

Charity registration number SC021638 (Scotland)

DUNFERMLINE ADVOCACY
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

DUNFERMLINE ADVOCACY

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DUNFERMLINE ADVOCACY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The Board of Trustees present their Report, together with the accounts for the year ended 31 March 2024. The Charity was incorporated as a Scottish Charitable Incorporated Organisation (SCIO) on 27 June 2014. On 1 September 2014 the charitable activities and all assets and liabilities were transferred to the SCIO from the unincorporated Charity also known as Dunfermline Advocacy.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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) (effective 1 January 2019)".

Objectives and activities

The Charity is an independent voluntary organisation, which matches responsible individuals with vulnerable people living in West Fife. Dunfermline Advocacy promotes the benefit of people affected by disability, chronic illness, dementia or mental disorder (including mental illness, learning disability or personality disorder). Its objectives are to create Citizen Advocacy Partnerships, to provide Short-Term Citizen Advocates in case of urgent need, and to help build a fairer community.

The trustees have paid due regard to guidance issued by the Scottish Charity Regulator (OSCR) in deciding what activities the charity should undertake.

Achievements and performance

Business Review

The Charity has continued in the year to provide its core objectives. All aspects of the Charity have remained fairly constant from the previous year and there have been no significant changes to the way in which the Charity is managed.

Plans for the Future

The Charity will continue to raise and invest sufficient funds in order to meet the principal objectives of the Charity.

During 2023-2024 the Charity has been responding to challenges presented by the Cost of Living Crisis and the funding situation for the sector. In October 2023 the Charity relocated to a smaller office base, which continues to meet the needs of the service while substantially reducing running costs. The Charity is continuing to meet its core objectives and the staff team and volunteers have successfully embedded both in person and remote methods of working to support vulnerable people in West Fife. This has enhanced the sustainability of our work to be able to respond quickly and effectively to any future service disruption, and to be able to increase our capacity to go some way to respond to the increasing demand on the Charities services.

Financial review

The surplus for the year before actuarial gains and losses was £4,936. This comprises a surplus on unrestricted funds of £17,371 and a deficit on restricted funds of £12,401.

The Trustees have set aside, as a Designated Fund, a reserve for closure costs of £65,000 (2023 - £65,000) .

DUNFERMLINE ADVOCACY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Reserves Policy

The Trustees are responsible for ensuring that Dunfermline Advocacy has sufficient resources and reserves to fulfil its objectives and levels of service both now and in the future.

In establishing the Reserves Policy, the Trustees consider the level of Unrestricted Reserves required to:

- ensure that the charity meets the required service delivery as agreed with the charity's funders.
- meet any unforeseen or unexpected future costs.
- cover any contingencies for wind down costs in the event that the core funding is not renewed.
- meet future planned expenditure related to a specific project or activity.

In the unlikely event that the charity would require to be wound up as a result of discontinued core funding, the Trustees have assessed that at 31 March 2024, £57,000 of reserves would be needed to enable the charity to meet its statutory and legal obligations. A Designated Reserve has been established for this purpose. At the start of the financial year, the balance on this reserve was £65,000. The Trustees expect the amount required to rise by the end of the next financial year and have agreed that Designated Reserve will remain at the current level to meet all the statutory and legal obligations. This calculation will be reviewed and revised annually.

Principal Funding Sources

The principal sources of funding are grants from Fife Council and NHS Fife. The Charity also receives funding from The Henry Smith Charity.

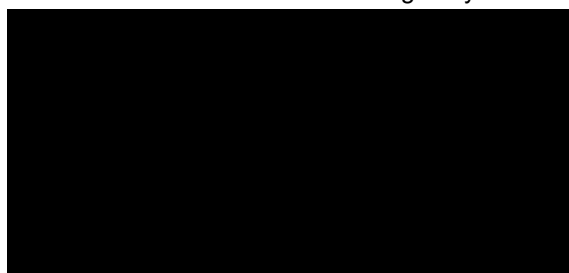
Risk Management

The Trustees have conducted a review of the major risks to which the Charity is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the Charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, advocates, partners (people using the service) and volunteers. These procedures are periodically reviewed to ensure that they continue to meet the needs of the Charity.

Structure, governance and management

The charity is a SCIO, governed by a constitution and controlled by a Board of Trustees. It is a registered Charity, number SC021638.

The trustees who served during the year and up to the date of signature of the financial statements were:



(Resigned 13 November 2023)

(Resigned 3 October 2023)

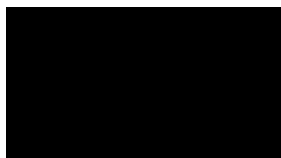
(Appointed 24 April 2023)

DUNFERMLINE ADVOCACY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

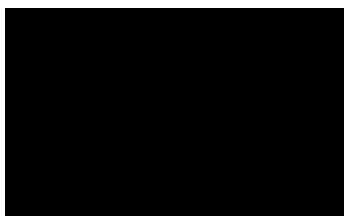
Principal Address



Bankers

CAF Bank
25 Kings Hill Avenue
Kent
ME19 4JQ

Independent Examiner



Charity Registration Number

SC021638

Trustees Induction and Training

The Board of Trustees are familiar with the practical work of the Charity.

New Trustees are provided with information about the Charity and the way it operates. In particular, they are provided with information about the following:-

- the obligations of Trustees;
- the main documents which set out the operational framework for the Charity;
- resourcing and the current financial position as set out in the latest published accounts; and future plans and objectives

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. Under company law the directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DUNFERMLINE ADVOCACY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Statement of trustees' responsibilities

The trustees 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).

The law applicable to charities in Scotland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

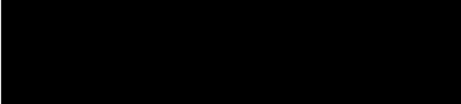
In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity 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 charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees' report was approved by the Board of Trustees.


Treasurer

Dated: 4 November 2024

DUNFERMLINE ADVOCACY

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF DUNFERMLINE ADVOCACY

I report on the financial statements of the charity for the year ended 31 March 2024, which are set out on pages 6 to 22.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investments (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

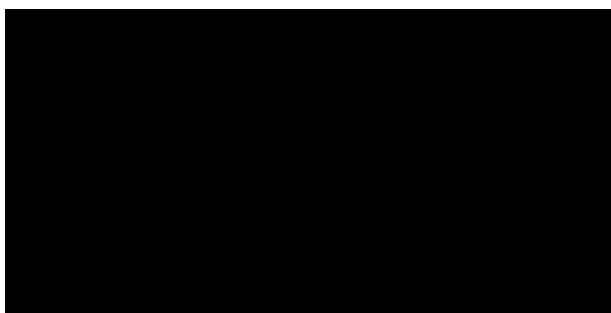
Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the financial statements.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



Dated: 4 November 2024

DUNFERMLINE ADVOCACY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2024

Current financial year

| | | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total 2024 £ | Total 2023 £ |
|--|-------|------------------------------------|----------------------------------|--------------------|--------------------|
| | Notes | | | | |
| Income from: | | | | | |
| Donations and legacies | 2 | 144,727 | 38,800 | 183,527 | 205,382 |
| Charitable activities | 3 | 2,000 | - | 2,000 | 2,000 |
| Investments | 4 | 283 | - | 283 | - |
| Total income | | 147,010 | 38,800 | 185,810 | 207,382 |
| Raising funds | | | | | |
| Charitable activities | 5 | 129,673 | 51,201 | 180,874 | 196,070 |
| Total resources expended | | 129,673 | 51,201 | 180,874 | 196,070 |
| Net incoming/(outgoing) resources | | 17,337 | (12,401) | 4,936 | 11,312 |
| Other recognised gains and losses | | | | | |
| Actuarial gain/(loss) on defined benefit pension schemes | | (29,085) | - | (29,085) | 1,295 |
| Net movement in funds | | (11,748) | (12,401) | (24,149) | 12,607 |
| Fund balances at 1 April 2023 | | 87,700 | 24,921 | 112,621 | 100,014 |
| Fund balances at 31 March 2024 | | 75,952 | 12,520 | 88,472 | 112,621 |

The statement of financial activities includes all gains and losses recognised in the year.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

DUNFERMLINE ADVOCACY

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Prior financial year

| | | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ |
|---|-------|------------------------------------|----------------------------------|--------------------|
| | Notes | | | |
| Income from: | | | | |
| Donations and legacies | 2 | 131,031 | 74,351 | 205,382 |
| Charitable activities | 3 | 2,000 | - | 2,000 |
| Total income | | 133,031 | 74,351 | 207,382 |
| Expenditure on: | | | | |
| Charitable activities | 5 | 118,346 | 77,724 | 196,070 |
| Total resources expended | | 118,346 | 77,724 | 196,070 |
| Net incoming/(outgoing) resources before transfers | | 14,685 | (3,373) | 11,312 |
| Gross transfers between funds | | 1,901 | (1,901) | - |
| Net incoming/(outgoing) resources | | 16,586 | (5,274) | 11,312 |
| Other recognised gains and losses | | | | |
| Actuarial (loss)/gain on defined benefit pension schemes | | 1,295 | - | 1,295 |
| Net movement in funds | | 17,881 | (5,274) | 12,607 |
| Fund balances at 1 April 2022 | | 69,819 | 30,195 | 100,014 |
| Fund balances at 31 March 2023 | | 87,700 | 24,921 | 112,621 |

The statement of financial activities includes all gains and losses recognised in the year.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

DUNFERMLINE ADVOCACY

BALANCE SHEET

AS AT 31 MARCH 2024

| | Notes | 2024 £ | £ | 2023 £ | £ |
|---|-------|----------------|---------------|----------------|----------------|
| Fixed assets | | | | | |
| Tangible assets | 11 | | 1,067 | | 1,561 |
| Current assets | | | | | |
| Debtors | 12 | 242 | | 420 | |
| Cash at bank and in hand | | 137,443 | | 140,894 | |
| | | <u>137,685</u> | | <u>141,314</u> | |
| Creditors: amounts falling due within one year | 13 | (5,230) | | (10,350) | |
| Net current assets | | | 132,455 | | 130,964 |
| Total assets less current liabilities | | | 133,522 | | 132,525 |
| Defined benefit pension liability | 14 | | (45,050) | | (19,904) |
| Net assets | | | <u>88,472</u> | | <u>112,621</u> |
| Funds | | | | | |
| Restricted funds | 15 | | 12,520 | | 24,921 |
| <u>Unrestricted funds</u> | | | | | |
| Designated funds | | 65,000 | | 65,000 | |
| General unrestricted funds | 16 | 56,002 | | 42,604 | |
| Pension Deficit Reserve | 16 | (45,050) | | (19,904) | |
| | | | <u>75,952</u> | | <u>87,700</u> |
| | | | <u>88,472</u> | | <u>112,621</u> |

The financial statements were approved by the Trustees on 4 November 2024



Trustee

DUNFERMLINE ADVOCACY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Dunfermline Advocacy is a SCIO, governed by a constitution and controlled by a board of Trustees. The registered office address is [REDACTED].

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

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

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity 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. The trustees have considered a period of 12 months from the date of approval of the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include costs linked to the strategic management of the charity.

DUNFERMLINE ADVOCACY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-----------------------|---------------------|
| Fixtures and fittings | 20% straight line |
| Computers | 33.3% straight line |

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

DUNFERMLINE ADVOCACY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

2 Donations and legacies

| | Unrestricted funds | Restricted funds | Total | Unrestricted funds | Restricted funds | Total |
|--|-----------------------|---------------------|----------------|-----------------------|---------------------|----------------|
| | 2024 £ | 2024 £ | 2024 £ | 2023 £ | 2023 £ | 2023 £ |
| Donations and gifts | 14,713 | - | 14,713 | 5,405 | - | 5,405 |
| Grants received | 123,039 | 38,800 | 161,839 | 120,126 | 74,351 | 194,477 |
| Donated goods and services | 6,975 | - | 6,975 | 5,500 | - | 5,500 |
| | <u>144,727</u> | <u>38,800</u> | <u>183,527</u> | <u>131,031</u> | <u>74,351</u> | <u>205,382</u> |
| Grants receivable for core activities | | | | | | |
| NHS Fife | 92,230 | - | 92,230 | 90,293 | - | 90,293 |
| Fife Council | 30,809 | - | 30,809 | 29,833 | - | 29,833 |
| Henry Smith - Changing Lives | - | - | - | - | 10,600 | 10,600 |
| FCL - Long Term | - | 38,800 | 38,800 | - | 38,600 | 38,600 |
| Kickstart | - | - | - | - | 12,610 | 12,610 |
| Fife Voluntary Action | - | - | - | - | 12,541 | 12,541 |
| | <u>123,039</u> | <u>38,800</u> | <u>161,839</u> | <u>120,126</u> | <u>74,351</u> | <u>194,477</u> |

DUNFERMLINE ADVOCACY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

3 Charitable activities

| | Total 2024 £ | Total 2023 £ |
|--------------------|-----------------------------|-----------------------------|
| Management charges | <u>2,000</u> | <u>2,000</u> |

4 Income from investments

| | Unrestricted funds 2024 £ | Unrestricted funds 2023 £ |
|---------------------|--|--|
| Interest receivable | <u>283</u> | <u>-</u> |

5 Charitable Activities

| | 2024 £ | 2023 £ |
|--|-------------------|-------------------|
| Staff Costs | 148,569 | 169,515 |
| Depreciation and impairment | 494 | 1,577 |
| Staff & volunteer expenses | 1,939 | 1,424 |
| Rent, rates & insurance | 9,274 | 4,953 |
| Heat & light | 3,519 | 4,592 |
| Repairs, replacements & cleaning | 1,846 | 1,508 |
| Subscriptions | 534 | 382 |
| Other Interest - Defined Benefit Pension | 945 | 525 |
| | <u>170,232</u> | <u>184,476</u> |
| Share of support costs (see note 6) | 8,362 | 9,434 |
| Share of governance costs (see note 6) | 2,280 | 2,160 |
| | <u>180,874</u> | <u>196,070</u> |
| Analysis by fund | | |
| Unrestricted funds | 129,673 | 118,346 |
| Restricted funds | 51,201 | 77,724 |
| | <u>180,874</u> | <u>196,070</u> |

DUNFERMLINE ADVOCACY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

6 Support costs

| | Support costs £ | Governance costs £ | 2024 £ | Basis of allocation |
|-------------------------------------|--------------------|-----------------------|---------------|---------------------|
| Printing, postage & stationery | 3,168 | - | 3,168 | Direct |
| Telephone | 1,087 | - | 1,087 | Direct |
| Publicity and sundry office costs | 4,107 | - | 4,107 | Direct |
| Independent Examiner's remuneration | - | 2,280 | 2,280 | Direct |
| | <u>8,362</u> | <u>2,280</u> | <u>10,642</u> | |

For the year ended 31 March 2023

| | Support costs £ | Governance costs £ | 2023 £ | Basis of allocation |
|-------------------------------------|--------------------|-----------------------|---------------|---------------------|
| Printing, postage & stationery | 2,893 | - | 2,893 | Direct |
| Telephone | 1,419 | - | 1,419 | Direct |
| Publicity and sundry office costs | 5,122 | - | 5,122 | Direct |
| Independent Examiner's remuneration | - | 2,160 | 2,160 | Direct |
| | <u>9,434</u> | <u>2,160</u> | <u>11,594</u> | |

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Refer to the table for the basis of apportionment and the analysis of support and governance costs.

7 Net movement in funds

| | 2024 £ | 2023 £ |
|--|------------|--------------|
| The net movement in funds is stated after charging/(crediting): | | |
| Fees payable for the independent examination of the charity's financial statements | 2,280 | 2,160 |
| Depreciation of owned tangible fixed assets | <u>494</u> | <u>1,577</u> |

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

DUNFERMLINE ADVOCACY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

9 Employees

The average monthly number of employees during the year was:

| | 2024 Number | 2023 Number |
|----------|----------------|----------------|
| Core | 4 | 4 |
| Projects | 1 | 3 |
| Total | 5 | 7 |

Employment costs

| | 2024 £ | 2023 £ |
|-----------------------|-----------|-----------|
| Wages and salaries | 133,638 | 153,046 |
| Social security costs | 6,927 | 8,340 |
| Other pension costs | 12,888 | 12,870 |
| | 153,453 | 174,256 |

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

The key management personnel of the charity comprise the trustees.

The total amount of employees benefits received by key management personnel is Nil (2023 - Nil).

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

DUNFERMLINE ADVOCACY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

11 Tangible fixed assets

| | Fixtures and fittings £ | Computers £ | Total £ |
|------------------------------------|----------------------------|----------------|------------|
| Cost | | | |
| At 1 April 2023 | 10,395 | 6,104 | 16,499 |
| At 31 March 2024 | 10,395 | 6,104 | 16,499 |
| Depreciation and impairment | | | |
| At 1 April 2023 | 8,969 | 5,969 | 14,938 |
| Depreciation charged in the year | 359 | 135 | 494 |
| At 31 March 2024 | 9,328 | 6,104 | 15,432 |
| Carrying amount | | | |
| At 31 March 2024 | 1,067 | - | 1,067 |
| At 31 March 2023 | 1,426 | 135 | 1,561 |

12 Debtors

| | 2024 £ | 2023 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Prepayments and accrued income | 242 | 420 |

13 Creditors: amounts falling due within one year

| | 2024 £ | 2023 £ |
|------------------------------|-----------|-----------|
| Other creditors (see below) | 627 | 5,692 |
| Accruals and deferred income | 4,603 | 4,658 |
| | 5,230 | 10,350 |

Dunfermline Advocacy continues to act as an agent for the Fife Advocacy Forum. At the start of the financial year the balance due was £5,692, during the year £5,065 was spent. The charity will continue to administer the Fund until such time that it is either able to open a bank account in its own name or all of the money has been spent.

14 Retirement benefit schemes

Defined contribution schemes

Dunfermline Advocacy operates a defined contribution pension scheme for the benefit of its employees. The defined benefit scheme is closed to new members and future accrual.

DUNFERMLINE ADVOCACY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

14 Retirement benefit schemes

(Continued)

Defined benefit schemes

SCHEME: The Pensions Trust – Scottish Voluntary Sector Pension Scheme

The company participates in the scheme, a multi-employer scheme which provides benefits to some 82 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme

Valuation

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK. The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme

Funding policy

A full actuarial valuation for the scheme was carried out at 30 September 2020. This actuarial valuation was certified on 21 December 2021 and showed assets of £153.3m, liabilities of £160.0m and a deficit of £6.7m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions (for the Scheme as a whole)

| | | | |
|-----------------------------------|--|-----|-------|
| From 1 April 2022 to 31 May 2024: | £1,404,638 | per | annum |
| | (payable monthly and increasing by 3% each on 1 April) | | |

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017; this valuation showed assets of £120.0m, liabilities of £145.9m and a deficit of £25.9m. To eliminate this funding shortfall, payments consisting of £1,404,638 per annum, increasing by 3% each 1 April until 30 September 2026.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Key assumptions

| 2024 | 2023 |
|------|------|
| % | % |
| 4.90 | 5.40 |

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

DUNFERMLINE ADVOCACY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

14 Retirement benefit schemes

(Continued)

STATEMENT OF FINANCIAL ACTIVITIES IMPACT

| | 2024 £ | 2023 £ |
|--|-----------|-----------|
| Interest expense | 945 | 525 |
| Remeasurements - impact of any change in assumptions | 1,005 | 1,295 |
| Administration costs (included in deficit contributions) | 1,425 | 1,425 |
| Remeasurements - amendments to the contribution schedule (see below) | 28,080 | - |
| Contributions paid in respect of future service | 4,940 | 4,940 |
| | <hr/> | <hr/> |
| Costs recognised in SOFA | 36,395 | 8,185 |
| | <hr/> | <hr/> |

DUNFERMLINE ADVOCACY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

14 Retirement benefit schemes

(Continued)

PRESENT VALUE OF PROVISION

Reconciliation of opening and closing provisions

| | 2024 £ | 2023 £ |
|--|-----------|-----------|
| Provision at start of period | 19,904 | 25,415 |
| Unwinding of the discount factor (interest expense) | 945 | 525 |
| Deficit contribution paid | (4,884) | (4,741) |
| Remeasurements - impact of any change in assumptions | 1,005 | (1,295) |
| Remeasurements - amendments to the contribution schedule | 28,080 | - |
| Provision at end of period | 45,050 | 19,904 |

The following schedule details the deficit contributions agreed between the company and the scheme at at each year end period:

| Year ending | 31 March 2024 £ | 31 March 2023 £ | 31 March 2022 £ |
|-------------|-----------------------|-----------------------|-----------------------|
| Year 1 | 5,030 | 4,884 | 4,741 |
| Year 2 | 5,181 | 5,030 | 4,884 |
| Year 3 | 5,336 | 5,181 | 5,030 |
| Year 4 | 5,496 | 5,336 | 5,181 |
| Year 5 | 5,661 | 1,832 | 5,336 |
| Year 6 | 5,831 | - | 1,832 |
| Year 7 | 6,006 | - | - |
| Year 8 | 6,186 | - | - |
| Year 9 | 6,372 | - | - |
| Year 10 | 6,016 | - | - |
| Year 11 | - | - | - |
| Year 12 | - | - | - |
| Year 13 | - | - | - |
| Year 14 | - | - | - |

The deficit contribution schedule for 2023 provided by the actuary excluded 5 years future contributions.

The correct information has been provided by the actuary at 31 March 2024 but has resulted in a remeasurement leading to an amendment to the contribution schedule of £28,080.

DUNFERMLINE ADVOCACY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

15 Restricted funds

For the year ended 31 March 2024

| | Movement in funds | | | | |
|--|----------------------------|-----------------------|-----------------------|-----------|-----------------------------|
| | Balance at 1 April 2023 | Incoming resources | Resources expended | Transfers | Balance at 31 March 2024 |
| | £ | £ | £ | £ | £ |
| FCL National Lottery Community Fund | 808 | - | - | (808) | - |
| FCL Henry Smith Charity | 4,531 | - | (4,531) | - | - |
| Fife Voluntary Action - Community Connections | 6,172 | - | (6,172) | - | - |
| Fife Voluntary Action - Winter Warmer | 231 | - | (231) | - | - |
| Covid 19 Long Term Support Grant - Henry Smith | 13,179 | 38,800 | (40,267) | 808 | 12,520 |
| | <u>24,921</u> | <u>38,800</u> | <u>(51,201)</u> | <u>-</u> | <u>12,520</u> |

For the year ended 31 March 2023

| | Movement in funds | | | | |
|--|----------------------------|-----------------------|-----------------------|----------------|-----------------------------|
| | Balance at 1 April 2022 | Incoming resources | Resources expended | Transfers | Balance at 31 March 2023 |
| | £ | £ | £ | £ | £ |
| FCL National Lottery Community Fund | 11,159 | - | (10,351) | - | 808 |
| FCL Henry Smith Charity | 8,142 | 10,600 | (14,211) | - | 4,531 |
| FCL The Robertson Trust | 10,880 | - | (10,880) | - | - |
| Kickstart | 14 | 12,610 | (10,723) | (1,901) | - |
| Fife Voluntary Action - Community Connections | - | 9,841 | (3,669) | - | 6,172 |
| Fife Voluntary Action - Winter Warmer | - | 2,700 | (2,469) | - | 231 |
| Covid 19 Long Term Support Grant - Henry Smith | - | 38,600 | (25,421) | - | 13,179 |
| | <u>30,195</u> | <u>74,351</u> | <u>(77,724)</u> | <u>(1,901)</u> | <u>24,921</u> |

DUNFERMLINE ADVOCACY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

15 Restricted funds

(Continued)

FCL National Lottery Community Fund

This funding commenced in July 2019, and part-funded our Friendship Changing Lives Project, supporting vulnerable people in Citizen Advocacy partnerships across West Fife. The National Lottery agreed to the transfer of small amount of remaining funding to support the work of the organisation.

FCL Henry Smith

This funding commenced in January 2020, and part-funded our Friendship Changing Lives Project.

Fife Voluntary Action - Community Connections

This funding commenced in January 2023 and allowed the organisation to increase capacity of our work for six months to June 2023.

Fife Voluntary Action - Winter Warmer

This funding supported a weekly Winter Warmer Drop-In from December 2022 to March 2023. The final expenses were spent at the start of this financial year.

Henry Smith - Covid 19 Long Term Support Grant

This funding commenced in July 2022, and funds our work to support vulnerable people in West Fife, supporting the organisation to meet additional needs resulting from the impacts of the pandemic.

DUNFERMLINE ADVOCACY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

16 Unrestricted Funds

For the year ended 31 March 2024

| | Balance at 1 April 2023 | Incoming resources | Movement in funds | | | Balance at 31 March 2024 |
|-------------------------|----------------------------|-----------------------|-----------------------|-----------|---------------------|-----------------------------|
| | £ | £ | Resources expended | Transfers | Gains and losses | £ |
| | | | £ | £ | £ | |
| General fund | 42,604 | 147,010 | (133,612) | - | - | 56,002 |
| Pension deficit reserve | (19,904) | - | 3,939 | - | (29,085) | (45,050) |
| Designated fund | 65,000 | - | - | - | - | 65,000 |
| | <u>87,700</u> | <u>147,010</u> | <u>(129,673)</u> | <u>-</u> | <u>(29,085)</u> | <u>75,952</u> |

For the year ended 31 March 2023

| | Balance at 1 April 2022 | Incoming resources | Movement in funds | | | Balance at 31 March 2023 |
|-------------------------|----------------------------|-----------------------|-----------------------|--------------|---------------------|-----------------------------|
| | £ | £ | Resources expended | Transfers | Gains and losses | £ |
| | | | £ | £ | £ | |
| General fund | 35,234 | 133,031 | (122,562) | (3,099) | - | 42,604 |
| Pension deficit reserve | (25,415) | - | 4,216 | - | 1,295 | (19,904) |
| Designated fund | 60,000 | - | - | 5,000 | - | 65,000 |
| | <u>69,819</u> | <u>133,031</u> | <u>(118,346)</u> | <u>1,901</u> | <u>1,295</u> | <u>87,700</u> |

The General Fund includes amounts provided by funders such as NHS Fife and Fife Council, which have been given to the Charity to be used on specific projects which carry over into the following financial period and are in furtherance of the Charity's overall aims and objectives.

The Designated Fund represents a provision for any closure costs attaching to the Charity ceasing to operate.

DUNFERMLINE ADVOCACY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

17 Analysis of net assets between funds

| | Restricted Funds | General | Designated | Pension Deficit | Total |
|--|---------------------|---------------|---------------|--------------------|---------------|
| | 2024 | 2024 | 2024 | 2024 | 2024 |
| | £ | £ | £ | £ | £ |
| Fund balances at 31 March 2024 are represented by: | | | | | |
| Tangible assets | - | 1,067 | - | - | 1,067 |
| Net current assets | 12,520 | 54,935 | 65,000 | - | 132,455 |
| Provisions and pensions | - | - | - | (45,050) | (45,050) |
| | <u>12,520</u> | <u>56,002</u> | <u>65,000</u> | <u>(45,050)</u> | <u>88,472</u> |

| | Restricted Funds | General | Designated | Pension Deficit | Total |
|--|---------------------|---------------|---------------|--------------------|----------------|
| | 2023 | 2023 | 2023 | 2023 | 2023 |
| | £ | £ | £ | £ | £ |
| Fund balances at 31 March 2023 are represented by: | | | | | |
| Tangible assets | - | 1,561 | - | - | 1,561 |
| Net current assets | 24,921 | 41,043 | 65,000 | - | 130,964 |
| Provisions and pensions | - | - | - | (19,904) | (19,904) |
| | <u>24,921</u> | <u>42,604</u> | <u>65,000</u> | <u>(19,904)</u> | <u>112,621</u> |

18 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

19 Donated Services

Under Fife Council's Subsidised Lease Policy, the Charity is eligible for a 90% reduction in the rent payable on the office at 14 Halbeath Road. During the year the Charity occupied two office spaces and the valuation placed upon the support from Fife council in the year was £6,975. The income equivalent is recognised within incoming resources as a donated service, and an equivalent charge is included within rent, rates and insurance.