

Company registration number: SC298843

Charity registration number: SC034720

# Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited

(A company limited by guarantee)

Trustees' Report and Financial Statements

for the Year Ended 31 March 2022

Brown, Scott & Main  
31 Townsend Place  
Kirkcaldy  
Fife  
KY1 1HB

## **Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

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## **Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

### **Reference and Administrative Details**

<b>Trustees</b>	Ms J Lamie Mr J Martin Dr J J Macleod Mr D R Mackay
<b>Secretary</b>	Mr D R Mackay
<b>Senior Management / Leadership Team</b>	Mrs A Adam, Service Manager
<b>Charity Registration Number</b>	SC034720
<b>Company Registration Number</b>	SC298843
<b>Registered Office</b>	The charity is incorporated in Scotland. Carlyle House Carlyle Road Kirkcaldy Fife KY1 1DB
<b>Auditor</b>	Brown, Scott & Main 31 Townsend Place Kirkcaldy Fife KY1 1HB
<b>Solicitors:</b>	Andrew K. Price Limited 18 Whytescauseway Kirkcaldy Fife KY1 1XF
<b>Bankers</b>	The Royal Bank of Scotland

## **Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

### **Trustees' Report**

The Trustees are pleased to present their annual Directors' report of the charity for the year ending 31 March 2022 which is prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and 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).

Since the charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

### **Objectives and activities**

#### ***Objects and aims***

The company's objects per the charity's memorandum and Article of Association are to:

- (a) promote the rehabilitation, alleviate the suffering and distress and advance the education of individuals primarily within Fife who have or have had a substance use problem; this however does not preclude extending the service out with Fife, if appropriate.
- (b) promote the prevention of substance use and related problems among inhabitants of Fife or extended areas. And in furtherance thereof but otherwise FIRST shall seek to -
  - i) operate groups within which individuals who have/ have had a substance use issue can meet, offer mutual support and arrange activities with particular emphasis on a health sustaining lifestyle.
  - ii) offer a community response to problems of substance use by providing advice and support to persons with such problems and particularly by encouraging a substance free, healthy and socially rewarding lifestyle.
  - iii) provide information and advice to the community generally about the dangers and problems associated with substance use.

It has been the policy of the Directors to utilise funding in order to meet these objectives by:

Providing a community- based rehabilitation service to residents of Fife via one to one, group and volunteer support and a residential rehabilitation service in order to assist these individuals to make positive lifestyle changes thus enabling them to live predominantly without using substances. Clients are referred to the service by attending one of the Triage Drop- In clinics which are held throughout Fife or by another substance use service.

## **Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

### **Trustees' Report**

#### **Achievements and performance**

##### **Main achievements of the charity**

FIRST has the capacity to work with 260 clients at any given time. Clients are given the opportunity to give feedback/suggestions regarding the delivery of the service at various points during their time with FIRST and also at point of exit from the service.

The organisation was successful in securing funding from the CORRA Grassroots fund in 2021 and although the Bank of Scotland Foundation funding ended in December 2021, a successful application was made to the CORRA Foundation for a five year funding period from the National Drugs Mission fund from the Scottish Government.

FIRST has continued to attract individuals to come forward to volunteer with the Service including those who have previously had issues with drugs/alcohol themselves (some of whom are ex clients of FIRST). The support of the volunteers makes a tremendous difference to the lives of the client group and input given by the volunteers should not be underestimated.

The Group programmes continued remotely for much of the year, with Arts and Crafts and Cookery proving to be very popular and a Cookery Book was produced by the members as a result of these sessions. Peer support has been a source of great support to clients, particularly over the winter months and attendance has been consistently high.

The service was inspected by the Care Inspectorate in August 2016 and scored 6 (excellent) in all areas examined. An unannounced Inspection in 2021 was expected but did not take place due to the ongoing situation with the pandemic, however and as is customary, all mandatory information was submitted pending inspection.

The service received additional funding from Fife Health and Social Care Partnership to deliver the highly successful residential rehabilitation service. Our Co-ordinator assesses, prepares and supports clients through inpatient detoxification and residential rehabilitation as well as offering support to the family members if required. Targets have, once again been exceeded and this service is closely monitored so we can evidence both the benefits to the client short, medium and long term therefore demonstrating the need for this type of intervention.

As always, Directors, staff, students and volunteers at FIRST are committed to providing a high quality, equitable, accessible service to clients. An aftercare service is available to those clients who give their permission, meaning that they are contacted three months and six months post discharge from their keyworker to see how they are progressing and, if there are any issues the client can be brought back into service immediately.

Every effort will be made to build on the good work that has already taken place and we will continue to provide a quality rehabilitation service for substance users throughout Fife.

The difference FIRST has made to our clients and their families cannot be underestimated. Relationships have been re-built, children have their parents back (and vice versa) and clients have a positive, healthy future ahead of them, having broken free from the destructive cycle of substance use. They can now get into/back into employment and provide for their families and live as responsible members of society.

## **Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

### **Trustees' Report**

#### **Financial review**

##### ***Policy on reserves***

The Trustees have established a policy whereby the unrestricted general funds, excluding tangible fixed assets and any designated funds (free reserves) should reflect the potential wind-up cost of the charitable company, which equates to approximately £300,733 at 31 March 2022. The wind-up cost of the charitable company includes three months of operational costs plus any contractual staff liability which is calculated via the DTI website. An additional amount of money to cover costs that may be incurred through Schedule of Dilapidations has also been included.

##### **Financial risk management objectives and policies**

In addition to the risk associated with the going concern of the charity the directors have assessed the other major risks to which the charity is exposed, particularly those relating to the operations and finances of the charity and are satisfied that systems are in place to mitigate their exposure to those major risks.

The defined benefit pension scheme's value is calculated by reference to the Actuaries' assumptions regarding inflation, expected return on assets and discounting rates and as such could lead to either an asset or liability in any given year. Since a liability must be recognised in the statement of financial activities this could lead to a deficit in the funds. In order to limit the charity's exposure to any liability the scheme was closed to any new entrants. All new employees now have the option to join a defined contribution pension.

FIRST has a robust health and safety policy and risk assessment table, both of which are updated on a regular basis. These documents are scrutinised by the Care Inspectorate at each inspection. Systems are in place to safeguard clients/volunteers/directors/staff within the main office building, at other satellite bases and on Groupwork programmes, both indoor and outdoor.

##### ***Investment policy and objectives***

The directors are not empowered to make investments in the charity's name.

##### **Plans for future periods**

##### ***Aims and key objectives for future periods***

The Trustees are happy to report that both Fife Health and Social Care Partnership and Fife ADP have given the first quarter of core funding to the charity for 2022/23. Fife Health and Social Care Partnership has also committed to funding the residential rehabilitation element of the service until March 2023. Funding streams are subject to continued funding from the Scottish Government. Funding from the Robertson Trust for year three of three will end in June 2022 as will the CORRA Grassroots funding. The new funding from the National Drugs Mission Fund will commence in April 2022.

FIRST continues to be registered with Public Contracts Scotland in order to receive information for work that is being put out to tender, should they wish to expand into other areas of Scotland to deliver a similar service.

##### **Going concern**

The bulk of funding over 2021/22 was received from Fife Health and Social Care Partnership and Fife Alcohol and Drug Partnership (ADP) to deliver both community and residential based rehabilitation services.

In the year ended 31 March 2022 the net movement in funds, which represents incoming resources less resources expended before any adjustment for pension gains or losses, showed a surplus of £268,334 (2021 - surplus of £265,240).

This is made up of a surplus of £83,415 in unrestricted funds and a surplus of £184,919 in restricted funds.

## **Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

### **Trustees' Report**

#### **Structure, governance and management**

##### ***Organisational structure***

The charity was originally set up as an unincorporated charity, formed on 21 April 2003, and became a registered charity in Scotland on 8 August 2003. On 14 March 2006 the charity changed its status to a company limited by guarantee. All the assets of the unincorporated charity were transferred to the incorporated charity on 31 March 2006.

The charity operates under the rules of its memorandum and articles of association. The management of the charity is the responsibility of the Directors. A Director is elected by means of nomination by a Director and the nomination has to be seconded (each Director has a vote and the Chairperson has a deciding vote). The company is limited by guarantee, limited to £1 per guarantor.

All new directors are interviewed prior to appointment and given an overview of the service. Information booklets, produced by Companies House are given to every member of the board, and roles and responsibilities as a Director reinforced.

Major decisions are made collectively by the directors at Board Meetings which are held every eight weeks. The day-to-day decisions with regards to the functioning of the service are made by the Service Manager. Matters of an urgent nature which cannot wait until the next scheduled Board Meeting are dealt with by the Service Manager in conjunction with the Chairperson and, if required, one other Board Member.

##### **Disclosure of information to auditor**

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

##### **Reappointment of auditor**

The auditors, Brown, Scott and Main (Statutory auditor), were appointed by the Directors in early 2022. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The annual report was approved by the trustees of the charity on 7<sup>TH</sup> JULY and signed on its behalf by:

2022



.....  
Ms J Lamie  
Trustee

## **Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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. 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.

Approved by the trustees of the charity on 17th July and signed on its behalf by:

2022

Joan Lamie

Ms J Lamie  
Trustee



## **Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

### **Independent Auditors' Report to the Members of Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

#### **Opinion**

We have audited the financial statements of Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited (the 'charity') for the year ended 31 March 2022, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 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.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

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

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

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

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

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

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

## **Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

### **Independent Auditors' Report to the Members of Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and 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.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 6), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor responsibilities for the audit of the financial statements**

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

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

- we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our experience of the charity sector and through discussion with management including the directors (as required by auditing standards);
- we had regard to laws and regulations in areas that directly affect the financial statements including the Companies Act 2006 and current financial reporting standards;
- we communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates were indicative of a potential bias; and evaluating the rationale of any significant transactions that were unusual or outside normal charitable activities. We reviewed the instances of related parties and remained alert to the possibility of further related party transactions.

There are inherent limitations in the audit procedures described above and the further removed the laws and regulations are from the events and transactions reflected in the financial statements, the less likely we would become aware of non-compliance. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentation, or through collusion.

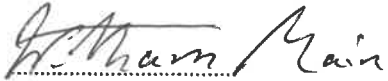
A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

**Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

**Independent Auditors' Report to the Members of Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**



William Main (Senior Statutory Auditor)  
For and on behalf of Brown, Scott & Main, Statutory Auditor

31 Townsend Place  
Kirkcaldy  
Fife  
KY1 111B

Date: 22nd July 2022

Brown, Scott & Main is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

**Statement of Financial Activities for the Year Ended 31 March 2022  
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
<b>Income and Endowments from:</b>					
Donations and legacies	3	204	-	204	150
Charitable activities	4	715,386	611,131	1,326,517	1,113,328
Investment income	5	85	-	85	378
Total income		<u>715,675</u>	<u>611,131</u>	<u>1,326,806</u>	<u>1,113,856</u>
<b>Expenditure on:</b>					
Charitable activities	6	<u>(632,088)</u>	<u>(426,384)</u>	<u>(1,058,472)</u>	<u>(848,616)</u>
Total expenditure		<u>(632,088)</u>	<u>(426,384)</u>	<u>(1,058,472)</u>	<u>(848,616)</u>
Net income		83,587	184,747	268,334	265,240
Transfers between funds		(172)	172	-	-
<b>Other recognised gains and losses</b>					
Actuarial gains on defined benefit pension schemes		227,000	-	227,000	108,000
Other gains/losses		<u>(215,000)</u>	<u>-</u>	<u>(215,000)</u>	<u>(113,000)</u>
Net movement in funds		95,415	184,919	280,334	260,240
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>386,839</u>	<u>217,148</u>	<u>603,987</u>	<u>343,747</u>
Total funds carried forward	20	<u>482,254</u>	<u>402,067</u>	<u>884,321</u>	<u>603,987</u>

All of the charity's activities derive from continuing operations during the above two periods.  
The funds breakdown for 2021 is shown in note 20.

**Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

**(Registration number: SC298843)**

**Balance Sheet as at 31 March 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	12	9,396	12,852
<b>Current assets</b>			
Debtors	13	12,353	114,393
Cash at bank and in hand	14	927,079	558,137
		<u>939,432</u>	<u>672,530</u>
<b>Creditors: Amounts falling due within one year</b>	15	<u>(64,507)</u>	<u>(81,395)</u>
<b>Net current assets</b>		<u>874,925</u>	<u>591,135</u>
<b>Net assets</b>		<u>884,321</u>	<u>603,987</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		402,067	217,148
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>482,254</u>	<u>386,839</u>
<b>Total funds</b>	20	<u>884,321</u>	<u>603,987</u>

The financial statements on pages 10 to 24 were approved by the trustees, and authorised for issue on 7<sup>th</sup> JULY and signed on their behalf by: 2022



Ms J Lamie  
Trustee

**Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

**Statement of Cash Flows for the Year Ended 31 March 2022**

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash income		280,334	260,240
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		3,025	4,201
Investment income	5	(85)	(378)
Loss on disposal of tangible fixed assets		-	74
		<u>283,274</u>	<u>264,137</u>
<b>Working capital adjustments</b>			
Decrease/(increase) in debtors	13	102,040	(113,202)
(Decrease)/increase in creditors	15	<u>(16,888)</u>	<u>8,914</u>
Net cash flows from operating activities		<u>368,426</u>	<u>159,849</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	85	378
Purchase of tangible fixed assets	12	(1,338)	(7,027)
Sale of tangible fixed assets		<u>1,769</u>	<u>-</u>
Net cash flows from investing activities		<u>516</u>	<u>(6,649)</u>
Net increase in cash and cash equivalents		368,942	153,200
Cash and cash equivalents at 1 April		<u>558,137</u>	<u>404,937</u>
Cash and cash equivalents at 31 March		<u>927,079</u>	<u>558,137</u>

All of the cash flows are derived from continuing operations during the above two periods.

## **Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in Scotland, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Carlyle House  
Carlyle Road  
Kirkcaldy  
Fife  
KY1 1DB

#### **2 Accounting policies**

##### **Basis of preparation of financial statements**

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Fife Intensive Rehabilitation And Substance Use Team (FIRST) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Presentation currency is sterling.

##### **Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

At the date of approval of the financial statements, the Trustees are aware of the potential impact on the company of COVID-19. As the country is still in the midst of the pandemic, it is not possible to assess the potential full impact. However, the Trustees have taken all steps necessary to mitigate any impact the virus may have on the company and has considered a period of at least 12 months from the date of approval of the financial statements.

##### **Income**

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

##### **Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

## **Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **2 Accounting policies (continued)**

##### **Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

##### **Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

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

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition are included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives

Depreciation is provided on the following bases:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Fixtures and fittings	-25% reducing balance
Office equipment	-25% reducing balance
Computer equipment	-25% reducing balance

##### **Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid.

##### **Cash and cash equivalents**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### **Liabilities and provisions**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

##### **Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.



## **Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **2 Accounting policies (continued)**

##### **Pensions and other post retirement obligations**

The company is part of the Fife Council Local Government pension scheme which is a multi-employer Local Government defined benefit scheme. The assets of the scheme are held separately from those of the company and pensions payable under the scheme are based on final pension salary. In accordance with the requirements of FRS 102 the operating costs of providing these benefits are earned by the employees and related financing and other costs are recognised in the year in which they arise.

The charitable company also operates a personal pension plan open to new members on a defined contribution basis. The contributions payable are charged to the Statement of Financial Activities in the period to which they relate.

##### **Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

#### **3 Income from donations and legacies**

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Donations and legacies;		
Donations from individuals	204	204
<b>Total for 2022</b>	<b>204</b>	<b>204</b>
<b>Total for 2021</b>	<b>150</b>	<b>150</b>

## Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 4 Income from charitable activities

##### Current year

	Unrestricted funds General £	Restricted funds £	Total 2022 £
ADP Funding	266,193	-	266,193
Fife Council core funding	396,848	200,000	596,848
Other activities	52,345	29,640	81,985
Residential rehabilitation	-	340,638	340,638
MIWFF	-	40,853	40,853
	<u>715,386</u>	<u>611,131</u>	<u>1,326,517</u>

##### Previous year

	Unrestricted funds General £	Restricted funds £	Total 2021 £
COVID Support	17,500	-	17,500
ADP Funding	255,955	-	255,955
Fife Council core funding	387,634	-	387,634
Other activities	495	140,772	141,267
Residential rehabilitation	-	310,972	310,972
	<u>661,584</u>	<u>451,744</u>	<u>1,113,328</u>

#### 5 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income; Interest receivable on bank deposits	<u>85</u>	<u>85</u>
<b>Total for 2022</b>	<u>85</u>	<u>85</u>
<b>Total for 2021</b>	<u>378</u>	<u>378</u>

**Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2022**

**6 Expenditure on charitable activities**

**By fund - current year**

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2022 £</b>
Facilities accommodation	-	283,762	283,762
Groupwork	-	2,617	2,617
Depreciation	1,768	3,025	4,793
Staff costs	546,205	118,634	664,839
Allocated support costs	76,915	18,166	95,081
Governance cost	7,200	-	7,200
Naloxone rollout	-	180	180
	<u>632,088</u>	<u>426,384</u>	<u>1,058,472</u>

**By fund - previous year**

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2021 £</b>
Facilities accommodation	-	141,413	141,413
Groupwork	-	1,842	1,842
Depreciation	-	1,675	1,675
Staff costs	449,493	155,130	604,623
Allocated support costs	64,296	26,106	90,402
Governance cost	8,661	-	8,661
	<u>522,450</u>	<u>326,166</u>	<u>848,616</u>

**By type - current year**

	<b>Activity undertaken directly £</b>	<b>Activity support costs £</b>	<b>2022 £</b>
Facilities accommodation	283,762	-	283,762
Groupwork	2,617	-	2,617
Staff costs	664,839	-	664,839
Allocated support costs	-	95,081	95,081
Depreciation & losses on disposal	4,793	-	4,793
Naloxone rollout	180	-	180
	<u>956,191</u>	<u>95,081</u>	<u>1,051,272</u>

## Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 6 Expenditure on charitable activities (continued)

##### By type - previous year

	Activity undertaken directly £	Activity support costs £	2021 £
Facilities accommodation	141,413	-	141,413
Groupwork	1,842	-	1,842
Staff costs	604,623	-	604,623
Allocated support costs	-	90,402	90,402
Depreciation & losses on disposal	1,675	-	1,675
	<u>749,553</u>	<u>90,402</u>	<u>839,955</u>

#### 7 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022 £	2021 £
Operating leases - other assets	37,443	38,278
Audit fees	4,500	4,100
Loss on disposal of fixed assets held for the charity's own use	1,769	-
Depreciation of fixed assets	<u>3,024</u>	<u>1,675</u>

#### 8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

The amount of expenses waived by the trustees during the year totalled £Nil (2021 - £Nil).

Donations made by the trustees without any conditions attached totalled £Nil for the year (2021 - £Nil).

#### 9 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
<b>Staff costs during the year were:</b>		
Wages and salaries	549,718	495,674
Social security costs	48,298	43,267
Pension costs	<u>66,824</u>	<u>65,682</u>
	<u>664,840</u>	<u>604,623</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Employees	<u>18</u>	<u>17</u>

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

The total employee benefits of the key management personnel of the charity were £51,308 (2021 - £49,868).

**Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2022**

**10 Auditors' remuneration**

	2022 £	2021 £
Audit of the financial statements	4,500	4,100
<b>Other fees to auditors</b>		
All other non-audit services	2,700	4,561

**11 Taxation**

The charity is a registered charity and is therefore exempt from taxation. It is not registered for value added tax.

**12 Tangible fixed assets**

	Furniture and equipment £	Computer equipment £	Office equipment £	Total £
<b>Cost</b>				
At 1 April 2021	6,324	35,924	1,219	43,467
Additions	-	1,338	-	1,338
Disposals	(4,104)	(17,042)	(337)	(21,483)
At 31 March 2022	2,220	20,220	882	23,322
<b>Depreciation</b>				
At 1 April 2021	6,121	23,302	1,192	30,615
Charge for the year	24	2,996	5	3,025
Eliminated on disposals	(3,995)	(15,387)	(332)	(19,714)
At 31 March 2022	2,150	10,911	865	13,926
<b>Net book value</b>				
At 31 March 2022	70	9,309	17	9,396
At 31 March 2021	203	12,622	27	12,852

**13 Debtors**

	2022 £	2021 £
Trade debtors	4,160	111,122
Prepayments	8,193	3,221
Other debtors	-	50
	12,353	114,393

**14 Cash and cash equivalents**

	2022 £	2021 £
Cash at bank	927,079	558,137

## Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 15 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	14,674	1,609
Other taxation and social security	9,858	-
Accruals	39,975	79,786
	<u>64,507</u>	<u>81,395</u>

#### 16 Obligations under leases and hire purchase contracts

The total value of future minimum lease payments was as follows:

	2022	2021
	£	£
Within one year	7,592	8,863
In two to five years	13,240	1,767
	<u>20,832</u>	<u>10,630</u>

#### 17 Pension and other schemes

##### Defined benefit pension schemes Fife Council Pension Fund

The company participates in the Fife Council Pension Scheme, a defined benefit scheme. The company also operates a personal pension scheme on a defined contribution basis which does not form part of the notes below.

The assets of the defined benefit scheme are held separately to those of the company, and pensions are payable based on final pension salary. In accordance with the requirements of FRS 102 the operating costs of providing the benefits earned by the employees and related financing and other costs are recognised in the year in which they arise.

The date of the most recent comprehensive actuarial valuation was 31 March 2022. A separate valuation has been provided for the portion of the company's scheme assets and obligations.

The total cost relating to defined benefit schemes for the year recognised in profit or loss as an expense was £67,000 (2021 - £47,000).

##### *Reconciliation of scheme assets and liabilities to assets and liabilities recognised*

The amounts recognised in the statement of financial position are as follows:

	2022	2021
	£	£
Fair value of scheme assets	2,368,000	2,176,000
Present value of defined benefit obligation	<u>(1,778,000)</u>	<u>(1,801,000)</u>
	590,000	375,000
Other amounts not recognised in the statement of financial position	<u>(590,000)</u>	<u>(375,000)</u>
Defined benefit pension scheme surplus/(deficit)	<u>-</u>	<u>-</u>

##### *Defined benefit obligation*

Changes in the defined benefit obligation are as follows:

## Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 17 Pension and other schemes (continued)

	2022 £
Present value at start of year	1,801,000
Current service cost	74,000
Interest cost	37,000
Actuarial (gains) and losses	(132,000)
Benefits paid	(12,000)
Participants' contributions	10,000
Present value at end of year	<u>1,778,000</u>

#### *Fair value of scheme assets*

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

	2022 £
Fair value at start of year	2,176,000
Interest income	44,000
Actuarial gains and (losses)	95,000
Employer contributions	55,000
Contributions by scheme participants	10,000
Benefit paid	(12,000)
Fair value at end of year	<u>2,368,000</u>

#### *Analysis of assets*

The major categories of scheme assets are as follows:

	2022 %	2021 %
Cash and cash equivalents	5	5
Equity instruments	63	66
Debt instruments	25	23
Property	7	6
	<u>100</u>	<u>100</u>

#### *Return on scheme assets*

	2022 £	2021 £
Return on scheme assets	<u>95,000</u>	<u>444,000</u>

The pension scheme has not invested in any of the charity's own financial instruments, properties or other assets used by the charity.

#### *Principal actuarial assumptions*

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

	2022 %	2021 %
Discount rate	2.70	2.00
Future salary increases	3.70	3.35
Future pension increases	<u>3.20</u>	<u>2.85</u>

## Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 17 Pension and other schemes (continued)

##### Post retirement mortality assumptions

	2022 Years	2021 Years
Current UK pensioners at retirement age - male	20.00	20.00
Current UK pensioners at retirement age - female	23.00	22.00
Future UK pensioners at retirement age - male	21.00	23.00
Future UK pensioners at retirement age - female	<u>25.00</u>	<u>25.00</u>

#### 18 Commitments

##### Pension commitments

The charity paid £17,000 of extra contributions into the fund, on advice of the scheme actuary. They will also pay a further £17,000 extra in the year to 31 March 2023.

Commitments provided for in the accounts amounted to £Nil (2021 - £Nil). Commitments not provided for in the accounts amounted to £Nil (2021 - £Nil). £Nil relates to pension commitments related to pensions payable to past directors (2021 - £Nil).

#### 19 Contingent liabilities

At the year end the Charity had vacated the property at South Fergus Place. On exiting the Charity is obligated to rectify a series of dilapidations that have occurred during occupancy. At the year end the total cost of the obligation is not known.

#### 20 Funds

##### Current year

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>						
General	386,839	715,675	(620,088)	(172)	-	482,254
Pension fund	-	-	(12,000)	-	12,000	-
<b>Total unrestricted funds</b>	<u>386,839</u>	<u>715,675</u>	<u>(632,088)</u>	<u>(172)</u>	<u>12,000</u>	<u>482,254</u>
<b>Restricted funds</b>						
AB Groupwork	15,490	13,000	(2,617)	-	-	25,873
Bank of Scotland COVID support	9,566	-	(9,738)	172	-	-
CORRA Wellbeing	4,927	-	-	-	-	4,927
Naloxone	1,337	-	(180)	-	-	1,157
Post backfill	-	16,640	(16,640)	-	-	-
Residential rehabilitation	185,828	540,638	(359,864)	-	-	366,602
MIWFF Project	-	40,853	(37,345)	-	-	3,508
<b>Total restricted funds</b>	<u>217,148</u>	<u>611,131</u>	<u>(426,384)</u>	<u>172</u>	<u>-</u>	<u>402,067</u>
<b>Total funds</b>	<u>603,987</u>	<u>1,326,806</u>	<u>(1,058,472)</u>	<u>-</u>	<u>12,000</u>	<u>884,321</u>

##### Previous year



**Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2022**

**20 Funds (continued)**

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>					
General	252,177	662,112	(527,450)	-	386,839
Pension fund	-	-	5,000	(5,000)	-
<b>Total unrestricted funds</b>	<b>252,177</b>	<b>662,112</b>	<b>(522,450)</b>	<b>(5,000)</b>	<b>386,839</b>
<b>Restricted funds</b>					
AB Groupwork	2,820	13,000	(1,842)	-	13,978
Bank of Scotland COVID support	-	28,818	(19,252)	-	9,566
CORRA Wellbeing	-	10,910	(5,983)	-	4,927
Post backfill	-	16,000	(16,000)	-	-
Residential rehabilitation	85,901	310,972	(211,045)	-	185,828
Thrive project	-	72,044	(72,044)	-	-
IB Groupwork	1,512	-	-	-	1,512
Naloxone	1,337	-	-	-	1,337
<b>Total restricted funds</b>	<b>91,570</b>	<b>451,744</b>	<b>(326,166)</b>	<b>-</b>	<b>217,148</b>
<b>Total funds</b>	<b>343,747</b>	<b>1,113,856</b>	<b>(848,616)</b>	<b>(5,000)</b>	<b>603,987</b>

The specific purposes for which the funds are to be applied are as follows:

AB Groupwork fund: Restricted for the purpose of groupwork.

Bank of Scotland COVID fund: Restricted for the purpose of funding additional operating costs incurred as a result of the COVID-19 pandemic.

CORRA fund: Restricted for the purpose of funding additional operating costs incurred as a result of the COVID-19 pandemic.

IB Groupwork fund: Restricted for the purpose of training staff in auricular acupuncture.

Post Backfill fund: Restricted for the purpose of additional staff wages incurred in providing emotional resource groups and additional mental health support to complex clients.

Naloxone fund: Restricted for the purpose of providing and educating clients about Naloxone.

Thrive project fund: Restricted for the purpose of recruiting staff to assertively engage and support people to remain in the service, who would otherwise fall out of the service.

MIWFF project fund: Restricted for the purpose of providing staffing towards the Making it work for families partnership project.

Residential rehabilitation fund: Restricted for the purpose of operating the Residential rehabilitation project, and funding overnight stays at service facilities.

**Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2022**

**21 Analysis of net assets between funds**

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds at 31 March 2022 £</b>
Tangible fixed assets	4,298	5,098	9,396
Current assets	518,661	420,771	939,432
Current liabilities	<u>(40,704)</u>	<u>(23,802)</u>	<u>(64,506)</u>
Total net assets	<u>482,255</u>	<u>402,067</u>	<u>884,322</u>
	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds at 31 March 2021 £</b>
Tangible fixed assets	7,500	5,352	12,852
Current assets	441,043	231,487	672,530
Current liabilities	<u>(61,704)</u>	<u>(19,691)</u>	<u>(81,395)</u>
Total net assets	<u>386,839</u>	<u>217,148</u>	<u>603,987</u>

**22 Analysis of net funds**

	<b>At 1 April 2021 £</b>	<b>Cash flows £</b>	<b>At 31 March 2022 £</b>
Cash at bank and in hand	<u>558,137</u>	<u>368,942</u>	<u>927,079</u>
Net debt	<u>558,137</u>	<u>368,942</u>	<u>927,079</u>
	<b>At 1 April 2020 £</b>	<b>Cash flows £</b>	<b>At 31 March 2021 £</b>
Cash at bank and in hand	<u>404,938</u>	<u>153,199</u>	<u>558,137</u>
Net debt	<u>404,938</u>	<u>153,199</u>	<u>558,137</u>