

Company No: SC093818
Charity Registration No: SC004192

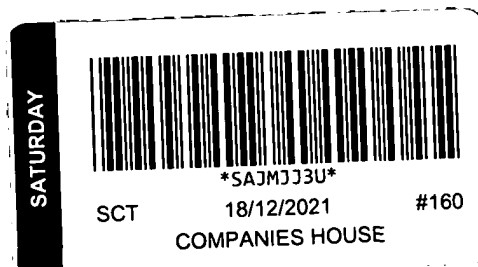
EDINBURGH AND LOTHIAN COUNCIL ON ALCOHOL

(A Company Limited by Guarantee with Charitable Status)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2021



EDINBURGH AND LoTHIAN COUNCIL ON ALCOHOL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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EDINBURGH & LOTHIAN COUNCIL ON ALCOHOL**ANNUAL & DIRECTORS' REPORT****FOR THE YEAR ENDED 31 MARCH 2021**

The directors present their report together with the financial statements for the year ended 31 March 2021.

Reference and administrative details

The Management Committee members, who are Directors of the Company, during the year, were as follows:

<u>Convener</u>	Diane Ashton	*	**
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<u>Vice-Convener</u>	Billy Bowes
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<u>Other Committee Members</u>	Kate Kennedy	**
	Shona Smith Cowan	
	Elaine Ellis	
	Craig Chatwin	

* Member of Finance & General Purposes Committee

** Member of Personnel Committee

<u>Company Secretary</u>	Meichelle Walker
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<u>Treasurer</u>	Craig Chatwin
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<u>Bankers</u>	Royal Bank of Scotland plc 142-144 Princes Street Edinburgh EH2 4EQ
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<u>Auditors</u>	Chiene + Tait 61 Dublin Street Edinburgh EH3 6NL
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<u>Solicitors</u>	Lindsays LLP Caledonian Exchange 19a Canning Street Edinburgh EH3 8HE
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<u>Accountant</u>	Thomson Cooper Chartered Accountants 22 Stafford Street Edinburgh EH3 7BJ
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<u>Company number</u>	SC093818
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<u>Charity Number</u>	SC004192
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<u>Registered Office</u>	91 Rose Street Edinburgh EH2 3DT
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EDINBURGH & LOTHIAN COUNCIL ON ALCOHOL

ANNUAL & DIRECTORS' REPORT (*cont'd*)

FOR THE YEAR ENDED 31 MARCH 2021

Objectives and Activities

Objectives

The key objectives of ELCA are to:

- Ensure that our services are accessible to service users throughout the Lothians
- Promote and provide education about alcohol and the misuse of alcohol
- Provide a range of services which include advice, information, counselling, and support to service users
- Encourage the rights and involvement of service users in the development of our services
- Maintain high quality standards of service
- Value the staff and commitment that they give to the organisation
- Promote and offer training and continual professional development in the alcohol field to all staff
- To listen to and act on the views of our internal and external stakeholders
- Play an active part in influencing local, national, and social policies in relation to alcohol issues

Activities

The principal activities of ELCA are the provision of confidential advice, information, counselling, and support to people who is worried about their own or someone else's drinking. ELCA provides these services in the City of Edinburgh, East Lothian, Midlothian, West Lothian and HMP Edinburgh.

Achievements and Performance

COVID-19 lockdown restrictions impacted on the way ELCA delivered its services during 2020-21. ELCA quickly moved to providing its counselling services online or via telephone and it is likely that a blend of online and face-to-face provision will remain a feature of our services in the future.

Achievements within the reporting year are as follows:

- Offered **4980** counselling sessions throughout Edinburgh & the Lothians (excluding HMP Edinburgh)
- Received **288** new referrals for ELCA's Counselling Service throughout the Lothians
- Received **107** new referrals for our service in HMP Edinburgh
- Continued to provide counselling to Polish speaking Clients and received **16** new referrals
- ELCA's Women's Alcohol Recovery Group and Men's Recovery Group continued via Zoom
- Continued to work collaboratively with Crew, Simpson House and WLDAS as well as building upon our partnership/networking links with other related agencies throughout the Lothians
- Client engagement during the year averaged over **80%** of all appointments offered, this is a 20% increase over face-to-face appointments

From July onwards we returned to some face-to-face support in East Lothian and in HMP Edinburgh and returned to working in partnership with Edinburgh Rape Crisis Centre. We continued to monitor and liaise with our other partners about possibly returning to more face-to-face. However, with all the uncertainty around lockdown measures, most clients preferred to continue with online or telephone support.

EDINBURGH & LoTHIAN COUNCIL ON ALCOHOL

ANNUAL & DIRECTORS' REPORT (*cont'd*)

FOR THE YEAR ENDED 31 MARCH 2021

The key outcomes that ELCA is commissioned to deliver for our funders are: for our Counselling Services are:

- Reduction in alcohol consumption
- Improvement in physical health
- Improvement in psychological health
- Improvement in confidence and self-esteem
- Improvement in relationships
- Improvement in self-efficacy (prison only)

ELCA measures these outcomes by taking a baseline at assessment, carrying out regular client reviews and completing an End of Counselling Form when cases are closed.

In 2020/2021 there were a total of **206** counselling cases closed (including our prison service); **107** were planned closures and **99** were unplanned. Of the planned closures the outcomes achieved were:

- 104 clients reported a reduction in alcohol consumption or were abstinent from alcohol
- 100 reported an improvement in physical health
- 105 reported an improvement in psychological health
- 105 reported an improvement in confidence and self-esteem
- 102 reported an improvement in relationships
- 16 prisoners saw an improvement in self-efficacy

ELCA usually asks clients for their feedback on our Counselling Services by sending out an End of Counselling Client Evaluation Questionnaire. Unfortunately, due to staffing constraints during the year, these were not sent out. As soon as we return to office working, this will be reimplemented.

Risk Register

During the year, ELCA's Management Committee reviewed and updated the Risk Register in-line with emerging changes, particularly COVID-19. The Register is a standing item on the Committee's agenda.

Plans for Future Periods

Some of the areas for development for the coming year are:

- Deliver a safe and effective service in line with current COVID-19 restrictions
- Continue to work in collaboration and strengthen our partnership working throughout the Lothians
- Continue to offer training & development opportunities for all staff
- Identifying other opportunities for development and growth

Financial Review

Incoming resources for the year ending 31 March 2021 totalled £367,413 (2020: £356,744)

Total resources expended for the year were £339,554 (2020: £363,367)

The net surplus for the year on unrestricted funds was £28,705 (2020: deficit of £4,406). There was a net deficit on restricted funds of £5,720 (2020: surplus of £2,051)

Funds carried forward at the balance sheet date totalled £118,374 (2020: £95,389)

EDINBURGH & LOTHIAN COUNCIL ON ALCOHOL

ANNUAL & DIRECTORS' REPORT (*cont'd*)

FOR THE YEAR ENDED 31 MARCH 2021

Principal Funding Sources

Grants and Contracts are the major source of income, and we would like to record our thanks for the ongoing support from the Edinburgh Alcohol and Drug Partnership, East Lothian Council, Mid and East Lothian Drug and Alcohol Partnership, Midlothian Council, and West Lothian Drug and Alcohol Service.

Charitable Funders

ELCA is truly fortunate in having charitable funders who support our work, and we are incredibly grateful to them for their continued support. Thanks, are recorded to The Hope Trust, the Cruden Foundation Limited and the Nancie Massey Charitable Trust. We would also like to say a big thank you to all the individual donations we received throughout the year from clients who accessed our services.

Structure, Governance and Management

Governing Document

Edinburgh & Lothian Council on Alcohol is a charitable company limited by guarantee, incorporated on 14 June 1985, and recognised as a charity by HM Revenue & Customs.

The organisation was established under a Memorandum of Association which established the objects and power of the charitable company and is governed under its Articles of Association. In the event of the organisation being wound up members are required to contribute an amount not exceeding £1.00.

Appointment of Directors

Members of ELCA can elect Company Directors at the Annual General Meeting. Those Directors elected at AGMs serve for an initial four-year term and are then eligible for re-election for one further four-year term. Company Directors may also be co-opted by the Management Committee during the year to serve until the close of the next AGM.

Organisational Structure

The organisation is governed overall by the Management Committee who is responsible for the policy and strategic direction of the charity.

The day-to-day operational responsibility for all ELCA's services is delegated to the General Manager. There are 2 part-time along with 2 part-time receptionists who provide the administration support for the whole organisation. In relation to ELCA's Counselling and Support Services during the year we had a team of 22 paid counselling staff (equivalent to 12 full-time workers) and 10 volunteers/placement counsellors. We also have a small team of 4 Practice Supervisors.

Related Parties

Details of related party transactions are included in note 7 of the financial statements.

Risk Management

The Management Committee members continue to assess the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and are satisfied that appropriate systems are in place to mitigate exposure of those risks.

Reserves Policy

The Directors have examined the charity's requirements for reserves considering the main risks to the organisation. The Directors have established a policy of maintaining its reserves to a level equivalent of three months running costs for the organisation.

Statement of Directors' Responsibilities

The directors (who are also trustees of the Edinburgh & Lothian Council on Alcohol for the purposes of charity law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

EDINBURGH & LOTHIAN COUNCIL ON ALCOHOL

ANNUAL & DIRECTORS' REPORT (*cont'd*)

FOR THE YEAR ENDED 31 MARCH 2021

Company law requires the directors to prepare financial statements for each financial year, which 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 the year. In preparing these financial statements, the directors 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Directors are responsible for keeping adequate accounting records that 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 Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

BY ORDER OF THE MANAGEMENT COMMITTEE



Diane Ashton, Director

16 Dec 2021

2021

**INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS AND MEMBERS OF
EDINBURGH AND LOTHIAN COUNCIL ON ALCOHOL
FOR THE YEAR ENDED 31 MARCH 2021**



I report on the accounts of the charity for the year ended 31 March 2021 which are set out on pages 7 to 21.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts 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 accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts 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 accounts.

Independent examiner's statement

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

1. which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;

have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Barry Truswell

**Barry Truswell CA
For and on behalf of
CHIENE + TAIT LLP
Chartered Accountants and Independent Examiner
61 Dublin Street
Edinburgh
EH3 6NL**

16 December 2021

EDINBURGH AND LoTHIAN COUNCIL ON ALCOHOL

STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Income and endowments from:					
<i>Donations and legacies:</i>					
Donations & Grants	2	14,667	-	14,667	12,578
Subscriptions		50	-	50	230
<i>Charitable activities</i>	3	341,413	11,193	352,606	343,493
<i>Investments</i>					
Bank interest receivable		90	-	90	443
Total income		<u>356,220</u>	<u>11,193</u>	<u>367,413</u>	<u>356,744</u>
Expenditure on:					
<i>Raising funds</i>	4(a)	2,472	-	2,472	2,343
<i>Charitable activities</i>	4(b)	320,170	16,913	337,083	361,024
Total expenditure		<u>322,642</u>	<u>16,913</u>	<u>339,554</u>	<u>363,367</u>
Net (expenditure)/income for the year		33,579	(5,720)	27,859	(6,623)
Transfers between funds		-	-	-	-
		<u>33,579</u>	<u>(5,720)</u>	<u>27,859</u>	<u>(6,623)</u>
Actuarial gains on pension scheme		(4,874)	-	(4,874)	4,268
Net movement in funds		<u>28,705</u>	<u>(5,720)</u>	<u>22,985</u>	<u>(2,355)</u>
<i>Reconciliation of funds</i>					
Total funds brought forward		70,616	24,773	95,389	97,744
Total funds carried forward	12	<u><u>99,321</u></u>	<u><u>19,053</u></u>	<u><u>118,374</u></u>	<u><u>95,389</u></u>

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 10 to 21 form part of these financial statements

EDINBURGH AND LOTHIAN COUNCIL ON ALCOHOL**BALANCE SHEET****AS AT 31 MARCH 2021**

	Note	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	9		5,358		-
Current assets					
Debtors	10	4,123		49,949	
Cash at bank and in hand		270,648		229,141	
		274,771		279,090	
Creditors: amounts falling due within one year	11	72,305		83,098	
Net current assets			202,466		195,992
Total assets less current liabilities			207,824		195,992
Creditors: amounts falling due after one year	14		89,450		100,603
Net assets			118,374		95,389
The funds of the charity					
Unrestricted funds:	12				
General			180,100		162,000
Pension deficit reserve			(108,279)		(118,884)
Designated			27,500		27,500
Total unrestricted funds			99,321		70,616
Restricted funds	12		19,053		24,773
Total funds			118,374		95,389

For the year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Approved by the Directors on 16 December 2021 and signed on their behalf by:


Diane Ashton**Convener**

Company No: SC093818

The notes on pages 10 to 21 form part of these financial statements.

EDINBURGH AND LoTHIAN COUNCIL ON ALCOHOL**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Total Funds 2021 £	Total Funds 2020 £
Net cash provided by operating activities	17	48,114	(60,566)
Cash flows from investing activities:			
Interest and dividends		90	443
Purchase of tangible assets		(6,697)	-
Net cash provided by investing activities		(6,607)	443
Change in cash and cash equivalents in the year		41,507	(60,123)
Cash and cash equivalents brought forward		229,141	289,264
Cash and cash equivalents carried forward		270,648	229,141

Analysis of Changes in Net Debt

	At 1 April 2020 £	Cash- flows £	At 31 March 2021 £
Cash and cash equivalents	229,141	41,507	270,648
Total net debt	229,141	41,507	270,648
	=====	=====	=====

The notes on pages 10 to 21 form part of these financial statements

EDINBURGH AND LoTHIAN COUNCIL ON ALCOHOL**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2021****1. Accounting policies****Basis of preparation**

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 applicable in the UK and Republic of Ireland (FRS 102) - Charities SORP (FRS 102) (second edition – October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Edinburgh and Lothian Council on Alcohol meets the definition of a public benefit entity under FRS 102.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

Going concern

The financial statements have been prepared on a going concern basis. The Directors have assessed the Charity's ability to continue as a going concern and have reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these financial statements (see also note 15).

Income recognition

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

Donations, grants and contract income are recognised when the Charity has been notified of both the amount and the anticipated settlement date. In the event that income is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period.

The Charity is the lead contact on a consortium contract from the City of Edinburgh Council. Therefore, the income under this contract is recognised by Edinburgh and Lothian Council on Alcohol only to the extent of its share with the balance transferred to other consortium entities.

Expenditure recognition

Liabilities are recognised as expenditure 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 included on an accruals basis, inclusive of VAT.

Costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly others are apportioned on an estimated usage basis.

Costs of raising funds are those incurred in order to raise funding. Costs of charitable activities consist of those applied by the charity in meeting its charitable objectives, which includes costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Governance costs, which are included within support costs and include the costs of general governance of the charity as opposed to direct management inherent in meeting charitable objectives, and are those associated with strategic, constitutional and statutory requirements.

EDINBURGH AND LoTHIAN COUNCIL ON ALCOHOL
NOTES TO THE FINANCIAL STATEMENTS (*continued*)
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies (*continued*)

Depreciation

Depreciation is provided on tangible fixed assets (generally capitalised if cost exceeds £1,000) at rates calculated to write off the cost of each asset evenly over its expected useful economic life at the following annual rate:-

Computer equipment - 20% straight line

Pensions

The company participates in a multi-employer defined benefit scheme, which is closed to future accrual. A provision has been made for the present value of the future contributions due under an agreement to make past service deficit contributions.

The company also contributes to defined contribution pension schemes. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the schemes.

Fund accounting

The nature and purpose of each fund is explained in note 12.

2. Donations

2021	2020
£	£

General fund – unrestricted income

Charitable trusts, voluntary and other organisations and individuals:

The Nancie Massey Charitable Trust	5,000	5,000
The Hope Trust	3,000	2,000
Cruden Foundation Limited	1,500	1,500
Individual donors	87	3,827
Tax recoverable	390	251
	<u>9,977</u>	<u>12,578</u>
Grant income	4,690	-
	<u>14,667</u>	<u>12,578</u>

EDINBURGH AND LoTHIAN COUNCIL ON ALCOHOL
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

3. Income from charitable activities	Unrestricted	Restricted	2021	2020
	£	£	£	£
Activities undertaken				
Counselling and support services – Edinburgh	286,408	-	286,408	259,044
Outreach Counselling services –				
East Lothian	26,715	-	26,715	26,983
Midlothian	28,290	-	28,290	27,466
Therapeutic Support Service – West Lothian	-	11,193	11,193	30,000
NHS Prison Service – Addiewell				-
	<u>341,413</u>	<u>11,193</u>	<u>352,606</u>	<u>343,493</u>
Criminal Justice income	-	-	-	-
Employee Assistance	-	-	-	-
	<u>314,413</u>	<u>11,193</u>	<u>352,606</u>	<u>343,493</u>
	=====	=====	=====	=====
2020	<u>313,493</u>	<u>30,000</u>	<u>343,493</u>	
	=====	=====	=====	
Funding sources				
Contract income				
Local authority contract income	286,408	-	286,408	259,044
NHS Lothian	-	-	-	-
Mid & East Lothian Drug & Alcohol				
Partnership (MELDAP) and West Lothian				
Drug & Alcohol Service (WLDAS)	55,005	11,193	66,198	84,449
	<u>341,413</u>	<u>11,193</u>	<u>352,606</u>	<u>343,493</u>
Grant income				
Employee Assistance	-	-	-	-
Criminal Justice income	-	-	-	-
	<u>341,413</u>	<u>11,193</u>	<u>352,606</u>	<u>343,493</u>
	=====	=====	=====	=====

The nature of the funding of ELCA's service provision is, in the main, contract income as defined by the Charities SORP being payments from government or public authorities which fund the provision of particular services. Further, as these services are the main charitable purposes of the charity these income streams are unrestricted income.

EDINBURGH AND LoTHIAN COUNCIL ON ALCOHOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2021

	Unrestricted Edinburgh Counselling Services £	Outreach Community Based Services £	West Lothian Therapeutic Service £	Restricted NHS Prison Service Addiewell £	Total 2021 £	Total 2020 £
4. Expenditure						
(a) Costs of raising funds:						
Personnel costs	2,466	-	-	-	2,466	2,296
Publicity	6	-	-	-	6	47
	<u>2,472</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,472</u>	<u>2,343</u>
	=====	=====	=====	=====	=====	=====
2020	<u>2,343</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,343</u>	<u>2,343</u>
	=====	=====	=====	=====	=====	=====
(b) Charitable Activities:						
Direct costs						
Personnel costs	226,000	43,224	15,998	-	285,222	298,075
Additional pension (credits)/costs (note 14)	(18,281)	-	-	-	(18,281)	(17,748)
Volunteer costs	2,477	-	-	-	2,477	3,468
Travel	-	143	-	-	143	2,587
	<u>210,196</u>	<u>43,367</u>	<u>15,998</u>	<u>-</u>	<u>269,561</u>	<u>286,382</u>
	=====	=====	=====	=====	=====	=====
Support costs						
Management staff costs	12,329	-	-	-	12,329	11,477
Premises	28,825	7,309	150	-	36,284	40,372
Telephone	2,299	-	115	-	2,414	2,098
Post, printing & stationery	882	-	150	-	1,032	3,006
General expenses	5,812	-	-	-	5,812	4,743
Pension finance cost (note 14)	2,802	-	-	-	2,802	1,900
Leasing charges	1,353	-	-	-	1,353	2,668
Professional fees	2,342	-	250	-	2,592	3,342
	<u>56,643</u>	<u>7,309</u>	<u>665</u>	<u>-</u>	<u>64,617</u>	<u>69,606</u>
	=====	=====	=====	=====	=====	=====
Governance costs						
AGM and management committee costs	12	-	-	-	12	3,313
Legal costs	13	-	-	-	13	13
External scrutiny costs	2,630	-	250	-	2,880	1,710
	<u>2,655</u>	<u>-</u>	<u>250</u>	<u>-</u>	<u>2,905</u>	<u>5,036</u>
	=====	=====	=====	=====	=====	=====
Overall Support Costs	59,298	7,309	915	-	67,522	74,642
	<u>269,494</u>	<u>50,676</u>	<u>16,913</u>	<u>-</u>	<u>337,083</u>	<u>361,024</u>
	=====	=====	=====	=====	=====	=====
2020	<u>279,815</u>	<u>53,260</u>	<u>27,949</u>	<u>-</u>	<u>361,024</u>	<u>361,024</u>
	=====	=====	=====	=====	=====	=====

A value for the services provided by 5 (2020: 10) volunteers in the year is not included in the above expenditure.

EDINBURGH AND LOTHIAN COUNCIL ON ALCOHOL**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 31 MARCH 2021**

5. Operating lease commitments	2021 £	2020 £
Total commitments (including VAT) of property leases due within:		
Not more than one year	20,000	20,698
Between one and two years	-	20,000
	<u>20,000</u>	<u>20,698</u>
 6. Staff numbers and costs	 2021 £	 2020 £
Salaries	262,828	271,970
Social security costs	8,691	11,287
Pension costs - Defined contribution	4,252	4,623
Defined benefit	2,689	2,612
Redundancy costs	-	-
	<u>278,460</u>	<u>290,492</u>
 The average monthly number of employees during the year was:		
Charitable activities	22	23
Fundraising and publicity	1	1
	<u>23</u>	<u>24</u>

No employee received remuneration of more than £60,000 (2020: none). The key management personnel are defined as the Directors, the Company Secretary and the General Practice Managers. No remuneration was payable to directors and no expenses (2020: £483) were reimbursed to Directors (2020: one director) and the remuneration of the General Practice Managers was £49,309 (2020: £45,911) including employers' national insurance contributions and employer pension contributions of £6,796 (2020: £6,442). Total redundancy payments amount to £Nil (2020: £Nil).

7. Related party transactions

There were no related party transactions in the year.

8. Taxation

As a charity, the company is exempt from tax on income and gains falling within the Corporation Tax Act 2010 and the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the year.

9. Tangible assets

	Computer equipment £
Cost	
At 1 April 2020	3,576
Additions in the period	6,697
At 31 March 2021	<u>10,273</u>
 Depreciation	
At 1 April 2020	3,576
Provision for period	1,339
At 31 March 2021	<u>4,915</u>
 Net book value	
At 31 March 2020	-
At 31 March 2021	<u>5,358</u>

EDINBURGH AND LoTHIAN COUNCIL ON ALCOHOL

NOTES TO THE FINANCIAL STATEMENTS (*continued*)

FOR THE YEAR ENDED 31 MARCH 2021

10. Debtors	2021 £	2020 £
Grants receivable	-	45,713
Other debtors and prepayments	4,123	4,236
	<u>4,123</u>	<u>49,949</u>

11. Creditors: amounts falling due within one year	2021 £	2020 £
Taxation and social security	5,010	4,226
Other creditors and accruals	48,466	60,591
Pension provision (note 14)	18,829	18,281
	<u>72,305</u>	<u>83,098</u>

12. Analysis of charitable funds

(a) Analysis of unrestricted fund movements

	1 April 2020 £	Income £	Exp- enditure £	Transfers £	31 March 2021 £
General funds	162,000	356,220	(319,842)	(18,281)	180,100
Pension deficit reserve	(118,884)	-	(7,676)	18,281	(108,279)
General Fund	<u>43,116</u>	<u>356,220</u>	<u>(327,516)</u>	<u>-</u>	<u>71,821</u>
Designated funds					
Development fund	15,000	-	-	-	15,000
Property maintenance fund	5,000	-	-	-	5,000
Staff training and development	7,500	-	-	-	7,500
	<u>70,500</u>	<u>356,220</u>	<u>(327,516)</u>	<u>-</u>	<u>99,321</u>
2020 Comparative	1 April 2019 £	Income £	Exp- enditure £	Transfers £	31 March 2020 £
General funds	186,522	326,744	(333,518)	(17,748)	162,000
Pension deficit reserve	(139,000)	-	2,368	17,748	(118,884)
General Fund	<u>47,522</u>	<u>326,744</u>	<u>(331,150)</u>	<u>-</u>	<u>43,116</u>
Designated funds					
Development fund	15,000	-	-	-	15,000
Property maintenance fund	5,000	-	-	-	5,000
Staff training and development	7,500	-	-	-	7,500
	<u>75,022</u>	<u>326,744</u>	<u>(331,150)</u>	<u>-</u>	<u>70,616</u>

EDINBURGH AND LoTHIAN COUNCIL ON ALCOHOL

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 MARCH 2021

12. Analysis of charitable funds (continued)

Purpose of unrestricted funds

Unrestricted income is income granted, donated to or earned by ELCA to be used at the discretion of ELCA's Directors to fund any activity which is in furtherance of ELCA's objectives. The Directors have designated a proportion of the unrestricted funds for specific activities which are in line with ELCA's objectives.

Development fund: The Management Committee agreed to set aside unrestricted funds to set up a Development Fund to be used for new initiatives such as the installation of a new database.

Property maintenance fund: The Management Committee agreed to set aside unrestricted funds to set up a Property Maintenance Fund. This will allow ELCA to carry out any property repairs or refurbishment that might be required throughout our new lease.

Staff training and development fund: The Management Committee agreed to set aside unrestricted funds to set up a Staff Training and Development Fund. This fund will be used to buy in any specialised training that might be required in order for ELCA's staff to carry out their work effectively.

(b) Analysis of restricted funds movements

	1 April 2020 £	Income £	Expenditure £	Transfers £	31 March 2021 £
West Lothian – Therapeutic Support Service	24,773	11,193	(16,913)	-	19,053
	<u>24,773</u>	<u>11,193</u>	<u>(16,913)</u>	<u>-</u>	<u>19,053</u>
2020 Comparative	1 April 2019 £	Income £	Expenditure £	Transfers £	31 March 2020 £
West Lothian – Therapeutic Support Service	22,722	30,000	(27,949)	-	24,773
	<u>22,722</u>	<u>30,000</u>	<u>(27,949)</u>	<u>-</u>	<u>24,773</u>

Purposes of restricted funds

West Lothian – Therapeutic Support Service: Partnership with West Lothian Drug & Alcohol Service, NHS Lothian and ELCA to provide a Therapeutic Support Service in West Lothian.

EDINBURGH AND LOTHIAN COUNCIL ON ALCOHOL**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 31 MARCH 2021**

13. Analysis of net assets between funds - 2021	Fixed assets £	Net current assets £	Long term liabilities £	Net assets £
General funds	5,358	155,913	(89,450)	71,821
Designated funds	-	27,500	-	27,500
Restricted funds	-	19,053	-	19,053
	<u>5,358</u>	<u>202,466</u>	<u>(89,450)</u>	<u>118,374</u>
2020 comparative	Fixed assets £	Net current assets £	Long term liabilities £	Net assets £
General funds	-	143,719	(100,603)	43,116
Designated funds	-	27,500	-	27,500
Restricted funds	-	24,773	-	24,773
	<u>-</u>	<u>195,992</u>	<u>(100,603)</u>	<u>95,389</u>

14. Pension commitments and contingent liabilities

ELCA operates a defined contribution pension scheme for the benefit of its employees and also contributes to personal pension arrangements. The defined benefit scheme is closed to new members and future accrual.

(a) Defined benefit pension scheme:**SCHEME: The Pensions Trust – Scottish Voluntary Sector Pension Scheme**

The company participates in the scheme, a multi-employer scheme which provides benefits to some 102 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.

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.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2017. This actuarial valuation was certified on 19 December 2018 and showed assets of £120.0m, liabilities of £145.9m and a deficit of £25.9m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

EDINBURGH AND LoTHIAN COUNCIL ON ALCOHOL
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

14. Pension commitments and contingent liabilities (continued)

Deficit contributions

From 1 April 2019 to 30 September 2026:	£1,404,638 per annum (payable monthly and increasing by 3% each year on 1 st April)
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From 1 April 2019 to 31 March 2024:	£136,701 per annum (payable monthly and increasing by 3% each year on 1 st April)
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Unless a concession has been agreed with the Trustee the term to 30 September 2027 applies.

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.

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period Ending 31 March 2021 (£000s)	Period Ending 31 March 2020 (£000s)
Provision at start of period	119	139
Unwinding of the discount factor (interest expense)	3	2
Deficit contribution paid	(18)	(18)
Remeasurements - impact of any change in assumptions	5	(4)
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	108	119

EDINBURGH AND LOTHIAN COUNCIL ON ALCOHOL
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

14. Pension commitments and contingent liabilities (continued)

(a) Defined benefit pension scheme (continued):

INCOME AND EXPENDITURE IMPACT

	Period Ending 31 March 2021 (£000s)	Period Ending 31 March 2020 (£000s)
Interest expense	3	2
Remeasurements – impact of any change in assumptions	5	(4)
Remeasurements – amendments to the contribution schedule	-	-
Contributions paid in respect of future service*	*	*
Costs recognised in income and expenditure account	*	*

*includes future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

ASSUMPTIONS

	31 March 2021 % per annum	31 March 2020 % per annum	31 March 2019 % per annum
Rate of discount	0.86	2.57	1.46

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.

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	31 March 2021 (£000s)	31 March 2020 (£000s)	31 March 2019 (£000s)
Year 1	19	18	18
Year 2	19	19	18
Year 3	20	19	19
Year 4	21	20	19
Year 5	21	21	20
Year 6	11	21	21
Year 7	-	11	21
Year 8	-	-	11
Year 9	-	-	-
Year 10	-	-	-
Year 11	-	-	-
Year 12	-	-	-
Year 13	-	-	-

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.

EDINBURGH AND LoTHIAN COUNCIL ON ALCOHOL

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 MARCH 2021

14. Pension commitments and contingent liabilities (continued)

(b) Other defined contribution arrangements:

With the closure of the defined benefit scheme, ELCA now contributes to a defined contribution scheme or personal pension arrangements as appropriate. ELCA pays contributions at a fixed rate for two employees. The pension cost of £4,252 (2020: £4,623) represents contributions payable by ELCA during the year.

At 31 March 2021 £697 (2020: £757) of employer contributions were outstanding and included in other creditors and accruals (note 11).

15. Going concern

ELCA depends on grants from outside sources to finance its activities. Support from funding bodies is dependent on ELCA continuing to meet its operational targets. Grant funding arrangements have been agreed to 31 March 2022 and, whilst the level of funding is forecast to remain stable, the Directors expect funding to continue beyond that date. Budgets and forecasts have been prepared indicating that ELCA will be able to continue to operate as a going concern within the constraints of the reduced funding available.

On this basis, the financial statements have been drawn up on the going concern basis which assumes adequate grant funding will continue to be available.

16. Members' liability

Edinburgh and Lothian Council on Alcohol is a company limited by guarantee and therefore has no share capital. Each member undertakes to contribute £1 to the company's assets in the event of the company being wound up.

17. Reconciliation of net (expenditure)/income to cash flow from operating activities

	2021	2020
	£	£
Net (expenditure) for the year	22,985	(2,355)
Adjustments for:		
Defined benefit pension scheme adjustments	(10,605)	(20,116)
Depreciation charges	1,339	-
Deduct interest income shown in investing activities	(90)	(443)
Decrease in debtors	45,826	(37,582)
Increase/(Decrease) in creditors	(11,341)	(70)
Net cash provided by operating activities	<u>48,114</u>	<u>(60,566)</u>

EDINBURGH AND LoTHIAN COUNCIL ON ALCOHOL
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2021

Comparative Statement of Financial Activities	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Income and endowments from:			
<i>Donations and legacies:</i>			
Donations	12,578	-	12,578
Subscriptions	230	-	230
<i>Charitable activities</i>	313,493	30,000	343,493
<i>Investments</i>			
Bank interest receivable	443	-	443
Total income	<u>326,744</u>	<u>30,000</u>	<u>356,744</u>
Expenditure on:			
<i>Raising funds</i>	2,343	-	2,343
<i>Charitable activities</i>	333,075	27,949	361,024
Total expenditure	<u>335,418</u>	<u>27,949</u>	<u>363,367</u>
Net (expenditure)/income for the year	(8,674)	2,051	(6,623)
Transfers between funds	-	-	-
	<u>(8,674)</u>	<u>2,051</u>	<u>(6,623)</u>
Remeasurement gain on DB pension plan	4,268	-	4,268
Net movement in funds	<u>(4,406)</u>	<u>2,051</u>	<u>(2,355)</u>
<i>Reconciliation of funds</i>			
Total funds brought forward	<u>75,022</u>	<u>22,722</u>	<u>97,744</u>
Total funds carried forward	<u><u>70,616</u></u>	<u><u>24,773</u></u>	<u><u>95,389</u></u>