

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 2024

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

Trustees	Ms J Lamie Dr J J Macleod Mr D R Mackay Mr P Coleman
Secretary	Mr D R Mackay
Senior Management / Leadership Team	Mrs A Adam, Service Manager
Charity Registration Number	SC034720
Company Registration Number	SC298843
Registered Office	The charity is incorporated in Scotland. Carlyle House Carlyle Road Kirkcaldy Fife KY1 1DB
Auditor	Brown, Scott & Main 31 Townsend Place Kirkcaldy Fife KY1 1HB
Solicitors:	Andrew K. Price Limited 18 Whytescauseway Kirkcaldy Fife KY1 1XF
Bankers	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 2024 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.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:

- Ms J Lamie
- Dr J J Macleod
- Mr D R Mackay
- Mr P Coleman

Secretary: Mr D R Mackay

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 outwith 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

During the reporting period FIRST has provided community based support via one to one appointments, a range of groupwork and volunteer support for the service users. In terms of the residential rehabilitation service the staff dedicated to this element of the service have provided pre, during and aftercare support and also operate a Family Support Group for the service users and their families. A major achievement over 2023/24 has been the upskilling of our frontline staff who can now provide a range of psychological interventions at Tiers 1 and 2 and statistical information has shown how beneficial this has been for the clients. This also evidences that the service is delivering the Medical Assisted Treatment (MAT) Standards, particularly in terms of MAT 6 and 10 which focuses on trauma informed care. Questionnaires, exit interviews and focus groups inform that clients make progress when working with the staff and lead more fulfilling substance free lives as a result.

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 includes three months operational costs including already committed purchase of residential rehabilitation places. 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.

Our Risk Register, which is updated annually focuses on Governance, Operational Matters, Financial Procedures, External Factors, Compliance and Regulation. This ensures that we have Trustees with the correct skill mix to meet the needs of the organisation, a robust staff recruitment process whereby the best candidates are always selected and from this, the service delivery is professional, competent and safe. Robust financial controls are in place and managed by the Service Manager, Business Manager, Treasurer and Trustees. The charity currently enjoys a healthy rate of interest on its balances, however there is no reliance on this income in terms of the day to day operating of the service. Our Reserves Policy is updated annually and ensures that there are adequate funds to cover our statutory requirements as well as an amount for a schedule of dilapidations. There is a range of policies in place to safeguard the organisation, trustees, staff, clients and volunteers. Our continued funding is reliant on various factors, one being meeting the targets set in our Service Level Agreements (SLA's). It is therefore imperative that senior staff monitor, support and supervise staff to ensure that they are equipped to work with the clients and support them to achieve their goals. These factors are all scrutinized by the Care Inspectorate, with whom the organisation has been registered with since 2006.

Investment policy and objectives

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

Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited

Trustees' Report

Plans for future periods

Aims and key objectives for future periods

Given that the organisation exceeds its targets year on year we would optimistically expect to be funded going forward from the current bodies who fund us. We do however, continue to look to develop and offer an enhanced level of provision when the opportunity arises eg CORRA funding received in 2022 to deliver a pre, during and post residential rehabilitation service, obtaining additional funding from the Robertson Trust to second a member of staff to the Making it Work for Families (MIWFF) service in conjunction with three other charities. These developments all help to improve lives and we will continue to look for opportunities to undertake such work in the future. Training, support, supervision and development of our staff is also a key aim for FIRST, ensuring that the team is able to carry out their job roles efficiently, effectively and in a safe way. When dealing with vulnerable clients it is imperative that staff work within their own professional competencies and have awareness of when other professionals need to be involved. Staff training will therefore continue to be a priority for the service.

Results, Reserves and Going concern

The bulk of funding over 2023/24 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 2024 the net movement in funds, which represents incoming resources less resources expended before any adjustment for pension gains or losses, showed a surplus of £317,669 (2022 - surplus of £542,700).

This is made up of a surplus of £148,045 (2023: £232,401) in unrestricted funds and a surplus of £169,624 (2023: £310,299) in restricted funds. The surplus in the year has resulted in net assets at 31 March 2024 of £1,744,690 (2023: £1,427,021) of which £862,700 (2023: £714,655) is unrestricted and £881,990 (2023: £712,366) is restricted.

Based on the results and assets helds, the trustees are satisfied that the going concern assumption continues to be appropriate.

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.

Qualifying third party indemnity provision

The charity has professional indemnity insurance in place for all trustees acting in their role as trustee.

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.

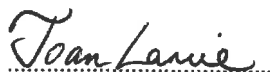
Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited

Trustees' Report

Reappointment of auditor

The auditors Brown, Scott & Main are deemed to be reappointed under section 487(2) of the Companies Act 2006.

The annual report was approved by the trustees of the charity on 21 June 2024 and signed on its behalf by:



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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 the incoming resources and application of resources, including its income and expenditure, of the charitable company 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 accounting standards, comprising FRS 102 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 proper accounting records that can 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 21 June 2024 and signed on its behalf by:



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 2024, which comprise a Statement of Financial Activities, incorporating the income and expenditure account, 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 applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 2024 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' (who are also the directors of the company for the purposes of company law) use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 matter 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 directors' report, prepared for the purposes of company law and included within the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report, included within the trustees' annual report, has been prepared in accordance with applicable legal requirements.

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report, included within the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require 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; 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.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report, included within the trustee' annual report, and from the requirements to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the directors' responsibilities statement set out on page 6, 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, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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 Charities and Trustee Investment (Scotland) Act 2005, Companies Act 2006 and current financial reporting standards, ensuring compliance by reviewing the financial statements disclosures and ensuring these agreed to underlying documentation;
- we considered the extent of compliance with those laws and regulations, in addition to others, having an indirect impact on the financial statements, as part of our procedures on the related aspects of the financial statements;
- with the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of management including the directors, a review of board minutes and the review of legal correspondence, where available; and
- we communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

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 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. Enquiries were made of management as to whether their assessment had revealed any known, alleged or suspected instances of override of control. We reviewed the instances of related parties and remained alert to the possibility of further related party transactions. Further, we identified areas of significant risk, those being more susceptible to fraud or having a higher degree of uncertainty. Specifically, we have addressed the significant fraud risk relating to income recognition by reviewing the board minutes and obtaining relevant documentation supporting the income and ensuring this is in line with the policies disclosed within the notes to the financial statements.

We have considered the risk of material misstatement arising from the valuation of the defined benefit pension scheme, and sought assurances by assessing and comparing applicable assumptions with those expected by an independent expert.

We identified the risk of misstatement through inappropriate allocation of both income and expenditure to unrestricted and restricted funds. Through our tests of detail we were able to confirm the allocation as performed.

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2016. 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 work, for this report, or for the opinions we have formed.



William Main (Senior Statutory Auditor)

For and on behalf of Brown, Scott & Main, Statutory Auditor

31 Townsend Place
Kirkcaldy
Fife
KY1 1HB

21 June 2024

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 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income and Endowments from:					
Donations and legacies	3	-	-	-	898
Charitable activities	4	711,560	734,982	1,446,542	1,525,041
Investment income	5	32,385	-	32,385	6,169
Total income		<u>743,945</u>	<u>734,982</u>	<u>1,478,927</u>	<u>1,532,108</u>
Expenditure on:					
Charitable activities	6	<u>(594,212)</u>	<u>(567,046)</u>	<u>(1,161,258)</u>	<u>(989,408)</u>
Total expenditure		<u>(594,212)</u>	<u>(567,046)</u>	<u>(1,161,258)</u>	<u>(989,408)</u>
Net income		149,733	167,936	317,669	542,700
Transfers between funds		(1,688)	1,688	-	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes		(80,000)	-	(80,000)	(497,000)
Other gains/losses		80,000	-	80,000	497,000
Net movement in funds		148,045	169,624	317,669	542,700
Reconciliation of funds					
Total funds brought forward		<u>714,655</u>	<u>712,366</u>	<u>1,427,021</u>	<u>884,321</u>
Total funds carried forward	19	<u><u>862,700</u></u>	<u><u>881,990</u></u>	<u><u>1,744,690</u></u>	<u><u>1,427,021</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2023 is shown in note 19.

Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited

(Registration number: SC298843)

Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	12	9,005	10,729
Current assets			
Debtors	13	23,462	126,525
Cash at bank and in hand	14	<u>1,799,887</u>	<u>1,337,896</u>
		1,823,349	1,464,421
Creditors: Amounts falling due within one year	15	<u>(87,664)</u>	<u>(48,129)</u>
Net current assets		<u>1,735,685</u>	<u>1,416,292</u>
Net assets		<u>1,744,690</u>	<u>1,427,021</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		881,990	712,366
Unrestricted income funds			
Unrestricted funds		<u>862,700</u>	<u>714,655</u>
Total funds	19	<u>1,744,690</u>	<u>1,427,021</u>

The financial statements on pages 10 to 25 were approved by the trustees, and authorised for issue on 21 June 2024 and signed on their behalf by:



Ms J Lamie
Trustee

Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited

Statement of Cash Flows for the Year Ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash income		317,669	542,700
Adjustments to cash flows from non-cash items			
Depreciation		3,001	3,470
Investment income	5	<u>(32,385)</u>	<u>(6,169)</u>
		288,285	540,001
Working capital adjustments			
Decrease/(increase) in debtors	13	103,063	(114,171)
Increase/(decrease) in creditors	15	<u>39,535</u>	<u>(16,379)</u>
Net cash flows from operating activities		<u>430,883</u>	<u>409,451</u>
Cash flows from investing activities			
Interest receivable and similar income	5	32,385	6,169
Purchase of tangible fixed assets	12	<u>(2,712)</u>	<u>(4,809)</u>
Sale of tangible fixed assets		<u>1,435</u>	<u>6</u>
Net cash flows from investing activities		<u>31,108</u>	<u>1,366</u>
Net increase in cash and cash equivalents		461,991	410,817
Cash and cash equivalents at 1 April		<u>1,337,896</u>	<u>927,079</u>
Cash and cash equivalents at 31 March		<u><u>1,799,887</u></u>	<u><u>1,337,896</u></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 2024

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 2019), 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.

Income

Grant and donation income is recognised when all of the following criteria are met: the charity has entitlement to the funds; any performance conditions attached to the income have been met or are fully within the control of the charity; there is sufficient clarity that receipt of the income is considered probable; and the amount can be measured reliably. Income received in advance of all these criteria being met is deferred until the criteria for income recognition are met.

All income is derived from activities within the UK. Sources of significant grants are shown at note 4.

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 2024

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:

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

Impairment of fixed assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Debtors

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.

Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

2 Accounting policies (continued)

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.

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

	Total 2024 £	Total 2023 £
Unrestricted funds General		
Donations and legacies;		
Donations from individuals	-	898
	-	898

Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

4 Income from charitable activities

Current year

	Unrestricted funds General £	Restricted funds £	Total 2024 £
ADP Funding	274,897	371,400	646,297
Fife Council core funding	436,588	-	436,588
Fife Council (Residential rehabilitation)	-	225,258	225,258
Clued Up (MIWFF)	-	42,239	42,239
CORRA	-	96,085	96,085
Other income	75	-	75
	<u>711,560</u>	<u>734,982</u>	<u>1,446,542</u>

Previous year

	Unrestricted funds General £	Restricted funds £	Total 2023 £
ADP Funding	341,193	404,640	745,833
Fife Council core funding	422,763	-	422,763
Fife Council (Residential rehabilitation)	-	218,125	218,125
Clued Up (MIWFF)	-	42,080	42,080
CORRA	-	96,085	96,085
Other income	155	-	155
	<u>764,111</u>	<u>760,930</u>	<u>1,525,041</u>

5 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income; Interest receivable on bank deposits	<u>32,385</u>	<u>32,385</u>
Total for 2024	<u>32,385</u>	<u>32,385</u>
Total for 2023	<u>6,169</u>	<u>6,169</u>

Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

6 Expenditure on charitable activities

By fund - current year

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Facilities accommodation	-	282,676	282,676
Groupwork	-	17,318	17,318
Staff costs	506,782	259,966	766,748
Allocated support costs	77,107	5,108	82,215
Governance cost	7,938	-	7,938
Depreciation & losses on disposal	2,385	1,978	4,363
	<u>594,212</u>	<u>567,046</u>	<u>1,161,258</u>

By fund - previous year

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Facilities accommodation	-	216,021	216,021
Groupwork	-	8,150	8,150
Staff costs	445,159	218,397	663,556
Allocated support costs	82,582	7,883	90,465
Governance cost	7,560	-	7,560
Depreciation & losses on disposal	2,470	1,006	3,476
Naloxone rollout	-	180	180
	<u>537,771</u>	<u>451,637</u>	<u>989,408</u>

By type - current year

	Activity undertaken directly £	Activity support costs £	2024 £
Facilities accommodation	282,676	-	282,676
Groupwork	17,318	-	17,318
Staff costs	766,748	-	766,748
Allocated support costs	-	82,215	82,215
Governance costs	-	7,938	7,938
Depreciation & losses on disposal	-	4,363	4,363
	<u>1,066,742</u>	<u>94,516</u>	<u>1,161,258</u>

Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

6 Expenditure on charitable activities (continued)

By type - previous year

	Activity undertaken directly £	Activity support costs £	2023 £
Facilities accommodation	216,021	-	216,021
Groupwork	8,150	-	8,150
Staff costs	663,556	-	663,556
Allocated support costs	-	90,465	90,465
Governance costs	-	7,560	7,560
Depreciation & losses on disposal	-	3,476	3,476
Naloxone rollout	180	-	180
	<u>887,907</u>	<u>101,501</u>	<u>989,408</u>

7 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2024 £	2023 £
Operating leases - other assets	14,430	17,620
Audit fees	4,961	4,725
Loss on disposal of fixed assets held for the charity's own use	1,362	6
Depreciation of fixed assets	<u>3,001</u>	<u>3,470</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.

9 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	634,187	551,440
Social security costs	59,281	43,319
Pension costs	<u>73,280</u>	<u>68,796</u>
	<u>766,748</u>	<u>663,555</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:

	2024 No	2023 No
Employees	<u>19</u>	<u>18</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 £56,108 (2023 - £52,898).

Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

10 Auditors' remuneration

	2024 £	2023 £
Audit of the financial statements	4,961	4,725
Other fees to auditors		
All other non-audit services	2,977	2,835

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 £
Cost				
At 1 April 2023	2,017	25,029	478	27,524
Additions	-	2,712	-	2,712
Disposals	-	(2,966)	-	(2,966)
At 31 March 2024	2,017	24,775	478	27,270
Depreciation				
At 1 April 2023	1,966	14,361	468	16,795
Charge for the year	12	2,987	2	3,001
Eliminated on disposals	-	(1,531)	-	(1,531)
At 31 March 2024	1,978	15,817	470	18,265
Net book value				
At 31 March 2024	39	8,958	8	9,005
At 31 March 2023	51	10,668	10	10,729

13 Debtors

	2024 £	2023 £
Debtors	-	120,000
Prepayments	23,387	5,432
Other debtors	75	1,093
	23,462	126,525

14 Cash and cash equivalents

	2024 £	2023 £
Cash at bank	1,799,887	1,337,896

Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

15 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	1,284	7,969
Other taxation and social security	14,148	11,746
Accruals	72,232	28,414
	<u>87,664</u>	<u>48,129</u>

16 Obligations under leases and hire purchase contracts

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

	2024 £	2023 £
Within one year	6,980	7,592
In two to five years	7,920	5,648
	<u>14,900</u>	<u>13,240</u>

17 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £73,280 (2023 - £68,797).

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 23 May 2024. 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 a gain/(expense) was £4,000 (2023 - £(57,000)).

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

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

	2024 £	2023 £
Fair value of scheme assets	2,494,000	2,327,000
Present value of defined benefit obligation	<u>(1,415,000)</u>	<u>(1,240,000)</u>
	1,079,000	1,087,000
Other amounts not recognised in the statement of financial position	<u>(1,079,000)</u>	<u>(1,087,000)</u>
Defined benefit pension scheme surplus/(deficit)	<u>-</u>	<u>-</u>

Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

17 Pension and other schemes (continued)

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	2024
	£
Present value at start of year	1,240,000
Current service cost	48,000
Interest cost	58,000
Actuarial (gains) and losses	176,000
Benefits paid	(119,000)
Participants' contributions	12,000
Present value at end of year	<u>1,415,000</u>

Fair value of scheme assets

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

	2024
	£
Fair value at start of year	2,327,000
Interest income	110,000
Actuarial gains and (losses)	104,000
Employer contributions	60,000
Contributions by scheme participants	12,000
Benefit paid	(119,000)
Fair value at end of year	<u>2,494,000</u>

Analysis of assets

The major categories of scheme assets are as follows:

	2024	2023
	%	%
Cash and cash equivalents	3	4
Equity instruments	66	66
Debt instruments	26	24
Property	5	6
	<u>100</u>	<u>100</u>

Return on scheme assets

	2024	2023
	£	£
Return on scheme assets	<u>65,000</u>	<u>(137,000)</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:

Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

17 Pension and other schemes (continued)

	2024 %	2023 %
Discount rate	4.80	4.75
Future salary increases	3.30	3.45
Future pension increases	<u>2.80</u>	<u>2.95</u>
<i>Post retirement mortality assumptions</i>		
	2024 Years	2023 Years
Current UK pensioners at retirement age - male	21.00	20.00
Current UK pensioners at retirement age - female	25.00	23.00
Future UK pensioners at retirement age - male	19.00	21.00
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 and there is no deficit amount due for next financial year 31 March 2024, on advice of the scheme actuary.

Commitments provided for in the accounts amounted to £Nil (2023 - £Nil). Commitments not provided for in the accounts amounted to £Nil (2023 - £Nil). - relates to pension commitments related to pensions payable to past directors (2023 - £Nil).

Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

19 Funds

Current year

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Unrestricted funds					
General	714,655	743,945	(594,212)	(1,688)	862,700
Total unrestricted funds	714,655	743,945	(594,212)	(1,688)	862,700
Restricted funds					
AB Groupwork	17,723	-	(17,504)	-	219
Bank of Scotland COVID support	-	-	(1,688)	1,688	-
CORRA Wellbeing	4,927	-	-	-	4,927
Naloxone	977	-	-	-	977
Post backfill	-	17,184	(17,184)	-	-
Residential rehabilitation	682,574	579,474	(392,220)	-	869,828
MIWFF Project	6,165	42,239	(42,365)	-	6,039
Improvement fund	-	96,085	(96,085)	-	-
Total restricted funds	712,366	734,982	(567,046)	1,688	881,990
Total funds	1,427,021	1,478,927	(1,161,258)	-	1,744,690
Previous year					
	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Unrestricted funds					
General	482,254	771,178	(537,771)	(1,006)	714,655
Total unrestricted funds	482,254	771,178	(537,771)	(1,006)	714,655
Restricted funds					
AB Groupwork	25,873	-	(8,150)	-	17,723
Bank of Scotland COVID support	-	-	(1,006)	1,006	-
CORRA Wellbeing	4,927	-	-	-	4,927
Post backfill	-	16,640	(16,640)	-	-
Residential rehabilitation	366,602	606,125	(290,153)	-	682,574
MIWFF Project	3,508	42,080	(39,423)	-	6,165
Naloxone	1,157	-	(180)	-	977
Improvement fund	-	96,085	(96,085)	-	-
Total restricted funds	402,067	760,930	(451,637)	1,006	712,366
Total funds	884,321	1,532,108	(989,408)	-	1,427,021

Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

19 Funds (continued)

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.

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.

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.

Improvement fund: Restricted for the purpose of delivery community rehabilitation support services.

20 Analysis of net assets between funds

Current year

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2024 £
Tangible fixed assets	7,152	1,853	9,005
Current assets	895,941	927,408	1,823,349
Current liabilities	<u>(40,393)</u>	<u>(47,271)</u>	<u>(87,664)</u>
Total net assets	<u>862,700</u>	<u>881,990</u>	<u>1,744,690</u>

Previous year

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2023 £
Tangible fixed assets	6,824	3,905	10,729
Current assets	738,045	726,377	1,464,422
Current liabilities	<u>(30,214)</u>	<u>(17,916)</u>	<u>(48,130)</u>
Total net assets	<u>714,655</u>	<u>712,366</u>	<u>1,427,021</u>

21 Analysis of net funds

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	<u>1,337,896</u>	<u>461,991</u>	<u>1,799,887</u>
Net debt	<u>1,337,896</u>	<u>461,991</u>	<u>1,799,887</u>

Fife Intensive Rehabilitation and Substance Use Team (FIRST) Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

21 Analysis of net funds (continued)

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	<u>927,079</u>	<u>410,817</u>	<u>1,337,896</u>
Net debt	<u>927,079</u>	<u>410,817</u>	<u>1,337,896</u>

