
VOLUNTEER DEVELOPMENT SCOTLAND LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

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VOLUNTEER DEVELOPMENT SCOTLAND LIMITED
(A company limited by guarantee)

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VOLUNTEER DEVELOPMENT SCOTLAND LIMITED
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2016**

Trustees

Mr D Metcalfe, Chair
Ms J C Judson, Vice Chair
Ms R Harper
Ms G McCreath
Mr K Yates
Mr S Laidlaw (resigned 29 September 2015)
Mr N Cole (resigned 29 September 2015)
Ms D Hendry
Mr D Little
Ms J Gaul
Dr R Jennings
Mr C Horne
Mr B Scott
Mr K Geddes (appointed 29 September 2015)
Mr E Jackson (appointed 29 September 2015)
Mr N Bido (appointed 29 September 2015)

Company registered number

SC106743

Charity registered number

SC013740

Registered office

Jubilee House
Forthside Way
Stirling
FK8 1QZ

Company secretary

George Thomson

Leadership

George Thomson, Chief Executive
Kenneth Stirratt, Accountant
Adrian Murtagh, Head of Business Development

Independent auditors

French Duncan LLP
Statutory Auditors & Chartered Accountants
Macfarlane Gray House
Castle Craig Business Park
Springbank Road
Stirling
FK7 7WT

Bankers

The Royal Bank of Scotland Plc
82 Murray Place
Stirling
FK8 2DR

VOLUNTEER DEVELOPMENT SCOTLAND LIMITED
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2016**

Advisers (continued)

Solicitors

Law at Work
Kintyre House
205 West George Street
Glasgow
G2 2LW

VOLUNTEER DEVELOPMENT SCOTLAND LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Volunteer Development Scotland Limited (the company) for the year ended 31 March 2016. The Trustees confirm that the Annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

VISION, MISSION AND OBJECTIVES

Our Vision:

To get more people volunteering regularly, enjoyably and safely.

Our Mission:

Increase volunteering participation delivering positive wellbeing benefits for volunteers, beneficiaries and communities.

Our Objectives:

- To raise awareness of the opportunities and benefits from volunteering.
- To support organisations and ensure a high quality volunteering experience that's safe and enjoyable.
- To develop and nurture partnerships that facilitate a sustained growth in volunteer participation.
- Increase volunteering participation by raising awareness of the opportunities and benefits from volunteering through our marketing activities and effective research.
- Increase volunteering participation, increasing diversity and delivering positive wellbeing benefits through work with key partners and stakeholders.

Identity and brand

- * To offer Scotland a national resource for volunteering, that includes the VSDS service and research, policy and practice services and products.
- * To offer a leadership 'voice' for a radical change in volunteer development that addresses a flat-lining participation rate in formal volunteering.
- * To have an identity that is;
 - Friendly, co-operative and driven by values for the common good;
 - Offers the best access to volunteer opportunities in Scotland, and research and knowledge about volunteering;
 - Connects to the needs of volunteers and volunteer engagers with the right resources to make a difference;
 - Enables volunteers to have a great experience and contribute to the well being of Scotland;
 - An integrated, effective, digital supported working unit with a data culture and modern use of technology and on-line services targeted to audiences.
- * Goals for excellence - that we are experienced and talked about (all sectors) as having a high level of quality, customer care, credibility in delivery, and management of risks and resources. That we have internal and external standards of quality that are monitored and evaluated.

VOLUNTEER DEVELOPMENT SCOTLAND LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

Achievements and performance

KEY FINANCIAL PERFORMANCE INDICATORS

Volunteering Services

- Our flagship training course "Effective Leadership in Volunteering" was redeveloped and went live on 11 September 2015
- The following courses have been through the product and services review process successfully: 'Developing a Volunteer Culture', 'Managing Events Volunteers', 'Developing a Volunteer Strategy', 'Volunteer Management – The Essentials', 'Measuring the Impact of Volunteering' and 'Supporting Volunteers'. The content of all these courses has been refreshed to reflect our understanding of current practice and their content has been cross-referenced to our core product Investing in Volunteers (liV).
- The creation of a small working group to focus on liV as a development tool to assist with volunteer growth, good practice and volunteer experience has progressed well.
- 61 Organisations engaged in liV
- 24 Organisations achieved liV
- 22 Organisations renewing liV
- 4,703 Volunteers practising within an liV framework

Business Development and International Profile

- We held our first Investing in Volunteers for Employers best practice meeting which was hosted by SSE.
- We have now engaged with the Scottish Volunteering Forum's ESV working group and look forward to assisting with the development of ESV throughout their network and Scotland
- Volunteering Moldova - This organisation highlighted the support that they recently received via our website regarding our volunteer best practice guides "Thank you again for having such a great site with so much help available!"

Policy, Research and Engagement

- Informal Volunteering - we have supported Scottish Government in the potential development of an informal volunteering question, hosting an workshop with TSIs and SG to explore our definitions of informal and formal volunteering. In this workshop we discussed the 'grey areas' around volunteering and what was considered 'informal' or 'formal' activities.
- Inclusive Volunteering – In September 2015 we produced a paper in conjunction with the Third Sector Research Forum looking at the benefits of Inclusive Volunteering. This has been consulted on at 2 events (hosted by Evaluation Support Scotland and The Alliance). It is our understanding that this is the first review of its kind and highlights a number of evidence gaps, as well as practical barriers and enablers for a range of groups such as asylum seekers, those experiencing mental health problems, high levels of poverty and economic disadvantage.

Communications and IT

- My Volunteer Account holders (MVA) have increased 63% over the course of the year.
- 2,788 FB likes (47% increase on target)
- 4,563 Twitter followers (75% increase on target)
- The Opportunities Map generated 28,420 page views and the Events List 22,388 page views, over the financial year
- CRM system – based on an analysis of our user requirements the new CRM system was developed on the Salesforce platform and all staff members across the organisation have been trained in its usage.

Corporate Performance and Compliance

- A successful all staff engagement event was held on 23 June 2015; theme was "getting fit for change". A list of recommended actions were analysed and were taken forward by continuous improvement project teams: Operations, Employee Engagement and Volunteering.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

- Volunteer Scotland also committed to paying the Living Wage from 1 January 2016 which had a positive impact on two members of staff. Volunteer Scotland is now an accredited Living Wage foundation employer.
- Over 95% of staff report a positive, supportive working environment in which they were motivated to meet their objectives in May; the figure in October was 94.11%.

Disclosure Services Delivery

Exceeding pre agreed KPI targets in the following areas of service

- Unique applications processed 63,200 up 7,000 (12.5%) on agreed target
- 90% of all disclosure applications processed within 9 working days of receipt
- 91.3% of certificates issued within 3 working days
- Internal error rates maintained at less than 1% of countersigned applications
- 86 training sessions and 62 support visits during 2015/16 - ahead of KPI targets.

Financial review

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Volunteer Development Scotland (VDS) is the national centre for volunteer development, and is recognised locally, nationally and internationally for our work. We have the expertise to drive volunteering activities that brings benefits to many different beneficiaries across communities and the Scottish Government's outcomes.

We have delivered significant organisational efficiencies, generated matched funding, and are ready for an exciting challenge for the future. We will continue to invest in the development and transformation of our organisation, its people and our resources to ensure that VDS remains the expert in Scotland's volunteering landscape. We have and fully expect to continue to deliver a programme of cultural change and a review and re-orientation of all our services, products and resources which will see the volunteer placed at the heart of all that we do. We are focused on evidence of need, and our capacity and readiness to execute activities for clear and measurable outcomes.

Volunteer Development Scotland has delivered on and will continue to deliver various projects within our main programme streams relating to Capacity Building, Sports, Arts and Culture, Health and Wellbeing as well as various Bespoke and Online Services.

VDS has been involved in the successful delivery of supporting volunteers involved in various projects involving training, research, IIV and also helping public service and commercial employers in bespoke solutions including IIV-E.

In addition we will continue to provide a service through our Disclosure Service in Scotland with regards to the compliance of the Protection of Vulnerable Groups (PVG) legislation and to provide extensive training and guidance to many groups who are required to comply with this.

With a renewed focus on meeting the needs and aspirations of individual volunteers, a clear identity and commitment to our vision, VDS will provide the leadership required to meet our national challenges.

With a pioneering digital platform and engagement strategy and by involving the right people in shaping volunteering in Scotland, VDS are at the leading edge of social transformation in Scotland. Working alongside Government, volunteer involving organisations, the business community, local authorities, individual

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2016

communities and volunteers themselves, we are pivotal in the creation of a genuinely mutual society that can be self-sustaining.

By working with people of all ages on health and social care, employability, the environment, and community participation we are supporting the Scottish Government's core aims to make our country wealthier and fairer, smarter, healthier, safer, stronger and greener.

Scotland has a history of volunteering, and we can extend the scope of volunteering for the common good. As the national hub of specialist knowledge and support, VDS is strategically placed, with Scottish Government support to lead on maximising the human power of our population to address needs and make a positive difference.

There has never been a more important time for volunteering in Scotland than now. Public sector reform, the necessity for positive citizen engagement, developing communities and coproduction means that volunteering has a key role to play in helping to deliver the country's future agenda.

PRINCIPAL FUNDING

Volunteer Development Scotland recognises the financial stability it enjoys due to the grant funding received by our key funders the Scottish Government through our core funding and also Disclosure Scotland for funding our disclosure services. This backbone of grant funding allows VDS to diversify and explore other areas of income generation to which the Board and leadership team are fully committed to secure. During 2015-16 VDS continued to work with various clients in the public and private sector delivering a variety of training and contractual opportunities including liV, ESV and working with amongst many others Zero Waste Scotland, HMIPS and The Children's Panel.

INVESTMENT POWERS

A To invest funds not immediately required for the purpose of its activities in such investments and that in such manner as may from time to time be considered advantageous (subject to compliance with any applicable legal requirements) and to dispose of and vary such investments and securities.

B The company shall have the power to purchase, take on feu, lease, hire, take in exchange, and otherwise acquire any property and rights which may be advantageous for the purposes of the activity of the company.

C To lend money and give credit to any person, with or without security, and to grant guarantees and contracts of indemnity on behalf of any person.

D To borrow money and give security for the payment of money by, or the performance of other obligations of, the company or any other person.

Structure, governance and management

CONSTITUTION

The company, which is a recognised charity in Scotland, is registered as a charitable company limited by guarantee and not having share capital, incorporated on 17 September 1987. The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 1996.

A revision of its Memorandum and Articles of Association was passed through a special resolution on 15 November 1996 and they were revised and adopted with immediate effect.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

In the event of the company being wound up, all members, or within one year after they cease to be a member, are liable for the payment of debts and liabilities of the company, and for the costs and expenses of winding up of that date, such amount as required but not exceeding £1.

METHOD OF APPOINTMENT OR ELECTION OF DIRECTORS

The Directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as Board of Directors.

The maximum number of Directors shall be 15, of whom a maximum of 10 Directors shall be elected Member Directors and a maximum of 7 Directors shall be Appointed Directors, provided that the number of Appointed Directors is always at least one less than the number of Member Directors.

An elected Director shall not be eligible to serve as a Director for a period in excess of six consecutive years and after that time shall vacate office and be ineligible to serve as an elected Director for one year.

POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF DIRECTORS

Volunteer Development Scotland Directors annually review the organisation's Standards of Practice for Directors which contains guidance and expected standards on all aspects of good governance. This review is complemented by an assessment of training needs of each Director and an induction pack and programme for new Directors.

Board Directors away days are regularly held, and a programme of Directors workshops precede Board meetings which address Directors training needs and good governance.

PAY POLICY FOR SENIOR STAFF

The Leadership Team follows exactly the same principles of all other staff in Volunteer Development Scotland.

To ensure the motivation of staff and their retention, VDS will undertake a regular review of market rates at least every three years to ensure that posts are aligned with external salaries. This work will coincide with business planning activities. The decision to implement any changes to salaries and terms and conditions of employment, following such an exercise, will depend on the organisation's ability to pay.

VDS is committed to ensuring that its rates of pay are commensurate with work undertaken and that posts will be matched regularly with each other in terms of job content, roles and responsibilities, and position within the overall salary structure. This will happen through the application of the job evaluation scheme.

VDS's grading structure is underpinned by an analytical factor based job evaluation scheme. The system ensures that a fair and consistent approach is applied to determine the grade of a post within the organisation. The job evaluation scheme will be reviewed, based on best practice periodically to ensure that it continues to be in line with organisational objectives and values.

Where significant changes occur to roles and responsibilities, posts will be reviewed accordingly to make appropriate adjustments to salaries, in line with internal differentials and external market rates.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

ORGANISATIONAL STRUCTURE AND DECISION MAKING

Volunteer Development Scotland (VDS) hold four Board meetings a year and their Annual General meeting is now held in the last week of September.

Current Board members have a variety of professional backgrounds and skills relevant to the work of the organisation. Also present at Board meetings are the Chief Executive and VDS Leadership team who have no voting rights. The Board is responsible for the approval of strategic direction and also approval of policies of the organisation.

An Audit and Scrutiny Committee meets separately four times a year, with delegated responsibilities from the Board, to ensure that there is due diligence, a consistent framework for performance accountability, financial scrutiny and risk management. All papers are shared with the Board and the chair of the Audit and Scrutiny Committee reports directly to the Board on the summary points.

The Leadership Team led by the Chief Executive has been formed, with delegated powers, to make operational and management decisions to ensure the effective day to day running of the organisation. The Leadership team is responsible for ensuring that the organisation delivers on the services specified and that key performance indicators are met. They are also responsible for the engagement of all staff and that the work team continue to develop their skills and working practices in line with best practice.

RELATED PARTY RELATIONSHIPS

Volunteer Development Scotland receives funding from the Scottish Government and is accountable for our core activities to that body. Primarily our core funding comes from the Third Sector Unit of Scottish Government, and we receive wider Scottish Government funding including from other Directorates and have delivered accordingly.

Volunteer Services Disclosure Services (VSIDS) is a function of Volunteer Development Scotland (Since 2002) and provides free disclosure checks, guidance, advice and support to voluntary sector organisations working with children, young people and adults at risk. This service is funded by Disclosure Scotland on behalf of Scottish Ministers.

As Scotland's national centre in volunteering, Volunteer Development Scotland holds a unique leadership position in developing, enabling, influencing and driving growth in volunteering nationally and internationally.

RISK MANAGEMENT

The Directors have assessed the main risks to the company and are satisfied that systems are in place to mitigate those risks. An annual review of the risk register is undertaken and quarterly performance reports continuously assess and manage risks. The Audit and Scrutiny Committee consisting of four Board Directors and senior staff, reviews the risk framework and existing policies within Volunteer Development Scotland to ensure that any risk exposure is minimised and that good practice is maintained. This committee meets prior to Board meetings and additionally as required throughout the year.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

Plans for future periods

FUTURE DEVELOPMENTS

Looking ahead Volunteer Development Scotland will be playing a national leadership role in the Scottish Government's aim to focus on three policy priority areas.

- To provide effective governance and leadership.
- To deepen collaborative approaches across the sector to maximise impact.
- To help deliver greater fairness and equality including developing linkages and collaboration between third sector and equalities organisations.

Volunteer Development Scotland has six strategic outcomes which will be used to assess its performance and impact in the delivery of the Government's strategic priorities during 2016/17:

1. More people actively participate in their communities through volunteering
2. Volunteers' wellbeing is increased through positive volunteering
3. Through engagement with equalities organisations, more excluded groups are volunteering in mutually supportive communities for a fairer Scotland
4. National and local volunteer engagers are more effective in their engagement of volunteers
5. Key partners across all sectors are better supported to increase volunteering participation through a collaborative approach
6. Effective governance and leadership of volunteering by partners and volunteer engagers

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Volunteer Development Scotland for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, French Duncan LLP, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

This report was approved by the Trustees on 30 August 2016 and signed on their behalf by:



Mr G Thomson
Secretary

VOLUNTEER DEVELOPMENT SCOTLAND LIMITED
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**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF VOLUNTEER
DEVELOPMENT SCOTLAND LIMITED**

We have audited the financial statements of Volunteer Development Scotland Limited for the year ended 31 March 2016 set out on pages 13 to 31. 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 solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable 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. Our audit work has been undertaken so that we might state to the charitable company's members and the charitable company's Trustees 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 charitable company, the charitable company's members as a body and the charitable company's Trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, 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 auditors under the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report to you 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 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 Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF VOLUNTEER
DEVELOPMENT SCOTLAND LIMITED**

OPINION ON FINANCIAL STATEMENTS

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 2016 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.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report, incorporating the Strategic 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

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 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; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Ellen Waters BA CA (Senior Statutory Auditor)

for and on behalf of

French Duncan LLP

Statutory Auditors & Chartered Accountants

Macfarlane Gray House
Castle Craig Business Park
Springbank Road
Stirling
FK7 7WT

30 August 2016

French Duncan LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2016**

		Unrestricted funds 2016	Restricted funds 2016	Total funds 2016	Total funds As restated 2015
	Note	£	£	£	£
INCOME FROM:					
Donations and legacies	2	800,000	-	800,000	800,000
Investments	3	4,100	-	4,100	10,282
Incoming resources from charitable activities:	4				
Core		98,820	-	98,820	-
VS Disclosure Services		707,321	-	707,321	734,640
Projects including Scottish Government		149,997	15,343	165,340	1,070,749
TOTAL INCOMING RESOURCES		1,760,238	15,343	1,775,581	2,615,671
RESOURCES EXPENDED					
Raising funds	5	112,335	-	112,335	158,624
Charitable activities:	6,7				
Health		-	-	-	55,520
Core		493,060	-	493,060	505,463
VS Disclosure Services		726,709	7,280	733,989	731,914
Projects including Scottish Government		386,051	-	386,051	1,104,762
TOTAL RESOURCES EXPENDED		1,718,155	7,280	1,725,435	2,556,283
NET INCOME		42,083	8,063	50,146	59,388
NET MOVEMENT IN FUNDS		42,083	8,063	50,146	59,388
Total funds at 1 April 2015		1,506,691	11,480	1,518,171	1,458,783
TOTAL FUNDS AT 31 MARCH 2016		<u>1,548,774</u>	<u>19,543</u>	<u>1,568,317</u>	<u>1,518,171</u>

All activities relate to continuing operations.

The notes on pages 16 to 31 form part of these financial statements.

VOLUNTEER DEVELOPMENT SCOTLAND LIMITED

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REGISTERED NUMBER: SC106743

**BALANCE SHEET
AS AT 31 MARCH 2016**

	Note	£	2016 £	£	As restated 2015 £
FIXED ASSETS					
Tangible assets	12		1,815,795		1,831,348
CURRENT ASSETS					
Debtors	13	37,931		53,384	
Cash at bank and in hand		938,894		916,349	
		<u>976,825</u>		<u>969,733</u>	
CREDITORS: amounts falling due within one year	14	(117,360)		(168,437)	
NET CURRENT ASSETS			<u>859,465</u>		<u>801,296</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,675,260</u>		<u>2,632,644</u>
CREDITORS: amounts falling due after more than one year	15		(952,943)		(1,000,473)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>1,722,317</u>		<u>1,632,171</u>
Defined benefit pension scheme liability	16		(154,000)		(114,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>1,568,317</u>		<u>1,518,171</u>
CHARITY FUNDS					
Restricted funds	18		19,543		11,480
Unrestricted funds	18		1,548,774		1,506,691
TOTAL FUNDS			<u>1,568,317</u>		<u>1,518,171</u>

The financial statements were approved by the Trustees on 30 August 2016 and signed on their behalf, by:

David Metcalfe

Mr D Metcalfe
Trustee

The notes on pages 16 to 31 form part of these financial statements.

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**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	20	<u>69,947</u>	<u>100,141</u>
Cash flows from financing activities:			
Repayments of borrowings		<u>(47,530)</u>	<u>(46,707)</u>
Net cash used in financing activities		<u>(47,530)</u>	<u>(46,707)</u>
Change in cash and cash equivalents in the year		22,417	53,434
Cash and cash equivalents brought forward		<u>916,349</u>	<u>862,915</u>
Cash and cash equivalents carried forward	21	<u><u>938,766</u></u>	<u><u>916,349</u></u>

VOLUNTEER DEVELOPMENT SCOTLAND LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006

Volunteer Development Scotland Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. ACCOUNTING POLICIES (continued)

1.3 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

The following were changes in accounting policies arising from the transition to FRS 102:

The application of FRS 102 requires the NPV of defined benefit pension liabilities to be recognised in the balance sheet. The discount is then unwound each year. This change has been applied retrospectively and accordingly the comparative figures have been adjusted for 31 March 2015.

In accordance with FRS 102, a reconciliation of opening balances is provided here:

	31 March 2015 £	
Reconciliation of reported net income		
Net income/(expenditure) as previously stated	53,655	
Adjustment for remeasurement and unwinding of discount on pension deficit and removal of pension deficit payment accrued	5,733	
Net income as restated as at 31/03/2015	59,388	
	01 April 2014 £	01 April 2015 £
Reconciliation of funds and balances		
Fund balances as previously stated	1,564,783	1,618,438
Pension deficit liability brought in	(119,000)	(119,000)
Adjustment for remeasurement and unwinding of discount on pension deficit	-	(8,000)
Adjustment for payment of defined benefit contribution	13,000	13,000
Adjustment for removal of pension deficit accrual	-	13,733
Fund balances as restated	1,458,783	1,518,171

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**NOTES TO THE FINANCIAL STATEMENTS
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1. ACCOUNTING POLICIES (continued)

1.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.5 Income

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

Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Allocation and apportionment of costs

Costs of generating funds comprise the costs associated with the administration and development of the generated funds. 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. All costs are allocated between the expenditure categories of the statement of financial activity on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. ACCOUNTING POLICIES (continued)

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	-	Straight line over 125 years
Computer equipment	-	100% on cost

Mixed use property is separated between investment property and long leasehold property, unless the fair value of the investment property component cannot be measured reliably, in which case it is included as long term leasehold property. The charity's leasehold property is a mixed use property, however the investment property component cannot be measured reliably.

1.8 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.10 Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.12 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.13 Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

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**NOTES TO THE FINANCIAL STATEMENTS
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1. ACCOUNTING POLICIES (continued)

1.14 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.15 Pensions

The charity is a participating member in the Pension Trust's Growth Plan Scheme Series 3, which is a defined benefit scheme in nature for some employees. The assets of the scheme are held separately from those of the charity. Contributions are charged to the Statement of Financial Activities as incurred.

The charity is also a participating member in the Pension Trust Growth Plan Series 4. This scheme is a defined contribution arrangement. The assets of this scheme are held separately from those of the charity. Contributions paid to this scheme are charged to the Statement of Financial Activities as incurred.

Employees who are not members of the Pension Trust Growth Plans, have in the past, made their own pension arrangements with personal pension schemes chosen individually by the employee. All such schemes are money purchases. However, since the auto-enrolment staging date of 1 November 2014 enrolment to personal pension schemes have closed and new employees since that date are enrolled through The Pensions Trust. Contributions are charged to the Statement of Financial Activities as incurred.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Grants	800,000	-	800,000	800,000

In 2015, of the total income from donations and legacies, £800,000 was to unrestricted funds and £NIL was to restricted funds.

Grants received, included in the above, are as follows:

	2016 £	2015 £
Core funding	800,000	800,000

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**NOTES TO THE FINANCIAL STATEMENTS
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3. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Interest received	4,100	-	4,100	10,282

In 2015, of the total investment income, £10,282 was to unrestricted funds and £NIL was to restricted funds.

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Core	98,820	-	98,820	-
VS Disclosure Services	707,321	-	707,321	734,640
Projects including Scottish Government	149,997	15,343	165,340	1,070,749
	<u>956,138</u>	<u>15,343</u>	<u>971,481</u>	<u>1,805,389</u>

In 2015, of the total income from charitable activities, £855,310 was to unrestricted funds and £950,079 was to restricted funds.

	VSDS £	Projects inc SG £	Core £	2016 £	2015 £
Grants	707,321	32,747	-	740,068	1,336,754
Other income	-	87,251	-	87,251	51,929
Contracts	-	25,703	-	25,703	347,965
Rent and room hire	-	19,639	98,820	118,459	68,741
Total	<u>707,321</u>	<u>165,340</u>	<u>98,820</u>	<u>971,481</u>	<u>1,805,389</u>

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Grants received, included in the above, are as follows:

	2016 £	2015 £
VS Disclosure Services	707,321	734,640
Big lottery fund	-	487,714
Volunteer games legacy	-	114,400
Zero Waste	17,095	-
MoD	15,652	-
Total	<u>740,068</u>	<u>1,336,754</u>

5. RAISING FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Voluntary income staff costs	<u>112,335</u>	<u>-</u>	<u>112,335</u>	<u>158,624</u>

In 2015, of the total cost of raising funds, £158,624 was expenditure from unrestricted funds and £NIL was expenditure from restricted funds.

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds As restated 2015 £
Health	-	-	-	55,520
Core	457,379	-	457,379	505,463
VS Disclosure Services	722,025	7,280	729,305	727,497
Projects including Scottish Government	386,051	-	386,051	1,070,850
	<u>1,565,455</u>	<u>7,280</u>	<u>1,572,735</u>	<u>2,359,330</u>

In 2015, of the total expenditure, £1,339,877 was expenditure from unrestricted funds and £1,019,453 was expenditure from restricted funds. This expenditure is made up of direct and support costs which are detailed in notes 8 and 9.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

7. GOVERNANCE COSTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Auditors remuneration - VSDS	4,684	-	4,684	4,417
Auditors remuneration - Core	5,096	-	5,096	4,823
Wages and salaries - Core	26,359	-	26,359	25,547
NI - Core	3,054	-	3,054	3,004
Pension costs - Core	1,172	-	1,172	538
	<u>40,365</u>	<u>-</u>	<u>40,365</u>	<u>38,329</u>

8. DIRECT COSTS

	Core £	VSDS £	Projects inc SG £	Total 2016 £	Total As restated 2015 £
Staff training	1,284	2,826	-	4,110	5,002
Printing and postage	253	1,245	-	1,498	1,509
Subscriptions	1,894	450	448	2,792	3,099
Professional fees	10,786	11,949	21,516	44,251	130,903
Advertising, PR and digital	-	2,700	2,214	4,914	2,686
Meetings and seminars	12,155	5,152	2,967	20,274	28,316
Volunteer costs	-	-	-	-	511,675
Management fee	(54,973)	54,973	-	-	-
Sub-contractor costs	110,308	6,515	-	116,823	163,272
Occupancy charge	(49,000)	49,000	-	-	-
Unwinding of discount	1,000	1,000	-	2,000	3,000
Wages and salaries	239,173	368,407	307,866	915,446	1,085,909
National insurance	17,258	31,852	26,618	75,728	99,786
Pension cost	47,804	53,166	16,240	117,210	84,319
	<u>337,942</u>	<u>589,235</u>	<u>377,869</u>	<u>1,305,046</u>	<u>2,119,476</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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9. SUPPORT COSTS

	Core	VSDS	Projects inc SG	Total 2016	Total 2015
	£	£	£	£	£
Printing and postage	5,117	31,675	-	36,792	42,391
Staff recruitment	-	855	-	855	3,015
Meetings and seminars	86	-	-	86	-
Office maintenance	20,696	16,975	-	37,671	42,498
IT hardware and software	9,881	51,620	-	61,501	21,000
Rates	3,191	3,253	-	6,444	5,691
Electricity and gas	5,588	6,768	-	12,356	15,274
Telephone	5,054	9,549	-	14,603	15,039
Leasing costs	3,170	4,527	-	7,697	10,481
Insurance	7,777	8,329	-	16,106	16,632
Sundries	25,408	6,519	8,182	40,109	33,538
Loan interest	17,916	-	-	17,916	18,740
Depreciation	15,553	-	-	15,553	15,555
	<u>119,437</u>	<u>140,070</u>	<u>8,182</u>	<u>267,689</u>	<u>239,854</u>

10. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets: - owned by the charity	15,553	15,555
Auditors' remuneration	<u>9,780</u>	<u>9,240</u>

During the year, no Trustees received any remuneration (2015 - £NIL).

During the year, no Trustees received any benefits in kind (2015 - £NIL).

1 Trustee received reimbursement of expenses amounting to £86 in the current year, (2015 - no Trustees - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

11. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	1,039,176	1,249,440
Social security costs	89,846	118,036
Other pension costs (Note 16)	122,282	90,251
	<u>1,251,304</u>	<u>1,457,727</u>

The average monthly number of full time equivalent employees during the year was as follows:

	2016 No.	2015 No.
Professional/Operational staff full time	18	23
Professional/Operational staff part time	6	7
Administration staff full time	4	13
Administration staff part time	16	7
	<u>44</u>	<u>50</u>

The number of higher paid employees was:

	2016 No.	2015 No.
In the band £60,001 - £70,000	0	1
In the band £70,001 - £80,000	1	0
	<u>1</u>	<u>1</u>

The management considers its key management personnel comprise the leadership team as detailed on the reference and administration page. The total employment benefits including employer pension contributions of the key management personnel were £183,510 (2015 - £172,144).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

12. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Office equipment £	Computer equipment £	Total £
Cost				
At 1 April 2015 and 31 March 2016	1,943,686	48,714	49,512	2,041,912
Depreciation				
At 1 April 2015	112,338	48,714	49,512	210,564
Charge for the year	15,553	-	-	15,553
At 31 March 2016	127,891	48,714	49,512	226,117
Net book value				
At 31 March 2016	1,815,795	-	-	1,815,795
At 31 March 2015	1,831,348	-	-	1,831,348

13. DEBTORS

	2016 £	2015 £
Trade debtors	16,574	31,353
Prepayments and accrued income	21,357	22,031
	<u>37,931</u>	<u>53,384</u>

**14. CREDITORS:
Amounts falling due within one year**

	2016 £	2015 £
Bank loans and overdrafts	45,128	45,000
Trade creditors	23,310	49,531
Social security and other taxes	21,539	26,247
Pension fund creditor	8,686	10,793
Accruals and deferred income	18,697	36,866
	<u>117,360</u>	<u>168,437</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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15. CREDITORS:
Amounts falling due after more than one year

	2016 £	2015 £
Bank loans	<u>952,943</u>	<u>1,000,473</u>

Included within the above are amounts falling due as follows:

	2016 £	2015 £
Between one and two years		
Bank loans	<u>45,000</u>	<u>45,000</u>
Between two and five years		
Bank loans	<u>135,000</u>	<u>135,000</u>
Over five years		
Bank loans	<u>772,943</u>	<u>820,473</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2016 £	2015 £
Repayable by instalments	<u>772,943</u>	<u>820,473</u>

The property at Stirling Barracks, Forthside, Stirling is secured by a first legal mortgage dated 4 July 2007 with Triodos Bank NV.

16. PENSION COMMITMENTS

The company participates in the scheme (The Pensions Trust - The Growth Plan), a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

16. PENSION COMMITMENTS (continued)

A full actuarial valuation for the scheme was carried out at 30 September 2011. This valuation showed assets of £780m, liabilities of £928m and a deficit of £148m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2013 to 31 March 2023: £13.9m per annum (payable monthly and increasing by 3% each on 1st April)

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025: £12.9m per annum (payable monthly and increasing by 3% each on 1st April)

From 1 April 2016 to 30 September 2028: £54,560 per annum (payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised of £154,000 (2015 - £114,000) is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate of 2.07% (2015 - 1.74%). The unwinding of the discount rate is recognised as a finance cost.

17. OPERATING LEASE COMMITMENTS

At 31 March 2016 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Expiry date:		
Between 2 and 5 years	<u>27,653</u>	<u>35,554</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS

	Brought Forward As restated £	Incoming resources £	Resources Expended £	Transfers in/out £	Carried Forward £
Designated funds					
Property Funds	785,875	-	-	31,977	817,852
General funds					
General Funds	720,816	1,760,238	(1,718,155)	(31,977)	730,922
Total Unrestricted funds	1,506,691	1,760,238	(1,718,155)	-	1,548,774
Restricted funds					
Police Act	11,480	-	(7,280)	-	4,200
Historic Environment Scotland	-	15,343	-	-	15,343
	11,480	15,343	(7,280)	-	19,543
Total of funds	1,518,171	1,775,581	(1,725,435)	-	1,568,317

SUMMARY OF FUNDS

	Brought Forward As restated £	Incoming resources £	Resources Expended £	Transfers in/out £	Carried Forward £
Property funds	785,875	-	-	31,977	817,852
General funds	720,816	1,760,238	(1,718,155)	(31,977)	730,922
	1,506,691	1,760,238	(1,718,155)	-	1,548,774
Restricted funds	11,480	15,343	(7,280)	-	19,543
	1,518,171	1,775,581	(1,725,435)	-	1,568,317

Purpose of unrestricted funds:

General funds are those funds which the directors are free to use in accordance with the charitable objectives.

The property reserve has been set up to assist in identifying those funds that are not free funds and it represents the net book value of the leasehold property, less the associated property loan.

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**NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS (continued)

Purpose of restricted funds:

Police Act

Fund provided by Disclosure Scotland to pay the cost of police checks to ensure that charities have this facility at no cost.

Historic Environment Scotland

Income from Historic Environment Scotland for designing a research study, undertaking a survey and completing an analysis of the results to determine the range and scale of volunteering in the historic environment in Scotland; and producing a report of the findings.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds As restated 2015 £
Tangible fixed assets	1,815,795	-	1,815,795	1,831,348
Current assets	957,282	19,543	976,825	969,733
Creditors due within one year	(117,360)	-	(117,360)	(168,437)
Creditors due in more than one year	(952,943)	-	(952,943)	(1,000,473)
Provisions for liabilities and charges	(154,000)	-	(154,000)	(114,000)
	<u>1,548,774</u>	<u>19,543</u>	<u>1,568,317</u>	<u>1,518,171</u>

20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net income for the year (as per Statement of financial activities)	50,146	59,388
Adjustment for:		
Depreciation charges	15,553	15,555
Increase/(Decrease) in pension deficit	40,000	8,000
Decrease in debtors	15,453	24,474
Decrease in creditors	(51,205)	(7,276)
Net cash provided by operating activities	<u>69,947</u>	<u>100,141</u>

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NOTES TO THE FINANCIAL STATEMENTS
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21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016	2015
	£	£
Cash in hand	200	818
Bank accounts	938,566	915,531
Total	938,766	916,349