

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

Annual Report and Financial Statements

For the year ended 31 March 2006

ALCOHOL ADVISORY AND COUNSELLING SERVICE

Annual Report and Financial Statements for the year ended 31 March 2006

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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 2006**

The Executive Committee hereby submits its report, together with the audited financial statements for the year ended 31 March 2006.

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 whole assets, liabilities and undertakings, together with all staff of Alcohol Advisory and Counselling Service transferred to Alcohol Support Limited on 24 October 2006. Since that date, Alcohol Advisory and Counselling Service has been dormant.

State of affairs

The surplus for the year as disclosed in the Income and Expenditure account was £187 (2005: £9,894). 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 2006 are shown on Page 4. With the exception of the Patron and Representatives, all members of the Executive Committee are directors.

The members of the Executive Committee, with the exception of Dr G Mennie and Mr D MacPherson, resigned on 23 October 2006.

**Report of the Executive Committee
For the year ended 31 March 2006****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.

Members of the Management Board

The members of the management board who are directors of the company and who have served during the year of this report are set out on page 4.

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
- 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 company's auditors are aware of that information.

Plans for Future Periods

Following the transfer of its whole assets, liabilities and undertakings, together with all staff to Alcohol Support Limited, the company is now dormant.

Appointment, Induction and Training of Directors

Board members were drawn from professionals and local community individuals who already possess considerable experience.

Qualified consultants were used where appropriate for guidance on training, legislation and good practice.

**Report of the Executive Committee
For the year ended 31 March 2006**

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 Mathers – Secretary

Dated: 20 November 2006

**Membership of the Executive Committee
For the year ended 31 March 2006**

Chairman - from 13 April 2006
- to 13 April 2006

Dr G Mennie
Dr J McLaren

Secretary

Mrs Fiona Mathers

Treasurer

Mr D MacPherson

Committee

Professor P Brunt OBE (President) (resigned 23
October 2006)
Dr G Mennie
Mr A Jurosek (resigned 1 June 2006)
Mr W Smith (resigned 23 October 2006)
Dr. J McLaren (resigned 23 October 2006)

Representatives

Ms Maggie Dodds

Ex Officio

Mr Jack Law

**Independent Auditors' Report to the Executive Committee
For the year ended 31 March 2006**

We have audited the financial statements of the Alcohol Advisory and Counselling Service for the year ended 31 March 2006 set out on Pages 7 to 14. These have been prepared under the historical cost convention and the accounting policies set out on Page 10.

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 Committee's responsibilities on Page 2 you are responsible as directors 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 International Standards on Auditing (UK and Ireland).

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 International Standards on Auditing (UK and Ireland) 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 2006**

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice; of the state of the company's affairs as at 31 March 2006 and of its surplus for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985.
- the information given in the Executive Committee's Report is consistent with the financial statements.

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

Dated: 20 November 2006

**Income and Expenditure Account
For the year ended 31 March 2006**

	Notes	2006 £	2005 £
Income			
Grants	2	379,071	339,579
Donations		805	1,617
Interest		1,738	1,552
Other income		32,847	23,643
		<u>414,461</u>	<u>366,391</u>
Administration expenses	4	414,274	356,497
		<u>187</u>	<u>9,894</u>
Surplus transferred to general funds		<u><u>187</u></u>	<u><u>9,894</u></u>

Total Recognised Gains and Losses

There are no recognised gains or losses other than those dealt with in the Income and Expenditure Account (2005: £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 2006**

	Notes	Unrestricted Fund £	Restricted Funds £	Total 2006 £	Total 2005 Reclassified £
Incoming resources					
Incoming resources from generated funds:					
-		1,738	-	1,738	1,552
-		805	-	805	1,617
Incoming resources from charitable activities:					
-		379,071	-	379,071	339,579
-		32,847	-	32,847	23,643
Total incoming resources		<u>414,461</u>	<u>-</u>	<u>414,461</u>	<u>366,391</u>
Resources expended					
Governance costs	4	44,575	-	44,575	53,892
Charitable activities	4	369,699	-	369,699	302,605
Total outgoing resources		<u>414,274</u>	<u>-</u>	<u>414,274</u>	<u>356,497</u>
Net Incoming Resources		187	-	187	9,894
Balance at 1 April 2005		<u>67,980</u>	<u>-</u>	<u>67,980</u>	<u>58,086</u>
Balance at 31 March 2006		<u><u>68,167</u></u>	<u><u>-</u></u>	<u><u>68,167</u></u>	<u><u>67,980</u></u>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

Balance Sheet
As at 31 March 2006

	Notes	2006		2005	
		£	£	£	£
Fixed assets					
Tangible assets	6		11,888		10,717
Current assets					
Debtors	7	15,163		30,000	
Cash at bank and in hand		127,316		111,348	
		<u>142,479</u>		<u>141,348</u>	
Creditors					
Amounts falling due within one year	8	<u>56,792</u>		<u>14,410</u>	
Net current assets			<u>85,687</u>		<u>126,938</u>
Total assets less current liabilities			<u>97,575</u>		<u>137,655</u>
Deferred income	9		<u>29,408</u>		<u>69,675</u>
Net assets			<u><u>68,167</u></u>		<u><u>67,980</u></u>
Funds			<u><u>68,167</u></u>		<u><u>67,980</u></u>

Authorised for issue by the Executive Committee on 20 November 2006 and signed on its behalf by:

Dr G Mennie	Chairman
Mrs F Mathers	Secretary

**Notes to the Financial Statements
For the year ended 31 March 2006****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 2005). In order to comply with SORP (2005), the prior year figures have been reclassified for comparability.

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

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. 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.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when recoverable.
- Incoming resources 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 is recognised on an accrual basis as a liability is incurred. Expenditure includes VAT which cannot be recovered, and is reported as part of the expenditure to which it relates:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- 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 e.g. floor areas, per capita or estimated usage.

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.

**Notes to the Financial Statements
For the year ended 31 March 2006**

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 2006**

2.	Grants received	2006		2005	
		£	£	£	£
	Aberdeen City Council Social Work Department				
	- General funding	47,253		48,302	
	- Child and family service	19,214		20,350	
		<u>66,467</u>		<u>68,652</u>	
	Aberdeenshire Council				
	- Child and family service	60,837		59,697	
	- General funding	59,700		59,943	
		<u>120,537</u>		<u>119,640</u>	
	Grampian Health Board				
	- General funding	110,800		71,750	
	- Buddy Scheme	12,000		12,000	
		<u>122,800</u>		<u>83,750</u>	
	Alcohol Drug Action Teams				
	- Aberdeen City Council	-		20,000	
	- Aberdeenshire Council	21,000		32,000	
		<u>21,000</u>		<u>52,000</u>	
	Northfield Income		8,000		8,000
	Outreach Counsellor Share Income		-		854
			<u>338,804</u>		<u>332,896</u>
	Transferred from deferred income		40,267		6,683
			<u>379,071</u>		<u>339,579</u>

3. Staff numbers and costs

The average monthly number of employees of the company during the year was 20 (2005: 20).

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

	2006	2005
	£	£
Wages and salaries	229,022	210,635
Social security costs	16,149	20,516
Pension costs	13,040	12,312
	<u>258,211</u>	<u>243,463</u>

The members of the Executive Committee received no remuneration during the year. Reimbursement of expenses amounted to £Nil (2005: £Nil).

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

**Notes to the Financial Statements
For the year ended 31 March 2006**

4. Resources expended	Charitable activities £	Governance costs £	2006 £	2005 £
Salaries (note 3)	235,361	22,850	258,211	243,463
Volunteers' expenses	998	-	998	1,467
Resources	35,655	-	35,655	5,762
Conference and courses	9,018	1,600	10,618	7,300
Motor and travelling expenses	15,807	-	15,807	12,694
Rent, rates and insurance	19,250	5,000	24,250	26,293
Heating and lighting	2,884	600	3,484	2,639
Cleaning	1,816	600	2,416	2,584
Repairs and renewals	4,328	1,000	5,328	3,680
Telephone	3,711	180	3,891	7,960
Stationery, postage and advertising	18,712	950	19,662	14,426
Audit	-	4,395	4,395	2,399
Other professional fees	10,920	7,400	18,320	1,650
Miscellaneous	1,561	-	1,561	2,173
Depreciation (note 6)	7,200	-	7,200	7,000
AADAT expenditure	2,188	-	2,188	4,687
Bad debt	290	-	290	-
Evaluation	-	-	-	10,320
	<u>369,699</u>	<u>44,575</u>	<u>414,274</u>	<u>356,497</u>

5. Taxation

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

6. Tangible fixed assets	Equipment £
Cost	
At 1 April 2005	69,993
Additions	8,371
	<u>78,364</u>
At 31 March 2006	78,364
Depreciation	
At 1 April 2005	59,276
Charge for year	7,200
	<u>66,476</u>
At 31 March 2006	66,476
Net book value	
At 31 March 2006	<u>11,888</u>
At 31 March 2005	<u>10,717</u>

**Notes to the Financial Statements
For the year ended 31 March 2006**

7. Debtors	2006	2005
	£	£
Trade debtors	6,384	6,407
Prepayments and accrued income	8,779	23,593
	<u>15,163</u>	<u>30,000</u>
	<u><u>15,163</u></u>	<u><u>30,000</u></u>
8. Creditors: Amounts falling due within one year		
Accruals and deferred income	51,610	11,326
PAYE/NIC	5,182	3,084
	<u>56,792</u>	<u>14,410</u>
	<u><u>56,792</u></u>	<u><u>14,410</u></u>
9. Deferred income		
Deferred grants –		
Balance at 1 April 2005	69,675	8,091
Grants received in year	-	68,267
Transfer to Income and Expenditure Account	(40,267)	(6,683)
	<u>29,408</u>	<u>69,675</u>
	<u><u>29,408</u></u>	<u><u>69,675</u></u>
10. Share capital		
The company is limited by guarantee and has no share capital.		
11. 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 £13,040 (2005: £12,312).		
12. Revenue commitments		
The company has operating leases which expire:	2006	2005
	£	£
Within one year	16,000	19,500
Within two to five years	21,750	36,250
After 5 years	-	-
	<u>37,750</u>	<u>55,750</u>
	<u><u>37,750</u></u>	<u><u>55,750</u></u>
13. Post Balance Sheet Event		
The whole assets, liabilities and undertakings of the company, together with all staff, were transferred to Alcohol Support Limited on 24 October 2006. Since that date the company has been dormant.		

**Detailed Income and Expenditure Account
For the year ended March 2006**

	2006		2005	
	£	£	£	£
Income				
Grampian Health Board grant		122,800		71,750
Aberdeen City Council grant		47,253		48,302
Aberdeenshire Council grant		59,700		59,943
Alcohol Drugs Action Teams		21,000		52,000
Outreach Counsellor		-		854
Northfield income		8,000		6,000
Bank interest		1,738		1,552
Employers/training		2,765		2,320
Court fees		22,995		10,085
Student placement		1,600		2,960
Donations		805		1,617
Outreach training		-		339
Transfer from deferred income		40,267		6,683
Sundry income		5,487		17,070
		<u>334,410</u>		<u>281,475</u>
Expenditure				
Salaries	196,930		175,948	
Volunteers' expenses	998		1,467	
Resources	35,467		5,762	
Travel and subsistence	10,141		6,176	
Conferences and courses	7,915		2,448	
Rent, rates and insurance	24,250		26,140	
Heat and light	3,484		2,639	
Cleaning	2,416		2,584	
Repairs and renewals	5,328		3,678	
Telephone	3,615		7,680	
Postage, stationery and advertising	19,052		14,426	
Audit	4,395		2,399	
Other professional fees	18,320		1,650	
Depreciation	7,200		7,000	
Miscellaneous	1,851		2,173	
Evaluation	-		10,320	
AADAT expenditure	2,188		4,687	
	<u>343,550</u>		<u>(277,177)</u>	
Less: Management charge	7,000		6,500	
	<u>(336,550)</u>		<u>(270,677)</u>	
(Deficit)/surplus for the year		<u><u>(2,140)</u></u>		<u><u>10,798</u></u>

Child and Family Service

Detailed Income and Expenditure Account
For the year ended March 2006

	2006		2005	
	£	£	£	£
Income		80,051		80,047
Expenditure				
Salaries	61,281		62,230	
Management charge	7,000		6,500	
Resources	188		-	
Rent, rates and insurance	-		158	
Travel and subsistence	5,666		6,518	
Conferences and courses	2,293		4,851	
Training	410		369	
Stationery, postage and advertising	610		-	
Telephone	276		325	
		<u>(77,724)</u>		<u>(80,951)</u>
Surplus (deficit) for year		<u>2,327</u>		<u>(904)</u>