

**VICTIM SUPPORT SCOTLAND**

# **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 2005**



**Company Registration Number 110185  
Scottish Charity Number SCO02138**

# **VICTIM SUPPORT SCOTLAND**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2005**

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# **VICTIM SUPPORT SCOTLAND**

## **MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS**

**YEAR ENDED 31 MARCH 2005**

### **The Directors**

Ronald Daniel  
Rev William McKenzie (*until 21 September 2004*)  
Patricia Bolton (*appointed 21 September 2004*)  
Roseann Roy  
Andrew Dempster  
Paul Grace (*until 21 September 2004*)  
Ruairidh Budge (*appointed 21 September 2004*)

### **Company Secretary**

David McKenna  
Neil Paterson

### **Registered Office**

15-23 Hardwell Close  
Edinburgh  
EH8 9RX  
Telephone 0131 668 4486  
Fax 0131 662 5400

### **Auditors**

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

### **Bankers**

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

# **VICTIM SUPPORT SCOTLAND**

## **DIRECTORS' ANNUAL REPORT**

### **YEAR ENDED 31 MARCH 2005**

The Directors have pleasure in presenting their report and the financial statements of the charitable Company for the year ended 31 March 2005.

#### **STRUCTURE, GOVERNANCE & MANAGEMENT**

The Company, which has charitable status, is governed by its Articles and Memorandum of Association. Under the terms of this document, the strategic policy and direction of the Company are vested in its National Council. The management (including administrative and financial), control and implementation of the policy and strategy are vested in the Executive Board.

Membership of Victim Support Scotland consists of up to three persons nominated by each affiliated Victim service. National Council may also approve and appoint as follows:

- Private individuals (provided the number does not exceed one half of membership from Victim services)
- Up to three persons nominated by any organisation other than a Victim service, which is admitted as an affiliate of Victim Support Scotland.

Each member has one vote.

Office Bearers are elected at the AGM by the Company Members, these include the Chairperson, one or more Vice Chairs and a Treasurer. The Office Bearers are the Directors of the Company. The National Council appoints the Company Secretary which is normally the Chief Executive Officer or other appropriate person. 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.

The Executive Board is made up of the Office Bearers, the CEO (without voting rights), four members nominated by National Council, the immediate past Chair of the Company for a period of twelve months immediately after ceasing to hold office, up to two persons (who are not members of National Council) elected by the local membership and up to two external representatives as appointed by the Board.

The National Council consists of the Office Bearers, the elected representatives from Victim Support Services, the CEO (without voting rights), the immediate past Chair of the Company for a period of twelve months immediately after ceasing to hold office, and up to eight persons (without voting rights) co-opted by National Council for a term of three years with the possibility of a further term.

#### **The Directors**

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

Ronald Daniel	Chair
Rev William McKenzie	Vice Chair ( <i>until 21 September 2004</i> )
Roseann Roy	Vice Chair
Andrew Dempster	Vice Chair
Patricia Bolton	Vice Chair ( <i>from 21 September 2004</i> )
Paul Grace	Treasurer ( <i>until 21 September 2004</i> )
Ruaridh Budge	Treasurer ( <i>from 21 September 2004</i> )

# **VICTIM SUPPORT SCOTLAND**

## **DIRECTORS' ANNUAL REPORT**

### **YEAR ENDED 31 MARCH 2005**

The other members of the Executive Board during the period were:

Mark McCann	National Council
Rev Ian Currie	National Council
George Honeyman	National Council
Alan Davie	National Council ( <i>from 21 September 2004</i> )
Bill McKenzie	Co-opted member ( <i>from 21 September 2004</i> )
Malcolm Chisholm	Independent member ( <i>from 22 October 2004</i> )
Susan Mallander	Independent member ( <i>from 22 October 2004</i> )

A full list of the National Council members can be found in the Annual Review 2005, which can be obtained from the Registered Office, 15-23 Hardwell Close, Edinburgh, EH8 9RX.

### **Responsibilities of the Directors**

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 charity at the end of the year and of the surplus or deficiency for the year then ended.

In preparing those financial statements, the Directors are required to select suitable accounting policies, which are described on page 11, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The Directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity, which enable them to ensure that the financial statements comply with the Companies Act 1985. The Directors 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.

### **Trustee Recruitment, Induction & Training**

The organisation is in the process of reviewing recruitment, induction and training processes for trustees.

### **Risk Management**

The Directors have undertaken a comprehensive review of the risks to the organisation, including an assessment of the impact and probability of identified risks. Systems have been put in place to mitigate where possible the exposure to risk, and responsibilities for monitoring those risks allocated to senior members of staff.

### **OBJECTIVES & ACTIVITIES**

The objects of the charity are 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.

The delivery of our service to those affected by crime is carried out by local Victim Support Services affiliated to Victim Support Scotland and by Witness Services based at Sheriff and High Courts in Scotland. Each Victim Support Service has individual charitable status, their own constitution and are run by local management committees.

# **VICTIM SUPPORT SCOTLAND**

## **DIRECTORS' ANNUAL REPORT**

### **YEAR ENDED 31 MARCH 2005**

#### **ACHIEVEMENTS & PERFORMANCE**

During the year ended 31 March 2005 the charity continued to work throughout Scotland to ensure that people affected by crime receive a quality standard of service. 2004-05 was Victim Support's most successful year in terms of referrals, with more than 150,000 people affected by crime supported by our Victim, Witness and Youth Justice services.

Key recommendations arising from the Strategic Review carried out in 2002-03 have been implemented. These include revised governance arrangements; a more robust national staff structure and the appointment of six operations managers to support direct service delivery across the country. A revised funding regime based on headline service delivery outcomes was also agreed with the Scottish Executive during the year.

#### **PLANS FOR FUTURE PERIODS**

The charity will continue its work to ensure that organisational structures and processes support high quality services for those affected by crime. A three year corporate plan will be produced detailing proposed activities for the period 2006-09. Incremental changes will be made to the model of service delivery to ensure it remains fit for purpose and targets resources to those users with highest levels of need. The impact of legislation on vulnerable witnesses and changes to court procedures will continue to be assessed. Work has also commenced on a quality assurance framework.

#### **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.

##### **Reserves Policy**

The Directors recognise the need for unrestricted reserves to be maintained at an appropriate level. A funding strategy will be formulated within the next year, which will include a plan to increase reserves within an achievable timeframe.

##### **Investment Policy**

As the charity's funds fluctuate significantly throughout the year, they are held on an interest bearing account with the Royal Bank of Scotland.

#### **AUDITORS**

A resolution to re-appoint Whitelaw Wells as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

# **VICTIM SUPPORT SCOTLAND**


## **DIRECTORS' ANNUAL REPORT**

**YEAR ENDED 31 MARCH 2005**

Registered office:

15/23 Hardwell Close  
Edinburgh  
EH8 9RX

Signed by order of the  
Directors

A handwritten signature in black ink, appearing to read 'DM', is positioned above the printed name and title of the Company Secretary.

David McKenna  
Company Secretary

Approved by the Directors on 19 August 2005

# **VICTIM SUPPORT SCOTLAND**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VICTIM SUPPORT SCOTLAND**

### **YEAR ENDED 31 MARCH 2005**

We have audited the financial statements of Victim Support Scotland for the year ended 31 March 2005 which comprise the statement of financial activities incorporating the income and expenditure account, the balance sheet, the cash flow statement and related notes. These financial statements have been prepared under the historical cost convention, and the accounting policies set out on page 11.

This report is made solely to the charity's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the charity's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charity is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.



# **VICTIM SUPPORT SCOTLAND**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VICTIM SUPPORT SCOTLAND**

**YEAR ENDED 31 MARCH 2005**

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the charity's affairs as at 31 March 2005 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

9 Ainslie Place  
Edinburgh  
EH3 6AT



Whitelaw Wells  
Chartered Accountants  
& Registered Auditors

19 August 2005

# VICTIM SUPPORT SCOTLAND

## STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 MARCH 2005

	Notes	Unrestricted £	Restricted £	2005 Total £	2004 Total £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds					
Voluntary income		15,781	5,000	20,781	18,885
Activities for generating funds		8,264	-	8,264	2,973
Investment income		22,790	-	22,790	20,889
Incoming resources from charitable activities	2	-	3,833,196	3,833,196	3,672,397
<b>Total incoming resources</b>		<b>46,835</b>	<b>3,838,196</b>	<b>3,885,031</b>	<b>3,715,144</b>
<b>RESOURCES EXPENDED</b>					
Cost of generating funds					
Costs of generating voluntary income	3	-	2,005	2,005	28,392
Charitable activities					
Direct	4	-	3,073,725	3,073,725	2,790,531
Support	5	440	646,106	646,546	629,425
Governance costs					
Direct	6	-	26,920	26,920	26,696
Indirect	7	-	127,823	127,823	146,687
<b>Total resources expended</b>		<b>440</b>	<b>3,876,579</b>	<b>3,877,019</b>	<b>3,621,731</b>
<b>Net income/expenditure before transfers</b>		<b>46,395</b>	<b>(38,383)</b>	<b>8,012</b>	<b>93,413</b>
<b>TRANSFERS</b>					
Gross transfers between funds		(7,500)	7,500	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>38,895</b>	<b>(30,883)</b>	<b>8,012</b>	<b>93,413</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		30,468	271,842	302,310	208,897
<b>Total funds carried forward</b>		<b>69,363</b>	<b>240,959</b>	<b>310,322</b>	<b>302,310</b>

There are no recognised gains or losses other than the results for the year as set out above. All the activities of the Company are classed as continuing.

# **VICTIM SUPPORT SCOTLAND**

## **CASH FLOW STATEMENT**

**YEAR ENDED 31 MARCH 2005**

	<b>Notes</b>	<b>2005 £</b>	<b>2004 £</b>
<b>Net cash inflow from operating activities</b>	<b>13(a)</b>	<b>56,217</b>	<b>61,269</b>
<b>Return on investments and servicing of finance</b>			
Investment income received		22,790	20,889
<b>Capital expenditure and Financial investment</b>			
Payments to acquire tangible fixed assets		(82,014)	(86,788)
Net cash flow before financing		(3,007)	(4,630)
<b>Decrease in cash in the year</b>	<b>13(b)</b>	<b>(3,007)</b>	<b>(4,630)</b>

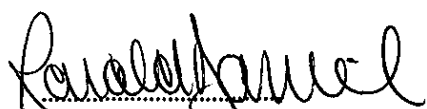
# VICTIM SUPPORT SCOTLAND

## BALANCE SHEET

YEAR ENDED 31 MARCH 2005

	Notes	£	2005 £	2004 £
<b>FIXED ASSETS</b>				
Tangible assets	10		93,907	104,049
<b>CURRENT ASSETS</b>				
Debtors	11	93,932		91,957
Cash at bank and in hand		255,902		258,909
			<hr/>	<hr/>
		349,834		350,866
<b>CREDITORS: Amounts falling due within one year</b>	12	(133,419)		(152,605)
			<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>			216,415	198,261
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<hr/>	<hr/>
			310,322	302,310
			<hr/>	<hr/>
<b>FUNDS</b>				
Unrestricted			69,363	30,468
Restricted	16		240,959	271,842
			<hr/>	<hr/>
			310,322	302,310
			<hr/>	<hr/>

These financial statements were approved by the Directors on 19 August 2005 and are signed on their behalf by:

  
RON DANIEL

  
PATRICIA BOLTON

# **VICTIM SUPPORT SCOTLAND**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2005**

### **I. ACCOUNTING POLICIES**

#### **Basis of accounting**

The accounts have been prepared under the historical cost convention and are in accordance with applicable accounting standards and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) issued in April 2005.

#### **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:

Office furniture	- 20% straight line
Computer & Office Equipment	- 33.3% straight line

Assets with a cost greater than £250 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: restricted funding**

- Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

#### **Income: unrestricted funding**

- Unrestricted income is credited on an accruals basis except for charitable donations, which are deemed to be for the year in which they are received.

#### **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 company is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

# VICTIM SUPPORT SCOTLAND

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2005

### 2. GRANTS RECEIVABLE

	2005 £	2004 £
Scottish Executive: Section 9 – Training	29,000	28,000
Scottish Executive: Section 8 – Youth Justice	193,671	226,580
Scottish Executive: Section 10:		
<i>Head Office</i>	602,755	641,780
<i>Intermediate Tier</i>	63,768	-
<i>Victim Service</i>	1,570,404	1,436,404
<i>Witness Service</i>	1,222,878	1,174,317
<i>Victim Statements</i>	40,020	22,065
<i>Capital</i>	5,350	26,645
Aberdeen City Council	7,931	7,700
Aberdeenshire Council	8,100	7,900
Angus Council	1,145	1,111
Dundee City Council (HQ)	3,334	3,334
Dundee City Council (VOYCE)	42,000	46,730
East Renfrewshire Council	2,000	2,000
Falkirk Council	3,040	5,040
Glasgow City Council	16,500	16,500
Moray Council	(3,000)	3,000
North Ayrshire Council	3,000	3,025
North Lanarkshire Council	8,000	7,256
Perth & Kinross Council	-	500
Renfrewshire Council	3,500	3,500
South Ayrshire Council	1,000	1,000
South Lanarkshire Council	6,800	6,710
West Dunbartonshire Council	2,000	1,300
	<hr/>	<hr/>
	3,833,196	3,672,397
	<hr/>	<hr/>

### 3. COST OF GENERATING VOLUNTARY INCOME

	2005 £	2004 £
Advertising (press & radio)	-	2,759
Publicity & fundraising	-	508
Salaries & staff costs	-	23,499
Office accommodation costs	-	378
Office running costs	-	498
Miscellaneous	2,005	750
	<hr/>	<hr/>
	2,005	28,392
	<hr/>	<hr/>

# VICTIM SUPPORT SCOTLAND

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 MARCH 2005

#### 4. COST OF CHARITABLE ACTIVITIES (DIRECT)

	2005 £	2004 £
<i>Relating to Victim Service &amp; Victim Statements</i>		
Salaries & staff costs	1,364,030	1,220,643
Volunteer costs	984	1,502
Office accommodation costs	53,183	250
Running costs	212,631	178,867
Training	79,214	68,612
Publicity & advertising	12,221	41,928
Conferences	1,706	-
Miscellaneous	444	680
	<hr/>	<hr/>
	1,724,413	1,512,482
	<hr/>	<hr/>
<i>Relating to Witness Service</i>		
Salaries & staff costs	897,069	810,663
Volunteer costs	66,150	70,051
Publicity	1,764	9,510
Office accommodation costs	9,909	9,690
Office running costs	115,678	106,087
Conferences	3,205	-
Training	48,118	51,332
Miscellaneous	1,438	2,192
	<hr/>	<hr/>
	1,143,331	1,059,525
	<hr/>	<hr/>
<i>Relating to Youth Justice</i>		
Salaries & staff costs	159,336	151,749
Volunteer costs	2,440	2,194
Publicity	(2,703)	26,366
Office accommodation costs	13,347	11,584
Office running costs	29,077	28,562
Training	2,549	3,229
Conferences	970	1,220
Miscellaneous	965	(6,379)
	<hr/>	<hr/>
	205,981	218,525
	<hr/>	<hr/>

# VICTIM SUPPORT SCOTLAND

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2005

### 5. COST OF CHARITABLE ACTIVITIES (SUPPORT)

	2005 £	2004 £
<i>Relating to Head Office</i>		
Salaries & staff costs	467,800	444,614
Office accommodation costs	63,090	57,067
Office running costs	90,132	80,524
Conferences	10,492	31,302
Payroll fees	3,555	3,863
Training	4,133	2,965
Interest	440	426
Miscellaneous	6,904	8,663
	<hr/>	<hr/>
	646,546	629,424
	<hr/>	<hr/>

### 6. GOVERNANCE COSTS (DIRECT)

	2005 £	2004 £
Committee expenses	12,622	17,721
Conferences	4,543	2,642
Publicity	3,500	1,500
Audit fees	6,255	4,833
	<hr/>	<hr/>
	26,920	26,696
	<hr/>	<hr/>

### 7. GOVERNANCE COSTS (INDIRECT)

	2005 £	2004 £
Salaries & staff costs	93,381	125,917
Office running costs	3,315	3,609
Consultancy	31,127	14,423
Legal fees	-	1,178
Training	-	1,560
	<hr/>	<hr/>
	127,823	146,687
	<hr/>	<hr/>



# VICTIM SUPPORT SCOTLAND

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 MARCH 2005

#### 8. SALARIES

	Management Support & Office Staff £	Service Based Staff £	2005 £	2004 £
Wages & salaries	438,225	2,070,196	2,508,421	2,333,852
Social security costs	44,366	168,823	213,189	191,885
Other pension costs	54,298	74,296	128,594	120,552
	<hr/>	<hr/>	<hr/>	<hr/>
	536,889	2,313,315	2,850,204	2,646,289
Staff Recruitment & Expenses	24,047	107,365	131,412	130,796
	<hr/>	<hr/>	<hr/>	<hr/>
	560,936	2,420,680	2,981,616	2,777,085
	<hr/>	<hr/>	<hr/>	<hr/>

Average number of employees during 2005 was 171 (2004: 165).

Band	No of employees
£10,000-£20,000	119
£20,000-£30,000	45
£30,000-£40,000	5
£40,000-£50,000	1
£60,000-£70,000	1

As shown above one employee, the Chief Executive Officer, received emoluments between £60,000-£70,000 during the year. The Company contributed to the Lothian Pension Fund, a final salary scheme, in respect of this employee.

The Company is a participating employer in the Lothian Pension Fund and in addition contributes to a small number of employees personal pension plans. For further information see note 12. The pension cost charge, representing contributions payable by the Company, amounted to £128,594 (2004: £120,552).

No remuneration has been paid to the five Directors but travel and subsistence expenses have been incurred to the extent of £2,398 (2004: £2,023). Trustee indemnity insurance of £1,779.75 has been charged for the year to cover loss arising from any negligence or default of the trustees.

#### 9. INTEREST RECEIVABLE AND SIMILAR INCOME

	2005 £	2004 £
Bank interest receivable	22,790	20,889
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# VICTIM SUPPORT SCOTLAND

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 MARCH 2005

#### 10. TANGIBLE FIXED ASSETS

	Equipment £	Fixtures & fittings £	Total £
<b>COST</b>			
At 1 April 2004	280,727	55,439	336,166
Additions	73,497	8,517	82,014
	<hr/>	<hr/>	<hr/>
<b>At 31 March 2005</b>	<b>354,224</b>	<b>63,956</b>	<b>418,180</b>
	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>			
At 1 April 2004	199,372	32,745	232,117
Charge for the year	80,800	11,356	92,156
	<hr/>	<hr/>	<hr/>
<b>At 31 March 2005</b>	<b>280,172</b>	<b>44,101</b>	<b>324,273</b>
	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>			
At 31 March 2005	74,052	19,855	93,907
	<hr/>	<hr/>	<hr/>
At 31 March 2004	81,355	22,694	104,049
	<hr/>	<hr/>	<hr/>

#### 11. DEBTORS

	2005 £	2004 £
Grants receivable	13,518	6,883
Prepayments	37,325	72,782
Owed by Victim Services	41,398	12,292
Other debtors	1,691	-
	<hr/>	<hr/>
	<b>93,932</b>	<b>91,957</b>
	<hr/>	<hr/>

#### 12. CREDITORS: Amounts falling due within one year

	2005 £	2004 £
Trade creditors	2,067	133,664
Accruals	82,128	18,941
Grant repayment	49,224	-
	<hr/>	<hr/>
	<b>133,419</b>	<b>152,605</b>
	<hr/>	<hr/>

# VICTIM SUPPORT SCOTLAND

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2005

### 13. NOTE TO THE CASH FLOW STATEMENT

#### (a) Reconciliation of net incoming resources to net cash flow from operating activities

	2005 £	2004 £
Net incoming resources	8,012	93,413
Decrease/(increase) in debtors	(1,975)	(72,401)
Increase/(decrease) in creditors	(19,186)	(25,102)
Depreciation	92,156	86,248
Investment income	(22,790)	(20,889)
	<hr/>	<hr/>
<b>Net cash inflow from operating activities</b>	<b>56,217</b>	<b>61,269</b>
	<hr/>	<hr/>

#### (b) Analysis of changes in net cash resources

	2004 £	Cashflow £	2005 £
Cash at bank in hand	258,909	(3,007)	255,902
	<hr/>	<hr/>	<hr/>

### 14. PENSIONS

The Company is a participating employer in the Lothian Pension Fund ("The Scheme") that provides benefits based on final pensionable pay. The assets of the Scheme are held separately from those of the Company. Contributions to the Scheme are charged to the Income and Expenditure account so as to spread the cost of pensions over employees' working lives with the Company. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

The Scheme is a multi-employer scheme and the Company is unable to identify its share of the underlying assets and liabilities in the Scheme on a consistent and reasonable basis in accordance with FRS17.

The most recent valuation was at 31 March 2002. The assumptions that have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rate of increase in salaries and pensions relative to price inflation. It was assumed that the investment returns would be 2.3% (for Bonds) and 3.5% (for Equities) per annum in real terms. Pensions would be increased to maintain their purchasing power.

The most recent actuarial valuation showed that the actuarial value of the assets of the Scheme represented a funding level of 94% of the value of the benefits that had accrued to members i.e. there was a deficit. The contributions of the Company and employees in the year were 18% and 6% of earnings respectively. In view of the deficit disclosed in the valuation, contributions paid by the Company have been increased to 18.9% from April 2005.

The Company also contributes to defined contribution pension plans for a small number of employees; the assets are appropriate insurance policies.

# VICTIM SUPPORT SCOTLAND

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 MARCH 2005

#### 15. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2005 the charity had annual commitments under non-cancellable operating leases as set out below.

	<b>Land and buildings</b>	
	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
<b>Operating leases which expire:</b>		
Within 1 year	12,400	12,400
Within 2 to 5 years	-	-
After more than 5 years	44,500	41,000
	<hr/>	<hr/>
	56,900	53,400
	<hr/>	<hr/>

The Company entered into a rental agreement with an operating lease that will expire within two to five years after the balance sheet date.

#### 16. RESTRICTED FUNDS

	<b>Movement in resources:</b>				
	<b>Balance at 1 Apr 2004</b>	<b>Incoming</b>	<b>Outgoings</b>	<b>Transfers<sup>1</sup></b>	<b>Balance at 31 Mar 2005</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Head Office	22,209	700,105	(922,603)	236,371	36,082
Victim Service	32,898	1,575,754	(1,549,178)	(66,063)	(6,589)
Operational Management	-	63,768	(71,550)	40,031	32,249
Witness Service	146,201	1,222,878	(1,090,665)	(176,271)	102,143
Youth Justice	51,574	193,671	(161,297)	(23,100)	60,848
VOYCE	7,802	42,000	(44,966)	(3,468)	1,368
Victim statements	11,158	40,020	(36,320)	-	14,858
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	271,842	3,838,196	3,876,579	7,500	240,959
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

<sup>1</sup> With the exception of £40,031 which relates to a transfer permitted by the donor, all other transfers relate to management charges by Head Office to other projects.

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

- **Head Office:** to maintain and run three Victim Support National Offices,
- **Victim Service:** to run a local Victim Support Service in each local authority area that provides victims of crime with free information about the criminal justice system and also supports victims with emotional and practical assistance,

# VICTIM SUPPORT SCOTLAND

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 MARCH 2005

- **Operational Management:** to support direct service delivery of all services across Scotland
- **Witness Service:** to provide a Witness Service in all Sheriff Courts in Scotland and the Edinburgh and Glasgow High Courts. The service helps witnesses through the judicial process by providing practical and emotional support at court,
- **Youth Justice:** to provide a pilot service giving support and information for victims of youth crime,
- **VOYCE:** to provide confidential information and support for victims of youth crime in Dundee,
- **Victim Statements:** to provide two pilot schemes which assist victims with the preparation of victim statements.

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

	<b>Tangible Fixed assets £</b>	<b>Other net assets £</b>	<b>Total £</b>
Restricted Funds	93,907	147,052	240,959
Unrestricted Funds	-	69,363	69,363
	<hr/>	<hr/>	<hr/>
	93,907	216,415	310,322
	<hr/>	<hr/>	<hr/>

#### 18. 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.

#### 19. COST OF AUDIT

Amounts totalling £5,405 were payable to the Auditor in respect of the costs of their external scrutiny and £470 was paid in respect of IT training services during the year.