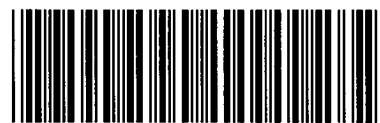


Registered number: 97502

Charity number: SC010422

**FIFE ALCOHOL SUPPORT SERVICE  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

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**FIFE ALCOHOL SUPPORT SERVICE**  
**(A company limited by guarantee)**

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**FIFE ALCOHOL SUPPORT SERVICE**  
**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2016**

**Trustees**

Mr R Gibson  
Mr J Hamilton  
Dr L Fleming  
Mr A H Findlay  
Mr M Rae  
Mr T Brett  
Mr G Cunningham  
Mr R Cooper  
Mr J G Thomson (appointed 18 June 2015, resigned 27 October 2015)

**Company registered number**

97502

**Charity registered number**

SC010422

**Registered office**

17 Tolbooth Street, Kirkcaldy, Fife, KY1 1RW

**Independent auditors**

EQ Accountants LLP, Pentland House, Saltire Centre, Glenrothes, Fife, KY6 2AH

**Bankers**

The Royal Bank of Scotland plc, 23/25 Rosslyn Street, Kirkcaldy, Fife, KY1 3HA

**FIFE ALCOHOL SUPPORT SERVICE**  
**(A company limited by guarantee)**

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

The Trustees present their annual report together with the audited financial statements of for the year 1 April 2015 to 31 March 2016.

**Reference and Administrative Details**

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

**The Trustees**

The Trustees who served the charity during the period were as follows:

Mr R Gibson  
Mr J Hamilton  
Mr M Rae  
Mr T Brett  
Mr G Cunningham  
Dr L Fleming  
Mr A H Findlay  
Mr R Cooper

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

**Structure, Governance and Management**

Fife Alcohol Support Service (FASS) is a company limited by guarantee not having share capital and is a recognised charity registered with the Office of Scottish Charities Regulator (Scottish Charity number: SC010422).

The Agency is run through a Management Committee made up of Trustees. New Trustees are appointed to the Agency on the basis that they meet certain criteria and conditions including:

- The expertise they may bring
- Personal recommendation from other Trustees and Service Manager
- Former service users

In line with FAASS Equal Opportunities Policy, Trustees from disadvantaged, ethnic and minority groups are encouraged to be involved with the Agency.

The formal process of appointment to the Agency is outlined in the Constitution. The process involves an informal meeting with the Chairman and Service Manager to assess suitability, and candidates are required to submit a letter detailing their expertise and the reasons why they are interested in becoming involved with the Agency.

Induction and training of new members is provided through the Chairman and Service Manager. This process has been formalised with the development of a Trustee's role description, which has been approved and formally ratified by the Executive Committee. The legal obligations of Trustees are highlighted in the Memorandum and Articles of Association and a copy is provided to all Trustees on appointment along with the Organisational Structure.

Decisions relating to Agency Policies, Service Standards, Service Planning and Strategic Direction including Agency objectives are made by the Executive Committee. Decisions around the day-to-day management of the organisation are devolved to the Service Manager, Jim Bett.

In accordance with the Memorandum and Articles of Association Dr Lorna Fleming and Alan Findlay retire by rotation at the AGM. Both Dr Lorna Fleming and Alan Findlay, being eligible, offer themselves for re-election.

**FIFE ALCOHOL SUPPORT SERVICE**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**Agency Objectives and Activities**

The objects for which the Agency is established are to promote the prevention and early detection of alcohol and/or drug related problems and ancillary problems including other addictions, mental health and social well-being, and to provide treatment and support towards recovery for individuals experiencing such problems. The Agency also acts as a research, training and information resource on problems arising from alcohol misuse.

The Agency aims to provide an equitable, accessible alcohol counselling service for the people of Fife, working in partnership with all relevant organisations.

The Agency harnesses the skills of local volunteers, recruited from within the local community. By providing training and out-of-pocket expenses, on average 30 Volunteers contribute over 3,500 hours counselling and/or administrative and Committee support every year.

**Achievements and Performance**

The monitoring and evaluation framework managed and operated by Fife Council now involves an independent Link Officer undertaking a three year evaluation with the Agency. Ongoing assessment within this framework was carried out recently and the Agency received a very positive outcome. Copies of the report are available from the Agency. This is consistent with the move to focus performance more on the outcomes related to funding.

A nominated Link Officer will continue to undertake annual reviews, which include the monitoring of performance achieved against objectives set including those agreed within the 3-year Service Level Agreement which further outlines the Agency's key objectives. These objectives are the subject of an on-going review taking into account the Scottish Government's Changing Scotland's Relationship with Alcohol a Framework for Action, the Road to Recovery and local Fife ADP's Substance Misuse Strategy. The Agency's dedicated Management Information System gathers information about qualitative and quantitative outcomes of counselling and these are produced in the Annual Report along with other relevant operational and financial information.

Reports and annual monitoring forms highlight planned activities and progress towards performance targets. These reports are submitted to the Executive Meetings for approval and forwarded to Fife ADP, NHS and Fife Council. Reports outline changing trends or any other factors within or out with the Agency's control. The Agency has continued to develop its services and is considering expanding its services where shortfalls in provision or gaps in provision exist.

In 2015-16 the Agency met its targets in relation to its service level agreements both for the core counselling service and the ADAPT project.

In relation to the staff within the Agency, a development process has been put in place with training needs being identified and suitable counselling diploma training and other courses identified complimented with the addition of training materials, new books and literature. In addition the Agency continues to develop its policies in line with best practice.

On an annual basis the Agency holds a Planning Day which provides a forum for communicating information to staff and volunteers and allows everyone attending the opportunity of feeding back opinions, views and issues around management issues and the services provided by the Agency.

**FIFE ALCOHOL SUPPORT SERVICE**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**Financial Review**

The Agency maintained strict financial control in its operations during 2015-16 and recorded a total surplus for the year, before pension related adjustments, of £29,638. Income included £101,909 relating to the net assets of West Fife Community Drugs Team as at 30 September 2015 which merged with the Agency during the year. Excluding this the Agency would have made a deficit of £72,272 before pension related adjustments. There were a number of reasons for this deficit including the additional costs of auto enrolment, maternity pay and the costs of the newly appointed business development or fundraising manager. The Executive Committee is currently looking at possible efficiency savings to address the current budget shortfall. In addition to this deficit the Agency, being an Admitted Body to the Fife Local Government Pension Scheme, is required to comply with proper accounting practice in relation to pension scheme transactions including liabilities. On the basis of the information provided by the Pension Fund Actuary pension related adjustments totaling £131,000 were recognised in the accounts to reflect the financial position of the pension fund. This recognises the improved financial position of the pension fund compared to the previous year and also any changed assumptions used by the Actuary in his calculations reflecting reforms to the scheme. The reported surplus for the year was therefore £160,638 which, when set against the carry forward position from last financial year, meant that the Agency was in funds to the sum of £141,823 (2014-15: deficit £18,815), being unrestricted reserves in funds to the amount of £139,534 (2014-15: deficit £21,104) and restricted reserves in surplus of £2,289 (2014-15: £2,289). In the Balance Sheet net assets excluding pension liabilities are £395,534 (2014-15: £325,896) with the final salary pension liability decreasing from £347,000 in 2014-15 to £256,000 in 2015-16. Net assets of the Agency, including the pension liabilities, are £141,823 (2014-15: deficit £18,815).

The actuary has carried out a valuation of the Fife Council Pension Fund as at March 2014. This showed a significant deficit at that point albeit the funding level improved from 92% funded to 94% funded and negotiations are currently being held with Fife Council on the payments that FASS will make to the Fund to contribute towards the deficit position. The employer's contribution rate will stay the same over the next three years at 23.3% of pensionable pay. The volatility of the stock market continues to have significant effect on the pension fund position which continues to cause concern to bodies such as ourselves.

The Agency's policy on reserves is to maintain uncommitted balances, excluding pension scheme deficit, of approximately three months operating expenditure equivalent to 25% of annual income which is calculated to be sufficient to meet potential unforeseen expenditure identified as part of a risk management assessment process. This includes the potential wind up of the Agency should funding be withdrawn or the running costs exceed the funding available. If such an event were to transpire the Agency would require to meet redundancy costs and all other outstanding liabilities at that time.

The principal funding bodies are Fife NHS, the Fife Alcohol and Drug Partnership and Fife Council. Fife NHS provides 60% of the core funding to FASS. In the current economic climate this funding will be the subject of continuous review and any reduction in funding will potentially impact on the Agency's ability to continue to deliver current services. The Agency is planning to develop a strategy to meet the economic challenges going forward.

**FIFE ALCOHOL SUPPORT SERVICE**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**Plans for Future Periods**

Details of plans for future periods are forwarded and approved by Fife ADP, Fife NHS and Fife Council via 3-year Service Level Agreement. A 3-year Service Level Agreement further outlines the Agency's key objectives.

The Executive Committee continues to develop a strategic plan for the Agency looking at possible diversification into other areas of activity. This has involved meeting Council officers, the local MSP and members of Fife Council together with a number of managers of voluntary sector organisations to identify possible other service delivery options. To support this process FASS has recruited a business development manager whose key roles will be to identify potential projects and to identify public and private funding to cover the operating costs of these projects. Initial reports indicate already a number of opportunities for the Agency in 2016-17.

A key development in 2015-16 was the decision taken by the Boards of FASS and FCDS to merge to create one agency delivering additional services throughout the whole of Fife. Having worked in partnership together over the last two years delivering the ADAPT project it became clear that there were significant advantages for both Agencies and their clients to come together as one agency. A formal launch of the merger was held on 23 April 2015 in the Adam Smith Centre where a number of civic dignitaries and guests heard presentations from FASS and FCDS on the merger. Consultations took place with staff on the TUPE transfer arrangements and formal consultations are taking place with Company's House and OSCR around the formalities of winding up FCDS and FASS and creating a merged organisation. The merger should be completed formally by the end of July 2016. There are a number of practical issues to address in terms of systems integration in terms of accounting, data management, banking arrangements etc. The merger has also required the Agency to address the position with auto enrolment, and future occupational pension provision as well as looking at accommodation requirements for the expanded organisation. In terms of branding, the organisation will retain the FASS title but will cover all additional services under that umbrella.

**Publicity and Marketing**

FASS continued to invest significantly in publicity and marketing in 2015-16 with regular slots all year round on Kingdom FM as well as targeted regular media advertising and regular press releases. The new website is up and running and the organisation is looking at how social media particularly Facebook and Twitter can be used to promote the organisation.

**Scottish Addictions Consortium**

The organisation through its Service Manager is playing a key role in the formation of a national training organisation which will address the training needs of counsellors and the staff within organisations such as FASS.

**FIFE ALCOHOL SUPPORT SERVICE**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**TRUSTEES' RESPONSIBILITIES STATEMENT**

The Trustees (who are also directors of Fife Alcohol Support Service 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).

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

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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 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.

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

**AUDITORS**

EQ Accountants LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

**SMALL COMPANY PROVISIONS**

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 30/6/16 and signed on their behalf by:

  
**Mr R Gibson**  
**Trustee**



**FIFE ALCOHOL SUPPORT SERVICE**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF FIFE ALCOHOL SUPPORT SERVICE**

We have audited the financial statements of Fife Alcohol Support Service for the year ended 31 March 2016 set out on pages 9 to 21. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's directors, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's directors 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 charity's directors for our audit work, for this report, or for the opinion we have formed.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

As explained more fully in the Trustees' responsibilities statement, 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.

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 regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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.

**FIFE ALCOHOL SUPPORT SERVICE**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF FIFE ALCOHOL SUPPORT SERVICE**

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the company has not kept proper and adequate accounting records; or certain disclosures of trustee's remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



**EQ Accountants LLP**  
Chartered Accountants  
Pentland House  
Saltire Centre  
Glenrothes  
Fife  
KY6 2AH

Date: 30/6/16

EQ Accountants LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**FIFE ALCOHOL SUPPORT SERVICE**  
**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>INCOME FROM:</b>					
Donations	3	104,540	-	104,540	50
Investments	5	575	-	575	564
Charitable activities	6	543,935	-	543,935	466,638
Other income	4	1,225	-	1,225	6,895
<b>TOTAL INCOME</b>		<b>650,275</b>	<b>-</b>	<b>650,275</b>	<b>474,147</b>
<b>EXPENDITURE ON:</b>					
Charitable activities	7	620,637	-	620,637	486,435
<b>TOTAL EXPENDITURE</b>		<b>620,637</b>	<b>-</b>	<b>620,637</b>	<b>486,435</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>		<b>29,638</b>	<b>-</b>	<b>29,638</b>	<b>(12,288)</b>
Actuarial gains/(losses) on defined benefit pension schemes	15,17	131,000	-	131,000	39,000
<b>NET INCOME</b>		<b>160,638</b>	<b>-</b>	<b>160,638</b>	<b>26,712</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		(21,104)	2,289	(18,815)	(45,527)
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>139,534</b>	<b>2,289</b>	<b>141,823</b>	<b>(18,815)</b>

The notes on pages 12 to 21 form part of these financial statements.

**FIFE ALCOHOL SUPPORT SERVICE**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 97502**

**BALANCE SHEET**  
**AS AT 31 MARCH 2016**

	Note	£	2016	£	£	2015	£
<b>FIXED ASSETS</b>							
Tangible assets	12			5,799			5,464
<b>CURRENT ASSETS</b>							
Debtors	13	198,976			12,799		
Cash at bank and in hand		241,423			325,384		
		<u>440,399</u>			<u>338,183</u>		
<b>CREDITORS: amounts falling due within one year</b>	14	<u>(48,375)</u>			<u>(15,462)</u>		
<b>NET CURRENT ASSETS</b>				<u>392,024</u>			<u>322,721</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				<u>397,823</u>			<u>328,185</u>
Defined benefit pension scheme liability	15			<u>(256,000)</u>			<u>(347,000)</u>
<b>NET ASSETS/(LIABILITIES) INCLUDING PENSION SCHEME LIABILITIES</b>				<u>141,823</u>			<u>(18,815)</u>
<b>CHARITY FUNDS</b>							
Restricted funds	17			2,289			2,289
Unrestricted funds	17			<u>139,534</u>			<u>(21,104)</u>
<b>TOTAL FUNDS/(DEFICIT)</b>				<u>141,823</u>			<u>(18,815)</u>

**FIFE ALCOHOL SUPPORT SERVICE**  
**(A company limited by guarantee)**

**BALANCE SHEET (continued)**  
**AS AT 31 MARCH 2016**

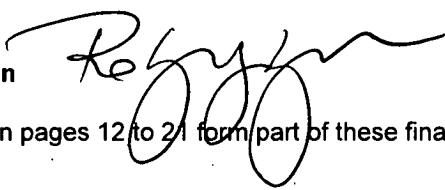
The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2016 and of its net incoming resources for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Trustees on 30/6/16 and signed on their behalf, by:

Mr R Gibson



Mr J Hamilton



The notes on pages 12 to 21 form part of these financial statements.

**FIFE ALCOHOL SUPPORT SERVICE**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (FRSSE), the Charities and Trustee Investment (Scotland) Act 2005, Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

**1.2 Funds structure**

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor.

**1.3 Cash flow**

The financial statements do not include a Cash flow statement because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2015).

**1.4 Tangible fixed assets and depreciation**

All assets costing more than £100 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	-	20% straight line
Equipment	-	20% to 33% straight line

**1.5 Operating leases**

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

**FIFE ALCOHOL SUPPORT SERVICE**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**1. ACCOUNTING POLICIES (continued)**

**1.6 Pensions**

The company operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 31 March 2014. The charity is part of the Fife Council Local Government pension. The assets of the scheme are held separately from those of the charity.

The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent valuation was as at 31 March 2014 and has been updated to reflect conditions at the balance sheet date. The assumptions that have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rate of increase in salaries and pensions. It was assumed that the investment returns would be 6.0% per year, that salary increases would average 5.1% per year and that present and future pensions would increase at the rate of 2.8% per year.

Pension scheme assets are valued at fair value at the balance sheet date. Fair value is based on market price information and in case of quoted securities is the published bid price. Pension scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted to their present value using a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The pension scheme deficit is recognised in full on the balance sheet.

**1.7 Income**

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

Donations, are recognised when communication is received in writing with notification of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the income, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions are wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit included upon notification of the interest paid or payable by the Bank.

**1.8 Expenditure**

Liabilities and expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Charitable activities have been allocated on the basis of staff time

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

**FIFE ALCOHOL SUPPORT SERVICE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

**2. RELATED PARTY TRANSACTIONS**

The trustees all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2015: £nil). Expenses paid to the trustees in the years totalled £1,347 (2015: £1,697). These expenses were made up of 2 trustees reimbursed travel expenses.

**3. DONATIONS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	2,631	-	2,631	50
West Fife Community Drugs Team	101,909	-	101,909	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and legacies	104,540	-	104,540	50
	<hr/>	<hr/>	<hr/>	<hr/>

In 2015, of the total income from donations and legacies, £50 was to unrestricted funds and £ NIL was to restricted funds

**4. OTHER INCOME**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Fees and reports	1,225	-	1,225	1,375
ABI training	-	-	-	520
Rent	-	-	-	5,000
	<hr/>	<hr/>	<hr/>	<hr/>
	1,225	-	1,225	6,895
	<hr/>	<hr/>	<hr/>	<hr/>

In 2015, of the total other incoming resources, £6,895 was to unrestricted funds and NIL was to restricted funds.

**5. INVESTMENTS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank interest receivable	575	-	575	564
	<hr/>	<hr/>	<hr/>	<hr/>

In 2015, of the total investment income, £565 was to unrestricted funds and £ NIL was to restricted funds.



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**6. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Fife Council	101,041	-	101,041	73,611
Fife NHS	230,762	-	230,762	230,762
ADAPT	212,132	-	212,132	162,265
	<u>543,935</u>	<u>-</u>	<u>543,935</u>	<u>466,638</u>

In 2015, of the total income from charitable activities, £466,638 was to unrestricted funds and £ NIL was to restricted funds.

**7. COSTS OF CHARITABLE ACTIVITIES**

	Basis of Allocation	Governance & Support costs £	Charitable Activities £	Total 2016 £	Total 2015 £
Core	Staff time	90,640	144,481	235,121	197,807
Health Centre Project	Staff time	24,531	91,490	116,021	119,771
ADAPT	Staff time	40,000	210,008	250,008	168,857
Substance Support Service	Staff time	-	19,487	19,487	-
		<u>155,171</u>	<u>465,466</u>	<u>620,637</u>	<u>486,435</u>

Allocation of time is based on staff timesheets to each service provided by the charity.

**8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)**

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	3,492	4,120
Staff pension contributions	<u>52,527</u>	<u>33,840</u>

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**9. AUDITORS' REMUNERATION**

	2016 £	2015 £
Fees payable to the company's auditor for the audit of the company's annual accounts	<u>4,732</u>	<u>4,539</u>

**10. STAFF COSTS AND EMOLUMENTS**

Total staff costs were as follows:

	2016 £	2015 £
Wages and Salaries	365,499	304,797
Social security costs	22,266	16,058
Other pension costs	52,527	33,840
<b>Total</b>	<u><b>440,292</b></u>	<u><b>354,695</b></u>

**11. STAFF PARTICULARS**

The average number of persons employed by the company during the year was as follows:

	2016 No.	2015 No.
Core	11	11
Health Centre Project	9	8
CIP Pilot Project	0	1
ADAPT Project	13	9
Substance Support Service	2	0
	<u><b>35</b></u>	<u><b>29</b></u>

No employee received remuneration amounting to more than £60,000 in either year.

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**12. TANGIBLE FIXED ASSETS**

	Equipment £	Leasehold property £	Total £
<b>Cost</b>			
At 1 April 2015	55,962	51,972	107,934
Additions	3,826	-	3,826
Disposals	(836)	-	(836)
At 31 March 2016	58,952	51,972	110,924
<b>Depreciation</b>			
At 1 April 2015	50,758	51,712	102,470
Charge for the year	3,231	260	3,491
On disposals	(836)	-	(836)
At 31 March 2016	53,153	51,972	105,125
<b>Net book value</b>			
At 31 March 2016	5,799	-	5,799
At 31 March 2015	5,204	260	5,464

**13. DEBTORS**

	2016 £	2015 £
Trade debtors	700	599
Other debtors	186,967	115
Prepayments and accrued income	11,309	12,085
	198,976	12,799

On 1st October 2015 the charity merged with West Fife Community Drugs Team, and other debtors of £198,976 includes an amount of £186,367 (2015: £nil) represents the amounts due to be transferred to FASS in respect of it's bank account.

**14. CREDITORS: Amounts falling due within one year**

	2016 £	2015 £
Bank loans and overdrafts	1,296	6,860
Trade creditors	-	9
Accruals and deferred income	47,079	8,593
	48,375	15,462

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**15. PENSION COMMITMENTS**

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

Total operating charge in resources expended:

	2016 £	2015 £
<b>Total operating charge in resources expended:</b>		
Current service cost	83,000	41,000
Employer contributions	(55,000)	-
	<u>28,000</u>	<u>41,000</u>
<b>Total operating charge</b>	<b>28,000</b>	<b>41,000</b>
<b>Amounts included in other finance income:</b>		
Expected return on scheme assets	(40,000)	(65,000)
Interest on scheme liabilities	52,000	63,000
	<u>12,000</u>	<u>(2,000)</u>
<b>Other finance income</b>	<b>12,000</b>	<b>(2,000)</b>
<b>Amounts included in other recognised gains and losses:</b>		
Actuarial (gain) / loss	(131,000)	(39,000)
	<u>(91,000)</u>	<u>-</u>
<b>Total charge to the statement of financial activities</b>	<b>(91,000)</b>	<b>-</b>

The total operating charge and other finance cost are recognised in the following line items in the statement of financial activities:

	2016 £	2015 £
Charitable activities	40,000	41,000
Governance costs	-	(2,000)
	<u>40,000</u>	<u>39,000</u>
<b>Total</b>	<b>40,000</b>	<b>39,000</b>

At 31st March 2016 the cumulative amount of actuarial losses recognised in the statement of financial activities is £65,000 (2015 £196,000).

The amounts recognised in the balance sheet are as follows:

	2016 £	2015 £
Present value of obligations	(1,520,000)	(1,584,000)
Fair value of scheme assets	1,264,000	1,237,000
	<u>(256,000)</u>	<u>(347,000)</u>
<b>Net pension liability</b>	<b>(256,000)</b>	<b>(347,000)</b>

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Changes in the present value of the defined benefit obligation scheme are as follows:

	2016 £	2015 £
Opening defined benefit obligation	(1,584,000)	(1,456,000)
Current service cost	(83,000)	(41,000)
Interest on scheme liabilities	(52,000)	(63,000)
Actuarial gain	170,000	(45,000)
Contributions by scheme participants	(13,000)	(9,000)
Benefits paid	42,000	30,000
	<u>(1,520,000)</u>	<u>(1,584,000)</u>
Closing defined benefit obligation		

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

	2016 £	2015 £
Opening fair value of scheme assets	1,237,000	1,076,000
Expected return on scheme assets	40,000	65,000
Contributions by employer	55,000	33,000
Contributions by scheme participants	13,000	9,000
Actuarial gain	(39,000)	84,000
Benefits paid	(42,000)	(30,000)
	<u>1,264,000</u>	<u>1,237,000</u>
Closing fair value of scheme assets		

The fair value of the major categories of scheme assets as a percentage of total scheme assets are as follows:

	2016 %	2015 %
European equities	68	72
European bonds	16	16
Property	10	9
Cash	6	4

Amounts for the current and previous four periods are as follows:

	2016 £	2015 £	2014 £	2013 £	2012 £
Defined benefit obligation	(1,520,000)	(1,584,000)	(1,456,000)	(1,310,000)	(1,141,000)
Fair value of scheme assets	1,264,000	1,237,000	1,076,000	1,003,000	883,000
	<u>(256,000)</u>	<u>(347,000)</u>	<u>(380,000)</u>	<u>(307,000)</u>	<u>(258,000)</u>
Deficit in scheme					

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**16. OPERATING LEASE COMMITMENTS**

At 31 March 2016 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
Within 1 year	<u>12,500</u>	<u>12,500</u>

**17. STATEMENT OF FUNDS**

	Brought Forward £	Income £	Expenditure £	Gains / (losses) £	Carried Forward £
<b>Unrestricted funds</b>					
Defined benefit pension scheme	(347,000)	-	(40,000)	131,000	(256,000)
General funds	325,896	650,275	(580,637)	-	395,534
	<u>(21,104)</u>	<u>650,275</u>	<u>(620,637)</u>	<u>131,000</u>	<u>139,534</u>
<b>Restricted funds</b>					
Fife Council Funding - Website Design	1,000	-	-	-	1,000
CIP Funds - ADAPT (SEC funding)	1,289	-	-	-	1,289
	<u>2,289</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,289</u>
Total of funds	<u>(18,815)</u>	<u>650,275</u>	<u>(620,637)</u>	<u>131,000</u>	<u>141,823</u>

**SUMMARY OF FUNDS**

	Brought Forward £	Income £	Expenditure £	Gains / (losses) £	Carried Forward £
General funds	(21,104)	650,275	(620,637)	131,000	139,534
Restricted funds	2,289	-	-	-	2,289
	<u>(18,815)</u>	<u>650,275</u>	<u>(620,637)</u>	<u>131,000</u>	<u>141,823</u>

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**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted funds 2016 £</b>	<b>Restricted funds 2016 £</b>	<b>Total funds 2016 £</b>	<b>Total funds 2015 £</b>
Tangible fixed assets	5,798	-	5,798	5,464
Current assets	438,110	2,289	440,399	338,185
Creditors due within one year	(48,374)	-	(48,374)	(15,464)
Provisions for liabilities and charges	(256,000)	-	(256,000)	(347,000)
	<b>139,534</b>	<b>2,289</b>	<b>141,823</b>	<b>(18,815)</b>

**19. Company Limited by Guarantee**

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