

COMPANY REGISTRATION NUMBER: SC357883

CHARITY REGISTRATION NUMBER: SC023317

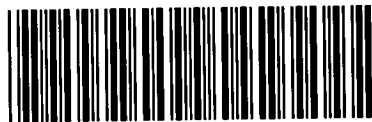
Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Financial Statements

31 March 2021

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PATERSON BOYD & Co.
Chartered Accountants

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Financial Statements

Year Ended 31 March 2021

	Page
Trustees' Annual Report (Incorporating the Director's Report)	1
Independent Auditor's Report to the Members	8
Statement of Financial Activities (Including Income and Expenditure Account)	13
Statement of Financial Position	14
Statement of Cash Flows	15
Notes to the Financial Statements	16

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

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

Year Ended 31 March 2021

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 2021.

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 Lynn Marshall Christopher Oliver (Resigned 30 June 2020)	
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 2021

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.

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.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

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

Year Ended 31 March 2021

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.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

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

Year Ended 31 March 2021

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.

Achievements and performance

The pandemic has taken us all by surprise and no one could have imagined its impact and how long it would last. All of us have been affected in some way or another. Unfortunately, as is so often the case with disasters, it is the most disadvantaged who have suffered most. The thoughts of the board and staff are most definitely with all those who have lost loved ones or who have experienced hardship as a result of the pandemic.

Despite huge challenges, the DAPL board is very proud of how well the organisation has adapted to ensure that our clients get the services they require. DAPL has utilised new technologies and has developed new ways of doing its work. There has been a lot of learning and it is our expectation that as we recover from the pandemic these new innovative means of delivery will remain part of what we offer and provide.

Throughout the pandemic it has been very important to us that we keep well informed as to how our clients experience the organisation and to this end we have been delighted by the feedback we have received. For one survey we undertook, we received around 600 responses which was more than we could have forecast. The overwhelming message from clients was that they were appreciative of our efforts and that they were gaining real benefit from the services we provide.

This next year 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 the staff group.

The Board offer great thanks to the management team for their continued hard work, the staff and volunteers for their commitment, and our Patrons for their support. 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.

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 2021

Financial review

The Statement of Financial Position of the charity as detailed on page 14 shows total funds of the charity of £1,238,849 as at 31 March 2021. Net movement in funds for the year was £169,899 as detailed in the Statement of Financial Activities on page 13. It should be noted that the above figure was after recognition of an actuarial loss of £38,000 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 working in partnership with Fife Council Education and Children's Service in delivering Fife Schools' Counselling Services after being awarded two new contracts which commenced in April 2020.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

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

Year Ended 31 March 2021

The service has contributed 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.

Over the forthcoming year we will continue to develop these services and will be rolling out the 'Digital Drop In' programme across all Fife secondary schools for S5 and S6 after a successful pilot.

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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

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

Year Ended 31 March 2021

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 09 November 2021 and signed on behalf of the board of trustees by:

A handwritten signature in black ink, appearing to be 'S Walker', with a horizontal line drawn through the middle of the signature.

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 2021

Opinion

We have audited the financial statements of Drugs, Alcohol and Psychotherapies Limited (the 'charity') for the year ended 31 March 2021 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 2021 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 and the Charities Act 2011.

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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 2021

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.

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 2021

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulations and prohibited business practices, and we considered that the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override controls), and determined that the principal risks were related to the potential posting of inappropriate journal entries to manipulate financial results and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Reviewing minutes of meetings of those charged with governance including the Board.
- Evaluation and testing of the operating effectiveness of management's controls designed to prevent and detect irregularities.
- Identifying and testing journal entries based on risk criteria.
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.
- Testing transactions entered into outside of normal course of business.

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 2021

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the 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.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

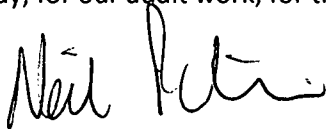
Independent Auditor's Report to the Members of Drugs, Alcohol and Psychotherapies Limited *(continued)*

Year Ended 31 March 2021

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 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Date: 09 November 2021

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year Ended 31 March 2021

			2021		2020
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	98,178	450	98,628	99,657
Charitable activities	6	—	1,079,276	1,079,276	776,576
Other income	7	75	—	75	150
Total income		<u>98,253</u>	<u>1,079,726</u>	<u>1,177,979</u>	<u>876,383</u>
Expenditure					
Expenditure on charitable activities	8,9	83,479	886,601	970,080	898,057
Total expenditure		<u>83,479</u>	<u>886,601</u>	<u>970,080</u>	<u>898,057</u>
Net income/(expenditure)		<u>14,774</u>	<u>193,125</u>	<u>207,899</u>	<u>(21,674)</u>
Other recognised gains and losses					
Actuarial (losses)/gains on defined benefit pension schemes		(5,700)	(32,300)	(38,000)	302,000
Net movement in funds		<u>9,074</u>	<u>160,825</u>	<u>169,899</u>	<u>280,326</u>
Reconciliation of funds					
Total funds brought forward		83,340	985,610	1,068,950	788,624
Total funds carried forward		<u>92,414</u>	<u>1,146,435</u>	<u>1,238,849</u>	<u>1,068,950</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 16 to 28 form part of these financial statements.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Statement of Financial Position

31 March 2021

	Note	2021 £	2020 £
Fixed Assets			
Tangible fixed assets	15	16,656	16,379
Current Assets			
Debtors	16	16,202	27,254
Cash at bank and in hand		957,286	684,076
		<u>973,488</u>	<u>711,330</u>
Creditors: amounts falling due within one year	17	<u>7,295</u>	<u>6,759</u>
Net Current Assets		<u>966,193</u>	<u>704,571</u>
Total Assets Less Current Liabilities		<u>982,849</u>	<u>720,950</u>
Net Assets Excluding Defined Benefit Pension Plan Asset		<u>982,849</u>	<u>720,950</u>
Defined benefit pension plan asset	18	<u>256,000</u>	<u>348,000</u>
Net Assets Including Defined Benefit Pension Plan Asset		<u><u>1,238,849</u></u>	<u><u>1,068,950</u></u>
Funds of the Charity			
Restricted funds		1,146,435	985,610
Unrestricted funds:			
Defined benefit pension reserve		38,400	52,200
Other unrestricted income funds		<u>54,014</u>	<u>31,140</u>
Total unrestricted funds		<u>92,414</u>	<u>83,340</u>
Total charity funds	19	<u><u>1,238,849</u></u>	<u><u>1,068,950</u></u>

These financial statements were approved by the board of trustees and authorised for issue on 09 November 2021, and are signed on behalf of the board by:



Steven Walker
Chairperson

The notes on pages 16 to 28 form part of these financial statements.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Statement of Cash Flows

Year Ended 31 March 2021

	2021 £	2020 £
Cash Flows from Operating Activities		
Net income/(expenditure)	207,899	(21,674)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	11,202	8,775
Interest payable and similar charges	(8,000)	(2,000)
Accrued expenses	10,036	802
Actuarial gain on defined benefit scheme	(38,000)	302,000
Decrease in provisions	92,000	(215,000)
<i>Changes in:</i>		
Trade and other debtors	1,552	4,323
Cash generated from operations	276,689	77,226
Interest paid	8,000	2,000
Net cash from operating activities	<u>284,689</u>	<u>79,226</u>
Cash Flows from Investing Activities		
Purchase of tangible assets	(11,479)	(16,849)
Net cash used in investing activities	<u>(11,479)</u>	<u>(16,849)</u>
Net Increase in Cash and Cash Equivalents	273,210	62,377
Cash and Cash Equivalents at Beginning of Year	684,076	621,699
Cash and Cash Equivalents at End of Year	<u>957,286</u>	<u>684,076</u>

The notes on pages 16 to 28 form part of these financial statements.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 31 March 2021

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 England and Wales. 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.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

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 2021

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.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

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.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

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 £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations	2,560	450	3,010
Grants			
Fife Council - Section 10 grant	95,618	—	95,618
	<u>98,178</u>	<u>450</u>	<u>98,628</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations	4,039	—	4,039
Grants			
Fife Council - Section 10 grant	95,618	—	95,618
	<u>99,657</u>	<u>—</u>	<u>99,657</u>

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

6. Charitable Activities

	Restricted Funds £	Total Funds 2021 £	Restricted Funds £	Total Funds 2020 £
NHS Fife: Counselling support	280,250	280,250	280,250	280,250
Fife Council: Changing Children's Services Fund	206,726	206,726	206,726	206,726
Fife Council: Education Schools & Counselling Service	450,000	450,000	120,000	120,000
Pupil Equity Fund	142,300	142,300	169,600	169,600
	<u>1,079,276</u>	<u>1,079,276</u>	<u>776,576</u>	<u>776,576</u>

7. Other Income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Court report	<u>75</u>	<u>75</u>	<u>150</u>	<u>150</u>

8. Expenditure on Charitable Activities by Fund Type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Charitable activities	47,583	653,369	700,954
Support costs	35,896	233,232	269,126
	<u>83,479</u>	<u>886,601</u>	<u>970,080</u>

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

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

9. Expenditure on Charitable Activities by Activity Type

	Activities undertaken directly £	Support costs £	Total funds 2021 £	Total fund 2020 £
Charitable activities	700,954	261,527	962,481	892,127
Governance costs	–	7,599	7,599	5,930
	<u>700,954</u>	<u>269,126</u>	<u>970,080</u>	<u>898,057</u>

10. Analysis of Support Costs

	Charitable activities £	Total 2021 £	Total 2020 £
Staff costs	165,680	165,680	155,258
Premises	19,387	19,387	26,665
Communications and IT	20,247	20,247	13,677
General office	56,214	56,214	45,164
Governance costs	7,598	7,598	5,930
	<u>269,126</u>	<u>269,126</u>	<u>246,694</u>

11. Net Income/(Expenditure)

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

	2021 £	2020 £
Depreciation of tangible fixed assets	11,202	8,775
Operating lease rentals	8,550	8,529

12. Auditor's Remuneration

	2021 £	2020 £
Fees payable for the audit of the financial statements	5,100	4,680
Fees payable to the charity's auditor and its associates for other services:		
Other non-audit services	1,326	1,236

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

13. Staff Costs

The average head count of employees during the year was 29 (2020: 25). The average number of full-time equivalent employees during the year is analysed as follows:

	2021 No.	2020 No.
Number of core services staff	19	20
Number of management and administrative staff	5	5
	<u>24</u>	<u>25</u>

No employee received employee benefits of more than £60,000 during the year (2020: 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 £100,250 (2020:£86,249).

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 2020	17,847	14,603	37,961	70,411
Additions	—	—	11,479	11,479
At 31 Mar 2021	<u>17,847</u>	<u>14,603</u>	<u>49,440</u>	<u>81,890</u>
Depreciation				
At 1 Apr 2020	17,847	10,618	25,567	54,032
Charge for the year	—	597	10,605	11,202
At 31 Mar 2021	<u>17,847</u>	<u>11,215</u>	<u>36,172</u>	<u>65,234</u>
Carrying amount				
At 31 Mar 2021	<u>—</u>	<u>3,388</u>	<u>13,268</u>	<u>16,656</u>
At 31 Mar 2020	<u>—</u>	<u>3,985</u>	<u>12,394</u>	<u>16,379</u>

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

16. Debtors

	2021	2020
	£	£
Prepayments and accrued income	16,202	26,038
Other debtors	–	1,216
	<u>16,202</u>	<u>27,254</u>

17. Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals and deferred income	<u>7,295</u>	<u>6,759</u>

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 £155,008 (2020: £173,083).

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 2021.

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

	2021	2020
	£	£
Present value of defined benefit obligations	(3,870,000)	(2,687,000)
Fair value of plan assets	4,126,000	3,035,000
	<u>256,000</u>	<u>348,000</u>

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

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

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

	2021
	£
At 1 Apr 2020	2,687,000
Current service cost	155,000
Interest expense	63,000
Benefits paid	(31,000)
Contributions by plan participants	26,000
Remeasurements:	
Actuarial gains and losses	970,000
At 31 Mar 2021	<u>3,870,000</u>

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

	2021
	£
At 1 Apr 2020	3,035,000
Interest income	71,000
Benefits paid	(31,000)
Contributions by employer	93,000
Contributions by plan participants	26,000
Remeasurements:	
Return on plan assets, excluding amount included in interest income	932,000
At 31 Mar 2021	<u>4,126,000</u>

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

	2021	2020
	£	£
Recognised in income or expenditure:		
Current service cost	155,000	169,000
Past service credit	–	2,000
	<u>155,000</u>	<u>171,000</u>

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

	2021	2020
	%	%
Equity instruments	66.00	70.00
Property	6.00	9.00
Cash and cash equivalents	5.00	5.00
Bonds	23.00	16.00

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

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

The return on plan assets are as follows:

	2021	2020
	£	£
Return on assets of benefit plan	71,000	74,000
Return on reimbursement rights assets in benefit plan	932,000	(176,000)
	<u>1,003,000</u>	<u>(102,000)</u>

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

	2021	2020
	%	%
Discount rate	2.00	2.30
Expected rate of salary increase	3.35	2.30
Expected rate of increase in pensions	2.85	1.90
Mortality rates:		
Current pensioners at 65 - male	20.30	20.50
Current pensioners at 65 - female	23.10	23.00
Future pensioners at 65 - male	21.50	21.60
Future pensioners at 65 - female	<u>25.10</u>	<u>24.60</u>

19. Analysis of Charitable Funds

Unrestricted funds

	At 1 Apr 2020	Income	Expenditure	Gains and losses	At 31 Mar 2021
	£	£	£	£	£
General funds	31,140	97,053	(74,179)	–	54,014
Pension	52,200	1,200	(9,300)	(5,700)	38,400
	<u>83,340</u>	<u>98,253</u>	<u>(83,479)</u>	<u>(5,700)</u>	<u>92,414</u>

	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
	<u>53,646</u>	<u>99,807</u>	<u>(115,413)</u>	<u>45,300</u>	<u>83,340</u>

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

19. Analysis of Charitable Funds *(continued)*

Restricted funds

	At 1 Apr 2020	Income	Expenditure	Gains and losses	At 31 Mar 2021
	£	£	£	£	£
Restricted Funds	689,810	1,072,926	(833,901)	–	928,835
Pension	295,800	6,800	(52,700)	(32,300)	217,600
	<u>985,610</u>	<u>1,079,726</u>	<u>(886,601)</u>	<u>(32,300)</u>	<u>1,146,435</u>

	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
	<u>734,978</u>	<u>776,576</u>	<u>(782,644)</u>	<u>256,700</u>	<u>985,610</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.

20. Analysis of Net Assets Between Funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	–	16,656	16,656
Current assets	55,108	918,380	973,488
Creditors less than 1 year	(1,094)	(6,201)	(7,295)
Defined benefit pension	38,400	217,600	256,000
Net assets	<u>92,414</u>	<u>1,146,435</u>	<u>1,238,849</u>

	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	<u>83,340</u>	<u>985,610</u>	<u>1,068,950</u>

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

21. Financial Instruments

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

	2021 £	2020 £
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	<u>973,488</u>	<u>711,330</u>
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	<u>7,295</u>	<u>6,759</u>

22. Analysis of Changes in Net Debt

	At 1 Apr 2020 £	Cash flows £	At 31 Mar 2021 £
Cash at bank and in hand	<u>684,076</u>	<u>273,210</u>	<u>957,286</u>

23. Operating Lease Commitments

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

	2021 £	2020 £
Not later than 1 year	<u>8,000</u>	<u>8,000</u>

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.