



Victim Support Scotland

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2013



**Company Registration Number 110185
Scottish Charity Number SC002138**

VICTIM SUPPORT SCOTLAND

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

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VICTIM SUPPORT SCOTLAND

DIRECTORS' ANNUAL REPORT

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISORS

YEAR ENDED 31 MARCH 2013

Company Registration Number SC110185
Scottish Charity Number SC002138

The Directors

Robert Leitch
Alan Davie (Till September 2012)
Ian Chisholm
Susan Mallinder
Alan Dunipace
Dr Anne Pia
Steven Delaney
Stephen Meighan
Cathy Findlay (Till April 2013)
Tom Peat
Janette Mitchell
Liz Taylor (From September 2012)

Company Secretary David McKenna

Senior Management Team

David McKenna - Chief Executive
Jim Andrews, Nigel Fairhead, Susan Gallagher,
Andy Heapy, Alan McCloskey,
Frank Russell, David Sinclair.

**Registered Office and
Principal Operating Address**

15-23 Hardwell Close
Edinburgh
EH8 9RX
Telephone 0131 668 4486
Fax 0131 662 5400
Email: info@victimsupportsco.org.uk
Website: www.victimsupportsco.org.uk

Senior Statutory Auditor Kevin Cattnach

Independent Auditor

Whitelaw Wells
Chartered Accountants & Statutory Auditors
9 Ainslie Place
Edinburgh
EH3 6AT

Bankers

The Royal Bank of Scotland plc
2 Blenheim Place
Edinburgh
EH7 5JH

Legal Advisors

Turcan Connell
Princes Exchange
1 Earl Grey Street
Edinburgh
EH3 9EE

VICTIM SUPPORT SCOTLAND

DIRECTORS' ANNUAL REPORT

YEAR ENDED 31 MARCH 2013

DIRECTORS' REPORT

The Directors, who are also charity trustees for the purposes of charity law, have pleasure in presenting their report and the financial statements of the charitable Company for the year ended 31 March 2013.

STRUCTURE, GOVERNANCE & MANAGEMENT

The Company, which has charitable status, is governed by its Articles and Memorandum of Association. Under the existing terms of this document, the strategic policy and direction of the organisation and the implementation of these are vested in its Executive Board. The Executive Board members are the Directors of the Company and the Trustees for the purposes of charity legislation.

Office Bearers are appointed at the AGM by the Company Members, these include the Chairperson, two Vice Chairs, and a Treasurer. The Executive Board is responsible for appointing the Chief Executive who also acts as the Company Secretary (without any voting rights). The Office Bearers, on election, serve for an initial three year period and then can be re-elected for a further three years, after which time they will not be eligible for re-election to the same office until expiry of one year.

Membership of Victim Support Scotland consists of a maximum of three persons nominated by each affiliated victim service (31 services). Each of these members has one vote. The Executive Board is made up of the Office Bearers, the Chief Executive (without voting rights), and up to seven other members drawn from within and outwith Victim Support Scotland. The Executive Board's current maximum membership is twelve individuals as agreed at the Annual General Meeting on 23 September 2010.

No Director or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year.

The Directors

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

Robert Leitch	Chair
Alan Davie	Vice Chair (Till September 2012)
Susan Mallinder	Vice Chair
Ian Chisholm	Vice Chair (From September 2012)
Alan Dunipace	
Dr Anne Pia	
Steven Delaney	
Cathy Findlay	(Till April 2013)
Stephen Meighan	
Thomas Peat	
Janette Mitchell	
Elizabeth Taylor	(From September 2012)

A full list of the members is available on request from the Registered Office, 15-23 Hardwell Close, and Edinburgh, EH8 9RX.

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YEAR ENDED 31 MARCH 2013

Retirement of Directors

Alan Davie retired as Vice Chair at the AGM in September 2012.

It is with regret that we report the death of Cathy Findlay in April 2013 after a short illness. Cathy served on the Board from April 2010 and has been a great supporter of Victim Support Scotland.

Appointment of Directors

At the Annual General Meeting Robert Leitch was reappointed as Chairman for a second term of 3 years. Ian Chisholm was appointed as Vice Chair, Stephen Delaney was reappointed as a Director for a second term of 3 years and Elizabeth Taylor was appointed as a Director.

Directors' Recruitment, Induction, Training and Development

The Directors have a recruitment and appointment process for Executive Board members. Vacant posts are advertised externally via publications and the organisation seeks external applications as well as candidates from our existing volunteer base which will strengthen the specialist skills base of the Board. The candidates are subject to interviews prior to selection and recommendation for appointment being made at the Annual General Meeting.

New Executive Board members receive an induction pack in order to become familiarised with the organisation. Areas covered in this pack include:

- Duties and responsibilities of Board members
- Background information on the organisation and its history
- Information on the structures and management of the organisation
- Copies of the Memorandum and Articles of Association

New Board members also follow a formal induction and training programme.

Directors Remit

The remit of the Directors is to provide strategic leadership, governance, direction and overall accountability for Victim Support Scotland. The three established committees of the Executive continue to concentrate on Finance, Policy and Strategy, and Human Resources. An additional committee has been established for reviewing governance issues.

Risk Management

The Directors have undertaken a comprehensive annual review of the risks to the organisation. Systems have been put in place to mitigate where possible the exposure to risk, and responsibilities for monitoring those risks during the year allocated to senior members of staff.

OBJECTIVES & ACTIVITIES

The objects of the charity are to deliver a service to people affected by crime – to relieve poverty, sickness and distress suffered by those people affected by crime in Scotland and to advance public education and awareness of victim issues.

We provide practical and emotional support to those who have been affected by crime. We do this through our 153 staff and approximately 730 volunteers across Scotland, who provide a service in their local communities and in every Sheriff and High court.

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DIRECTORS' ANNUAL REPORT

YEAR ENDED 31 MARCH 2013

ACHIEVEMENTS, PERFORMANCE & PLANS FOR THE FUTURE

Victim and Witness Services

Victim Support Scotland is committed to enhancing its role as the lead provider of support and assistance to victims of crime. During 2012-2013, our community based Victim Services and court based Witness Services worked with 175,494 cases. Crimes of violence accounted for over one third of all our referrals, with over 34,000 individuals receiving our help and support in communities across the country. Our Witness Service provided over 39,000 pre-trial information and support activities to assist individuals provide their best evidence in courts. During the year, volunteers provided over 100,000 hours of time to supporting victims and witnesses of crime across Scotland.

The continuing development of our National Support Centre in Hamilton has brought about improvements in service delivery support and benefits for victims and witnesses. The Centre operates from 8am to 8pm Monday to Friday and provides many back office functions such as bulk data processing, letter production activities etc that assist staff and volunteers at local level to focus on meeting the needs of victims and witnesses. During 2012, the National Support Centre relocated to better premises with enhanced IT and telephony services. This assisted the team to carry out an initial assessment of individual need and facilitate onward referral to local service for enhanced information and support provision.

Automation of processes such as police referrals has improved the quality of information we receive about victims and also allowed us to reduce the time taken for the initial contact with victims. This means that we can now provide support within 24 hours of a victim reporting a crime to the police ensuring that they get access to our help when they need it and much sooner than was possible previously.

Victim Support Scotland has specialist staff and volunteers who have assisted victims of crime in applying for financial rewards from the Criminal Injuries Compensation Authority. In spite of a revised Criminal Injuries Compensation Scheme being introduced in November 2012 with associated reforms to the tariff system potentially reducing the number of victims eligible for awards, we dealt with 1136 cases during the year and secured compensation awards for individual victims in excess of £5.2m - the highest annual total in our history.

Pilot activities

Victim Support Scotland developed a project across the Tayside region which provided information and support tailored to individual need. Developed in partnership with The Crown Office and Procurator Fiscal Service (Copfs) and other Criminal Justice partners, the initiative has been successful in helping around 4000 victims who previously would have had little or no routine access to information or support about their own case. The service has provided individual victims with a single point of contact and been successful in reducing duplication of communication from agencies.

VSS has been active in developing support activities for young victims of crime. We were successful in securing funding for a 6 month post in Aberdeen City to develop support services for young victims of crime. The initiative was used to scope out and design a potential model providing group support services and peer support amongst young people. We also held a high profile conference with sixth year pupils at Whitburn Academy in West Lothian to raise the issues of young victims of crime and on widening availability of appropriate support services for children and young people.

VSS started an important pilot involving volunteer and staff in testing out a range of safety apps and approaches related to managing health and safety aspects of lone working.

Victims and Witnesses Issues

In February 2013, the Scottish Government announced the introduction of the Victims and Witnesses Bill which we very much welcome. It contains a number of measures that we support which will

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DIRECTORS' ANNUAL REPORT

YEAR ENDED 31 MARCH 2013

ensure that victims are recognised, treated with respect and receive proper protection, support and access to justice. The Bill also proposed the introduction of a victim surcharge so that offenders contribute to the cost of supporting victims. We have formed a Campaign Group to press for further change and use the passage of the Victims and Witnesses Bill through Parliament in 2013 as an opportunity to call for better justice outcomes for every victim and witness of crime in Scotland.

We have contributed extensively to the overarching Justice Strategy for Scotland and worked closely with a range of key statutory and voluntary sector partners such as the Scottish Government, Crown Office and Procurator Fiscal Service, Scottish Courts Service, Police Forces, Community Justice Authorities etc to align outcomes and secure improvements for individuals and communities affected by crime, at both national as well as local level.

We have provided 23 written responses to Scottish Government consultations on a variety of significant justice and social policy reform issues, including the Victims and Witnesses Bill, Criminal Justice Bill, Police and Fire Reform, Shaping Scottish Courts Service, Making Justice Work etc. We have also provided both written and oral evidence on to the Scottish Parliament's Justice Committee, Health and Sports Committee and the Finance Committee on matters concerning victim and witnesses.

Victim Support Scotland continues to campaign on the needs of victims and witnesses to the major political parties by promoting our work at fringe meetings across the country, thereby getting our message across to a larger number of political activists.

On a wider front, Victim Support Scotland remains a highly regarded, hard working and enthusiastic participant in Victim Support Europe. David McKenna, Chief Executive of Victim Support Scotland, and President of Victim Support Europe, continues to work tirelessly to improve the position of victims across the Continent. Victim Support Scotland remains at the forefront of the network of non-governmental victim support organisations in European Countries working to ensure that victims of crime can expect to access consistent high quality services across Europe. Victim Support Europe has been prominent in the campaign to develop victims' rights across all European Countries and played a key role in the introduction of the EU Directive on Victims Rights.

Manifesto

The previously launched manifesto for 2011-15 had a significant impact on the content and direction of the proposed Victims and Witnesses Bill which is progressing through the Scottish Parliament during the course of 2013. The organisation continues to call for improvements in relation to the services being made available to victims and witnesses in Scotland. In particular we continue to call for improved services to families bereaved through crime, specialist support to child victims and the extension of services towards a 24/7 availability. Victim Support Scotland through work with partners in the voluntary and justice sector has continued to champion victim and witness issues in Scotland.

Volunteering

We remain firmly committed to being a volunteer-led organisation and we have built on the Volunteering strategy launched last year. We have rationalised our online volunteer recruitment through Volunteer Development Scotland and this has resulted in a steady flow of enquiries and applications from potential new volunteers. We have also undertaken a comprehensive review of our training courses and developed approaches to ensure all volunteers are recruited, trained and supported throughout their experience of working in VSS. The commitment to a highly skilled and supported volunteer is of paramount importance and will ensure our continued success in helping people affected by crime in Scotland.

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CAMPAIGN BOARD

One of the continuing areas for development remains the need to raise funds for the Victims Fund. The Fund has provided support to many victims of crime who had no where else to turn and VSS and the Campaign Board are investigating how that fund can be further developed and utilised. The Government has continued its support for the Fund. During the year a dinner was held which raised over £6,000.

VS ENTERPRISES Ltd

During the year the trading company continued to expanding the SVQ training modules and is well placed to take advantage of opportunities that may arise from the training requirements for victim awareness training within the justice sector in Scotland. During the year a focus on income generation and fundraising was central to the work of the company and this will be subject to ongoing development with the national organisation.

COMMUNICATIONS

During the year VSS introduced an intranet which is proving a great success, with 75% (650 individuals) having registered to date and using it on a regular basis for information. A regular news service to keep staff and volunteers informed has been established on both the intranet and the VSS website. Our determination to further improve the flow of information within VSS has led to the establishment of a Communications Consultative Group. This group has already agreed to prioritise the establishment of a more effective website which will include the latest online fundraising tools and to address how we can best use social media to highlight our work for victims and witnesses. Substantial progress has been made in improving our external and internal communications but there is still work to be done.

FINANCIAL REVIEW

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements.

Principal Funding Sources

The principal funding sources for the organisation are currently by way of grants from the Scottish Government and Local Authorities. Victim Support Scotland has successfully negotiated a three year operating budget for 2012/13 to 2014/15.

Reserves Policy

The Directors recognise the need for unrestricted reserves to be maintained at an appropriate level. Victim Support Scotland's reserves policy is to maintain a sufficient level of reserves to enable operating activities to be maintained, taking account of potential risks and contingencies that may arise from time to time. The policy is reviewed annually by the Directors.

The policy identifies the estimated amounts required to meet financial risk associated with potential contingencies and uncertainties relating to the charity's operating activities. These include:

- the provision for an orderly winding-down of operations in the event of a significant adverse event that is outside the control of the charity;
- the funding of unforeseen major projects that have not been provided for in the normal financial planning process.

Elements of the target figure will include the costs for redundancy and contractual liabilities for such items as rent of offices. The total for this is expected to be approximately £500,000.

VICTIM SUPPORT SCOTLAND

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YEAR ENDED 31 MARCH 2013

Free reserves are defined as "that part of a charities income fund that is freely available." They exclude restricted funds, designated funds and any unrestricted funds not readily available for spending, which include any funds that could only be readily available through the disposal of fixed assets held for charitable use.

The unrestricted funds at the balance sheet date are £187,264 (2012 - £88,628) which includes designated funds relating to fixed assets of £94,641, leaving a balance of "free" reserves of £92,623. This figure is considerably short of the estimated requirement. However it is the Directors' intention to seek to increase the unrestricted reserves to the level required to meet the policy through additional fundraising and activities over a number of years.

VSS reserves are split into 3 main categories:

Restricted Reserves are funds that have been given for a specific purpose by the donor or grantor. This category also includes funds received from local statutory bodies, such as local authorities, for general purposes which fall within our general charitable objectives but are restricted for use within a specific service or project.

Unrestricted Reserves are freely available for use by the trustees for our general charitable activities.

Designated Reserves are unrestricted reserves that have been allocated for a specific use or task by the Trustees.

Non compliance with FRS17 - Pension Fund Assets & Liabilities

The Trustees confirmed their decision during 2012/13 not to comply with the FRS17 requirement to disclose pension fund assets and liabilities. This decision has been made on the basis that the costs of obtaining the valuation do not further the objectives of the charity.

Investment Policy

The organisation has an instant access interest bank account with the Royal Bank of Scotland where funds not required for the day-to-day activities are held on deposit. Transfers are made on a daily basis to cover expenditure in the charities current account.

VICTIM SUPPORT SCOTLAND

DIRECTORS' ANNUAL REPORT

YEAR ENDED 31 MARCH 2013

Statement of Directors' Responsibilities

Company law requires the Board of 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 at the end of the year and of the surplus, or deficiency for the year then ended.

In preparing those financial statements, the Board of 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Board of Directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Board of Directors 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.

Statement as to disclosure of information to auditors

So far as the Board of Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and the Board of Directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

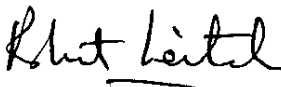
A resolution to appoint auditors for the ensuing year will be proposed at the annual general meeting.

This report has been prepared in accordance with the provision of Part 15 of the Companies Act 2006 applicable to small companies.

Registered office:

15/23 Hardwell Close
Edinburgh
EH8 9RX

Signed by order of the
Directors



Robert Leitch
Chairman



Janette Mitchell
Treasurer

2 August 2013.

VICTIM SUPPORT SCOTLAND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF VICTIM SUPPORT SCOTLAND

YEAR ENDED 31 MARCH 2013

We have audited the financial statements of Victim Support Scotland for the year ended 31 March 2013 on pages 11 to 24, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the company's trustees as a body, in accordance with section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, its members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

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

Scope of the audit of the financial statements

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

Basis for qualified opinion on financial statements

As disclosed in the Directors' Annual Report, the directors have decided not to comply with the requirements of FRS17 Retirement Benefits as they consider that the costs of obtaining the required information outweigh the benefits of the required disclosure. As a consequence the financial statements do not provide the information required regarding recognising the pension scheme asset or liability in the balance sheet. We are unable to quantify this non-compliance as the actuarial valuation has not been obtained.

VICTIM SUPPORT SCOTLAND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF VICTIM SUPPORT SCOTLAND

YEAR ENDED 31 MARCH 2013

Qualified opinion on financial statements

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

In respect solely of the limitation on our work relating to the value of the pension scheme asset or liability in the balance sheet, as described above, we have not obtained all the information and explanations that we considered necessary for the purposes of our audit.

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

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made.



Kevin Cattanach (Senior Statutory Auditor)
for and on behalf of Whitelaw Wells, Statutory Auditor

Whitelaw Wells is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

9 Ainslie Place
Edinburgh
EH3 6AT

Date: 2 August 2013

VICTIM SUPPORT SCOTLAND

STATEMENT OF FINANCIAL ACTIVITY

Incorporating the Income and Expenditure Account

YEAR ENDED 31 MARCH 2013

	Notes	Unrestricted £	Restricted £	2013 Total £	2012 Total £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income - Donations		6,496	47,882	54,378	38,959
Activities for generating funds		11,840	-	11,840	2,343
Investment income		12,932	-	12,932	3,785
Incoming resources from charitable activities					
Government and Local Authority Grants	2	4,242,000	623,241	4,865,241	4,665,592
Other Grants and Incoming Resources	3	47,999	42,779	90,778	35,973
Total incoming resources		4,321,267	713,902	5,035,169	4,746,652
RESOURCES EXPENDED					
Cost of generating funds					
Costs of generating voluntary income	4	14,665	2,816	17,481	2,540
Charitable activities					
Direct	5	344,061	3,180,593	3,524,654	3,282,857
Support	6	1,413,026	-	1,413,026	1,465,385
Governance costs					
Direct	7	39,596	-	39,596	27,757
Support	8	14,709	-	14,709	74,973
Total resources expended		1,826,057	3,183,409	5,009,466	4,853,512
Net incoming / (outgoing) resources before transfers					
		2,495,210	(2,469,507)	25,703	(106,860)
TRANSFERS					
Gross transfers between funds	16	(2,396,540)	2,396,540	-	-
NET INCOME/(EXPENDITURE) BEFORE OTHER RECOGNISED GAINS		98,670	(72,967)	25,703	(106,860)
OTHER RECOGNISED GAINS & LOSSES					
Unrealised (loss) on investment assets	12	(34)	-	(34)	(265)
NET MOVEMENT IN FUNDS		98,636	(72,967)	25,669	(107,125)
RECONCILIATION OF FUNDS					
Total funds brought forward		88,628	370,113	458,741	565,866
Total funds carried forward		187,264	297,146	484,410	458,741

All the activities of the Company are classed as continuing.

The Company has no gains or losses other than the results for the year as set out above.

The notes on pages 13 to 24 form part of these financial statements.

VICTIM SUPPORT SCOTLAND

BALANCE SHEET

YEAR ENDED 31 MARCH 2013

	Notes	2013 £	£	2012 £
FIXED ASSETS				
Tangible assets	12	97,193		48,363
INVESTMENTS	12	446		480
CURRENT ASSETS				
Debtors	13	115,867		150,275
Cash at bank and in hand		574,053		551,333
		689,920		701,608
CREDITORS: Amounts falling due within one year	14	(303,149)		(291,710)
NET CURRENT ASSETS		386,771		409,898
NET ASSETS		484,410		458,741
FUNDS	16, 18			
Unrestricted - General		92,623		88,628
Designated – Fixed Assets Reserve		94,641		
Restricted		297,146		370,113
		484,410		458,741

These accounts are prepared in accordance with the special provisions in part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the Directors on 2 August 2013 and are signed on their behalf by:


 ROBERT LEITCH
 Chairman


 JANETTE MITCHELL
 Treasurer

The notes on pages 13 to 24 form part of these financial statements.

VICTIM SUPPORT SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention, as modified by the revaluation of investment assets, and are in accordance the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and Reporting by Charities: Statement of Recommended Practice (SORP) issued in March 2005, except for the matter referred to below.

The Financial Reporting Standard 17 requires that any surplus or deficit on the defined benefit pension scheme be recognised in the financial statements. The Board of Directors have decided not to follow this requirement as they believe that the additional cost of obtaining this information is greater than any benefit gained.

These financial statements contain information about Victim Support Scotland as an individual charity and do not contain consolidated financial information including Victim Support Enterprises Ltd, which is a wholly owned subsidiary of Victim Support Scotland, as the results and net assets of the subsidiary are not material to the group as a whole.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Improvements	- Straight line over remaining lease term
Fixtures and Fittings	- 20% straight line
Computer & Office Equipment	- 33.3% straight line
Assets with a cost greater than £1,000 are capitalised.	

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight-line basis over the period of the lease.

Income

Incoming resources from grants, and voluntary income including donations, gifts and legacies, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled.

Incoming resources where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Income is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the donation must only be used in future accounting periods; or
- The donor has imposed conditions that must be met before the charity has unconditional entitlement, and these conditions have not yet been met.

Activities for generating funds are mainly fundraising events and income is recognised when receivable.

Investment income is recognised on a receivable basis.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay. All costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities. The charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

- Costs of generating funds comprise the costs associated with attracting voluntary income.
- 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.

VICTIM SUPPORT SCOTLAND
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2013

- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SoFA in full on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly or using another appropriate basis.

Pensions

Victim Support Scotland contributes to the Lothian Pension Fund ("The Scheme") at rates set by the Scheme Actuary and advised to the Board of Directors by the Scheme Administrator. The Scheme is a multi employer defined benefit pension scheme. Contributions to the scheme are charged in the Statement of Financial Activities as they become payable in accordance with the rules of the scheme. For staff members not in the Lothian Pension Fund scheme, the charity contributes a 5% of gross salary contribution to an employee's own personal pension scheme.

VICTIM SUPPORT SCOTLAND
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2013

2. GOVERNMENT AND LOCAL AUTHORITY GRANTS

	2013	2012
	£	£
Scottish Government: Section 10 - Revenue	4,217,000	4,090,016
Crown Office and Procurator Fiscal Service	50,000	-
Aberdeen City Council	40,375	15,000
Aberdeenshire Council	15,000	15,000
Angus Council	6,537	10,440
Argyll & Bute Council	-	1,500
City of Edinburgh Council	48,766	48,766
Clackmannanshire Council	-	1,215
Dumfries & Galloway Council	17,000	23,045
Dundee City Council	52,600	49,600
Dundee City Council (VOYCE)	42,840	42,840
East Ayrshire Council	10,700	11,200
East Dunbartonshire Council	2,000	5,000
East Lothian Council	-	5,715
Fife Council	65,755	66,160
Glasgow City Council	27,683	27,683
The Highland Council	6,277	5,277
Inverclyde Council	5,000	5,000
Midlothian Council	5,510	5,510
Moray Council	3,310	3,310
North Ayrshire Council	21,701	21,313
North Lanarkshire Council	35,150	35,150
Orkney Council	2,364	2,362
Perth & Kinross Council	23,602	18,602
Renfrewshire Council	24,986	24,986
Scottish Borders Council	16,000	16,000
Shetlands Islands Council	2,305	-
South Ayrshire Council	14,000	12,860
South Lanarkshire Council	31,664	31,664
Stirling Council	2,232	2,232
West Dunbartonshire Council	37,490	37,490
West Lothian Council	36,844	28,404
Miscellaneous	550	2,252
	4,865,241	4,665,592

VICTIM SUPPORT SCOTLAND
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2013

3. OTHER GRANTS & INCOMING RESOURCES

	2013	2012
	£	£
Grants		
VS Europe	43,356	19,462
European Union Funded Projects	2,991	-
Foreign & Commonwealth Office	10,000	-
Robertson Trust	8,500	-
Community Jobs Scotland	17,170	12,104
West Lothian D&SA	1,594	-
	83,611	31,566
Other Incoming Resources		
Training	1,225	-
Contribution to Expenses from EU VS organisations	4,639	-
Miscellaneous	1,303	4,407
	7,167	4,407
	90,778	35,973

4. COST OF GENERATING VOLUNTARY INCOME

	2013	2012
	£	£
Fundraising costs	17,481	2,540
	17,481	2,540

5. COST OF CHARITABLE ACTIVITIES (DIRECT)

	2013	2012
	£	£
<i>Relating to Victim & Witness Service</i>		
Salaries & staff costs	2,705,245	2,591,381
Volunteer costs	138,714	123,296
Office accommodation costs	216,617	198,273
Office running costs	313,861	285,264
Training	27,956	30,441
Publicity & advertising	14,462	9,828
Conferences	5,730	1,947
Legal Fees	8,013	210
Professional Fees	2,116	-
Other costs	4,828	5,084
	3,437,542	3,245,724

	2013	2012
	£	£
<i>Relating to Specific Funded Projects</i>		
Salaries & staff costs	66,606	32,106
Office accommodation costs	3,134	2,664
Office running costs	11,763	2,082
Conferences	2,386	-
Miscellaneous	3,223	281
	87,112	37,133

	2013	2012
	£	£
Total Cost of Charitable Activities (Direct)	3,524,654	3,282,857

VICTIM SUPPORT SCOTLAND
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2013

6. COST OF CHARITABLE ACTIVITIES (SUPPORT)

	2013	2012
	£	£
Salaries & staff costs	890,927	945,176
Office accommodation costs	146,236	112,899
Office running costs	287,192	297,763
Conferences	53,642	74,325
Payroll fees	4,286	3,948
Training	5,689	15,449
Miscellaneous	184	3,080
Legal fees	300	1,800
Professional Fees	24,570	10,945
	1,413,026	1,465,385

The allocation between the direct and support costs is on the basis of direct expenditure at services and on staff time.

7. GOVERNANCE COSTS (DIRECT)

	2013	2012
	£	£
Executive Board Expenses	18,211	12,284
Recruitment	250	-
Audit fees	8,820	8,300
Publicity & printing	6,633	3,646
Conferences	5,682	3,202
Other Costs	-	325
	39,596	27,757

8. GOVERNANCE COSTS (SUPPORT)

	2013	2012
	£	£
Salaries & staff costs	14,709	71,671
Consultancy	-	3,302
	14,709	74,973

The allocation of costs is on the basis of staff time.

9. NET OUTGOING RESOURCES FOR THE YEAR

This is stated after charging:-	2013	2012
	£	£
Depreciation	49,553	21,274
Auditors' remuneration: audit	8,300	8,300

VICTIM SUPPORT SCOTLAND
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2013

10. SALARIES

	Management Support & Office Staff £	Service Based Staff £	2013 £	2012 £
Wages & salaries	690,815	2,312,028	3,002,843	3,092,323
Social security costs	98,866	264,034	362,900	267,489
Other pension costs	75,750	117,464	193,214	165,335
	<hr/> 865,431	<hr/> 2,693,526	<hr/> 3,558,957	<hr/> 3,525,147
Staff Recruitment & Expenses	40,204	78,326	118,530	115,187
	<hr/> 905,635	<hr/> 2,771,852	<hr/> 3,677,487	<hr/> 3,640,334

Average number of employees during 2013 was 153 (FTE 129) (2012: 147. FTE 119) of whom 29 (FTE: 26) were support staff.

	Management Support and Office	
<u>Band</u>	<u>2013</u>	<u>2012</u>
£60,000 - £70,000	2	2
£80,000 - £90,000	-	1
£90,000 - £100,000	1	-

As shown above three employees received emoluments in excess of £60,000 during the year. The company contributed to the Lothian Pension Fund, a final salary scheme, in respect of two of these employees. The company contributes to a personal pension plan for the third employee – this is a defined contribution scheme at a cost of £3,243 (2012: £3,243).

The Company is a participating employer in the Lothian Pension Fund and in addition contributes to a number of employees' personal pension plans. The pension cost charge for the year amounted to £177,558 (2012: £158,647).

No remuneration has been paid to the Directors but travel and subsistence expenses have been reimbursed to 11 Directors to the extent of £8,038 (2012: 9 Directors £6,093). Trustee indemnity insurance of £795 (2012: £795) has been charged for the year to cover loss to the charity and the trustees as a result of any negligence or default of the trustees.

VICTIM SUPPORT SCOTLAND
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2013

11. INTEREST RECEIVABLE AND SIMILAR INCOME

	2013	2012
	£	£
Bank interest receivable	12,889	3,743
Dividends	43	42
	<u>12,932</u>	<u>3,785</u>

12. TANGIBLE FIXED ASSETS

	Leasehold Improvements	Computer & Office Equipment	Fixtures & fittings	Total
	£	£	£	£
COST				
At 1 April 2012	33,428	648,511	55,337	737,276
Additions	-	98,383	-	98,383
Disposals	-	(249,236)	(25,677)	(274,913)
At 31 March 2013	<u>33,428</u>	<u>497,658</u>	<u>29,660</u>	<u>560,746</u>
DEPRECIATION				
At 1 April 2012	6,346	628,065	54,502	688,913
Charge for the year	6,346	42,871	336	49,553
Disposals	-	(249,236)	(25,677)	(274,913)
At 31 March 2013	<u>12,692</u>	<u>421,700</u>	<u>29,161</u>	<u>463,553</u>
NET BOOK VALUE				
At 31 March 2013	<u>20,736</u>	<u>75,958</u>	<u>499</u>	<u>97,193</u>
At 31 March 2012	27,082	20,446	835	48,363

INVESTMENTS

Investment in Banco Santander SA Ordinary Shares

	£
At 1 April 2012	480
Unrealised (loss)	(34)
Market value at 31 March 2013	<u>446</u>

Subsidiary undertaking

Investment in VS Enterprise	Issued and unpaid of £1	One
------------------------------------	--------------------------------	------------

Victim Support Scotland owns 100% of the issued share capital of Victim Support Enterprise Ltd, a company registered in Scotland, company number SC407507. For the year ended 31 March 2013 the company reported a profit of £2,248 (2012 £2,614) and had capital and reserves of £1 at 31 March 2013 (2012 £1).

VICTIM SUPPORT SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

13. DEBTORS

	2013 £	2012 £
Grants receivable	57,984	94,079
Prepayments	57,493	56,112
Other debtors	390	84
	<hr/> 115,867	<hr/> 150,275

14. CREDITORS: Amounts falling due within one year

	2013 £	2012 £
Trade creditors	59,009	118,728
P.A.Y.E & Social Security	76,193	76,245
Accruals	30,166	20,264
Deferred Income	120,027	57,890
Pension Contributions	17,754	16,216
VS Enterprises (amount owed to group company)	-	2,367
	<hr/> 303,149	<hr/> 291,710

Deferred Income:	2013 £	2012 £
Balance at 1 st April	57,890	3,750
Amount released to incoming resources	(57,890)	(3,750)
Amount received and deferred in the year	120,027	57,890
	<hr/> 120,027	<hr/> 57,890

Deferred income comprises grants received in advance.

VICTIM SUPPORT SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

15. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2013 the charity had annual commitments under non-cancellable operating leases as set out below.

Land and buildings

	2013	2012
	£	£
Operating leases expiring:		
Within 1 year	62,077	51,557
Within 2 to 5 years	28,492	33,786
After more than 5 years	44,500	44,500
	<hr/>	<hr/>
	135,069	129,843

VICTIM SUPPORT SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

16 MOVEMENT IN FUNDS

	Balance at 31 Mar 2012 £	Incoming £	Outgoings £	Transfers £	Gains/losses £	Balance at 31 Mar 2013 £
Restricted Funds						
Victim & Witness Services	322,657	610,008	(3,110,214)	2,394,545	-	216,996
VOYCE	672	42,840	(42,247)	(1,265)	-	-
Witness Project	-	50,000	(26,665)	-	-	23,335
Foreign and Commonwealth Office	-	10,000	(3,000)	-	-	7,000
Others	46,784	1,054	(1,283)	3,260	-	49,815
	<u>370,113</u>	<u>713,902</u>	<u>(3,183,409)</u>	<u>2,396,540</u>	<u>-</u>	<u>297,146</u>
Unrestricted Funds						
General fund	88,628	4,321,267	(1,795,233)	(2,522,005)	(34)	92,623
Designated Fund – Fixed Asset Reserve	-	-	(30,824)	125,465	-	94,641
	<u>88,628</u>	<u>4,321,267</u>	<u>(1,826,057)</u>	<u>(2,396,540)</u>	<u>(34)</u>	<u>187,264</u>
Total Funds	<u>458,741</u>	<u>5,035,169</u>	<u>(5,009,466)</u>	<u>-</u>	<u>(34)</u>	<u>484,410</u>

- o The transfer from the General fund to Victim and Witness Services represents the costs of the services not supported by direct funding from Local Authorities or by local fundraising.
- o The Transfer to Designated funds represents an allocation of the fixed assets values.

VICTIM SUPPORT SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

Restricted funds represent income received where the donor has imposed restrictions as to how the monies shall be used. These include:

Victim & Witness Services:

- People affected by crime feel supported and assisted by Victim Support.
- People affected by crime can access other appropriate services through Victim Support.
- Victims Support's services assist victims and witnesses to participate in the criminal justice process.
- Criminal Justice and social policy development addresses the needs of people affected by crime.
- Staff and volunteers receive the training and management support they require.

A listing of the funds received is detailed in note 2 – the grants awarded include Local Authority Section 10 funding, Anti-social behaviour project funding, and other specific project funding.

Other Funds:

- **VOYCE:** to provide confidential information and support for victims of youth crime in Dundee.
- **Witness Project:** A pilot project to provide case specific information.
- **Foreign and Commonwealth Office:** For the provision of assistance to Scottish families as a result of murder abroad.
- **Others:** This represents a number of smaller, less active projects, details of which can be obtained from the Registered Office.

17. RELATED PARTY TRANSACTIONS

The Chief Executive, David McKenna, is currently President of Victim Support Europe. During the year, in line with other victim support organisation in Europe, Victim Support Scotland was charged a subscription of £12,295 (15,000 euros) to support the work of Victim Support Europe. Victim Support Europe awarded a grant of £65,331 to Victim Support Scotland to support the costs associated with the Presidential post, of which £21,975 is shown in deferred income at the year end.

Payments were made during the previous year on behalf of VS Enterprises amounting to £2,367. This amount was repaid in full by the subsidiary during the current year's detailed in note 14.

18. ANALYSIS OF NET ASSETS (between restricted and unrestricted funds)

	Tangible Fixed assets £	Other net assets £	Total £
Restricted Funds	2,552	294,594	297,146
Unrestricted Funds		92,623	92,623
Designated Funds	94,641		94,641
	97,193	387,217	484,410

19. COMPANY LIMITED BY GUARANTEE

The Company is limited by guarantee, with each member liable to contribute up to £1 in the event of the Company being wound up. Under the terms of the Company's Articles of Association, Directors are also members of the Company.

20. COST OF AUDIT

Amounts totalling £8,300 were payable to the Auditor in respect of the costs of their external scrutiny of Victim Support Scotland during the year.

VICTIM SUPPORT SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

21. CONTINGENT LIABILITY

As described at note 1, the charity is member of the Lothian Pension Fund. The charity commissioned a cessation valuation report in 2011, which estimated a cost of £1,037,000 were the charity to leave the scheme as at 30 June 2011. The directors have no intention of leaving the scheme and no provision has been made for the potential liability.

The charity is required to make annual lump sum contributions of £12,200 toward the deficit until year ended 31 March 2015. Further contributions are likely to be required beyond this date but the figures have not yet been published by the Scheme. In addition, on-going contribution rates are set at a level designed to eliminate the deficit over a 20 year period.

22. COMMITMENTS

At 31 March 2013 there were commitments for contracts entered into amounting to £8,015.