

REGISTERED COMPANY NUMBER: 2691654
REGISTERED CHARITY NUMBER: 1009826

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016
FOR
THE SOCIETY FOR THE STUDY OF ADDICTION**

THE SOCIETY FOR THE STUDY OF ADDICTION

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FOR THE YEAR ENDED 31 MARCH 2016**

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THE SOCIETY FOR THE STUDY OF ADDICTION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2016. The trustees 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 applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

The Society's principal activity is to add to and promote the scientific understanding of addiction and problems related to it, and to advocate the use of the evidence base in policy and practice.

The Society's main aims and objectives are as follows:

Aims

- To support the human capital of addiction researchers and practitioners
- To preserve and develop the integrity and quality of and innovation in the addictions field
- To harness and communicate the evidence base to inform policy and practice
- To identify and address the problems of individuals and populations of special vulnerability and liability to harm

Objectives

- To support publication of the Society journals
- To have schemes to support training and education in addiction careers
- To make available travelling scholarships
- To organise and hold an annual conference, for members and non-members
- To support addictions conferences
- To explore and disseminate innovations in theory and practice
- To communicate the evidence base to policy makers
- To support specific policy projects
- To communicate research findings to practitioners
- To support the setting up of addictions professionals' associations and societies
- To maintain the Society website and online resources

In setting the objectives the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The trustees believe the aims and objectives above will lead to clear public benefit as the activities of the Charity are disseminated to front line practitioners.

ACHIEVEMENT AND PERFORMANCE

PRESIDENT'S REPORT - A REVIEW OF THE YEAR'S ACHIEVEMENTS AND FUTURE PLANS

On behalf of the trustees I am pleased to report on the achievements of the Society's journals, academic support schemes and our annual conference, prizes and projects, together with our plans for the future.

Firstly, I would like to thank all of the trustees for their extremely hard work on the Board, and in the running of our various academic schemes and in the organisation of our conferences; to the Journal Editors and their teams in ensuring the continued success of both Journals and to Martin Wheeler (Chief Officer) and Graham Hunt (Executive Officer) for their valued contributions to the activities set out below.

I would particularly like to thank Dr Ed Day for his contribution. He has devoted much time and made excellent progress with our new website. In last year's report I noted our aim for the site to be a vehicle for accessing up-to-date and comprehensive information about research, policy, clinical practice and training in the addiction field and for getting high quality research evidence into practice and policy. We continue to add content and support initiatives with existing and new collaborations. Ed is also responsible, with the aid of a small team, for our twitter account, which has gained nearly 1,000 followers in a short time and for our regular Society newsletters which provide latest information about the Society's activities and website content. As always we are very keen to receive contributions or ideas from our membership or other sources.

ACHIEVEMENT AND PERFORMANCE (continued)

I can announce that there will be a change of venue for next year's annual symposium and after many happy and successful years spent in York, we have booked a new venue in Newcastle for November 2017 and will be releasing details of speakers shortly. I would just like to give special thanks to Dr Gillian Tober who has done a wonderful job in organising past events in York and to Dr Julia Sinclair who, with a small and very willing team, has taken on the role with great commitment and enthusiasm.

We are actively looking for new trustees to widen and strengthen the skills of our Board and I hope to bring news of any changes at this year's AGM.

Looking briefly at our financial performance, we made a small deficit on our charitable activities. Our plan was to make a much larger reduction in our free reserves, but lower than anticipated expenditure on projects and to a lesser extent on our Bursary scheme, combined with better than expected income levels, prevented this. Market conditions led to a sizeable reduction in the value of our investment portfolio but I am pleased to see that much of this has been recovered since the year end.

Finally, I would like to say a big thank you to all the members of the Society for your contributions, in many ways, to the aims and values of the Society.

Society Journals

Addiction

In the year ended 31 December 2015 *Addiction* received 1,025 original article submissions. The acceptance rate for unsolicited material was around 15% and 170 research reports and reviews were published. The journal's impact factor has increased to 4.97 ranking it in pole position in both the Substance Abuse and Substance Abuse/Social Science categories.

Margaret Eagers-Rickett (Australian office), Molly Jarvis and Jean O'Reilly continue as editorial managers, and Florence Wissler as Assistant Journal Manager. Journal Manager, Gill Rangel, now also acts as editorial manager for the Americas.

Professor Robert West, editor-in-chief is now supported in his role by Professor John Marsden as deputy editor-in-chief. John Marsden also continues as regional editor for Europe, Africa and Asia. Professor Shane Darke remains as regional editor for Australasia and Dr Keith Humphreys is regional editor for the Americas. Professor Wayne Hall and Dr Jolie Tucker continue as editorial advisers. Professor Nancy Petry is editorials editor and Dr John Stapleton is statistics and methodology editor.

Commissioning now has a new editor in Dr Jo Neale, who is also providing temporary cover for editorials. She will shortly be supported in this role by Dr John Holmes. Letters to the Editor have now moved away from the editor-in-chief's desk to the care of John Marsden.

There is minimal delay to processing of papers and the evaluation of manuscripts continues to be of a high standard. Commissioning of high impact reviews and methodology articles is progressing well. *Addiction* now has more than 8,200 Twitter followers. It tweets key findings for each issue and also press releases.

The journal continues to seek to improve its core operations and pay close attention to opportunities and threats arising from the changing publishing scene. The annual Regional Editors meeting was held at Cumberland Lodge in Great Windsor Park in July 2016 and the next UK/European Assistant Editors meeting, focussing on newer recruits, is to be held at Cumberland Lodge mid-April 2017.

Addiction Biology

Addiction Biology submission figures in 2015 continued to grow to 343 (compared to 2013: +2%). There is currently a paper backlog of about 1.5 years. Over the last few years as well as reducing the acceptance rate we have increased the page budget to try and publish out this backlog with some concern about a potential negative effect on the Impact Factor. The impact factor fell to 4.547 from 5.359 in 2014. *Addiction Biology* is now at number two in the Science Substance Abuse category, just behind *Addiction* and continues to publish high-quality papers.

THE SOCIETY FOR THE STUDY OF ADDICTION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

ACHIEVEMENT AND PERFORMANCE (continued)

The North-American Editor Markus Heilig has returned to Sweden and there is a new editorial team in place. There are now two Senior Editors for North America, Robert Messing and Rajita Sinha and Markus stays on as Senior Editor for Europe, Africa, Asia and Australia in Human Studies. Professor Rainer Spanagel continues as the Editor-in-Chief.

Academic schemes

SSA Griffith Edwards Fellowship Scheme

Dr Tom Freeman was selected to receive 2016's award, to support his research project: 'Cannabis Addiction: Does Potency Matter?'. He will examine how trends in cannabis potency predict population markers of addiction; test the credibility of specific potency thresholds recently proposed by international policy makers; extend the evidence-base on cannabis potency and addiction to novel, extremely potent cannabis-related products with significant health risks; and objectively quantify how changes in cannabis potency translate to actual drug absorption in addicted and healthy users. The Fellowship panel felt that Dr Freeman's programme will be highly relevant for the Society.

PhD Studentship Scheme

The scheme is now well-established, and regularly attracts a good number of high-quality applications. As a consequence the Board felt that the scheme should be expanded to allow for the number of annual awards to be increased to two. Indeed, this year, after shortlisting and interviews, the panel agreed that, exceptionally, three candidates would receive awards, due to the high quality of their applications and performance at interview: Sarah Barrett at the University of Bristol, with her thesis, 'Characterisation of Tolerance Development to Rewarding Effects of Opioids and the Effects of Ethanol on Reward Tolerance'; Sophie Betka at the University of Sussex for 'Alexithymia, Interoception and Binge Drinking: oxytocin, a solution?'; and Carl Buckfield at the University of Southampton, with 'Associative learning and relapse in alcohol dependence'.

Bursary Scheme

Eighty-eight per cent of thirty-four completed applications received between 1 April 2015 and 31 March 2016 were successful and were granted bursaries. Sixty-eight per cent of the successful candidates received awards for multiple module study, i.e. more than £1,000 and up to £1,500, and study was funded at eleven different institutions, with the most popular being London South Bank University. Unhappily, the second most-funded institution - University of Glasgow - has discontinued its addiction course intake, and will not accept new addictions students after the current cohort have finished their courses.

Travelling Scholarship Scheme

An award was made to Lindsey Hines in support of her trip to Australia which included meeting Professor George Patton at the Murdoch Children's Research Institute, Centre for Adolescent Health in Melbourne; meeting researchers to discuss longitudinal analysis, and current research and emerging opportunities in this field; and presenting to the Child and Adolescent Research Team her own research, 'From Opportunity to Dependence: What Can the Early Stages of Cannabis Use Tell Us About the Development of Addiction?', based on data from the Australian Twin Registry.

In the second part of her trip, Lindsey met Professor Louisa Degenhardt at the University of New South Wales National Drug and Alcohol Research Centre (NDARC) in Sydney, where she learnt about the research methods they use, including the advantages, utility and ethical considerations of data linkage methods, and the use of mortality and autopsy data to identify drug use trends.

Annual Symposium - 2015

The Society's annual symposium took place on Thursday 5 and Friday 6 November at the Park Inn hotel, York. Its session themes were: 'Research', 'Take-home naloxone and the potential to prevent overdose deaths', 'Cannabis: New research', 'Recent findings from research funded by ARUK', and 'Science & Politics - Synergy or Conflict?' with three sessions of delegates' papers, and the 'SSA-sponsored' session, featuring updates from recipients of the Society's PhD Studentship and Academic Fellowship awards.

ACHIEVEMENT AND PERFORMANCE (continued)

The 'SSA-sponsored' session featured PhD Students, Hannah Rose, presenting her work on 'Adolescent alcohol beverage preferences and related harms: A latent class analysis'; Helen Crosby, on 'Rating therapist competence', and Niamh Fingleton, on 'Barriers and enablers to seeking treatment for non-prescription medicine dependence'. Academic Fellow, Felix Naughton, gave a presentation on his work, 'Q Sense: A context aware smartphone sensing app for smoking cessation'.

In addition to the wide-ranging programme of plenary sessions, eighteen delegates gave papers, and fifty posters were displayed, across the categories, 'Audit & Service Innovation', 'Research Project' and 'Student-led Research'. Prizes of £250 each were awarded in each of the three categories, respectively, to:

- Dr Luca Poledri at the Club Drug Clinic, Central & North West London NHS Foundation Trust, for 'Treatment completion and complications in 80 patients receiving an outpatient medically assisted GHB/GBL detoxification';
- Dr Hannah Farrimond at the University of Exeter, for 'A typology of vaping: Identifying differing beliefs, motivations for use, identity and political interest amongst e-cigarette users';
- Olivia Watkins at the University of Bath, for 'Fitting a naloxone take home kit into our life to save lives'.

As in recent years, delegate places were sold out, with delegates from around the UK and Europe, the United States, Australia, and Korea. Feedback on the quality of presentations and speakers was strongly positive.

Symposium for PhD students researching substance misuse

Since 2008, the Society has hosted in partnership, initially with Oxford Brookes University and now with Bath University, an annual symposium for PhD students working in the field. This has grown into a key event on the addictions research calendar and feedback from those attending has shown that students greatly benefit from and appreciate the opportunity to showcase their work in a safe and supportive environment. The opportunity to network with peers from across the UK is also highly valued. Initially led by Dr Jo Neale, who was the main organiser and host of this event until stepping down as an SSA trustee in 2015, organisation has now passed to Dr Jenny Scott at the University of Bath. The second Bath symposium was held on 8 July 2016.

The overarching aim is to bring together PhD students from a range of disciplines and institutions to share their knowledge and experiences and to discuss and debate addiction-related issues. More specific objectives are:

- enable PhD students within the addictions to learn about each other's work and methodological approaches
- exchange ideas relating to substance misuse research
- foster supportive networks that will help individuals move towards successful completion of their PhDs
- demonstrate the Society's appreciation of the work and commitment of PhD students
- encourage membership of the Society
- help promote excellence in addiction science

The budget aimed to make thirty-five places available. All who applied and were eligible were given a place. In total twenty people attended the day, from 16 different academic institutions. In addition, two post-doctoral researchers provided session facilitation and practical support.

Presenters were from a wide range of disciplines, covering a variety of research methods. Thirteen oral presentations were booked into the programme, this allowed everyone who volunteered to give a presentation to do so. In addition there was a poster session with eight posters on display. Speakers had twenty minutes for their presentation and ten minutes for discussion. Projects included, for example, 'Robust Pharmaceutical Analysis of Illicit Drugs and Their Cutting Agents', 'Alexithymia and Interoception in Binge Drinking: A Potential Role of Oxytocin?', 'The Emergence of the Affected Adult Family Member as a Target for Drug Policy and Practices in Ireland' and 'On Your Own Without a Net? Experiences of Young Adults Affected by Parental Substance Use'.

The consensus from all three facilitators was that the standard of presentation was high and the quality of content exceeded expectations.

ACHIEVEMENT AND PERFORMANCE (continued)

The Fred Yates Prize

Dr Leonie Brose, based at the Institute of Psychiatry Psychology and Neuroscience (IoPPN), King's College London UK, was awarded the 2016 Fred Yates prize for her work in the emerging area of electronic cigarettes. She is second author of the influential 2015 Public Health England-commissioned review, 'E-cigarettes: an evidence update'. Other work, already frequently cited by researchers, has highlighted the importance of frequency of use and type of e-cigarette used for smoking behaviour. Her previous research in smoking cessation in clinical practice has had a practical impact in training and practice.

Her research continues to investigate different areas of the field. She has recently received a Fellowship to help improve smoking cessation in those with mental health problems - a population excluded from the overall improvement in smoking prevalence. In addition to her exceptional publication record, Leonie has also: supervised undergraduate and postgraduate students, successfully publishing papers with two of them; implemented outreach work with local schools; presented in numerous local, national and international conferences and expanded her remit from smoking cessation to harm reduction and policy and co-morbid populations and illicit drug use. The Society is proud to support her as a future leader in addictions research.

Projects and conference support

Treatobacco.net

This website has been supported by the Society since 2011 and its continued success in terms of worldwide reach and downloads convinced the trustees that funding should be provided for a further year. The site continues to expand its reach, with usage up a further 35% in 2015, and work on translating the site's core sections progressing, with six more languages completed. The time-consuming process of translating material into the remaining ten languages of the site has been one of the main tasks of the last three years. Work continues on making available the WHO's Framework Convention on Tobacco Control, Article 14 guidelines, and these are a key draw of the site.

'When Luck Runs Out' Excessive Gambling Conference

The Society jointly sponsored this conference which was held in June 2016. It brought together leading researchers, addiction specialists, practitioners, politicians, policy makers and service users. The goals were to share knowledge and experience about how to reduce gambling related harm, and to consider policy directions for regulation of the gambling industry and the provision of services for problem gamblers. Speakers included Professor Jim Orford and professional snooker player Willie Thorne. The conference was covered in various media outlets and approximately 100 delegates from various organisations attended to hear the latest research into various aspects of gambling including predictive brain states, relationship with mood, the value of screening and effective treatment.

FINANCIAL REVIEW

Investment policy and performance

In accordance with its governing document, the Society is empowered to invest its monies not immediately required for its purposes, in investments, securities or property as may be thought fit, subject to any statutory requirements and noting that investment should not be made in commercial companies connected with gambling, tobacco or alcohol.

The Society's long term investments are held in an investment fund which is a well-diversified combination of predominantly quoted shares, together with an allocation of lower risk fixed interest securities held via an investment fund specifically available to Charities and similar institutions and which aims to achieve long term returns. In the year to 31 March 2016 the long term investment portfolio made a total return of -3.3%. This reflected the difficult market conditions experienced in the period in particular the volatility of world markets triggered by the falls in China shares at the beginning of 2016 and the uncertainty surrounding the UK referendum on Europe. During the period since the Society first invested into the original investment fund in October 2008, up to 31 March 2016, the long term investment portfolio has returned 107%. In addition the Society holds a proportion of its reserves in bank treasury term deposits. The trustees consider that satisfactory returns were made in the period given the Society's prudent and diversified investment policy.

THE SOCIETY FOR THE STUDY OF ADDICTION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

FINANCIAL REVIEW (continued)

Results

Net outgoing resources for the year amounted to £6,833 (2015: £11,230). The net movement in funds after gains/losses on investment assets amounted to £(179,508) (2015: £266,586).

Assets

The assets are held in pursuance of the company's charitable objectives. The net assets of the unrestricted funds at 31 March 2016 amount to £3,638,085 (2015: £3,817,593).

Reserves policy

The Board of trustees has determined that the Society should maintain unrestricted funds which are not invested in tangible fixed assets or fixed asset investments (the 'free reserves') at a level representing a year's expenditure. This would provide sufficient funds to complete the publication of the journal, meet overhead costs and wind up the charitable company if necessary. At the year end, the 'free reserves' amounted to £1,046,855 (2015: £1,137,807) which is in excess of the stated policy. The Board has prepared a 5 year plan to increase expenditure on various initiatives, in line the Society's core objectives, which will reduce this excess. Details are outlined in the President's report above.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Society for the Study of Addiction (the Society) is established for charitable purposes and is constituted as a company limited by guarantee governed by its Memorandum and Articles of Association, last amended in November 2012.

Organisation

The trustees of the Society (the Board) are elected by the membership and their role is to provide scientific direction, business and financial administration to the charitable company.

The Board shall have not less than 3 nor more than 15 members, of whom no more than 12 are elected by the membership of the Society at the Annual General Meeting, with the Board having the power to co-opt up to a maximum of 3 additional members with the same powers as elected members. Trustees serve until the end of the third Annual General Meeting following the one at which they were elected.

The membership of the Board is set out on page 7. All served throughout the year except for Dr J Neale who resigned on 5 November 2015.

Training in aspects of good governance is given to trustees and an induction process is carried out for all new trustees.

The Officers of the Board consist of the President, Vice President and the Treasurer together with other officers as deemed necessary by the Board. Sub-committees and panels exist to monitor the Society's finances, strategic plans and its academic schemes, journals and other publications. A chief officer is appointed by the trustees to manage the day to day operations of the Society. The editors of the Society's journals are appointed by the trustees.

No trustee has any beneficial interest in the Society.

Risk assessment

The trustees have taken careful account of the current risk exposure of the Society and are confident that they have properly protected the interests of the Society and are able to meet foreseeable liabilities. We are able to confirm that we have procedures in place that mitigate against risks.

THE SOCIETY FOR THE STUDY OF ADDICTION

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

2691654

Registered Charity number

1009826

Registered office

Office 116
University of Northampton Innovation Centre
Green Street
Northampton
NN1 1SY

Trustees

Professor E Gilvarry (President)
Dr E J Day (Vice President)
Dr J Marshall
Dr C I Matheson (Treasurer)
Professor A D McNeill
Dr J Neale - resigned 5/11/2015
Dr D Rumball
Dr J M A Sinclair
Professor Sir J S Strang
Dr G Tober

Company Secretary

Dr C I Matheson (Treasurer)

Auditors

DNG Dove Naish
Eagle House
28 Billing Road
Northampton
Northamptonshire
NN1 5AJ

Solicitors

Hewitsons
Northampton

Bankers

Lloyds Bank
Northampton

Chief Officer

Mr M Wheeler

THE SOCIETY FOR THE STUDY OF ADDICTION

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of The Society for the Study of Addiction for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, DNG Dove Naish, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 13 October 2016 and signed on its behalf by:

.....
Professor E Gilvarry (President)

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE SOCIETY FOR THE STUDY OF ADDICTION

We have audited the financial statements of The Society for the Study of Addiction for the year ended 31 March 2016 on pages eleven to twenty. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page eight, the trustees (who are also the directors of the charitable company 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.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act.

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 Trustees 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 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
THE SOCIETY FOR THE STUDY OF ADDICTION**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements ; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

DNG Dove Naish

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Eagle House

28 Billing Road

Northampton

Northamptonshire

NN1 5AJ

Date: 17 October 2016

THE SOCIETY FOR THE STUDY OF ADDICTION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2016

| | Notes | 2016 Unrestricted funds £ | 2015 Unrestricted funds £ |
|------------------------------------|-------|------------------------------------|------------------------------------|
| INCOME AND ENDOWMENTS FROM | | | |
| Charitable activities | | | |
| Publishing contracts | 3 | 787,088 | 738,053 |
| Membership subscriptions | | 29,047 | 32,571 |
| Conference income | | 24,647 | 23,239 |
| Other income | | 14,700 | 15,455 |
| Investment income | 2 | <u>94,834</u> | <u>52,495</u> |
| Total | | 950,316 | 861,813 |
| EXPENDITURE ON | | | |
| Charitable activities | | | |
| Journal expenses | 4 | 446,457 | 446,056 |
| Annual conference | | 77,841 | 75,752 |
| Grants and bursaries | | 286,693 | 231,315 |
| Project funding and prizes | | 54,884 | 84,467 |
| Website | | <u>91,274</u> | <u>35,453</u> |
| Total | | 957,149 | 873,043 |
| Net gains/(losses) on investments | | <u>(172,675)</u> | <u>277,816</u> |
| NET INCOME/(EXPENDITURE) | | (179,508) | 266,586 |
| RECONCILIATION OF FUNDS | | | |
| Total funds brought forward | | <u>3,817,593</u> | <u>3,551,007</u> |
| TOTAL FUNDS CARRIED FORWARD | | <u><u>3,638,085</u></u> | <u><u>3,817,593</u></u> |

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

THE SOCIETY FOR THE STUDY OF ADDICTION

**BALANCE SHEET
AT 31 MARCH 2016**

| | Notes | £ | 2016 Unrestricted funds £ | 2015 Unrestricted funds £ |
|--|-------|---|------------------------------------|------------------------------------|
| FIXED ASSETS | | | | |
| Investments | 10 | | 2,591,230 | 2,679,786 |
| CURRENT ASSETS | | | | |
| Debtors | 11 | | 52,867 | 48,421 |
| Cash at bank and in hand | | | <u>1,360,185</u> | <u>1,488,867</u> |
| | | | 1,413,052 | 1,537,288 |
| CREDITORS | | | | |
| Amounts falling due within one year | 12 | | (366,197) | (399,481) |
| NET CURRENT ASSETS | | | <u>1,046,855</u> | <u>1,137,807</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>3,638,085</u> | <u>3,817,593</u> |
| NET ASSETS | | | <u>3,638,085</u> | <u>3,817,593</u> |
| FUNDS | | | | |
| Unrestricted funds | 13 | | <u>3,638,085</u> | <u>3,817,593</u> |
| TOTAL FUNDS | | | <u>3,638,085</u> | <u>3,817,593</u> |

The notes form part of these financial statements

THE SOCIETY FOR THE STUDY OF ADDICTION

**BALANCE SHEET - CONTINUED
AT 31 MARCH 2016**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2016.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 13 October 2016 and were signed on its behalf by:

.....
Professor E Gilvarry (President)

.....
Dr E J Day (Vice President)

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The charity has opted to adopt FRS102 early, commencing on 1st April 2015. The adoption of FRS102 has not had any impact on the comparative figures.

Financial reporting standard 102 - reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

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. Policies on specific income streams are:

Investment income

Investment income, including associated income tax recoveries, is recognised when receivable.

Royalty income

Royalty income is received based upon the terms of a contract drawn up in conjunction with the Society's publishers. The contract states that the Society is entitled to a share of the profit for each calendar year that the journal is produced. In the accounts for the year ended 31 March 2016 this therefore represents 75% of the relevant profit share for the year ended 31 December 2015 together with 25% of the estimated profit share for the year ending 31 December 2016.

Membership subscriptions

Membership subscriptions are recognised when received.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that 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 accruals basis and has been classified under headings that aggregate all cost 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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Taxation

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

THE SOCIETY FOR THE STUDY OF ADDICTION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES - continued

Fund accounting

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

2. INVESTMENT INCOME

| | 2016 £ | 2015 £ |
|--------------------------|---------------|---------------|
| Dividend income | 84,119 | 39,446 |
| Deposit account interest | <u>10,715</u> | <u>13,049</u> |
| | <u>94,834</u> | <u>52,495</u> |

3. INCOME FROM CHARITABLE ACTIVITIES

| | 2016 £ | 2015 £ |
|---------------------------------|----------------|----------------|
| Publishing Income - 'Addiction' | 760,738 | 716,651 |
| - 'Addiction Biology' | 26,350 | 21,402 |
| Membership subscriptions | 29,047 | 32,571 |
| Conference income | 24,647 | 23,239 |
| Other income | <u>14,700</u> | <u>15,455</u> |
| | <u>855,482</u> | <u>809,318</u> |

4. CHARITABLE ACTIVITIES COSTS

| | Direct costs £ | Grant funding of activities (See note 5) £ | Support costs (See note 6) £ | Totals £ |
|----------------------------|-------------------|--|---------------------------------------|----------------|
| Journal expenses | 433,121 | - | 13,336 | 446,457 |
| Annual conference | 37,836 | - | 40,005 | 77,841 |
| Project funding and prizes | 28,573 | - | 26,311 | 54,884 |
| Website | 64,605 | - | 26,669 | 91,274 |
| Grants and bursaries | <u>-</u> | <u>259,667</u> | <u>27,026</u> | <u>286,693</u> |
| | <u>564,135</u> | <u>259,667</u> | <u>133,347</u> | <u>957,149</u> |

5. GRANTS PAYABLE

| | 2016 £ | 2015 £ |
|----------------------|----------------|----------------|
| Grants and bursaries | <u>259,667</u> | <u>200,236</u> |

The total grants paid during the year was as follows:

| | 2016 £ | 2015 £ |
|-----------------------|----------------|----------------|
| Grants to individuals | <u>259,667</u> | <u>200,236</u> |

THE SOCIETY FOR THE STUDY OF ADDICTION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2016

6. SUPPORT COSTS

| | Management £ | Finance £ | Information technology £ | Governance costs £ | Totals £ |
|----------------------------|-----------------|--------------|--------------------------------|--------------------------|----------------|
| Journal expenses | 11,954 | 255 | 79 | 1,048 | 13,336 |
| Annual conference | 35,865 | 766 | 234 | 3,140 | 40,005 |
| Grants and bursaries | 23,910 | 868 | 156 | 2,092 | 27,026 |
| Project funding and prizes | 23,910 | 153 | 156 | 2,092 | 26,311 |
| Website | 23,910 | 511 | 156 | 2,092 | 26,669 |
| | <u>119,549</u> | <u>2,553</u> | <u>781</u> | <u>10,464</u> | <u>133,347</u> |

Support costs, included in the above, are as follows:

Management

| | Journal Expenses £ | Annual conference £ | Grants and bursaries £ | Project funding and prizes £ | Website £ |
|---------------------------------------|--------------------------|---------------------------|------------------------------|---------------------------------------|---------------|
| Staff costs | 11,274 | 33,824 | 22,549 | 22,549 | 22,549 |
| Office and other administration costs | 680 | 2,041 | 1,361 | 1,361 | 1,361 |
| | <u>11,954</u> | <u>35,865</u> | <u>23,910</u> | <u>23,910</u> | <u>23,910</u> |

| | 2016 Total activities £ | 2015 Total activities £ |
|---------------------------------------|----------------------------------|----------------------------------|
| Staff costs | 112,745 | 110,106 |
| Office and other administration costs | 6,804 | 1,104 |
| | <u>119,549</u> | <u>111,210</u> |

Finance

| | Journal Expenses £ | Annual conference £ | Grants and bursaries £ | Project funding and prizes £ | Website £ |
|--------------|--------------------------|---------------------------|------------------------------|---------------------------------------|--------------|
| Bank charges | 255 | 766 | 868 | 153 | 511 |
| | <u>255</u> | <u>766</u> | <u>868</u> | <u>153</u> | <u>511</u> |

| | 2016 Total activities £ | 2015 Total activities £ |
|--------------|----------------------------------|----------------------------------|
| Bank charges | 2,553 | 1,907 |
| | <u>2,553</u> | <u>1,907</u> |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2016

6. SUPPORT COSTS - continued

Information technology

| | Journal Expenses £ | Annual conference £ | Grants and bursaries £ | Project funding and prizes £ | Website £ |
|-------------------|--------------------------|---------------------------|------------------------------|---------------------------------------|----------------------------------|
| Computer expenses | 79 | 234 | 156 | 156 | 156 |
| | | | | 2016 Total activities £ | 2015 Total activities £ |
| Computer expenses | | | | 781 | 54 |

Governance costs

| | Journal Expenses £ | Annual conference £ | Grants and bursaries £ | Project funding and prizes £ | Website £ |
|------------------------|--------------------------|---------------------------|------------------------------|---------------------------------------|----------------------------------|
| Trustee meeting costs | 325 | 973 | 648 | 648 | 648 |
| Auditors' remuneration | 288 | 864 | 576 | 576 | 576 |
| Professional fees | 435 | 1,303 | 868 | 868 | 868 |
| | 1,048 | 3,140 | 2,092 | 2,092 | 2,092 |
| | | | | 2016 Total activities £ | 2015 Total activities £ |
| Trustee meeting costs | | | | 3,242 | 4,291 |
| Auditors' remuneration | | | | 2,880 | 3,080 |
| Professional fees | | | | 4,342 | 2,554 |
| | | | | 10,464 | 9,925 |

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

| | | |
|------------------------|--------------|--------------|
| | 2016 £ | 2015 £ |
| Auditors' remuneration | <u>2,880</u> | <u>3,080</u> |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2016

8. TRUSTEES' REMUNERATION AND BENEFITS

There was no trustees' remuneration or other benefits for the year ended 31 March 2016, apart from £300 paid to Professor A McNeill for editorial services provided to the Society.

Trustees' expenses

Expense reimbursements were paid to 8 trustees (2015: 8) during the year and amounted to £2,330 (2015: £3,277) in respect of travel and subsistence.

9. STAFF COSTS

Staff costs during the year were as follows:

| | 2016 £ | 2015 £ |
|-------------------------------|----------------|----------------|
| Direct wages and salaries | 181,158 | 162,238 |
| Employer's National Insurance | 19,402 | 16,918 |
| Pension costs | 17,959 | 16,360 |
| Employment allowance | <u>(2,000)</u> | <u>(2,000)</u> |
| | <u>216,519</u> | <u>196,516</u> |

The average number of staff during the year was 5 (2015: 5).

No employee earned more than £60,000 per annum in the current or preceding period.

10. FIXED ASSET INVESTMENTS

| | Listed investments £ |
|-----------------------|----------------------------|
| MARKET VALUE | |
| At 1 April 2015 | 2,679,786 |
| Additions | 84,119 |
| Revaluations | <u>(172,675)</u> |
| At 31 March 2016 | <u>2,591,230</u> |
| NET BOOK VALUE | |
| At 31 March 2016 | <u>2,591,230</u> |
| At 31 March 2015 | <u>2,679,786</u> |

Listed investments are stated at their mid market value as at the balance sheet date.

If the investments had not been revalued, they would have been included on the historical cost basis at the following amounts:

| | |
|---|------------------------------|
| Cost and net book value as at 31 March 2016 | <u>£</u> <u>2,523,565</u> |
| Cost and net book value as at 31 March 2015 | <u>2,439,446</u> |

THE SOCIETY FOR THE STUDY OF ADDICTION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2016

10. **FIXED ASSET INVESTMENTS - continued**

There were no investment assets outside the UK.

11. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

| | 2016 £ | 2015 £ |
|----------------|---------------|---------------|
| Accrued Income | 10,203 | 19,390 |
| Prepayments | <u>42,664</u> | <u>29,031</u> |
| | <u>52,867</u> | <u>48,421</u> |

12. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

| | 2016 £ | 2015 £ |
|---------------------------------|----------------|----------------|
| Social security and other taxes | 5,664 | 4,936 |
| Deferred income | 147,958 | 147,786 |
| Accruals | 129,992 | 161,867 |
| VAT Liability | <u>82,583</u> | <u>84,892</u> |
| | <u>366,197</u> | <u>399,481</u> |

13. **MOVEMENT IN FUNDS**

| | At 1/4/15 £ | Net movement in funds £ | At 31/3/16 £ |
|---------------------------|------------------|----------------------------------|------------------|
| Unrestricted funds | | | |
| General | 3,817,593 | (179,508) | 3,638,085 |
| | <u>3,817,593</u> | <u>(179,508)</u> | <u>3,638,085</u> |

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Gains and losses £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds | | | | |
| General | 950,316 | (957,149) | (172,675) | (179,508) |
| | <u>950,316</u> | <u>(957,149)</u> | <u>(172,675)</u> | <u>(179,508)</u> |

14. **CONTINGENT LIABILITIES**

There were no contingent liabilities as at 31 March 2016 or 31 March 2015.

15. **CAPITAL COMMITMENTS**

The charitable company had no capital commitments as at 31 March 2016 or 31 March 2015.

16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2016.

17. FIRST YEAR ADOPTION

Transitional relief

On transition to FRS 102, the charity has no areas in which transitional reliefs need to be claimed.