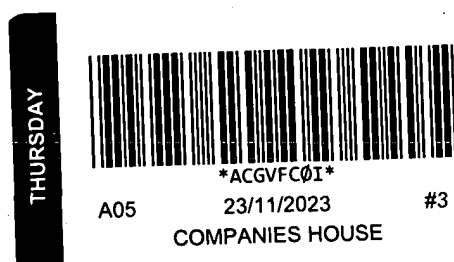
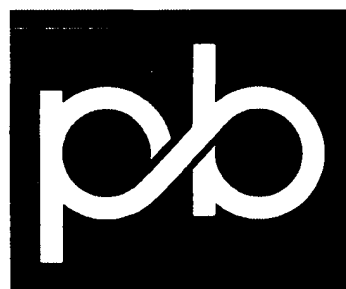


COMPANY REGISTRATION NUMBER: SC357883
CHARITY REGISTRATION NUMBER: SC023317

Drugs, Alcohol and Psychotherapies Limited
Company Limited by Guarantee
Financial Statements
31 March 2023



18 North Street, Glenrothes, Fife KY7 5NA 01592 610388
8 Mitchell Street, Leven, Fife KY8 4HJ 01333 425250
www.patersonboyd.com



PB AUDIT LIMITED
REGISTERED AUDITORS

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Financial Statements

Year Ended 31 March 2023

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Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

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

Year Ended 31 March 2023

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2023.

Reference and administrative details

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

The trustees

Steven Walker	
Kathleen McCleary	
Lynn Marshall	(Resigned 19 April 2023)
Alan Brown	(Appointed 16 June 2022)
William Pugh	(Appointed 22 February 2023)
Geoffrey Cartwright	(Resigned 17 November 2022)
Pat Greenhaugh	(Resigned 6 April 2022)

Key management personnel

Service Manager	Martin Denholm
Business Manager	Liam Thomson

Auditor

PB Audit Limited
Registered Auditors
18 North Street
Glenrothes
Fife
KY7 5NA

Bankers

Bank of Scotland
PO Box 1000
BX2 1LB

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

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

Year Ended 31 March 2023

Structure, governance and management

Governing document

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

Directors and trustees

The trustees, who are also directors of the charitable company under company law, are as detailed on page 1 of the financial statements. Minimum 3 trustees per article of association.

Induction and training of new trustees

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

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

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

Volunteers

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

Pay policy for senior staff

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

Risk management objectives and policies

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

Risks can be categorised in the following ways:

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

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

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

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

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

Year Ended 31 March 2023

Structure, governance and management *(continued)*

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

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

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

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

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

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

Objectives and activities

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

The charity's key objectives are:-

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

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

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

The trustees are elected annually at the Annual General Meeting.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

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

Year Ended 31 March 2023

Objectives and activities *(continued)*

Social investment policy

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

Achievements and performance

Another year has gone by under our belts and we are still living with the consequences of COVID-19. Added to this we are now experiencing a cost of living crisis, with increasing energy costs and rising inflation. Given the situation, we feel DAPL Management, Admin and Therapists alike have shown tremendous resilience and resolve to continue to offer a valuable and much needed service to the residents of Fife.

Funding or rather the uncertainty of this has been constant throughout the last year, and has made the prospect of maintaining this level of provision even more difficult.

Having said that, DAPL has maintained this provision and met all our requirements regarding our Service Level Agreements with our funders.

As an organisation we are able to clearly evidence the outcomes of the various services we provide.

Over the last 12 months, there have been many successes at DAPL. Some examples are:

- Increased demand for Adults and Young Person services
- Successful art therapy pilot for under 10s
- Having our first in person full team meeting since 2020 (due to COVID-19, meetings had been moved online)
- Our SMART Facilitator Stew recorded his 1000th SMART Meeting. This milestone was recognised far and wide
- Our patron Clive Russell visited Lynburn Primary School's therapeutic poetry group where he presented certificates to pupils for their fine work

We are greatly encouraged that our efforts have been recognised with Fife Council's recent decision that DAPL will be it's chosen service to deliver school counselling for the next three years.

Moving forward we feel we have to maintain what we have achieved and consider all avenues to grow. We offer our sincere thanks to all staff and volunteers for their efforts, not forgetting our Patrons and funders for their continued support.

We would like to take this opportunity to remember our former trustee Pat Greenhaugh who sadly passed away. Pat was an exceptional support to DAPL and will be very much missed by many people.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

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

Year Ended 31 March 2023

Achievements and performance *(continued)*

Significant events and charitable activities

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

Financial review

The Statement of Financial Position of the charity as detailed on page 14 shows total funds of the charity of £1,225,167 as at 31 March 2023. Net movement in funds for the year was £512,186 as detailed in the Statement of Financial Activities on page 13. In the current year, the pension asset outweighs the pension liabilities. As it is not possible to determine if the future pension payments will decrease, the asset has not been shown within the balance sheet.

Principal funding sources

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

Investment powers and policy

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

Reserves

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

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

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

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

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

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

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

Year Ended 31 March 2023

Plans for future periods

The organisation has received further investment to provide counselling in schools for the next three years as demand has grown considerably. DAPL currently works in all Fife secondary schools as well as many primary schools.

DAPL continues to have a huge demand for counselling for adults using substances and the organisation will continue to give significant attention to this area. Coming out of the pandemic, we are seeing an increased number of referrals and requests for support.

Trustees' responsibilities statement

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

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

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

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

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

Year Ended 31 March 2023

Auditor

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

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

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

Small company provisions

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

The trustees' annual report was approved on 03 November 2023 and signed on behalf of the board of trustees by:

Steven Walker

Steven Walker
Chairperson

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

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

Year Ended 31 March 2023

Opinion

We have audited the financial statements of Drugs, Alcohol and Psychotherapies Limited (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

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

Year Ended 31 March 2023

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and the returns; or
- certain disclosures of directors remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; and
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors reports and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

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

Year Ended 31 March 2023

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Audit procedures performed by the engagement team included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Reviewing minutes of meetings of those charged with governance including the Board.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

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

Year Ended 31 March 2023

- Evaluation and testing of the operating effectiveness of management's controls designed to prevent and detect irregularities.
- Identifying and testing journal entries based on risk criteria.
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.
- Testing transactions entered into outside of normal course of business.
- Investigated the rationale behind significant or unusual transactions.
- Reviewed accounting estimates for evidence of bias.
- Performed analytical review and sample testing of income.
- Agreed financial statement disclosures to supporting documentation.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

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

Year Ended 31 March 2023

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Neil Paterson

Neil Paterson B.A. C.A. (Senior Statutory Auditor)

For and on behalf of
PB Audit Limited
Registered Auditors
18 North Street
Glenrothes
Fife
KY7 5NA

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

03 November 2023

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year Ended 31 March 2023

			2023		2022
		Unrestricted	Restricted	Total funds	Total funds
	Note	funds	funds		
		£	£	£	£
Income and endowments					
Donations and legacies	5	335	–	335	48,320
Charitable activities	6	–	1,284,760	1,284,760	1,102,919
Other income	7	75	–	75	75
Total income		<u>410</u>	<u>1,284,760</u>	<u>1,285,170</u>	<u>1,151,314</u>
Expenditure					
Expenditure on charitable activities	8,9	10,275	1,296,081	1,306,356	1,156,706
Other expenditure	11	–	–	–	104
Total expenditure		<u>10,275</u>	<u>1,296,081</u>	<u>1,306,356</u>	<u>1,156,810</u>
Net expenditure		<u>(9,865)</u>	<u>(11,321)</u>	<u>(21,186)</u>	<u>(5,496)</u>
Other recognised gains and losses					
Actuarial (losses)/gains on defined benefit pension schemes		(36,825)	(454,175)	(491,000)	504,000
Net movement in funds		<u>(46,690)</u>	<u>(465,496)</u>	<u>(512,186)</u>	<u>498,504</u>
Reconciliation of funds					
Total funds brought forward		127,997	1,609,356	1,737,353	1,238,849
Total funds carried forward		<u>81,307</u>	<u>1,143,860</u>	<u>1,225,167</u>	<u>1,737,353</u>

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

The notes on pages 16 to 27 form part of these financial statements.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Statement of Financial Position *(continued)*

31 March 2023

	Note	2023 £	2022 £
Fixed Assets			
Tangible fixed assets	16	5,755	12,560
Current Assets			
Debtors	17	8,008	42,327
Cash at bank and in hand		<u>1,275,032</u>	<u>1,064,515</u>
		1,283,040	1,106,842
Creditors: amounts falling due within one year	18	<u>63,628</u>	<u>10,049</u>
Net Current Assets		1,219,412	1,096,793
Total Assets Less Current Liabilities		<u>1,225,167</u>	<u>1,109,353</u>
Net Assets Excluding Defined Benefit Pension Plan Liability		1,225,167	1,109,353
Defined benefit pension plan asset	20	<u>—</u>	<u>628,000</u>
Net Assets Including Defined Benefit Pension Plan Liability		<u>1,225,167</u>	<u>1,737,353</u>
Funds of the Charity			
Restricted funds		1,143,860	1,609,356
Unrestricted funds:			
Defined benefit pension reserve		—	37,800
Other unrestricted income funds		<u>81,307</u>	<u>90,197</u>
Total unrestricted funds		81,307	127,997
Total charity funds	21	<u>1,225,167</u>	<u>1,737,353</u>

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

These financial statements were approved by the board of trustees and authorised for issue on 03 November 2023, and are signed on behalf of the board by:

Steven Walker

Steven Walker
Chairperson

The notes on pages 16 to 27 form part of these financial statements.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Statement of Cash Flows

Year Ended 31 March 2023

	2023 £	2022 £
Cash Flows from Operating Activities		
Net expenditure	(21,186)	(5,496)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	7,195	12,762
Interest payable and similar charges	(15,000)	(3,000)
Loss on disposal of tangible fixed assets	–	104
Accrued expenses/(income)	46,800	(22,666)
Actuarial gain on defined benefit scheme	491,000	504,000
Decrease in provisions	(354,000)	(372,000)
<i>Changes in:</i>		
Trade and other debtors	(2,902)	(704)
Trade and other creditors	44,000	–
Cash generated from operations	195,907	113,000
Interest paid	15,000	3,000
Net cash from operating activities	<u>210,907</u>	<u>116,000</u>
Cash Flows from Investing Activities		
Purchase of tangible assets	(390)	(8,771)
Net cash used in investing activities	<u>(390)</u>	<u>(8,771)</u>
Net Increase in Cash and Cash Equivalents	210,517	107,229
Cash and Cash Equivalents at Beginning of Year	1,064,515	957,286
Cash and Cash Equivalents at End of Year	<u>1,275,032</u>	<u>1,064,515</u>

The notes on pages 16 to 27 form part of these financial statements.

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 31 March 2023

1. General Information

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

2. Statement of Compliance

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

3. Accounting Policies

Basis of Preparation

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

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

Going Concern

The trustees are of the opinion that the charity can continue to meet its obligations as they fall due for the foreseeable future due to the expectations of future income. As a consequence the trustees' have prepared the financial statements on the going concern basis.

Taxation

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

Judgements and Key Sources of Estimation Uncertainty

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

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

3. Accounting Policies *(continued)*

Fund Accounting

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

Income

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

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

Resources Expended

Expenditure

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

Tangible Assets

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

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

3. Accounting Policies *(continued)*

Depreciation

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

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

Impairment of Fixed Assets

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

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

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

Cash and Cash Equivalents

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

Financial Instruments

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

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

3. Accounting Policies *(continued)*

Defined Benefit Plans

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

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

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

4. Limited by Guarantee

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

5. Donations and Legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Donations				
Donations	335	335	511	511
Grants				
Fife Council - Section 10 grant	—	—	47,809	47,809
	<u>335</u>	<u>335</u>	<u>48,320</u>	<u>48,320</u>

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

6. Charitable Activities

	Restricted Funds £	Total Funds 2023 £	Restricted Funds £	Total Funds 2022 £
NHS Fife: Counselling support	291,460	291,460	308,856	308,856
Fife Council: Changing Children's Services Fund	–	–	228,363	228,363
Fife Council: Education Schools & Counselling Service	450,000	450,000	450,000	450,000
ADP Underspend Award	44,000	44,000	–	–
Fife Council: Art Therapy	100,000	100,000	–	–
Fife Council: OMM Additional	132,000	132,000	–	–
Fife Council: Young Persons Fund	188,000	188,000	–	–
Pupil Equity Fund	79,300	79,300	115,700	115,700
	<u>1,284,760</u>	<u>1,284,760</u>	<u>1,102,919</u>	<u>1,102,919</u>

7. Other Income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Court report	<u>75</u>	<u>75</u>	<u>75</u>	<u>75</u>

8. Expenditure on Charitable Activities by Fund Type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Charitable activities	10,275	995,602	1,005,877
Support costs	–	300,479	300,479
	<u>10,275</u>	<u>1,296,081</u>	<u>1,306,356</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Charitable activities	46,466	826,759	873,225
Support costs	4,146	279,335	283,481
	<u>50,612</u>	<u>1,106,094</u>	<u>1,156,706</u>

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

9. Expenditure on Charitable Activities by Activity Type

	Activities undertaken directly £	Support costs £	Total funds 2023 £	Total fund 2022 £
Charitable activities	1,212,554	87,144	1,299,698	1,148,753
Governance costs	–	6,658	6,658	7,953
	<u>1,212,554</u>	<u>93,802</u>	<u>1,306,356</u>	<u>1,156,706</u>

10. Analysis of Support Costs

	Charitable activities £	Total 2023 £	Total 2022 £
Staff costs	206,677	206,677	179,034
Premises	32,681	32,681	23,906
Communications and IT	19,866	19,866	17,043
General office	34,597	34,597	55,545
Governance costs	6,658	6,658	7,953
	<u>300,479</u>	<u>300,479</u>	<u>283,481</u>

11. Other Expenditure

	Restricted Funds £	Total Funds 2023 £	Restricted Funds £	Total Funds 2022 £
Loss on disposal of tangible fixed assets held for charity's own use	–	–	104	104

12. Net Expenditure

Net expenditure is stated after charging/(crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets	7,195	12,762
Loss on disposal of tangible fixed assets	–	104
Operating lease rentals	<u>8,000</u>	<u>8,667</u>

13. Auditor's Remuneration

	2023 £	2022 £
Fees payable for the audit of the financial statements	<u>5,226</u>	<u>5,220</u>

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

14. Staff Costs

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

	2023	2022
	£	£
Wages and salaries	789,290	698,240
Social security costs	64,801	54,765
Employer contributions to pension plans	325,136	258,254
	<u>1,179,227</u>	<u>1,011,259</u>

The average head count of employees during the year was 34 (2022: 31).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £108,228 (2022:£104,993).

15. Trustee Remuneration and Expenses

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

16. Tangible Fixed Assets

	Land and buildings £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 Apr 2022	17,847	14,469	43,461	75,777
Additions	–	–	390	390
At 31 Mar 2023	<u>17,847</u>	<u>14,469</u>	<u>43,851</u>	<u>76,167</u>
Depreciation				
At 1 Apr 2022	17,847	11,234	34,136	63,217
Charge for the year	–	488	6,707	7,195
At 31 Mar 2023	<u>17,847</u>	<u>11,722</u>	<u>40,843</u>	<u>70,412</u>
Carrying amount				
At 31 Mar 2023	<u>–</u>	<u>2,747</u>	<u>3,008</u>	<u>5,755</u>
At 31 Mar 2022	<u>–</u>	<u>3,235</u>	<u>9,325</u>	<u>12,560</u>

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

17. Debtors

	2023	2022
	£	£
Prepayments and accrued income	<u>8,008</u>	<u>42,327</u>

18. Creditors: amounts falling due within one year

	2023	2022
	£	£
Accruals and deferred income	<u>63,628</u>	<u>10,049</u>

19. Deferred Income

	2023	2022
	£	£
Amount deferred in year	<u>44,000</u>	<u>–</u>

Deferred income relates to ADP Underspend Award which has been awarded for two years.

20. Pensions and Other Post Retirement Benefits

Defined benefit plans

The charity operates a pension scheme providing benefits on 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.

Pension contributions are determined by Hymans Robertson LLP, the scheme actuary. An actuarial valuation was carried out at 31 March 2023.

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

	2023	2022
	£	£
Present value of defined benefit obligations	(2,695,000)	(3,863,000)
Fair value of plan assets	<u>4,504,000</u>	<u>4,491,000</u>
	1,809,000	628,000
Irrecoverable surplus	<u>(1,809,000)</u>	<u>–</u>
	<u>–</u>	<u>628,000</u>

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

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

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

	2023
	£
At 1 Apr 2022	3,863,000
Current service cost	325,000
Interest expense	109,000
Benefits paid	(36,000)
Contributions by plan participants	40,000
Remeasurements:	
Actuarial gains and losses	(1,606,000)
At 31 Mar 2023	<u>2,695,000</u>

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

	2023
	£
At 1 Apr 2022	4,491,000
Interest income	124,000
Benefits paid	(36,000)
Contributions by employer	173,000
Contributions by plan participants	40,000
Remeasurements:	
Return on plan assets, excluding amount included in interest income	(288,000)
At 31 Mar 2023	<u>4,504,000</u>

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

	2023	2022
	£	£
Recognised in income or expenditure:		
Current service cost	<u>325,000</u>	<u>258,000</u>

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

	2023	2022
	%	%
Equity instruments	64.00	63.00
Property	6.00	7.00
Cash and cash equivalents	6.00	5.00
Bonds	24.00	25.00

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

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

The return on plan assets are as follows:

	2023	2022
	£	£
Return on assets of benefit plan	124,000	83,000
Return on reimbursement rights assets in benefit plan	(288,000)	180,000
	<u>(164,000)</u>	<u>263,000</u>

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

	2023	2022
	%	%
Discount rate	4.75	2.70
Expected rate of salary increase	3.45	3.70
Expected rate of increase in pensions	2.95	3.20
Mortality rates:		
Current pensioners at 65 - male	20.00	20.10
Current pensioners at 65 - female	22.90	22.90
Future pensioners at 65 - male	21.10	21.20
Future pensioners at 65 - female	<u>24.90</u>	<u>24.90</u>

21. Analysis of Charitable Funds

Unrestricted funds

	At 1 Apr 22	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 23
	£	£	£	£	£	£
General funds	90,197	410	–	(9,300)	–	81,307
Pension	37,800	–	(10,275)	9,300	(36,825)	–
	<u>127,997</u>	<u>410</u>	<u>(10,275)</u>	<u>–</u>	<u>(36,825)</u>	<u>81,307</u>

	At 1 Apr 21	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 22
	£	£	£	£	£	£
General funds	92,414	48,395	(50,612)	–	–	90,197
Pension	–	–	–	–	37,800	37,800
	<u>92,414</u>	<u>48,395</u>	<u>(50,612)</u>	<u>–</u>	<u>37,800</u>	<u>127,997</u>

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

21. Analysis of Charitable Funds *(continued)*

Restricted funds

	At 1 Apr 22	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 23
	£	£	£	£	£	£
Restricted Funds	1,143,156	1,284,760	(1,169,356)	(114,700)	–	1,143,860
Pension	466,200	–	(126,725)	114,700	(454,175)	–
	<u>1,609,356</u>	<u>1,284,760</u>	<u>(1,296,081)</u>	<u>–</u>	<u>(454,175)</u>	<u>1,143,860</u>

	At 1 Apr 21	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 22
	£	£	£	£	£	£
Restricted Funds	1,146,435	1,102,919	(1,106,198)	–	–	1,143,156
Pension	–	–	–	–	466,200	466,200
	<u>1,146,435</u>	<u>1,102,919</u>	<u>(1,106,198)</u>	<u>–</u>	<u>466,200</u>	<u>1,609,356</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.

22. Analysis of Net Assets Between Funds

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Tangible fixed assets	–	5,755	5,755
Current assets	81,307	1,201,733	1,283,040
Creditors less than 1 year	–	(63,628)	(63,628)
Defined benefit pension	–	–	–
Net assets	<u>81,307</u>	<u>1,143,860</u>	<u>1,225,167</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Tangible fixed assets	–	12,560	12,560
Current assets	90,951	1,015,891	1,106,842
Creditors less than 1 year	(754)	(9,295)	(10,049)
Defined benefit pension	37,800	590,200	628,000
Net assets	<u>127,997</u>	<u>1,609,356</u>	<u>1,737,353</u>

Drugs, Alcohol and Psychotherapies Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

23. Financial Instruments

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

	2023	2022
	£	£
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	<u>1,283,040</u>	<u>1,106,842</u>
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	<u>63,628</u>	<u>10,049</u>

24. Analysis of Changes in Net Debt

	At 1 Apr 2022	Cash flows	At 31 Mar 2023
	£	£	£
Cash at bank and in hand	<u>1,064,515</u>	<u>210,517</u>	<u>1,275,032</u>

25. Operating Lease Commitments

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

	2023	2022
	£	£
Not later than 1 year	<u>9,500</u>	<u>8,000</u>

26. Related Parties

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