counselling children and young people. The Board felt this was a very worthwhile investment given the amount of on-going work DAPL undertakes within both Primary and Secondary schools throughout Fife, with many schools commissioning bespoke provision.

Another proposal that was put to the Board which we were happy to endorse was restructuring the delivery of service from Area co-ordinators to Service co-ordinators which offered the overview of our two key business areas: Adult and Young Persons.

2020/21 will no doubt throw up its challenges, funding and otherwise, as always some we will be prepared for, others will take insight and on-going commitment from the Board, Management and staff group.

The Board offer great thanks to Martin and Liam and the Management Team for their continued hard work, the staff and volunteers for their commitment, and our Patrons for their support.

Summary of Key Achievements:-

- The re-accreditation of DAPL's counselling service by the BACP;
- The marking of the organisation's 25th anniversary;
- DAPL counsellors trained to post graduate diploma level in counselling children and young people.

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.

Achievements and performance *(continued)*

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.

Financial review

The Statement of Financial Position of the charity as detailed on page 14 shows total funds of the charity of £1,068,950 as at 31 March 2020. Net movement in funds for the year was £280,326 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 gain of £302,000 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.

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.

The organisation is delighted to work in partnership with Fife Council Education and Children's Service in delivering Fife Schools' Counselling Services after being awarded two new contracts commencing in April.

This service will contribute to a radical increase in the provision of counselling made available through Fife Schools, enabling locally provided support to children and young people aged ten and over, helping them towards positive mental health and wellbeing.

The focus of the service will be two-fold.

Firstly, to provide one:one counselling service for young people who have been identified through the GIRFEC wellbeing pathway as requiring planned, additional counselling support to tackle emotional wellbeing issues which are preventing them in attaining and achieving.

And secondly, to lead and support the development of school-centred listening, coaching and mentoring across Fife. This initiative will build additional opt-in counsellor support for young people, centred around Fife's Secondary School Health Zones. Alongside this provision there will also be a requirement to deliver associated work to support universal, general good practice around the wellbeing of Fife's young people.

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.

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.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 6 November 2020 and signed on behalf of the board of trustees by:

Steven Walker
Chairperson

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

Year Ended 31 March 2020

Opinion

We have audited the financial statements of Drugs, Alcohol and Psychotherapies Limited (the 'charity') for the year ended 31 March 2020 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 2020 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The 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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 the 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; and

- 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 reports and take advantage of the small companies exemption from the requirement to prepare a strategic report.

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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.
- 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 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 are eligible to act as auditors under the terms of Section 1212 of the Companies Act 2006.

6 November 2020

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Statement of Financial Activities
(including income and expenditure account)

Year Ended 31 March 2020

		2020			2019
		Unrestricted funds	Restricted funds	**Total funds**	Total funds
	Note	**£**	**£**	**£**	£
Income and endowments					
Donations and legacies	**5**	99,657	–	**99,657**	97,627
Charitable activities	**6**	–	776,576	**776,576**	707,029
Other income	**7**	150	–	**150**	150
Total income		99,807	776,576	**876,383**	804,806
Expenditure					
Expenditure on charitable activities	**8,9**	115,413	782,644	**898,057**	796,312
Total expenditure		115,413	782,644	**898,057**	796,312
Net (expenditure)/income		(15,606)	(6,068)	**(21,674)**	8,494
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes		45,300	256,700	**302,000**	(125,000)
Net movement in funds		29,694	250,632	**280,326**	(116,506)
Reconciliation of funds					
Total funds brought forward		53,646	734,978	**788,624**	905,130
Total funds carried forward		83,340	985,610	**1,068,950**	788,624

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

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Statement of Financial Position

31 March 2020

	Note	2020 £	2020 £	2019 £
Fixed Assets				
Tangible fixed assets	15		**16,379**	8,305
Current Assets				
Debtors	16	**27,254**		34,489
Cash at bank and in hand		**684,076**		621,699
		711,330		656,188
Creditors: amounts falling due within one year	17	**6,759**		8,869
Net Current Assets			**704,571**	647,319
Total Assets Less Current Liabilities			**720,950**	655,624
Net Assets Excluding Defined Benefit Pension Plan Asset			**720,950**	655,624
Defined benefit pension plan asset	18		**348,000**	133,000
Net Assets Including Defined Benefit Pension Plan Asset			**1,068,950**	788,624
Funds of the Charity				
Restricted funds			**985,610**	734,978
Unrestricted funds:				
Defined benefit pension reserve		**52,200**		19,950
Other unrestricted income funds		**31,140**		33,696
Total unrestricted funds		**83,340**		53,646
Total charity funds	19		**1,068,950**	788,624

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 6 November 2020, and are signed on behalf of the board by:

Steven Walker
Chairperson

The notes on pages 17 to 30 form part of these financial statements.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Statement of Cash Flows

Year Ended 31 March 2020

	2020	2019
	£	£
Cash Flows from Operating Activities		
Net (expenditure)/income	**(21,674)**	8,494
Adjustments for:		
Depreciation of tangible fixed assets	**8,775**	3,288
Interest payable and similar charges	**(2,000)**	(7,000)
Accrued expenses/(income)	**802**	(6,045)
Actuarial gain on defined benefit scheme	**302,000**	(125,000)
Decrease in provisions	**(215,000)**	174,000
Changes in:		
Trade and other debtors	**4,323**	(3,430)
Cash generated from operations	**77,226**	44,307
Interest paid	**2,000**	7,000
Net cash from operating activities	**79,226**	51,307
Cash Flows from Investing Activities		
Purchase of tangible assets	**(16,849)**	(3,490)
Net cash used in investing activities	**(16,849)**	(3,490)
Net Increase in Cash and Cash Equivalents	**62,377**	47,817
Cash and Cash Equivalents at Beginning of Year	**621,699**	573,882
Cash and Cash Equivalents at End of Year	**684,076**	621,699

The notes on pages 17 to 30 form part of these financial statements.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 31 March 2020

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

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.

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.

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.

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 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.

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.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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.

3. Accounting Policies *(continued)*

Basic Financial Assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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.

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.

3. Accounting Policies *(continued)*

Defined Benefit Plans *(continued)*

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 2020 £**	Unrestricted Funds £	Total Funds 2019 £
Donations				
Donations	4,039	**4,039**	1,767	1,767
Grants				
Fife Council - Section 10 grant	95,618	**95,618**	95,860	95,860
	99,657	**99,657**	97,627	97,627

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2020

6. Charitable Activities

	Restricted Funds	**Total Funds 2020**	Restricted Funds	Total Funds 2019
	£	**£**	£	£
NHS Fife: Counselling support	280,250	**280,250**	280,250	280,250
Fife Council: Changing Children's Services Fund	206,726	**206,726**	207,248	207,248
Fife Council: Education Schools & Counselling Service	120,000	**120,000**	60,000	60,000
Pupil Equity Fund	169,600	**169,600**	157,636	157,636
Training income	–	**–**	1,895	1,895
	776,576	**776,576**	707,029	707,029

7. Other Income

	Unrestricted Funds	**Total Funds 2020**	Unrestricted Funds	Total Funds 2019
	£	**£**	£	£
Court report	150	**150**	150	150

8. Expenditure on Charitable Activities by Fund Type

	Unrestricted Funds	Restricted Funds	**Total Funds 2020**
	£	£	**£**
Charitable activities	78,233	573,128	**651,363**
Support costs	37,180	209,516	**246,694**
	115,413	782,644	**898,057**

	Unrestricted Funds	Restricted Funds	Total Funds 2019
	£	£	£
Charitable activities	64,790	476,612	541,402
Support costs	38,232	216,678	254,910
	103,022	693,290	796,312

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2020

9. Expenditure on Charitable Activities by Activity Type

	Activities undertaken directly	Support costs	**Total funds 2020**	Total fund 2019
	£	£	**£**	£
Charitable activities	651,363	240,764	**892,127**	789,974
Governance costs	–	5,930	**5,930**	6,338
	651,363	246,694	**898,057**	796,312

10. Analysis of Support Costs

	Charitable activities	**Total 2020**	Total 2019
	£	**£**	£
Staff costs	155,258	**155,258**	146,015
Premises	26,665	**26,665**	43,180
Communications and IT	13,677	**13,677**	13,441
General office	45,164	**45,164**	45,936
Governance costs	5,930	**5,930**	6,338
	246,694	**246,694**	254,910

11. Net (Expenditure)/Income

Net (expenditure)/income is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation of tangible fixed assets	**8,775**	3,288
Operating lease rentals	**8,529**	12,162

12. Auditor's Remuneration

	2020	2019
	£	£
Fees payable for the audit of the financial statements	**4,680**	4,560

13. Staff Costs

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

	2020	2019
	£	£
Wages and salaries	**526,930**	480,884
Social security costs	**44,196**	39,496
Employer contributions to pension plans	**173,083**	125,679
	744,209	646,059

The average head count of employees during the year was 25 (2019: 22). The average number of full-time equivalent employees during the year is analysed as follows:

	2020	2019
	No.	No
Number of core services staff	**20**	17
Number of management and administrative staff	**5**	5
	25	22

No employee received employee benefits of more than £60,000 during the year (2019: 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 £86,249 (2019:£84,534).

14. Trustee Remuneration and Expenses

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

15. Tangible Fixed Assets

	Land and buildings	Fixtures and fittings	Computer equipment	**Total**
	£	£	£	**£**
Cost				
At 1 Apr 2019	17,847	14,603	21,112	**53,562**
Additions	–	–	16,849	**16,849**
At 31 Mar 2020	17,847	14,603	37,961	**70,411**
Depreciation				
At 1 Apr 2019	17,684	9,918	17,655	**45,257**
Charge for the year	163	700	7,912	**8,775**
At 31 Mar 2020	17,847	10,618	25,567	**54,032**
Carrying amount				
At 31 Mar 2020	–	3,985	12,394	**16,379**
At 31 Mar 2019	163	4,685	3,457	8,305

16. Debtors

	2020	2019
	£	£
Prepayments and accrued income	**26,038**	29,694
Other debtors	**1,216**	4,795
	27,254	34,489

17. Creditors: amounts falling due within one year

	2020	2019
	£	£
Accruals and deferred income	**6,759**	8,869

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 £173,083 (2019: £125,679).

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 2020.

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

	2020	2019
	£	£
Present value of defined benefit obligations	(2,687,000)	(2,928,000)
Fair value of plan assets	3,035,000	3,061,000
	348,000	133,000

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

	2020
	£
At 1 Apr 2019	2,928,000
Current service cost	169,000
Past service cost	2,000
Interest expense	72,000
Benefits paid	(29,000)
Contributions by plan participants	23,000
Remeasurements:	
Actuarial gains and losses	(478,000)
At 31 Mar 2020	2,687,000

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

	2020
	£
At 1 Apr 2019	3,061,000
Interest income	74,000
Benefits paid	(29,000)
Contributions by employer	82,000
Contributions by plan participants	23,000
Remeasurements:	
Return on plan assets, excluding amount included in interest income	(176,000)
At 31 Mar 2020	3,035,000

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

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

	2020	2019
	£	£
Recognised in income or expenditure:		
Current service cost	169,000	126,000
Past service cost	2,000	–
	171,000	126,000

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

	2020	2019
	%	%
Equity instruments	70.00	74.00
Property	9.00	8.00
Cash and cash equivalents	5.00	5.00
Bonds	16.00	13.00

The return on plan assets are as follows:

	2020	2019
	£	£
Return on assets of benefit plan	74,000	76,000
Return on reimbursement rights assets in benefit plan	(176,000)	132,000
	(102,000)	208,000

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

	2020	2019
	%	%
Discount rate	2.30	2.40
Expected rate of salary increase	2.30	3.00
Expected rate of increase in pensions	1.90	2.50
Mortality rates:		
Current pensioners at 65 - male	20.50	21.20
Current pensioners at 65 - female	23.00	23.80
Future pensioners at 65 - male	21.60	22.60
Future pensioners at 65 - female	24.60	25.80

19. Analysis of Charitable Funds

Unrestricted funds

	At 1 Apr 2019	Income	Expenditure	Gains and losses	At 31 Mar 2020
	£	£	£	£	**£**
General funds	33,696	99,507	(102,063)	–	**31,140**
Pension	19,950	300	(13,350)	45,300	**52,200**
	53,646	99,807	(115,413)	45,300	**83,340**

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

Restricted funds

	At 1 Apr 2019	Income	Expenditure	Gains and losses	At 31 Mar 2020
	£	£	£	£	**£**
Restricted Funds	621,928	774,876	(706,994)	–	**689,810**
Pension	113,050	1,700	(75,650)	256,700	**295,800**
	734,978	776,576	(782,644)	256,700	**985,610**

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

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.

20. Analysis of Net Assets Between Funds

	Unrestricted Funds	Restricted Funds	**Total Funds 2020**
	£	£	**£**
Tangible fixed assets	–	16,379	**16,379**
Current assets	32,154	679,176	**711,330**
Creditors less than 1 year	(1,014)	(5,745)	**(6,759)**
Defined benefit pension	52,200	295,800	**348,000**
Net assets	83,340	985,610	**1,068,950**

	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	50,986	737,638	788,624

21. Financial Instruments

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

	2020	2019
	£	£
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	**711,330**	656,188
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	**6,759**	8,869

22. Analysis of Changes in Net Debt

	At 1 Apr 2019	Cash flows	**At 31 Mar 2020**
	£	£	**£**
Cash at bank and in hand	621,699	62,377	**684,076**

23. Operating Lease Commitments

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

	2020	2019
	£	£
Not later than 1 year	**8,000**	8,000

24. 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.