

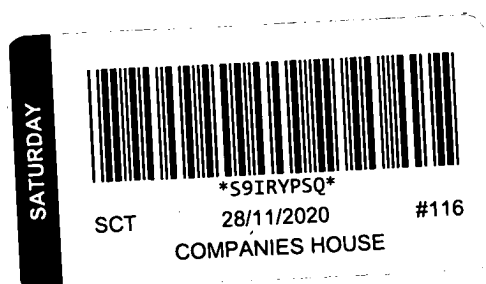
Registered number: SC106743  
Charity number: SC013740

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**VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**  
(A company limited by guarantee)

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**



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**VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**Trustees**

Ms R Harper, Chair (resigned 29 October 2019)  
Dr R Jennings, Chair  
Mr E Jackson  
Mr N Bido, Vice Chair  
Ms J Gaul  
Mr C Home  
Mr B Scott  
Mr K Geddes  
Ms F Watson  
Ms E Cormack (appointed 29 October 2019)  
Ms Angela Mitchell (appointed 29 October 2019)

**Company registered number**

SC106743

**Charity registered number**

SC013740

**Registered office and principal address**

Jubilee House  
Forthside Way  
Stirling  
FK8 1QZ

**Company secretary**

George Thomson

**Leadership**

George Thomson, Chief Executive  
Kenneth Stirratt, Head of Corporate Services

**Independent auditor**

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

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS**  
**(CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**Bankers**

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

**Solicitors**

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

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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The Trustees present their annual report together with the audited financial statements of the Volunteer Development Scotland for the year 1 April 2019 to 31 March 2020. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable 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 (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

The company also operates under the name Volunteer Scotland.

## **Planning and Objectives**

### **Vision, mission and objectives**

#### **Our Vision:**

Volunteering for All.

#### **Our Mission:**

To get more people volunteering – regularly, enjoyably and safely.

#### **Our Objectives:**

- **Participation** – more people actively participate in their communities through volunteering
- **Inclusion** – excluded groups are volunteering in mutually supportive communities for a fairer Scotland
- **Wellbeing** – volunteers' health and wellbeing is increased through volunteering

#### **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 has a focus on evidence and that allows VS to articulate types of changes required and which 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.

### **Achievement and performance**

Volunteer Scotland's 2019/20 Work Programme had a specific focus on the following policy priorities of the Scottish Government:

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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1. Empowering communities through increased volunteering participation and increased involvement of excluded groups
2. Helping to deliver greater fairness and equality, including developing linkages and collaboration between the third sector and key partners across all sectors
3. To make more effective volunteer engagement at all levels from communities, local, national and international
4. Improving the health and wellbeing of both volunteers and those they support
5. Deepening collaborative approaches across the sector to maximise impact and public value
6. Effective governance and shared leadership of volunteering
7. Our planning made no reference to the Covid-19 pandemic which has caused such major disruption in all our lives since the last quarter of 2019-20. Volunteer Scotland reacted swiftly and effectively and were an integral part of Scottish Government's 'Scotland Ready' initiative which began as direct result of this virus. Over the first few weeks of the campaign circa 35k people registered through Volunteer Scotland for various volunteering opportunities which we recognised would be utilised in recovery phases of the pandemic. We have had some great successes in mobilising of volunteers since the outbreak in addition to the huge community volunteering effort which has been demonstrated through this period.

To help retain this wave of new volunteers we have engaged them and sign posted them together with various partners to engage in Mental Health training, Community Mappers, Charity Shop vacancies, Scottish Badminton volunteers, Path for All - Walk Leaders, The Big Lunch -Eden Project and with Shelter Scotland Housing -Rights Defender.

Volunteer Scotland have also created a weekly Podcast 'Radio V' in an attempt to keep volunteers informed, connected and amused through this period and has been given good reviews.

#### **Voice & Advocacy**

##### **•Influencing Policy**

Volunteer Scotland has used a variety of research and evaluation evidence to help inform Scottish Government policy. A range of authoritative evidence on volunteering in Scotland has been completed over this period which will help inform the Government's policy and that of our key partners.

##### **•Policy consultations**

Volunteer Scotland continues to support consultations that influence policy and practice in partnership with key stakeholders.

##### **•Campaigns and Events**

Volunteer Development Scotland supported the following campaigns through website news, blogs and social media. Activities included - International Volunteer Managers' Day, Befriending Week, #iwill, St Andrew's Day and International Volunteers' Day.

VS also led a National Campaign to create awareness of volunteering and to recognise the contribution that volunteers make to society.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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## **Research**

### **•Young People in Scotland 2019 Survey**

Ipsos-Mori was commissioned to undertake our third Young People in Scotland Survey. The results were forwarded to VS in December 2019 and analysis has been conducted to final draft stage. Headline findings were presented to the UK Youth Volunteering Forum on 18 February 2020.

### **•Volunteering and Scotland's Historic Environment**

Research study was based on secondary data to complement the 2016 Volunteer Scotland study. VS submitted a tender to Historic Environment Scotland for this work and a scoping meeting was held. However, this work is currently on hold pending a funding decision by HES. The plan is to deliver the work in 2020/21.

### **•Contribution of volunteering to Scotland's health & wellbeing**

VS led the SVF Steering Group for a 12-month period which guided and supported the production of four key publications: the Full Report, Summary Report, Influencer and Practitioner Guides. The outputs were widely shared by the Steering Group members and guest blogs (x4) were posted on our website.

### **•PhD research**

Research on the relationship between associational life and volunteering in local communities.

### **•Research – quantitative datasets**

NHS Greater Glasgow & Clyde - Triennial Health and Wellbeing survey 2017/18: cross-sectional analysis. The full analysis and reporting for the volunteering data in the NHSGGC survey has been completed and shared with the Steering Group comprising NHSGGC, Volunteer Glasgow and GCPH.

### **•Understanding Society**

Longitudinal dataset – analysis of the volunteering questions by Cardiff University – comparing Scotland with England and Wales. This analysis has been completed by Cardiff University and we have responded to them with our comments.

### **•Cross-sectional analysis of SHS volunteering data**

VS has completed its cross-sectional analysis of the 2016 SHS dataset examining the relationship between formal volunteering and social indicators such as health, culture, neighbourhood engagement, caring responsibilities and household characteristics. The outputs were published in December 2019.

## **Leadership & Facilitation**

### **•Stirling Project**

The partnership has established with Stirling Council to create a unique brand and LA commitment to volunteer growth and inclusion called "Stirling's Alive with Volunteering". Additional resources have been produced by SVE to assist in our ambitions for change, including local based activity. The Covid-19 crisis delayed this, however virtual planning meetings are continuing. This work is fully aligned with the 'Volunteering for All' strategic direction.

### **•CommUnity Bubble Network**

A network 'blue-print' was created from this innovative pilot project which aims to stimulate community-led engagement in volunteering through Volunteering Events, Community building, 'Bubbletalks'- dialogues about volunteering matters, creating a CommUnity Bubble Network of people and places with a package of resources, support and guidance.

### **•Our Place in Time (OPiT)**

A new brand called "Make your Mark" has been designed and the strategy has been aligned to Volunteering for All. This work has been shared at the highest levels, including Scottish Government. This initiative gives us the

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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opportunity to evidence how a sector can apply the 'Volunteering for All' framework for growth and inclusion and be a model for other sectors.

**•Evidence Expos**

Scotland-wide collaboration to share the latest evidence and insights about volunteering in Scotland in a way that invites collaborative action and change aligned to the 'Volunteering for All' volunteering outcomes. The 'Volunteering for All' community building and volunteering Expo at 'The Gathering' 2020 (February) was highly successful.

**•UK & International Influence**

Volunteer Scotland has been involved with many projects outwith Scotland including UK Volunteering Forum, Investors in Volunteers, Queens Award for Volunteer Service, Centre of European Volunteering, European Volunteering Capital events in Padua and Kosice and also the Erasmus project on language for inclusion.

**•Open University Learning Partnership**

Our partnership with the OU has allowed us to promote further learning via their 'digital champions' function. We are currently in discussions with the Centre for Voluntary Sector Leadership to explore the possibility of developing more online training around volunteer practice. Together with the local TSI we presented our online courses as part of North Ayrshire Council's Community Training programme.

**•National Volunteering Inclusion Group**

The group has developed learning materials to share with others that will support inclusive volunteering and growth. They will also move into an advocacy role. This group has held 3 workshops, developed two Top Tips and co-hosted the Cross-Party Group on Disability.

**•Volunteer Scotland Disclosure Services**

VSDS regularly engages with partners and enrolled organisations to discuss the volunteering landscape and the forecast in their particular areas for growth. VSDS need to take this into consideration when forecasting future trends for application processing. We are working with TSI Network to increase awareness of VSDS service in small group network and minority areas where visibility is lower.

VSDS are also involved in consultation in the Disclosure Scotland Bill and play an important role in ensuring that the voice of the volunteer is heard during this consultation.

Covid-19 has provided an opportunity to engage with the small hard-to-reach community groups in respect of the safe-guarding issues and how these should be considered at the local level. The opportunity to engage with these groups had been difficult initially as they were a great unknown. The smaller organisations that had structure and are a legal entity are easier to speak with and VSDS is using partners to reach out to these groups.

**•Communications and digital and initiatives**

VDS has provided online solutions to facilitate more effective online matching of volunteer opportunities to the interest of volunteers, measurable through analytics. We've created a Chatbot 'volunteer advisor' run through Facebook; to help match individuals to opportunities. This is at an early stage but the prototype has undergone limited testing internally during this period.

We are a partner in the Oxchain project to create a new type of blockchain co-designed and tested within volunteering. The Oxchain project has generated several outputs including 'PizzaBlock' - a role-playing game and design workshop to introduce participants to decentralised identity management systems.

Volunteer Scotland helped to develop this game and to co-author a paper submitted to a prestigious academic conference – the Designing Interactive Systems conference - during this period.

To help develop and support a new Volunteering Zone replacement solution via SCVO. We continue to work with



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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SCVO to simplify the opportunity search infrastructure and provide an improved interface that draws exclusively on Milo data.

**Governance & Accountability**

VDS has a gold Investors in People Award and an accredited Investors in Young People Award. The review process is carried out in a 3-year cycle. We had an interim review in December 2019 for both awards and remain on track to retaining these.

VDS, supported by our Board members, provide the strategic challenge and direction required to drive through our business transformation process and the effective delivery of our Work Programme despite the many challenges that Covid-19 places upon the operational aspirations of Volunteer Scotland, the sector and society in general.

**Financial review**

**Going concern**

At 31 March 2020 VDS holds total reserves of £1,868,399 which includes a strong level of cash balances. However we recognise the potential risks associated with the current crisis and VS may require to utilise some of this reserve balance in the short term to overcome downturns in some levels of income which we are experiencing. However we do not expect any negative impacts from our main core funders which account for the main source of funding of VDS. The budget for 20/21 has been reforecast based on the expected impact of the Covid-19 pandemic and performance is closely monitored. 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 for financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

**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.

The Head of Corporate Services is the key support to the committee and this forum provides an invaluable space to discuss and review all financial exposures and any risks which may affect the ongoing running of the organisation and our sustainability.

Risk is managed on a regular basis through review and update of our existing Risk Framework which is maintained by key business personnel responsible for the specific areas of risk management. We have no business critical matters outstanding and have no legal actions or threats of any legal action against our organisation.

Volunteer Scotland recognises the exposure we have to financial and operational implications arising from Covid-19 and we will attempt to minimise our risk associated with this for our staff, clients, customers and tenants as well as our operations.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**Financial review (continued)**

**Risk management (continued)**

Business expenditure is effectively controlled against approved budget and any costs must be within the limits set within delegated expenditure authorisation. Bank movements must also be pre-approved by two business signatories neither of whom are finance staff.

The principal business risk is related to our ongoing relationship with our main funders, Scottish Government and Disclosure Scotland who contribute to our ongoing operations. Funding has been agreed for 2020-21 and we do not anticipate any risk associated with this.

In addition VS carries out other associated deliverables as detailed in our achievements above and risk is managed effectively throughout. We also own Jubilee House, Stirling and health and safety for our staff and tenants is of paramount importance, particularly in this pandemic, and again we have managed this effectively throughout to date.

**Reserves policy**

The reserves policy adopted by the Board is based on the major risks facing the organisation. The level of reserves is monitored by the Trustees on a quarterly basis and at 31 March 2020 the general reserves stood at £1,063,816, this amount being approximately 7 months of total resources expended in 2019/20 with designated funds totalling £777,738, which can only be converted to cash if the property in which we operate is sold. Therefore, the total unrestricted general reserves stood at £1,841,554 and the Board considers this amount sufficient to cover staff and operating costs on a short term basis to allow for reorganisation in the event of a significant decrease in income.

Restricted reserves at 31 March 2020 stood at £26,845 and this represents funds which have been received and restricted for specific projects. The value of this funding is variable and is dependent upon funding received and any restrictions stipulated in the funding offer.

**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 2019-2020 VDS continued to work with various clients in the public and private sector delivering a variety of training and contractual opportunities. We recognise that we have some financial exposure during 2020-21 due to reductions in non-core funding and we intend to utilise our unrestricted reserves to meet this gap.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**Financial review (continued)**

**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.

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 at that date, such amount as required but not exceeding £1.

**Methods 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.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**Structure, governance and management (continued)**

**Organisational structure and decision-making policies**

Volunteer Scotland hold four Board meetings a year and their Annual General meeting is held in October. In addition VDS holds four directors workshops throughout the year.

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, 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 Director 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.

**Policies adopted for the induction and training of Directors**

Volunteer 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 key management personnel**

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 2020**

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**Structure, governance and management (continued)**

**Related party relationships**

Volunteer 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 (VSDS) is a function of Volunteer 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.

**Plans for future periods**

Looking ahead Volunteer Development Scotland will continue to play 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 Scotland has four strategic outcomes which will be used to assess its performance and impact in the delivery of the Government's strategic priorities during 2020/21:

1. More excluded groups are volunteering in mutually supportive communities.
2. Effective leadership for innovation and volunteering change.
3. Key partners across all sectors are better supported and facilitated for volunteering growth and inclusion.
4. International, national, local and community volunteer engagers are more effective in their volunteer engagement.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the company 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 company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements 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 company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 (as amended). 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.

**Disclosure of information to auditor**

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 charity's auditor is 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 charity's auditor is aware of that information.

**Auditor**

The auditor, French Duncan LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



**G Thomson**  
(Secretary)

Date: 28th October 2020

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**

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**Opinion**

We have audited the financial statements of Volunteer Development Scotland Limited (the 'charitable company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 2020 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.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Emphasis of matter**

Without qualifying our opinion, we draw attention to the disclosures made in Note 15 to the Financial Statements and the professional valuation of the investment property element of the leasehold property at 31 March 2020 reported on the basis of material valuation uncertainty as a result of the Covid-19 pandemic.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VOLUNTEER DEVELOPMENT SCOTLAND LIMITED (CONTINUED)**

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**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate and proper accounting records have not been kept, 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.



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**VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**  
(A company limited by guarantee)

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VOLUNTEER DEVELOPMENT SCOTLAND LIMITED (CONTINUED)**

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**Responsibilities of trustees**

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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

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**VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**  
**(A company limited by guarantee)**

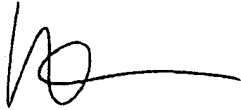
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VOLUNTEER DEVELOPMENT SCOTLAND LIMITED (CONTINUED)**

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**Use of our report**

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 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 Trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, its members, as a body, and its trustees, as a body for our audit work, for this report, or for the opinions we have formed.



Antony J Sinclair (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

Date: 2 November 2020

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

**VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>					
Donations and legacies	4	-	800,000	800,000	800,000
Charitable activities	5	794,506	58,640	853,146	854,500
Other trading activities	6	-	153,537	153,537	153,469
Investments	7	-	7,297	7,297	6,354
<b>Total income</b>		<b>794,506</b>	<b>1,019,474</b>	<b>1,813,980</b>	<b>1,814,323</b>
<b>Expenditure on:</b>					
Raising funds	8	-	78,168	78,168	123,042
Charitable activities	9	786,935	863,968	1,650,903	1,578,944
<b>Total expenditure</b>		<b>786,935</b>	<b>942,136</b>	<b>1,729,071</b>	<b>1,701,986</b>
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>7,571</b>	<b>77,338</b>	<b>84,909</b>	<b>112,337</b>
<b>Other recognised gains/(losses):</b>					
Loss on valuation of investment property	14	-	(181,696)	(181,696)	-
<b>Net movement in funds</b>		<b>7,571</b>	<b>(104,358)</b>	<b>(96,787)</b>	<b>112,337</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		19,274	1,945,912	1,965,186	1,852,849
Net movement in funds		7,571	(104,358)	(96,787)	112,337
<b>Total funds carried forward</b>		<b>26,845</b>	<b>1,841,554</b>	<b>1,868,399</b>	<b>1,965,186</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 21 to 47 form part of these financial statements.

**VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: SC106743**

**BALANCE SHEET**  
**AS AT 31 MARCH 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	14	1,139,827	1,769,133
Investment property	15	437,500	-
		<u>1,577,327</u>	<u>1,769,133</u>
<b>Current assets</b>			
Debtors	16	39,717	50,636
Investments	17	500,000	500,000
Cash at bank and in hand		754,339	706,251
		<u>1,294,056</u>	<u>1,256,887</u>
Creditors: amounts falling due within one year	18	(153,565)	(138,794)
<b>Net current assets</b>		<u>1,140,491</u>	<u>1,118,093</u>
<b>Total assets less current liabilities</b>		<u>2,717,818</u>	<u>2,887,226</u>
Creditors: amounts falling due after more than one year	19	(749,103)	(800,040)
<b>Net assets excluding pension liability</b>		<u>1,968,715</u>	<u>2,087,186</u>
Defined benefit pension scheme liability	28	(100,316)	(122,000)
<b>Total net assets</b>		<u><u>1,868,399</u></u>	<u><u>1,965,186</u></u>
<b>Charity funds</b>			
Restricted funds	21	26,845	19,274
Unrestricted funds	21	1,841,554	1,945,912
<b>Total funds</b>		<u><u>1,868,399</u></u>	<u><u>1,965,186</u></u>

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**VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**  
**(A company limited by guarantee)**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2020**

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The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

**Dr R Jennings**  
(Chair of Trustees)



Date:

28-10-2020

The notes on pages 21 to 47 form part of these financial statements.

**VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	<b>90,729</b>	<b>84,884</b>
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	<b>7,297</b>	<b>6,354</b>
<b>Net cash provided by investing activities</b>	<b>7,297</b>	<b>6,354</b>
<b>Cash flows from financing activities</b>		
Repayments of borrowing	<b>(49,938)</b>	<b>(49,547)</b>
<b>Net cash used in financing activities</b>	<b>(49,938)</b>	<b>(49,547)</b>
<b>Change in cash and cash equivalents in the year</b>	<b>48,088</b>	<b>41,691</b>
Cash and cash equivalents at the beginning of the year	<b>706,251</b>	<b>664,560</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>754,339</b>	<b>706,251</b>

The notes on pages 21 to 47 form part of these financial statements

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**VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**1. General information**

The company is a company limited by guarantee and the registered office is Jubilee House, Forthside Way, Stirling, FK8 1QZ. The members of the company are the Trustees named on page. 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.

The financial statements have been presented in GBP as this is the functional and presentational currency of the company.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2019), 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.

**2.2 Going concern**

The trustees have considered forecasts for 20/21 which have been updated in light of the current Covid-19 pandemic and have assessed the levels of confirmed income and the likely impact on other income streams and related expenditure. After considering these forecasts and other available information, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and for at least 12 months from the date of approval of these accounts. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

**2.3 Income**

Income from government and other grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount of income receivable can be measured reliably and is not deferred

Other income and rental income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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**VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**2. Accounting policies (continued)**

**2.4 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.

**2.5 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 institution with whom the funds are deposited.

**2.6 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.

**2.7 Tangible fixed assets and depreciation**

Tangible fixed assets costing £10,000 or more are considered for capitalisation.

Tangible fixed assets are initially recognised at cost. After recognition tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.



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**VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**2. Accounting policies (continued)**

**2.7 Tangible fixed assets and depreciation (continued)**

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- Straight line over 125 years
Office equipment	- 100% on cost
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, and has been split between investment property component and fixed assets in the current year.

**2.8 Investments**

Investment property held for investment potential is recorded at fair value. Realised and unrealised gains and losses are included in the Statement of Financial Activities. No provision is made for depreciation of investment properties. The Trustees review the carrying value of investment properties at the balance sheet date.

**2.9 Current asset investments**

Monies held on deposit with a maturity date exceeding three months are classed as current asset investments.

**2.10 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.

**2.11 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.

**2.12 Liabilities**

Liabilities 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 reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**2.13 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.

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**VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**2. Accounting policies (continued)**

**2.14 Operating leases**

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

**2.15 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.

**2.16 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.

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**VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**3. Critical accounting estimates and areas of judgement**

In the application of the charitable company's accounting policies the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The investment property is included in the accounts at a valuation and is reviewed by the Trustees using information from a valuation carried out by third party surveyors. The Trustees review the carrying value of the property at the balance sheet date. This involves an assessment of the information from third parties and the market including the impact of Covid-19.

**4. Income from donations and legacies**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Grants	800,000	<b>800,000</b>	800,000
	<hr/>	<hr/>	<hr/>
<i>Total 2019</i>	800,000	800,000	
	<hr/>	<hr/>	

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

	<b>2020 £</b>	<b>2019 £</b>
Scottish Government	<b>800,000</b>	800,000
	<hr/>	<hr/>

**VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**5. Income from charitable activities**

	<b>Restricted funds 2020 £</b>	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
VS Disclosure Services	763,024	-	<b>763,024</b>
Projects	31,482	58,640	<b>90,122</b>
	<u>794,506</u>	<u>58,640</u>	<u><b>853,146</b></u>
	<b>Restricted funds 2019 £</b>	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>
VS Disclosure Services	748,407	-	<b>748,407</b>
Projects	24,109	81,984	<b>106,093</b>
	<u>772,516</u>	<u>81,984</u>	<u><b>854,500</b></u>

**VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**5. Income from charitable activities (continued)**

	<b>VSDS 2020 £</b>	<b>Projects 2020 £</b>	<b>Total funds 2020 £</b>
Grants	763,024	15,560	<b>778,584</b>
Other income	-	74,562	<b>74,562</b>
	<u>763,024</u>	<u>90,122</u>	<u><b>853,146</b></u>

	<b>VSDS 2019 £</b>	<b>Projects 2019 £</b>	<b>Total funds 2019 £</b>
Grants	748,407	-	<b>748,407</b>
Other income	-	106,093	<b>106,093</b>
	<u>748,407</u>	<u>106,093</u>	<u><b>854,500</b></u>

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

	<b>2020 £</b>	<b>2019 £</b>
Disclosure Scotland	<b>763,024</b>	<b>748,407</b>
Solheim Cup	<b>15,560</b>	-
	<u><b>778,584</b></u>	<u><b>748,407</b></u>

**VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**6. Income from other trading activities**

**Income from non charitable trading activities**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<i>Total funds 2019 £</i>
Rent and room hire	153,537	<b>153,537</b>	153,469
	<u>153,537</u>	<u><b>153,537</b></u>	<u>153,469</u>
<i>Total 2019</i>	<u>153,469</u>	<u><b>153,469</b></u>	

**7. Investment income**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<i>Total funds 2019 £</i>
Interest received	7,297	<b>7,297</b>	6,354
	<u>7,297</u>	<u><b>7,297</b></u>	<u>6,354</u>
<i>Total 2019</i>	<u>6,354</u>	<u><b>6,354</b></u>	

**VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**8. Expenditure on raising funds**

**Costs of raising voluntary income**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Wages and salaries	65,915	<b>65,915</b>	103,527
NI	7,760	<b>7,760</b>	11,990
Pension costs	4,493	<b>4,493</b>	7,525
	<u>78,168</u>	<u><b>78,168</b></u>	<u>123,042</u>
<i>Total 2019</i>	<u>123,042</u>	<u><b>123,042</b></u>	

**9. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Restricted funds 2020 £</b>	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Core	-	645,466	<b>645,466</b>
VS Disclosure Services	756,281	-	<b>756,281</b>
Projects	30,654	218,502	<b>249,156</b>
	<u>786,935</u>	<u>863,968</u>	<u><b>1,650,903</b></u>

**VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**9. Analysis of expenditure on charitable activities (continued)**

**Summary by fund type (continued)**

	<i>Restricted funds 2019 £</i>	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Core	-	603,402	603,402
VSDS	736,343	-	736,343
Projects	24,109	215,090	239,199
	<u>760,452</u>	<u>818,492</u>	<u>1,578,944</u>

**10. Analysis of expenditure by activities**

	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Core	478,632	166,834	645,466
VS Disclosure Services	619,258	137,023	756,281
Projects	241,013	8,143	249,156
	<u>1,338,903</u>	<u>312,000</u>	<u>1,650,903</u>

	<i>Activities undertaken directly 2019 £</i>	<i>Support costs 2019 £</i>	<i>Total funds 2019 £</i>
Core	405,247	198,155	603,402
VS Disclosure Services	597,408	138,935	736,343
Projects	228,979	10,220	239,199
	<u>1,231,634</u>	<u>347,310</u>	<u>1,578,944</u>



**VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**10. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	<b>Core 2020 £</b>	<b>VSDS 2020 £</b>	<b>Projects 2020 £</b>	<b>Total funds 2020 £</b>
Staff costs	471,766	486,018	128,421	<b>1,086,205</b>
Staff training	1,781	2,463	-	<b>4,244</b>
Printing and postage	2,554	3,210	-	<b>5,764</b>
Subscriptions	3,258	300	980	<b>4,536</b>
Professional fees	14,314	4,110	31,908	<b>50,332</b>
Advertising, PR and digital	1,914	455	19,934	<b>22,303</b>
Meetings and seminars	5,286	1,442	1,284	<b>8,012</b>
Volunteer costs	-	86	14,789	<b>14,875</b>
Occupancy charge	(49,000)	49,000	-	-
Sub-contractor costs	82,136	6,174	43,697	<b>132,007</b>
Police checks	-	8,625	-	<b>8,625</b>
Management fee	(56,375)	56,375	-	-
Unwinding of discount	1,000	1,000	-	<b>2,000</b>
	<b>478,632</b>	<b>619,258</b>	<b>241,013</b>	<b>1,338,903</b>

**VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**10. Analysis of expenditure by activities (continued)**

**Analysis of direct costs (continued)**

	<i>Core 2019 £</i>	<i>VSDS 2019 £</i>	<i>Projects 2019 £</i>	<i>Total funds 2019 £</i>
Staff costs	400,776	466,684	115,149	982,609
Staff training	4,387	3,513	-	7,900
Printing and postage	1,773	3,718	162	5,653
Subscriptions	3,246	-	840	4,086
Professional fees	7,258	3,527	43,478	54,263
Advertising, PR and digital	7,068	1,700	33,432	42,200
Meetings and seminars	5,640	867	4,593	11,100
Volunteer costs	56	-	24,106	24,162
Police checks	-	7,625	-	7,625
Sub-contractor costs	78,043	4,774	7,219	90,036
Occupancy charge	(49,000)	49,000	-	-
Management fee	(55,000)	55,000	-	-
Unwinding of discount	1,000	1,000	-	2,000
	<u>405,247</u>	<u>597,408</u>	<u>228,979</u>	<u>1,231,634</u>

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**10. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Core 2020 £</b>	<b>VSDS 2020 £</b>	<b>Projects 2020 £</b>	<b>Total funds 2020 £</b>
Depreciation	10,110	-	-	10,110
Staff training	5,037	-	3,340	8,377
Printing and postage	5,316	28,645	103	34,064
Staff recruitment	980	750	-	1,730
Office maintenance	16,442	21,316	50	37,808
IT hardware and software	35,400	37,726	-	73,126
Rates	4,579	6,161	-	10,740
Electricity and gas	11,495	10,596	-	22,091
Telephone	7,725	7,676	-	15,401
Leasing costs	1,554	3,808	-	5,362
Insurance	8,713	8,397	-	17,110
Sundries	9,348	7,651	4,650	21,649
Loan interest	16,624	-	-	16,624
Governance costs	33,511	4,297	-	37,808
	<u>166,834</u>	<u>137,023</u>	<u>8,143</u>	<u>312,000</u>

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**10. Analysis of expenditure by activities (continued)**

**Analysis of support costs (continued)**

	<i>Core 2019 £</i>	<i>VSDS 2019 £</i>	<i>Projects 2019 £</i>	<i>Total funds 2019 £</i>
Depreciation	15,554	-	-	15,554
Staff training	3,816	-	3,001	6,817
Printing and postage	6,507	24,988	-	31,495
Staff recruitment	1,410	-	-	1,410
Meetings and seminars	119	-	-	119
Office maintenance	31,130	24,229	-	55,359
IT hardware and software	37,897	48,844	-	86,741
Rates	4,971	4,692	-	9,663
Electricity and gas	6,745	6,828	-	13,573
Telephone	7,687	7,182	-	14,869
Leasing costs	4,102	3,412	-	7,514
Insurance	8,483	7,918	-	16,401
Sundries	10,738	6,700	7,219	24,657
Loan interest	16,588	-	-	16,588
Governance costs	42,408	4,142	-	46,550
	<u>198,155</u>	<u>138,935</u>	<u>10,220</u>	<u>347,310</u>

**11. Auditor's remuneration**

	<b>2020 £</b>	<b>2019 £</b>
Fees payable to the company's auditor for the audit of the company's annual accounts	<u><b>10,094</b></u>	<u><b>10,044</b></u>

**VOLUNTEER DEVELOPMENT SCOTLAND LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**12. Staff costs**

	2020 £	2019 £
Wages and salaries	1,034,260	990,259
Social security costs	92,241	84,498
Other pension costs	65,586	67,400
	<u>1,192,087</u>	<u>1,142,157</u>

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

	2020 No.	2019 No.
Professional/Operational staff full time	16	14
Professional/Operational staff part time	5	6
Administration staff full time	9	11
Administration staff part time	10	9
	<u>40</u>	<u>40</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020 No.	2019 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	1

The charity considers its key management personnel comprise the Trustees and 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 £166,277 (2019 - £219,035).

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**13. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2019 - NIL).

During the year ended 31 March 2020, no Trustee expenses have been incurred (2019 - £119).

**14. Tangible fixed assets**

	Long-term leasehold property £	Office equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 April 2019	1,943,686	48,714	49,512	2,041,912
Transfers between classes	(680,290)	-	-	(680,290)
At 31 March 2020	1,263,396	48,714	49,512	1,361,622
<b>Depreciation</b>				
At 1 April 2019	174,553	48,714	49,512	272,779
Charge for the year	10,110	-	-	10,110
Transfers between classes	(61,094)	-	-	(61,094)
At 31 March 2020	123,569	48,714	49,512	221,795
<b>Net book value</b>				
At 31 March 2020	1,139,827	-	-	1,139,827
At 31 March 2019	1,769,133	-	-	1,769,133

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**15. Investment property**

	Long term leasehold investment property £
<b>Valuation</b>	
Deficit on revaluation	(181,696)
Transfers between classes	619,196
At 31 March 2020	<u>437,500</u>

The investment property was valued at 31 March 2020 by an independent valuer with a recognised and relevant professional qualification, Graham & Sibbald, on the basis of fair value in accordance with the RICS Valuation Professional Standards 2014 and International Valuation Standards.

The valuer has reported that due to the Covid-19 pandemic property market activity has been impacted in many sectors. At the valuation date the valuer has attached less weight to previous market evidence for comparison purposes to inform opinion of value. The current response to Covid-19 means valuers are faced with an unprecedented set of circumstances on which to base a judgement. Hence the valuation is reported on the basis of 'material valuation uncertainty' per VPS 3 and VPGA 10 of the RICS Red Book Global. Consequently, less certainty and a higher degree of caution should be attached to this valuation than would normally be the case.

**16. Debtors**

	2020 £	2019 £
<b>Due within one year</b>		
Trade debtors	14,670	27,326
Prepayments and accrued income	25,047	23,310
	<u>39,717</u>	<u>50,636</u>

**17. Current asset investments**

	2020 £	2019 £
Monies held on deposit	500,000	500,000

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**18. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Bank loans	50,486	49,487
Trade creditors	24,560	25,934
Other taxation and social security	24,654	22,184
Other creditors	11,170	8,634
Accruals and deferred income	42,695	32,555
	<u>153,565</u>	<u>138,794</u>

**19. Creditors: Amounts falling due after more than one year**

	2020 £	2019 £
Bank loans	<u>749,103</u>	<u>800,040</u>

Included within the above are amounts falling due as follows:

	2020 £	2019 £
<b>Between one and two years</b>		
Bank loans	<u>50,486</u>	<u>49,487</u>
<b>Between two and five years</b>		
Bank loans	<u>151,458</u>	<u>148,462</u>
<b>Over five years</b>		
Bank loans	<u>547,159</u>	<u>602,091</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2020 £	2019 £
Payable or repayable by instalments	<u>547,159</u>	<u>602,091</u>

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



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**20. Financial instruments**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	<b>437,500</b>	<b>-</b>

Financial assets measured at fair value comprise investment property.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**21. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Property funds	919,606	-	-	39,828	(181,696)	777,738
<b>General funds</b>						
General funds	1,026,306	1,019,474	(942,136)	(39,828)	-	1,063,816
<b>Total Unrestricted funds</b>	<b>1,945,912</b>	<b>1,019,474</b>	<b>(942,136)</b>	<b>-</b>	<b>(181,696)</b>	<b>1,841,554</b>
<b>Restricted funds</b>						
Police Act	3,135	7,000	(8,625)	-	-	1,510
VS Disclosure Services	16,139	756,024	(747,656)	-	-	24,507
Solheim Cup	-	15,560	(14,732)	-	-	828
Volunteer Support Pot	-	15,922	(15,922)	-	-	-
	<b>19,274</b>	<b>794,506</b>	<b>(786,935)</b>	<b>-</b>	<b>-</b>	<b>26,845</b>
<b>Total of funds</b>	<b>1,965,186</b>	<b>1,813,980</b>	<b>(1,729,071)</b>	<b>-</b>	<b>(181,696)</b>	<b>1,868,399</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**21. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 April 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2019 £</i>
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Property funds	885,613	-	-	33,993	919,606
<b>General funds</b>					
General funds	960,026	1,041,807	(941,534)	(33,993)	1,026,306
<b>Total Unrestricted funds</b>	<u>1,845,639</u>	<u>1,041,807</u>	<u>(941,534)</u>	<u>-</u>	<u>1,945,912</u>
<b>Restricted funds</b>					
Police Act	760	10,000	(7,625)	-	3,135
VS Disclosure Services	6,450	738,407	(728,718)	-	16,139
Volunteer Support Pot	-	24,109	(24,109)	-	-
	<u>7,210</u>	<u>772,516</u>	<u>(760,452)</u>	<u>-</u>	<u>19,274</u>
<b>Total of funds</b>	<u><u>1,852,849</u></u>	<u><u>1,814,323</u></u>	<u><u>(1,701,986)</u></u>	<u><u>-</u></u>	<u><u>1,965,186</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**22. Summary of funds**

**Summary of funds - current year**

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
Designated funds	919,606	-	-	39,828	(181,696)	777,738
General funds	1,026,306	1,019,474	(942,136)	(39,828)	-	1,063,816
Restricted funds	19,274	794,506	(786,935)	-	-	26,845
	<u>1,965,186</u>	<u>1,813,980</u>	<u>(1,729,071)</u>	<u>-</u>	<u>(181,696)</u>	<u>1,868,399</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**22. Summary of funds (continued)**

**Summary of funds - prior year**

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2019 £
Designated funds	885,613	-	-	33,993	919,606
General funds	960,026	1,041,807	(941,534)	(33,993)	1,026,306
Restricted funds	7,210	772,516	(760,452)	-	19,274
	<u>1,852,849</u>	<u>1,814,323</u>	<u>(1,701,986)</u>	<u>-</u>	<u>1,965,186</u>

**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.

**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.

**VS Disclosure Services**

Fund used in connection with provision of appropriate advice, guidance and assistance to users of Disclosure Scotland's services and to countersign signatory applications in accordance with the Police Act 1997 and disclosure requests under the Protection of Vulnerable Groups (Scotland) Act 2007.

**Volunteer Support Pot**

Fund created in conjunction with Glasgow Life to allow volunteers engaged in a variety of events to receive financial support to enable them to do so.

**Solheim Cup**

Funds utilised to provide financial support to volunteers engaged in the Solheim Cup held at Gleneagles in September 2019.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**23. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Restricted funds 2020 £</b>	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Tangible fixed assets	-	1,139,827	<b>1,139,827</b>
Investment property	-	437,500	<b>437,500</b>
Current assets	26,845	1,267,211	<b>1,294,056</b>
Creditors due within one year	-	(153,565)	<b>(153,565)</b>
Creditors due in more than one year	-	(749,103)	<b>(749,103)</b>
Provisions for liabilities and charges	-	(100,316)	<b>(100,316)</b>
<b>Total</b>	<b>26,845</b>	<b>1,841,554</b>	<b>1,868,399</b>

**Analysis of net assets between funds - prior year**

	<i>Restricted funds 2019 £</i>	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	-	1,769,133	1,769,133
Current assets	19,274	1,237,613	1,256,887
Creditors due within one year	-	(138,794)	(138,794)
Creditors due in more than one year	-	(800,040)	(800,040)
Provisions for liabilities and charges	-	(122,000)	(122,000)
<b>Total</b>	<b>19,274</b>	<b>1,945,912</b>	<b>1,965,186</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**24. Reconciliation of net movement in funds to net cash flow from operating activities**

	2020 £	2019 £
Net income for the period (as per Statement of Financial Activities)	84,909	112,337
<b>Adjustments for:</b>		
Depreciation charges	10,110	15,554
Dividends, interest and rents from investments	(7,297)	(6,354)
Decrease in debtors	10,919	9,179
Increase/(decrease) in creditors	13,771	(38,832)
Decrease in pension deficit	(21,683)	(7,000)
<b>Net cash provided by operating activities</b>	<b>90,729</b>	<b>84,884</b>

**25. Analysis of cash and cash equivalents**

	2020 £	2019 £
Bank accounts	754,139	706,051
Cash in hand	200	200
<b>Total cash and cash equivalents</b>	<b>754,339</b>	<b>706,251</b>

**26. Analysis of changes in net debt**

	At 1 April 2019 £	Cash flows £	Other non- cash changes £	At 31 March 2020 £
Cash at bank and in hand	706,251	48,088	-	754,339
Debt due within 1 year	(49,487)	49,938	(50,937)	(50,486)
Debt due after 1 year	(800,040)	-	50,937	(749,103)
Liquid investments	500,000	-	-	500,000
	<b>356,724</b>	<b>98,026</b>	<b>-</b>	<b>454,750</b>

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**27. Contingent liabilities**

The pension withdrawal debt as at 30 September 2019 for Volunteer Development Scotland Limited was £318,181 (30 September 2018 - £286,010).

**28. Pension commitments**

The company participates in a defined contribution scheme. Contributions payable are charged in the statement of financial activities as incurred. Contributions of £68,798 were payable (2019 - £60,053). Payments of £11,170 (2019 - £8,634) were due at the year end.

The company also participates in the scheme (TPT Retirement Solutions - The Growth Plan), a multi-employer scheme which provides benefits to some 950 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.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. 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 2019 to 31 January 2025: £11.243m per annum (payable monthly and increasing by 3% each on 1st April).

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

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.



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**28. Pension commitments (continued)**

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 £101,000 (2019 - £122,000) 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 2.53% (2019 - 1.39%). The unwinding of the discount rate is recognised as a finance cost.

	2020 £	2019 £
Provision at start of year	122,000	129,000
Unwinding of discount factor	2,000	2,000
Deficit contribution paid	(20,000)	(17,000)
Remeasurement - impact of any change in assumptions	(3,000)	8,000
<b>Provision at end of year</b>	<b>101,000</b>	<b>122,000</b>

**29. Operating lease commitments**

At 31 March 2020 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	3,456	7,406
Later than 1 year and not later than 5 years	9,504	12,960
	<b>12,960</b>	<b>20,366</b>