

**WEST LOTHIAN DRUG & ALCOHOL SERVICE**  
(A company limited by guarantee)

**Report and Financial Statements**  
**for the year ended 31 March 2016**

**Charity no: SC005776**

**Company no: SC212157**

**WEST LOTHIAN DRUG & ALCOHOL SERVICE**

**Contents of the Financial Statements  
for the Year Ended 31 March 2016**

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## WEST LOTHIAN DRUG & ALCOHOL SERVICE

### Report of the Board of Management for the Year Ended 31<sup>st</sup> March 2016

The Board of Management who are also directors of the charity for the purposes of the Companies Act 2006, presents its report with the financial statements for the year ended 31<sup>st</sup> March 2016. The Board of Management have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective 1 January 2015).

#### REFERENCE AND ADMINISTRATIVE INFORMATION

<b>Charity Name</b>	West Lothian Drug & Alcohol Service (WLDAS)	
<b>Charitable Status</b>	West Lothian Drug & Alcohol Service is a registered Scottish charity.	
<b>Charity Registration No.</b>	SC005776	
<b>Company Registration No.</b>	SC212157	
<b>Registered Office and Operational Address</b>	Floor 1 The Almondbank Centre Shiel Walk Craigshill LIVINGSTON EH54 5EH	
<b>Board of Management Trustees</b>	Paul Thomson Gill Cottrell Alyson Campbell Alexander Milne Ann Craig Nicola McCloskey Vicky Wan Elaine Kerridge Moira Connacher	Chair Vice Chair Treasurer  Resigned 26 April 2016 Resigned 10 June 2015 Appointed 29 September 2015 Appointed 16 August 2016 Appointed 16 August 2016
<b>Advisors</b>	Mark Johnston Jocelyn O'Connor  Scott Robertson  Angela Moohan  John McLean	Service User Resigned 31 March 2016 Representative, Police Scotland Resigned 9 March 2016 Representative, Police Scotland Appointed 31 May 2016 Elected Member, West Lothian Council Resigned 19 January 2016 Representative of NHS Lothian Appointed 29 September 2015
<b>Directors</b>	Paul Thomson Gill Cottrell Alexander Milne Alyson Campbell Ann Craig Nicola McCloskey Vicky Wan Elaine Kerridge Moira Connacher	Resigned 26 April 2016 Resigned 10 June 2015 Appointed 29 September 2015 Appointed 16 August 2016 Appointed 16 August 2016
<b>Company Secretary</b>	Brian Pringle	
<b>Senior Management Team</b>	Brian Pringle Heather Watson	General Manager Deputy Manager

## WEST LoTHIAN DRUG & ALCOHOL SERVICE

### Report of the Board of Management for the Year Ended 31<sup>st</sup> March 2016

<b>Auditors</b>	G. O. Thomson & Co. Statutory Auditor 13 Hope Street LANARK ML11 7NL
<b>Bankers</b>	Bank Scotland plc Edinburgh Royal Mile Branch 300 Lawnmarket EDINBURGH EH1 2PH

## STRUCTURE, GOVERNANCE & MANAGEMENT

### Governing document

The organisation is a charitable company limited by guarantee, incorporated on 20<sup>th</sup> October, 2000 and registered as a charity on 21<sup>st</sup> July, 1992. The company was established under a Memorandum of Association which established the objects 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.

### 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.

### 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 and OSCR's Guidance for charity trustees. Periodically, the Board meets, with senior staff in attendance, to discuss strategic planning and organisational development needs. In the last financial year we produced an updated role description for Board members defining their roles and responsibilities.

### 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. 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, the HEAT targets for smoking cessation services, the National Standards for Drug & Alcohol Services 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.

### Organisational Structure

West Lothian Drug & Alcohol Service Board of Management meets bi-monthly 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 bi-monthly meetings.

## WEST Lothian DRUG & ALCOHOL SERVICE

### Report of the Board of Management for the Year Ended 31<sup>st</sup> March 2016

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. In this financial year a review of the organisational structure resulted in 3 senior workers being appointed who are responsible to the Deputy Manager and provide line management support and supervision to the counselling staff.

#### 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 will be charged with the responsibility for delivering the strategy at local level. It will also be 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.

At a national level, tobacco prevention and stop smoking services are steered by the Scottish Government's "Creating a Tobacco Free Generation – A Tobacco Control Policy for Scotland". The NHS Lothian Tobacco Strategy Board is charged with the responsibility of delivering the strategy locally and also has representatives from, amongst others, the local authority, health and voluntary sector agencies. The General Manager represents the organisation on this group.

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

#### **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**

##### Board Membership

We saw some changes throughout the year to our Board membership with the most members being 10 at one time and 8 at the end of the year. We have undertaken to bring in new members and have been successful in recruiting two new directors in August 2016, Elaine Kerridge and Moira Connacher. We continue to receive support from Police Scotland and NHS Lothian with both organisations providing advisors for the Board of Management.

##### Purpose

The main areas of charitable activity are the provision of advice and information; health promotion; counselling and support; education and training; and rehabilitation for adults and young people in the areas of drugs, alcohol and tobacco. We continue to be busy with 1,665 enquiries to the service recorded from 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016.

## WEST LoTHIAN DRUG & ALCOHOL SERVICE

### Report of the Board of Management for the Year Ended 31<sup>st</sup> March 2016

#### 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. Funding for the service is provided by West Lothian Alcohol and Drug Partnership. We have added to this in the last year through the provision of books and leaflets around grief, bereavement and mental health.

#### Education and Training

Training on drug and alcohol issues and policy was delivered to a diverse range of professionals, parents, community groups, including health professionals and workplaces. Examples include students at St. John's Hospital, S6 pupils from all schools in West Lothian through West Drive which is a partnership road safety campaign led by Police Scotland, students and staff at West Lothian College and our local Agricultural College.

Through funding from West Lothian Alcohol and Drug Partnership via the Family Recovery Service that we deliver in partnership with Circle (Scotland), we started the development of a Primary School alcohol education resource working very closely with staff and pupils of Fallahill Primary in Fauldhouse in 2014. This identified the need and desire for a resource in the form of a DVD made by young people for young people with a teachers' pack to support this. With additional funding from the council the DVD was written, acted by and filmed by young people and Firefly Arts. In the last year we have also been working with Police Scotland and Education to develop and have a pilot delivery of an educational package covering New Psychoactive Substances (NPS) targeting secondary school pupils in S3, in response to the growing use and concerns related to this group of substances. This has helped us strengthen our already substantial links with Police Scotland, but also helped us reconnect with secondary schools in an educational element. The pilot was well received by the school and evaluated well. The content and lessons learned will, we hope, allow us to roll this out to other secondary schools in West Lothian with Police Scotland staff being the main deliver lead.

We continue to deliver the Smoke Free Homes and Zones project in schools and this year an additional 3 schools have come on board which means that all West Lothian primary schools are now engaged in this work. This has resulted in an additional 880 new families receiving information around the dangers of second hand smoke to children and young people in the home and in cars. From this 132 pledge forms were returned stating that these families would ensure that their homes and cars would be smoke free, making the total number of families pledging across West Lothian 3,469. This work is funded by NHS Lothian.

Using staff and our small pool of trained sessional workers, we were able to deliver education sessions on tobacco awareness to 2,253 pupils in 64 primary schools.

Our Tobacco Cessation Service, which focuses on young people, engaged with 45 young people wanting to address their smoking with over half of these, 24 making a quit attempt and 19 of them still being stopped 4 weeks later. This post continues to provide a weekly evening drop in at a young people's service and has a presence in schools and the local college. We have been looking at ways to increase the referrals to this service, but short term funding for this post has prevented us from putting some of these into action.

We continue the co-ordinating and delivery of the Decipher ASSIST peer influence tobacco prevention intervention on behalf of NHS Lothian throughout Lothian Region. The first year target was to deliver this in nine schools throughout Lothian with S1 or S2 pupils. We met all targets and received excellent feedback from the schools, NHS Lothian staff and Decipher ASSIST themselves. This work remains part of a national pilot which the Scottish Government is funding the national evaluation of. Throughout this we have made good links with staff in Tayside, Glasgow, Dumfries and Ayrshire as well as developing new links in Lothian. We have been very active in the national evaluation of this service and received a standard of 'very good' in the Quality Assurance visit and assessment carried out by Decipher ASSIST staff. We have managed to deliver this in all local authority areas in Lothian.

## WEST LOTHIAN DRUG & ALCOHOL SERVICE

### Report of the Board of Management for the Year Ended 31<sup>st</sup> March 2016

#### Counselling, support and community rehabilitation

We provide this work under 3 main projects which are funded by the West Lothian Alcohol and Drug Partnership (WLADP).

The Moving On Service aims to engage and support offenders and vulnerable adults and young people and is in the second year of a 3 year contract. Through this service we have received 598 referrals, carried out 153 brief interventions and engaged with 263 young people. As part of this work we carried out a piece of research with NHS Lothian and NHS Health Scotland around engaging with clients within Police Scotland's custody suite in Livingston. This was evaluated and has been presented at 2 national conferences, winning an award for best partnership working at one. This also allowed us to increase our service in this area and make recommendations for future service provision and research.

Our partnership work with Circle (Scotland), to continue to provide support to young people up to the age of 25 affected by their own or other's drug or alcohol use continues through the Family Recovery Service. Over the last year this has resulted in 165 referrals being received and 74 of them going on to becoming ongoing clients working with us to help reduce the problems they were experiencing. This was a slight increase from the previous year. We also held a family support stall over 3 days in the main shopping centre in West Lothian to promote this service along with other key organisations that provide support to young people, families and carers.

The start of April 2015 saw us launch our new adult focused service the Therapeutic Support Service. This new service, built on the work and experience we had gained from our years of working with adults with substance misuse issues and was redesigned into a service which met the specification for a new service with an increased focus on psychological support that was commissioned through competitive tendering by West Lothian Council. We consulted with a range of partners and our Service Users Advisory Group to ensure that we put in a submission that responded to the needs of our communities and our clients. Significant service improvements that came from this process include extending our opening hours both in the evening and also opening on a Saturday morning. We have also secured the services of a part time clinical psychologist which has improved access to this important clinical support for our clients and increased and improved the support and expertise open to our counselling staff to link into. We have also formed more formal relationships with NHS Lothian and Edinburgh and Lothian Council on Alcohol to allow them to provide services which enhance and expand on what we could provide ourselves. Through this new service we received 741 referrals with 55 being referred to the region-wide week day drop in clinics; 9 referred to other agencies; 572 being offered an appointment with us; and 380 of these going on to engage with us. Through the funding for this work we also help deliver the needle exchange and safer injecting service with NHS Lothian Harm Reduction Team. This service aims to reduce the spread of Blood Borne Viruses, provide evidence based harm reduction advice to injecting drug users and also encourage clients in to services which will work with them to address their substance issues as well as any other health and social problems.

We are 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 Council's Social Work Addiction Team, we provide Drop In Clinics across the area to allow people quicker access to treatment and support, and ensure that people get the service that best meets their needs.

The Community Rehabilitation element of our service offers a more practical form of support to clients and is part of the new Moving On Service, Family Recovery and Therapeutic Service. This service element is designed to increase recovery support available for our clients to help them engage with meaningful volunteering, education or training and help them get back to work. This service supported 48 clients who had engaged WLDAS over the year. Some examples of the work carried out and opportunities available included volunteering placements, market gardening, attendance at local gyms, support to get into education and the development of a women's group.

We secured funding for a new element of work through Children in Need to provide counselling and support for young people between 12 and 18 who have experienced a sudden or unexpected death and are finding it difficult to deal with. This work is funded for 3 years and came about through us identifying a gap in services within West Lothian and working with our colleagues in Social Work and Education to develop and submit a funding application. A new staff member was recruited who came into post in November 2015 and the service was formally launched in early 2016. As well as providing direct support to young people it will also provide training for staff across a range of organisations.

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.

## WEST Lothian DRUG & ALCOHOL SERVICE

### Report of the Board of Management for the Year Ended 31<sup>st</sup> March 2016

#### FINANCIAL REVIEW

We received the second year of three years funding from the West Lothian Alcohol & Drug Partnership for the Moving On Service which focuses on work with offenders and vulnerable adults.

We received the second year of three years funding from the West Lothian Alcohol & Drug Partnership for the young people's support element of the Family Recovery Service.

We received the first year of two years funding from West Lothian Alcohol & Drug Partnership for the Therapeutic and Support Service which also includes funding to support needle exchange and people who are experiencing issues with cannabis.

We secured three year funding for our young people's bereavement service Grief Matters from Children in Need.

We continue to receive funding from NHS Lothian for tobacco work which is aimed at prevention and cessation which allows us to deliver the Cloud 9 service, Smoke Free Homes and Zones and the Decipher ASSIST tobacco prevention pilot.

#### Principal funding sources

The principal funding sources for the charity are:

West Lothian Alcohol & Drug Partnership;  
NHS Lothian; 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. No money is held for more than one year in a fixed term deposit without being reviewed.

#### 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 unrestricted and undesignated funds of £544,433 equate to 6 months (2015 – 7 months) at forecast expenditure levels.

Any reserves we are entitled to after discharging our contractual obligations have been transferred into general unrestricted funds.

#### 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 three contracts with West Lothian Council through the West Lothian Alcohol & Drug Partnership for counselling and education are secured until 31<sup>st</sup> March 2017 with the possibility of a one year extension on the Therapeutic Support Service contract.

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.

We are undertaking some work with an external consultant to help us develop a strategic plan which will give us a clear focus for future developments.



## WEST LOTHIAN DRUG & ALCOHOL SERVICE

### Report of the Board of Management for the Year Ended 31<sup>st</sup> March 2016

We are looking to build on the research work that we are currently involved in through the Decipher ASSIST work and the police custody suite research that we carried out with NHS Lothian and NHS Health Scotland and will be seeking out areas of work where we feel there are gaps in services, or where new interventions could be delivered.

We aim to continue to have an effective Service Users Advisory Group and are currently undertaking work to train them with support from staff from the Scottish Drugs Service to skill them up to carry out some peer research so we can use new ways to gather feedback from clients who use our services, including those who were referred and never came to an appointment. We hope to gather information we can use to ensure we continue to provide quality services, improve on that quality and identify any barriers to engaging with us so we can try and remove or reduce them.

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. To help us in this process we applied and were successful in being selected to join the Path to Improvement initiative provided by ACOSVO. This will allow us to undergo a comprehensive assessment of the health of our organisation and develop a plan and get support to address any areas where we need to improve.

#### RESPONSIBILITIES OF THE BOARD OF MANAGEMENT

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 the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Board of Management should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The Board of Management is responsible for maintaining proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act, 2006. The Board of Management is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Members of the Board of Management

Members of the Board of Management, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on Page 1.

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**WEST LOTHIAN DRUG & ALCOHOL SERVICE**

**Report of the Board of Management  
for the Year Ended 31<sup>st</sup> March 2016**

Members of the Board of Management

Members of the Board of Management, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on Page 1.

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**AUDITORS**

G. O. Thomson & Co. were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

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

Approved by the Board of Management on 15<sup>th</sup> September 2016 and signed on its behalf by:

  
.....

Alyson Campbell, Director

## WEST LoTHIAN DRUG & ALCOHOL SERVICE

### Report of the Independent Auditors to the Members of West Lothian Drug & Alcohol Service

We have audited the financial statements of West Lothian Drug & Alcohol Service for the year ended 31 March 2016 which comprise Statement of Financial Activities, Balance Sheet and related notes (on pages ten to seventeen). The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to smaller entities).

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

#### **Respective responsibilities of the Board of Management and auditors**

As explained more fully in the Responsibilities of the Board of Management on page six the members of the Board of Management (who are trustees for the purposes of charity law and includes directors of West Lothian Drug & Alcohol Service 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.

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the trustees; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Report of the Board of Management to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31<sup>st</sup> March 2016, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); 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).

**WEST LOTHIAN DRUG & ALCOHOL SERVICE**

**Report of the Independent Auditors to the Members of  
West Lothian Drug & Alcohol Service**


**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Board of Management for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

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

- the charitable company has not kept proper and adequate accounting records; 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 trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirements to prepare a Strategic Report or in preparing the Report of the Trustees.



Mark Cowan CA  
Senior Statutory Auditor  
for and on behalf of  
G O Thomson & Co  
Statutory Auditor  
13 Hope Street  
Lanark  
ML11 7NL

15<sup>th</sup> September 2016

G O Thomson & Co is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**WEST LOTHIAN DRUG & ALCOHOL SERVICE**

**Statement of Financial Activities (including Income and Expenditure Account)  
for the Year Ended 31 March 2016**

	Notes	Unrestricted Funds £	All Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
<b>INCOME AND ENDOWMENTS</b>					
Donations and legacies:					
- Donations		-	1,000	1,000	943
Charitable activities:					
- Grants receivable	2	-	880,190	880,190	856,198
- Miscellaneous income		1,587	-	1,587	4,135
Other trading activities:					
- Fundraising	3	1,665	-	1,665	-
Investments:					
Interest received	4	<u>4,399</u>	<u>-</u>	<u>4,399</u>	<u>3,965</u>
<b>Total Incoming Resources</b>		<u>7,651</u>	<u>881,190</u>	<u>888,841</u>	<u>865,241</u>
<b>EXPENDITURE</b>					
Charitable activities:					
- Drug & alcohol services	5	62,152	718,428	780,580	810,889
- Tobacco services	5	-	95,828	95,828	100,548
- Bereavement services	5	<u>-</u>	<u>14,813</u>	<u>14,813</u>	<u>-</u>
<b>Total Expenditure</b>		<u>62,152</u>	<u>829,069</u>	<u>891,221</u>	<u>911,437</u>
<b>Net income/(expenditure) before transfers</b>		<u>(54,501)</u>	<u>52,121</u>	<u>(2,380)</u>	<u>(46,196)</u>
<b>Transfers between funds</b>	15	<u>(15,265)</u>	<u>15,265</u>	<u>-</u>	<u>-</u>
<b>NET MOVEMENT IN FUNDS</b>		<u>(69,766)</u>	<u>67,386</u>	<u>(2,380)</u>	<u>(46,196)</u>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		643,268	17,670	660,938	707,134
Net movement in funds		<u>(69,766)</u>	<u>67,386</u>	<u>(2,380)</u>	<u>(46,196)</u>
<b>Total funds carried forward</b>		<u>573,502</u>	<u>85,056</u>	<u>658,558</u>	<u>660,938</u>

All incoming resources and resources expended derive from continuing activities.

The notes form part of these financial statements

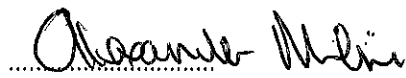
**WEST LOTHIAN DRUG & ALCOHOL SERVICE**

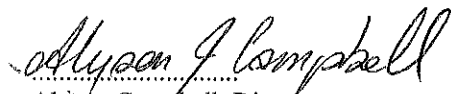
**Balance Sheet as at  
31 March 2016**

		2016		2015	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	11		7,130		8,100
<b>CURRENT ASSETS:</b>					
Debtors	12	654		1,776	
Cash at bank and in hand		<u>706,779</u>		<u>826,338</u>	
			707,433		828,114
<b>CREDITORS:</b> Amounts falling due within one year	13		<u>56,005</u>		<u>175,276</u>
<b>Net current assets</b>			<u>651,428</u>		<u>652,838</u>
<b>Net assets</b>			<u>658,558</u>		<u>660,938</u>
 <b>THE FUNDS OF THE CHARITY:</b>					
Unrestricted Funds:					
General funds	15		544,433		613,230
Designated funds	15		<u>29,069</u>		<u>30,038</u>
			573,502		643,268
Restricted Funds	15		<u>85,056</u>		<u>17,670</u>
<b>Total Charity Funds</b>			<u>658,558</u>		<u>660,938</u>

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved by the Board of Management on 15<sup>th</sup> September 2016 and signed on its behalf by:

  
 Alexander Milne, Director

  
 Alyson Campbell, Director

The notes form part of these financial statements

## WEST LOTHIAN DRUG & ALCOHOL SERVICE

### Notes to the Financial Statements for the Year Ended 31 March 2016

#### 1. Accounting policies

##### **Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

##### **Exemption from preparing a cash flow statement**

Exemption has been taken from preparing a cash flow statement in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Equipment	-33.33% on cost
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##### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the Income and Expenditure Account.

**WEST LOTHIAN DRUG & ALCOHOL SERVICE**

**Notes to the Financial Statements  
for the Year Ended 31 March 2016**

**2. Charitable activities**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Grants receivable:				
West Lothian Alcohol and Drug Partnership	-	635,462	635,462	646,150
NHS Lothian	-	129,640	129,640	128,660
Circle (Scotland)	-	81,388	81,388	81,388
Children in Need	-	20,856	20,856	-
Community Action Blackburn	-	7,844	7,844	-
Santander Community Fund	-	5,000	5,000	-
	<u>-</u>	<u>880,190</u>	<u>880,190</u>	<u>856,198</u>
Sub total: Grants receivable	<u>-</u>	<u>880,190</u>	<u>880,190</u>	<u>856,198</u>
Miscellaneous income:				
Training and court reports	1,587	-	1,587	4,135
	<u>1,587</u>	<u>880,190</u>	<u>881,777</u>	<u>860,333</u>
Total income from charitable activities	<u>1,587</u>	<u>880,190</u>	<u>881,777</u>	<u>860,333</u>

**3. Other trading activities**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Fundraising – charity night	1,665	-	1,665	-
	<u>1,665</u>	<u>-</u>	<u>1,665</u>	<u>-</u>

**4. Investment income**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Deposit account interest	4,399	-	4,399	3,965
	<u>4,399</u>	<u>-</u>	<u>4,399</u>	<u>3,965</u>

**5. Expenditure on charitable activities**

	<b>Drug &amp; Alcohol Services £</b>	<b>Tobacco Services £</b>	<b>Bereavement Services £</b>	<b>Total 2016 £</b>	<b>Total 2015 £</b>
Staff costs	687,173	71,872	13,971	773,016	772,619
Training	17,794	9,115	375	27,284	32,917
Operation floorwalk	-	-	-	-	332
Premises costs	45,981	9,547	211	55,739	58,140
Support costs (note 6)	17,804	3,425	230	21,459	30,004
Governance costs (note 6)	7,284	958	13	8,255	8,440
Bank charges	491	-	-	491	526
Depreciation	4,053	911	13	4,977	8,459
	<u>780,580</u>	<u>95,828</u>	<u>14,813</u>	<u>891,221</u>	<u>911,437</u>

Expenditure on charitable activities was £891,221 (2015 - £911,437) of which £829,069 was restricted (2015 - £881,540) and £62,152 was unrestricted (2015 - £29,897).



**WEST LOTHIAN DRUG & ALCOHOL SERVICE**

**Notes to the Financial Statements  
for the Year Ended 31 March 2016**

**6. Analysis of support and governance costs**

	General Support £	Governance Costs £	Total 2016 £	Basis of Apportionment
Audit fees	-	4,305	4,305	Direct
Annual report/AGM	-	1,308	1,308	Direct
Staff costs	1,047	2,642	3,689	Direct
Equipment & fittings	1,186	-	1,186	Usage
Printing stationery & publicity	10,614	-	10,614	Usage
Professional fees	8,180	-	8,180	Usage
Accountancy services	432	-	432	Usage
	<u>21,459</u>	<u>8,255</u>	<u>29,714</u>	

**7. Net Income/(expenditure) for the year**

This is stated after charging:

	2016 £	2015 £
Depreciation – owned assets	4,977	8,459
Trustee's remuneration	-	-
Trustee's expenses	-	264
Auditors' remuneration		
Audit services	4,305	3,225
Accountancy and payroll services	432	4,053
	<u>4,305</u>	<u>3,225</u>

**8. Staff costs and numbers**

Staff costs were as follows:

	2016 £	2015 £
Salaries and wages	629,457	628,406
Social security costs	56,466	56,196
Superannuation costs	<u>50,091</u>	<u>42,237</u>

No member of the Board of Management accrues any benefits from the defined retirement benefit scheme.

No employee received emoluments of more than £60,000.

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

	2014	2015
Directors	-	-
Core Service	4.0	4.0
Tobacco Education & Cessation	2.5	2.5
Family Recovery Service	2.0	2.0
Psych Services	9.0	9.0
Moving On Service	4.0	4.5
Grief Matters	1.0	-
Sessional Staff	1.0	1.5
	<u>23.5</u>	<u>23.5</u>

**WEST LOTHIAN DRUG & ALCOHOL SERVICE**

**Notes to the Financial Statements  
for the Year Ended 31 March 2016**

**9. Comparatives for the Statement of Financial Activities**

	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>Income and endowments</b>			
Donations and legacies:			
Donations	943	-	943
Charitable activities:			
Grants receivable	-	856,198	856,198
Miscellaneous income	935	3,200	4,135
Investments:			
Interest received	<u>3,965</u>	<u>-</u>	<u>3,965</u>
<b>Total income</b>	<b>5,843</b>	<b>859,398</b>	<b>865,241</b>
<b>Expenditure</b>			
Charitable activities:			
Drug & alcohol services	29,897	780,992	810,889
Tobacco services	<u>-</u>	<u>100,548</u>	<u>100,548</u>
<b>Total expenditure</b>	<b><u>29,897</u></b>	<b><u>881,540</u></b>	<b><u>911,437</u></b>
<b>Net income/(expenditure)</b>	<b>(24,054)</b>	<b>(22,142)</b>	<b>(46,196)</b>
<b>Transfers between funds</b>	<b><u>197,814</u></b>	<b><u>(197,814)</u></b>	<b><u>-</u></b>
<b>Net movement in funds</b>	<b><u>173,760</u></b>	<b><u>(219,956)</u></b>	<b><u>(46,196)</u></b>
<b>Reconciliation of Funds</b>			
Total funds brought forward	469,508	237,626	707,134
Net movement in funds	<u>173,760</u>	<u>(219,956)</u>	<u>(46,196)</u>
<b>Total funds carried forward</b>	<b><u>643,268</u></b>	<b><u>17,670</u></b>	<b><u>660,938</u></b>

**10. Trustees Remuneration and Benefits**

No members of the Board of Management received any remuneration (2015 - £Nil).

No expenses were paid to any members of the Board of Management during the year. In 2015 one member of the Board of Management received travel expenses of £264.

**WEST LOTHIAN DRUG & ALCOHOL SERVICE**

**Notes to the Financial Statements  
for the Year Ended 31 March 2016**

**11. Tangible fixed assets**

	Equipment	Totals
	£	£
<b>COST:</b>		
At 1 April 2015	51,559	51,559
Additions	4,007	4,007
At 31 March 2016	55,566	55,566
<b>DEPRECIATION:</b>		
At 1 April 2015	43,459	43,459
Charge for year	4,977	4,977
At 31 March 2016	48,436	48,436
<b>NET BOOK VALUE:</b>		
At 31 March 2016	7,130	7,130
At 31 March 2015	8,100	8,100

**12. Debtors**

	2016	2015
	£	£
Debtors	75	-
Prepayments	579	1,776
	654	1,776

**13. Creditors: amounts falling due within one year**

	2016	2015
	£	£
Creditors	3,377	33,700
Accrued charges	12,628	38,183
Advance funding	40,000	103,393
	56,005	175,276

**14. Analysis of net assets between funds**

	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	7,130	-	-	7,130
Current assets	540,680	29,069	137,684	707,433
Current liabilities	(3,377)	-	(52,628)	(56,005)
	544,433	29,069	85,056	658,558

**WEST LOTHIAN DRUG & ALCOHOL SERVICE**

**Notes to the Financial Statements  
for the Year Ended 31 March 2016**

**15. Movements in funds**

	<b>Balance 31/03/2015</b>	<b>Movement in Resources:</b>		<b>Transfers</b>	<b>Balance 31/03/2016</b>
	£	<b>Incoming</b>	<b>Outgoing</b>	£	£
<b>Restricted funds</b>					
Core Service Fund	-	8,844	(20,909)	12,065	-
Psych Services Fund	-	448,312	(421,504)	-	26,808
Moving On Service	16,403	196,350	(192,560)	-	20,193
Family Recovery Service	1,267	81,388	(83,455)	3,200	2,400
Tobacco Education & Cessation	-	120,440	(95,828)	-	24,612
Grief Matters Service	-	25,856	(14,813)	-	11,043
	<u>17,670</u>	<u>881,190</u>	<u>(829,069)</u>	<u>15,265</u>	<u>85,056</u>
<b>Unrestricted funds</b>					
Designated Premises Fund	21,939	-	-	-	21,939
Designated Capital Fund	8,099	-	-	(969)	7,130
General Funds	613,230	7,651	(62,152)	(14,296)	544,433
	<u>643,268</u>	<u>7,651</u>	<u>(62,152)</u>	<u>(15,265)</u>	<u>573,502</u>
<b>Total funds</b>	<u>660,938</u>	<u>888,841</u>	<u>(891,221)</u>	<u>-</u>	<u>658,558</u>

**16. Purposes of restricted funds**

Core Service Fund	Core activities include health promotion, education, training, counselling and support.
Psych Services Fund	This fund is for drug and enhanced alcohol counselling provision.
Moving On Service	This fund is to provide services to offenders and vulnerable adults.
Family Recovery Service	This fund provides flexible and holistic support to children, young people and families affected by substance misuse.
Tobacco Education & Cessation	This fund is for tobacco prevention and education for primary school children.
Grief Matter Service	This fund is to provide a bereavement service for young people.

**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 fixed assets.

**Transfers**

After contractual obligations have been fulfilled any reserves held in restricted funds are transferred to unrestricted general funds.

**17. Related part transactions**

Brian Pringle, General Manager, sits on the Board of Community Action Blackburn who made a grant of £7,844 (2015 - £nil) to West Lothian Drug & Alcohol Service.