Charity registration number SC021638 (Scotland)

DUNFERMLINE ADVOCACY

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

DUNFERMLINE ADVOCACY

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DUNFERMLINE ADVOCACY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The Board of Trustees present their Report, together with the accounts for the year ended 31 March 2025. 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

<u>Business Review</u>

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.

<u>Plans for the Future</u>

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

During 2024-2025 the Charity has continued to respond to challenges presented by the Cost of Living Crisis and the funding situation for the sector. The Charity now operates from a smaller office base and continues to seek ways to keep running costs as low as possible. The Charity is continuing to meet its core objectives and both the staff team and volunteers are using both in person and remote methods of working to support vulnerable people in West Fife. Hybrid working for our staff team has supported the Charity to meet environmental priorities for our funders, while also enhancing the sustainability of our work to be able to respond quickly and effectively to any future service disruptions. This has also increased our capacity to go some way to respond to the increasing demand on the Charity's services.

Financial review

The surplus for the year before actuarial gains and losses was £35,335 (2024: £4,936). This comprises a deficit on unrestricted funds of £10,773 (2024: surplus 17,337) and a surplus on restricted funds of £9,108 (2024: deficit of £12,401).

The Designated Fund represents a provision (£65,000) for any closure costs attaching to the Charity ceasing to operate; a provision for property costs (£10,000) and IT costs (£2000). The funding received from the People's Postcode lottery Trust has been designated to match with and continue the project work of the grants from the Henry Smith Charity and FVA.

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 in 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 2025, £63,179 (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, People's Postcode Lottery Trust and Fife Voluntary Action.

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:

E Adrain
J Doran
A Comrie
S Heath
L Shedden (Appointed 6 February 2025)

Principal Address	14 Halbeath Road Dunfermline Fife KY12 7QX
Bankers	CAF Bank 25 Kings Hill Avenue Kent ME19 4JQ
Independent Examiner	Fiona Haro CA 3 Castle Court Carnegie Campus Dunfermline Fife KY11 8PB
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

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.

E Adrain Elizabeth Adrain

Treasurer

Dated: 19 November 2025

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 2025, which are set out on pages 6 to 23.

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 Charities Accounts (Scotland) Regulations 2006. 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 seeking 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.

Fiona Haro

Fiona Haro CA
Thomson Cooper Accountants
3 Castle Court
Carnegie Campus
Dunfermline
Fife
KY11 8PB

Dated: 19 November 2025

DUNFERMLINE ADVOCACY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2025

Current financial year

	Notes	Unrestricted funds general 2025 £	Unrestricted funds designated 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Income from:						
Donations and legacies	**2**	156,956	-	49,100	206,056	183,527
Charitable activities	**3**	-	-	-	-	2,000
Other trading activities	**4**	300	-	-	300	-
Investments	**5**	449	-	-	449	283
Total income		157,705	-	49,100	206,805	185,810
Raising funds						
Charitable activities	**6**	131,478	-	39,992	171,470	180,874
Total resources expended		131,478	-	39,992	171,470	180,874
Net incoming resources before transfers		26,227	-	9,108	35,335	4,936
Gross transfers between funds		(37,000)	37,000	-	-	-
Net (outgoing)/incoming resources		(10,773)	37,000	9,108	35,335	4,936
Other recognised gains and losses						
Actuarial gain/(loss) on defined benefit pension schemes		137	-	-	137	(29,085)
Net movement in funds		(10,636)	37,000	9,108	35,472	(24,149)
Fund balances at 1 April 2024		10,952	65,000	12,520	88,472	112,621
Fund balances at 31 March 2025		316	102,000	21,628	123,944	88,472

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

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Prior financial year

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:				
Donations and legacies	**2**	144,727	38,800	183,527
Charitable activities	**3**	2,000	-	2,000
Investments	**5**	283	-	283
Total income		147,010	38,800	185,810
Expenditure on:				
Charitable activities	**6**	129,673	51,201	180,874
Total resources expended		129,673	51,201	180,874
Net (outgoing)/incoming resources		17,337	(12,401)	4,936
Other recognised gains and losses				
Actuarial gain/(loss) on defined benefit pension schemes		(29,085)	-	(29,085)
Net movement in funds		(11,748)	(12,401)	(24,149)
Fund balances at 1 April 2023		87,700	24,921	112,621
Fund balances at 31 March 2024		75,952	12,520	88,472

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 2025

		2025		2024	
	Notes	**£**	**£**	**£**	**£**
Fixed assets					
Tangible assets	**11**		2,942		1,067
Current assets					
Debtors	**12**	144		242	
Cash at bank and in hand		191,973		137,443	
		192,117		137,685	
Creditors: amounts falling due within one year	**13**	(29,157)		(5,230)	
Net current assets			162,960		132,455
Total assets less current liabilities			165,902		133,522
Defined benefit pension liability	**15**		(41,958)		(45,050)
Net assets			123,944		88,472
Funds					
Restricted funds	**16**		21,628		12,520
Unrestricted Funds					
Designated funds			102,000		65,000
General unrestricted funds	**18**	42,274		56,002	
Pension Deficit Reserve	**18**	(41,958)		(45,050)	
			316		10,952
			123,944		88,472

The financial statements were approved by the Trustees on 19 November 2025

E Adrain
Trustee

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 14 Halbeath Road, Dunfermline, Fife, KY12 7QX.

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.

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.

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 general 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds general 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	5,525	-	5,525	14,713	-	14,713
Grants received	151,431	49,100	200,531	123,039	38,800	161,839
Donated goods and services	-	-	-	6,975	-	6,975
	156,956	49,100	206,056	144,727	38,800	183,527
Grants receivable for core activities						
HSCP	93,840	-	93,840	92,230	-	92,230
NHS Fife	32,591	-	32,591	30,809	-	30,809
People's Postcode Trust	25,000	-	25,000	-	-	-
Henry Smith	-	39,600	39,600	-	38,800	38,800
Fife Voluntary Action	-	9,500	9,500	-	-	-
	151,431	49,100	200,531	123,039	38,800	161,839

3 Charitable activities

	Total 2025 £	Total 2024 £
Management charges	-	2,000

4 Other trading activities

	Total 2025 £	Total 2024 £
Fundraising events	300	-

5 Income from investments

	Total 2025 £	**Total 2024 £**
Interest receivable	449	283

6 Charitable Activities

	2025 £	**2024 £**
Staff Costs	140,055	148,569
Depreciation and impairment	488	494
Staff & volunteer expenses	2,970	1,939
Rent, rates & insurance	8,149	9,274
Heat & light	1,169	3,519
Repairs, replacements & cleaning	7,253	1,846
Subscriptions	839	534
Moving costs	-	3,112
Interest - Defined Benefit Pension	2,075	945
	162,998	170,232
Share of support costs (see note 7)	5,794	8,362
Share of governance costs (see note 7)	2,678	2,280
	171,470	180,874
Analysis by fund		
Unrestricted funds - general	131,478	129,673
Restricted funds	39,992	51,201
	171,470	180,874

7 Support costs

	Support costs	Governance costs	2025	Basis of allocation
	£	£	£	
Operating lease charges	1,814	-	1,814	Direct
Printing, postage & stationery	487	-	487	Direct
Telephone	1,233	-	1,233	Direct
Publicity and sundry office costs	1,981	-	1,981	Direct
Bank charges	84	-	84	Direct
Website costs	195	-	195	Direct
Independent Examiner's remuneration	-	2,678	2,678	Direct
	5,794	2,678	8,472	

For the year ended 31 March 2024

	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
	8,362	2,280	10,642	

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.

8 Trustees

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

9 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Core	4	4
Projects	1	1
Total	5	5

Employment costs	2025 £	2024 £
Wages and salaries	126,075	133,638
Social security costs	6,758	6,927
Other pension costs	5,128	5,971
Pension deficit	7,124	6,917
	145,085	153,453

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 (2024 - £nil).

10 Taxation

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

11 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 April 2024	10,395	6,104	16,499
Additions	1,274	1,089	2,363
At 31 March 2025	11,669	7,193	18,862
Depreciation and impairment			
At 1 April 2024	9,328	6,104	15,432
Depreciation charged in the year	396	92	488
At 31 March 2025	9,724	6,196	15,920
Carrying amount			
At 31 March 2025	1,945	997	2,942
At 31 March 2024	1,067	-	1,067

12 Debtors

	2025	2024
Amounts falling due within one year:	£	£
Prepayments and accrued income	144	242

13 Creditors: amounts falling due within one year

	Notes	2025	2024
		£	£
Other taxation and social security		2,518	-
Deferred income	14	23,929	-
Other creditors (see below)		349	627
Accruals		2,361	4,603
		29,157	5,230

Dunfermline Advocacy continues to act as an agent for the Fife Advocacy Forum. At the start of the financial year the balance due was £627. During the year £4,999 (2024: nil) was received, and £5,277 (2024: £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 Deferred income

	2025	2024
	£	£
Other deferred income	23,929	-

Deferred income is included in the financial statements as follows:

	2025	2024
	£	£
Deferred income is included within:		
Current liabilities	23,929	-
Movements in the year:		
Deferred income at 1 April 2024	-	-
Resources deferred in the year	23,929	-
Deferred income at 31 March 2025	23,929	-

15 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.

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 77 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.

15 Retirement benefit schemes **(Continued)**

Funding policy

A full actuarial valuation for the scheme was carried out at 30 September 2023. This actuarial valuation was certified on 27 June 2024 and showed assets of £86.2m, liabilities of £88.2m and a deficit of £0.2m. From 1 June 2024 the majority of the employers no longer pay deficit contributions.

Some employers have agreed concessions (both past and present) with the Trustee and have contributions up to 28 February 2034.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2020. This valuation 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:	**£1,473,969 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.

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

	2025	**2024**
	%	**%**
	4.98	**4.90**

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.

STATEMENT OF FINANCIAL ACTIVITIES IMPACT

		2025	**2024**
		£	**£**
Interest expense		2,075	945
Remeasurements - impact of any change in assumptions		(137)	1,005
Administration costs (included in deficit contributions)		-	1,425
Remeasurements - amendments to the contribution schedule	(see below)	-	28,080
Contributions paid in respect of future service		-	4,940
Costs recognised in SOFA		1,938	36,395

15 Retirement benefit schemes **(Continued)**

PRESENT VALUE OF PROVISION
Reconciliation of opening and closing provisions

	2025	2024
	£	£
Provision at start of period	45,050	19,904
Unwinding of the discount factor (interest expense)	2,075	945
Deficit contribution paid	(5,030)	(4,884)
Remeasurements - impact of any change in assumptions	(137)	1,005
Remeasurements - amendments to the contribution schedule	-	28,080
Provision at end of period	41,958	45,050

15 Retirement benefit schemes **(Continued)**

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

Year ending	31 March 2025 £	31 March 2024 £	31 March 2023 £	31 March 2022 £
Year 1	5,181	5,030	4,884	4,741
Year 2	5,336	5,181	5,030	4,884
Year 3	5,496	5,336	5,181	5,030
Year 4	5,661	5,496	5,336	5,181
Year 5	5,831	5,661	5,496	5,336
Year 6	6,006	5,831	5,661	1,832
Year 7	6,186	6,006	5,831	-
Year 8	6,372	6,186	6,006	-
Year 9	6,016	6,372	6,186	-
Year 10	-	6,016	6,372	-
Year 11	-	-	6,016	-
Year 12	-	-	-	-
Year 13	-	-	-	-
Year 14	-	-	-	-
Year 15	-	-	-	-
Year 16	-	-	-	-
Year 17	-	-	-	-
Year 18	-	-	-	-
Year 19	-	-	-	-
Year 20	-	-	-	-

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

16 Restricted funds

For the year ended 31 March 2025

	Balance at 1 April 2024	Incoming resources	Resources expended	Transfers	Balance at 31 March 2025
		Movement in funds			
	£	£	£	£	£
Henry Smith - COVID19 Long Term Support Grant	12,520	39,600	(39,592)	-	12,528
Fife Voluntary Action - Communites Mental Health and Wellbeing Fund	-	9,500	(400)	-	9,100
	12,520	49,100	(39,992)	-	21,628

For the year ended 31 March 2024

	Balance at 1 April 2023	Incoming resources	Resources expended	Transfers	Balance at 31 March 2024
		Movement in funds			
	£	£	£	£	£
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)	-	-
Henry Smith - COVID19 Long Term Support Grant	13,179	38,800	(40,267)	808	12,520
	24,921	38,800	(51,201)	-	12,520

16 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 the financial year to 31st March 2024

Henry Smith Covid-19 Long Term Support Grant

This funding commenced in July 2022 continuing to support an increase in the Charity's capacity by continuing the work of the Friendship Changing Lives project.

Fife Voluntary Action- Communities Mental Health and Wellbeing Fund (Community Connections)

This funding commenced in January 2025 and is supporting the Charity to increase our capacity supporting Citizen Advocacy in our communities.

17 Unrestricted Funds

For the year ended 31 March 2025

			Movement in funds			
	Balance at 1 April 2024	Incoming resources	Resources expended	Transfers	Gains and losses	Balance at 31 March 2025
	£	£	£	£	£	£
General fund	56,002	157,705	(134,433)	(37,000)	-	42,274
Pension deficit reserve	(45,050)	-	2,955	-	137	(41,958)
Designated fund	65,000	-	-	37,000	-	102,000
	75,952	157,705	(131,478)	-	137	102,316

For the year ended 31 March 2024

			Movement in funds			
	Balance at 1 April 2023	Incoming resources	Resources expended	Transfers	Gains and losses	Balance at 31 March 2024
	£	£	£	£	£	£
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
	87,700	147,010	(129,673)	-	(29,085)	75,952

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 (£65,000) for any closure costs attaching to the Charity ceasing to operate; a provision for property costs (£10,000) and IT costs (£2000). The funding received from the People's Postcode lottery Trust has been designated to match with and continue the project work of the grants from the Henry Smith Charity and FVA.

18 Analysis of net assets between funds

	Restricted Funds	General	Designated	Pension Deficit	Total
	2025	2025	2025	2025	2025
	£	£	£	£	£
Fund balances at 31 March 2025 are represented by:					
Tangible assets	209	2,733	-	-	2,942
Net current assets	21,419	39,541	102,000	-	162,960
Provisions and pensions	-	-	-	(41,958)	(41,958)
	21,628	42,274	102,000	(41,958)	123,944

	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)
	12,520	56,002	65,000	(45,050)	88,472

19 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

20 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. The valuation placed upon this support from Fife Council in the year was £5,400. The income equivalent is recognised within incoming resources as a donated service, and an equivalent charge is included within rent, rates and insurance.