



Alexander Sloan
Accountants and Business Advisers

Company Registration No. SC212157 (Scotland)

WEST LOTHIAN DRUG & ALCOHOL SERVICE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

Charity Registration No. SC005776 (Scotland)

COMPANIES HOUSE
EDINBURGH

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FRONT DESK



WEST LOTHIAN DRUG & ALCOHOL SERVICE

LEGAL AND ADMINISTRATIVE INFORMATION

Board Of Management	Alexander Milne Elaine Kerridge Paul Thomson Gill Cottrell Alyson Campbell Vicky Wan Moir Connacher
Secretary	Brian Pringle
Senior management	Brian Pringle - General Manager Heather Watson - Deputy Manager
Charity number (Scotland)	SC005776
Company number	SC212157
Registered office	Almondbank Centre Shiel Walk Craigshill Livingston EH54 4EH
Auditor	Alexander Sloan 50 Melville Street Edinburgh EH3 7HF
Bankers	CAF Bank Ltd 25 Kings Hill Avenue West Malling Kent England ME19 4JQ

WEST LoTHIAN DRUG & ALCOHOL SERVICE

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WEST LOTHIAN DRUG & ALCOHOL SERVICE

REPORT OF THE BOARD OF MANAGEMENT

FOR THE YEAR ENDED 31 MARCH 2019

The Board of Management presents its report and financial statements for the year ended 31 March 2019.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and "Accounting and Reporting by Charities: 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)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The main objectives and activities for the year continued to focus upon the promotion and prevention of the misuse of substances and the rehabilitation of those substance users. The strategies employed to assist the charity to meet these objectives included the following:

- Providing a range of services which meet relevant quality standards and address the problems related to substance misuse;
- Limiting the harms associated with substance abuse, not only for the individual but also their family and friends and the wider community of West Lothian;
- Providing educational sessions within schools and communities, aimed to increase the awareness of and reduce the harms caused by substances;
- Working towards applying national standards of service; and
- Working in partnership with other agencies to secure the widest range of services available that best matches the needs of its client population.

Achievements and performance

Purpose

The main areas of charitable activity are the provision of advice and information; health promotion; counselling and support; education and training; grief counselling; and rehabilitation for adults and young people in the areas of drugs, alcohol and tobacco.

Health Promotion

A resource library is based at the Service's office and provides health promotion materials for clients, family members, teachers, social workers and others wanting to know more about the effects of drug, alcohol and tobacco use. Related to our work there are also books and leaflets around grief, bereavement and mental health.

Education and Training

Drug and Alcohol training has been delivered to Moorehouse school along with some policy work. This service has also delivered 16-24yr old tobacco education within colleges and other settings, provided student training days and attending events such as Street League and Street Heroes. Funding was given by BLES for education and prevention work, this will be carried forward into the new financial year.

Tobacco & Cessation Work

Cessation work continued throughout 2018-19 with 42 ongoing clients being seen.

361 Smoke Free Homes pledge forms were returned by primary pupils as a result of the Smoke Free Homes and School Gates work undertaken across the county.

West Lothian Drug & Alcohol Service contributed to the delivery of NHS smoke free secondary schools project with action plans being created for going forward.

Contribution to delivery of activities to support the #notafavour campaign in West Lothian continued through use of stalls and publicity items.

WEST LoTHIAN DRUG & ALCOHOL SERVICE

REPORT OF THE BOARD OF MANAGEMENT

FOR THE YEAR ENDED 31 MARCH 2019

Counselling, Support and Community Rehabilitation

WLDAS have continued into the second year of a three-year contract (with the potential of a two-year extension) for its Therapeutic Support Service. During 2018-19 the service received 584 referrals. Of these 353 clients were assessed and became ongoing, the remainder were offered appointments but were not taken up. Of this number, 238 clients were male and 115 female. The majority of referrals came from self drop in clinics. The largest number of referrals came from the over 45 age range. Alcohol was the majority substance used followed by Cannabis and Cocaine. There was an equal split between employed and unemployed attendees with a further 76 clients being on long term sick/retired/on training courses or support into employment.

We remain one of the key agencies of West Lothian Addictions Care Partnership where all the drug agencies in West Lothian work together on joint assessments of the referrals received and to direct clients into the most appropriate drug service based on their needs. Through this partnership with our colleagues in the NHS Addictions Service and the West Lothian Councils Social Work Addiction Team, we provide Drop In clinics across the area to allow people quicker access to treatment and support.

The Community Rehabilitation Service has continued through use of reserves. During 2018-19 28 clients were referred to the service or which 22 were assessed and became ongoing (5 referrals were inappropriate and 1 did not attend). Of these 17 clients were male and 5 female. The greatest age range in attendance was over 45s for males and 40-44 for females. The majority of clients had been unemployed for over 1 year. Alcohol was the primary contributing factor in the bulk of cases. Similar to the Therapeutic Service, the majority of clients lived alone.

Our Grief Matters service funded by Children in Need which provided counselling and support for young people between 12 and 18 years who had experienced a sudden or unexpected death completed its final year in October 2018. In the last year of the service 69% of attendees had made significant progress with 31% starting to make significant progress across all areas. Further funding is being sought to re-establish this service.

WLDAS continues to be a member of COSCA and provides ongoing supervision and training to support the staff team and ensure the quality of our services.

Other Activities

West Lothian Drug & Alcohol Service was awarded WLADP funding to provide **groupwork** in 2018-19 and beyond. The groups delivered included:

- Living Life to the Full
- CBT Anxiety
- CBT Depression
- Survive and Thrive
- Friends and Family
- Emotional Regulation
- Coping Skills

WEST LOTHIAN DRUG & ALCOHOL SERVICE

REPORT OF THE BOARD OF MANAGEMENT

FOR THE YEAR ENDED 31 MARCH 2019

A partnership was formed with the Mental Health Advocacy Project to deliver a **collective advocacy** service to those who have use/are currently using substances. The project commenced in January 2019 and the funding will last for a further two years. The aim of the service is:

1. Service users have a greater awareness and understanding of collective advocacy
2. Service users are more involved in decision making processes that affect their lives
3. Service users are more able to collectively advocate
4. Service users are more aware of, and able to access, their rights and entitlements e.g.:
 - i. Benefits
 - ii. Education
 - iii. Employment
 - iv. Family
 - v. Housing
 - vi. Human rights
5. Service users from all backgrounds and circumstances are able to access collective advocacy
6. Service users' views inform local strategic commissioning, service design and delivery
7. Increased engagement with advocacy by service providers
8. The forum is used as a consultative body by services
9. Barriers between adult care groups are broken down and stigma is reduced.

A **Family Support Service** pilot commenced in April 2018 across four areas of West Lothian to provide 1-2-1 and group/peer support work across the country. This pilot is funded for two years by West Lothian LEADER. The first year saw a total of 59 new clients. 86% of attendees were female with the most common relationship to a service user being a mother, followed by spouse. The most frequent age group in attendance was the 51-60 bracket.

A number of fundraising activities have been undertaken this year by staff, service users and the Board and we welcome and appreciate these donations very much. These activities have included the Edinburgh Kiltwalk.

Financial review

Whilst the start of the year saw cuts to funding, these were replenished during the period to allow the Therapeutic Support Service to meet its aims.

The Statement of Financial Activities shows net expenditure for the year of £15,637 (2018 - net expenditure of £107,894). A total of £482,637 was retained in accumulated funds at the year end (2018 - £498,274).

Reserves policy

The Board of Management has examined the charity's requirements in light of risks to the organisation. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be equivalent to a minimum of 6 months expenditure. The Board consider this level sufficient to mitigate against the risk of future curtailment of funding, particularly in those projects being offered to tender. Current levels of general funds of £416,059 (2018: £475,727) equate to 7 months (2018: 7 months) at forecast expenditure levels.

WEST LoTHIAN DRUG & ALCOHOL SERVICE

REPORT OF THE BOARD OF MANAGEMENT

FOR THE YEAR ENDED 31 MARCH 2019

Principal funding sources

The principal funding sources for the charity are West Lothian Alcohol and Drug Partnership, NHS Lothian, West Lothian LEADER and Children in Need.

Investment policy

Aside from retaining a prudent amount in reserves each year, most of the charity's funds are to be spent in the shorter term.

Risk management

The Board of Management has conducted a review of the major risks to which the charity may be exposed. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. In November 2017, the charity's Financial Procedures Manual was approved.

Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the service. The continuing implementation of West Lothian Alcohol and Drug Partnership Outcome Monitoring, the Scottish Government's Waiting Times Reporting, HEAT targets for smoking cessation services, the National Standards for Drug & Alcohol Services, Decipher ASSIST Quality Assurance visits, education training evaluation forms and COSCA Accreditation ensure a consistent quality of delivery for all operational aspects of the charity. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

PLANS FOR FUTURE PERIODS

The charity plans to continue the activities outlined above in the forthcoming years, subject to satisfactory and realistic funding arrangements. Our contract with West Lothian Council through the West Lothian Alcohol & Drug Partnership for counselling is secured until 31 March 2021 with a possible extension for a further two years after that.

We are continuing our plan on increasing our funders to reduce reliance on NHS Lothian and the West Lothian Alcohol and Drug Partnership who are our main sources of funding. We value their investment and trust in the organisation but realise as public bodies that their budgets are coming under increasing pressure and the funding available from them may reduce in the future.

The new 2019-20 financial year has seen successful bids. The Grief Matters project will be recommencing in October 2019 following funding being granted from the Big Lottery and Robertson Trust for two years. Additional Alcohol & Drug Partnership funding has been obtained to offer a Young Peoples worker – which will commence from June 2019. Additional smaller pieces for work such as work with Gambling Addictions has also been established.

We continue to implement our strategic plan which was finalised in June 2016. WLDAS is keen to reduce grant dependency by exploring other ways of generating income. Support was provided through the Government funded Just Enterprise programme where the Board worked with a consultant to jointly explore opportunities and develop an action plan. We have agreed areas for seeking funding and are actively pursuing these.

We have built on last year's success this year in generating income through our training and education expertise and continue to explore opportunities to work with national partners in this area.

We continue actively pursuing new Board members and ensure that we have strong governance structures in place and have a well-rounded, fit for purpose organisation. Part of this has included obtaining Living Wage Accreditation in the new financial year, showing commitment to our staff and partners.

WEST LOTHIAN DRUG & ALCOHOL SERVICE

REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2019

Structure, governance and management

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 20 October 2000, and registered as a charity on 21 July 1992. The company was established under a Memorandum of Association which established the objectives and powers of the charitable company and is governed under its Articles of Association. Under those Articles, the directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Board of Management. Under the requirements of the Memorandum and Articles of Association the members of the Board of Management are elected at the AGM to serve a period of 3 years, subject to ratification at each AGM.

The members of the Board of Management, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Alexander Milne
Elaine Kerridge
Paul Thomson
Gill Cottrell
Alyson Campbell
Vicky Wan
Moir Connacher

Board Membership

We have had no changes throughout the year to our Board membership which remains at 7 trustees. A new advisor to the board from Police Scotland has been enlisted. A representative from the Service User Group has been invited to meetings in an advisory capacity. West Lothian Drug & Alcohol Service are continuing to seek a replacement for our NHS Lothian advisor who stepped down in 2017-18.

Recruitment and Appointment of Board of Management

Due to the size of the organisation, the complexity of funding and the services offered, the Board of Management seeks to ensure that appropriate business and development skills to manage such diversity are reflected in its membership. To enhance the direct client provision, we ensure expertise in training, education, adult and young person counselling and rehabilitation is well represented.

Organisational structure

West Lothian Drug & Alcohol Service Board of Management meets quarterly and is responsible for setting the strategic direction of the charity, monitoring performance and ensuring that governance structures reflect best practice. At present, the Board has members from a variety of professional backgrounds relevant to the work of the charity. The Company Secretary also sits on the Board but has no voting rights.

A finance sub-group has been established which is chaired by the organisation's Treasurer and comprises members of the Board, senior managers and the Senior Finance and Facilities Administrator. This group reports directly to the full Board at the quarterly meetings.

A scheme of delegation is in place and day-to-day responsibility for the provision of the services rests with the senior management team. The General Manager is responsible for ensuring that the charity delivers the services specified and that key performance outcomes are met. The General and Deputy Managers have responsibility for the day-to-day operational management, individual supervision of the respective staff teams and also ensuring that the teams continue to develop their knowledge and skills in line with good practice and meeting recognised standards. They are supported by senior workers who are responsible to the Duty Manager, and provide line management support and supervision to the counselling staff.

WEST LoTHIAN DRUG & ALCOHOL SERVICE

REPORT OF THE BOARD OF MANAGEMENT

FOR THE YEAR ENDED 31 MARCH 2019

Board of Management induction and training

Most Board members are already familiar with the practical work of the charity. Additionally, new members are invited to meet with the General Manager and are given the previous year's Minutes of Meetings, latest financial statements and major reports along with OSCR's Guidance for charity Trustees. Periodically, the Board meets, with senior staff in attendance, to discuss strategic planning and organisational development needs.

Key management remuneration policy

Key management comprises the Board of Management, who are not remunerated, and the General Manager and Deputy Manager. The remuneration of the General Manager and Deputy Manager is set by the Board of Management and in line with applicable market rates for the sector.

Related parties

At a national level, drug treatment and support services are steered by the Scottish Government's drug strategy "The Road to Recovery" and our alcohol services by the national alcohol strategy "Changing Scotland's Relationship with Alcohol". The local Alcohol and Drug Partnership is charged with the responsibility for delivering the strategy at a local level. It is also responsible for the commissioning of appropriate services. West Lothian Alcohol and Drug Partnership (WLADP) includes representatives from, amongst others, the local authority, health and voluntary sector agencies. The General Manager represents the organisation on this group and the Deputy Manager deputises when required.

Tobacco prevention and stop smoking services are steered at a national level by the Scottish Government's "Creating a Tobacco Free Generation - A Tobacco Control Policy for Scotland". NHS Lothian is responsible for its implementation across Lothian. The General Manager meets with key staff within this team on a regular basis. He also chairs the West Lothian Tobacco Free Generation Group which has a membership from health, local authority and 3rd sector organisations.

Both managers sit on various multi-agency planning and policy groups at local and national level.

WEST LOTHIAN DRUG & ALCOHOL SERVICE

REPORT OF THE BOARD OF MANAGEMENT

FOR THE YEAR ENDED 31 MARCH 2019

Statement of Board of Management's responsibilities

The Board of Management, who are also the directors of West Lothian Drug & Alcohol Service for the purpose of company law, is responsible for preparing the Board Of Management's 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 Board of Management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Board of Management is required to:

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

The Board of Management is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006. It is 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 Board of Management is responsible for the maintenance and integrity of the charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

Alexander Sloan, Accountants and Statutory Auditor, were appointed auditors to the charitable company and a resolution proposing their reappointment will be put to the Annual General Meeting.

This report has been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

Disclosure of information to auditor

Each member of the Board of Management has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Board of Management's report was approved by the Board Of Management.

Paul Thomson

Chair

Dated: 8 October 2019



WEST LoTHIAN DRUG & ALCOHOL SERVICE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS AND TRUSTEES OF WEST LoTHIAN DRUG & ALCOHOL SERVICE

Opinion

We have audited the financial statements of West Lothian Drug & Alcohol Service (the 'Charity') for the year ended 31 March 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charitable company's affairs as at 31 March 2019 and of its incoming resources and application of resources, 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 Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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.

WEST LOTHIAN DRUG & ALCOHOL SERVICE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF WEST LOTHIAN DRUG & ALCOHOL SERVICE

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Board of Management's Report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Board of Management's 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 directors' report included within the Board of Management's 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 and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Board of Management were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Board of Management's report and from the requirement to prepare a strategic report.

Responsibilities of Board of Management

As explained more fully in the statement of Board of Management's responsibilities, the Board of Management, who are also the directors of the Charity for the purpose of company law, is 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 Board of Management 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 Board of Management is 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 Board of Management either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

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

WEST LOTHIAN DRUG & ALCOHOL SERVICE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF WEST LOTHIAN DRUG & ALCOHOL SERVICE

Use of our report

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



David Jeffcoat (Senior Statutory Auditor)
for and on behalf of Alexander Sloan

14/12/2019
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Alexander Sloan Accountants and Business Advisers
Statutory Auditor

50 Melville Street
Edinburgh
EH3 7HF

WEST LOTHIAN DRUG & ALCOHOL SERVICE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2019

Current financial year						
		Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total	Total
	Notes	2019 £	2019 £	2019 £	2019 £	2018 £
Income from:						
Donations and legacies	3	3,272	-	-	3,272	1,118
Charitable activities	4	7,830	547,176	49,498	604,504	674,487
Other trading activities	5	4,757	-	-	4,757	6,529
Investments	6	316	-	-	316	210
Total income		16,175	547,176	49,498	612,849	682,344
Expenditure on:						
Cost of charitable activities	7	38,279	509,998	80,209	628,486	790,238
Net expenditure before transfers		(22,104)	37,178	(30,711)	(15,637)	(107,894)
Gross transfers between funds		(37,564)	(1,340)	38,904	-	-
Net (expenditure)/income for the year/ Net movement in funds		(59,668)	35,838	8,193	(15,637)	(107,894)
Fund balances at 1 April 2018		475,727	30,740	(8,193)	498,274	606,168
Fund balances at 31 March 2019		416,059	66,578	-	482,637	498,274

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

WEST LOTHIAN DRUG & ALCOHOL SERVICE

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2019

Prior financial year

		Unrestricted funds general 2018 £	Unrestricted funds designated 2018 £	Restricted funds 2018 £	Total 2018 £
	Notes				
Income from:					
Donations and legacies	3	1,118	-	-	1,118
Charitable activities	4	6,481	631,271	36,735	674,487
Other trading activities	5	6,529	-	-	6,529
Investments	6	210	-	-	210
Total income		14,338	631,271	36,735	682,344
Expenditure on:					
Cost of charitable activities	7	68,911	657,817	63,510	790,238
Net expenditure before transfers		(54,573)	(26,546)	(26,775)	(107,894)
Gross transfers between funds		1,043	(1,043)	-	-
Net (expenditure)/income for the year/ Net movement in funds		(53,530)	(27,589)	(26,775)	(107,894)
Fund balances at 1 April 2017		529,257	58,329	18,582	606,168
Fund balances at 31 March 2018		475,727	30,740	(8,193)	498,274

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

WEST LOTHIAN DRUG & ALCOHOL SERVICE

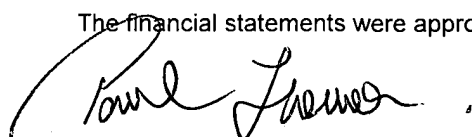
BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	12		-		370
Current assets					
Debtors	14	87,927		26,939	
Cash at bank and in hand		431,088		480,777	
		<u>519,015</u>		<u>507,716</u>	
Creditors: amounts falling due within one year	15	<u>(36,378)</u>		<u>(9,812)</u>	
Net current assets			482,637		497,904
Total assets less current liabilities			<u>482,637</u>		<u>498,274</u>
Income funds					
Restricted funds	17		-		(8,193)
<u>Unrestricted funds</u>					
Designated funds	18	66,578		30,740	
General unrestricted funds		<u>416,059</u>		<u>475,727</u>	
			482,637		506,467
			<u>482,637</u>		<u>498,274</u>

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

The financial statements were approved by the Board Of Management on 8 October 2019



Paul Thomson
Chair



Alyson Campbell
Treasurer

The notes on pages 15 to 28 form an integral part of these financial statements.

WEST LoTHIAN DRUG & ALCOHOL SERVICE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash absorbed by operations	22		(50,005)		(178,785)
Investing activities					
Interest received		316		210	
Net cash generated from investing activities			316		210
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(49,689)		(178,575)
Cash and cash equivalents at beginning of year			480,777		659,352
Cash and cash equivalents at end of year			<u>431,088</u>		<u>480,777</u>

WEST LOTHIAN DRUG & ALCOHOL SERVICE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Charity information

West Lothian Drug & Alcohol Service is a private company limited by guarantee incorporated in Scotland. The registered office is Almondbank Centre, Shiel Walk, Craigshill, Livingston, EH54 4EH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), Companies Act 2006, and "Accounting and Reporting by Charities: 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)" (as amended for accounting periods commencing from 1 January 2016). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Board of Management has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Board of Management continue to adopt the going concern basis of accounting in preparing the financial statements. The Board of Management consider that there are no material uncertainties about the charity's ability to continue as a going concern.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Board of Management in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the Board of Management for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

WEST LOTHIAN DRUG & ALCOHOL SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Income from government and other grants, whether 'capital' or 'revenue' in nature, are recognised when the charity has unconditional entitlement to the funds, it is probable that the income will be received, the amount can be measured reliably. Unconditional entitlement will be achieved once any performance or other conditions attached to the grants have been met, or fulfilment of those conditions is wholly within the control of the charity.

Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Grant income is deferred where the grant is subject to performance-related conditions and is received in advance of delivering services required. Where grant income is deferred it is accounted for as a liability and shown on the balance sheet as deferred income. Deferred income is released to income in the reporting period in which the performance related conditions that limit recognition are met.

Income from other trading activities includes income earned from both trading activities to raise funds for the charity and income from fundraising events and is recognised when the charity has entitlement to the funds, it is probable that these will be received and the amounts can be measured reliably.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured or estimated reliably.

Liabilities are measured on recognition at historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date. The exception is that certain financial instruments must be adjusted to their present value; these include financial liabilities where settlement is deferred for more than 12 months after the reporting date.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Charitable activities

Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities. The costs of charitable activities presented in the Statement of Financial Activities includes the costs of both direct service provision and the payments of grant awards if applicable.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings

3 year straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

WEST LOTHIAN DRUG & ALCOHOL SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 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.

1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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.

Trade 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. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

WEST LOTHIAN DRUG & ALCOHOL SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Board of Management is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds general 2019 £	Unrestricted funds general 2018 £
Donations and gifts	3,272	1,118

WEST LoTHIAN DRUG & ALCOHOL SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

4 Charitable activities

	2019 £	2018 £
Performance related grants	604,444	673,932
Other income	60	555
	<u>604,504</u>	<u>674,487</u>
Analysis by fund		
Unrestricted funds - general	7,830	6,481
Unrestricted funds - designated	547,176	631,271
Restricted funds	49,498	36,735
	<u>604,504</u>	<u>674,487</u>
Performance related grants		
West Lothian Alcohol and Drug Partnership	453,639	501,001
NHS Lothian	92,537	130,270
Children in Need	18,454	36,735
University of Glasgow	-	5,926
West Lothian LEADER Local Action Group	31,044	-
Mental Health Advocacy Project	3,320	-
Fauldhouse Community Development Trust	1,000	-
Blackburn Local Employment Scheme	4,450	-
Other	-	-
	<u>604,444</u>	<u>673,932</u>

5 Other trading activities

	Unrestricted funds general 2019 £	Unrestricted funds general 2018 £
Fundraising events	<u>4,757</u>	<u>6,529</u>

WEST LOTHIAN DRUG & ALCOHOL SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

6 Investments

	Unrestricted funds general 2019 £	Unrestricted funds general 2018 £
Interest receivable	316	210

7 Cost of charitable activities

	2019 £	2018 £
Staff costs	507,607	623,362
Depreciation and impairment	370	2,697
Premises costs	33,915	37,072
Running costs	75,946	117,841
Legal and professional	4,962	2,922
Interest and finance charges	322	402
Governance costs	5,364	5,942
	628,486	790,238
	628,486	790,238
Analysis by fund		
Unrestricted funds - general	38,279	68,911
Unrestricted funds - designated	509,998	657,817
Restricted funds	80,209	63,510
	628,486	790,238

8 Net expenditure

	2019 £	2018 £
Net expenditure for the year is stated after charging:		
Depreciation of owned tangible fixed assets	370	2,697

WEST LOTHIAN DRUG & ALCOHOL SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

9 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the auditor:	2019 £	2018 £
Audit of the annual accounts	5,364	5,942
	<u>5,364</u>	<u>5,942</u>

10 Board Of Management

None of the Board of Management (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
Full Time	6	10
Part Time	10	8
Sessional	2	3
	<u>18</u>	<u>21</u>

Employment costs

	2019 £	2018 £
Wages and salaries	428,406	531,239
Social security costs	35,890	44,022
Other pension costs	43,311	48,101
	<u>507,607</u>	<u>623,362</u>

Key management remuneration

The remuneration of key management personnel during the year, including wages and salaries, and employer's contributions to national insurance and pensions, was £88,747 (2018: £88,087).

There were no employees whose annual remuneration was £60,000 or more.

WEST LOTHIAN DRUG & ALCOHOL SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

12 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2018	55,809
At 31 March 2019	55,809
Depreciation and impairment	
At 1 April 2018	55,439
Depreciation charged in the year	370
At 31 March 2019	55,809
Carrying amount	
At 31 March 2019	-
At 31 March 2018	370

13 Financial instruments

	2019 £	2018 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	460,539	480,777
Carrying amount of financial liabilities		
Measured at amortised cost	36,378	9,812

14 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	56,175	22,143
Other debtors	51	-
Prepayments and accrued income	31,701	4,796
	87,927	26,939

15 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	19,192	899
Other creditors	4,055	-
Accruals and deferred income	13,131	8,913
	36,378	9,812

WEST LOTHIAN DRUG & ALCOHOL SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

16 Retirement benefit schemes

Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to the statement of financial activities in respect of defined contribution schemes was £43,311 (2018 - £48,101).

The amounts due to pension schemes at the year-end was £4,055 (2018: £0).

WEST LoTHIAN DRUG & ALCOHOL SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds			
	Balance at 1 April 2017	Income	Expenditure	Balance at 1 April 2018	Income	Expenditure	Transfers	Balance at 31 March 2019
	£	£	£	£	£	£	£	£
Grief Matters Service	18,582	36,735	(63,510)	(8,193)	18,454	(36,895)	26,634	-
Family Support Group	-	-	-	-	31,044	(43,314)	12,270	-
	<u>18,582</u>	<u>36,735</u>	<u>(63,510)</u>	<u>(8,193)</u>	<u>49,498</u>	<u>(80,209)</u>	<u>38,904</u>	<u>-</u>

Purposes of restricted funds

Grief Matters Service

This fund is to provide a bereavement service for young people with income from Children in Need. The fund was in deficit at 31 March 2018 and further funding as received from Children in Need and other funders in 2018/19 to cover this shortfall and enable the project to continue.

Family Support Group

This fund was created from a grant from West Lothian LEADER Local Action Group to support a pilot project to support families and friends affected by substance misuse of a loved one.

WEST LOTHIAN DRUG & ALCOHOL SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				Movement in funds				Balance at 31 March 2019 £
	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers £	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers £	
Premises Fund	21,939	-	-	-	21,939	-	-	-	21,939
Capital Fund	3,067	-	(2,697)	-	370	-	(370)	-	-
Pysch Services Fund	29,308	484,928	(513,976)	-	260	446,291	(406,812)	2,262	42,001
Moving On Service	-	16,073	(15,030)	(1,043)	-	-	-	-	-
Tobacco Education and Cessation	4,015	130,270	(126,114)	-	8,171	92,536	(94,467)	(3,602)	2,638
Family Support Group	-	-	-	-	-	8,349	(8,349)	-	-
	<u>58,329</u>	<u>631,271</u>	<u>(657,817)</u>	<u>(1,043)</u>	<u>30,740</u>	<u>547,176</u>	<u>(509,998)</u>	<u>(1,340)</u>	<u>66,578</u>

WEST LoTHIAN DRUG & ALCOHOL SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

18 Designated funds

(Continued)

Purposes of Designated Funds

Premises Fund

The Board of Management has designated funds for the future development of the premises and to continue to meet health and safety requirements.

Capital Fund

The Board of Management has designated funds to cover future depreciation of assets.

Psych Services Fund

This fund is for drug and enhanced alcohol counselling provision with income from West Lothian Alcohol and Drug Partnership. All contract income and related expenditure associated with the service is recorded through this designated fund.

Moving On Service

This fund is to provide services to offenders and vulnerable adults with income from West Lothian Alcohol and Drug Partnership. All contract income and related expenditure associated with the service is recorded through this designated fund. A transfer from the Designated Fund Moving On Service fund to General Funds was made on the discontinuation of that service.

Tobacco Education & Cessation

This fund is for tobacco prevention and education for primary school children with income from NHS Lothian. All contract income and related expenditure associated with the service is recorded through this designated fund.

Family Support Group

This fund was created from designated funds, raised as match funding the Restricted Family Support Group fund, to support a pilot project to support families and friends affected by substance misuse of a loved one.

WEST LoTHIAN DRUG & ALCOHOL SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

19 Analysis of net assets between funds

	General 2019 £	Designated 2019 £	Restricted 2019 £	Total 2019 £	General 2018 £	Designated 2018 £	Restricted 2018 £	Total 2018 £
Fund balances at 31 March 2019 are represented by:								
Tangible assets	-	-	-	-	-	370	-	370
Current assets/(liabilities)	416,059	66,578	-	482,637	475,727	30,370	(8,193)	497,904
	<u>416,059</u>	<u>66,578</u>	<u>-</u>	<u>482,637</u>	<u>475,727</u>	<u>30,740</u>	<u>(8,193)</u>	<u>498,274</u>

WEST LOTHIAN DRUG & ALCOHOL SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

20 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2018 £
Within one year	4,190	2,815
Between two and five years	3,841	-
	<u>8,031</u>	<u>2,815</u>

21 Related party transactions

There were no disclosable related party transactions during the year (2018 - none).

22 Cash generated from operations

	2019 £	2018 £
Deficit for the year	(15,637)	(107,894)
Adjustments for:		
Investment income recognised in statement of financial activities	(316)	(210)
Depreciation and impairment of tangible fixed assets	370	2,697
Movements in working capital:		
(Increase) in debtors	(60,988)	(21,398)
Increase in creditors	26,566	2,520
(Decrease) in deferred income	-	(54,500)
Cash absorbed by operations	<u>(50,005)</u>	<u>(178,785)</u>