

Charity Registration No. SC033880 (Scotland)

Company Registration No. SC239808 (Scotland)

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021



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VETERANS SCOTLAND

A COMPANY LIMITED BY GUARANTEE

LEGAL AND ADMINISTRATIVE INFORMATION

Executive Committee	Maj Gen Chris Hughes CBE	Executive Chairman
	Dr Claire Armstrong	Royal British Legion Scotland
	Mr Adrian Bell	RNRMC
	Brig Jon Bryant	BLESMA
	Mr Mark Collins	Poppyscotland
	Wg Cdr Ian Cumming MBE	Erskine
	Wg Cdr Gavin Davey OBE	Royal Air Force Benevolent Fund
	Mr Kevin Gray MM	Veterans Housing Scotland
	Lt Gen Sir Andrew Gregory KBE	SSAFA
	CB	
	Col Kevin Haugh CBE	ABF The Soldiers Charity
	Brig Martin Nadin OBE	Scottish Veterans Residences
	Mrs Melanie Waters OBE	Help for Heroes
	Mr Jeffrey Harrison	Combat Stress (Appointed 31 Jan 2021)
	Lt Col (Retd) Kevin Wood	Royal Regiment of Scotland (Appointed 17 June 2021)
Secretary	Col James Wilson	
Charity number (Scotland)	SC033880	
Company number	SC239808	
Registered office	New Haig House Logie Green Road Edinburgh EH7 4HR	
Independent examiner	Douglas Gould LLB CA Greaves West & Ayre 8 St. Ann's Place Haddington East Lothian EH41 4BS	
Bankers	Royal Bank of Scotland 36 St Andrew Square Edinburgh EH2 2YB	

VETERANS SCOTLAND

A COMPANY LIMITED BY GUARANTEE

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VETERANS SCOTLAND

A COMPANY LIMITED BY GUARANTEE

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

In my report last year, I described how we were beginning to understand the impact COVID-19 was having across the UK, and the affect it was having on our veterans and the charities supporting so many of them. The pandemic has precipitated reductions in funding, increased demand for some services, compounded complexities in the provision of support, as well as making it harder to identify those often difficult to find veterans who may need it. I have been impressed and encouraged by the way that our member organisations have adapted and met the new challenges presented.

The need for the effective delivery of our principle functions, Communication, Collaboration, Coordination and Cooperation across our membership and other organisations, has again been highlighted. I believe that we have delivered on this, and I am pleased to see the ways that mutually beneficial collaboration has continued to enhance the well-being of the Armed Forces and Veterans Community across Scotland. Our Newsletter is now being distributed directly to over 400 recipients, a 30% increase on previous years; we estimate that 3,000 further people see it through social media. The sharing of accurate and up to date information on the Veterans Assist website is also important; typically, we update the website within 24 hours of identifying amendments being required.

The work of our Groups makes a genuine difference to veterans and their families living in Scotland. As examples:

- The Health & Well-Being Group is now attended by over 30 organisations, an increase of 10 in the last year. This Group has engaged with the Scottish Veterans Care Network from the outset, making sure that VS members were embedded in it at every level. Importantly this ensured that veterans views were fully incorporated into its work, including influencing the development of the Mental Health Action Plan. Throughout the pandemic, this Group ensured that examples of good practice were shared; thus reducing the impact of the loneliness and isolation many were experiencing. More recently, the Group has ensured that veterans matters and obligations to the Armed Forces Covenant are included in the Scottish Government's consultation of the Social Care Service.
- Our Housing Group, working with many Statutory, Third Sector and Veterans' organisations, has developed a Housing Pathway to ensure that veterans receive better advice on accessing housing solutions to meet their needs. We are now seeing a steady increase in the numbers of veterans and their families using this Pathway and benefitting from long term sustainable accommodation. Scottish Government has also asked the Group to take the lead on developing a Homelessness Pathway for veterans.
- The Comradeship & Remembrance Group has continued to work effectively, in spite of the severe restrictions that have been in place throughout the pandemic. The many virtual and 'limited access' events that have been organised over the last eighteen months is commendable. We have seen great flexibility on the part of the Group's members in ensuring that many veterans have been able to continue to engage with them through regular phone calls, virtual meetings and on-line activities. This has gone a significant way to improve the quality of life and to reduce the impact of social isolation for many veterans and their families.
- Our Employment Group has focused on greater engagement with Employers, ensuring that they have an understanding of the benefits that veterans can bring to their organisations. In achieving this, the Group has worked closely with Skills Development Scotland, the Department for Work and Pensions and many employers and their representative bodies across Scotland. VS has also influenced the introduction of an employers' advisory council in Scotland and, as a result of this work, employers' perspectives on veterans is improving. The net result of this work is seeing more veterans into viable long-term employment.
- The Grants to Individuals and Grants to Organisations Groups have continued to work across many of the grant funding charities and with other Third Sector organisations. By liaising with each other, they are able to identify emerging areas of need and to consider how resources may be used most effectively to ensure that those veterans and families in most need are supported. The Groups are in a strong position to identify and advise both existing and new charities on how to make the best use of their resources.

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

- The Public Policy & Public Affairs Group has continued to look at ways that veterans can be included on the public agenda in Scotland. Prior to the Scottish Election in May, VS hosted a 'virtual hustings' in which the five main political parties were able to present their views on veterans and were questioned on them. We have also continued to influence the work of the Scottish Parliament's Cross Party Group, making recommendations on its agenda and informing discussions at its meetings.

I encourage our members to participate in those Groups which overlap their areas of interest. We have also continued to maintain links with local authorities and communities through the Firm Base network.

We are seeing progress with the transition of the Armed Forces Covenant into legislation. The proposals will impose a new duty on relevant public bodies, to have due regard to the unique obligations of, and sacrifices made by, the Armed Forces. Such public bodies will need to recognise the principle that it is desirable to remove disadvantages arising for service people from membership, or former membership, of the Armed Forces; and the principle that special provision for Service People may be justified by the effect on such people of membership, or former membership, of the Armed Forces.

The new duty will require those who are subject to it to consider the Armed Forces Community when developing policy, procedures and making decisions in the specified policy areas, taking the three principles set out above into consideration. Veterans Scotland is continuing to work with local authorities and other public bodies to develop their understanding of these obligations.

I am grateful to all of the organisations that provide the funding that enables us to carry out this role. Thank you in particular to our member organisations, the Forces in Mind Trust and the Scottish Government for their generous funding, without which we would not be able to carry out the work we do.



Maj Gen Chris Hughes CBE
Executive Chairman
15 October 2021

VETERANS SCOTLAND

A COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present their report and financial statements for the year ended 31 March 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's governing document, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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).

Objectives and activities

Veterans Scotland is a membership organisation of some 87 Service and ex-Service charities and other organisations that support the Armed Forces and Veterans Community (AFVC). The AFVC includes serving members of the armed forces and their families, including those in transition to civilian life, and members of the ex-Service community, including veterans and their immediate families.

Veterans Scotland will represent and support the interests of its member organisations, and promote mutually beneficial collaboration, in order to enhance the well-being of the AFVC across Scotland. Veterans Scotland works with statutory and non-statutory organisations, promoting an improved understanding of their obligations to the Armed Forces Covenant; this role is becoming increasingly important as the Covenant becomes a legal requirement.

Strategic Objectives

- **Communication:** Influence and inform Scottish and Local Government, and linked organisations, to promote the Covenant, improving its delivery across Scotland.
- **Collaboration:** Enhance the efficiency and effectiveness of member organisations by encouraging the sharing of good practices, reducing duplication of effort and sharing resources where appropriate.
- **Co-ordination:** Encourage and promote services available to support members of the AFVC from statutory, third sector and Service charities widely.
- **Cooperation:** Identify mutual objectives across member organisations and other third sector and statutory organisations and encourage cooperation between them.

Veterans Scotland seeks to achieve its objectives by:

- enabling forums for collaboration between member organisation and the wider third sector and statutory organisations;
- providing support to Local and National Government in the delivery of their obligations to the Covenant;
- reviewing reports on subjects relating to the AFVC, disseminating them to member organisations and providing comment on the reports;
- provide a voice for the veterans' community in Scotland;
- reviewing and providing feedback on progress made by statutory organisations on the way they are meeting their obligations to the Covenant;
- representing the interests of its member organisations at Cobseo;
- enhancing and increasing membership of Veterans Scotland by demonstrating value in membership;
- develop an annual business plan;

In achieving these aims we will deliver our Vision of being the acknowledged "voice" of the Scottish Veterans in matters of policy and in respect of issues of general concern. Veterans Scotland will work closely with member charities to achieve maximum benefit to the Veterans community by bringing to bear the collective and unified views of all those who work on behalf of Scottish veterans.

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

The directors have paid due regard to guidance issued by the Office of the Scottish Charity Regulator in deciding what activities the charitable company should undertake.

Achievements and performance

Veterans Scotland's activities have been affected by the pandemic, the primary impact of which has been that staff have been working from home and meetings and liaisons have taken place online. Liaison with member organisations, statutory organisations and others has continued to be effective. Information on the Veterans Assist website continues to be well received. Our weekly newsletter shared examples of the way organisations were adapting to the pandemic from its early stages in March and April 2020.

Advice and ideas on how to maintain and adapt services were shared across our membership. We were able to distribute information on UK and Scottish Governments initiatives covering topics that included grants, funding and advice on staying safe. Veterans Scotland ensured that Scottish Government and Local Authorities were kept informed of the impact the pandemic was having on member organisations.

We continue to work with the Scottish Government's Veterans and Armed Forces Personnel Unit, and with other Departments within Scottish Government. We also work with many organisations, such as Skills Development Scotland, the Department for Work and Pensions, NHS Scotland and Universities & Colleges; this assists them as they develop their policies in relation to the Armed Forces and Veterans Community.

Informing Scotland briefings

The pandemic has curtailed the delivery of our Informing Scotland briefings. These are conference style meetings at which staff and policy makers from local authorities and other organisations with obligations to the Armed Forces Covenant are briefed on the covenant and have the opportunity to consider how it may be delivered in their areas. Veterans Scotland has maintained contact with local authorities 'virtually' through local Covenant Groups; we anticipate restarting conferences in November 2021.

Cross Party Group

The Cross Party Group (CPG) on The Armed Forces and Veterans Community in the Scottish Parliament, which Veterans Scotland coordinates, has continued to meet in a virtual format. Meetings have been held on line on MS Teams. The CPG continues to thrive and has seen an increase in attendance. Eleven MSPs are members of the Group, some 8.5% of all MSPs, and typically meetings are attended by five, with occasional attendance by MSP's who are not members but have an interest in the topics for discussion.

MSP's attending the meetings have been updated on topics including: The role of Defence Transition Defence Services; The role of Local Authority Champions; Transition; Cadets in Scotland; The impact of the pandemic on Service Charities, and how they have adapted; The Scottish Veterans Care Network; and Israel's approach to support for veterans.

At the end of the parliamentary session, in April 2021, the CPG was suspended pending the results of the election in May; it was subsequently reconvened in June 2021.

Veterans Scotland Groups

Veterans Scotland Groups continue to be the main focus for interaction between our member organisations. Groups consider: Comradeship & Remembrance; Employment & Support; Grants; Health & Well-Being; Housing; and Public Policy & Public Affairs. Groups are open to any member organisation with an interest in the topic; membership may also include statutory organisations, such as staff from the Scottish Government's Health Department, in order that they are engaged at first hand with matters relating to veterans.

Groups have continued to meet regularly via virtual meetings.

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Communication

Veterans Assist continues to provide a wide range of information for veterans and those supporting veterans. Typically there are 1,200 separate individuals accessing the website monthly; information being sought tends to focus on General Information, contact details for Champions, Housing, Finance, Employment and General Support services. Our monthly Newsletter, distributed electronically, is also being very positively received, providing an excellent format to inform a wide audience including all Champions, member organisations and others. We believe that the Newsletter is shared to around 3,000 people.

A Strategy for Our Veterans

Veterans Scotland has been fully involved with the Scottish Government during its consultation on the Strategy for Our Veterans, promoting and encouraging response from across the membership and enabling local focus groups.

Financial review

Total income and expenditure amounted to £361,692 (2020: £369,936) and £309,794 (2020: £355,413) respectively resulting in net incoming resources of £51,898 (2020: £14,523 surplus) for the year under review (figures exclude accommodation grant & offsetting expenses from Poppyscotland).

Unrestricted funds

Voluntary income from grants, legacies and subscriptions amounted to £56,250 (2020: £57,040), Investment income was £78 (2020: £396) reflecting a gross income of £56,328 (2020: £57,436), this is largely in line with the previous year reflecting the annual support from member organisations. Expenditure from unrestricted funds amounted to £52,040 (2020: £52,400) which was spent on our core activities, administering, representing and promoting the aims and objectives of the charitable company.

Restricted funds

Incoming resources amounted to £305,364 (2020: £312,500) with £257,754 (2020: £303,013) being expended in furtherance of the funding aims agreed with the grant-giving organisations. A balance of £67,397 (2020: £29,787) will be carried forward to fund the agreed outstanding activities.

Funds

Total funds at 31 March 2021 amount to £269,047 (2020: £217,149) representing £201,650 (2020: £187,362) and £67,397 (2020: £29,787) of unrestricted and restricted funds respectively as per Note 13 of the Financial Statements and are held as current assets, including cash balances of £274,905 (2020: £222,981) at the year-end date of 31 March 2021.

Reserves policy

The directors have reviewed the reserves of the charitable company. The review examined the nature of income and expenditure streams and the need to ensure the availability of sufficient reserves to meet future demands. The directors concluded that the level of reserves is appropriate to support the current level of work undertaken by the organisation and that it should retain sufficient unrestricted reserve for a twelve-month period, in the event of a catastrophic reduction in funding. This would enable existing projects to be completed or passed to other organisations for completion in an appropriate manner, alternative funding sources to be found or a managed reduction of activity to take place. The current unrestricted reserve of £201,650 represents 13 months expenditure according to current projections, excluding grants provided in respect of the Scottish Veterans Fund for which the Scottish Government and Standard Life Aberdeen have responsibility. Continuing support from membership organisations or other sources of revenue may become necessary to support any increased levels of activity considered by the directors as necessary to advance the interests of the ex-Service community in Scotland on an ongoing basis. Whilst having agreed to manage elements of the Scottish Veterans Fund on behalf of the Scottish Government, Veterans Scotland are not liable for any shortfall in agreed grants to its final recipients. VS is a conduit for the Scottish Veterans Fund.

Public benefit

In considering the operation, achievements and performance and finances of the charitable company, the directors are satisfied that public benefit has been provided in accordance with the Charities and Trustees Investment (Scotland) Act 2005 and guidance provided by the Office of the Scottish Charity Regulator.

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Risk management

The directors have assessed the major risks to which the charitable company is exposed, in particular those related to the operations and finances of the organisation, and are satisfied that systems are in place to mitigate exposure to the major risks.

Investment policy and performance

The directors consider that available surplus funds should be held in an interest bearing bank account.

Plans for future periods

Veterans Scotland intends to continue to implement its strategy in order to ensure that Scotland is an environment where veterans are regarded as an asset to society. It will achieve this by continuing to promote the advantages of having served as well as seeking to prevent disadvantages that may come about as a result of service, in line with the Armed Forces Covenant. As the Covenant becomes a legal obligation for statutory organisations, we see increasing need for it to be explained to those organisations, and for them to gain an understanding of the unique obligations and sacrifices Service brings, and the disadvantages that may be faced.

In the short to medium term, a significant focus for our work will be on adjusting to the post-pandemic environment.

We intend to continue to work closely with the Scottish Government, the Scottish Veterans Commissioner and the UK Government in order to seek an optimal outcome from the Strategy for Our Veterans.

Funding for core activity will continue to be sought from member organisations. However, in order to extend our reach, further funding for particular projects will continue to be sought from Scottish Government, UK Government, Trusts and other funding providers.

Structure, governance and management

Veterans Scotland is governed by Trustees who are Directors in terms of the Companies Act. The Directors of the Company are also under the Company's Articles known as Members of the Executive Committee. Membership of the Executive Committee is for 3 years and at each AGM one third of the Members shall retire but shall be eligible for re-election for a further 3 years.

The directors who served during the year were:

Dr Claire Armstrong	
Mr Adrian Bell	
Col Mark Bibbey	(Resigned 1 July 2020)
Wg Cdr Ian Cumming MBE	
Wg Cdr Gavin Davey OBE	
Ms Sue Freeth	(Resigned 31 January 2021)
Lt Gen Sir Andrew Gregory KBE CB	
Brig Barry John le Grys MBE	(Resigned 1 June 2020)
Col Kevin Haugh CBE	
Maj Gen Chris Hughes CBE	
Maj (Retd) Norman Mackinnon MBE	(Resigned 17 June 2021)
Brig Martin Nadin OBE	
Mrs Melanie Waters OBE	
Mr Mark Collins	(Appointed 1 July 2020)
Mr Jeffrey Harrison	(Appointed 31 January 2021)
Brig Jon Bryant	(Appointed 1 June 2020)
Mr K Gray MM	
Lt Col (Retd) Kevin Wood	(Appointed 17 June 2021)

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Organisation

Day to day management and operations are delegated to the General Secretary who is accountable through the line management structure to the Executive Chairman and the Executive Committee. Directors are elected at the Annual General Meeting, or are co-opted. Board members have no beneficial interest in the charitable company. They have only the powers their positions on the Board allow them.

New directors are given a copy of the charitable company's governing documents, the latest report and accounts. Subject to their experience and expertise, they are also given pamphlets issued by the Office of the Scottish Charity Regulator explaining the duties of Trustees of Charities and offered training in any areas of their duties which they think they would like strengthening.

Staff within Veterans Scotland include a full time Office and Communications Support Co-ordinator, managing the office and providing a full time point of contact, and a part time Housing and Communications Officer (currently gapped), part time Support Pillar Officer and a part time Health and Well-Being Officer who support the work of our Pillars and promote Veterans Scotland's objectives.

Statement of directors' responsibilities

The directors, who also act as trustees for the charitable activities of Veterans Scotland, are responsible for preparing the Directors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the directors to prepare accounts for each financial year which 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 year.

In preparing these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 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.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The directors' report was approved by the Board of Directors.



Col James Wilson

Charity Secretary

Dated: 15 October 2021

**VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
INDEPENDENT EXAMINER'S REPORT
TO THE DIRECTORS OF VETERANS SCOTLAND**

I report on the financial statements of the charitable company for the year ended 31 March 2021, which are set out on pages 9 to 20.

Respective responsibilities of directors and examiner

The charitable company's directors, who also act as trustees for the charitable activities of Veterans Scotland, are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investments (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The directors consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charitable company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the financial statements.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



Douglas Gould LLB CA

Greaves West & Ayre
8 St. Ann's Place
Haddington
East Lothian
EH41 4BS

Dated: 15 October 2021

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Income from:</u>							
Donations and legacies	3	56,250	305,364	361,614	57,040	312,500	369,540
Investments	4	78	-	78	396	-	396
Total income		56,328	305,364	361,692	57,436	312,500	369,936
<u>Expenditure on:</u>							
Charitable activities	6	52,040	257,754	309,794	52,400	303,013	355,413
Net incoming resources before transfers		4,288	47,610	51,898	5,036	9,487	14,523
Gross transfers between funds		10,000	(10,000)	-	10,049	(10,049)	-
Net movement in funds		14,288	37,610	51,898	15,085	(562)	14,523
Fund balances at 1 April 2020		187,362	29,787	217,149	172,277	30,349	202,626
Fund balances at 31 March 2021		201,650	67,397	269,047	187,362	29,787	217,149

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Cash at bank and in hand		274,905		222,981	
Creditors: amounts falling due within one year	11	(5,858)		(5,832)	
Net current assets			269,047		217,149
Income funds					
Restricted funds	12	67,397		29,787	
Unrestricted funds		201,650		187,362	
		269,047		217,149	

The charitable company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021. No member of the charitable company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The directors' responsibilities for ensuring that the charitable company keeps accounting records which comply with section 386 of the Act and section 44 of the Charities and Trustee Investment (Scotland) Act 2005 and for preparing accounts which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the charitable company.

The members have not required the charitable company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Directors on 15 October 2021



Maj Gen Chris Hughes CBE
Trustee



Brig Martin Nadin OBE
Trustee

Company Registration No. SC239808

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Veterans Scotland is a private charitable company limited by guarantee incorporated in Scotland. The registered office is New Haig House, Logie Green Road, Edinburgh, EH7 4HR.

1.1 Accounting convention

The accounts have been prepared in accordance with the charitable company's governing document, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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 charitable company is a Public Benefit Entity as defined by FRS 102.

The charitable company has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the directors in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Membership subscriptions are recognised in the year in which they are received.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

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

1.5 Resources expended

All expenditure is accounted for on an accruals basis. Costs are allocated to appropriate headings, based on the activities to which they are attributable.

Support costs are those incurred in connection with the administration of the charitable company and compliance with constitutional and statutory requirements.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Donations and gifts	56,250	-	56,250	57,040
Grants receivable	-	305,364	305,364	312,500
	<u>56,250</u>	<u>305,364</u>	<u>361,614</u>	<u>369,540</u>
For the year ended 31 March 2020	<u>57,040</u>	<u>312,500</u>		<u>369,540</u>
Donations and gifts				
Members subscriptions	56,250	-	56,250	56,090
Donations	-	-	-	950
	<u>56,250</u>	<u>-</u>	<u>56,250</u>	<u>57,040</u>
Grants receivable for core activities				
Scottish Veterans Fund	-	176,128	176,128	200,000
Scottish Government Funding (Catalyst for Change)	-	83,990	83,990	90,000
FiMT Funding	-	45,246	45,246	22,500
	<u>-</u>	<u>305,364</u>	<u>305,364</u>	<u>312,500</u>

4 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Interest receivable	<u>78</u>	<u>396</u>

5 Donated Services

Office facilities were provided by Poppyscotland free of charge.

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

6 Charitable activities

	Core activities £	Scottish Veterans' Fund £	Catalyst for Change £	FiMT Grant £	Total 2021 £	Total 2020 £
Grant funding of activities (see note 7)	-	166,128	-	-	166,128	200,000
Share of support costs (see note 8)	50,980	-	78,638	12,988	142,606	154,728
Share of governance costs (see note 8)	1,060	-	-	-	1,060	685
	<u>52,040</u>	<u>166,128</u>	<u>78,638</u>	<u>12,988</u>	<u>309,794</u>	<u>355,413</u>
Analysis by fund						
Unrestricted funds	52,040	-	-	-	52,040	
Restricted funds	-	166,128	78,638	12,988	257,754	
	<u>52,040</u>	<u>166,128</u>	<u>78,638</u>	<u>12,988</u>	<u>309,794</u>	
For the year ended 31 March 2020						
Unrestricted funds	52,400	-	-	-		52,400
Restricted funds	-	200,000	79,951	23,062		303,013
	<u>52,400</u>	<u>200,000</u>	<u>79,951</u>	<u>23,062</u>		<u>355,413</u>

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

7 Grants payable

	Scottish Veterans' Fund 2021 £	Scottish Veterans' Fund 2020 £
Grants to institutions:		
Fares 4 Free	15,000	15,000
SAFFA - GHH	-	5,000
Veterans Garden Dumfries	15,000	-
RBLI Scotlands Bravest Manufacturing	-	40,794
Bravehound	-	15,000
Erskine	15,000	15,000
Lothian Veterans Centre	17,270	-
Salute my job	-	14,400
SBMC	-	13,000
RFEA	15,000	37,280
Poppy Scotland EHFS	-	7,064
MacRobert Arts Centre	-	8,579
Guide Dogs for the Blind	14,044	-
Garelochhead Station Trust	10,004	-
Support in Mind Scotland	9,123	14,483
DMWS	13,958	-
RCET	14,681	-
SVR	3,448	14,400
Mindfulness Scotland	3,600	-
RBLI - SMC	15,000	-
Scottish Government	5,000	-
	<u>166,128</u>	<u>200,000</u>

The above grants were awarded on behalf of the Scottish Veterans' Fund during the year.

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

8 Support costs

	Support costs £	Governance costs £	2021 £	2020 £	Basis of allocation
Staff costs	44,270	-	44,270	44,030	
Office expenses - other	6,710	-	6,710	7,684	
Independent examiner fees	-	1,060	1,060	685	Governance
Catalyst for Change	78,638	-	78,638	79,951	
FiMT costs	12,988	-	12,988	23,062	
	<u>142,606</u>	<u>1,060</u>	<u>143,666</u>	<u>155,412</u>	
Analysed between Charitable activities	<u>142,606</u>	<u>1,060</u>	<u>143,666</u>	<u>155,412</u>	

9 Directors

In his capacity as Executive Chairman Maj Gen Chris Hughes was remunerated on behalf of the charitable company:

Maj Gen Chris Hughes - Salary & Social Security £15,089 (2020: £15,832), Transport & Subsistence £Nil. (2020: £967)

No other directors (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Permanent staff	<u>5</u>	<u>5</u>
Employment costs		
	2021 £	2020 £
Wages and salaries	126,472	106,698
Social security costs	6,773	7,268
	<u>133,245</u>	<u>113,966</u>

There were no employees whose annual remuneration was £60,000 or more.

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

11 Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals and deferred income	5,858	5,832
	<u>5,858</u>	<u>5,832</u>

**VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2019 £	Movement in funds			Balance at 1 April 2020 £	Movement in funds			Transfers £	Balance at 31 March 2021 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £		
Scottish Veterans Fund	-	200,000	(200,000)	-	-	176,128	(166,128)	(10,000)	-	-
Queen's Jubilee Fund	12,396	-	-	-	12,396	-	-	-	-	12,396
Catalyst for Change	-	90,000	(79,951)	(10,049)	-	83,990	(78,638)	-	-	5,352
FIMT Funding	17,953	22,500	(23,062)	-	17,391	45,246	(12,988)	-	-	49,649
	<u>30,349</u>	<u>312,500</u>	<u>(303,013)</u>	<u>(10,049)</u>	<u>29,787</u>	<u>305,364</u>	<u>(257,754)</u>	<u>(10,000)</u>		<u>67,397</u>

Scottish Veterans Fund: this represents sums received to support initiatives on the basis of funding applications for funding from veterans' organisations.

Queen's Jubilee Fund: in 2012 a sum of £50,000 was provided to fund improved communication, promotion and advertising of the Veterans Assist website and the development of Roadshows. Our plan for this fund is to use it to cover the costs of roadshows and similar activity as this was the original purpose of the fund which was not time limited.

Catalyst for Change: for fund support posts within Veterans Scotland to enhance the level of support to housing, health and well-being and general support across the Veterans community.

The sum of £10,000 was transferred from the restricted Scottish Veterans Fund to the unrestricted General Funds in order to reflect administrative costs which were included in expenditure from unrestricted funds that were incurred by the Scottish Veterans Fund.

FIMT Funding: Forces in Mind Trust is granting £75,000 for the Informing Scotland project over a three year period, the purpose of which is to provide improved delivery of the Covenant amongst Armed Forces and Veterans Champions at Local Authority level.

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

13 Analysis of net assets between funds

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Current assets/ (liabilities)	201,650	67,397	269,047	187,362	29,787	217,149
	<u>201,650</u>	<u>67,397</u>	<u>269,047</u>	<u>187,362</u>	<u>29,787</u>	<u>217,149</u>

14 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Total remuneration	<u>15,089</u>	<u>16,799</u>

15 Volunteers

In common with many charities the members benefit from the contribution made by volunteers who give their time and talents willingly for the benefit of the organisation. The areas of activity which rely on the contribution of volunteers are many and varied and much of the activity would be unable to continue were it not for the commitment shown.

16 Company limited by guarantee

Veterans Scotland is a charitable company limited by guarantee and accordingly does not have a share capital.

Every member of the charitable company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member.

VETERANS SCOTLAND
A COMPANY LIMITED BY GUARANTEE
DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021

	£	2021 £	£	2020 £
Donations and legacies				
Members subscriptions	56,250		56,090	
Donations	-		950	
Scottish Veterans Fund	176,128		200,000	
Scottish Government Funding (Catalyst for Change)	83,990		90,000	
FiMT Funding	45,246		22,500	
		361,614		369,540
Investment income				
Interest received		78		396
Total incoming resources		361,692		369,936
<u>Resources expended</u>				
Charitable activities				
Core activities				
Share of support costs - unrestricted		(50,980)		(51,715)
Scottish Veterans' Fund				
Grants distributed on behalf of the Scottish Veterans Fund	166,128		200,000	
		(166,128)		(200,000)
Catalyst for Change				
Share of support costs - restricted		(78,638)		(79,951)
FiMT Grant				
Share of support costs - restricted	12,988		23,062	
		(12,988)		(23,062)
Governance costs				
Independent examiners fees		(1,060)		(685)
Total resources expended		(309,794)		(355,413)
Surplus for the Year		51,898		14,523