

VICTIM SUPPORT SCOTLAND

(A Company limited by guarantee and not having share capital)
(Registered in Scotland No. 110185)

FINANCIAL STATEMENT

for year

ended

31 March 1998



VICTIM SUPPORT SCOTLAND

COMPANY INFORMATION

Charitable Status: Recognised by the Inland Revenue
as Scottish Charity Number SC002138

Scottish Company No: 110185

Directors: Ian Samuel Currie M.B.E.
Donald Murdo Fraser
James Brodie
Moira Owen
James Douglas McAinsh

Secretary: Alison MacAlpine Paterson

Registered Office: 14 Frederick Street
Edinburgh
EH2 2HB
(Tel No. 0131-225 7779)

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

Auditor: A B Dobson & Co, C.A.

VICTIM SUPPORT SCOTLAND

THE DIRECTORS PRESENT THEIR REPORT for year ended 31 March 1998

Statement of Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which gives a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors have taken advantage, in preparation of the accounts, of certain of the special exemptions applicable to small companies. In the opinion of the directors, the Company qualifies as a small company under Section 247 of the Companies Act 1985 and is entitled to make use of the special exemptions.

Directors

For the purposes of the Companies Act 1985, the Directors of the Company during the year ended 31 March 1998 were those listed on page 1. James Brodie and Moira Owen were appointed on 9 September 1997. In addition Moira Owen resigned in May 1998. In accordance with the Articles of Association of the Company, the Company Directors are members of the National Council in which the policy, management and control of the Company is vested.

Principal Activities and Review of Developments

During the year ended 31 March 1998 the Company continued to extend its activities throughout Scotland and assisted its members in their work for victims of crime.

The adoption of a corporate vision for the year 2000 provided a focus and catalyst for new activities directed at equipping the organisation to provide high quality services to increased numbers of victims of crime.

Financial Results

The surplus for the period was £17,833(1997: deficit of £583). When added to the reserves, the figure to be carried forward is £84,712 (1997: £66,879).

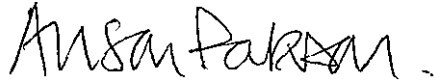
Future Developments

The emphasis of the Company's activity will be on further restructuring of the organisation to meet VS 2000 objectives with some redirection of resources to new service approaches.

Auditor

A resolution to re-appoint A B Dobson & Co CA as Auditor of the Company will be submitted to the members at the Annual General Meeting.

By order of the Board.

A handwritten signature in black ink, appearing to read 'Alison Paterson'.

Alison Paterson

Secretary

31 July 1998

AUDITORS REPORT
to the members of
VICTIM SUPPORT SCOTLAND

We have audited the financial statements on pages 5 to 13 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of Opinion

We conducted our audit in accordance with 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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company'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, which has been drawn up on a going concern basis assuming that adequate grant facilities will continue to be obtained.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 March 1998 and of its incoming resources and applications of resources, including its income and expenditure in the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



A B Dobson & Co
Chartered Accountant
and Registered Auditor
Edinburgh.

31 July 1998

VICTIM SUPPORT SCOTLAND

INCOME & EXPENDITURE RELATING TO GRANT FUNDING for year ended 31 March 1998

| | Notes | 1998 £ | 1997 £ |
|--|-------|------------------|------------------|
| Income | 2. | | |
| Grants Receivable during year: | | | |
| Social Work Services Group | 4. | 1,545,207 | 1,329,873 |
| Local Authorities | 4. | 124,413 | 147,793 |
| Carnegie UK Trust | | - | 500 |
| National Lottery Charities Board | | 94,421 | 14,993 |
| Other Income | | <u>9,583</u> | <u>8,413</u> |
| | | <u>1,773,624</u> | <u>1,501,572</u> |
| Expenditure | | | |
| Salaries & Staff Costs | 5. | 630,233 | 512,850 |
| Office Accommodation Costs | | 52,927 | 42,189 |
| Office Running Costs | | 51,480 | 52,677 |
| Publicity Costs | | 10,875 | 9,841 |
| Committee Expenses | 5. | 7,540 | 5,285 |
| Conference Expenses | | 6,278 | 4,448 |
| Audit Fee | 6.1. | 2,850 | 2,750 |
| Office Equipment | | 357 | 2,962 |
| Depreciation | 6.1. | 12,235 | 11,079 |
| Other Operating Costs: Revenue | | 74,374 | 28,600 |
| Other Disbursements: | | | |
| ~ Scheme Employee's Salaries | | 793,703 | 721,982 |
| ~ Scheme Training Costs | | 30,710 | 38,713 |
| ~ Operating Costs | | <u>129,594</u> | <u>69,645</u> |
| | | <u>1,803,156</u> | <u>1,503,021</u> |
| Operating (Deficit) for Year | | (29,532) | (1,449) |
| Restricted appropriations from General Fund | | 14,800 | - |
| Unrestricted Appropriations from General Fund | | 44,437 | 28,689 |
| Restricted Appropriations to General Fund | | <u>(1,000)</u> | <u>(11,420)</u> |
| Net Appropriations from General Fund | | <u>58,237</u> | <u>17,269</u> |
| Surplus Carried Forward | 10. | <u>28,705</u> | <u>15,820</u> |

VICTIM SUPPORT SCOTLAND

GENERAL FUND for year ended 31 March 1998

| | Notes | 1998 £ | 1997 £ |
|---|-------|-----------------|-----------------|
| Income | 3. | | |
| Donations | | 32,359 | 19,271 |
| Interest | | 14,932 | 8,916 |
| Affiliation Fees | | 1,905 | 1,880 |
| VSS Conference/AGM | | - | 144 |
| VSS Publications | | 2,031 | 1,356 |
| Training Services | | <u>10,277</u> | <u>3,925</u> |
| | | <u>61,504</u> | <u>35,492</u> |
| Expenditure | | | |
| Start-Up Grants | | - | 1,050 |
| Regional Development & Funding | | 100 | 1,210 |
| Conferences & Workshops | | 1,032 | 100 |
| Publications | | 7,968 | 2,735 |
| Training Resources | | 3,883 | - |
| VSS Conference/AGM expenditure | | - | 1,042 |
| Redundancy | | - | 13,352 |
| Dunblane | | - | 14,867 |
| Miscellaneous | | <u>1,156</u> | <u>270</u> |
| | | <u>14,139</u> | <u>34,626</u> |
| Operating Surplus for year | | 47,365 | 866 |
| Restricted Appropriations to Grant Funding | | (14,800) | - |
| Unrestricted Appropriations to Grant Funding | | (44,437) | (28,689) |
| Restricted Appropriations from Grant Funding | | <u>1,000</u> | <u>11,420</u> |
| Net Appropriations (to) Grant Funds | | <u>(58,237)</u> | <u>(17,269)</u> |
| (Deficit) Carried Forward | 10. | <u>(10,872)</u> | <u>(16,403)</u> |

There are no recognised gains or losses other than the surplus on the General Fund for the year to 31 March 1998 of £47,365 (1997: surplus of £866), and the deficit on the Grant Funds for the year to 31 March 1998 of £29,532 (1997: deficit of £1,449).

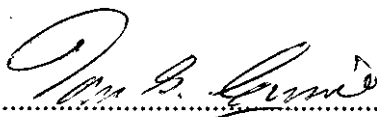
VICTIM SUPPORT SCOTLAND

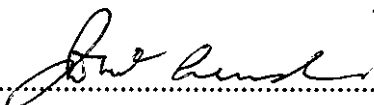
BALANCE SHEET for year ended 31 March 1998

| | Notes | 1998 £ | 1997 £ |
|--|-------|---------------|---------------|
| Fixed Assets | 7. | 16,570 | 13,610 |
| Current Assets | | | |
| Debtors | 8. | 5,295 | 4,162 |
| Cash at Bank and in Hand | | <u>66,617</u> | <u>54,107</u> |
| | | 71,912 | 58,269 |
| Current Liabilities | | | |
| Creditors: Amounts falling due within one year | 9. | <u>3,770</u> | <u>5,000</u> |
| Net Current Assets | | <u>68,142</u> | <u>53,269</u> |
| Total Net Assets | | <u>84,712</u> | <u>66,879</u> |
| Reserves | | | |
| Grants Fund: | | | |
| Restricted | | 69,265 | 23,215 |
| Unrestricted | | <u>-</u> | <u>16,595</u> |
| | | <u>69,265</u> | <u>39,810</u> |
| General Fund: | | | |
| Restricted | | 450 | 5,315 |
| Unrestricted | | <u>14,997</u> | <u>21,754</u> |
| | | <u>15,447</u> | <u>27,069</u> |
| | 10. | <u>84,712</u> | <u>66,879</u> |

The directors have taken advantage, in preparation of the accounts, of special exemptions applicable to small companies. In the opinion of the directors the Company qualifies as a small company under Section 247 of the Companies Act 1985 and is entitled to make use of the special exemptions.

The accounts have been approved by the Board of Directors on 31 July 1998.

.....  Director

.....  Director

31 July 1998

VICTIM SUPPORT SCOTLAND

NOTES ON THE ACCOUNTS for year ended 31 March 1998

Status of Organisation

Company 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.

The Company has been granted charitable status by the Inland Revenue and accordingly no liability to Corporation Tax or Income Tax arises. The Company is not registered for Value Added Tax and accordingly any such Tax suffered is included in the expenditure concerned.

1. Accounting Policies

- (a) The Financial Statements have been prepared under the historical cost convention.
- (b) The Financial Statements are prepared in accordance with applicable accounting standards and the Statement of Recommended Practice - "Accounting for Charities". As allowed by paragraph 3(3) of Schedule 4 to the 1985 Companies Act the directors have, due to the special nature of the company's business, adapted the prescribed format for the profit and loss account.
- (c) The Financial Statements, so far as they relate to statutory funding, reflect grant income arranged and confirmed for the funding year, which co-incides with the company year.
- (d) Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, or over the length of the project, whichever is the shorter, as follows:

| | |
|--------------------------------|--------------|
| Furniture and Office Equipment | over 5 years |
| Computer Equipment | over 3 years |
- (e) The Company operates a defined contribution pension scheme. Contributions payable are charged to the Income & Expenditure Accounts in the year incurred.
- (f) The Company qualifies as a small company under The Companies Act 1985. The directors have elected to take advantage of the exemption under FRS1 (revised) not to prepare a cash flow statement.

2. Income: Restricted Funding

- (a) Grant income, where confirmed, is credited on a receivable basis.
- (b) Where there is overspending against grant income, the resultant deficit is offset against the General Fund.
- (c) Other income is credited on receipt

3. **Income: General Fund**

- (a) Income on the General Fund is credited on receipt, and arises from various non-statutory sources including charitable donations, interest on deposits and affiliation fees.
- (b) Affiliation fees are deemed to be for the year in which they are received.

4. **Grants**

In addition to grants of £1,545,207 (1997: £1,329,873) from Social Work Services Group, other grants from Local Government, listed below, were received to fund the Association in its specific fields of work.

| | 1998 | 1997 |
|-------------------------------|----------------|----------------|
| | £ | £ |
| Lothian Regional Council | - | 495 |
| East Lothian District Council | 4,665 | 4,809 |
| Edinburgh City Council | 33,456 | 48,126 |
| Glasgow City Council | 18,481 | 18,481 |
| West Lothian Council | 7,062 | 8,915 |
| Aberdeenshire Council | 7,690 | 8,400 |
| Aberdeen City Council | 7,500 | 8,177 |
| North Lanarkshire Council | 5,000 | 7,351 |
| South Lanarkshire Council | 6,708 | 6,708 |
| North Ayrshire | 4,500 | 4,500 |
| Angus Council | 3,334 | 3,334 |
| Dundee City Council | 3,334 | 3,334 |
| Perth & Kinross Council | 3,000 | 3,334 |
| Moray Council | 3,000 | 3,000 |
| Renfrewshire Council | 3,000 | 3,000 |
| Midlothian Council | 2,990 | 2,990 |
| East Ayrshire Council | 2,660 | 2,660 |
| East Dumbartonshire Council | 2,000 | 1,949 |
| East Renfrewshire Council | 1,510 | 1,511 |
| South Ayrshire Council | 1,000 | 1,300 |
| Argyll & Bute Council | 1,108 | 1,300 |
| Inverclyde Council | - | 1,083 |
| West Dumbartonshire Council | 700 | 700 |
| Clackmannanshire Council | 531 | 584 |
| Falkirk Council | 600 | 584 |
| Fife Council | 584 | 584 |
| Stirling Council | - | 584 |
| | <u>124,413</u> | <u>147,793</u> |

5. Salaries & Staff Costs

| | 1998 £ | 1997 £ |
|--|----------------|----------------|
| Wages and Salaries | 514,868 | 417,366 |
| Social Security costs | 39,810 | 31,147 |
| Other Pension costs | <u>26,832</u> | <u>23,083</u> |
| Employment Costs | 581,510 | 471,596 |
| Employment, Recruitment, Expenses, Training | <u>48,723</u> | <u>41,254</u> |
| | <u>630,233</u> | <u>512,850</u> |

The average number of employees during the year was as follows:

| | | |
|--------------------------------------|----|----|
| Management, Support and Office Staff | 30 | 27 |
|--------------------------------------|----|----|

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £26,832 (1997: £23,083). Contributions totalling nil (1997: £950) were payable to the fund at the year end and are included in creditors.

No remuneration has been paid to the Directors but expenses have been reimbursed to the extent of £1,670 (1997: £1,309).

6.1 Surplus/(Deficit) for the year is stated after charging:

| | 1998 £ | 1997 £ |
|------------------------|-----------|-----------|
| Auditor's Remuneration | 2,850 | 2,750 |
| Depreciation | 12,235 | 11,079 |

Financial Commitments: The annual commitments under non-cancellable operating leases were as follows:

| | 1998 £ | 1997 £ |
|---------------------------|---------------|---------------|
| Property leases expiring: | | |
| within one year | 20,445 | 7,445 |
| within two to five years | - | 13,000 |
| over five years | <u>-</u> | <u>-</u> |
| | <u>20,445</u> | <u>20,445</u> |

The lease for the National Office in Edinburgh expires on 10 November 1998 and the directors are actively seeking an alternative.

6.2 Statement of Financial Activities

In accordance with the recommendations of Statement of Recommended Practice - "Accounting for Charities" the surplus can be restated in terms of incoming resources and their use as shown below.

| | Unrestricted Fund £ | Restricted Fund £ | Total 1998 £ | Total 1997 £ |
|----------------------------------|---------------------------|-------------------------|--------------------|--------------------|
| Incoming Resources | | | | |
| Grants Receivable | | | | |
| Central Government | - | 1,545,207 | 1,545,207 | 1,329,873 |
| Local Authority | - | 124,413 | 124,413 | 147,793 |
| National Lottery | | | | |
| Charities Board | - | 94,421 | 94,421 | 14,993 |
| Donations | 17,109 | 16,250 | 33,359 | 25,558 |
| Bank Interest | 15,642 | - | 15,642 | 9,800 |
| Other Income | <u>18,334</u> | <u>3,752</u> | <u>22,086</u> | <u>9,047</u> |
| | <u>51,085</u> | <u>1,784,043</u> | <u>1,835,128</u> | <u>1,537,064</u> |
| Resources Expended | | | | |
| Charitable Activities | | | | |
| Funding Panel | - | 947,947 | 947,947 | 865,840 |
| Training | - | 32,766 | 32,766 | 2,732 |
| Other | <u>202</u> | <u>61,602</u> | <u>61,804</u> | <u>72,485</u> |
| | <u>202</u> | <u>1,042,315</u> | <u>1,042,517</u> | <u>941,057</u> |
| Support Services | | | | |
| Funding Panel | - | 2,533 | 2,533 | 25,368 |
| Training | - | 47,001 | 47,001 | 41,117 |
| Other | <u>11,864</u> | <u>589,381</u> | <u>601,245</u> | <u>420,987</u> |
| | <u>11,864</u> | <u>638,915</u> | <u>650,779</u> | <u>487,472</u> |
| Charitable & Support | 12,066 | 1,681,230 | 1,693,296 | 1,428,529 |
| Publicity & Fundraising | 2,399 | 28,894 | 31,293 | 27,736 |
| Management & Admin | <u>777</u> | <u>91,929</u> | <u>92,706</u> | <u>81,382</u> |
| Total Resources Expended | <u>15,242</u> | <u>1,802,053</u> | <u>1,817,295</u> | <u>1,537,647</u> |
| Net Resources carried forward | 35,843 | (18,010) | 17,833 | (583) |

6.2 Statement of Financial Activities (continued)

| | | | | |
|-------------------------------------|---------------|---------------|---------------|---------------|
| Net Resources carried forward | 35,843 | (18,010) | 17,833 | (583) |
| Transfers between funds | (44,437) | 44,437 | - | - |
| Brought Forward (<i>restated</i>) | <u>23,591</u> | <u>43,288</u> | <u>66,879</u> | <u>67,462</u> |
| Carried Forward | <u>14,997</u> | <u>69,715</u> | <u>84,712</u> | <u>66,879</u> |

Represented by:

| | | | | |
|-------------------------------------|---------------|---------------|---------------|---------------|
| Fixed Assets | 811 | 15,759 | 16,570 | 13,610 |
| Net Current Assets (excluding cash) | - | 1,525 | 1,525 | (838) |
| Cash at Bank | <u>14,186</u> | <u>52,431</u> | <u>66,617</u> | <u>54,107</u> |
| | <u>14,997</u> | <u>69,715</u> | <u>84,712</u> | <u>66,879</u> |

Where possible resources expended are allocated to the charitable activity involved. Elements of management and administration expenditure have been allocated on a basis of approximate staff time spent on the relevant activities of charitable work, fundraising and publicity. The balance remaining has been shown as Management and Administration. This treatment accords with the Statement of Recommended Practice - "Accounting for Charities".

7. Fixed Assets

| | Office Equipment £ | Office Furniture £ | Total £ |
|-----------------------|--------------------------|--------------------------|---------------|
| Cost | | | |
| At 1 April 1997 | 47,519 | 8,896 | 56,415 |
| Additions | <u>12,618</u> | <u>2,577</u> | <u>15,195</u> |
| At 31 March 1998 | <u>60,137</u> | <u>11,473</u> | <u>71,610</u> |
| Depreciation | | | |
| At 1 April 1997 | 37,499 | 5,306 | 42,805 |
| Charge for Year | <u>10,364</u> | <u>1,871</u> | <u>12,235</u> |
| At 31 March 1998 | <u>47,863</u> | <u>7,177</u> | <u>55,040</u> |
| Net Book Value | | | |
| At 31 March 1998 | <u>12,274</u> | <u>4,296</u> | <u>16,570</u> |
| At 1 April 1997 | <u>10,020</u> | <u>3,590</u> | <u>13,610</u> |

In addition to assets purchased during the year assets to the estimated value of nil (1996: £2,047) were donated to national and regional offices.

8. Debtors

| | 1998 | 1997 |
|-------------|--------------|--------------|
| | £ | £ |
| Prepayments | <u>5,295</u> | <u>4,162</u> |
| | <u>5,295</u> | <u>4,162</u> |

9. Creditors: amount falling due within 1 year

| | 1998 | 1997 |
|----------|--------------|--------------|
| | £ | £ |
| Accruals | <u>3,770</u> | <u>5,000</u> |
| | <u>3,770</u> | <u>5,000</u> |

Contingent Liability

Salaried professional staff are members of a superannuation scheme under which employers are liable for increases, related to pensions increases awarded to pensioners. No provision has been made for this contingency.

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10. **Reserves**

| | Page 5 Restricted Funds (Grants) £ | Page 6 Restricted Funds (General) £ | Page 5 Unrestricted Funds (Grants) £ | Page 6 Unrestricted Fund (General) £ | 1998 Total Reserves £ | 1997 Total Reserves £ |
|---------------------------------|--|---|--|--|--------------------------------|--------------------------------|
| Balance at 31/3/97 | 23,215 | 5,315 | 16,595 | 21,754 | 66,879 | 67,462 |
| Reallocations | | | | | | |
| (1) | - | (750) | - | 750 | - | - |
| (2) | 750 | - | - | (750) | - | - |
| (3) | <u>14,758</u> | - | <u>(14,758)</u> | - | - | - |
| Balance at 1/4/97 (restated) | <u>38,723</u> | <u>4,565</u> | <u>1,837</u> | <u>21,754</u> | <u>66,879</u> | <u>67,462</u> |

Movement for year 1997/98

Operating (Deficit)/Surplus

| | | | | | | |
|------------------|----------|-------|---------|--------|----------|---------|
| Grants (page 5) | (27,695) | - | (1,837) | - | (29,532) | (1,449) |
| General (page 6) | - | 9,685 | - | 37,680 | 47,365 | 866 |

| | | | | | | |
|--------------------------------------|---------------|-----------------|----------|-----------------|----------|----------|
| Appropriate between Funds | <u>58,237</u> | <u>(13,800)</u> | <u>-</u> | <u>(44,437)</u> | <u>-</u> | <u>-</u> |
|--------------------------------------|---------------|-----------------|----------|-----------------|----------|----------|

| | | | | | | |
|--|---------------|----------------|----------------|----------------|---------------|--------------|
| (Deficit) Surplus/ for year | <u>30,542</u> | <u>(4,115)</u> | <u>(1,837)</u> | <u>(6,757)</u> | <u>17,833</u> | <u>(583)</u> |
|--|---------------|----------------|----------------|----------------|---------------|--------------|

| | | | | | | |
|-----------------------|---------------|------------|----------|---------------|---------------|---------------|
| Balance at 31/3/98 | <u>69,265</u> | <u>450</u> | <u>-</u> | <u>14,997</u> | <u>84,712</u> | <u>66,879</u> |
|-----------------------|---------------|------------|----------|---------------|---------------|---------------|

As disclosed on the Balance Sheet: (page 7)

| | | | | | | |
|---------------|----------|------------|----------|---------------|---------------|---------------|
| Grants Funds | 69,265 | - | - | - | 69,265 | 39,810 |
| General Funds | <u>-</u> | <u>450</u> | <u>-</u> | <u>14,997</u> | <u>15,447</u> | <u>27,069</u> |
| | | | | | <u>84,712</u> | <u>66,879</u> |

In Note 6.2

| | | | | | | |
|------------------|----------|----------|----------|---------------|---------------|---------------|
| Restricted Funds | 69,265 | 450 | - | - | 69,715 | 28,530 |
| Unrestricted | <u>-</u> | <u>-</u> | <u>-</u> | <u>14,997</u> | <u>14,997</u> | <u>38,349</u> |
| | | | | | <u>84,712</u> | <u>66,879</u> |

During the year the Directors determined that all grant funded operations were deemed to be restricted to that work, Therefore when transfers from General Fund are made to cover deficits they become restricted. This requires a restatement of opening balances.