

COMPANY REGISTRATION NUMBER SC357883

**Drugs, Alcohol and Psychotherapies
Limited**

Company Limited by Guarantee

Trustees' Annual Report and Accounts

31 March 2016

Charity Number SC023317

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PATERSON BOYD & Co.
Chartered Accountants

**Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee**

Trustees' Annual Report and Accounts

Year Ended 31 March 2016

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Drugs, Alcohol and Psychotherapies Limited Company Limited by Guarantee

Trustees' Annual Report Year Ended 31 March 2016

The trustees, who are also directors for the purposes of company law, present their report and the accounts of the charity for the year ended 31 March 2016.

Reference and administrative details

Registered charity name	Drugs, Alcohol and Psychotherapies Limited
Charity registration number	SC023317
Company registration number	SC357883
Principal Office	1 - 2 Parkdale Avenue Leven Fife KY8 5AQ

The Trustees

The trustees who served the charity during the period were as follows:

Steven Walker	(Chairperson)
John Inglis	
Kathleen McCleary	
Ewan Masson	
Geoffrey Cartwright	(Appointed 11 May 2015)
Joan Clark	(Resigned 3 August 2015)
Louise Walkup	(Resigned 3 August 2015)
Liam Hutchison	(Served from 29 October 2015 to 7 December 2015)

Pat Greenhaugh was appointed as a trustee on 1 August 2016.

Ewan Masson resigned as a trustee on 25 April 2016.

Key management personnel

Service Manager	Martin Denholm
Business Co-ordinator	Liam Thomson

Secretary Ewan Masson (resigned 25 April 2016)

Patrons

Drugs, Alcohol and Psychotherapies Limited have been fortunate over the past year to attract the attention and support of two prominent Fife personalities as patrons on the organisation. Renowned for her charity work, Eleanor Bowman MBE, is the most recent addition to the Drugs, Alcohol and Psychotherapies team. She joins well known Scottish actor Clive Russell.

Drugs, Alcohol and Psychotherapies Limited Company Limited by Guarantee

Trustees' Annual Report *(continued)*

Year Ended 31 March 2016

Auditor

Paterson Boyd & Co
Chartered Accountants
& Statutory Auditor
8 Mitchell Street
Leven
Fife
KY8 4HJ

Structure, Governance and Management

Governing document

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

Change of name

The company changed its name on 26 February 2016 from Drug and Alcohol Project Limited to Drugs, Alcohol and Psychotherapies Limited.

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 Trust's trustees, and the Service Manager and Business Co-ordinator 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 and Business Co-ordinator is reviewed annually and is benchmarked against pay levels in other organisations of similar size and type.

Drugs, Alcohol and Psychotherapies Limited Company Limited by Guarantee

Trustees' Annual Report *(continued)*

Year Ended 31 March 2016

Risk management objectives and policies

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

Risks can be categorised in the following ways:

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

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

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

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

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

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

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

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

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

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.

Drugs, Alcohol and Psychotherapies Limited Company Limited by Guarantee

Trustees' Annual Report *(continued)*

Year Ended 31 March 2016

Objectives and Activities *(continued)*

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 are required 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

This has been another positive and exciting year for DAPL. The organisation continues to provide a quality service throughout Fife to people of all ages and we are proud of our track record and the standing we have in the communities throughout the region.

We very much remain committed to being an effective, caring and professional agency which all stakeholders can rely on to deliver competently and efficiently.

Our board was further strengthened this year by the addition of Geoff Cartwright who brings a great deal of knowledge and experience from the business world having previously been an international manager working in the medical device industry for many years.

The DAPL board were also delighted that renowned Fife actor Clive Russell joined the organisation as our first ever patron.

The directors have been particularly pleased this year with the further development of counselling in schools. DAPL now has a presence in the majority of secondary schools within Fife along with a plethora of primary schools.

Drugs, Alcohol and Psychotherapies Limited Company Limited by Guarantee

Trustees' Annual Report *(continued)*

Year Ended 31 March 2016

Achievements and Performance (continued)

This past year has also seen the appointment of a dedicated recovery worker within the organisation and we believe that this role will enhance the support available to individuals who use our services.

Whilst we have a core team of paid staff, demand for the service means that volunteers are vitally important to DAPL and we are grateful for their dedication. In particular each year we receive a number of placements from universities throughout Scotland which goes to show the reputation DAPL has within its field.

We would also like to take this opportunity to show our appreciation to our main funders for all their support to our organisation:

- Fife Council; and
- Fife Alcohol and Drugs Partnership

We are also grateful for all the donations we have received from members of the public.

DAPL's commitment to partnership working is clear to see and we also wish to put on record our appreciation to all the statutory and non-statutory organisations with whom we work in order to help many people within Fife.

Finally we would like to offer thanks to all our staff and volunteers who work diligently and with great dedication. We are proud of the team we have here at DAPL and we are enthusiastic about meeting the challenges that lie ahead.

Significant events and charitable activities

The organisation continues to operate prudently with tight constraints, given the overall financial situation within the public sector. The trustees recognise the challenge of retaining and increasing funding in order to meet a strong demand for the organisation's service throughout the population of Fife. A particular challenge for the organisation during the past year has been the effect of auto-enrolment, with a number of additional staff joining the Local Government Pension Scheme to which DAPL are an admitted body.

Financial Review

The balance sheet of the charity as detailed on page 12 shows total funds of the charity of £738,418 as at 31 March 2016. Net income for the year is £285,645 as detailed in the Statement of Financial Activities on page 11. It should be noted that the above figure was after recognition of an actuarial gain of £253,000 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 amount of reserves each year, the charity's funds are lodged in a bank current account.

Drugs, Alcohol and Psychotherapies Limited Company Limited by Guarantee

Trustees' Annual Report *(continued)*

Year Ended 31 March 2016

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.

2016/17 will see DAPL employ a full time counsellor at St Kenneths Primary school in Ballingry. Funding for the post was sourced by the head teacher, and the early indications are that this initiative will prove to be very successful.

This next year will see further exciting developments within DAPL to support those seeking recovery. Along with partner agencies, we will continue grow SMART recovery groups in Fife whereby the individuals offer peer to peer support to maintain recovery from a range of substances. This is in addition to the development of DAPL recovery groups which offer an informal peer led support driven by the participants and facilitated by DAPL.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Trustees' Annual Report *(continued)*

Year Ended 31 March 2016

Trustees' responsibilities statement

The trustees (who are also the directors of Drugs, Alcohol and Psychotherapies Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the accounts in accordance with applicable law and regulations.

Company law requires the trustees to prepare accounts for each financial year. Under that law the trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the income and expenditure of the charity for that period.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements 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; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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 accounts comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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

Paterson Boyd & Co are deemed to be re-appointed under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005.

**Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee**

Trustees' Annual Report *(continued)*

Year Ended 31 March 2016

Statement of disclosure of information to the auditor

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

- so far as each trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- each trustee has 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.

Small company provisions

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

Registered office:
1 - 2 Parkdale Avenue
Leven
Fife
KY8 5AQ

Signed on behalf of the trustees

A handwritten signature in black ink, appearing to be 'S Walker', written over a faint circular stamp or watermark.

Steven Walker
Chairperson

03 November 2016

**Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee**

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

Year Ended 31 March 2016

We have audited the accounts of Drugs, Alcohol and Psychotherapies Limited for the year ended 31 March 2016 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the charity's trustees and members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Annual Report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of accounts and for being satisfied that they give a true and fair view.

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 regulations made under those Acts.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors, including "APB Ethical Standard – Provisions Available for Smaller Entities (Revised)" in the circumstances set out below:

In common with many other organisations of our size and nature we use our auditors to assist with the preparation of our financial statements.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee**

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

Year Ended 31 March 2016

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the accounts are prepared is consistent with the accounts.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charity has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the accounts in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report.



NEIL PATERSON (Senior Statutory Auditor)

For and on behalf of
PATERSON BOYD & CO
Chartered Accountants
& Statutory Auditor
8 Mitchell Street
Leven
Fife
KY8 4HJ

03 November 2016

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

**Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee**

**Statement of Financial Activities (Incorporating the
Income and Expenditure Account)**

Year Ended 31 March 2016

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Income and Endowments					
Donations and legacies	2	98,822	2,500	101,322	97,114
Income from charitable activities	3	–	541,917	541,917	539,354
Other income	4	–	–	–	837
Total Income		<u>98,822</u>	<u>544,417</u>	<u>643,239</u>	<u>637,305</u>
Expenditure					
Expenditure on charitable activities	5/6	(108,243)	(502,351)	(610,594)	(591,184)
Total Expenditure		<u>(108,243)</u>	<u>(502,351)</u>	<u>(610,594)</u>	<u>(591,184)</u>
Net Income Before Other Recognised Gains and Losses					
	7	(9,421)	42,066	32,645	46,121
Net Movement in Funds/Net Income for the Year		(9,421)	42,066	32,645	46,121
Other Recognised Gains and Losses					
Actuarial gains in respect of defined benefit pension schemes		37,950	215,050	253,000	198,000
Net movement in funds		28,529	257,116	285,645	244,121
Reconciliation of Funds					
Total funds brought forward		19,867	432,906	452,773	208,652
Total Funds Carried Forward		<u>48,396</u>	<u>690,022</u>	<u>738,418</u>	<u>452,773</u>

The Statement of Financial Activities includes all gains and losses in the year.

All of the above amounts relate to continuing activities.

The notes on pages 14 to 26 form part of these accounts.

**Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee**

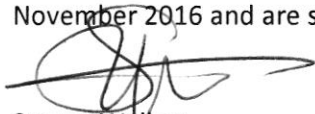
Balance Sheet

31 March 2016

	Note	2016 £	£	2015 £
Fixed Assets				
Tangible assets	9		8,243	12,052
Current Assets				
Debtors	10	8,879		9,977
Cash at bank and in hand		567,266		415,351
		<u>576,145</u>		<u>425,328</u>
Creditors: Amounts Falling due Within One Year	11	<u>(102,970)</u>		<u>(11,607)</u>
Net Current Assets			473,175	413,721
Total Assets Less Current Liabilities			<u>481,418</u>	<u>425,773</u>
Net Assets Excluding Pension Asset			<u>481,418</u>	425,773
Defined Benefit Pension Scheme Asset	14		<u>257,000</u>	<u>27,000</u>
Net Assets Including Pension Asset			<u>738,418</u>	<u>452,773</u>
Funds of the Charity				
Restricted income funds	16		690,022	432,906
Unrestricted income funds	17		48,396	19,867
Total Charity Funds			<u>738,418</u>	<u>452,773</u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

These accounts were approved by the members of the committee and authorised for issue on the 03 November 2016 and are signed on their behalf by:



Steven Walker
Chairperson

Company Registration Number: SC357883

The notes on pages 14 to 26 form part of these accounts.

**Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee**

Statement of Cash Flows

Year Ended 31 March 2016

	2016	2015
	£	£
Cash flows from operating activities		
Net (expenditure) before transfers	32,645	46,121
Adjustments for:		
Actuarial gain on defined benefit scheme	253,000	198,000
Depreciation	4,304	4,354
Decrease in debtors	1,098	5,250
Increase / (decrease) in creditors	91,363	(74,020)
(Decrease) / increase in provisions	(230,000)	(180,000)
	<hr/>	<hr/>
Net cash generated by operating activities	<u>152,410</u>	<u>(295)</u>
Purchase of tangible fixed assets	(495)	(427)
	<hr/>	<hr/>
Net cash used in investing activities	<u>(495)</u>	<u>(427)</u>
Net increase / (decrease) in cash and cash equivalents	151,915	(722)
Cash and cash equivalents at beginning of year	415,351	416,073
	<hr/>	<hr/>
Total cash and cash equivalents at the end of the year	<u>567,266</u>	<u>415,351</u>

The notes on pages 14 to 26 form part of these accounts.

Drugs, Alcohol and Psychotherapies Limited Company Limited by Guarantee

Notes to the Accounts

Year Ended 31 March 2016

1. Accounting Policies

Basis of Accounting

The accounts have been prepared in accordance with Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2015) - (Charities SORP (FRS 102)) the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

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.

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.

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.

Drugs, Alcohol and Psychotherapies Limited Company Limited by Guarantee

Notes to the Accounts

Year Ended 31 March 2016

1. Accounting Policies (continued)

Fixed Assets

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

Depreciation

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

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

Operating Lease Agreements

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

Pension Costs

The charity operates a defined benefit pension scheme for employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

Current service costs, past service costs and gains and losses on settlements and curtailments are charged to appropriate resources expended categories in the statement of financial activities. Past service costs are recognised over the vesting period or immediately if the benefits have vested. When a settlement (eliminating all obligations for benefits already accrued) or a curtailment (reducing future obligations as a result of a material reduction in the scheme membership or a reduction in future entitlement) occurs, the obligation and related plan assets are remeasured using current actuarial assumptions and the resultant gain or loss is recognised in the statement of financial activities during the period in which the settlement or curtailment occurs.

The interest cost and the expected return on assets are shown as a net amount as other finance costs or income. Net pension finance costs are allocated to appropriate resources expended categories in the statement of financial activities. Net pension finance income is recognised as an incoming resource in the statement of financial activities. Actuarial gains and losses are recognised immediately as other recognised gains and losses in the statement of financial activities.

**Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee**

Notes to the Accounts

Year Ended 31 March 2016

1. Accounting Policies (continued)

Pension Costs (continued)

Pension scheme assets are valued at fair value at the balance sheet date. Fair value is based on market price information and in the case of quoted securities is the published bid price. Pension scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted to their present value using a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The pension scheme surplus is recognised in full on the balance sheet.

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.

Financial Assets and Financial Liabilities

Financial instruments are recognised in the SOFA when the charity becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a financing transaction which includes transactions costs for financial instruments not subsequently measured at fair value. Subsequent to initial recognition, they are accounted for as set out below. A financing transaction is measured at the present value of future payments discounted at the market rate of interest for similar debt instrument.

Financial instruments are classified as either 'basic' or 'other' in accordance with chapter 11 of FRS102.

At the end of each reporting period, basic financial instruments are measured at amortised costs using the effective rate method. All financial instruments not classified as basic are measured at fair value at the end of the reporting period with the resulting changes recognised in income or expenditure. Where the fair value cannot be reliably measured, they are recognised at cost less impairment.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the charity has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

Taxation

The charity is exempt from tax on income and gains falling within section 505(1) of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. Expenditure includes attributable VAT, which cannot be recovered as the charity is not VAT registered.

**Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee**

Notes to the Accounts

Year Ended 31 March 2016

2. Donations and Legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Donations			
Donations	1,262	-	1,262
Grants receivable			
Fife Council - Section 10 grant	97,560	-	97,560
Fife Health & Social Care Partnership	-	2,500	2,500
	<u>98,822</u>	<u>2,500</u>	<u>101,322</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £
Donations			
Donations	994	-	994
Grants receivable			
Fife Council - Section 10 grant	96,120	-	96,120
Fife Health & Social Care Partnership	-	-	-
	<u>97,114</u>	<u>-</u>	<u>97,114</u>

3. Income from Charitable Activities

	Restricted Funds £	Total Funds 2016 £	Restricted Funds £	Total Funds 2015 £
NHS Fife: Counselling support	295,000	295,000	295,000	295,000
Fife Council: Changing Children's Services Fund	210,924	210,924	207,804	207,804
Fife Council: Education Schools & Counselling Service	29,028	29,028	21,450	21,450
ADP: Volunteer Co-ordinator	-	-	13,000	13,000
Fife Health & Wellbeing Alliance: Summer Activity	-	-	2,100	2,100
Fife Alcohol & Drug partnership	6,965	6,965	-	-
	<u>541,917</u>	<u>541,917</u>	<u>539,354</u>	<u>539,354</u>

**Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee**

Notes to the Accounts

Year Ended 31 March 2016

4. Other Income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Court report	-	-	-
Other income	-	-	-
	-	-	-
	-	-	-

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £
Court report	225	-	225
Other income	185	427	612
	410	427	837
	410	427	837

5. Costs of Charitable Activities by Fund Type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Charitable activities	78,293	332,762	411,059
Support costs	29,950	169,589	199,535
	108,243	502,351	610,594

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £
Charitable activities	63,071	345,825	408,895
Support costs	28,384	153,904	182,289
	91,455	499,729	591,184

**Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee**

Notes to the Accounts

Year Ended 31 March 2016

6. Costs of Charitable Activities by Activity Type

	Activities undertaken directly £	Support costs £	Total Funds 2016 £	Total Funds 2015 £
Charitable activities	411,059	189,646	600,705	578,618
Governance costs	–	9,889	9,889	12,566
	<u>411,059</u>	<u>199,535</u>	<u>610,594</u>	<u>591,184</u>

7. Net Incoming Resources for the Year

This is stated after charging:

	2016 £	2015 £
Depreciation	4,304	4,354
Auditors' remuneration:		
- audit of the financial statements	4,464	4,656
- other fees (see below)	1,234	1,223
Operating lease costs:		
- Land and buildings	<u>11,432</u>	<u>12,189</u>

Auditor's fees

The fees charged by the auditor can be further analysed under the following headings for services rendered:

	2016 £	2015 £
Audit	4,464	4,655
Payroll	1,234	1,223
	<u>5,698</u>	<u>5,878</u>

**Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee**

Notes to the Accounts

Year Ended 31 March 2016

8. Staff Costs and Emoluments

Total staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	361,099	364,185
Social security costs	21,280	23,701
Other pension costs	72,576	76,797
Settlement payment	15,500	–
	<u>470,455</u>	<u>464,683</u>

Other pension costs above represents the total operating charge included in expenditure in the Statement of Financial Activities and does not include amounts included in other finance costs and other recognised gains and losses (see note 14).

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2016	2015
	No.	No.
Number of core services staff	14	15
Number of management and administrative staff	5	4
	<u>19</u>	<u>19</u>

The key management personnel of the charity comprises of the Service Manager and Business Co-ordinator. The employee benefits for key management totalled £68,289 (2015: £68,136)

No employee received remuneration of more than £60,000 during the year (2015 - Nil).

**Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee**

Notes to the Accounts

Year Ended 31 March 2016

9. Tangible Fixed Assets

	Computer equipment £	Fixtures & Fittings £	Leasehold Improvements £	Total £
Cost				
At 1 April 2015	21,827	11,370	17,847	51,044
Additions	—	495	—	495
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2016	<u>21,827</u>	<u>11,865</u>	<u>17,847</u>	<u>51,539</u>
 Depreciation				
At 1 April 2015	20,086	6,682	12,224	38,992
Charge for the year	1,741	778	1,785	4,304
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2016	<u>21,827</u>	<u>7,460</u>	<u>14,009</u>	<u>43,296</u>
 Net Book Value				
At 31 March 2016	<u> </u>	<u>4,405</u>	<u>3,838</u>	<u>8,243</u>
At 31 March 2015	<u>1,741</u>	<u>4,688</u>	<u>5,623</u>	<u>12,052</u>

10. Debtors

	2016 £	2015 £
Other debtors	1,216	1,216
Prepayments	7,663	8,761
	<u> </u>	<u> </u>
	<u>8,879</u>	<u>9,977</u>

11. Creditors: Amounts falling due within one year

	2016 £	2015 £
Accruals and deferred income	<u>102,970</u>	<u>11,607</u>

**Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee**

Notes to the Accounts

Year Ended 31 March 2016

12. Financial Assets and Liabilities

	2016 £	2015 £
Financial assets that are debt instruments measured at amortised cost	576,145	415,351
Financial liabilities measured at amortised cost	(102,970)	(11,607)
	<u>473,175</u>	<u>403,744</u>

Financial Assets comprise of other debtors, and prepayments, all due within one year and cash and bank balances.

Financial Liabilities comprise of accrued expenses and deferred income, all due between 1 to 5 years.

13. Deferred Income

	2016 £	2015 £
Amount deferred in year	91,019	-
At 31 March 2016	<u>91,019</u>	<u>-</u>

Deferred income comprises of grant award income that relates to the year 2016/17 which begins on 1 April 2016. This figure is included within the other creditors under note 11 above.

14. Pension and Other Post-Retirement Benefits

The charity operates a pension scheme providing benefits based on a final pensionable pay. 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 charity. The related costs are assessed in accordance with the advice of professionally qualified actuaries.

It is now possible to define the charity's share of funds and assets/liabilities and as a result the following disclosures are provided in line with FRS 102.

A full actuarial valuation was carried out at 31 March 2014, and was updated at 31 March 2016 by Hymans Robertson LLP, the scheme actuary, using the approximate method, results of which are shown below.

**Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee**

Notes to the Accounts

Year Ended 31 March 2016

14. Pension and Other Post-Retirement Benefits (continued)

The main assumptions used by the actuary were:

	2016	2015
	%	%
Expected rate of increase in salaries	3.4	3.6
Expected rate of increase in pensions in payment	2.2	2.5
Discount rate	3.6	3.3

The mortality assumptions used were as follows:

	2016	2015
	years	years
Longevity at age 65 for current pensioners		
Males	22.0	22.0
Females	23.7	23.7
Longevity at age 65 for future pensioners		
Males	24.1	24.1
Females	26.4	26.4

Reconciliation of scheme assets and liabilities:

	Assets	Liabilities	Total
	£	£	£
At 1 April 2015	2,105,000	(2,078,000)	27,000
Benefits paid	(22,000)	22,000	-
Employer's contributions	50,000	-	50,000
Employees contributions	13,000	(13,000)	-
Current service cost	-	(73,000)	(73,000)
Interest income/ (expense)	70,000	(70,000)	-
Remeasurement gains/ (losses)			
- Actuarial gains	-	322,000	322,000
- Return on assets excluding income	(69,000)	-	(69,000)
	<hr/>	<hr/>	<hr/>
At 31 March 2016	<u>2,147,000</u>	<u>(1,890,000)</u>	<u>257,000</u>

**Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee**

Notes to the Accounts

Year Ended 31 March 2016

14. Pension and Other Post-Retirement Benefits (continued)

Total cost recognised as an expense:

	2016	2015
	£	£
Current service cost	73,000	63,000
Net interest cost	-	6,000
	<u>73,000</u>	<u>69,000</u>

The fair value of the plan assets was made up as follows:

	2016	2015
	%	%
Equities	68	72
Bonds	16	16
Property	10	8
Cash	6	4
	<u>100</u>	<u>100</u>

The plan assets do not include any of the company's financial instruments nor is any property occupied by the company.

The return on the plan assets was:

	2016	2015
	£	£
Interest income	70,000	86,000
Return on plan assets interest income	(69,000)	(5,000)
	<u>1,000</u>	<u>81,000</u>

**Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee**

Notes to the Accounts

Year Ended 31 March 2016

15. Commitments under Operating Leases

At 31 March 2016 the charity had annual commitments under non-cancellable operating leases as set out below.

	Land and buildings	
	2016	2015
	£	£
Operating leases which expire:		
Within 1 year	<u>10,492</u>	<u>10,492</u>

16. Restricted Income Funds

	Balance at 1 Apr 2015	Income	Expenditure	Gains and losses	Balance at 31 Mar 2016
	£	£	£	£	£
Restricted Funds	<u>432,906</u>	<u>544,417</u>	<u>(502,351)</u>	<u>215,050</u>	<u>690,022</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.

Tudor Trust To support and develop the volunteer and placement programme within the charity.

17. Unrestricted Income Funds

	Balance at 1 Apr 2015	Income	Expenditure	Gains and losses	Balance at 31 Mar 2016
	£	£	£	£	£
General Funds	<u>19,867</u>	<u>98,822</u>	<u>(108,243)</u>	<u>37,950</u>	<u>48,396</u>

**Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee**

Notes to the Accounts

Year Ended 31 March 2016

18. Analysis of Net Assets between Funds

	Tangible fixed assets £	Net current assets £	Defined benefit pension asset £	Total £
Restricted Income Funds:				
Restricted Funds	8,243	463,329	218,450	690,022
Unrestricted Income Funds	–	9,846	38,550	48,396
Total Funds	<u>8,243</u>	<u>473,175</u>	<u>257,000</u>	<u>738,418</u>

19. Related Party Transactions

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.

20. Company 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.

21. Transition to FRS 102

These financial statements for the year ended 31 March 2016 are the charity's first financial statements that comply with FRS 102. The charity's date of transition to FRS 102 is 1 April 2015. The charity's last financial statements prepared in accordance with previous UK GAAP were for the year ended 31 March 2015.

The transition to FRS 102 has resulted in no changes to the charity's accounting policies compared to those used when applying previous UK GAAP.

**Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee**

Management Information

Year Ended 31 March 2016

**The following pages do not form part of the statutory accounts
which are the subject of the independent auditor's report on pages 9 to 10.**

**Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee**

Detailed Statement of Financial Activities

Year Ended 31 March 2016

	2016	2015
	£	£
Incoming Resources		
Donations and Legacies		
Donations	1,262	994
Fife Council - Section 10 grant	97,560	96,120
Fife Health & Social Care Partnership	2,500	-
	<hr/>	<hr/>
	101,322	97,114
	<hr/>	<hr/>
Income from Charitable Activities		
NHS Fife: Counselling support	295,000	295,000
Fife Council: Changing Children's Services Fund	210,924	207,804
Fife Council: Education Schools & Counselling Service	29,028	21,450
ADP: Volunteer Co-ordinator	-	13,000
Fife Health & Wellbeing Alliance: Summer Activity	-	2,100
Fife Alcohol & Drug partnership	6,965	-
	<hr/>	<hr/>
	541,917	539,354
	<hr/>	<hr/>
Other Income		
Court report	-	225
Other income	-	612
	<hr/>	<hr/>
	-	837
	<hr/>	<hr/>
Total Income	643,239	637,305
	<hr/>	<hr/>

Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee

Detailed Statement of Financial Activities

Year Ended 31 March 2016

	2016	2015
	£	£
Expenditure		
Charitable Activities		
Freelance counselling fees	3,156	–
Staff costs - Wages & Salaries	361,099	364,185
Staff costs - Employer's NIC	21,280	23,701
Staff costs - Pension costs	72,576	76,797
Staff costs – Settlement payment	15,500	–
Operating leases - Land & buildings	11,432	12,189
Room rental	5,135	4,436
Establishment - Rates & Water	2,256	2,090
Establishment - Light & heat	7,545	8,745
Establishment - Property maintenance	6,434	4,495
Establishment - Insurance	2,898	3,051
Resources & leaflets	3,540	1,394
Volunteers' expenses	4,555	3,591
Staff travel expenses	13,026	13,678
Office expenses - Telephone	12,835	12,655
Printing, postage & stationery	14,232	10,941
Depreciation	4,304	4,354
Net finance cost in respect of defined benefit pension scheme	–	6,000
Staff supervision	8,421	10,055
Staff training	3,189	552
Hospitality	2,481	2,751
Interpreter costs	–	488
Subscriptions	425	411
PR/Marketing	7,663	4,141
Cleaning	3,694	2,812
Equipment maintenance	11,617	4,290
Recruitment	844	230
Sundries	568	586
	<hr/>	<hr/>
	600,705	578,618
	<hr/>	<hr/>
Governance Costs		
Accountancy fees	1,231	1,224
Audit fees	4,464	4,656
Professional fees	4,194	6,686
	<hr/>	<hr/>
	9,889	12,566
	<hr/>	<hr/>
Total Expenditure	610,594	591,184
	<hr/>	<hr/>
Net Incoming Resources for the Year	<u>32,645</u>	<u>46,121</u>

**Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee**

Detailed Statement of Financial Activities

Year Ended 31 March 2016

	2016	2015
	£	£
Charitable Activities		
<i>Activities undertaken directly</i>		
Freelance counselling fees	3,156	–
Staff costs - Wages & Salaries	264,242	276,211
Staff costs - Employer's NIC	14,765	16,878
Staff costs - Pension costs	66,285	69,108
Staff costs – Settlement payment	15,500	–
Room rental	5,135	4,436
Resources & leaflets	3,540	1,394
Volunteers' expenses	4,555	3,591
Staff travel expenses	11,943	12,879
Net finance cost in respect of defined benefit pension scheme	–	6,000
Staff supervision	8,421	10,055
Staff training	2,889	552
Hospitality	2,481	2,751
Interpreter costs	–	488
Subscriptions	425	411
PR/Marketing	7,663	4,141
Sundries	59	–
	<hr/>	<hr/>
	411,059	408,895
	<hr/>	<hr/>
<i>Support costs</i>		
Staff costs - Wages & Salaries	96,857	87,974
Staff costs - Employer's NIC	6,515	6,823
Staff costs - Pension costs	6,291	7,689
Operating leases - Land & buildings	11,432	12,189
Establishment - Rates & Water	2,256	2,090
Establishment - Light & heat	7,545	8,745
Establishment – Property maintenance	6,434	4,495
Establishment - Insurance	2,898	3,051
Staff travel expenses	1,083	799
Office expenses - Telephone	12,835	12,655
Printing, postage & stationery	14,232	10,941
Depreciation	4,304	4,354
Staff training	300	–
Cleaning	3,694	2,812
Equipment maintenance	11,617	4,290
Recruitment	844	230
Sundries	509	586
	<hr/>	<hr/>
	189,646	169,723
	<hr/>	<hr/>
	<u>600,705</u>	<u>578,618</u>