

**ALCOHOL ADVISORY AND  
COUNSELLING SERVICE**  
*(a Company Limited by Guarantee)*

**Annual Report and Financial Statements**

**For the year ended 31 March 2005**

## **ALCOHOL ADVISORY AND COUNSELLING SERVICE**

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### **Auditors**

Scott-Moncrieff  
Chartered Accountants  
25 Bothwell Street  
Glasgow  
G2 6NL

### **Solicitors**

Stronach & Co  
34 Albyn Place  
Aberdeen  
AB10 1FW

### **Bankers**

Bank of Scotland  
201 Union Street  
Aberdeen  
AB11 6OG

### **Registered Office**

62 Dee Street  
Aberdeen  
AB11 6DS

**Registered in Scotland No. 97495**  
**Scottish Charity Number SCO: 18024**

**Report of the Executive Committee  
For the year ended 31 March 2005**

The Executive Committee hereby submits its report, together with the audited financial statements for the year ended 31 March 2005.

**Company status**

The company is limited by guarantee and has obtained permission from the Registrar of Companies to omit the word limited from the company name. The company has been granted charitable status by the Inland Revenue.

**Activities**

The principal activity of the company is the provision of counselling and advisory services to people suffering from alcohol related problems and to the members of their immediate families and employers.

The company offers a broad range of preventative services and information, advice and counselling for anyone with alcohol related problems.

The Executive Committee has agreed in principle to merge the activities of Alcohol Advisory and Counselling Service with Albyn House Association Limited. This is currently delayed due to issues with the other party. In the meantime, the company is continuing to provide its normal range of services.

**State of affairs**

The surplus for the year as disclosed in the Income and Expenditure account was £9,894 (2004: deficit £36,051). This has been transferred to the General Fund.

**Risk policy**

The Executive Committee has carried out a review of the risks to which the company is exposed. Following the proposed merger, the Executive Committee will ensure appropriate steps are taken to manage the risk profile of the enlarged company.

**Reserves**

The Executive Committee has considered that a minimum level of reserves sufficient to cover 2 to 4 month's operating costs is the most appropriate policy which the company should adopt.

**Executive Committee**

The members of the committee who served during the year ended 31 March 2005 are shown on page 3. With the exception of the Patron and Representatives, all present members of the Executive Committee are directors.

As in previous years, all members of the Executive Committee retire, and being eligible offer themselves individually for re-election.

**Report of the Executive Committee  
For the year ended 31 March 2005**

**Executive Committee's responsibilities**

Company law requires the Executive Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the Executive Committee is required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 company will continue in business.

The Executive Committee are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable it to ensure that the financial statements comply with the Companies Act 1985. It is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Auditors**

In accordance with Section 285 of the Companies Act 1985 a resolution proposing the re-appointment of Scott-Moncrieff, Chartered Accountants as auditors will be put to the annual general meeting.

By order of the Executive Committee

F Angus – Secretary

Dated:

**Membership of the Executive Committee  
For the year ended 31 March 2005**

<b>Patron</b>	The Viscount of Arbuthnott
<b>Chairman</b>	Dr J McLaren
<b>Secretary</b>	Ms Fiona Angus
<b>Treasurer</b>	Mr D MacPherson
<b>Committee</b>	Professor P Brunt OBE (President) Mr A Burn Mr I McGregor Dr G Mennie Mr A Jurosek Mr W Smith
<b>Representatives</b>	Inspector L Johnston (Grampian Police) Ms Maggie Dodds Ms Rae Ingham
<b>Ex Officio</b>	Mr Jack Law

**Independent Auditors' Report to the Executive Committee  
For the year ended 31 March 2005**

We have audited the financial statements of the Alcohol Advisory and Counselling Service for the year ended 31 March 2005 set out on pages 6 to 13. These have been prepared under the historical cost convention and the accounting policies set out on page 9.

This report is made solely to the company's Executive Committee as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's Executive Committee 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 company and the company's Executive Committee as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of the Executive Committee and auditors**

As described in the Executive Committees' responsibilities on page 2 you are responsible as trustees for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Executive Committee's Report is not consistent with the financial statements, if the charitable company has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit or if information specified by Law regarding remuneration of Executive Committee members and transactions with the charitable company is not disclosed.

We read the Executive Committee's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Executive Committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Independent Auditors' Report to the Executive Committee  
For the year ended 31 March 2005**

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 March 2005 and of its incoming resources and application of resources for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Scott-Moncrieff  
Chartered Accountants  
Registered Auditor  
25 Bothwell Street  
Glasgow  
G2 6NL

Dated:

**Income and Expenditure Account  
For the year ended 31 March 2005**

	Notes	2005 £	2004 £
<b>Income</b>			
Grants	2	339,579	250,804
Donations		1,617	595
Interest		1,552	650
Other income		23,643	13,268
Income received in advance		-	5,000
		<u>366,391</u>	<u>270,317</u>
<b>Administration expenses</b>			
	4	(53,892)	(47,734)
		<u>312,499</u>	<u>222,583</u>
<b>Charitable expenditure</b>			
Counselling services & education expenses	6	(302,605)	(258,634)
		<u>9,894</u>	<u>(36,051)</u>
<b>Surplus/(deficit) transferred to general funds</b>			

**Total Recognised Gains and Losses**

There are no recognised gains or losses other than those dealt with in the Income and Expenditure Account (2004: £Nil).

**Continuing Operations**

None of the company's activities was acquired or discontinued during the above two financial years.

**Statement of Financial Activities  
For the year ended 31 March 2005**

	Notes	Unrestricted Fund £	Total 2005 £	Total 2004 £
<b>Incoming resources</b>				
Income from operating activities in furtherance of the charity's objects	2	339,579	339,579	250,804
Donations		1,617	1,617	595
Investment income		1,552	1,552	650
Other income		23,643	23,643	13,268
Income received in advance		-	-	5,000
<b>Total incoming resources</b>		<u>366,391</u>	<u>366,391</u>	<u>270,317</u>
<b>Resources expended</b>				
Administration expenditure	4	53,892	53,892	47,734
Cost of activities in furtherance of the charity's objects	6	302,605	302,605	258,634
<b>Total outgoing resources</b>		<u>356,497</u>	<u>356,497</u>	<u>306,368</u>
<b>Net incoming (outgoing)/ Resources</b>		9,894	9,894	(36,051)
<b>Balance at 1 April 2004</b>		<u>58,086</u>	<u>58,086</u>	<u>94,137</u>
<b>Balance at 31 March 2005</b>		<u><u>67,980</u></u>	<u><u>67,980</u></u>	<u><u>58,086</u></u>

The notes on pages 9 to 13 form part of these financial statements

**Balance Sheet**  
**As at 31 March 2005**

	Notes	2005		2004	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	7		10,717		15,722
<b>Current assets</b>					
Debtors	8	30,000		21,873	
Cash at bank and in hand	10	111,348		38,927	
		<u>141,348</u>		<u>60,800</u>	
<b>Creditors</b>					
Amounts falling due within one year	9	<u>(14,410)</u>		<u>(10,345)</u>	
<b>Net current assets</b>			<u>126,938</u>		<u>50,455</u>
<b>Total assets less current liabilities</b>			<u>137,655</u>		<u>66,177</u>
<b>Deferred income</b>	10		<u>69,675</u>		<u>(8,091)</u>
<b>Net assets</b>			<u><u>67,980</u></u>		<u><u>58,086</u></u>
<b>Funds</b>			<u><u>67,980</u></u>		<u><u>58,086</u></u>

Approved by the Executive Committee on

and signed on its behalf by:

Dr J McLaren

Chairman

Ms F Angus

Secretary

**Notes to the Financial Statements  
For the year ended 31 March 2005****1. Accounting policies****Basis of accounting**

The financial statements have been prepared on the historical cost basis of accounting and in accordance with applicable accounting standards in the United Kingdom and Statement of Recommended Practice – Accounting and Reporting by Charities.

**Depreciation**

Depreciation is provided on all fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life as follows:

Office equipment            5 years

**Grants**

Grants of a revenue nature are credited to the income and expenditure account in the year in which they accrue. Capital grants are released to the income and expenditure account over the useful economic lives of the assets to which they relate.

**VAT**

The company is not registered for VAT and accordingly expenditure includes VAT where appropriate.

**Administration expenses**

The operating costs of the company have been allocated between administration and other services on the basis of an estimate of the time spent by staff on work under each heading and on the nature of the expense incurred.

**Pension costs**

Contributions are charged to the income and expenditure account as they become payable.

**Cash flow statement**

In view of the exemptions allowed under Financial Reporting Standard No 1, the Executive Committee has decided not to present a cash flow statement.

**Notes to the Financial Statements  
For the year ended 31 March 2005**

2. Grants received	2005		2004	
	£	£	£	£
Aberdeen City Council Social Work Department				
- General funding	48,302		46,204	
- Child and family service	20,350		16,729	
	<u>        </u>	68,652	<u>        </u>	62,933
Aberdeenshire Council				
- Child and family service	59,697		56,530	
- General funding	59,943		36,800	
	<u>        </u>	119,640	<u>        </u>	93,330
Grampian Health Board				
- General funding	71,750		69,650	
- Buddy Scheme	12,000		12,000	
	<u>        </u>	83,750	<u>        </u>	81,650
Alcohol Drug Action Teams				
- Aberdeen City Council	20,000		-	
- Aberdeenshire Council	32,000		-	
	<u>        </u>	52,000	<u>        </u>	-
Northfield Income		8,000		8,000
Outreach Counsellor Share Income		854		3,416
		<u>        </u>		<u>        </u>
		332,896		249,329
Transferred from deferred income		6,683		1,475
		<u>        </u>		<u>        </u>
		339,579		250,804
		<u>        </u>		<u>        </u>

**3. Staff numbers and costs**

The average monthly number of employees of the company during the year was 20 (2004: 17).

The aggregate remuneration and associated costs of the company's employees were:

	2005 £	2004 £
Wages and salaries	210,635	178,997
Social security costs	20,516	13,281
Pension costs	12,312	5,492
	<u>        </u>	<u>        </u>
	243,463	197,770
	<u>        </u>	<u>        </u>

The members of the Executive Committee received no remuneration during the year. Reimbursement of expenses amounted to £Nil (2004: £Nil).

There were no employees who received emoluments of over £50,000.

**Notes to the Financial Statements  
For the year ended 31 March 2005**

<b>4. Administration expenses</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Salaries (note 3)	243,463	197,770
Volunteers' expenses	1,467	2,632
Resources	5,762	2,820
Conference and courses	7,300	8,049
Motor and travelling expenses	12,694	12,268
Rent, rates and insurance	26,293	26,325
Heating and lighting	2,639	2,169
Cleaning	2,584	1,748
Repairs and renewals	3,680	7,564
Telephone	7,960	5,242
Stationery, postage and advertising	14,426	17,825
Audit	2,399	4,324
Other professional fees	1,650	308
Miscellaneous	2,173	969
Depreciation (note 7)	7,000	6,801
AADAT expenditure	4,687	1,509
Bad debt	-	8,045
Evaluation	10,320	-
	<u>356,497</u>	<u>306,368</u>
Less: allocated to counselling services & education expenses (note 6)	(302,605)	(258,634)
	<u>53,892</u>	<u>47,734</u>

**5. Taxation**

The company has been granted charitable status by the Inland Revenue. There is no liability to corporation tax.

<b>6. Counselling services and education expenses</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Salaries	219,401	177,993
Volunteers' expenses	367	658
Resources	5,762	2,820
Travelling expenses	12,694	12,268
Rent, rates and insurance	19,724	19,744
Heating and lighting	1,979	1,627
Cleaning	1,938	1,311
Repairs and renewals	2,759	5,673
Telephone	6,368	4,194
Stationery, postage and advertising	11,541	14,260
Miscellaneous	1,085	483
AADAT expenditure	4,687	1,509
Depreciation (note 7)	7,000	8,045
Conference and courses	7,300	8,049
	<u>302,605</u>	<u>258,634</u>

**Notes to the Financial Statements  
For the year ended 31 March 2005**

<b>7. Tangible fixed assets</b>		<b>Equipment £</b>
<b>Cost</b>		
At 1 April 2004		67,998
Additions		1,995
		<hr/>
At 31 March 2005		69,993
		<hr/>
<b>Depreciation</b>		
At 1 April 2004		52,276
Charge for year		7,000
		<hr/>
At 31 March 2005		59,276
		<hr/>
<b>Net book value</b>		
At 31 March 2005		10,717
		<hr/> <hr/>
At 31 March 2004		15,722
		<hr/> <hr/>
<b>8. Debtors</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Trade debtors	6,407	9,465
Prepayments and accrued income	23,593	12,408
	<hr/>	<hr/>
	30,000	21,873
	<hr/> <hr/>	<hr/> <hr/>
<b>9. Creditors: Amounts falling due within one year</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Accruals and deferred income	11,326	7,577
PAYE/NIC	3,084	2,768
	<hr/>	<hr/>
	14,410	10,345
	<hr/> <hr/>	<hr/> <hr/>

**Notes to the Financial Statements  
For the year ended 31 March 2005**

<b>10. Deferred income</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Deferred government grants –		
Balance at 1 April 2004	8,091	4,358
Grants received in year	68,267	5,208
Transfer to Income and Expenditure Account	(6,683)	(1,475)
	<hr/>	<hr/>
Balance at 31 March 2005	69,675	8,091
	<hr/> <hr/>	<hr/> <hr/>

Cash at bank and in hand includes £31,100 of funds advanced for printing of the “Think B4U Drink” board game.

**11. Share capital**

The company is limited by guarantee and has no share capital.

**12. Pension costs**

The company operates defined contribution schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension charge for the year was £12,312 (2004: £5,492).

**13. Revenue commitments**

The charity has operating leases which expire:	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Within one year	19,500	20,500
Within two to five years	36,250	48,500
After 5 years	-	7,250
	<hr/>	<hr/>
	55,750	76,250
	<hr/> <hr/>	<hr/> <hr/>

**Detailed Income and Expenditure Account  
For the year ended March 2005**

	2005		2004	
	£	£	£	£
<b>Income</b>				
Grampian Health Board grant		71,750		84,650
Aberdeen City Council grant		48,302		46,204
Aberdeenshire Council grant		59,943		36,800
Alcohol Drugs Action Teams		52,000		-
Outreach Counsellor		854		3,416
Northfield income		6,000		10,000
Bank interest		1,552		650
Employers/training		2,320		1,925
Court fees		10,085		4,715
Student placement		2,960		2,720
Donations		1,617		595
Outreach training		339		656
Transfer from deferred income		6,683		1,475
Sundry income		17,070		3,252
		<u>281,475</u>		<u>197,058</u>
<b>Expenditure</b>				
Salaries	175,948		142,680	
Volunteers' expenses	1,467		2,632	
Resources	5,762		2,473	
Travel and subsistence	6,176		6,523	
Conferences and courses	2,448		6,038	
Rent, rates and insurance	26,140		26,175	
Heat and light	2,639		2,169	
Cleaning	2,584		1,748	
Repairs and renewals	3,678		7,564	
Telephone	7,680		5,110	
Postage, stationery and advertising	14,426		17,364	
Audit	2,399		4,324	
Other professional fees	1,650		308	
Depreciation	7,000		6,801	
Miscellaneous	2,173		969	
Evaluation	10,320		8,045	
AADAT expenditure	4,687		1,509	
	<u>(277,177)</u>		<u>(242,433)</u>	
Less: Management charge	6,500		6,000	
	<u>(277,177)</u>	<u>(270,677)</u>	<u>(242,433)</u>	<u>(236,432)</u>
<b>Surplus (deficit) for the year</b>		<u>10,798</u>		<u>(39,374)</u>

**Child and Family Service  
Detailed Income and Expenditure Account  
For the year ended March 2005**

	2005		2004	
	£	£	£	£
<b>Income</b>		80,047		73,259
<b>Expenditure</b>				
Salaries	62,230		55,090	
Management charge	6,500		6,000	
Resources	-		347	
Rent, rates and insurance	158		150	
Travel and subsistence	6,518		5,745	
Conferences and courses	4,851		1,509	
Training	369		502	
Stationery, postage and advertising	-		461	
Sundries	-		-	
Repairs and renewals	-		-	
Telephone	325		132	
		<u>(80,951)</u>		<u>(69,936)</u>
<b>(Deficit) surplus for year</b>		<u><u>(904)</u></u>		<u><u>3,323</u></u>